CREATIVE KERNOW LIMITED

England & Wales · Charity number 292138

Details

Other names	CORNWALL ARTS CENTRE TRUST TRURO LIMITED, ACT, ARTS CENTRE TRUST, ARTS CENTRE TRUST & ACT, CREATIVE SKILLS
Status	Registered
Legal form	Charitable company
Company number	01727731
Registered	1986-05-08
Register	View on the Charity Commission register

Contact

Address	Creative Kernow Ltd Krowji West Park Redruth Cornwall TR15 3GE
Phone	01209 313200
Email	sophie@creativekernow.org.uk
Website	www.creativekernow.org.uk

Activities

Objects: TO EDUCATE THE PUBLIC IN THE ARTS OF DANCE AND DRAMA AND TO FURTHER THE DEVLOPMENT OF PUBLIC APPRECIATION AND TASTE IN THE SAID AND ALL VISUAL AND OTHER ARTS AND TO ASSIST AND FURTHER SUCH CHARITABLE INSTITUTIONS AND CHARITABLE PURPOSES AS THE CONCIL SHALL FROM TIME TO TIME DETERMINE AND GENERALLY AS FURTHER STATED IN THE MEMORANDUM OF ASSOCIATION OF THE COMPANY.

Activities: We deliver initiatives in support of the creative industries and wider cultural activities in Cornwall. These include a rural touring scheme for communities in Cornwall; a community arts investment programme; education, skills development and training; workspaces for practitioners; information, advice and guidance; and campaigning with partners across Europe to support culture in rural areas.

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Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** Education/training, Arts/culture/heritage/science, Amateur Sport, Environment/conservation/heritage, Economic/community Development/employment, Recreation
- **Who:** The General Public/mankind

Geography

- Cornwall

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£2,359,538	£2,427,474	£4,758,638	29
2024-03-31	£3,072,696	£3,153,549	£4,826,574	36
2023-03-31	£3,675,571	£3,131,943	£1,387,873	37
2022-03-31	£3,118,703	£3,033,816	£844,245	39
2021-03-31	£2,486,419	£2,311,058	£838,037	35

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Trustees

Name	Role	Appointed
Paul Kevin Brookes	Chair	2023-05-15
Ajay Chhabra		2021-01-25
Amanda Berry		2021-01-25
Claudia Avila De Oldroyd		2024-10-21
Hannah Marie Irwin-Bowler		2022-03-24
James Alexander Michael Ernest Sculthorp-Wright		2022-03-24
Jonathan Bray		2022-03-24
Paul Lionel Springer		2023-02-20
Sam Jones		2024-10-21
Sovay Alice Berriman		2024-10-21
Tamara Lesley Bedford		2021-01-25

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CREATIVE KERNOW LIMITED

England & Wales - Charity number 292138

Accounts

Company Registration No. 01727731 (England and Wales)
Charity No. 292138

Creative Kernow Limited

Trustees' report and financial statements for the year ended 31 March 2025

Creative Kernow Limited

Company information

Trustees	Tamara Bedford Amanda Berry Jonathan Bray (resigned 7 May 2025) Paul Brookes Ajay Chhabra Hannah Irwin James Sculthorp-Wright Paul Springer Claudia Alvila de Oldroyd (appointed 21 October 2024) Sam Jones (appointed 21 October 2024) Sovay Alice Berriman (appointed 21 October 2024) Lisa Telfer Brunton (appointed 21 October 2024)
Company Secretary`	Sophie Norvill (appointed 19 September 2025) Tonia Yu (appointed 31 March 2024 and resigned 19 September 2025) Fiona Wooten (resigned 31 March 2025)
Company number	01727731
Charity number	292138
Registered office	Krowji West Park Redruth Cornwall TR15 3AJ
Independent auditors	Westcotts LLP
Bankers	CAF Bank Limited PO Box 289 WEST MALLING Kent M19 47A Lloyds Bank Plc 7 Boscawen Street TRURO Cornwall TR1 2QT

Creative Kernow Limited

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Creative Kernow Limited

Trustees' report
For the year ended 31 March 2025

The Trustees (who are also Directors of the Company) present their report, together with the audited financial statements of the charitable company, for the year ended 31 March 2025.

1. TRUSTEES AND ADMINISTRATIVE DETAILS

Trustees:

The Trustees of the charitable company are its trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees who served during the year and since the year-end were as follows:

Tamara Bedford	
Amanda Berry	
Jonathan Bray	
Paul Brookes	
Ajay Chhabra	
Hannah Irwin	
Eleanor Jubb	
James Sculthorp-Wright	
Paul Springer	
Claudia Alvila de Oldroyd	(appointed 21 October 2024)
Sam Jones	(appointed 21 October 2024)
Sovay Alice Berriman	(appointed 21 October 2024)
Lisa Telfer Brunton	(appointed 21 October 2024)

All directors of the company are also trustees of the charity and there are no other trustees. The Board has the power to appoint additional trustees as it considers fit to do so. Although no specific training is required for new trustees, they are made aware of the useful guidance offered by the Charity Commission and others. Policy decisions are made by the Board at regular meetings.

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Creative Kernow Limited is a charity registered in England and Wales (charity number 292138) and is a company limited by guarantee (company number 01727731). It has no share capital. On appointment as a trustee you are automatically made a member. Membership ends when you cease to be a trustee. The liability of each member in the event of winding-up is limited to £5. The governing documents are the Memorandum and Articles of Association.

Appointment of Trustees, training and induction

All directors of the company are also trustees of the charity and there are no other trustees. The Board has the power to appoint additional trustees as it considers fit to do so. Although no specific training is required for new trustees, they are made aware of the useful guidance offered by the Charity Commission and others. Policy decisions are made by the Board at regular meetings.

Organisation

During 2024/25 Creative Kernow Ltd had three wholly-owned subsidiary companies in the year which gift-aid any profits to the charity each year. Their activities during the year are covered as part of the report below.

Krowji Ltd is a company limited by shares, number 05420248, and wholly owned by Creative Kernow. It has a board of directors –Greg Oldrieve (Chair), Jonathan Bray, Katie Treggiden (resigned 30/04/24), Anna Brown and Matthew Brown. It was established in 2005 and its main role is to operate the creative workspace cluster at Krowji in Redruth - the freehold of the property is held by Creative Kernow and Krowji Ltd has a long leasehold interest.

Creative Kernow Enterprises Limited, which changed its name on June 2025 from Cornwall Arts Marketing Limited is a company limited by shares, number 04346555, and wholly owned by Creative Kernow Limited. It has a board of directors – Paul Brookes (Chair) and Hannah Irwin. Its main role is to operate the Cornwall 365 What's On listings service and printed guide, box office and consultancy services. In June 2025, the board of directors agreed to a resolution to change the company name to Creative Kernow Enterprises Ltd, a more appropriate name for carrying out all Enterprise activities for the charity group. The name change is in progress at this time of writing.

Screen Cornwall Limited is a company limited by shares, number 11881973, and wholly owned by Creative Kernow. It has a board of directors – Phillippa Giles (Chair), Simon Harvey, Mandy Berry, Amanda Pyne, Francesca Gilpin and Alex Smith. It was set up to drive the development of the screen industries in Cornwall and the Isles of Scilly, working with incoming film & TV productions, businesses, and individual freelancers to build a strong and thriving production sector. This company was converted to a Community Interest Company on 3rd January 2025. On 11th March 2025 Creative Kernow Limited sold a 86% share of the company and therefore at the year end it was no longer part of the group.

All three subsidiary companies were established to carry on activities which are directly in pursuit of Creative Kernow's charitable objects and so could legitimately be carried on by the charity itself, but which the trustees judged to be more prudently carried on in a subsidiary company for reasons of financial efficiency and to reduce the risk to the charity's core assets.

Related Parties

The charity had three wholly owned subsidiary companies in the year. There are no other related parties.

Risk Management

The Trustees have identified the major risks to which the charity is exposed, and systems have been established to mitigate these risks. The main procedures in place for identifying, evaluating and managing risks are:

* A comprehensive budgeting and planning system with an annual budget and strategic plan;
* Regular management accounts analysing performance against budgets;
* An annual review of risk and strategies to mitigate those risks.

Public benefit statement

The Trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

3. OBJECTIVES AND ACTIVITIES

The objectives of the charity are to provide exhibitions of the arts of dance and drama, to provide training in the arts and arts management and to further the public appreciation of the aforesaid. The board resolved to adopt the Charity Commission model articles of association in March 2025.

4. ACHIEVEMENTS AND PERFORMANCE

This group report covers the financial year from April 2024 to March 2025. It reviews our objectives, activities, and governance; our achievements and financial performance during the year; our work with other agencies and organisations; and our future plans for the organisation and its subsidiary companies.

Creative Kernow is the cultural and creative sector support organisation for Cornwall and the Isles of Scilly. We are a charity with a mission to champion creativity as a force for positive change in Cornwall and the Isles of Scilly. We do this through enriching and energising creative communities of place and practice through the production, distribution and promotion of artistic work, networks, and knowledge.

Our core programmes deliver activity in three dynamically interdependent areas:

Creative Communities

Investing in high quality cultural and creative experiences which are accessible to all and which contribute to placemaking, confidence, connection and health. Our activity includes:

- FEAST grant fund for co-created community led arts projects
- Carn to Cove – touring live performance to a network of rural venues
- C Fylm - community film clubs
- Arts Lab – creative health programme for young people

These programmes form our activity funded by Arts Council England

Creative Enterprise

Supporting creative businesses to grow and play a crucial role for the wider economy to flourish and succeed

Development of our trading companies and enterprise services

Creative Hubs

Providing affordable professional workspace for the creative industries at Krowji in Redruth

Exploring options for expansion into other locations.

Our trading business

We extend the work of the charity and generate additional commercial income through our three trading companies:

Creative Kernow Enterprises Limited (Formally known as Cornwall Arts Marketing Limited)

- Creative consultancy – particularly community engagement, placemaking and event marketing
- Publishing – Cornwall 365 guide and event listings website
- Provision of box office services to local productions
- Developing an offer for paid for business support services

Krowji

- Cornwall's leading creative hub providing affordable creative workspace. Currently on two sites in Redruth with plans to expand.

Screen Cornwall

- Screen agency and film office for Cornwall providing skills and talent development, production consultancy and lobbying for a Cornish Public Service Media.

Creative Kernow is a well-established charity and social enterprise with an experienced board of trustees and a strong staff team. Our finances are broadly based with a variety of income sources including long-term grant support from Arts Council England and Cornwall Council. Following Brexit and the end of the European funding programmes we have succeeded in securing funding through the succession streams Community Renewal and the Shared Prosperity Fund. Earned income from commissions and contracts, box office income from events and rental income from our workspace cluster in Redruth are also significant revenue streams.

Creative Kernow contributes significantly to developing and delivering effective models for creative and cultural practice, sector, community and audience engagement, clusters and networks and leadership development in our rural region. We continually develop new projects and partnerships, seeking opportunities to enhance our sustainability as an organisation, supporting other initiatives and playing an active role in advocacy and leadership for the sector and for Cornwall. Creative Kernow has a good track record of developing innovative projects, investing in our staff, being willing to take risks and planning for the longer term.

PERFORMANCE

This section provides a summary of activity between April 2024 and March 2025, and it is divided into our programme delivery strands: Creative Communities, Creative Enterprise, and Creative Hub Development.

Creative Communities

FEAST

86 projects received funding from FEAST in 24/25, receiving in total around £141,500, engaging with over 1,500 artists across the length and breadth of Cornwall. The combined live audience for FEAST-funded events was over 651,000, with 12,600 participants. The FEAST team continues to provide important advice and guidance for those developing arts and cultural project in Cornwall, responding to a high volume of calls and emails. Offering over 650 engagements, enquiry response and advice sessions this year.

FEAST programme in 24/25 was further enhanced by Shared Prosperity Fund (SPF) to expand on its work with community-led festivals in Cornwall – providing festival enhancement grants as well as skills development and networking sessions. We overachieved on all our outputs for SPF, including 116 organisations attending networking events/training sessions, enabling 65 new programmes and 786 volunteer opportunities through our the festival enhancement grant.

Carn to Cove

Our rural touring scheme, Carn to Cove, delivered two successful seasons. Engaged 52 artists to present work in 78 venues, totalling 97 events in locations across Cornwall, reaching an audience of 4,901. 4 menu parties were held for over 100 promotors to select performances showcased. A survey in the final quarter of 2024/25 indicated that 28% of the audience were first time Carn to Cove attendees. The performances supported income generation for village halls where performances took place, as well as generating some earned income for the charity – totalling £32,790.

Arts Lab

Arts Lab, the collaborative project between Creative Kernow, Arts Well and Headstart Kernow, continued to work with young people across Cornwall to deliver bespoke projects co-designed by young people and artists.

In 24/25, Arts Lab worked with 32 schools and youth settings, benefiting 1161 young people, 98 teachers, and provided employment/CPD for 97 artists. Additional funding has also been secured this year for additional activity with Cornwall Resettlement Service to include training, CPD and work with 9 schools across Cornwall supporting refugees and young people.

All Arts Lab projects are carefully evaluated. 100% of teachers and youth workers feeding back report a positive impact on young people's wellbeing as a consequence of the Arts Lab project.

Further funding for Arts Lab to continue until July 2026 has been secured.

Flamm

24/25 is an inbetween year for Flamm, our contemporary art festival. Following on its success in Redruth in 2023, Flamm has been planned to take place in Bodmin in 25/26. This financial year saw Flamm continue to provide opportunities for artists outside of the festival, including a symposium on creatives working in remote places in partnership with Visual Art South West taking place in Bodmin in July 2024, well attended by over 40 creatives from both Cornwall and Devon. Flamm also showcased a group of 18 visual artists at Manchester Contemporary art fair in November 2024, linking with Creative Kernow Associates programme. At the time of writing this report, some funding has been secured for Flamm to take place in February 2026 in Bodmin.

C Fylm
In the financial year there were 64 screenings in 24 venues, welcoming over 1200 audience members.

Recent feedback from volunteers has highlighted 43% of audiences are walking to their events, praise for screenings that are "affordable and friendly," and for the role C Fylm plays in sustaining village halls and community venues.

Creative Enterprise

Cross Organisation Enterprise Work
The year to 31 March 2025 saw significant growth in our enterprise work, especially in areas of Research and Consultation, and Business Development.

We were appointed as the lead consultant for Cornwall Council's Local Plan internal consultation, and delivered over 20 workshops with 30 internal consultees and 40 public consultees. This piece of work not only provides significant unrestricted income for the group (£88k by 31st March 2025), it also fulfils our aim of putting creativity front and centre in the future of Cornwall. Further contracts around the local plan (valued over £127,000) of both internal and public consultation were secured in May 2025.

In 24/25, we secured a contract to deliver a business development programme for SMEs in and around Newquay as part of the Experience Newquay programme – a separate contract to commissioning work we started in 2023/24 via FEAST. Over 104 businesses were engaged, we ran 8 group sessions and 33 1-2-1 mentoring sessions. This brought in £20k to the charity group and is identified as a key area of growth.

Cornwall 365 Network / What's On

The Cornwall 365 team delivered four printed What's On guides during 2024/25 as well as a range of other services from online listings to promotional partnerships. Advertising income fell due to staff availabilities, but this has since recovered.

Activity funded through the Good Growth programme saw the launch of the What's On App an exciting digital solution to enable users to discover events and access Cornwall's rich cultural and heritage scene. This means the over 4000 events listed on existing C365 platform are now also on the apps.

Box Office continue to thrive. We saw 275 events listed attracting 12,700 tickets sales through our Box Office, generating an income of over £17k.

Creative Kernow Associates

Following the legacy of Cultivator, Creative Kernow Associates (CKA) was set up as a membership scheme for the creative and cultural sector in Cornwall. Utilising some underspend of Cornwall Council's match funding for Cultivator programme (£44k), and funding from Innovation Fund through Immersive Innovation programme with Screen Cornwall, CKA was launched in October 2024 at a well-attended event in Liskeard.

The pilot programme consisted of three key areas: Develop, Connect and Showcase. In its first 6 months, it ran 3 mentoring groups, over 50 1-2-1 mentoring sessions and 4 skills workshops; 5 fully-booked creative-led networking events and two national showcases (Manchester Contemporary and Top Drawer), benefiting over 40 creative businesses in Cornwall.

By 31 March 2025, CKA has over 140 members, and recognised as a key support mechanism for creatives by Cornwall Council, Creative UK and other sector bodies.

In February 2025, the board agreed to reinvest £17,000 of the programme's surplus into 25/26, allowing the programme to grow. Since then, further income and funding has been secured to enhance the programme.

Creative Hubs

Phase 3 capital project

The small-scale capital project to build 19 new container studios and carry out site wide improvements to environmental sustainability and accessibility was successfully completed in March 2025. Although the build was completed in December 2024 there was unfortunately a four month delay due to complications with the electricity which have now been resolved.

As part of the site wide improvements, three new solar PV arrays have been installed with combined Co2 savings of approx. 19 tonnes per year and electricity savings of approx. £32k per year. Other works include a 5-10 year maintenance plan, accessible WC upgrades, new handrails and nosings and new signage.

Occupancy and income

The impact of the cost-of-living crisis has been more noticeable this year resulting in a drop in occupancy, however, we achieved our KPI target of 95% and are confident we can increase on this in 2025/26.

In light of this, the decision was taken to prioritise maintaining and increasing occupancy by limiting the annual rent increase to 2.5%.

Rental income was also significantly impacted by roof and window leaks and the delay on opening the container studios. The remaining repair works have been scheduled and the container studios are filing up, with all new tenants sharing highly positive feedback meeting our aims for the project.

Marketing and Events
Approx. 20 tenants took part in Open Studios Cornwall and we held a launch event in November 2024 with 60 participants as part of our Christmas Open Studios.

Towards the end of 2024 we began working with our Cornwall 365 colleagues to develop a marketing campaign for 2025/26, to reinvigorate the Krowji brand and launch a new annual event called the Krowji Summer Showcase, which will further serve our creative community and reach new audiences.

Fundraising Policy

Creative Kernow Limited's fundraising from voluntary donations is very small scale and currently not an active part of our income generating strategies. As a result of this the charity is not a member of any fundraising regulator. There were no complaints in the year (2024: nil) relating to fundraising activity.

Risk Management

The trustees have a risk management strategy which comprises:

- A quarterly review of the principal risks and uncertainties that the charity and its subsidiaries face which is reviewed in the event of any serious incident or change of senior staff;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

In terms of risks relating to our activities and our built environment, close attention is always given to office-based activity and the safety of our premises at Krowji, with strong and regularly reviewed policies and procedures in respect of health and safety, fire and other such risks. Key staff undertake appropriate training and awareness raising across these operational areas. The directors and senior staff continue to believe that the Creative Kernow group is operating safely and with appropriate measures in place.

Key personnel and Chief Executive

Our Chief Executive officer since 2021, Dr Fiona Wotton, left her post on the 31st of March due to family circumstances. Dr Tonia Lu, who has been the Director of Creative Enterprise, held the position of Interim Chief Executive until 31st August 2025. In July 2025 the Board were able to appoint a replacement CEO, Gregg Whelan. Whilst we await Gregg commencing his role in January 2026 our Finance Director, Sophie Norvill, and our Director of Creative Communities, Rachael Woodhead, are acting as Joint Interim CEOs. In the year 2024/25 the key management personnel was defined as the Chief Executive Officer.

Board Development

Under Paul Brooks leadership, the board have recruited four new trustees who joined the board at the October 2024 meeting. The board is looking to welcome new trustees joining the CK board from the Krowji board in the meeting in September 2025.

The Board is firmly committed to the principles of public benefit, widening access, diversity and equal opportunities. We have worked closely with our funders – especially Arts Council England – on issues of governance, diversity and transparency as part of our funding agreements. The directors and staff will regularly monitor the charity's actions on equal opportunities and their impact on staff, partner organisations and the public.

Trustees have considered the Charity Commission's guidance on public benefit and the importance of demonstrating that Creative Kernow fulfils its charitable purposes for the wider good of society. They believe that this report shows clearly that the charity offers a very wide range of support, activities and services to all the communities of Cornwall.

Sustainability

Sustainability is at the heart of our programmes and processes, and our organisational priority, of addressing the climate emergency, is embedded in our work. As an ACE NPO we report annually on our environmental practice through the Julie's Bicycle climate tools and our ACE Investment Principle, Environmental Responsibility, includes climate pledges on carbon literacy, sustainable procurement, and staff training . We are proud of our cross departmental environmental staff taskforce CLASH who act as a critical friend to our organisation helping us to improve our environmental impact – feeding ideas and concerns to leadership and the board. Our Creative Communities programmes have environmental KPIs – including any projects that are successful through our delegated grants programme FEAST having to include environmental sustainability on their application. We are signed up to the Theatre Green Book and the Cornwall Creative Sustainability Action plan. Through the support of the Good Growth SPF funding we have invested in our Krowji site to improve its sustainability including the installation of solar panels and use green waste management.

5. FINANCIAL REVIEW

In the financial year ended 31 March 2025, the Creative Kernow group made a loss of £67,936 (2024: £80,853). The last few years have been challenging for the group with reductions in funding meaning there is less available to support core activities. The charity itself made an operational deficit of £167,718 (2024: (£172,000) resulting from the end of several projects and the charity being less able to sustain its core costs. Its overall deficit of £710,278 which was largely the result of the payment of £575,700 to Krowji Limited as compensation for the fire damage which occurred in 2021. The insurance was received and shown in income in the charity in 2022/23 and therefore was a payment made out of reserves brought forward. At 31 March 2025 the charity had unrestricted reserves of £492,372 (2024: £1,097,433).

Krowji Limited made a profit in the year of £532,726 (2024: (£2,823)) after grants receivable of £109,231 and the insurance compensation of £575,700 paid by Creative Kernow. Creative Kernow Enterprises Limited made a profit of £78,175 (2024: (£26,761)). A deficit of £45,658 was included in the profit and loss account of the group as a result of the activities of Screen Cornwall Limited until its sale on 11th March 2025.

Unrestricted reserves were £1,007,771 at 31 March 2025 (2024: £1,129,873). Of this £320,569 is deemed to be free reserves. This difference is due to the expenditure on the containers at the Krowji site which were built to replace the fire damaged section and were capitalised and shown in assets in the course of construction at the year end and therefore removed from the free reserves calculation.

The focus currently is to ensure financial stability and to enable the charity to be adequately funded to support its costs and to strive to simplify and strengthen the financial structure of the group. A key focus is on financial resilience and ensuring the trading subsidiaries contribute significantly to the group position.

Reserves Policy

The charity's policy on the level of reserves is that they should provide at least three months' operating costs for Creative Kernow's core team; the reserves continue to be adequate for that purpose. In the previous year a designated fund was established to provide a fund in the unlikely event of the charity being unable to continue. A focus on financial stability and clarity has allowed the Board to focus on financial consolidation and therefore removed the requirement for this fund. The Trustees agreed to release this fund to unrestricted reserves at the year end. At 31 March 2025 the group position was unrestricted reserves of £1,007,771 of which net current assets or free reserves were £320,569. This amounted to 3 and a half months of the current years forecast salaries and core operational costs.

Going concern

The financial statements have been prepared on a going concern basis. The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

The Trustees believe that the group is well-placed to make the most of the opportunities and challenges that lie ahead and will continue to take a lead amongst their partners in Cornwall in helping the sector to go forward.

Whilst the funding landscape has been challenging and the ability to secure funding is uncertain, substantial grant funding is secured until March 2027. The Trustees are satisfied that the charity and group will be able to operate continue as a going concern for the foreseeable future, being a period no less than 12 months from the date of approval of these financial statements.

6. PLANS FOR THE FUTURE

Following two years of a challenging financial situation and deficits, Creative Kernow Limited is in a consolidation phase whilst it awaits the appointment of the new Chief Executive Officer. During this period there has been and continues to be a review of the financial and operational structure to ensure that cost savings are made across the group where efficiencies are possible and to look at the best ways our trading subsidiaries can support our charitable objectives and financial stability. The Senior Management Team are focused on ensuring a breakeven budget in the year ended 31 March 2026 which is challenging in the current climate. The creative hub at Krowji has had extensive building work over the last few years as the result of a substantial fire in 2021 and is now working hard to improve occupancy and look to ensure that this facility supports the creative community across the whole of Cornwall whilst ensuring financial stability.

7. TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees (who are also directors of Creative Kernow Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 the group 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 charitable company's auditor is unaware;
- and the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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 reparation and dissemination of financial statements may differ from legislation in other jurisdictions.

8. AUDITORS

Westcotts LLP were appointed as auditors. A resolution was passed at the Annual General Meeting that Westcotts LLP continue as auditors to the charity for the ensuing year.

BY ORDER OF THE TRUSTEES

P.K. Brookes

Paul Brookes, Chair of the Trustees **17th December 2025**

Independent auditors' report to the members
For the year ended 31 March 2025

Opinion

We have audited the financial statements of Creative Kernow Limited (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 March 2025, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (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 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 responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion on other matter 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 and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the and the Trustees' Report.

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 by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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 xx), 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 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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor 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 our procedures are capable of detecting irregularities, including fraud is detailed below:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the trustees and other management. We communicated identified laws and regulations throughout our team, and remained alert to any indications of non-compliance throughout the audit.
- The charity is subject to laws and regulations that govern the preparation of the financial statements, including financial reporting legislation, and other companies legislation. The company is also subject to other laws and regulations where the consequences of non-compliance could have a material impact on the amounts of disclosures within the financial statements, including employment, anti-bribery, anti-money laundering and certain aspects of companies legislation.
- Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. In any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

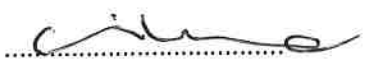
As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report
This report is made solely to the charitable parent company's trustees, 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 group's 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 charitable parent company and its trustees



Catherine Williams FCA DChA (Senior Statutory Auditor)
For and on behalf of Westcotts (SW) LLP, Statutory Auditor
47 Boutport Street
Barnstaple
Devon
EX31 1SQ
Date: 23rd December 2025

Creative Kernow Limited

Consolidated statement of financial activities
(Incorporating an income and expenditure account)
For the year ended 31 March 2025

	Notes	Unrestricted Funds £	Restricted Funds £	2025 Total £	2024 £
Income:					
Donations and legacies	2	281,589	309,044	590,633	1,751,717
Charitable activities	3	120,574	-	120,574	73,824
Trading activities	4	705,170	898,264	1,603,434	1,078,838
Other income	5	29,610	-	29,610	151,130
Investment income	6	15,287	-	15,287	17,187
Total income		1,152,230	1,207,308	2,359,538	3,072,696
Expenditure on:					
Trading costs		850,510	805,881	1,656,391	1,114,256
Charitable activities	7	423,822	347,261	771,083	2,039,293
Total expenditure		1,274,332	1,153,142	2,427,474	3,153,549
Net income / (expenditure) for the year		(122,102)	54,166	(67,936)	(80,853)
Net movements in funds		(122,102)	54,166	(67,936)	(80,853)
Total funds brought forward		1,129,873	3,696,701	4,826,574	4,907,427
Total Funds carried forward	10	1,007,771	3,750,867	4,758,638	4,826,574

The Statement of Financial Activities contains all recognised gains and losses in the year.

All activities relate to continuing operations.

The notes on pages 19 to 42 form part of these financial statements

Creative Kernow 2025

Balance sheets
As at 31 March 2025

	Notes	The Group		The Charity	
		2025 £	2024 £	2025 £	2024 £
Fixed assets					
Tangible fixed assets	13	5,601,012	4,926,348	271,051	275,290
Investments	14	14	-	115	201
		5,601,026	4,926,348	271,166	275,491
Current assets					
Debtors	15	174,399	460,659	750,476	844,681
Cash		480,291	1,126,431	55,546	701,889
		654,690	1,587,090	806,022	1,546,570
Creditors: amounts falling due in less than one year	16	(282,722)	(402,826)	(91,355)	(126,050)
Net current assets		371,968	1,184,264	714,667	1,420,520
Total assets less current liabilities		5,972,994	6,110,612	985,834	1,696,011
Creditors: amounts falling due after more than one year	17	(1,165,656)	(1,228,538)	(442,022)	(442,022)
Provisions	18	(48,700)	(55,500)	-	-
Net assets		4,758,638	4,826,574	543,811	1,253,989
Funds					
Restricted		3,750,867	3,696,701	51,339	89,556
Designated		-	67,000	-	67,000
Unrestricted		1,007,771	1,062,873	492,372	1,097,433
Total		4,758,638	4,826,574	543,811	1,253,989

As permitted by s408 Companies Act 2006, the charity has not presented its own profit and loss account and related notes.
The charity's loss as defined by the Companies Act 2006 for the year was £710,278 (2024: £172,000).
The financial statements have been prepared in accordance with the special provisions appliable to companies subject to the small companies regime.
The notes on pages 17 to 40 form part of these financial statements
The financial statements were approved by the Board on 17th December 2025 and signed on their behalf by:

P.K. Brookes

Paul Brookes, Chair

Creative Kernow 2025

Consolidated statement of cash flows
For the year ended 31 March 2025

	Notes	2025 £	2024 £
Cash flows from operating activities			
Net cash provided by operating activities		(67,936)	184,304
Depreciation		139,511	136,421
Increase in investments		(14)	-
Decrease/(Increase) in debtors		286,260	207,794
(Decrease)/Increase in creditors		(128,812)	(66,541)
Increase in provisions		(6,800)	4,670
Investment income		(12,933)	(17,187)
Loss on disposal of fixed assets		2,421	-
Cash generated by operating activities		**211,697**	**184,304**
Cash flows from investing activities			
Interest received and similar income		12,933	14,460
Rental income		-	2,727
Purchase of intangible fixed assets		-	(2,081)
Purchase of tangible fixed assets		(816,596)	-
Net cash used in investing activities		(803,663)	15,106
Cash flows from financing activities			
Issue of new loans		-	400,000
Repayment of loans and borrowings		(54,174)	(447,140)
Net cash flows from/(used by) investing activities		(54,174)	(47.140)
Net increase in cash and cash equivalents		**(646,140)**	**152,270**
Cash and equivalents brought forward		1,126,431	974,161
Cash and cash equivalents brought forward		**480,291**	**1,126,431**

1. Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Creative Kernow Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. The figures in the financial statements have been rounded to the nearest pound sterling.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the charity and its two wholly owned subsidiary undertakings, Krowji Limited and Creative Kernow Enterprises Limited (formally known as Cornwall Arts Marketing Limited), on a line by line basis, drawn up to 31 March 2025. Screen Cornwall Limited is included up until the date of sale on 9th March 2025 and the remaining holding of 14 shares is shown as an investment on the balance sheet on 31st March 2025.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006.

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition In financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Fund structure

Unrestricted income funds are available for use at the discretion of the Trustees in furtherance of the general activities of the charity.

Restricted income funds are subjected to restrictions on their expenditure imposed by the donor.

Going concern
The financial statements have been prepared on a going concern basis.
The Trustees assess whether the ongoing use of going concern is appropriate i.e. whether there are any material uncertainties relating to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

The Trustees believe Creative Kernow is well placed to make the most of the opportunities and challenges which lie ahead and will continue to take a lead amongst their partners in Cornwall In helping the cultural and creative sectors to thrive and grow.

Funding has been secured for the next two years which provides sufficient time to research and implement new income generation strategies. At the year end the group held unrestricted reserves of £1,007,771 and cash of £480,291. Of these reserves, £307,186 were free reserves and available for use as Trustees wish. This is sufficient to cover expected working capital movements as well as any additional costs not budgeted for.

The Trustees are therefore satisfied that the group will be able to operate within their available facilities and continue as a going concern for the foreseeable future, being 12 months from the date of approval of these financial statements.

Income and endowments
All income is recognised once the charity has entitlement to the income, it is probable that the income will be receive and the amount of income receivable can be measured reliably.

Donations and legacies
Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature are recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Grants receivable
Grants, including government grants, are recognised when the group has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income
Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income
Investment income is included when receivable.

Charitable activities
Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Expenditure
All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. Expenditure includes any VAT which cannot be recovered, and is reported as part of the expenditure to which it relates:-

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly so such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting constitutional and statutory requirements of the Charity and include the audit fee and costs linked to the strategic management of the Charity.
- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis per Note 7.
- Expenditure on commercial trading operations comprises the costs incurred by the three trading subsidiaries of the Charity, Krowji Limited and Cornwall Arts Marketing Limited.

Taxation
The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of Income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets
Expenditure on tangible fixed assets is capitalised. The costs of minor additions or those below £500 are not capitalised. Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Own labour costs which are considered to be directly attributable to the construction of the property are included in the cost of construction.

Depreciation
Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rare
Freehold buildings	Straight line basis over 50 year
Equipment	Straight line basis over 4 years
Plant and machinery	Straight line basis over 10 years
Leasehold land and buildings	Straight line over the life of the lease, apart from Percy Williams Building (phase 1 & 2) which are depreciated over 50 years from dates of completion

No provision is made in respect of freehold land.

Impairment of fixed assets
Intangible and tangible fixed assets are reviewed for impairment when changes in circumstances or events indicate that the carrying value of the fixed assets may not be recoverable. An Impairment loss is recognised where the recoverable amount is less than the carrying value.

Recoverable amount is the higher of fair value less costs to sell, value in use and replacement cost.

Debtors
Trade and other debtors are recognised initially at the settlement amount due. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Prepayments are valued at the amount prepaid.

Cash and cash equivalents
Cash at bank and in hand includes cash and short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Creditors and provisions
Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price.

Provisions are recognised when the charity has an obligation at the reporting date as a result of a past event, it Is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Leased assets
Rental income from operating leases Is recognised on a straight line basis over the term of the lease.

Borrowings
Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Pensions and other post-retirement obligations
The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Employee benefits
The cost of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Financial instruments
Classification
Financial assets are classified into either basic or other financial assets. Financial liabilities are classified into either basic or other financial liabilities. These classifications depend on certain criteria determined at the time of recognition.

The charity holds only basic financial instruments.

Recognition and measurement
Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the charity's obligations are discharged, expire or are cancelled.

Basic financial assets, which include trade and other debtors, cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is initially measured at the present value of the future receipts discounted at a market rate of interest and subsequently held at amortised cost.

Basic financial liabilities, including trade and other payables are initially measured 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. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Impairment
Basic financial assets are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

Charity status
The charity is a charity limited by guarantee and consequently does not have share capital. Each of the Trustees is liable to contribute an amount not exceeding £5 towards the assets of the charity in the event of liquidation.

The charity is incorporated in England and Wales. The address of its registered office is:
Krowji
West Park
REDRUTH
Cornwall
TR15 3AJ

2. Income from donations and legacies

	Unrestricted	Restricted	Total 2025	Total 2024
	£	£	£	£
Grants:				
Arts Council	216,588		216,588	216,588
British Film Institute	-	7,400	7,400	-
Cornwall Council	59,784		59,784	84,425
Cultivator	-	-	-	1,116,303
Shared Prosperity Fund	-	165,903	165,903	161,597
Other		135,741	135,741	162,734
Donations:				
Other	5,217		5,217	10,070
Total donations and legacies	281,589	309,044	590,633	1,751,717
Total 2024	255,158	1,496,559	1,751,717	

3. Income from charitable activities

	Unrestricted	Restricted	Total 2025	Total 2024
	£	£	£	£
FEAST	-	-	-	2,662
Carn to Cove	41,196	-	41,196	48,294
Creative Kernow Associates	5,290	-	5,290	-
C Flymn	13,988	-	13,988	-
Grants	60,100	-	60,100	-
Miscellaneous	-	-	-	22,868
Total income from charitable activities	120,574	-	120,574	73,824
Total 2024	71,162	2,662	73,824	

4. Trading income

	Unrestricted £	Restricted £	Total 2025 £	Total 2024 £
Rental income	441,319	-	441,319	427,441
Consultancy	77,392		77,392	15,562
Printing, advertising and distribution	114,273	-	114,273	70,585
Box office income	18,026		18,026	5,798
Management charge from associated company	5,000		5,000	-
Open studios income	26,148		26,148	21,760
Other trading income	23,012		23,012	
Grant income				
- Capital	-	382,819	382,819	-
- Revenue	-	515,445	515,445	537,692
Total trading income	705,170	898,264	1,603,434	1,078,838
Total 2024	**541,146**	537,692	**1,078,838**	

5. Other income

	Unrestricted £	Restricted £	Total 2025 £	Total 2024 £
Insurance proceeds	3,880	-	3,880	139,122
Feed In Tariff	13,930	-	13,930	12,008
Management charge from associated company	5,000	-	5,000	-
Release of deferred tax provision	6,800	-	6,800	-
Total other income	29,610	-	29,610	151,130
Total 2024	**151,130**	-	**151,130**	

6. Investment income

	Unrestricted	Restricted	Total 2025	Total 2024
	£	£	£	£
Interest received from bank deposits	12,933		12,933	14,460
Sale of shares in associated company	2,354		2,354	-
Rent receivable	-	-	-	2,727
Total investment income	15,287	-	15,287	17,187
Total 2024	15,660	1,527	17,187	

7. Expenditure on charitable activities

	Direct costs 2025	Support costs 2025	Total 2025	Total 2024
	£	£	£	£
Charitable Activities				
FEAST	178,007	25,250	203,257	165,067
Arts Lab	134,453	19,072	153,525	-
Carn to Cove	143,446	20,638	164,084	106,099
Cfylm	52,651	8,657	61,308	-
Creative Kernow Associates	137,986	19,573	157,559	164,688
Governance	27,456	3,894	31,350	25,364
Cultivator	-	-	-	1,139,732
Other projects	-	-	-	438,343
Total costs	673,999	97,084	771,083	2,039,293

Support costs		
Premises	5,114	23,612
Legal and professional	10,291	29,210
Consultancy	-	13,818
Office expenses	11,609	47,872
Bank charges and interest	39	696
Depreciation	1,235	4,693
Administrative Staff costs	68,796	-
Total support costs	97,084	119,901

8. Government grants

Government grants recognised in the financial statements are made up of funds from Cornwall Council and the British Film Institute.

The amount of grants recognised in the financial statements was £309,136.

Additional government grants of £898,264 are recognised in the consolidated financial statement, received by trading subsidiaries.

9. Net incoming/outgoing resources

	2025 £	2024 £
Operating lease rentals	-	513
Auditors' remuneration	12,600	21,750
Other accountancy services	4,000	16,850
Depreciation of fixed assets	139,511	136,421
Profit on sale of subsidiary	2,268	

10. Trustees' remuneration

No Trustees, nor any persons connected with them, have received any remuneration from the group during the year.

No Trustees have received any reimbursed expenses the charity during the year.

11. Group staff costs

	2025 £	2024 £
Wages and salaries	713,111	864,650
Social security costs	58,911	61,639
Pension costs	18,657	21,807
	790,679	948.096

The monthly average number of persons (including senior management team) employed by the group during the year was as follows:

	2025 £	2024 £
Commercial trading activities	13	13
Charitable activities	16	23
	29	36

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

The Key management personnel of Creative Kernow Limited comprises of the Chief Executive Officer only.

The total employee benefits of the key management personnel of the Charity was £46,811.

12. Fixed Assets – Group

	Leasehold land and Buildings	Assets in the course of construction	Freehold Property	Plant and Machinery	Equipment	Total
				£		£
Cost						
At 1 April 2024	50,000	-	5,551,268	196,133	128,145	5,925,546
Additions	-	664,911	151,129	-	556	816,596
Disposals		-			(5,584)	(5,584)
As at 31 March 2025	50,000	664,911	5,702,397	196,133	123,117	6,736,558
Depreciation						
At 1 April 2024	5,049	-	751,783	173,416	68,950	999,198
Charge for the year	511	-	107,799	19,613	11,588	139,511
Eliminated on disposal	-	-	-	-	(3,163)	(3,163)
At 31 March 2025	5,560	-	859,582	193,029	77,375	1,135,546
At 31 March 2025	44,440	664,911	4,842,815	3,104	45,742	5,601,012
At 31 March 2024	44,951	-	4,799,485	22,717	59,195	4,926,348

13. Fixed Assets – Charity

	Freehold Property	Equipment	Total
	£	£	£
Cost			
At 1 April 2024 and 31 March 2025	303,142	50,539	353,681
Depreciation			
At 1 April 2024	33,561	44,830	78,381
Charge for the year	1,149	3,177	4,326
At 31 March 2025	34,710	48,007	82,717
At 31 March 2025	268,519	2,532	271,051
At 31 March 2024	269,581	5,709	275,290

14. Fixed asset investments

Details of undertakings

Details of the investments in which the group holds 20% or more of the nominal value of any class or share capital are as follows:

Krowji Limited	United Kingdon	Ordinary	100%	Receives rental income from a property it leases from the charity
Cornwall Arts Marketing Limited	United Kingdon	Ordinary	100%	Receives income from the publishing of website and magazine listings within Cornwall

Subsidiaries

The profit for the financial period of Krowji Limited was £532,725 (2024: loss of £2,823) and the aggregate amount of capital and reserves at the end of the period was £489,648 (2024: (£43,077).

The profit for the financial period of Creative Kernow Enterprises Limited (Previously known as Cornwall Arts Marketing Limited) was £78,175 (2024: loss of £26,761) and the aggregate amount of capital and reserves at the end of the period was £31,865 (2024: (£46,310)).

The profit for the period until the date of sale of Screen Cornwall Limited and included in the consolidated financial statements was £45,648 (2024: profit of £33,140) and the aggregate amount of capital and reserves at the end of the period was £nil (2024: £55,037) as the charity ceased to hold a controlling share on 9th March 2025.

The address of the registered office for all subsidiaries is: Krowji, West Park, REDRUTH, Cornwall, TR15 3AJ.

Charity

	2025	2024
Shares in group undertakings and participating interests	115	201

15. Debtors

Charity	2025 £	2024 £
Trade debtors	67,934	67,001
Grants receivable	15,752	182,861
Due from group undertakings	663,540	575,021
Prepayments and accrued income	-	19,563
Other debtors	3,250	235
	750,476	844,681

Group	2025 £	2024 £
Trade debtors	124,110	108,673
Grants receivable	15,572	247,081
Due from group undertakings	-	-
Prepayments and accrued income	15,073	91,056
Other debtors	19,644	13,849
	174,399	460,659

16. Creditors: amounts falling due within one year

Charity	2025 £	2024 £
Trade creditors	28,982	78,451
Other taxation and social security	6,463	6,004
Accruals	49,483	26,813
Deferred income	1,723	11,884
Other creditors	4,704	2,898
	91,355	126,050

Group	2025 £	2024 £
Bank loans	61,694	52,986
Trade creditors	67,460	132,095
Corporation tax	1,716	986
Other taxation and social security	18,097	11,744
Accruals	64,021	81,816
Deferred income	20,057	58,344
Other creditors	49,677	64,855
	282,722	402,826

Creditors due within one year includes the following liabilities on which security has been given by the Group:

Group	2025 £	2024 £
Bank loans	**61,694**	52,986

Included in creditors are the following amounts due after more than five years

	2025 £	2024 £
After more than five years by instalments	870,837	969,529

16. Creditors: amounts falling due within one year (continued)

Borrowings due after five years

The amounts due after more than five years by instalments relate to the bank loans. The bank loans are made up of three separate loans with Triodos Bank. Two of the bank loans have a nominal interest rate of 2.5% over the UK base rate, and the final instalments are due on 7 July 2036. The carrying amount at year end of these two loans is £840,846 (2024: £886,680). The third bank loan has a nominal interest rate of 3.4% over the UK base rate and the final instalment is due on 21 July 2043. The carrying amount at year end is £386,284 (2024: £394,844).

Repayments are made monthly.

17. Creditors: amounts falling due after more than one year

Group

	2025 £	2024 £
Bank loans	1,165,656	1,228,538

Charity

	2025 £	2024 £
Property lease	442,022	442,022

18. Provisions

Group

	Deferred taxation £	Total £
At 1 April 2024	55,500	55,500
Charged to the statement of recognised gains and losses	(6,800)	(6,800)
At 31 March 2025	48,700	48,700

Provisions are made up of deferred taxation, provided for at 25%(2024:25%). The deferred tax liability set out above relates to accelerated capital allowances.

19. Obligations under leases

Total future minimum lease payments under non-cancellable leases are as follows:

Land and buildings

	Group 2025 £	Group 2025 £	Charity 2025 £	Charity 2024 £
Within one year	-	3,500	-	-
Between one and five years	7,000	-	-	-
	7,000	3,500	-	-

Other

	Group 2025 £	Group 2025 £	Charity 2025 £	Charity 2024 £
Within one year	-	256	-	256
Between one and five years	513	-	513	-
	513	256	513	256

20. Capital commitments

Group

Amounts contracted for but not provided in the financial statements

	2025 £	2024 £
Costs in relation to the acquisition of tangible assets	17,486	23,920
At 31 March 2025	17,486	23,920

21. Funds

Group

	Balance at 1 April 2024	Income	Expenditure	Transfers	Balance at 31 March 2025
	£	£	£	£	£
Designated funds	67,000	-	-	(67,000)	-
Unrestricted funds	1,062,873	1,152,230	1,274,332	67,000	1,007,771
Restricted funds					
Arts Lab	45,088	98,261	133,350	-	9,999
FEAST Consultancy	8,500	-	8,500	-	-
Good Growth	(3,091)	165,903	162,812	-	-
NFASP	21,059	-	2,719	-	18,340
G7	18,000	-	-	-	18,000
Watershed	-	400	400	-	-
			-		
British Film Institute	-	7,400	7,400	-	-
Cornwall Community Foundation	-	10,000	5,000	-	5,000
Tehidy Residency	-	12,700	12,700	-	-
Fun Palaces	-	13,617	13,617	-	-
Compass	-	763	763	-	-
Krowji Limited					
SPF capital development	-	382,819	18,789	-	364,030
ERDF capital fund	3,427,526	-	92,028	-	3,335,498
Creative Kernow Enterprises Limited					
SPF APP development	34,619	106,405	141,024	-	-
Screen Cornwall Limited					
Cornwall council	145.000	121,068	266,068	-	-
SPF Innovation		249,821	249,821	-	-
BFI Education grants		21,200	21,200	-	-
BFI Network		3,200	3,200	-	-
Other small grants		13,751	13,751	-	-
Total restricted Funds	3,696,701	1,207,308	1,153,142	-	3,750,867
Total funds	4,826,574	2,359,538	2,427,474	-	4,758,638

22. Funds (Continued)

Group – Prior year

	Balance at 1 April 2023	Income	Expenditure	Transfers	Balance at 31 March 2024
	£	£	£	£	£
Designated funds		-	-	67,000	67,000
Unrestricted funds	1,164,173	1,034,256	1,108,683	(26,873)	1,062,873
Restricted funds					
Arts Lab	30,449	139,916	125,277	-	45,088
FEAST	90,450	69,845	160,132	(162)	-
FEAST Consultancy	-	10,800	2,300	-	8,500
Good Growth	-	161,597	164,688	-	(3,091)
NFASP	21,059	-	-	-	21,059
G7	18,000	-	-	-	18,000
	-		-		
Cultivator	128	1,116,303	1,139,733	23,302	-
Fun Palaces	1826	2,287	450	(3,663)	-
COVID emergency fund	9,969	-	2,185	(7,784)	-
Krowji Limited				-	
ERDF capital fund	3,519,554	-	92,028		3,427,526
Creative Kernow		-	-		
Enterprises Limited	51,809	97,603	62,984	(51,820)	34,618
Screen Cornwall Limited		440,089	295,089	-	145,000
Total restricted Funds	3,696,701	1,207,308	1,157,025	-	3,746,984
Total funds	4,826,574	2,352,738	2,440,996	-	4,738,396

23. Funds (Continued)

Charity

	Balance at 1 April 2024	Income	Expenditure	Transfers	Balance at 31 March 2025
	£	£	£	£	£
Designated funds	67,000	-	-	(67,000)	-
Unrestricted funds	1,097,433	555,629	(1,226,590)	67,000	492,472
Restricted funds					
Arts Lab	45,088	98,261	133,350	-	9,999
FEAST Consultancy	8,500	-	8,500	-	-
Good Growth	(3,091)	165,903	162,812	-	-
NFASP	21,059	-	2,719	-	18,340
G7	18,000	-	-	-	18,000
Watershed	-	400	400	-	-
British Film Institute	-	7,400	7,400	-	-
Cornwall Community Foundation	-	10,000	5,000	-	5,000
Tehidy Residency	-	12,700	12,700	-	-
Fun Palaces	-	13,617	13,617	-	-
Compass	-	763	763	-	-
Total restricted Funds	89,556	309,044	347,261	-	51,339
Total funds	1,253,989	864,012	(1,574,190)	-	543,811

24. Funds (Continued)

The specific purposes for which the funds are to be applied are as follows:

BFI C-Fylm Grant - we received a grant from the British Film Institute to run a week of film screenings to raise awareness of climate emergency.

Cornwall Community Foundation has granted FEAST additional funds to add to the total FEAST grants pot. Every £1 of CCF grant Is matched by FEAST and put towards supporting a creative project in the community.

Tehidy Residency – to deliver the Tehidy Residencies programme on behalf of Cornwall Council.

Arts Lab - commissioning artists to deliver art projects in schools and alternative education settings to tackle mental wellbeing.

Good Growth Creative Communities (Shared Prosperity Funding) – this is the EAEP programme supporting the creative communities programme through a festivals network and community skills development and training.

The NFASP funds relate to a Legacy Fund Agreement arising from the winding up of the National Federation of Artists' Studio Providers Ltd in January 2018. The remaining company funds were transferred to Creative Kernow to be managed as a restricted fund so that some of NFASP's sector support role could continue.

G7 - funding from Cornwall Council to deliver the G7 summit cultural legacy programme. Included grants to artists and film screening equipment supplied to community centres.

Krowji Good Growth Shared Prosperity Funding – to support the redevelopment of the site destroyed in the fire of 2021 and to improve the sustainability of the Krowji site and its buildings.

Creative Kernow Enterprises Limited Good Growth Shared Prosperity Funding – this is for the development of a 365 app to information about what's on in Cornwall.

All other restricted funds have been received for specific activities and projects and have been expended on the activities for which they were received.

Designated funds of £67,000 were put aside in 23/24 to represent potential closure costs should the charity cease to operate. This has been released in 24/25 as the Trustees have more certainty over the charities ability to continue for another year.

25. Analysis of net assets between funds

Group – current year	Unrestricted funds £	Restricted funds £	2025 Total funds £
Tangible fixed assets	1,905,497	3,699,528	5,601,026
Net current assets	320,569	51,399	371,968
Creditors due in more than one year	(1,165,656)	-	(1,165,656)
Provisions	(48,700)	-	(48,700)
	1,007,770	3,750,868	4,758,638

Group – prior year	Unrestricted funds £	Restricted funds £	2024 Total funds £
Tangible fixed assets	1,498,822	3,427,526	4,926,348
Net current assets	915,089	269,175	1,184,264
Creditors due in more than one year	(1,228,538)	-	(1,228,538)
Provisions	(55,500)	-	(55,500)
	1,129,873	3,696,701	4,826,574

26. Charges

A first fixed charge is held by Triodos Bank over the assets of the Group in respect of a mortgage and loan in place with Krowji Limited for which security has been given. The total amount of borrowings at 31 March 2025 is £1,227,350 (2024: £1,281,524).

27. Guarantees

Creative Kernow Limited has provided a guarantee to Triodos Bank on the legal mortgage taken out by its subsidiary, Krowji Limited. If Krowji Limited were to default on the mortgage repayments, Creative Kernow Limited would be liable to pay the amounts on the subsidiary's behalf.

28. Operating lease with subsidiary

Creative Kernow Limited has leased land and property to its subsidiary, Krowji Limited, under a long leasehold agreement in October 2013. The lease is for 99 years. The lease was issued with a lease premium of £500,000 to be paid, and annual peppercorn rent.

29. Related party transactions

Group

Sovay Berryman, Trustee of Creative Kernow, received £1,920 in FEAST grants and was paid £115 as payment for good and services (2024: £2,940l). She also paid £1.485 for rent and electric of a studio at Krowji. These were all arms length transactions and the grants were given prior to her being appointed as a Trustee.

Dr F C Wotton, the company secretary of Krowjl Limited until 31 March 2025, had power of attorney for Krowji Limited during the year for the sole purpose of executing underleases and tenancies of parts of the property of Krowji Limited. At the balance sheet date the amount due to/from Dr F C Wotton was £Nll (2024: £Nil).

Mrs E A Harris, key employee of Krowji Limited had power of attorney for Krowji Limited during the year for the sole purpose of executing underleases and tenancies of parts of the property of Krowji Limited. At the balance sheet date the amount due to/from Mrs EA Harris was £Nll (2023: £Nil).

A payment of £1,588 (2024: £nil) was made to Vickery Holeman, the employer of Greg Oldrieve, Director of Krowji Limited, in respect of professional service.

Charity

During the year the charity made the following related party transactions:

Screen Cornwall CIC is a company which Creative Kernow Limited 100% owned until it sold 86% on 9th March 2025 retaining a 14% shareholding at the year end., At the balance sheet date the amount due from Screen Cornwall Limited was £8,458 (2024: £8,458).

30. Control

The group was controlled by the Trustees who are also the Directors throughout the current year.

31. Charity statement of financial activities (incorporating income and expenditure account)

	Note s	General Fund £	Restricted Funds £	2025 Total £	2024 £
Income:					
Donations and legacies		281,589	309,044	590,633	1,751,717
Charitable activities		120,573	-	120,573	73,824
Trading activities		45,214	-	45,214	-
Other income		32,625	-	32,625	15,500
Investment income		41,488	-	41,488	50,502
Total income		521,489	309,044	830,533	1,891,543
Expenditure on:					
Charitable activities		650,890	347,261	998,151	2,063,543
Total expenditure		650,890	347,261	998,151	2,063,543
Net income / (expenditure) for the year		(129,401)	(38,217)	(167,618)	(172,000)
Profit covenant from trading subsidiary		33,140	-	33,140	-
Payment of compensation		(575,700)	-	(575,700)	-
Net movements in funds		(671,961)	(38,217)	(710,178)	(172,000)
Total funds brought forward		1,164,433	89,556	1,186,989	1,425,989
Total Funds carried forward		492,472	51,399	543,811	1,253,989

CREATIVE KERNOW LIMITED

England & Wales - Charity number 292138

Accounts

Creative Kernow Limited (Limited by Guarantee)

Trustees' Annual Report and Financial Statements

For the year ended 31 March 2024

Company registration number 01727731
Charity registration number 292138

Creative Kernow Limited (Limited by Guarantee)

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Creative Kernow Limited (Limited by Guarantee)

Reference and administrative information

For the year ended 31 March 2024

Charity registration number	292138
Company registration number	01727731
Registered office and business address	Krowji West Park REDRUTH Cornwall TR15 3AJ
Other names of the charity	Arts Centre Trust, ACT, Creative Skills
Chief Executive Officer	Fiona Wotton
Trustees	Tamara Bedford Amanda Berry Jonathan Bray Paul Brookes (appointed 15 May 2023) Ajay Chhabra Hannah Irwin Eleanor Jubb (resigned 31 October 2023) John Pulford (resigned 5 January 2024) Charlotte Somers (resigned 7 September 2023) James Sculthorp-Wright Paul Springer Claudia Alvila de Oldroyd (appointed 21 October 2024) Sam Jones (appointed 21 October 2024) Sovay Alice Berriman (appointed 21 October 2024) Lisa Telfer Brunton (appointed 21 October 2024)
Secretary	Fiona Wotton
Auditors	RRL LLP Peat House Newham Road TRURO Cornwall TR1 2DP
Bankers	CAF Bank Limited PO Box 289 WEST MALLING Kent M19 47A Lloyds Bank Plc 7 Boscawen Street TRURO Cornwall TR1 2QT
Solicitors	Nalders Farley house Falmouth Road TRURO Cornwall TR1 2HX

Trustees' report

For the year ended 31 March 2024

The Trustees, who are Directors for the purposes of company law, are pleased to present their group annual report and the audited financial statements for the year ended 31 March 2024. This report is a combined annual report containing a Directors' report as required by company law.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 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 (FRS 102) (effective 1 January 2019)".

Reference and Administrative information, set out on Page 1, forms part of this report.

Governance

Creative Kernow Limited is a charity registered in England and Wales (charity number 292138) and is a company limited by guarantee (company number 01727731). It has no share capital. On appointment as a trustee you are automatically made a member. Membership ends when you cease to be a trustee. The liability of each member in the event of winding-up is limited to £5. The governing documents are the Memorandum and Articles of Association.

The charity Trustees during the year, appointed since the year end and at the date of this report are:

Trustees
Tamara Bedford
Amanda Berry
Jonathan Bray
Paul Brookes (appointed 15 May 2023)
Ajay Chhabra
Hannah Irwin
Eleanor Jubb (resigned 31 October 2023)
John Pulford (resigned 5 January 2024)
Charlotte Somers (resigned 7 September 2023)
James Sculthorp-Wright
Paul Springer
Claudia Alvila de Oldroyd (appointed 21 October 2024)
Sam Jones (appointed 21 October 2024)
Sovay Alice Berriman (appointed 21 October 2024)
Lisa Telfer Brunton (appointed 21 October 2024)

All Directors of the company are also Trustees of the charity and there are no other Trustees. The Board has the power to appoint additional Trustees as it considers fit to do so. Although no specific training is required for new Trustees, they are made aware of the useful guidance offered by the Charity Commission and others. Policy decisions are made by the Board at regular meetings.

Organisational Structure

During 2023/24 Creative Kernow Limited had three wholly-owned subsidiary companies. Their activities during the year are covered as part of the report below.

Trustees' report

For the year ended 31 March 2024

Krowji Ltd is a company limited by shares, number 05420248, and wholly owned by Creative Kernow. It has a board of Directors - Greg Oldrieve (Chair), Jonathan Bray, Anna Brown, Matthew Brown and Katie Tregidden (resigned 30 April 2024). It was established in 2005 and its main role is to operate the creative workspace cluster at Krowji in Redruth - the freehold of the property is held by Creative Kernow and Krowji Limited has a long leasehold interest.

Cornwall Arts Marketing Ltd is a company limited by shares, number 04346555, and wholly owned by Creative Kernow. It has a board of Directors – Paul Brookes (Chair) and Hannah Irwin. Its main role is to operate the Cornwall 365 What's On listings service and printed guide, box office and consultancy services.

Screen Cornwall Ltd is a company limited by shares, number 11881973, and was wholly owned by Creative Kernow during the year. It has a board of Directors - Phillippa Giles (Chair), Simon Harvey, Mandy Berry, Amanda Pyne, Francesca Gilpin and Alex Smith. It has been set up to drive the development of the screen industries in Cornwall and the Isles of Scilly, working with incoming film & TV productions, businesses, and individual freelancers to build a strong and thriving production sector. This company was converted to a Community Interest Company on 3rd January 2025. On 11th March 2025, Creative Kernow sold a 86% share of the company and therefore it is no longer part of the group at the date of signing these accounts.

All three subsidiary companies were established in order to carry on activities which are directly in pursuit of Creative Kernow's charitable objects and so could legitimately be carried on by the charity itself, but which the Trustees judged to be more prudently carried on in a subsidiary company for reasons of financial efficiency and to reduce the risk to the charity's core assets.

Objectives and activities

The objectives of the charity are to provide exhibitions of the arts of dance and drama, to provide training in the arts and arts management and to further the public appreciation of the aforesaid. New charitable objectives were agreed by the Creative Kernow Board in May 2024 and were awaiting Charity Commission approval. The board resolved to adopt the Charity Commission model articles of association in March 2025.

Public benefit statement

The Trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

Summary

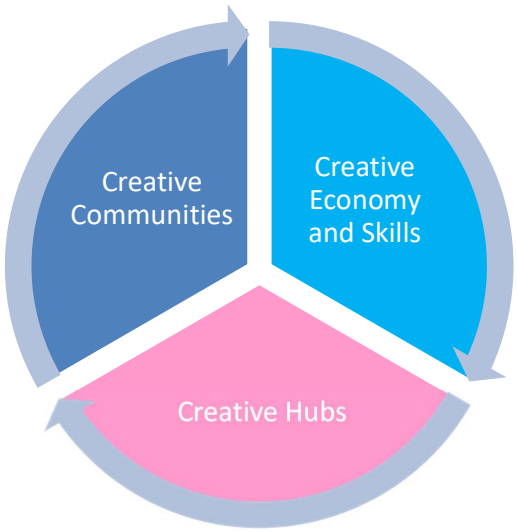
This group report covers the financial year from April 2023 to March 2024. It reviews our objectives, activities, and governance; our achievements and financial performance during the year; our work with other agencies and organisations; and our future plans for the organisation and its subsidiary companies.

Creative Kernow is the cultural and creative sector support organisation for Cornwall and the Isles of Scilly. We are a charity with a mission to champion creativity as a force for positive change in Cornwall and the Isles of Scilly. We do this though enriching and energising creative communities of place and practise through the production, distribution and promotion of artistic work, networks, and knowledge.

Trustees' report

For the year ended 31 March 2024

Our core programmes deliver activity in three dynamically interdependent areas:



Creative Communities

Investing in high quality cultural and creative experiences which are accessible to all and which contribute to placemaking, confidence, connection and health. Our activity includes:

- FEAST grant fund for co-created community led arts projects
- Carn to Cove – touring live performance to a network of rural venues
- C Fylm - community film clubs
- Arts Lab – creative health programme for young people in education

These programmes form our activity funded by Arts Council England

Creative Economy and Skills

Supporting creative businesses to grow and creating the conditions for the wider creative economy to flourish and succeed

Development of our trading companies in offering B2B services

Creative Hubs

Providing affordable professional workspace for the creative industries at Krowji in Redruth

Exploring options for expansion into other locations

Commercial consultancy services

Trustees' report

For the year ended 31 March 2024

Our businesses

We extend the work of the charity and generate additional income through our three trading companies:

Cornwall Arts Marketing

- Creative consultancy – particularly community engagement, placemaking and event marketing
- Publishing – Cornwall 365 guide and event listings website
- Developing an offer for paid for business support services

Krowji

- Cornwall's leading creative hub providing affordable creative workspace. Currently on two sites in Redruth with plans to expand

Screen Cornwall

- Screen agency and film office for Cornwall providing skills and talent development, production consultancy and lobbying for a Cornish Public Service Media

Creative Kernow is a well-established charity and social enterprise with an experienced board of Trustees and a strong staff team. Our finances are broadly based with a variety of income sources including long-term grant support from Arts Council England and Cornwall Council. Following Brexit and the end of the European funding programmes we have succeeded in securing funding through the succession streams Community Renewal and the Shared Prosperity Fund. Earned income from commissions and contracts, box office income from events and rental income from our workspace cluster in Redruth are also significant revenue streams.

Creative Kernow contributes significantly to developing and delivering effective models for creative and cultural practice, sector, community and audience engagement, clusters and networks and leadership development in our rural region. We continually develop new projects and partnerships, seeking opportunities to enhance our sustainability as an organisation, supporting other initiatives and playing an active role in advocacy and leadership for the sector and for Cornwall. Creative Kernow has a good track record of developing innovative projects, investing in our staff, being willing to take risks and planning for the longer term.

Performance

This section provides a summary of activity between April 2023 and March 2024, and it is divided into our programme delivery strands: Creative Communities, Creative Enterprise, and Creative Hub Development.

Creative Communities

Feast

Over 90 projects received funding from FEAST in 23/24, receiving in total around £125,000, engaging with over 2,300 artists across the length and breadth of Cornwall. The combined live audience for FEAST-funded events was over 23,000. The FEAST team continues to provide important advice and guidance for those developing arts and cultural project in Cornwall, responding to a high volume of calls and emails. Offering over 600 engagements, enquiry response and advice sessions this year.

Trustees' report
For the year ended 31 March 2024

Some highlights from funded projects include:

Overrated Cornwall, an exhibition of original artworks inspired by outrageous and hilarious 1-star TripAdvisor reviews of our beloved Cornish towns, villages and landmarks. Created by Sally Mitchell, artist, designer and photographer of Mevagissey, the artworks were installed boldly throughout Helston's Museum of Cornish Life's permanent displays from July to September. Visitors topped 3,000 people, and a video tour, narrated as a conversation between curator Tehmina Goskar and Sally Mitchell was shared online reaching a further 3,000 audiences.

Bal Maiden Musical, a brand new and original musical following the adventures of Merryn, a fictional bal maiden in the 1830s. Written by Lucetta Radcliffe, this community production was interspersed with 30 original songs played by a live orchestra and a community cast of 26 amateur actors. The production had a sell-out run at Princess Pavilion in Falmouth from 16th-18th November reaching 838 audience members.

Arthur's Club, an inclusive, live storytelling show aimed at children aged 2-9 and their families. Key word signing was woven into the storytelling, so story, spoken word and sign were all intrinsically linked. Performed by Makaton teacher Rebecca Hulbert and Directed by Mydd Pharo (Wildworks), Arthur's Club toured indoor and outdoor venues including The Minack Theatre, Trebah Gardens, Sterts Theatre, libraries, community spaces and primary schools across Cornwall, with an audience of 1,815 people.

Experience Newquay Commissioning
This year FEAST led the commissioning process for Experience Newquay, a project promoting sustainable year-round tourism whilst connecting local Cornish communities and visitors with Newquay's unique identity via cultural activities and programming. Two types of grants were available: One for cultural activities (workshops, exhibitions, events, performances) with an element that has a lasting legacy, multiple grants of up to £7,500; and a second for permanent installations in Newquay town centre, two grants of up to £30,000. FEAST team worked with the Newquay community to develop the funding criteria and select projects.

Arts Lab
Arts Lab, the collaborative project between Creative Kernow, Arts Well and Headstart Kernow, continued to work with young people across Cornwall to deliver bespoke projects co-designed by young people and artists. In 2023/24 Arts Lab worked with 38 young people's settings, including primary schools, secondary schools, alternative provisions, SEND schools, Children and Adolescent Mental Health Services and youth groups.

Delivering the second year of Arts Lab demonstrated the continued need for creative wellbeing projects for young people who are experiencing many forms of challenges that affect their mental and emotional wellbeing and, crucially, showcased the power of the arts as a tool for ALL young people to regulate, articulate and cooperate, regardless of their identities and experiences.

Over the three academic years between 2022 and 2024, Arts Lab will engage with over 2,900 young people from 86 settings, with over 300 teachers, support staff and youth workers supporting projects delivered by over 100 artists. Over 5,000 community members will have experienced the quality of what young people can achieve. 44% of projects have taken place in areas in the 1st to 3rd decile in the index of multiple deprivation in the UK.

All Arts Lab projects are carefully evaluated. 100% of teachers and youth workers feeding back report a positive impact on young people's wellbeing as a consequence of the Arts Lab project.

Funding applications to continue Arts Lab after July 2025 are underway.

Trustees' report

For the year ended 31 March 2024

Carn to Cove

Carn to Cove delivered two successful seasons. The Autumn/Winter season ran from September to December with 35 performances and Spring/Summer February to June season had 46 performances. The programme worked with 227 artists, producing work in 53 venues across Cornwall and the Isles of Scilly. There were over 4,400 live audience members for Carn to Cove events, as well as ways to engage digitally through online dance workshops and training sessions for community promoters. A survey in the final quarter of 2023/24 indicated that 30% of the audience were first time Carn to Cove attendees. The performances supported income generation for village halls where performances took place £9,000, as well as generating some earned income for the charity £24,000.

The programme supported local artists: Bike by Bodkin Theatre for a near sell out tour, Chippy written by Henry Darke and produced locally, Common Ground: Greenham by feminist theatre company Scary Little Girls. We've made a conscious effort to support more work for young people and families and were delighted to use Shared Prosperity funding to programme a performance of I Piano for 100 children and parents at Calstock Primary School which was both free for the school and for all the pupils attending.

FLAMM

Over one weekend in October 2023, Redruth was bustling with energy. A new contemporary art festival, Flamm, made its debut. Work by over 40 artists in 26 exhibitions, installations, workshops and performances was presented at a range of formal and informal venues across the town. That weekend saw 11675 visits to Flamm events and an estimated 1354 individual visitors. The number may not seem significant when compared to festivals in large urban centres, but it's significant for Redruth – the cafés, bars and shops were buzzing and we were met with overwhelming positive feedback from the visitors and the community. FLAMM is funded by the Extraordinary Art in Everyday Places Shared Prosperity Fund project which aims to invigorate community festivals in Cornwall.

C Fylm

Between April 2023 – March 2024, C Fylm held 279 community cinema events in 32 venues across Cornwall, to an audience of 6,000 people.

Some highlights this year have included:

To celebrate C Fylm's 10th birthday and Screen Cornwall's Launching a Cornish Public Service Media programme, we invited our community cinemas and other non-theatrical and theatrical exhibitors to take part in Kernow Kino, funded by the BFI Film Audience Network and UK Shared Prosperity Fund. Kernow Kino is a celebration of authentic representation of Cornwall on screen, and includes a programme of Cornish features and short films. Our mission is to connect broader audiences to content produced by local filmmakers that reflect the rich diversity of Cornwall's language, culture, heritage and communities.

With funding from the BFI's FAN Exhibition Fund, we continued to screen cultural cinema to audiences across Cornwall. Volunteer organisers hosted food and film nights, surf films, and family film screenings in school holidays.

A programme of films in the Krowji café, collaborating with Krowji-based artists to curate wrap-around activities rooted in sustainable fashion. In September we screened The Nettle Dress, a documentary about Allan Brown, who creates a dress by hand from foraged nettles over seven years. Seasalt Cornwall donated fabric and materials which Vicki used in a stitch workshop, Aneta Staciwa demonstrated how to make pasta from foraged nettles, and Olga Owczarek facilitated the creation of a communal loom piece. Stones Café provided hot soup, and we held a clothes swap before the screening.

In June, we collaborated with Bosena and Cornish Mining World Heritage Sites to produce three special screenings of BAFTA award-winning Cornish filmmakers Mark Jenkin's Enys Men. These took place in three CMWHS venues, followed by a panel discussion and Q&A hosted by Enys Men producer & Bosena founder Denzil Monk.

Monthly Zoom catch ups with volunteers are continuing to provide space for connectivity, sharing ideas and skills, and in November we held our first in-person meet up since before the pandemic.

Creative Economy and Skills

Screen Cornwall
In the 2023/24 financial year Screen Cornwall experienced significant activity funded through the UK Shared Prosperity Fund. This has strengthened industry partnerships, elevated discussions on minority languages in media and continued to develop opportunities for local talent in the screen sector. Screen Cornwall has championed Cornish language projects, with Kernewek named as a minority language in the media bill for the first time, and thanks to an additional investment from the Devolution Deal for Cornwall launched the largest ever commissioning round, including Cornish language feature film development strands.

Screen Cornwall grew the crew data base to 305 and recorded more than 75 new freelance opportunities for local crew. The First Break initiative led to 11 placements for those with little or no experience in the industry to gain a valuable first experience. In early 2024, 4 experienced crew freelancers delivered four workshops for early-stage crew participants in partnership with Screen Cornwall.

Screen Cornwall has continued to support local writers, Directors and producers to develop their skills and credits. Screen Cornwall programmes provided 57 hours of one-to-one support, seven networking & skills events, engaging 150 people. Three graduate short films were commissioned.

Work to develop a Kernow Public Service Media provision continues, through work funded by Share Prosperity Fund. This year, Screen Cornwall commissioned two short Cornish Language Films. Working with CFylm, a collection Cornish-made films were screened in film clubs and cinemas across the region. There were 15 screenings and over 250 audience members. There were 11 nominations for the Celtic Media Festival (CMF) in June 2023. Screen Cornwall has now joined the CMF Board and has secured the 2025 festival to take place in Newquay. Screen Cornwall secured funding from the devolution deal to commission four feature films in Kernewek and a co-production between Cornwall and Brittany.

Screen Cornwall continues to deliver the BFI Film Academy, in collaboration with Falmouth University and this year welcomed 15 participants, aged between 16 and 19. Since September 2023, Screen Cornwall has been working with six charities and community organisations across Cornwall to engage 83 individuals in introductory filmmaking workshops, enabling participants to share their stories.

In partnership with Cornwall Games and Software Cornwall, Screen Cornwall delivered a second 'Imagination Unleashed' event in March 2024. Over 160 school students attended, alongside over 60 industry attendees.

Trustees' report

For the year ended 31 March 2024

Cornwall 365 Network / What's On

The Cornwall 365 team delivered four What's On print guides during 2023/24 as well as a range of other services from online listings to promotional partnerships. Advertising income fell slightly in comparison with the previous financial year reflecting the impact of the planned price increase implemented this year.

Activity funded through the Good Growth programme saw the inception of the What's On App an exciting digital solution to enable users to discover events and access Cornwall's rich cultural and heritage scene. The app is built on the following user journey:
Discover > Book > Feed Back

- Discover will utilise our API events feed, pulling through all of the events listed on Cornwall365.com.
- Through Book we will integrate a box office system to enable users to easily book a ticket.
- Feedback will provide a space for customers to tell us about their experience through our integrated In the Loop platform.

Alongside the development of the app the new Cornwall 365 box office was launched. This facility is supporting small scale cultural events producers following the end of the longstanding Cornish Riviera Box Office (CRBO) and most of their client base has moved over. Income was behind target which reflected numerous delays in getting the financial infrastructure set up to receive payments.

The C365 team continued to deliver skills training sessions for Experience Newquay and the Festivals Network – both programmes focusing on digital marketing and promotional skills to help cultural producers reach new audiences and be more sustainable.

Open Studios Cornwall continued to be a challenge to manage with the project running at a loss and failing to fully meet the needs of the artistic community.

Cultivator

It was with great sadness that we brought the hugely successful and highly regarded Cultivator Creative Business Development programme to a close in December 2023. Our attempts to secure continuation funding through the Shared Prosperity Fund were unsuccessful and the team brought activity to an end in line with the two different funding strands:

The ERDF-funded *Business* component of Cultivator completed *activity* on 30 June, with financial end date (the date by which all spend on the project completed) on 31 August. The final claim was submitted to DLUHC on 15 September ahead of the practical end date, as required.

The ESF-funded *Skills* component of Cultivator continued activity until 31st October, with a financial & practical end date of 31 December. The penultimate ESF claim was submitted on 11 October with the final submitted in February 2024.

We said farewell to our team of Creative Business Advisors and one administrator at the end of July, and only a skeleton administrative team continued until the end of December in order to complete the ESF project.

Trustees' report

For the year ended 31 March 2024

Over the course of Cultivator Phase 2 the programme achieved the following outputs and outcomes:

- **15** unique strands of skills and business support
- **705** creative businesses supported
- Over **£1.4m** worth of grants awarded
- **22** new businesses created
- **37** enterprise ready entrepreneurs
- **41** internships and apprenticeships supported

The Trustees wish to record their thanks to all the Cultivator team for their dedication to creative business support and for making the programme such a success in meeting the demands of the enterprises in Cornwall and the Isles of Scilly.

Creative Hubs

Krowji
Occupancy and income
Despite the highly challenging economic climate, we have far exceeded the occupancy levels predicted for this year and achieved an average of 98% occupancy in 2023/24. The increase in calibre of practitioners and businesses applying for our studios is having a notable impact on Krowji's growing reputation for creative excellence and adding another draw for both emerging and established practitioners to make Krowji their first choice.

Tenants were notified of a 5% blanket increase across all studios with a further increase for studios inclusive of electricity from April 2024. The overall increase was capped at 10% this financial year to support the tenants and maintain good occupancy levels. With the electricity tariff increasing by approximately 130%, 50p per sq ft was added to all studios inclusive of electricity and tenants were advised of a further significant increase in April 2024.

The team had planned for and anticipated large studio vacancies and prioritised marketing and communications around promoting available spaces as well as exploring alternative uses for these large studios. Some studio rent was also lost due to roof leaks and tenants needing to be moved to alternative studios and compensated. Building maintenance and repairs continued onsite, despite delays from the previous year due to fire damage related repairs and work. The Yard site operated at 100% occupancy.

Events and outreach
Krowji continued to support tenants in developing Micro Markets to boost retail opportunities for artists.

The October Fun Palace event offered a range of **creative activities**, craft workshops and technical demonstrations led by Krowji tenants and showcasing the work of partners including CAMP, Queer Kernow and UPG.

Christmas Open Studios welcomed over 300 members of the public to the site. The studio manager Emma Wood and administrator Hannah Andrews ran the event and invited members of the public, especially young people, to make Christmas decorations to hang on a tree to be then gifted to a local family supported by St Petrocs. A Shoebox Appeal was also organised with Krowji as a drop-off point, and Vocal Presence Choir gave a performance with the proceeds going to the Foodbank.

Trustees' report

For the year ended 31 March 2024

Phase 3 capital project

With £382,819 secured from the Shared Prosperity Fund and funds in place from the insurance settlement of £606,035 received in the prior year by the charity, the board and Krowji team moved forwards with plans for a small scale capital project to deliver additional studios to replace those lost in the 2021 fire. Working with architects Artel21, designs for a container complex were granted planning permission in January 2024 and the studios are expected to be ready for tenant use in April 2025. The programme of funded activity also includes reviewing sustainability and accessibility across the Krowji site.

Partnership activities and other projects

Creative Kernow plays a key part in innumerable partnership projects across Cornwall and further afield, often going far beyond what is formally required or expected by our funders. All our projects involve working in partnership with others and this is one of the most rewarding aspects of our role.

Highlighted partnership working:

Our Arts Lab partnership project with Arts Well CiC and Headstart Kernow has supported much needed creative interventions to support mental wellbeing for young people and extended our knowledge in the field of creative health allowing increased commission and professional development opportunities for artists.

Screen Cornwall has led a consortium of creative organisations supporting the development of creative careers resources and infrastructure. The partnership which includes Hall for Cornwall, Asone and Creative Kernow is funded through Cornwall Council's Creative Investment Programme Talent Development package. Work in 23/24 included the second edition Imagination Unleashed Createch Showcase attended by 160 schools and college students and 60 industry contacts.

Krowji have continued to offer advice to other emerging creative hubs and workspaces in different parts of Cornwall. Partnership in this area supports the connectivity between hubs which benefits tenants, staff and the wider sector. It is, however, a service that Krowji will be looking monetise as a future revenue stream.

Our links with projects in Redruth remained a priority. Creative Kernow has continued to co-ordinate activity around the legacy of the Redruth Unlimited cultural programme as part of High Street Heritage Action Zone (HSHAZ) funded by Historic England.

Our staff were as always involved in a wide variety of other local and regional initiatives, sometimes in a work capacity and sometimes personally. These included the boards or steering groups for CIOS LEP Creative Industries Sector Board, Kernow Education Arts Partnership, Miracle Theatre, Cornwall Wildlife Trust, Cornwall Media Resource, Cornwall Digital Skills Partnership, Cornwall Film Festival, Goldentree, Cousin Jacks, The Tin Coast Partnership, Leach Pottery, Scary Little Girls and O-Region as well as a number of strategy review bodies. This is a key aspect of Creative Kernow's work which is hard to quantify, but which is highly valued by our funders.

Financial Review

The Creative Kernow group made a deficit of £80,853 in the year to 31 March 2024 (2023: surplus of £451,600). This was largely as a result of 2023/24 being the last year of ESIF funding, the Cultivator Programme, producing reduced income in the year. Trustees agreed to some spending from reserves to capitalise on the legacy of the Cultivator programme and the development of a new business support offer. As a result of the reduced funding, other sources of income were explored including a new fundraising function but which only started to generate income towards the end of the year.

Trustees' report

For the year ended 31 March 2024

The group's reserves as at 31 March 2024 totalled £4,826,574 (2023: £4,907,427). Of these reserves £1,129,873 were unrestricted (2023: £1,164,173) with £792,589 (2023: £502,674) classed as free reserves. The Trustees designated £67,000 of unrestricted reserves as a fund to ensure that, should the charity cease to continue to operate, the amounts to pay its staff their final salary payments and redundancy costs were set aside.

The charity's policy on the level of reserves is that they should provide at least three months' operating costs for Creative Kernow's core team; the reserves continue to be adequate for that purpose. In light of recent analysis of likely costs and the uncertain public funding landscape Trustees have recommended the formation of a designated fund for closure to include estimated staff redundancies, as discussed above. A change to the reserves policy to provide at least six months operating costs for the core team to reflect the complexity of the task of a major restructure, merger or closure of the charity is also being considered.

Trustees, and in particular the finance committee are closely monitoring our 24/25 forecast and budgets in development for 2025/26. These show an improving financial picture with all programmes and subsidiaries contributing to the operational budget and identifying areas of expenditure which can be lowered. Further cost savings are being considered in relation to staffing and group structure which would reduce costs and enable a surplus position to rebuild reserves.

Financial performance of our subsidiary companies

Krowji Ltd

Krowji made a loss after tax for the year of £2,823 (2023: profit of £58,397). The company has seen slow growth in income as it recovers from the fire in 2021 and parts of the building are unable to be let. Work to repair the buildings has been undertaken after the year end and will be completed by the end of March 2025 ensuring maximise space is available for let. Retained earnings carried forward at 31 March 2024 were negative reserves of £43,078 (2023: negative reserves of £40,255). The charity is prepared to continue to support the company and look for ways to ensure it can achieve positive net assets, reduce exposure to corporation tax liabilities and start to contribute to the charity through gift-aiding profits.

Cornwall Arts Marketing Ltd

The loss after tax for the year for Cornwall Arts Marketing Limited was £26,761 (2023: profit of £23,194). Whilst the company has seen growth in income, increased costs have meant that the company has made a loss this year. The results for 2024/25 look more promising and the budget for 2025/26 look to be profitable. Retained earnings carried forward at 31 March 2024 were negative reserves of £46,410 (2023: negative reserves of £19,649). The charity is prepared to continue to support the company and ensure that the current year loss is a one off and ensure future years are profitable and can return to a positive net asset position.

Screen Cornwall Ltd

Screen Cornwall Limited made a profit after tax for the year of £33,140 (2023: loss of £9,384). Retained earnings for carried forward at 31 March 2024 were reserves of £54,937 (2023: £21,797). In December 2024 the taxable profits for the year ended 31 March 2024 were gifted to the charity.

Trustees' report

For the year ended 31 March 2024

Pay policy for senior staff

The board of Directors, who are the charity's Trustees, and the CEO comprise the key management personnel of the charity in charge of directing and controlling, running and operating Creative Kernow on a day to day basis. All Directors give of their time freely and no director received remuneration in the year, including the Directors of the subsidiary companies. Details of any related party transactions are disclosed in the notes to the accounts.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings, as is the pay of other staff. A recent benchmarking exercise identified senior leadership and entry level roles within the Creative Kernow group as being behind the Cornwall average. In April 2024, the board agreed to the implementation of a new Pay Policy. This means that now all staff are paid at least the National Living Wage. The pay scales are now more transparent for existing and prospective staff.

Fundraising Policy

Creative Kernow Limited's fundraising from voluntary donations is very small scale and currently not an active part of our income generating strategies. As a result of this the charity is not a member of any fundraising regulator. There were no complaints in the year (2023: nil) relating to fundraising activity.

Risk Management

The Trustees have a risk management strategy which comprises:

- an annual review of the principal risks and uncertainties that the charity and its subsidiaries face which is reviewed in the event of any serious incident or change of senior staff;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

In terms of risks relating to our activities and our built environment, close attention is always given to office-based activity and the safety of our premises at Krowji, with strong and regularly reviewed policies and procedures in respect of health and safety, fire and other such risks. Key staff undertake appropriate training and awareness raising across these operational areas. The Directors and senior staff continue to believe that the Creative Kernow group is operating safely and with appropriate measures in place.

Assessment of Going Concern

The financial statements have been prepared on a going concern basis.

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

The Trustees believe that the group is well-placed to make the most of the opportunities and challenges that lie ahead and will continue to take a lead amongst their partners in Cornwall in helping the sector to go forward.

Trustees' report

For the year ended 31 March 2024

Grant funding has been secured until March 2026, with applications for further funding currently ongoing. At the year-end, the group held unrestricted reserves of £1,129,873. Of these £792,589 were free reserves and available for use as Trustees wish. This is sufficient to cover expected Working Capital movements, as well as any additional unexpected costs not budgeted for.

The Trustees are therefore satisfied that the charity and group will be able to operate within their available facilities and continue as a going concern for the foreseeable future, being a period no less than 12 months from the date of approval of these financial statements.

Looking ahead

Public funding beyond March 2025 remains uncertain. The 2024 election delivered a change in government and the Autumn Budget statement confirmed a 4th year of Shared Prosperity but at a reduced level to previous years and much reduced in comparison to the previous European Funding. We are in close dialogue with the Cornwall MPs to raise this uncertainty as a barrier not only to Creative Kernow's sustainability but to the continued growth of the creative sector. Our Arts Council NPO funding agreement remains in place until March 2026. We are awaiting confirmation of a one year extension to this funding to 2027 and will submit our proposals to rejoin the national portfolio for the period 2027-30 in July 2025.

Creative Kernow's unrestricted reserves have been reduced following a deficit year in 2023/24 as a result of a challenging funding environment and the redundancy costs of the Cultivator team. 2024/25 has continued to be difficult with a further deficit expected further reducing unrestricted reserves. The reasons for our continued deficit are broadly twofold: rising operational costs in line with the prevailing economic conditions and the growing complexity of the group bringing additional regulatory obligations. The profits of the programmes and the subsidiary companies are not generating sufficient income to meet these costs

We continue to believe that we are an efficient and cost-effective organisation – operational costs account for approximately 20% of turnover. Financial modelling and an options appraisal are currently underway to determine a scheme of work to reduce costs whilst we await public funding announcements and grow commercial activity to the required levels.

The Board feels confident that Creative Kernow's 40 year track record of impactful activity, managing large scale public funding programmes and aligning our work with evolving government policy will provide a strong foundation on which to make our case for further support.

We have numerous pipeline projects which provide further evidence of our potential to grow and adapt:

- Krowji Phase 3 will deliver new 19 spaces and increase rental income by £50,000
- Cornwall 365 will launch the new What's On app which is expected to contribute to a 20% uplift in listings revenue.
- Staff across the group are involved with the development of consultancy services in community engagement with significant work currently being commissioned by Cornwall Council to support the development of their Local Plan.
- Our new creative business membership model – Creative Kernow Associates - offering business support services and networking opportunities is now in a pilot phase with networking and showcasing opportunities on offer to members.

Trustees' report

For the year ended 31 March 2024

Our current budget for 2025/26 looks more promising and it seeks to exceed to provide a break even position and start to rebuild reserves.

Screen Cornwall 'spin out'

In December 2024 it was agreed that Screen Cornwall Limited should leave the Creative Kernow group and operate as an independent community interest company. Screen Cornwall Limited as relied on grant income and has been unable to develop commercial income stands to cover operational costs and generate sustained profits to benefit the charity. The director of travel for Screen Cornwall through the establishment of private investor screen equity fund was not deemed to be in the charity's best interests. The sale of 86% of equity in Screen Cornwall Limited was completed on 11th March 2025.

Board Development

Trustees elected a new Chair to the Creative Kernow Board in July 2023 as a successor to John Pulford. Paul Brookes is the former Chief Executive of The Box Plymouth where he oversaw the transformative capital development project and brings a wealth of experience and knowledge from a career in arts and creative industries management. In November 2023 the board and senior management team came together to refresh our vision and review our strategic direction to enable a united and confident presentation of our future plans to stakeholders and funders. This phase of work was concluded in June 2024 with the development of a Brand Book.

The board have recruited four new Trustees who joined the board at the October 2024 meeting. Each member of the board has been given an established board member to support them through their induction. They have received some finance training and other training needs are currently being identified.

The Board is firmly committed to the principles of public benefit, widening access, diversity and equal opportunities. We have worked closely with our funders – especially Arts Council England – on issues of governance, diversity and transparency as part of our funding agreements. The Directors and staff will regularly monitor the charity's actions on equal opportunities and their impact on staff, partner organisations and the public.

Trustees have considered the Charity Commission's guidance on public benefit and the importance of demonstrating that Creative Kernow fulfils its charitable purposes for the wider good of society. They believe that this report shows clearly that the charity offers a very wide range of support, activities and services to all the communities of Cornwall.

Trustees' report

For the year ended 31 March 2024

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The Trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

This report was approved by the Trustees, on 20 March 2025 and signed on their behalf by:

By order of the Board

Krowji
West Park
REDRUTH
Cornwall
TR15 3AJ

Paul Brookes
Trustee

Statement of Trustees' Responsibilities

The Trustees (who are also the Directors of Creative Kernow Limited for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate 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 irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information for which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have 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 of the charity on 20 March 2025 and signed on its behalf by:

Paul Brookes
Trustee

Independent auditors' report to the members of Creative Kernow Limited

Opinion

We have audited the financial statements of Creative Kernow Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the consolidated statement of financial activities, consolidated and company balance sheet, consolidated statement of cash flows and notes to the financial statements, including a summary of 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 charitable company'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 period 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 group and parent 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 group and parent 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 Trustees' annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contain. 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 auditors' report to the members of Creative Kernow Limited

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 Trustees' report, which includes the Directors' report 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 included within the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

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

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Directors' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement 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 group's and parent 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 group or the parent 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.

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.

Independent auditors' report to the members of Creative Kernow Limited

As part of our audit work, we obtained an understanding of the legal and regulatory frameworks applicable to the group and the sector in which they operate. We determined that the laws and regulations most significant to the group, as well as the laws and regulations that have a direct impact on the preparation of the financial statements are: employment legislation, General Data Protection Regulation, health and safety legislation, safeguarding legislation, landlord and tenant rights and compliance with the Charities Act 2011, the Companies Act 2006 and with the Charities Statement of Recommended Practice.

The specific procedures for this engagement and the extent to which these are 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 meetings and correspondence with regulators;
- Performing audit work in connection with the risk of management override of controls, including testing journal entries for reasonableness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for potential bias.

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 group 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 on income
- 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 judgements 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 audit report.

Independent auditors' report to the members of Creative Kernow Limited

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

Josh Stevens ACA (Senior Statutory Auditor)
For and on behalf of RRL LLP
Statutory Auditors
Peat House
Newham Road
TRURO
Cornwall
TR1 2DP

27 March 2025

Creative Kernow Limited (Limited by Guarantee)

Consolidated statement of financial activities (incorporating income and expenditure account)

For the year ended 31 March 2024

	Notes	Unrestricted Fund £	Restricted funds £	**Total funds 2024 £**	Total funds 2023 As restated £
Income from:					
Donations and legacies	*3*	255,158	1,496,559	**1,751,717**	2,004,629
Commercial trading operations		541,146	537,692	**1,078,838**	871,695
Investment income	*4*	15,660	1,527	**17,187**	5,221
Charitable activities	*5*	71,162	2,662	**73,824**	95,963
Other income	*6*	151,130	-	**151,130**	606,035
Total income		1,034,256	2,038,440	**3,072,696**	3,583,543
Expenditure on:					
Commercial trading activities		664,155	450,101	**1,114,256**	872,085
Charitable activities	*7*	444,528	1,594,765	**2,039,293**	2,259,858
Total expenditure		1,108,683	2,044,866	**3,153,549**	3,131,943
Net expenditure before transfers		(74,427)	(6,426)	**(80,853)**	451,600
Transfers between funds		40,127	(40,127)	**-**	-
Net movement in funds		(34,300)	(46,553)	**(80,853)**	451,600
Total funds brought forward		1,164,173	3,743,254	**4,907,427**	4,455,827
Total funds carried forward		**1,129,873**	**3,696,701**	**4,826,574**	4,907,427

The notes on pages 25 to 50 form part of these financial statements.

Consolidated and company balance sheet

As at 31 March 2024

		The Group		The Charity	
		2024	2023 As restated	**2024**	2023 As restated
	Notes	**£**	£	**£**	£
Fixed assets					
Tangible assets	*12*	**4,926,348**	5,060,688	**275,290**	279,983
Investments	*13*	**-**	-	**201**	201
		4,926,348	5,060,688	**275,491**	280,184
Current assets					
Debtors	*14*	**460,659**	668,453	**844,681**	1,074,838
Cash at bank and in hand	*15*	**1,126,431**	974,161	**701,889**	714,809
		1,587,090	1,642,614	**1,546,570**	1,789,647
Creditors: amounts falling due within one year	*16*	**(402,826)**	(865,410)	**(126,050)**	(196,769)
Net current assets		**1,184,264**	777,204	**1,420,520**	1,592,878
Total assets less current liabilities		**6,110,612**	5,837,892	**1,696,011**	1,873,062
Creditors: amounts falling due after more than one year	*17*	**(1,228,538)**	(879,635)	**(442,022)**	(447,073)
Provisions	*18*	**(55,500)**	(50,830)	**-**	-
Net assets	*22*	**4,826,574**	4,907,427	**1,253,989**	1,425,989
Charity funds					
Restricted funds	*21*	**3,696,701**	3,743,254	**89,556**	171,880
Designated funds		**67,000**	-	**67,000**	-
Unrestricted funds		**1,062,873**	1,164,173	**1,097,433**	1,254,109
Total funds		**4,826,574**	4,907,427	**1,253,989**	1,425,989
Charity only (deficit)/surplus for the financial year	*30*			**(172,000)**	471,095

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

These financial statements were approved and authorised for the issue of the Trustees on 20 March 2025 and signed on their behalf by:

Paul Brookes
Trustee

The notes on pages 25 to 50 form part of these financial statements.

Company registration number: 01727731

Creative Kernow Limited (Limited by Guarantee)

Consolidated statement of cash flows

For the year ended 31 March 2024

	Note	**2024** **£**	2023 £
Cash flows from operating activities			
Net cash generated by operating activities	***1***	**184,304**	279,171
Cash flows from investing activities			
Interest received and similar income		**14,460**	4,021
Rental income		**2,727**	1,200
Purchase of tangible fixed assets		**(2,081)**	(10,884)
Net cash flows from/(used by) investing activities		**15,106**	(5,663)
Cash flows from financing activities			
Issue of new loans		**400,000**	-
Repayment of loans and borrowings		**(447,140)**	(49,029)
Net cash flows from/(used by) investing activities		**(47,140)**	(49,029)
Net increase in cash and cash equivalents		**152,270**	224,479
Cash and cash equivalents brought forward		**974,161**	749,682
Cash and cash equivalents carried forward		**1,126,431**	974,161

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

	2024 **£**	2023 As restated £
Net movement in funds	**(80,853)**	451,600
Adjustment for:		
Depreciation charges	**136,421**	137,620
Investment income	**(17,187)**	(5,221)
Decrease/(increase) in debtors	**207,794**	(116,679)
Decrease in creditors	**(66,541)**	(221,107)
Increase in provisions	**4,670**	32,958
Cash generated by operating activities	**184,304**	279,171

Notes
(forming part of the financial statements)

1 Accounting policies

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

Statement of compliance
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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation
Creative Kernow Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. The figures in the financial statements have been rounded to the nearest pound sterling.

Basis of consolidation
The consolidated financial statements consolidate the financial statements of the charity and its three wholly owned subsidiary undertakings, Krowji Limited, Cornwall Arts Marketing Limited and Screen Cornwall Limited, on a line by line basis, drawn up to 31 March 2024.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006.

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition In the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Fund structure
Unrestricted income funds are available for use at the discretion of the Trustees in furtherance of the general activities of the charity.

Restricted income funds are subjected to restrictions on their expenditure imposed by the donor.

Notes
(forming part of the financial statements)

Going concern
The financial statements have been prepared on a going concern basis.

The Trustees assess whether the ongoing use of going concern is appropriate i.e. whether there are any material uncertainties relating to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

The Trustees believe Creative Kernow is well placed to make the most of the opportunities and challenges which lie ahead and will continue to take a lead amongst their partners in Cornwall In helping the cultural and creative sectors to thrive and grow.

Funding has been secured for the next three years which provides sufficient time to research and implement new income generation strategies. At the year end the group held unrestricted reserves of £1,129,873 and cash of £1,126,431. Of these reserves, £792,589 were free reserves and available for use as Trustees wish. This is sufficient to cover expected working capital movements as well as any additional costs not budgeted for.

The Trustees are therefore satisfied that the group will be able to operate within their available facilities and continue as a going concern for the foreseeable future, being 12 months from the date of approval of these financial statements.

Income and endowments

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

Donations and legacies
Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature are recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Grants receivable
Grants, including government grants, are recognised when the group has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income
Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income
Investment income is included when receivable.

Charitable activities
Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Notes

(forming part of the financial statements)

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. Expenditure includes any VAT which cannot be recovered, and is reported as part of the expenditure to which it relates:-

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting constitutional and statutory requirements of the Charity and include the audit fee and costs linked to the strategic management of the Charity.
- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis per Note 7.
- Expenditure on commercial trading operations comprises the costs incurred by the three trading subsidiaries of the Charity, Krowji Limited, Cornwall Arts Marketing Limited and Screen Cornwall Limited.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of Income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Expenditure on tangible fixed assets is capitalised. The costs of minor additions or those below £500 are not capitalised. Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Own labour costs which are considered to be directly attributable to the construction of the property are included in the cost of construction.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rare
Freehold buildings	Straight line basis over 50 years
Equipment	Straight line basis over 4 years
Plant and machinery	Straight line basis over 10 years
Leasehold land and buildings	Straight line over the life of the lease, apart from Percy Williams Building (phase 1 & 2) which are depreciated over 50 years from dates of completion

No provision is made in respect of freehold land.

Notes
(forming part of the financial statements)

Impairment of fixed assets
Intangible and tangible fixed assets are reviewed for impairment when changes in circumstances or events indicate that the carrying value of the fixed assets may not be recoverable. An Impairment loss is recognised where the recoverable amount is less than the carrying value.

Recoverable amount is the higher of fair value less costs to sell, value in use and replacement cost.

Debtors
Trade and other debtors are recognised initially at the settlement amount due. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Prepayments are valued at the amount prepaid.

Cash and cash equivalents
Cash at bank and in hand includes cash and short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Creditors and provisions
Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price.

Provisions are recognised when the charity has an obligation at the reporting date as a result of a past event, it Is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Leased assets
Rental income from operating leases Is recognised on a straight line basis over the term of the lease.

Borrowings
Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Pensions and other post-retirement obligations
The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Notes
(forming part of the financial statements)

Employee benefits

The cost of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Financial instruments

Classification
Financial assets are classified into either basic or other financial assets. Financial liabilities are classified into either basic or other financial liabilities. These classifications depend on certain criteria determined at the time of recognition.

The charity holds only basic financial instruments.

Recognition and measurement
Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the charity's obligations are discharged, expire or are cancelled.

Basic financial assets, which include trade and other debtors, cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is initially measured at the present value of the future receipts discounted at a market rate of interest and subsequently held at amortised cost.

Basic financial liabilities, including trade and other payables are initially measured 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. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Impairment
Basic financial assets are assessed for indicators of impairment at each reporting end date.
Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

Notes
(forming part of the financial statements)

2 Charity status

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the Trustees is liable to contribute an amount not exceeding £5 towards the assets of the charity in the event of liquidation.

The charity is incorporated in England and Wales. The address of its registered office is:
Krowji
West Park
REDRUTH
Cornwall
TR15 3AJ

3 Income from donations and legacies

	Unrestricted funds £	Restricted funds £	**Total 2024 £**	Total 2023 £
Grants:				
Arts Council	216,588	-	**216,588**	221,632
British Film Institute	-	-	**-**	4,971
Cornwall Council	27,500	56,925	**84,425**	277,060
Cultivator	-	1,116,303	**1,116,303**	1,379,678
ESF	-	-	**-**	41,208
Shared Prosperity Fund	-	161,597	**161,597**	-
Other	5,000	157,734	**162,734**	77,187
Donations:				
Other	6,070	4,000	**10,070**	2,893
Total donations and legacies	255,158	1,496,559	**1,751,717**	2,004,629
Total 2023	333,077	1,671,552	**2,004,629**	

Notes
(forming part of the financial statements)

4 Investment income

	Unrestricted funds £	Restricted funds £	**Total 2024 £**	Total 2023 £
Interest received on bank deposits	14,460	-	**14,460**	4,021
Rent receivable	1,200	1,527	**2,727**	1,200
Total investment income	15,660	1,527	**17,187**	5,221
Total 2023	5,221	-	**5,221**	

5 Income from charitable activities

	Unrestricted funds £	Restricted funds £	**Total 2024 £**	Total 2023 £
FEAST	-	2,662	**2,662**	-
Carn to Cove	48,294	-	**48,294**	59,503
Miscellaneous	22,868	-	**22,868**	36,460
Total income from charitable activities	71,162	2,662	**73,824**	95,963
Total 2023	80,083	15,880	**95,963**	

6 Other income

	Unrestricted funds £	Restricted funds £	**Total 2024 £**	Total 2023 £
Insurance proceeds	139,122	-	**139,122**	606,035
Feed In Tariff	12,008	-	**12,008**	-
Total other income	151,130	-	**151,130**	606,035
Total 2023	606,035	-	**606,035**	

7 Expenditure on charitable activities

	Basis of allocation	FEAST	Carn to Cove	Shared Prosperity Fund	Cultivator	Other Projects	Governance	2024 Total	2023 Total
Direct Costs									
Staff costs	Direct	10,166	38,304	27,673	300,852	266,400	-	643,395	758,645
Other costs	Direct	142,622	61,708	123,556	819,555	73,134	-	1,220,575	1,328,083
Publicity	Direct	-	-	36	-	161	-	197	2,265
Recruitment	Direct	-	-	-	-	13,998	-	13,998	-
Travel	Direct	388	1,495	2,130	7,965	3,885	-	15,863	16,682
Auditors' remuneration	Direct	-	-	-	-	-	25,364	25,364	35,202
Total direct costs		153,176	101,507	153,395	1,128,372	357,578	25,364	1,919,392	2,140,877
Support costs									
Premises	Floor area	8,512	1,151	-	4,476	9,473	-	23,612	23,284
Legal and professional	Usage	-	-	2,225	-	26,985	-	29,210	3,692
Consultancy	Usage	2,550	-	4,000	-	7,268	-	13,818	25,725
Office expenses	Usage	829	3,145	5,068	6,884	31,946	-	47,872	60,557
Bank charges and interest	Usage	-	296	-	-	400	-	696	1,342
Depreciation	Usage	-	-	-	-	4,693	-	4,693	4,381
Total support costs		11,891	4,592	11,293	11,360	80,765	-	119,901	118,981
		165,067	106,099	164,688	1,139,732	438,343	25,364	2,039,293	2,259,858

Notes
(forming part of the financial statements)

8 Government grants

Government grants recognised in the financial statements are made up of funds from European Regional Development Fund, Cornwall Council, The British Film Institute, Historic England and Kickstarter grants supported by the government.

The amount of grants recognised in the financial statements was £1,362,325 (2023: £1,844,474).

Additional government grants of £342,475 (2023: £94,437) are recognised in the consolidated financial statements, received by trading subsidiaries.

9 Net incoming/outgoing resources

Net outgoing/(incoming) resources for the year include:

	2024	2023
	£	£
Operating lease rentals	**513**	513
Auditors' remuneration	**21,750**	21,390
Other accountancy services	**16,850**	33,213
Depreciation of fixed assets	**136,421**	137,260

10 Trustees' remuneration and expenses

No Trustees, nor any persons connected with them, have received any remuneration from the group during the year.

No Trustees have received any reimbursed expenses or any other benefits from the charity during the year.

See note 26 for details of other related party transactions during the period.

11 Group staff costs

	2024	2023
	£	£
Wages and salaries	**864,650**	922,756
Social security costs	**61,639**	73,855
Pension costs	**21,807**	25,764
Other staff costs	**-**	279
	948,096	1,022,654

Included in the above wages and salaries costs is £93,894 in relation to termination costs (2023: £nil).

The monthly average number of persons (including senior management team) employed by the group during the year was as follows:

	2024	2023
Commercial trading activities	**13**	-
Charitable activities	**23**	37
	36	37

Notes
(forming part of the financial statements)

11 Group staff costs (continued)

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

The key management personnel of Creative Kernow Limited comprise of the Chief Executive Officer only.

The total employee benefits of the key management personnel of the Charity were £59,480 (2023: £56,397).

12 Tangible fixed assets

Group	Leasehold land & buildings	Freehold property	Plant and machinery	Equipment	Total
		£	£	£	£
Cost					
At 1 April 2023	50,000	5,551,268	196,133	126,064	5,923,465
Additions	-	-	-	2,081	2,081
At 31 March 2024	50,000	5,551,268	196,133	128,145	5,925,546
Depreciation					
At 1 April 2023	4,539	645,917	153,856	58,465	862,777
Charge for the year	510	105,866	19,560	10,485	136,421
At 31 March 2024	5,049	751,783	173,416	68,950	999,198
Net book value					
At 31 March 2024	**44,951**	**4,799,485**	**22,717**	**59,195**	**4,926,348**
At 31 March 2023	45,461	4,905,351	42,277	67,599	5,060,688

Notes
(forming part of the financial statements)

12 Tangible fixed assets (continued)

Charity	Freehold property	Equipment	Total
	£	£	£
Cost			
At 1 April 2023 and 31 March 2024	303,142	50,539	353,681
Depreciation			
At 1 April 2023	32,696	41,002	73,698
Charge for the year	865	3,828	4,693
At 31 March 2024	33,561	44,830	78,391
Net book value			
At 31 March 2024	**269,581**	**5,709**	**275,290**
At 31 March 2023	270,446	9,537	279,983

All freehold property, with a carrying value of £269,581 (2023: £270,446) is pledged as security for the bank loan that Krowji Limited have in place. Further details at Note 16.

Notes
(forming part of the financial statements)

13 Fixed asset investments

Details of undertakings

Details of the investments in which the group holds 20% or more of the nominal value of any class or chare capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shears held	Principal activity
Subsidiary undertakings				
Krowji Limited	United Kingdom	Ordinary	100%	Receives rental income from a property that it leases from the Charity
Cornwall Arts Marketing Limited	United Kingdom	Ordinary	100%	Receives income from the publishing of website and magazine listings within Cornwall
Screen Cornwall Limited	United Kingdom	Ordinary	100%	To develop the screen industries in Cornwall to build a strong and thriving production sector

Subsidiaries

The loss for the financial period of Krowji Limited was £2,823 (2023: profit of £58,397) and the aggregate amount of capital and reserves at the end of the period was (£43,077) (2023: (£40,254).

The loss for the financial period of Cornwall Arts Marketing Limited was £26,761 (2023: profit of £23,294) and the aggregate amount of capital and reserves at the end of the period was (£46,310) (2023: (£19,549).

The profit for the financial period of Screen Cornwall Limited was £33,140 (2023: loss of £9,384) and the aggregate amount of capital and reserves at the end of the period was £55,037 (2023: £21,897).

The address of the registered office for all subsidiaries is: Krowji, West Park, REDRUTH, Cornwall, TR15 3AJ.

Charity

	2024	2023
	£	£
Shares in group undertakings and participating interests	**201**	201

Notes
(forming part of the financial statements)

14 Debtors

	Group		Charity	
	2024	2023	**2024**	2023
	£	£	**£**	£
Trade debtors	**108,673**	50,252	**67,001**	31,830
Grants receivable	**247,081**	510,984	**182,861**	510,984
Due from group undertakings	**-**	-	**575,021**	515,633
Prepayments	**91,056**	56,206	**19,563**	13,036
Other debtors	**13,849**	51,011	**235**	3,355
	460,659	668,453	**844,681**	1,074,838

15 Cash and cash equivalents

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

During the year, the Charity received funds of £nil (2023: £386,249) on behalf of other delivery partners within the Cultivator project. The Charity paid £nil (2023: £408,823) of these funds to the delivery partners before the year end. The balance of funds held as agent at the year-end was £nil (2023: £Nil).

16 Creditors: amounts falling due within one year

	Group		Charity	
	2024	2023 As restated	**2024**	2023
	£	£	**£**	£
Bank loans	**52,986**	49,029	**-**	-
Other loans	**-**	400,000	**-**	-
Trade creditors	**132,095**	100,227	**78,451**	66,312
Corporation tax	**986**	-	**-**	-
Other taxation and social security	**11,744**	45,737	**6,004**	12,998
Accruals	**81,816**	116,219	**26,813**	46,566
Deferred income	**58,344**	110,778	**11,884**	65,207
Other creditors	**64,855**	43,420	**2,898**	5,686
	402,826	865,410	**126,050**	196,769

Creditors due within one year includes the following liabilities on which security has been given by the Group:

	Group		Charity	
	2024	2023	**2024**	2023
	£	£	**£**	£
Bank loans	**52,986**	49,029	**-**	-
Other loans	**-**	400,000	**-**	-
	52,986	449,029	**-**	-

Notes
(forming part of the financial statements)

16 Creditors: amounts falling due within one year (continued)

The bank loan is secured by means of a first legal mortgage over the land at Krowji Limited and Creative Kernow Limited and a first fixed charge on all land and properties owned by Krowji Limited and Creative Kernow Limited. It is also secured by means of a first fixed charge on all present and future goodwill of any business carried out by or on behalf of Creative Kernow Limited on the mortgaged property.

The other loan was secured by means of a second legal mortgage over the leasehold land and property of Krowji Limited.

Creative Kernow Limited acts as guarantor on these bank loans.

Deferred income

	Group As restated **£**	**Charity** **£**
Deferred income at 1 April 2023	110,778	512,280
Resources deferred during the year	58,344	11,884
Amounts released from previous years	(110,778)	(70,258)
Deferred income as at 31 March 2024	58,344	453,906

Deferred income primarily comprises of rental income received in advance and ticket sales for activities due to take place in the following year.

17 Creditors: amounts falling due after one year

	Group		**Charity**	
	2024	2023 As restated	**2024**	2023
	£	£	**£**	£
Bank loans	**1,228,538**	879,635	**-**	-
Deferred income	**-**	-	**442,022**	447,073
	1,228,538	879,635	**442,022**	447,073

Creditors amounts falling due after more than one year includes the following liabilities on which security has been given by the group:

	Group		**Charity**	
	2024	2023	**2024**	2023
	£	£	**£**	£
Bank loans	**1,228,538**	879,635	**-**	-

Notes
(forming part of the financial statements)

17 Creditors: amounts falling due after one year (continued)

Group

Included in the creditors are the following amounts due after more than five years:

	2024	2023
	£	£
After more than five years by instalments	**969,529**	634,488

Borrowings due after five years
The amounts due after more than five years by instalments relate to the bank loans. The bank loans are made up of three separate loans with Triodos Bank. Two of the bank loans have a nominal interest rate of 2.5% over the UK base rate, and the final instalments are due on 7 July 2036. The carrying amount at year end of these two loans is £886,680 (2023: £928,664). The third bank loan has a nominal interest rate of 2.5% over the UK base rate and the final instalment is due on 21 July 2043. The carrying amount at year end is £394,844 (2023: £nil). Repayments are made monthly.

18 Provisions

Group	**Deferred Taxation** **£**	**Total** **£**
At 1 April 2023	50,830	50,830
Charged to the statement of recognised gains and losses	4,670	4,670
At 31 March 2024	55,500	55,500

Provisions are made up of deferred taxation, provided for at 25% (2023: 25%). The deferred tax liability set out above relates to accelerated capital allowances.

19 Obligations under leases and hire purchase contracts – Operating lease commitments

Total future minimum lease payments under non-cancellable leases are as follows:

	Group		**Charity**	
	2024	2023	**2024**	2023
	£	£	**£**	£
Land and buildings				
Within one year	**3,500**	12,000	**-**	-
Between one and five years	**-**	4,333	**-**	-
	3,500	16,333	**-**	-
Other				
Within one year	**256**	513	**256**	513
Between one and five years	**-**	256	**-**	256
	256	769	**256**	769

Notes
(forming part of the financial statements)

20 Capital commitments

Group

Amounts contracted for but not provided in the financial statements:

	2024	2023
	£	£
Costs in relation to the acquisition of tangible fixed assets	**23,920**	-

21 Funds

Group	Balance as at 1 April 2023 As restated	Income	Expenditure	Transfers	**Balance as at 31 March 2024**
	£	£	£	£	**£**
Designated funds	-	-	-	67,000	**67,000**
Unrestricted funds	1,164,173	1,034,256	(1,108,683)	(26,873)	**1,062,873**
Restricted funds	3,743,254	2,038,440	(2,044,866)	(40,127)	**3,696,701**
Total of funds	4,907,427	3,072,696	(3,153,549)	-	**4,826,574**

	Balance as at 1 April 2022 As restated	Income As restated	Expenditure As restated	Transfers	**Balance as at 31 March 2023 As restated**
	£	£	£	£	**£**
Unrestricted funds	437,918	1,654,906	(934,794)	6,143	**1,164,173**
Restricted funds	4,017,909	1,928,637	(2,197,149)	(6,143)	**3,743,254**
Total of funds	4,455,827	3,583,543	(3,131,943)	-	**4,907,427**

Notes
(forming part of the financial statements)

21 Funds (continued)

Charity	Balance as at 1 April 2022 As restated £	Income £	Expenditure As restated £	Transfers £	Balance as at 1 April 2023 As restated £	Income £	Expenditure £	Transfers £	Balance as at 1 April 2024 £
Designated funds	-	-	-	-	-	**-**	**-**	**67,000**	**67,000**
Unrestricted funds	600,941	1,052,063	(405,038)	6,143	1,254,109	**390,795**	**(468,778)**	**(78,693)**	**1,097,433**
Restricted funds									
Carn to Cove Locomotor	3,009	-	(3,009)	-	-	-	-	-	-
Carn to Cove Villages in Action – Headley Trust Donation	5,000	-	(5,000)	-	-	-	-	-	-
Piano Go Round	2,316	(956)	(1,360)	-	-	-	-	-	-
Inn Crowd	1,814	1,690	(3,504)	-	-	-	-	-	-
Jaw Jaw	150	-	(150)	-	-	-	-	-	-
C-Fylm – Cultivator	476	-	(476)	-	-	-	-	-	-
C-Fylm – International Women	926	-	(926)	-	-	-	-	-	-
C2C C-Fylm Watershed FAN Fund	-	4,971	(4,971)	-	-	-	-	-	-
C2C Symphony of the Countryside	1,777	-	(1,777)	-	-	-	-	-	-
C2C Culture Recovery Grant	7,728	5,044	(12,772)	-	-	-	-	-	-
C2C – C-Fylm Crowdfunder	3,330	-	(3,330)	-	-	-	-	-	-
C2C Kickstart	716	-	(716)	-	-	-	-	-	-
C2C – C-Fylm Green Week	4,054	1,000	(5,054)	-	-	-	-	-	-
C2C – Cobweb – Redruth	1,049	-	(1,049)	-	-	-	-	-	-
C2C – TK Music Lab	20,000	(1,648)	(18,352)	-	-	-	-	-	-
British Film Institute – Cinema Equipment Package	56	-	(56)	-	-	-	-	-	-
FEAST	90,400	63,237	(86,751)	19,852	86,738	46,125	(150,769)	17,906	-
FEAST Bright Sparks	4,347	-	-	(4,347)	-	-	-	-	-
FEAST Gamechanger	10,609	41,208	(51,453)	-	364	-	(147)	(217)	-
FEAST Bill's Attic	258	6,105	(11,086)	-	(4,723)	2,902	(9,216)	11,037	-
FEAST Cornwall Community Foundation COVID Emergency Fund	6,405	10,000	(6,546)	110	9,969	-	(2,185)	(7,784)	-
Balance carried forward	**164,420**	**130,651**	**(218,338)**	**15,615**	**92,348**	**49,027**	**(162,317)**	**20,942**	**-**

Notes
(forming part of the financial statements)

21 Funds (continued)

Charity (continued)	Balance as at 1 April 2022 As restated £	Income £	Expenditure As restated £	Transfers £	Balance as at 1 April 2023 As restated £	Income £	Expenditure £	Transfers £	Balance as at 1 April 2024 £
Balance brought forward	**164,420**	**130,651**	**(218,338)**	**15,615**	**92,348**	**49,027**	**(162,317)**	**20,942**	**-**
FEAST Cornwall Community Foundation	160	-	(50)	(110)	-	-	-	-	-
FEAST Redruth HSHAZ	2,084	-	-	-	2,084	-	-	(2,084)	-
FEAST Kresen Kernow Commissioning	2,500	-	-	(2,500)	-	-	-	-	-
FEAST Redruth Unlimited	27,883	14,182	(26,079)	(10,000)	5,986	20,818	-	(26,804)	-
FEAST Shout LOUDER	5,005	-	(2,000)	(3,005)	-	-	-	-	-
FEAST Fun Palaces	-	5,780	(3,954)	-	1,826	2,287	(450)	(3,663)	-
FEAST Consultancy	-	-	-	-	-	10,800	(2,300)	-	8,500
Arts Lab	52,787	118,949	(141,287)	-	30,449	139,916	(125,277)	-	45,088
Good Growth Creative Communities	-	-	-	-	-	161,597	(164,688)	-	(3,091)
Cultivator	-	1,299,899	(1,299,771)	-	128	1,116,303	(1,139,733)	23,302	-
NFASP	23,843	-	(2,784)	-	21,059	-	-	-	21,059
The Tamara Project Commission 22/23	-	1,651	(1,651)	-	-	-	-	-	-
G7	40,832	-	(22,832)	-	18,000	-	-	-	18,000
Krowji Fire – Phoenix Fund	34,439	-	(34,439)	-	-	-	-	-	-
Tresorys Kernow	-	116,920	(110,777)	(6,143)	-	-	-	-	-
	353,953	1,688,032	(1,863,962)	(6,143)	**171,880**	**1,500,748**	**(1,594,765)**	**11,693**	**89,556**
Total of funds	954,894	2,740,095	(2,269,000)	-	**1,425,989**	**1,891,543**	**(2,063,543)**	**-**	**1,253,989**

Notes
(forming part of the financial statements)

21 Funds (continued)

The specific purposes for which the funds are to be applied are as follows:

The Locomotor/Villages in Action project has been set up to secure the future of the rural touring network in South Devon and co-ordinate International touring companies in the South West region. It will also explore new ways of delivering activity in rural venues, including developing new partnerships and digital innovations.

The C-Fylm Cultivator grant is a capital grant to buy new film equipment for the community film club project.

Piano Go Round is a fund-raising project to enable the purchase of a concert grand piano and lift to allow for touring to Carn to Cove venues around Cornwall. A one off concert was programmed to launch the project and it will be developed further in the future.

Inn Crowd - we are a delivery partner for a project to enable pubs and licensed premises to put on live, professional performances. This will develop audiences and provide support for publicans who are interested in expanding their offer to customers.

International women Is a series of films programmed in partnership with Cornwall Women's Centre to develop audiences in hard to reach groups with a season of female focussed films.

C-Fylm Green Week - we received a grant from the British Film Institute to run a week of film screenings to raise awareness of climate emergency.

Carn to Cove Cobweb, Redruth - Cobweb Tours providing support for C2C shows in Redruth.

FEAST is a substantial ongoing programme commissioning and distributing a wide range of great art to villages and towns across Cornwall.

The Bright Sparks fund is designed to encourage collaborations between artists and museums in order to build museums' audiences and volunteer base.

Game Changer is an ESF, Big Lottery funded programme to help people aged 15-25 not in education, employment or training to access one of these options. Creative Kernow co-ordinates opportunities for young people with artist led workshops and with other creative sector businesses.

Bill's Attic is a unique artist residency and cultural meeting space at Krowji, which holds the collections of Bill Mitchell as a source of creative inspiration. Funds to date have been raised from the public and future income will be raised from hire of the space.

Cornwall Community Foundation has granted FEAST additional funds to add to the total FEAST grants pot. Every £1 of CCF grant Is matched by FEAST and put towards supporting a creative project in the community.

Redruth Unlimited - Redruth Unlimited is funded by Historic England as part of the High Street Heritage Action Zone in partnership with Cornwall Council (who receive the grant from Historic England). Projects can apply to FEAST for projects that bring culture to Redruth high street areas.

Shout Louder - a specific grants round for artists to respond to climate emergency and 'shout louder' to decision makers at COP26. in Glasgow.

Arts Lab - commissioning artists to deliver art projects in schools and alternative education settings to tackle mental wellbeing. Funding from Headstart programme via Cornwall Council.

Good Growth Creative Communities (Shared Prosperity Funding) – this is the EAEP programme supporting the creative communities programme through a festivals network and community skills development and training.

Notes
(forming part of the financial statements)

21 Funds (continued)

Cultivator - a programme of skills and business support for Cornwall's creative and cultural sectors, supporting small businesses, sole traders and freelancers. Funded by the European Regional Development Fund, the European Social Fund, Arts Council England and Cornwall Council.

The NFASP funds relate to a Legacy Fund Agreement arising from the winding up of the National Federation of Artists' Studio Providers Ltd in January 2018. The remaining company funds were transferred to Creative Kernow to be managed as a restricted fund so that some of NFASP's sector support role could continue.

G7 - funding from Cornwall Council to deliver the G7 summit cultural legacy programme. Included grants to artists and film screening equipment supplied to community centres.

Krowji Fire Phoenix Fund - fund to support post-fire recovery. Includes donations from individuals, Real Ideas Organisation and Cornwall Community Foundation. The Arts Council also provided an emergency grant of £35k towards this.

All other restricted funds have been received for specific activities and projects and have been expended on the activities for which they were received.

Designated funds represent potential closure costs should the charity cease to operate.

22 Analysis of net assets between funds

Group – current year

	Unrestricted funds	Restricted funds	**Total funds 2024**
	£	£	**£**
Tangible fixed assets	1,498,822	3,427,526	**4,926,348**
Net current assets	915,089	269,175	**1,184,264**
Creditors due in more than one year	(1,228,538)	-	**(1,228,538)**
Provisions	(55,500)	-	**(55,500)**
	1,129,873	3,696,701	**4,826,574**

Group – prior year

	Unrestricted funds As restated	Restricted funds As restated	**Total funds 2023 As restated**
	£	£	**£**
Tangible fixed assets	1,541,134	3,519,554	**5,060,688**
Net current assets	553,504	223,700	**777,204**
Creditors due in more than one year	(879,635)	-	**(879,635)**
Provisions	(50,830)	-	**(50,830)**
	1,164,173	3,743,254	**4,907,427**

Notes
(forming part of the financial statements)

23 Charges

A first fixed charge is held by Triodos Bank over the assets of the Group in respect of a mortgage and loan in place with Krowji Limited for which security has been given. The total amount of borrowings at 31 March 2024 is £1,281,524 (2023: £928,664).

24 Guarantees

Creative Kernow Limited has provided a guarantee to Triodos Bank on the legal mortgage taken out by its subsidiary, Krowji Limited. If Krowji Limited were to default on the mortgage repayments, Creative Kernow Limited would be liable to pay the amounts on the subsidiary's behalf.

25 Operating lease with subsidiary

Creative Kernow Limited has leased land and property to its subsidiary, Krowji Limited, under a long leasehold agreement in October 2013. The lease is for 99 years. The lease was issued with a lease premium of £500,000 to be paid, and annual peppercorn rent.

26 Related party transactions

Dr F C Wotton
(the company secretary of Krowjl Limited)
Dr F C Wotton had power of attorney for Krowji Limited during the year for the sole purpose of executing underleases and tenancies of parts of the property of Krowji Limited. At the balance sheet date the amount due to/from Dr F C Wotton was £NII (2023: £Nil).

Mrs E A Harris
(key employee of Krowji Limited)
Mrs E A Harris had power of attorney for Krowji Limited during the year for the sole purpose of executing underleases and tenancies of parts of the property of Krowji Limited. At the balance sheet date the amount due to/from Mrs EA Harris was £NII (2023: £Nil).

Mr S P Harvey
(director of Screen Cornwall Limited)
Mr S P Harvey received honorarium for services provided in the year totalling £nil (2023: £75) in accordance with the provisions of the governing document of the company. At the balance sheet date the amount due to/from Mr S P Harvey was £NII (2023: £Nil).

Charity
During the year the charity made the following related party transactions:

Krowji Limited
(subsidiary of Creative Kernow Limited)
Rent payable to Krowji Limited for the use of property during the year, total amount paid during the year of £16,957 (2023: £18,357).

Hire of meeting rooms payable to Krowji for the use of rooms on an ad hoc basis during the year, total amount paid during the year of £293 (2023: £7,221).

Supply of labour and materials from Krowji for remedial repair works carried out during the year, total amount paid during the year of £Nil (2023: £1,872). Rent receivable from Krowji Limited for the lease of property, total amount received during the year of £100 (2023: £100).

Management charges of £5,000 (2023: £nil) were charged by the charity to Krowji for back office services provided during the year.

Creative Kernow Limited has provided a loan to Krowjl Limited. Interest is charged on the loan, total interest receivable during the year of £28,964 (2023: £18,397). The loan amount outstanding from Krowji Limited at the balance sheet date is included in the intercompany balances within creditors due under one year.

Notes
(forming part of the financial statements)

26 Related party transactions (continued)

At the balance sheet date the amount due from Krowji Limited was £559,855 (2023: £501,651) of which £383,000 (2023: £383,000) related to the loan.

Cornwall Arts Marketing Limited
(subsidiary of Creative Kernow Limited)
Cornwall Arts Marketing Limited provided advertising services throughout the year. Total amount paid during the year of £6,971 (2023: £2,099).

Management charges of £4,500 (2023: £nil) were charged by the charity to Cornwall Arts Marketing Limited for back office services provided during the year.

At the balance sheet date the amount due from Cornwall Arts Marketing Limited was £6,708 (2023: £13,982).

Screen Cornwall Limited
(subsidiary of Creative Kernow Limited)

The charity provided Screen Cornwall Limited with the provision of services throughout the year totalling £7,000 (2023: £5,100).

Management charges of £6,000 (2023: £nil) were charged by the charity to Screen Cornwall Limited for back office services provided during the year.

At the balance sheet date the amount due from Screen Cornwall Limited was £8,458 (2023: £Nil).

27 Control

The group was controlled by the Trustees who are also the Directors throughout the current year.

28 Non adjusting events after the financial period

Group

Screen Cornwall Limited converted to a Community Interest Company and changed its name to Screen Cornwall CIC on 3rd January 2025. On 11th March 2025, the charity sold 86% of its shares in Screen Cornwall CIC to two Directors, L Giles and P Giles, and to K McClory, Company Secretary and employee. Creative Kernow no longer holds a significant interest in this company.

Charity

Since the year end it has been agreed that the charity will pay compensation of £606,386 to its subsidiary, Krowji Limited, in relation to fire damage sustained to properties used by the company in May 2021.

29 Auditor's 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 22 May 2024.

Notes
(forming part of the financial statements)

30 Charity statement of financial activities (incorporating income and expenditure account)

	Unrestricted Fund	Restricted funds	**Total funds 2024**	Total funds 2023 As restated
	£	£	**£**	£
Income from:				
Donations and legacies	255,158	1,496,559	**1,751,717**	2,009,129
Investment income	48,975	1,527	**50,502**	28,368
Charitable activities	71,162	2,662	**73,824**	96,563
Insurance proceeds	-	-	**-**	606,035
Other income	15,500	-	**15,500**	-
Total income	390,795	1,500,748	**1,891,543**	2,740,095
Expenditure on:				
Charitable activities	468,778	1,594,765	**2,063,543**	2,269,000
Total expenditure	468,778	1,594,765	**2,063,543**	2,269,000
Net (expenditure)/income before transfers	(77,983)	(94,107)	**(172,000)**	471,095
Transfers between funds	(11,693)	11,693	**-**	-
Net movement in funds	(89,676)	(82,234)	**(172,000)**	471,095
Total funds brought forward	1,254,109	171,880	**1,425,989**	954,894
Total funds carried forward	**1,164,433**	**89,556**	**1,253,989**	1,425,989

All of the charity's activities derive from continuing operations during the above two periods.

Notes
(forming part of the financial statements)

31 Prior period adjustment

The accounts for the year ended 31 March 2024 contain two prior year adjustments; one which impacts the group position only and the other which impacts both the group and charity only figures reported.

Prior period adjustment 1 – Government grants (group only)

One of the trading subsidiaries of the group received government grants in a previous year in relation to capital assets which have been accounted for under the accruals model. As at 31 March 2023, the group accounts included deferred income totalling £3,519,554 in relation to this, with £92,028 recognised as government grant income in the year to 31 March 2023. Under the Charities SORP, the accruals model for government grants is not permitted, therefore, the accounts have been restated to recognise that this income should have been recognised in full on receipt and then held as a restricted fund.

Prior period adjustment 2 – Restricted expenditure (group and charity)

It was identified by the charity Trustees during the year, that expenditure totalling £84,694 had been classified in the accounts for the year ended 31 March 2023 as unrestricted but it was in relation to restricted funds. The accounts have been restated to recognise this material error.

Group

Reconciliation of changes in reserves

	Unrestricted fund £	Restricted funds £	**Total funds £**
Reserves as previously reported at 31 March 2022	437,918	406,327	**844,245**
Prior year adjustment – recognition of government grants in prior periods	-	3,611,582	**3,611,582**
Reserves as restated at 31 March 2022	437,918	4,017,909	**4,455,827**
Reserves as previously reported at 31 March 2023	1,079,479	308,394	**1,387,873**
Prior year adjustment – recognition of government grants in prior periods	-	3,519,554	**3,519,554**
Prior year adjustment – restricted expenditure not allocated correctly	84,694	(84,694)	**-**
Reserves as restated at 31 March 2023	1,164,173	3,743,254	**4,907,427**

31 Prior period adjustment (continued)

Reconciliation of changes in the balance sheet

	As previously reported	Prior year adjustment	**As restated at 31 March 2023**
	£	£	**£**
Creditors: amounts falling due within one year			
Deferred income	202,806	(92,028)	**110,778**
Creditors: amounts falling due within more than one year			
Deferred income	3,427,526	(3,427,526)	**-**
Reserves			
Unrestricted reserves	1,079,479	84,694	**1,164,173**
Restricted reserves	308,394	3,434,860	**3,743,254**

Reconciliation of changes in surplus for the previous financial year

	Total funds
	£
Surplus as previously reported for the year ended 31 March 2023	**543,628**
Prior year adjustment – recognition of government grants in prior periods	**(92,028)**
Surplus as restated for the year ended 31 March 2023	**451,600**

Charity

Reconciliation of changes in reserves

	Unrestricted fund	Restricted funds	**Total funds**
	£	£	**£**
Reserves as previously reported at 31 March 2023	1,169,415	256,574	**1,425,989**
Prior year adjustment – restricted expenditure not allocated correctly	84,694	(84,694)	**-**
Reserves as restated at 31 March 2023	1,254,109	171,880	**1,425,989**

31 Prior period adjustment (continued)

Reconciliation of changes in the balance sheet

	As previously reported	Prior year adjustment	**As restated at 31 March 2023**
	£	£	**£**
Reserves			
Unrestricted reserves	1,169,415	84,694	**1,254,109**
Restricted reserves	256,574	(84,694)	**171,880**

Reconciliation of changes in surplus for the previous financial year

	Total funds
	£
Surplus as previously reported for the year ended 31 March 2023	**471,095**
Prior year adjustment	**-**
Surplus as restated for the year ended 31 March 2023	**471,095**

CREATIVE KERNOW LIMITED

England & Wales - Charity number 292138

Accounts

Company registration number: 1727731

Charity registration number: 292138

Creative Kernow Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2023

Creative Kernow Limited

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Creative Kernow Limited

Reference and Administrative Details

Chief Executive Officer	Fiona Catherine Wotton
Trustees	John Alfred Pulford Simon Paul Harvey (resigned 19 October 2022) Eleanor Jubb (resigned 31 October 2023) Ajay Chhabra Amanda Berry Tamara Bedford Jonathan Mark Bray Hannah Marie Irwin James Sculthorp-Wright Charlotte Emma June Somers (appointed 6 October 2022 and resigned 7 September 2023) Paul Springer (appointed 25 February 2023) Paul Kevin Brookes (appointed 15 May 2023)
Secretary	Fiona Catherine Wotton
Principal & Registered Office	Krowji West Park Redruth Cornwall TR15 3AJ
Other Names of the Charity	Arts Centre Trust, ACT, Creative Skills
Company Registration Number	1727731
Charity Registration Number	292138
Solicitors	Nalders Farley House Falmouth Road Truro TR1 2HX
Bankers	CAF Bank Limited PO Box 289 West Malling Kent M19 47A Lloyds Bank Plc Truro 7 Boscawen Street Truro TR1 2QT
Senior Statutory Auditor	Paula Thomas BA FCA DChA
Auditor	Walker Moyle Ltd 3 Chapel Street Redruth Cornwall TR15 2BY

Creative Kernow Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, are pleased to present their group annual report and the audited financial statements for the year ended 31 March 2023. This report is a combined annual report containing a directors' report as required by company law. The financial statements have been prepared in accordance with the current statutory requirements, the Articles of Association and Statement of Recommended Practice - Accounting and Reporting by Charities (SORP FRS 102).

Reference and Administrative information, set out on Page 1, forms part of this report.

Governance

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £5.

The company is a registered charity, number 292138, with effect from 8 May 1986. The governing documents are the Memorandum and Articles of Association.

The charity trustees during the year, appointed since the year end and at the date of this report are:

Trustees

John Alfred Pulford

Simon Paul Harvey (resigned 19 October 2022)

Eleanor Jubb (resigned 31 October 2023)

Ajay Chhabra

Amanda Berry

Tamara Bedford

Jonathan Mark Bray

Hannah Marie Irwin

James Sculthorp-Wright

Charlotte Emma June Somers (appointed 6 October 2022 and resigned 7 September 2023)

Paul Springer (appointed 25 February 2023)

Paul Kevin Brookes (appointed 15 May 2023)

All directors of the company are also trustees of the charity and there are no other trustees. The Board has the power to appoint additional trustees as it considers fit to do so. Although no specific training is required for new trustees, they are made aware of the useful guidance offered by the Charity Commission and others. Policy decisions are made by the Board at regular meetings.

Organisational Structure

During 2022/23 Creative Kernow Limited had three wholly-owned subsidiary companies which gift-aid the majority of any profits to the charity each year. Their activities during the year are covered as part of the report below.

Krowji Ltd is a company limited by shares, number 05420248, and wholly owned by Creative Kernow. It has a board of directors - Greg Oldrieve (Chair), Jonathan Bray, Anna Brown, Matthew Brown and Katy Tregidden. It was established in 2005 and its main role is to operate the creative workspace cluster at Krowji in Redruth - the freehold of the property is held by Creative Kernow and Krowji Limited has a long leasehold interest.

Cornwall Arts Marketing Ltd is a company limited by shares, number 04346555, and wholly owned by Creative Kernow. It has a board of directors - John Pulford (Chair). It was established to run our major ERDF-supported cultural tourism programme from 2002 onwards; this was wound down some years ago and its main role for the moment is to operate the annual Open Studios event and the Cornwall 365 What's On listings service and printed guide.

Creative Kernow Limited

Trustees' Report

Screen Cornwall Ltd is a company limited by shares, number 11881973, and wholly owned by Creative Kernow. It has a board of directors - Phillippa Giles (Chair), Simon Harvey, Mandy Berry, Amanda Pyne, Francesca Gilpin and Alex Smith. It has been set up to drive the development of the screen industries in Cornwall and the Isles of Scilly, working with incoming film & TV productions, businesses, and individual freelancers to build a strong and thriving production sector.

All three subsidiary companies were established in order to carry on activities which are directly in pursuit of Creative Kernow's charitable objects and so could legitimately be carried on by the charity itself, but which the trustees judged to be more prudently carried on in a subsidiary company for reasons of financial efficiency and to reduce the risk to the charity's core assets.

Objectives and activities

The objectives of the charity are to provide exhibitions of the arts of dance and drama, to provide training in the arts and arts management and to further the public appreciation of the aforesaid.

Public benefit statement

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

Summary

This group report covers the financial year from April 2022 to March 2023. It reviews our objectives, activities, and governance; our achievements and financial performance during the year; our work with other agencies and organisations; and our future plans for the organisation and its subsidiary companies.

Creative Kernow is the cultural and creative sector support organisation for Cornwall and the Isles of Scilly. We are a charity with a mission to enrich and energise creative communities of place and practice through the production, distribution and promotion of artistic work, networks, and knowledge.

Our core programmes deliver activity in three dynamically interdependent areas:

Creative Communities
- **FEAST** - investing in projects that support co-creation between artists and communities in Cornwall
- **Carn to Cove and C Fylm** - touring the performing arts and cinema across Cornwall's and Devon's smaller communities
- **Arts Lab** - an outreach programme offering creative learning in schools and other education settings to support young people's mental wellbeing

Creative Economy support
- **Cultivator** - providing skills, networking, investment, export, and other creative business development opportunities for the sector
- **Screen Cornwall** - supporting the growth of the film industry in Cornwall through services to production companies and talent development programmes

Cornwall 365 What's On - the comprehensive events listing website platform and printed magazine for Cornwall which works in partnership with C365 Network.

Creative Hub development
- **Krowji** - Cornwall's largest creative hub and workspace cluster in Redruth
- Offering support to emerging creative hubs and place making projects

Creative Kernow Limited

Trustees' Report

Creative Kernow is a well-established charity and social enterprise with an experienced board of trustees and a strong staff team. Our finances are broadly based with a variety of income sources including long-term grant support from Arts Council England and Cornwall Council, European Structural Investment funds via European Social Fund and European Regional Development Fund, earned income from commissions and contracts, box office income from events and rental income from our workspace cluster in Redruth. Creative Kernow contributes significantly to developing and delivering effective models for creative and cultural practice, sector, community and audience engagement, clusters and networks and leadership development in our rural region.

We continually develop new projects and partnerships, seeking opportunities to enhance our sustainability as an organisation, supporting other initiatives and playing an active role in advocacy and leadership for the sector and for Cornwall. Creative Kernow has a good track record of developing innovative projects, investing in our staff, being willing to take risks and planning for the longer term.

Performance

This section provides a summary of activity between April 2022 and March 2023, and it is divided into our separate delivery strands: Creative Communities, Creative Economy, and Creative Hub Development.

Creative Communities

A total of 182 projects were funded over the financial year 22-23 across all the funding streams we manage, including FEAST, Redruth Unlimited, Tresorys Kernow and Arts Lab - almost three times the volume of contracting we have done in early FEAST/pre-Covid years.

Tresorys Kernow
Tresorys Kernow was a Community Renewal Fund supported collaboration with Cornwall Museums' Partnership (CMP). It was designed to test culture-led approaches to high street transformation following the Covid pandemic and centred on ten towns: Truro, Bodmin, Bude, Launceston, Porthcurno - led by CMP and Penzance, Lostwithiel, St Austell, Newquay and Saltash - led by Creative Kernow. The FEAST process, criteria, call and selection panels had to be uniquely adapted to, and owned by, the residents of those towns. These five towns experienced a confidence and skills boost of their local cultural leaders who took the lead in commissioning work. 38 projects were funded, and FEAST oversaw all the applications and panels, and handled the contracting and monitoring.

Over 150 public events across the 10 towns were funded with a budget of £580k, which included over 5000 workshop and activity participants, over 16,000 (including online) audience members, over 400 artists and over 300 volunteers. The impact was felt positively, with new partnerships and collaborations being built, with the majority of audience members wanting to see more events like this in their town, the programme having given them a greater sense of town pride, sense of community and belonging.
Through Tresorys Kernow, Carn to Cove programmed two performances from Etta Ermini Dance Company in St Austell in June, which was a dance cabaret promenade piece by a London based company who held a workshop with St Austell College drama students who joined in for part of the performance.

Arts Lab
Phase One of Arts Lab, the Headstart Kernow Arts project, was completed and an artist evaluation undertaken. It had an overwhelmingly positive response from schools and young people, and an additional £45k was secured for the project from Headstart Kernow in May which went into Phase One. We were subsequently offered around £75k/year to continue the project from Public Health Cornwall over three years. The Arts Lab Manager Izzy Bianchini was tasked with searching for additional sources of match funding for the initial months of Phase Two.

Carn to Cove
The 2022 Carn to Cove spring season had consisted of 48 events between February and the end of July, proving a slightly extended season than pre-Covid times, with three of the early performances cancelled or postponed due to high Covid cases. This ranged from a singer-songwriter to Regents Opera, international artists from Poland and Belgium, family theatre, and homegrown theatre productions. Events were programmed for the Isles of Scilly too. The autumn season was impacted by the national mourning period and funeral of HM the Queen, with the cancellation of five performances of which only two could be rescheduled. Carn to Cove proceeded, however, to have sell out shows and excellent feedback for The Syrian Baker (Farnham Maltings), Help, I think I'm a Nationalist (Seamas Carey), Zulu Tradition, Bournemouth Symphony Orchestra and The Odyssey (Dave Mynne). The 2023 spring season saw a slightly slimmer programme of performances, but experienced an upturn in audience numbers compared with the autumn.

TK MusicLab
Musicians Ryan Jones and Matthew Thomason were recruited as music leaders to work with young people in Cornwall and compose an original piece of music with partners at Music Hub in Romania. Ryan and Matt visited Sibiu where they met the Romanian participants and began working on a composition. The project and the delivery were presented at a meeting with the British Council as part of the developing community for the International Collaboration strand at the end of July. The Romanian young musicians visited Cornwall in February 2023, working with the Cornish cohort to finish off their music composition and performed the final piece at Truro School Chapel as part of Matthew Thomason's concert, resulting in a standing ovation from a sold-out audience.

C Fylm, in addition to the regular club screenings, held two Salon du Cinema events as part of the BFI Film Feels Curious season in partnership with Scary Little Girls and hosted a pedal-powered film screening as part of GoodFest, working with Screen Cornwall and Blystra Arts. C Fylm entered a speculative bid with Screen Cornwall to the BFI's Spotlight strand looking at placemaking for a project in Camborne - this was unsuccessful although generated interest. C Fylm were approaching partnering with the Film Hub on a smaller pilot focused on engaging lower socio-economic groups supported via the Film Exhibition Fund opening in April.

Claire joined the boards of the National Rural Touring Forum and Yskynna Vertical Dance Company and Imogen became part of the Sea Change network that supports women across the screen industries. Imogen also won a bursary to attend the Arts Marketing Association conference in Birmingham.

Tamara Consultancy
Creative Communities staff worked alongside C365 to deliver consultancy to the Tamara Landscape Partnership Scheme examining possible models for their arts festival in 2024. Community consultation sessions were held in October in Callington, Calstock and Tavistock, using the Tresorys Kernow model. This consultancy work brought in useful additional income. We began exploring the possibility of replicating the model to deliver some consultancy work with the Cornwall Council Strategic Planning team's new Local Plan, using our community networks and the Tresorys Kernow pollinators to feed into that document.

International work
Claire attended an International Theatre Forum event in Romania in September and made a presentation about the rural touring network in the UK, which was very well received amongst the delegates - a mix of creatives and cultural organisations from Romania and Hungary.

Creative Europe have continued to support the SPARSE Network after the initial project came to an end last year. We are no longer involved as an active partner but will retain the links with the original partner organisations as well as being able to offer mentoring and consultancy for the new countries.

Creative Kernow has become a member of the European Network of Cultural Centres, and Claire attended the first General Assembly meeting online. Creative Kernow has joined a Working Group on Cultural Centres and non-urban areas and Claire participated in a webinar to talk about the UK rural touring model.

Claire travelled to Spain at the end of March to represent Creative Kernow at the Joining the Dots conference focused on issues around sustainability.

Creative Kernow Limited

Trustees' Report

Creative Economy

Screen Cornwall

The Film Office was busy with location permissions and crew enquiries for a wide range of projects shooting in the summer of 2022, which included a BBC Films/BFI feature and the BBC series Beyond Paradise, a production with whom Screen Cornwall worked to place 12 trainees through the ScreenSkills First Break scheme in collaboration with Red Planet Pictures. Leader of Cornwall Council Linda Taylor and Head of Inclusive Growth and Skills Emily Kent were shown the Beyond Paradise set in Looe to see how the production was working with local people.

After senior level meetings with Cornwall Council, a Partnership Agreement was signed so that the FilmApp could be implemented. A proposal was submitted to Bristol for the BFI's Regional Skills Cluster open call and Screen Cornwall were invited to interview.

Screen Cornwall's Film Office Manager attended the Filming in England conference, the team attended the FOCUS production show in London as part of the Filming in England stand, and Screen Cornwall was the official partner of Sheffield Doc/Fest for the first time.

The new crew database restructure was successful had the potential to be evolved further with annual refreshes. A strong trainees list resulted from the open call for First Break, and a crew night was scheduled in Newquay in March.

Six projects from Falmouth University School of Film & TV graduates / alumni were selected for support. One creative team was awarded BFI NETWORK funding to make their short film and four writers have been selected for the Channel 4 West & South West Writers scheme. A script read event for Cornish Voices and New Writers Network supported by Cultivator was held. Tresorys Kernow documentary skills workshops for four Gamechanger/Real Ideas clients took place in St Austell and the Tresorys Kernow project culminated in a 3-day creative 360 dome experience open to the public in Truro in July.

Screen Cornwall was awarded funding from the Council's Creative & Cultural Investment plan to run further creative careers and talent development activity with consortium partners Hall for Cornwall, AsONE Perform and Creative Kernow from 2022-26, which enabled the team to continue the work on the New Creatives Cornwall marketing campaign as well as supporting careers fairs and additional work experience opportunities.

Our pilot outreach co-ordinator linked up with support workers in community organisations to run several test workshops. This culminated in a 'make a film in a week' course held at Bill's Attic in September.
A second cohort of the Peninsula Producers Network took place in partnership with Exeter Phoenix and funded by BFI NETWORK with four Cornwall and four Devon-based participants.
The Screen Business Network met quarterly and planned a series of events for writers at every stage.

In terms of developing a Kernow Public Service Media, the two projects BLOOM and ART that were awarded FylmK funding were in production, and the 2021 commission MAB HUDEL was delivered. 15 Cornish creatives visited Quimper in Brittany in June, with KESTAV (FylmK) winning Best Short and lots of important connections made with potential collaborators and funders. Two skills events focus on Cornish language, culture and heritage media were held in September with particular interest for the 'Directing & Acting in Cornish' session.

The four existing Cornish Language Fylm K commissions were made available on BBC iPlayer: BBC iPlayer - Cornish Shorts, the culmination of two years of work and the Shared Prosperity Fund bid, submitted in early December, focused on the development of the early stages of a Cornish Public Service Media and bringing the Celtic Media Festival back to the region, as well as supporting our core film office work. An additional bid went into Cornwall Council as part of the devolution deal to invest £150k via Screen Cornwall on further indigenous / Cornish Language productions, with the decision pending in July 2023.

The BFI National Cluster Growth Fund activity progressed with the support of the appointed research partner Olsberg SPI. An impact report was released in September 2022 which formed a useful exercise in working out future data collection and storytelling.

Creative Kernow Limited

Trustees' Report

Screen Cornwall was successful in securing funding for work package 2 of Cornwall Council's Cultural Investment Strategy - talent development and creative careers - in a consortium with Hall for Cornwall, AsONE Perform and Creative Kernow. Screen Cornwall became a delivery partner of Cultivator to administer a pilot round of the Screen Growth Production Fund via an ERDF extension fund. The completed BFI National Creative Clusters research was made available on the website: Screen Cluster of National Significance - Screen Cornwall. Their B corp accreditation unfortunately fell at the final hurdle as Screen Cornwall does not receive more than 50% of its income from commercial sources, however the principles of a triple bottom line are still at the heart of how the company wants to operate.

Cornwall 365 Network / What's On

The collaboration between Open Studios and Cornwall 365, new for 2022, was successful with the dual Guide and Open Studios publication receiving more What's On promotional coverage than in previous years. There was mixed feedback from the artists due to the changes incurred, although they were necessary for the continuation of the Open Studios. It was decided that for 2023, Open Studios would be run solely by the Cornwall 365 team with changes implemented based on the feedback from artists to create a more positive experience for the team too.

The Summer 2022 What's On Guide was the most successful edition for two years, with advertising revenue back to pre-pandemic levels for the first time and 34 partners on board, more than pre-lockdown. The print and distribution costs associated with the Guide had risen over the year, however the Winter Guide still managed to turn a respectable profit. A price increase for all What's On services would be implemented in the 2023-2024 financial year to balance between keeping prices accessible to community producers whilst generating enough profit against rising costs. As anticipated, advertisers were committing less budget spend to events because audiences were still not at pre-Covid levels, while the cost of living was also impacting on fewer ticket sales.

The Cornwall 365 work mapping Intangible Cornish Cultural Heritage came to an end, and the research was presented this research at the Gorsedh Conference at the Hall for Cornwall, and a final report was submitted. Cornwall 365 was included in a bid from the Re:Voice project, and we have expertise needed by the ICH sector, so I anticipate this is just the start of our work in this area and we will keep looking for opportunities to contribute.

The C365 Tresorys Kernow project included skill sessions such as with Mark Trevethan leading a How to Use Cornish in Your Business Workshop and Livvy Drake leading on Sustainable Events. C365 also worked on the marketing and evaluation of the project.

Cornwall 365 was awarded a tender from Cornwall Council to run three more workshop sessions for their EXPERIENCE programme, centred around experience-led tourism, sustainable events, and social media marketing. The team collaborated with the Creative Communities strand on a consultancy project for the Tamara Landscape Partnership Scheme around creating a River Festival of the Arts and worked with their bid writer on developing an application for an appropriate funder.

C365 What's On successfully made their SPF bid to create a What's On App, an exciting digital solution to enable users to discover events and access Cornwall's rich cultural and heritage scene. The foundation of the app will be built on the following user journey:
Discover > Book > Feed Back
- Discover will utilise our API events feed, pulling through all of the events listed on Cornwall365.com.
- Through Book we will integrate a box office system to enable users to easily book a ticket.
- Feedback will provide a space for customers to tell us about their experience through our integrated In the Loop platform.

The grant was agreed post-year-end, totalling £230,000 to be receivable from 1 July 2023 to 31 March 2025, with some match funding coming from In the Loop ring-fenced income.

Cultivator

Cultivator entered its final year of delivery, with three business advisors leaving in 2022 for alternative employment opportunities and redundancy plans created for the group of business advisors for after June 2023 as the ERDF funded part of the programme came to an end.

A fourth, highly competitive CDC Export grant was awarded in May 2022, with 12 awards to clients made totalling £30K. The final grant round occurred in September. In collaboration with Cornwall Council Trade and Investment, a selection of clients were selected to undertake a reconnaissance visit to Maison & Objet trade fair in Paris in Jan 2023.

The third and final cohort of 12 participants took part in the Creative and Culture Leadership Programme has been selected from a wide field of applications, with good representation from across sub sectors and geographic spread.

Cultivator's PCR was approved in June to enable them to appoint Screen Cornwall as delivery partner for all ERDF activity for screen clients, allowing the progress of the Screen Growth Development and Screen Growth Production funds. For the Screen Growth Fund grant rounds, three awards have been made at a total of £279,566.93 out of a possible £400,000. Although the number of awards (and thus the overall award total) were lower than anticipated, the funds facilitated an exciting and diverse range of Cornish projects.

The eighth round of the Creative Investment Grants (CIG) applications was assessed and awarded in June, with £90K being dispersed to clients. Our PCR also gives us funding for an additional round of the Creative Investment Grant and more networking opportunities. The project delivery end date was thereby extended from March 2023 to June 2023, bringing it in line with the ESF strand of the project.
The final rounds of Individual Skills & Mentoring were awarded in March; 24 clients were awarded a total of £16,866 in grants for Individual Skills development and 23 clients were awarded a total of £35,095 in grants for Mentoring.

A PCR was submitted to DWP requesting an extension to the ESF project from June 2023 to December 2023 to enable additional grant funding rounds and skills sessions delivery and was approved. Following the acceptance of an Expression of Interest (EoI) to the Good Growth team in February 2023, a full funding application was submitted to provide business & skills support to Creative Industry businesses in CIoS in to mid-2025, which would be considered at the Good Growth panel meeting in May.

Creative Hub Development

Krowji

Occupancy and income
Krowji received an average of 98% occupancy levels during 2022, and levels remained very good going into 2023, particularly given the economic climate and cost-of-living crisis. Following an in-depth review, tenants were notified of a 3% blanket increase across all studios with a further increase for studios inclusive of electricity from July 2022. The overall increase was capped at 10% this financial year to support the tenants and maintain good occupancy levels. With the electricity tariff increasing by approximately 130%, 50p per sq ft was added to all studios inclusive of electricity and tenants were advised of a further significant increase in April 2024.

The team had planned for and anticipated large studio vacancies and prioritised marketing and communications around promoting available spaces as well as exploring alternative uses for these large studios. Some studio rent was also lost due to roof leaks and tenants needing to be moved to alternative studios and compensated. Building maintenance and repairs continued onsite, despite delays from the previous year due to fire damage related repairs and work. The Yard site operated at 100% occupancy.

Creative Kernow Limited

Trustees' Report

Events and outreach
Krowji's participant numbers for the summer Open Studios Cornwall event experienced a decrease as tenants no longer found the model financially viable. Krowji therefore adapted to develop tenant-led Micro Markets at a much smaller scale for tenants to participate in. A Fun Palace event was hosted on the Splatt with tenants running activities for over 200 members of the public, and an event was hosted by FEAST in conjunction with Cultivator in September. Krowji's relationship with its tenants has much improved with the introduction of new social events such as the Krowji Summer Supper.

There was an increased uptake in tenant registration for Christmas Open Studios, from 57 to 70 tenants. The studio manager Emma Wood and administrator Hannah Andrews ran the event and invited members of the public, especially young people, to make Christmas decorations to hang on a tree to be then gifted to a local family supported by St Petrocs. A Shoebox Appeal was also organised with Krowji as a drop-off point, and the local Trewirgie school choir gave a performance with the proceeds going to Foodbank. Social media engagement had generally increased. Krowji subscribed to the Transparent Presence Ally scheme to make Krowji a recognised safe space for the transgender and non-binary community.

Insurance settlement and capital project
After long delays and much chasing following the North Light Fire in May 2021, a cash settlement of around £690k was agreed in principle with Aviva in July 2022. This allowed the Krowji team and board to begin planning in earnest for a small capital project to replace the lost studios.

A consultation event was held in October for the tenants and wider creative community to enable people to feed back their ideas for the Phase 3 replacement studios on the Splatt, which produced rich discussions. A consultation workshop was also held with year 10 students from Redruth School which helped to build a more positive relationship with the school.

We were awarded Good Growth SPF funding for the Phase 3 project following the year-end. The grant totals £382,819 to be receivable from 1 April 2023 to 31 March 2025 with a proposal to match this with £310,000 from the insurance settlement.

Partnership activities and other projects

Creative Kernow plays a key part in innumerable partnership projects across Cornwall and further afield, often going far beyond what is formally required or expected by our funders. All our projects involve working in partnership with others and this is one of the most rewarding aspects of our role.

Highlighted partnership working:
As referenced earlier (see Creative Communities) we delivered a major partnership project with Cornwall Museums' Partnership which concluded in the summer of 2022. Much of the learning from this project was directed towards our SPF Good Growth project Extraordinary Art in Everyday Places.

Our work with Arts Well CiC and Headstart Kernow has extended our FEAST commissioning model into schools and other education settings and is supporting much needed creative interventions to support mental wellbeing for young people.

There has been a welcome resurgence in tenant activity at Krowji with artists supporting the organisation of Open Studios and programming activities in the café and Art Room which draw new visitors to the site and promote studio space to the wider creative community.

Krowji continued to be approached by various individuals and organisations seeking advice and information on running studios, including a couple looking to convert a building in Penzance, St Austell Town Council who would like to incorporate an arts and culture hub or space within their town revitalisation plans, and architects working for Lostwithiel Town Council who are looking to convert some of their heritage buildings and have been inspired by Krowji's model. Krowji would look towards ways they can monetise these consultancy services in future.

Our links with projects in Redruth remained a priority. FEAST commissioned projects for the Redruth Unlimited cultural programme as part of High Street Heritage Action Zone (HSHAZ) funded by Historic England.

Our staff were as always involved in a wide variety of other local and regional initiatives, sometimes in a work capacity and sometimes personally. These included the boards or steering groups for CIOS LEP Creative Industries Taskforce, Kernow Education Arts Partnership, Miracle Theatre, Cornwall Wildlife Trust, Cornwall Media Resource, Cornwall Digital Skills Partnership, Cornwall Film Festival, Goldentree, Cousin Jacks, The Tin Coast Partnership, Leach Pottery, Scary Little Girls and O-Region as well as a number of strategy review bodies. This is a key aspect of Creative Kernow's work which is hard to quantify, but which is highly valued by our funders.

Financial Review

Creative Kernow group ended the year with a surplus of £543,628, made up of a deficit of £97,933 on restricted funds and a surplus on unrestricted funds of £641,561. Our unrestricted reserves have increased to £1,079,479, with total funds held by the group at the year-end standing at £1,387,873. The level of free reserves for the charity at 31 March 2023 is £889,431 and £867,008 for the group.

Charity turnover in the year was £2,740,095 in comparison with £2,394,829 in the 2021/22 financial year. The Cultivator Programme continued to account for approximately 60% of income.

The Trust's policy on the level of reserves is that they should provide at least three months' operating costs for Creative Kernow's core team; our reserves continue to be more than adequate for that purpose. In future years these reserves may be required for staff redundancies as the Cultivator programme comes to the end of its EU funding. Redundancy costs cannot be claimed though these funding programmes.

Creative Kernow Limited

Trustees' Report

We continue to reduce our reliance on ACE and Cornwall Council core funding as a proportion of our turnover. The staff and trustees continue their entrepreneurial approach to the diversification of income streams with earned income from consultancy, partnership projects and non-statutory funding sources helping generate revenue.

We continue to believe that we are an efficient and cost-effective organisation, with a small core management and admin team supporting the programmes and subsidiary businesses.

The Board feels confident that the future of Creative Kernow's core activity is secure, given continued support at current levels and the Trustees believe that the Charity's finances are on a secure long-term footing.

Financial performance of our subsidiary companies

Krowji Ltd
Krowji ended the year with a pre-tax profit of just over £91,000.

Cornwall Arts Marketing Ltd
Cornwall Arts Marketing ended the year with a pre-tax profit of just over £23,000.

Screen Cornwall Ltd
Screen Cornwall ended the year with a pre-tax loss of just over £9,000.

Pay policy for senior staff

The board of directors, who are the charity's trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating Creative Kernow on a day to day basis. All directors give their time freely and no director received remuneration in the year, including the directors of the subsidiary companies. Details of any related party transactions are disclosed in the notes to the accounts.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings, as is the pay of other staff. A recent benchmarking exercise identified senior leadership and entry level roles within the Creative Kernow group as being behind the Cornwall average. Pay increases have been focussed on those lower pay bands to ensure all staff are on the real living wage or above.

Risk Management

The trustees have a risk management strategy which comprises:

- an annual review of the principal risks and uncertainties that the charity and its subsidiaries face which is reviewed in the event of any serious incident or change of senior staff;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

Significant risks which have been identified and managed include staffing in the finance team. With the appointment of an interim finance director and finance officer (July 2023) this risk has been downgraded. Board and senior managers are working on proposals for a restructure to the core team to support contingency in the event of any further gaps in staffing and to clear operational backlog and make processes more streamlined going forward.

The conclusion of our risk assessment at the time of this report is that the charity and its subsidiaries are still in a strong position as far as financial sustainability is concerned, but that this is inevitably very dependent on continued support from the major public funders of our work and on continuing demand for workspace and our other products and services.

In terms of risks relating to our activities and our built environment, close attention is always given to office-based activity and the safety of our premises at Krowji, with strong and regularly reviewed policies and procedures in respect of health and safety, fire and other such risks. Key staff undertake appropriate training and awareness raising across these operational areas. These risks have clearly changed and grown under Covid, but the directors and senior staff continue to believe that the Creative Kernow group is operating safely and with appropriate measures in place.

Looking ahead

We are pleased to have secured funding agreements which provide a stable footing for activity until the end of next financial year (March 2025) from the Good Growth programme with additional funding for the year 2025/6 available for Creative Communities and core through the Arts Council NPO and Cornwall Council Cultural and Creative Investment Programme.

The Good Growth funded projects have been designed to deliver new products and services to the group and test business models which are the bedrock of Creative Kernow's agile and entrepreneurial approach to income generation. Krowji Phase 3 will deliver new spaces and increase rental income; Cornwall 365 will develop an app which will increase listings revenue and Screen Cornwall has much needed core funding to allow further research and development around their business model and in particular the screen investment fund. Creative Communities are trialling a new consultancy model with Cornwall Council to support the development of their Local Plan. The new Creative Enterprise Director is putting together a business plan for a membership model offering business support services and networking opportunities. We will aim to increase unrestricted donations to the charity through a comprehensive fundraising plan working with volunteers to secure long term supporters.

Public funding beyond 2025 remains uncertain. There is no indication from the current government as to what funds might be available regionally or nationally to replace the Shared Prosperity Fund. With a general election due before January 2025 and a change in administration a likely outcome, we anticipate this lack of clarity continuing throughout the next 12 months. Our strong track record in researching and attracting funds, connectedness and history of collaboration with key sector organisations and our entrepreneurial flair will all support our agility in responding to calls for proposals and to finding alternative routes to sustain activity.

Following the review of trading activity and governance by Counter Culture Ltd which concluded in February 2023 trustees and staff have been working through a series of recommendations and planning conversations to determine our group structure.

We continue to believe that we are an efficient and cost-effective organisation. The Board feels confident that the future of Creative Kernow's activity is secure, given continued support at current levels and that sufficient activity is planned to ensure that income generation is both increased and sustainable following the end of the Cultivator programme.

Trustees elected a new Chair to the Creative Kernow Board in July 2023 as a successor to John Pulford. Paul Brookes is the former Chief Executive of The Box Plymouth where he oversaw the transformative capital development project and brings a wealth of experience and knowledge from a career in arts and creative industries management. In November 2023 the board and senior management team will come together to refresh our vision and review our strategic direction to enable a united and confident presentation of our future plans to stakeholders and funders.

The trustees believe that Creative Kernow is well-placed to make the most of the opportunities and challenges that lie ahead and we will continue to take a lead amongst our partners in Cornwall in helping the sector to go forward. The role of the staff taskforces has been evident in embedding our organisational commitments to sustainability and climate change; equality, diversity and inclusion and developing an evidence base for cultural and creative impact.

Creative Kernow Limited

Trustees' Report

The Board is firmly committed to the principles of public benefit, widening access, diversity and equal opportunities. We have worked closely with our funders - especially Arts Council England - on issues of governance, diversity and transparency as part of our funding agreements. The directors and staff will regularly monitor the charity's actions on equal opportunities and their impact on staff, partner organisations and the public.

In shaping their objectives for the year and planning Creative Kernow's activities, the trustees have considered the Charity Commission's guidance on public benefit and the importance of demonstrating that Creative Kernow fulfils its charitable purposes for the wider good of society. They believe that this report shows clearly that the charity offers a very wide range of support, activities and services to all the communities of Cornwall.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 18.12.23 and signed on its behalf by:

.....
John Alfred Pulford
Trustee

Creative Kernow Limited

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Creative Kernow Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

Approved by the trustees of the charity on 16.12.23 and signed on its behalf by:

JAP Pulford

.....

John Alfred Pulford
Trustee

Creative Kernow Limited

Independent Auditor's Report to the Members of Creative Kernow Limited

Opinion

We have audited the financial statements of Creative Kernow Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Cash Flows, Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (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 charitable company's affairs as at 31 March 2023 and of the group's results and of the parent charitable company's incoming resources and application of resources 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 group and parent 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 trustee's 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 company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the group financial statements and parent charitable company's financial statements and our auditor's report thereon. Our opinion on the group financial statements and parent charitable company's 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.

In connection with our audit of the group financial statements and parent charitable company's financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements and parent charitable company's financial statements or our knowledge obtained in 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 there is a material misstatement in the group financial statements and parent charitable company's financial statements or a material misstatement of the other information. 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 Kernow Limited

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 trustees' report, 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 strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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 14], the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the group financial statements and parent charitable company's 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 group financial statements and parent charitable company's financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the group financial statements and parent charitable company's financial statements, the trustees are responsible for assessing the group's and the parent 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 group or the parent 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.

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.

Independent Auditor's Report to the Members of Creative Kernow Limited

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity at the planning stage of the audit. The charity is subject to laws and regulations that directly affect the financial statements, specifically the Companies Act 2006, Charities Act 2011 and Charities Statement of Recommended Practice. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items. The charity is also subject to laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or loss of the charity's ability to operate. In making this assessment we determined that the most significant elements of legislation include those relating to employment laws and regulations, health and safety standards and compliance with major funding contracts.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following:

• Making enquiries of management regarding their knowledge of any non-compliance with laws and regulations that could affect the financial statements. As part of these enquiries, we also discussed with management changes in risk assessment relating to fraud, and whether there have been any known instances, allegations or suspicions of fraud, of which there were none.

• Considering the filings made at Companies House and the Charity Commission, and any omissions thereon, of which none were identified.

• Discussing with management compliance with health and safety legislation, including any reforms to these.

• Making enquiries of management and reviewing charity expenditure for any evidence of disputes, actual or potential litigation and claims, with regulators or any other such body.

• Reviewing documentation from fund providers to test whether funds had been appropriately claimed and utilised for purposes as set out in the respective contract terms.

• Auditing the risk of management override of controls, including through testing of journal entries and other adjustments for appropriateness, and evaluating the rationale for significant transactions outside the normal course of business activities, of which there were none.

• Reviewing estimates and judgements made in the financial statements for any indication of bias and challenged assumptions used by management in making the estimates.

• Reviewing Board minutes and correspondence with regulators to corroborate the findings from the above.

Due to the inherent limitations of an audit, there remains a risk that we may not have detected some material misstatements in the financial statements or non-compliance with laws and regulations. This is despite the fact that we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed irregularities are from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. As with any audit, there remained a high risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. This risk was reduced by a thorough review of all controls in place that monitor items and transactions affecting the financial statements. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the charity.

All relevant laws, regulations and significant risks of fraud identified have been clearly communicated to each member of the audit engagement team.

We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Creative Kernow Limited

Independent Auditor's Report to the Members of Creative Kernow Limited

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

Paula Thomas BA FCA DChA (Senior Statutory Auditor)
For and on behalf of Walker Moyle Ltd, Statutory Auditor

3 Chapel Street
Redruth
Cornwall
TR15 2BY

Date: 19 December 2023.

Creative Kernow Limited

Consolidated Statement of Financial Activities for the Year Ended 31 March 2023
(Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Income and Endowments from:					
Donations and legacies	3	333,077	1,671,552	2,004,629	2,237,683
Commercial trading operations		722,519	241,204	963,723	739,305
Investment income	4	5,221	-	5,221	1,295
Charitable activities	5	80,083	15,880	95,963	140,420
Other income	6	606,035	-	606,035	-
Total Income		1,746,935	1,928,636	3,675,571	3,118,703
Expenditure on:					
Commercial trading operations		(630,882)	(241,203)	(872,085)	(696,436)
Charitable activities	7	(480,635)	(1,779,223)	(2,259,858)	(2,337,380)
Total Expenditure		(1,111,517)	(2,020,426)	(3,131,943)	(3,033,816)
Net income/(expenditure)		635,418	(91,790)	543,628	84,887
Transfers between funds		6,143	(6,143)	-	-
Net movement in funds		641,561	(97,933)	543,628	84,887
Reconciliation of funds					
Total funds brought forward		437,918	406,327	844,245	759,358
Total funds carried forward	21	1,079,479	308,394	1,387,873	844,245

All of the group's activities derive from continuing operations during the above two periods.

The funds breakdown for 2022 is shown in note 21.

Creative Kernow Limited

(Registration number: 1727731)
Consolidated Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	12	5,060,688	5,187,104
Current assets			
Debtors	14	668,453	551,774
Cash at bank and in hand	15	974,161	749,682
		1,642,614	1,301,456
Creditors: Amounts falling due within one year	16	(957,438)	(1,184,634)
Net current assets		685,176	116,822
Total assets less current liabilities		5,745,864	5,303,926
Creditors: Amounts falling due after more than one year	17	(4,307,161)	(4,441,809)
Provisions	20	(50,830)	(17,872)
Net assets		1,387,873	844,245
Funds of the group:			
Restricted funds		308,394	406,327
Unrestricted income funds			
Unrestricted funds		1,079,479	437,918
Total funds	21	1,387,873	844,245

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011.

The financial statements on pages 19 to 51 were approved by the trustees, and authorised for issue on 18-12-23 and signed on their behalf by:

.....
John Alfred Pulford
Trustee

Creative Kernow Limited

(Registration number: 1727731)
Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	12	279,983	276,937
Investments	13	201	201
		280,184	277,138
Current assets			
Debtors	14	1,074,838	953,874
Cash at bank and in hand		714,809	609,046
		1,789,647	1,562,920
Creditors: Amounts falling due within one year	16	(196,769)	(433,041)
Net current assets		1,592,878	1,129,879
Total assets less current liabilities		1,873,062	1,407,017
Creditors: Amounts falling due after more than one year	17	(447,073)	(452,123)
Net assets		1,425,989	954,894
Funds of the charity:			
Restricted funds		256,574	353,953
Unrestricted income funds			
Unrestricted funds		1,169,415	600,941
Total funds	21	1,425,989	954,894
Charity's surplus for the financial year		471,095	46,869

The financial statements on pages 19 to 51 were approved by the trustees, and authorised for issue on 19.12.23 and signed on their behalf by:

John Alfred Pulford
Trustee

Creative Kernow Limited

Consolidated Statement of Cash Flows for the Year Ended 31 March 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net income		543,628	84,887
Adjustments to cash flows from non-cash items			
Depreciation		137,260	135,779
Investment income	4	(5,221)	(1,295)
Impairment loss on disposal of fixed assets held for the group's own use		-	9,903
		675,667	229,274
Working capital adjustments			
Decrease/(increase) in debtors	14	(116,679)	108,779
(Decrease)/increase in creditors	16, 17	(312,815)	172,757
(Decrease)/increase in provisions	20	32,958	6,389
Net cash flows from operating activities		279,131	517,199
Cash flows from investing activities			
Interest received on bank deposits	4	4,021	95
Rent Income	4	1,200	1,200
Rent income from lease	4	5,151	5,151
Rent income from lease - cons adj	4	(5,151)	(5,151)
Purchase of tangible fixed assets	12	(10,844)	(20,301)
Net cash flows from investing activities		(5,623)	(19,006)
Cash flows from financing activities			
Repayment of loans and borrowings	16, 17	(49,029)	(153,800)
Net increase in cash and cash equivalents		224,479	344,393
Cash and cash equivalents at 1 April		749,682	405,289
Cash and cash equivalents at 31 March		974,161	749,682

All of the cash flows are derived from continuing operations during the above two periods.

Creative Kernow Limited

Statement of Cash Flows for the Year Ended 31 March 2023

	Note	2023 £	(As restated) 2022 £
Cash flows from operating activities			
Net income		471,095	46,869
Adjustments to cash flows from non-cash items			
Depreciation		4,379	3,773
Investment income		(28,368)	(16,726)
Impairment loss on disposal of fixed assets held for the charity's own use		-	9,903
		447,106	43,819
Working capital adjustments			
(Increase)/decrease in debtors	14	(120,964)	57,147
(Decrease)/increase in creditors	16, 17	(241,322)	191,519
Net cash flows from operating activities		84,820	292,485
Cash flows from investing activities			
Interest receivable and similar income		28,368	16,726
Purchase of tangible fixed assets	12	(7,425)	(4,237)
Net cash flows from investing activities		20,943	12,489
Net increase in cash and cash equivalents		105,763	304,974
Cash and cash equivalents at 1 April		609,046	304,072
Cash and cash equivalents at 31 March		714,809	609,046

All of the cash flows are derived from continuing operations during the above two periods.

Creative Kernow Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Creative Kernow Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. The figures in the financial statements have been rounded to the nearest pound sterling.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the charity and its three wholly owned subsidiary undertakings, Krowji Limited, Cornwall Arts Marketing Limited and Screen Cornwall Limited, on a line by line basis, drawn up to 31 March 2023.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006.

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Fund structure

Unrestricted income funds are available for use at the discretion of the trustees in furtherance of the general activities of the charity.

Restricted income funds are subjected to restrictions on their expenditure imposed by the donor.

Going concern
The financial statements have been prepared on a going concern basis.

The trustees assess whether the ongoing use of going concern is appropriate i.e. whether there are any material uncertainties relating to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

The trustees believe Creative Kernow is well placed to make the most of the opportunities and challenges which lie ahead and will continue to take a lead amongst their partners in Cornwall in helping the cultural and creative sectors to thrive and grow.

Funding has been secured for the next three years which provides sufficient time to research and implement new income generation strategies. At the year end the charity held unrestricted reserves of £1,169,415. This is sufficient to cover expected working capital movements as well as any additional costs not budgeted for.

The trustees are therefore satisfied that the charity will be able to operate within their available facilities and continue as a going concern for the foreseeable future, being 12 months from the date of approval of these financial statements.

Income and endowments

Donations and legacies

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature are recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Grants receivable

Grants, including government grants, are recognised when the group has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income

Investment income is included when receivable.

Charitable activities

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Expenditure
All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. Expenditure includes any VAT which cannot be recovered, and is reported as part of the expenditure to which it relates:-

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

- Governance costs include those costs associated with meeting constitutional and statutory requirements of the Charity and include the audit fee and costs linked to the strategic management of the Charity.

- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis per Note 6.

- Expenditure on commercial trading operations comprises the costs incurred by the three trading subsidiaries of the Charity, Krowji Limited, Cornwall Arts Marketing Limited and Screen Cornwall Limited.

Government grants
Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation
The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Goodwill
Goodwill arising on an acquisition of a business is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Amortisation
Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Goodwill	Straight line over 5 years

Tangible fixed assets
Expenditure on tangible fixed assets is capitalised. The costs of minor additions or those below £500 are not capitalised. The charity does not have a policy of revaluation.

Own labour costs which are considered to be directly attributable to the construction of the property are included in the cost of construction.

Depreciation
Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold buildings	Straight line basis over 50 years
Equipment	Straight line basis over 4 years
Plant and machinery	Straight line basis over 10 years
Leasehold land and buildings	Straight line over the life of the lease, apart from Percy Williams Building (phase 1 & 2) which are depreciated over 50 years from dates of completion

No provision is made in respect of freehold land.

Impairment of fixed assets
Intangible and tangible fixed assets are reviewed for impairment when changes in circumstances or events indicate that the carrying value of the fixed assets may not be recoverable. An impairment loss is recognised where the recoverable amount is less than the carrying value.

Debtors
Trade and other debtors are recognised initially at the settlement amount due. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Prepayments are valued at the amount prepaid.

Cash and cash equivalents
Cash at bank and in hand includes cash and short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Creditors and provisions
Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price.

Provisions are recognised when the charity has an obligation at the reporting date as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Leased assets
Rental income from operating leases is recognised on a straight line basis over the term of the lease.

Borrowings
Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Pensions and other post retirement obligations
The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Classification

Financial assets are classified into either basic or other financial assets. Financial liabilities are classified into either basic or other financial liabilities. These classifications depend on certain criteria determined at the time of recognition.

The charity holds only basic financial instruments.

Recognition and measurement

Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the charity's obligations are discharged, expire or are cancelled.

Basic financial assets, which include trade and other debtors, cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is initially measured at the present value of the future receipts discounted at a market rate of interest and subsequently held at amortised cost.

Basic financial liabilities, including trade and other payables are initially measured 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. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Impairment

Basic financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

2 Charity status

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £5 towards the assets of the charity in the event of liquidation.

The charity is incorporated in England and Wales. The address of its registered office is:
Krowji
West Park
Redruth
Cornwall
TR15 3AJ

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	2023 £	2022 £
Grants				
Carn to Cove - Cornwall Council	12,730	-	12,730	16,650
Carn to Cove - Arts Council	80,000	5,044	85,044	91,319
Carn to Cove - Other	-	4,971	4,971	41,701
FEAST - Cornwall Council	-	143,760	143,760	203,141
FEAST - Arts Council	100,000	-	100,000	95,000
FEAST - ESF	-	41,208	41,208	-
FEAST - Other	-	-	-	12,500
Cultivator	79,778	1,299,900	1,379,678	1,484,441
Other Projects - Cornwall Council	3,650	116,920	120,570	133,953
Other Projects - Arts Council	36,588	-	36,588	71,588
Other Projects - Other	16,967	60,220	77,187	35,549
Donations				
Carn to Cove - Donations	-	-	-	978
FEAST - Donations	-	-	-	586
Other Donations	3,364	(471)	2,893	50,277
	333,077	1,671,552	2,004,629	2,237,683

4 Investment income

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Interest receivable and similar income;			
Interest received on bank deposits	4,021	4,021	95
Rent receivable	1,200	1,200	1,200
	5,221	5,221	1,295

5 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Carn to Cove	59,099	404	59,503	56,507
Miscellaneous	20,984	15,476	36,460	83,913
	80,083	15,880	95,963	140,420

6 Insurance proceeds

	Unrestricted funds General £	Total 2023 £
Insurance proceeds in respect of fire at North Light building	606,035	606,035

It is the intention of the Charity to use the insurance proceeds to reinstate the building.

7 Expenditure on charitable activities

	Basis of Allocation	FEAST	Carn to Cove	Carn to Cove Projects	Cultivator	Other Projects	Governance	2023 Total	2022 Total
Direct Costs									
Staff Costs	Direct	90,892	73,350	-	443,800	150,603	-	758,645	814,531
Other Costs	Direct	328,708	64,632	18,685	805,860	110,198	-	1,328,083	1,293,868
Publicity	Direct	1,530	623	10	-	102	-	2,265	5,071
Recruitment	Direct	-	-	-	-	-	-	-	-
Travel	Direct	191	3,932	2,073	9,449	1,037	-	16,682	10,152
Audit fee	Direct	-	-	-	-	-	35,202	35,202	21,354
Total direct costs:		421,321	142,537	20,768	1,259,109	261,940	35,202	2,140,877	2,144,976
Support Costs									
Premises	Floor area	7,478	-	155	7,932	7,719	-	23,284	76,957
Legal and professional	Usage	-	-	-	-	3,692	-	3,692	2,392
Consultancy	Usage	45	-	-	-	25,680	-	25,725	26,186
Office expenses	Usage	1,272	4,202	527	14,096	40,460	-	60,557	72,966
Bank charges and interest	Usage	-	1,129	56	25	132	-	1,342	227
Depreciation	Usage	-	-	-	-	4,381	-	4,381	3,773
Impairment loss on disposal of fixed assets held for the group's own use	Usage	-	-	-	-	-	-	-	9,903
Total support costs:		8,795	5,331	738	22,053	82,064	-	118,981	192,404
		430,116	147,868	21,506	1,281,162	344,004	35,202	2,259,858	2,337,380

Included within expenditure on charitable activities 'other costs' on the previous page is grant funding to third party individuals under the Cultivator project and FEAST projects. The previous year included grant funding under Emergency grants paid to tenants of Krowji impacted by the North Light Building fire. The total grant funding of activities during the year was £1,064,535 (2022 - £959,178).

8 Government grants

Government grants recognised in the financial statements are made up of funds from Cornwall Council, The British Film Institute, Historic England and Kickstarter grants supported by the government.

The charity was also in receipt of Coronavirus Job Retention Scheme grants of £nil (2022: £3,941) in the year.

The amount of grants recognised in the financial statements was £423,588 (2022 - £495,405).

Additional government grants of £94,437 (2022 - £90,007) are recognised in the consolidated financial statements, received by trading subsidiaries. Included in the above is £nil (2022: £1,222) received in respect of Coronavirus Job Retention Scheme grants.

9 Net incoming/outgoing resources

Net outgoing/(incoming) resources for the year include:

	2023 £	2022 £
Operating lease rentals	513	513
Auditors' remuneration	21,390	17,000
Other accountancy services	33,213	23,547
Impairment loss on disposal of fixed assets held for the group's own use	-	9,903
Depreciation of fixed assets	137,260	135,779

10 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the group during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

11 Group Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
Staff costs during the year were:		
Wages and salaries	922,756	935,604
Social security costs	73,855	73,441
Pension costs	25,764	26,235
Other staff costs	279	37,150
	1,022,654	1,072,430

The monthly average number of persons (including senior management team) employed by the group during the year was as follows:

	2023 No	2022 No
Charitable Activities	37	39

No employee received emoluments of more than £60,000 during the year.

The key management personnel of Creative Kernow Limited comprise of the Chief Executive Officer only.

The total employee benefits of the key management personnel of the Charity were £56,397 (2022 - £56,161).

12 Tangible fixed assets

Group

	Leasehold Land & Buildings £	Plant and machinery £	Equipment £	Freehold Property £	Total £
Cost					
At 1 April 2022	50,000	196,133	115,220	5,551,268	5,912,621
Additions	-	-	10,844	-	10,844
At 31 March 2023	50,000	196,133	126,064	5,551,268	5,923,465
Depreciation					
At 1 April 2022	4,028	134,243	47,296	539,950	725,517
Charge for the year	511	19,613	11,169	105,967	137,260
At 31 March 2023	4,539	153,856	58,465	645,917	862,777
Net book value					
At 31 March 2023	45,461	42,277	67,599	4,905,351	5,060,688
At 31 March 2022	45,972	61,890	67,924	5,011,318	5,187,104

Impairment

Freehold Property

An impairment loss of £9,903 was recognised in the previous year in respect of the damage to the North Light building. The amount of impairment loss included in the statement of financial activities is £Nil (2022 - £9,903). The impairment loss is included in expenditure on charitable activities.

Charity

	Equipment £	Freehold Property £	Total £
Cost			
At 1 April 2022	43,114	303,142	346,256
Additions	7,425	-	7,425
At 31 March 2023	50,539	303,142	353,681
Depreciation			
At 1 April 2022	37,487	31,832	69,319
Charge for the year	3,515	864	4,379
At 31 March 2023	41,002	32,696	73,698
Net book value			
At 31 March 2023	9,537	270,446	279,983
At 31 March 2022	5,627	271,310	276,937

All freehold property, with a carrying value of £270,446 (2022: £271,310) is pledged as security for the bank loan that Krowji Limited have in place. Further details at note 16.

Impairment

Freehold Property

An impairment loss of £9,903 was recognised in the previous year in respect of the damage to the North Light building. The amount of impairment loss included in the statement of financial activities is £Nil (2022 - £9,903). The impairment loss is included in expenditure on charitable activities.

13 Fixed asset investments

Details of undertakings

Details of the investments in which the group holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	Principal activity
Subsidiary undertakings				
Krowji Limited	United Kingdom	Ordinary	100%	receives rental income from a property that it leases from the Charity
Cornwall Arts Marketing Limited	United Kingdom	Ordinary	100%	receives income from the publishing of website and magazine listings within Cornwall
Screen Cornwall Limited	United Kingdom	Ordinary	100%	to develop the screen industries in Cornwall to build a strong and thriving production sector

Subsidiaries

The profit for the financial period of Krowji Limited was £58,397 and the aggregate amount of capital and reserves at the end of the period was £(40,255).

The profit for the financial period of Cornwall Arts Marketing Limited was £23,294 and the aggregate amount of capital and reserves at the end of the period was £(19,649).

The loss for the financial period of Screen Cornwall Limited was £9,384 and the aggregate amount of capital and reserves at the end of the period was £21,897.

The address of the registered office for all subsidiaries is: Krowji, West Park, Redruth, Cornwall TR15 3AJ.

Charity

	2023 £	2022 £
Shares in group undertakings and participating interests	201	201

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 April 2022	201	201
At 31 March 2023	201	201
Net book value		
At 31 March 2023	201	201
At 31 March 2022	201	201

14 Debtors

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Trade debtors	50,252	33,499	31,830	7,566
Grants Receivable	510,984	470,734	510,984	470,734
Due from group undertakings	-	-	515,633	460,810
Prepayments	56,206	25,011	13,036	7,860
Other debtors	51,011	22,530	3,355	6,904
	668,453	551,774	1,074,838	953,874

15 Cash and cash equivalents

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

During the year, the Charity received funds of £386,249 (2022 - £444,999) on behalf of other delivery partners within the Cultivator project. The Charity paid £408,823 (2022 - £422,425) of these funds to the delivery partners before the year end. The balance of funds held as agent at the year end was £nil (2022: £22,574).

16 Creditors: amounts falling due within one year

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Bank loans	49,029	55,436	-	-
Trade creditors	100,227	125,835	66,312	89,669
Other loans	400,000	400,000	-	-
Other taxation and social security	45,737	44,532	12,998	21,348
Accruals	116,219	101,868	46,566	56,132
Deferred income	202,806	414,574	65,207	258,396
Other creditors	43,420	42,389	5,686	7,496
	957,438	1,184,634	196,769	433,041

Creditors due within one year includes the following liabilities on which security has been given by the Group:

	Group		Charity
	2023 £	2022 £	2023 £
Bank Loans	49,029	55,436	-
Other Loans	400,000	400,000	-
	449,029	455,436	-

The bank loan is secured by means of a first legal mortgage over the land of Krowji Limited and Creative Kernow Limited and a first fixed charge on all land and properties owned by Krowji Limited and Creative Kernow Limited. It is also secured by means of a first fixed charge on all present and future goodwill of any business carried out by or on behalf of Creative Kernow Limited on the mortgaged property.

The other loan is secured by means of a second legal mortgage over the leasehold land and property of Krowji Limited.

Deferred income
Charity

	2023 £
Deferred income at 1 April 2022	710,519
Resources deferred in the period	60,156
Amounts released from previous periods	(258,395)
Deferred income at 31 March 2023	512,280

Group

	2023 £
Deferred income at 1 April 2022	3,934,126
Resources deferred in the period	110,778
Amounts released from previous periods	(414,572)
Deferred income at 31 March 2023	3,630,332

17 Creditors: amounts falling due after one year

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Bank loans	879,635	922,257	-	-
Deferred income	3,427,526	3,519,552	447,073	452,123
	4,307,161	4,441,809	447,073	452,123

Creditors amounts falling due after more than one year includes the following liabilities on which security has been given by the group:

	Group		Charity
	2023	2022	2023
	£	£	£
Bank Loans	879,635	922,257	-

The bank loan is secured by means of a first legal mortgage over the land of Krowji Limited and Creative Kernow Limited and a first fixed charge on all land and properties owned by Krowji Limited and Creative Kernow Limited. It is also secured by means of a first fixed charge on all present and future goodwill of any business carried out by or on behalf of Creative Kernow Limited on the mortgaged property.

Group

Included in the creditors are the following amounts due after more than five years:

	2023	2022
	£	£
After more than five years by instalments	634,488	683,132

Borrowings due after five years

The amounts due after more than five years by instalments relate to the bank loan. The nominal interest rate is 2.5% over the UK base rate, and the final instalment is due on 17 July 2036. Repayments are made monthly.

18 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Land and buildings				
Within one year	12,000	7,833	-	-
Between one and five years	4,333	10,500	-	-
	16,333	18,333	-	-
Other				
Within one year	513	513	513	513
Between one and five years	256	769	256	769
	769	1,282	769	1,282

19 Income under lease arrangements

Operating lease commitments

Total future minimum lease payments receivable under non-cancellable operating leases as lessor are as follows:

	Group		Charity
	2023 £	2022 £	2023 £
Land and buildings			
Within one year	5,000	833	-
Between one and five years	833	-	-
	5,833	833	-

Krowji Limited is party to a leasing arrangement in relation to a community building which is leased from Cornwall Council and leased on to a third party. The head lease and sub lease agreements, involving Krowji as lessee and lessor, are on the same terms. Therefore, corresponding lease commitments and lease liabilities are included in these financial statements.

20 Provisions

Group

	Deferred Taxation £	Total £
At 1 April 2022	17,872	17,872
Charged to the statement of recognised gains and losses	32,958	32,958
At 31 March 2023	50,830	50,830

Provisions are made up of deferred taxation, provided for at 25% (2022: 19%).

21 Funds

Group

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
Unrestricted funds					
General					
Unrestricted	437,918	1,746,934	(1,111,516)	6,143	1,079,479
Restricted funds					
Restricted	406,327	1,928,637	(2,020,427)	(6,143)	308,394
Total funds	844,245	3,675,571	(3,131,943)	-	1,387,873

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
Unrestricted funds				
General				
Unrestricted	505,097	1,050,429	(1,117,608)	437,918
Restricted funds				
Restricted	254,261	2,068,274	(1,916,208)	406,327
Total funds	759,358	3,118,703	(3,033,816)	844,245

Creative Kernow Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

Charity

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
Unrestricted funds					
General					
General	600,941	1,052,063	(489,732)	6,143	1,169,415
Restricted funds					
Carn to Cove Locomotor	3,009	-	(464)	-	2,545
Carn to Cove Villages in Action - Headley Trust Donation	5,000	-	-	-	5,000
Piano Go Round	2,316	(956)	(1,360)	-	-
Inn Crowd	1,814	1,690	(602)	-	2,902
Jaw Jaw	150	-	-	-	150
C-Fylm - Cultivator	476	-	-	-	476
C-Fylm - International Women	926	-	-	-	926
C2C C-Fylm Watershed FAN Fund	-	4,971	-	-	4,971
C2C Symphony of the Countryside	1,777	-	-	-	1,777
C2C Culture Recovery Grant	7,728	5,044	-	-	12,772
C2C - C-Fylm Crowdfunder	3,330	-	-	-	3,330
C2C Kickstart	716	-	-	-	716
C2C - C-Fylm Green Week	4,054	1,000	(25)	-	5,029
C2C - Cobweb - Redruth	1,049	-	(703)	-	346
C2C - TK Music Lab	20,000	(1,648)	(18,352)	-	-
British Film Institute - Cinema Equipment Package	56	-	-	-	56
FEAST Year 9	2,753	-	-	(2,753)	-
FEAST Year 10	10,712	-	-	(10,712)	-
FEAST Year 11	6,746	-	-	(6,746)	-
FEAST Year 12	12,783	-	(1,083)	(235)	11,465
FEAST Year 13	32,514	-	(3,946)	-	28,568
FEAST Year 14	24,892	-	(28,096)	5,740	2,536
FEAST Year 15	-	63,237	(53,626)	34,558	44,169
FEAST Bright Sparks	4,347	-	-	(4,347)	-
FEAST Gamechanger	10,609	41,208	(51,453)	-	364
FEAST Bill's Attic	258	6,105	(11,086)	-	(4,723)
FEAST Cornwall Community Foundation	160	-	(50)	(110)	-
FEAST Cornwall Comm Foundation Covid Emergency Fund	6,405	10,000	(6,546)	110	9,969
FEAST Redruth HSHAZ	2,084	-	-	-	2,084
FEAST Kresen Kernow Commissioning	2,500	-	-	(2,500)	-
FEAST Redruth Unlimited	27,883	14,182	(26,079)	(10,000)	5,986

Creative Kernow Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
FEAST Shout LOUDER	5,005	-	(2,000)	(3,005)	-
FEAST Arts Lab	52,787	55,203	(107,641)	-	349
FEAST Fun Palaces	-	5,780	(3,954)	-	1,826
FEAST Arts Lab 2	-	63,746	(33,646)	-	30,100
Cultivator	-	1,299,899	(1,299,771)	-	128
NFASP	23,843	-	(2,784)	-	21,059
The Tamara Project Commission 22/23	-	1,651	(1,651)	-	-
G7	40,832	-	(13,522)	-	27,310
Krowji Fire - Phoenix Fund	34,439	-	-	-	34,439
Tresorys Kernow	-	116,920	(110,828)	(6,143)	(51)
Total restricted funds	353,953	1,688,032	(1,779,268)	(6,143)	256,574
Total funds	954,894	2,740,095	(2,269,000)	-	1,425,989

There have been transfers between the various FEAST project funds, where surplus funds from ceased projects have been transferred to other projects in line with the terms of the respective agreements.

There has also been a transfer between the General reserve and the Tresorys Kernow project fund, in respect of capitalised items that no longer had restrictions placed on their use following the end of the project.

The specific purposes for which the funds are to be applied are as follows:

The Locomotor/Villages in Action project has been set up to secure the future of the rural touring network in South Devon and co-ordinate international touring companies in the South West region. It will also explore new ways of delivering activity in rural venues, including developing new partnerships and digital innovations.

The C-Fylm Cultivator grant is a capital grant to buy new film equipment for the community film club project.

Piano Go Round is a fund-raising project to enable the purchase of a concert grand piano and lift to allow for touring to Carn to Cove venues around Cornwall. A one off concert was programmed to launch the project and it will be developed further in the future.

Inn Crowd - we are a delivery partner for a project to enable pubs and licensed premises to put on live, professional performances. This will develop audiences and provide support for publicans who are interested in expanding their offer to customers.

International women is a series of films programmed in partnership with Cornwall Womens Centre to develop audiences in hard to reach groups with a season of female focussed films.

C-Fylm Green Week - we received a grant from the British Film Institute to run a week of film screenings to raise awareness of climate emergency.

Carn to Cove Cobweb, Redruth - Cobweb Tours providing support for C2C shows in Redruth.

FEAST is a substantial ongoing programme commissioning and distributing a wide range of great art to villages and towns across Cornwall.

The Bright Sparks fund is designed to encourage collaborations between artists and museums in order to build museums' audiences and volunteer base.

Game Changer is an ESF, Big Lottery funded programme to help people aged 15-25 not in education, employment or training to access one of these options. Creative Kernow co-ordinates opportunities for young people with artist led workshops and with other creative sector businesses.

Bill's Attic is a unique artist residentcy and cultural meeting space at Krowji, which holds the collections of Bill Mitchell as a source of creative inspiration. Funds to date have been raised from the public and future income will be raised from hire of the space.

Cornwall Community Foundation has granted FEAST additional funds to add to the total FEAST grants pot. Every £1 of CCF grant is matched by FEAST and put towards supporting a creative project in the community.

Redruth Unlimited - Redruth Unlimited is funded by Historic England as part of the High Street Heritage Action Zone in partnership with Cornwall Counil (who receive the grant from Historic England). Projects can apply to FEAST for projects that bring culture to Redruth high street areas.

Shout Louder - a specific grants round for artists to respond to climate emergency and 'shout louder' to decision makers at COP26 in Glasgow.

Arts Lab - commissioning artists to deliver art projects in schools and alternative education settings to tackle mental wellbeing. Funding from Headstart programme via Cornwall Council.

Cultivator - a programme of skills and business support for Cornwall's creative and cultural sectors, supporting small businesses, sole traders and freelancers. Funded by the European Regional Development Fund, the European Social Fund, Arts Council England and Cornwall Council.

The NFASP funds relate to a Legacy Fund Agreement arising from the winding up of the National Federation of Artists' Studio Providers Ltd in January 2018. The remaining company funds were transferred to Creative Kernow to be managed as a restricted fund so that some of NFASP's sector support role could continue.

G7 - funding from Cornwall Council to deliver the G7 summit cultural legacy programme. Inlcuded grants to artists and film screening equipment supplied to community centres.

Krowji Fire Phoenix Fund - fund to support post-fire recovery. Includes donations from individuals, Real Ideas Organisation and Cornwall Community Foundation. The Arts Council also provided an emergency grant of £35k towards this.

All other restricted funds have been received for specific activities and projects and have been expended on the activities for which they were received.

Creative Kernow Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
Unrestricted funds				
General				
General	685,730	443,803	(528,592)	600,941
Restricted funds				
Carn to Cove Locomotor	52,141	33,188	(82,320)	3,009
Carn to Cove Villages in Action - Headley Trust Donation	5,000	-	-	5,000
Piano Go Round	3,496	80	(1,260)	2,316
Inn Crowd	1,250	1,110	(546)	1,814
Jaw Jaw	150	-	-	150
C-Fylm - Cultivator	476	-	-	476
C-Fylm - International Women	926	-	-	926
C2C Symphony of the Countryside	1,815	-	(38)	1,777
C2C Tin Coast	1,682	-	(1,682)	-
C2C Culture Recovery Grant	9,510	-	(1,782)	7,728
C2C - C-Fylm Crowdfunder	3,330	-	-	3,330
C2C - Scops Arts Trust (R)	4,000	-	(4,000)	-
C2C Kickstart	-	716	-	716
C2C - C-Fylm Green Week	-	5,054	(1,000)	4,054
C2C - Cobweb - Redruth	-	2,000	(951)	1,049
C2C - TK Music Lab	-	20,000	-	20,000
British Film Institute - Cinema Equipment Package	56	-	-	56
FEAST Year 9	5,253	-	(2,500)	2,753
FEAST Year 10	10,712	-	-	10,712
FEAST Year 11	6,746	-	-	6,746
FEAST Year 12	19,299	-	(6,516)	12,783
FEAST Year 13	62,475	-	(29,961)	32,514
FEAST Year 14	-	68,002	(43,110)	24,892
FEAST Bright Sparks	4,347	-	-	4,347
FEAST Gamechanger	-	18,245	(7,636)	10,609
FEAST Bill's Attic	1,545	4,065	(5,352)	258
FEAST Cornwall Community Foundation	160	-	-	160
FEAST Cornwall Comm Foundation Covid Emergency Fund	350	10,000	(3,945)	6,405
FEAST Redruth HSHAZ	5,650	2,900	(6,466)	2,084
FEAST Kresen Kernow Commissioning	500	2,650	(650)	2,500
FEAST Redruth Unlimited	-	44,000	(16,117)	27,883
FEAST Shout LOUDER	-	30,000	(24,995)	5,005
FEAST Arts Lab	-	61,725	(8,938)	52,787
Cultivator	(2,465)	1,405,962	(1,403,497)	-
NFASP	23,891	-	(48)	23,843
G7	-	129,720	(88,888)	40,832
Krowji Fire - Phoenix Fund	-	85,159	(50,720)	34,439

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
Tresorys Kernow	-	26,450	(26,450)	-
Total restricted funds	222,295	1,951,026	(1,819,368)	353,953
Total funds	908,025	2,394,829	(2,347,960)	954,894

22 Analysis of net assets between funds

Group

	Unrestricted funds General £	Restricted funds £	Total funds £
Tangible fixed assets	5,060,688	-	5,060,688
Current assets	1,258,508	384,106	1,642,614
Current liabilities	(881,726)	(75,712)	(957,438)
Creditors over 1 year	(4,307,161)	-	(4,307,161)
Provisions	(50,830)	-	(50,830)
Total net assets	1,079,479	308,394	1,387,873

23 Charges

A first fixed charge is held by Triodos Bank over the assets of the Group in respect of a mortgage and loan in place with Krowji Limited for which security has been given. The total amount of borrowings at 31 March 2023 is £928,664 (2022: £977,693). The proportion of group assets charged is 18% (2022: 19%).

A secondary charge is held by Percy Williams and Sons Limited over the assets of Krowji Limited in respect of a long term loan for which security has been given. A balance of £400,000 at 31 March 2023 (2022: £400,000) is included in other loans due within one year. The proportion of group assets charged is 8% (2022: 8%).

24 Contingent assets

The NPO programme is a multi-year grant that provides for the expenditure of the grant to be for future periods. The income in respect of future periods has therefore not been included in the current year accounts. The grant is a 3-year grant to March 2026 to receive £216,588 per year.

25 Guarantees

Creative Kernow Limited has provided a guarantee to Triodos Bank on the legal mortgage taken out by its subsidiary, Krowji Limited. If Krowji Limited were to default on the mortgage repayments, Creative Kernow Limited would be liable to pay the amounts on the subsidiary's behalf.

26 Operating lease with subsidiary

Creative Kernow Limited has leased land and property to its subsidiary, Krowji Limited, under a longhold lease agreement in October 2013. The lease is for 99 years. The lease was issued with a lease premium of £500,000 to be paid, and annual peppercorn rent.

27 Related party transactions

Group

Mr P R Williams
(the company secretary and a key employee of Krowji Limited, prior to his resignation on 30 November 2020)
Mr P R Williams had power of attorney for Krowji Limited during the year for the sole purpose of executing underleases and tenancies of parts of the property of Krowji Limited. The power of attorney was revoked on 21 February 2023. At the balance sheet date the amount due to/from Mr P R Williams was £Nil (2022 - £Nil).

Dr F C Wotton
(the company secretary and a key employee of Krowji Limited)
Dr F C Wotton had power of attorney for Krowji Limited during the year for the sole purpose of executing underleases and tenancies of parts of the property of Krowji Limited. At the balance sheet date the amount due to/from Dr F C Wotton was £Nil (2022 - £Nil).

Mrs E A Harris
(key employee of Krowji Limited)
Mrs E A Harris had power of attorney for Krowji Limited during the year for the sole purpose of executing underleases and tenancies of parts of the property of Krowji Limited. At the balance sheet date the amount due to/from Mrs E A Harris was £Nil (2022 - £Nil).

Mr S P Harvey
(director of Screen Cornwall Limited)
Mr S P Harvey received honorarium for services provided in the year totalling £75 (2022: £nil) in accordance with the provisions of the governing document of the company. At the balance sheet date the amount due to/from Mr S P Harvey was £Nil (2022 - £Nil).

Charity

During the year the charity made the following related party transactions:

Krowji Limited
(subsidiary of Creative Kernow Limited)
Rent payable to Krowji Limited for the use of property during the year, total amount paid during the year of £18,357 (2022 - £15,967).

Hire of meeting rooms payable to Krowji for the use of rooms on an ad hoc basis during the year, total amount paid during the year of £7,221 (2022 - £394).

Supply of labour and materials from Krowji for remedial repair works carried out during the year, total amount paid during the year of £1,872 (2022: £nil). Rent receivable from Krowji Limited for the lease of property, total amount received during the year of £100 (2022 - £100).

Creative Kernow Limited has provided a loan to Krowji Limited. Interest is charged on the loan, total interest receivable during the year of £18,397 (2022 - £10,280). The loan amount outstanding from Krowji Limited at the balance sheet date is included in the intercompany balances within creditors due under one year. At the balance sheet date the amount due from Krowji Limited was £383,000 (2022 - £383,000).

Cornwall Arts Marketing Limited
(subsidiary of Creative Kernow Limited)
Cornwall Arts Marketing Limited provided advertising services throughout the year. Total amount paid during the year of £2,099 (2022 - £3,018). At the balance sheet date the amount due to/from to Cornwall Arts Marketing Limited was £Nil (2022 - £201).

Screen Cornwall Limited
(subsidiary of Creative Kernow Limited)
Screen Cornwall Limited incurred project costs which were reimbursed by Creative Kernow Limited throughout the year. Total amount paid during the year of £nil (2022 £5,500).

The charity provided Screen Cornwall Limited with the provision of services throughout the year totalling £5,100 (2022 £467). At the balance sheet date the amount due to/from Screen Cornwall Limited was £Nil (2022 - £Nil).

28 Control

The group was controlled by the Trustees who are also the Directors throughout the current year. Refer to the previous year's report for a full list of members serving during that period.

29 Non adjusting events after the financial period

Each of the group companies are to be in receipt of Cornwall and Isles of Scilly Good Growth Shared Prosperity Funds. These are multi-year grants that provide for the expenditure of the grants to be for future periods. The income in respect of future periods has therefore not been included in the current year accounts.

The Creative Kernow grant is a multi-year grant, with the company receiving funds of up to £327,500 in total from 1 May 2023 to 31 March 2025.

The Krowji grant is a multi-year grant, with the company receiving funds of up to £382,819 in total from 1 April 2023 to 31 March 2025.

The Cornwall Arts Marketing grant is a multi-year grant, with the company receiving funds of up to £182,200 in total from 1 July 2023 to 31 March 2025.

The Screen Cornwall grant is a multi-year grant, with the company receiving funds of up to £395,650 in total from 1 April 2023 to 31 March 2025.

Krowji Limited received an advance of £400,000 for a new loan with Triodos Bank in July 2023. Immediately following this, the company settled in full the Percy Williams & Sons Limited loan that had a carrying value of £400,000 at the balance sheet date.

Krowji Limited has agreed with its insurance providers to receive £147,431 in respect of claims made following the fire in the North Light building in May 2021. This sum was agreed in October 2023.

Creative Kernow Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

Charity Statement of Financial Activities for the Year Ended 31 March 2023
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Income and Endowments from:					
Donations and legacies	3	337,577	1,671,552	2,009,129	2,237,683
Charitable activities	5	80,083	16,480	96,563	140,420
Investment income		28,368	-	28,368	16,726
Insurance proceeds	6	606,035	-	606,035	-
Total Income		1,052,063	1,688,032	2,740,095	2,394,829
Expenditure on:					
Charitable activities		(489,732)	(1,779,268)	(2,269,000)	(2,347,960)
Total Expenditure		(489,732)	(1,779,268)	(2,269,000)	(2,347,960)
Net income/(expenditure)		562,331	(91,236)	471,095	46,869
Transfers between funds		6,143	(6,143)	-	-
Net movement in funds		568,474	(97,379)	471,095	46,869
Reconciliation of funds					
Total funds brought forward		600,941	353,953	954,894	908,025
Total funds carried forward	21	1,169,415	256,574	1,425,989	954,894

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2022 is shown in note 21.

CREATIVE KERNOW LIMITED

England & Wales - Charity number 292138

Accounts

Company registration number: 1727731

Charity registration number: 292138

Creative Kernow Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2022

Walker Moyle Ltd
3 Chapel Street
Redruth
Cornwall
TR15 2BY

Creative Kernow Limited

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Creative Kernow Limited

Reference and Administrative Details

Chief Executive Officer	Fiona Catherine Wotton
Trustees	John Alfred Pulford Dinah Louise Graffy (resigned 9 August 2021) Simon Paul Harvey (resigned 19 October 2022) William Kim Conchie (resigned 9 August 2021) Eleanor Jubb Ajay Chhabra Amanda Berry Tamara Bedford Jonathan Mark Bray (appointed 24 March 2022) Hannah Marie Irwin (appointed 24 March 2022) James Sculthorp-Wright (appointed 24 March 2022) Charlotte Emma June Somers (appointed 6 October 2022) Paul Springer (appointed 25 February 2023)
Secretary	Fiona Catherine Wotton
Principal & Registered Office	Krowji West Park Redruth Cornwall TR15 3AJ
Other Names of the Charity	Arts Centre Trust, ACT, Creative Skills
Company Registration Number	1727731
Charity Registration Number	292138
Solicitors	Nalders Farley House Falmouth Road Truro TR1 2HX
Bankers	CAF Bank Limited PO Box 289 West Malling Kent M19 47A Lloyds Bank Plc Truro 7 Boscawen Street Truro TR1 2QT
Senior Statutory Auditor	Paula Thomas BA FCA DChA
Auditor	Walker Moyle Ltd 3 Chapel Street Redruth Cornwall TR15 2BY

Creative Kernow Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, are pleased to present their group annual report and the audited financial statements for the year ended 31 March 2022. This report is a combined annual report containing a directors' report as required by company law. The financial statements have been prepared in accordance with the current statutory requirements, the Articles of Association and Statement of Recommended Practice - Accounting and Reporting by Charities (SORP FRS 102).

Reference and Administrative information, set out on Page 1, forms part of this report.

Governance

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £5.

The company is a registered charity, number 292138, with effect from 8 May 1986. The governing documents are the Memorandum and Articles of Association.

The charity trustees during the year, appointed since the year end and at the date of this report are:

Trustees

John Alfred Pulford

Dinah Louise Graffy (resigned 9 August 2021)

Simon Paul Harvey (resigned 19 October 2022)

William Kim Conchie (resigned 9 August 2021)

Eleanor Jubb

Ajay Chhabra

Amanda Berry

Tamara Bedford

Jonathan Mark Bray (appointed 24 March 2022)

Hannah Marie Irwin (appointed 24 March 2022)

James Sculthorp-Wright (appointed 24 March 2022)

Charlotte Emma June Somers (appointed 6 October 2022)

Paul Springer (appointed 25 February 2023)

All directors of the company are also trustees of the charity and there are no other trustees. The Board has the power to appoint additional trustees as it considers fit to do so. Although no specific training is required for new trustees, they are made aware of the useful guidance offered by the Charity Commission and others. Policy decisions are made by the Board at regular meetings.

Organisational Structure

During 2021/22 Creative Kernow Limited had three wholly-owned subsidiary companies which, at the discretion of trustees and directors and based on the financial position of the company, may gift-aid the majority of profits to the charity each year. Their activities during the year are covered as part of the report below.

Krowji Limited is a company limited by shares, number 05420248, and wholly owned by Creative Kernow. It has a board of directors - Greg Oldrieve, Dinah Graffy (resigned 09/08/2021), Daiman Baker (resigned 25/08/2022), Chris Hibbert (resigned 09/09/2021) and Jonathan Mark Bray (appointed 25/08/2022). It was established in 2005 and its main role is to operate the creative workspace cluster at Krowji in Redruth - the freehold of the property is held by Creative Kernow and Krowji Limited has a long leasehold interest.

Cornwall Arts Marketing Limited is a company limited by shares, number 04346555, and wholly owned by Creative Kernow. It has a board of directors - John Pulford (Chair) and Dinah Graffy (resigned 09/08/2021). It was established to run our major ERDF-supported cultural tourism programme from 2002 onwards; this was wound down some years ago and its main role for the moment is to operate the annual Open Studios event and the Cornwall 365 What's On listings service and printed guide.

Creative Kernow Limited

Trustees' Report

Screen Cornwall Limited is a company limited by shares, number 11881973, and wholly owned by Creative Kernow. It has a board of directors - Phillippa Giles (Chair), Dinah Graffy (resigned 01/09/2021), Simon Harvey and Johnny Fewings. It has been set up to drive the development of the screen industries in Cornwall and the Isles of Scilly, working with incoming film & TV productions, businesses, and individual freelancers to build a strong and thriving production sector.

All three subsidiary companies were established in order to carry on activities which are directly in pursuit of Creative Kernow's charitable objects and so could legitimately be carried on by the charity itself, but which the trustees judged to be more prudently carried on in a subsidiary company for reasons of financial efficiency and to reduce the risk to the charity's core assets.

Objectives and activities

The objectives of the charity are to provide exhibitions of the arts of dance and drama, to provide training in the arts and arts management and to further the public appreciation of the aforesaid.

Public benefit statement

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Summary

This group report covers the financial year from April 2021 to March 2022. It reviews our objectives, activities, and governance; our achievements and financial performance during the year; our work with other agencies and organisations; and our future plans for the organisation and its subsidiary companies.

Creative Kernow is the cultural and creative sector support organisation for Cornwall and the Isles of Scilly. We are a charity with a mission to enrich and energise creative communities of place and practice through the production, distribution and promotion of artistic work, networks, and knowledge.

Our core programmes deliver activity in three dynamically interdependent areas:

Creative Communities
- **FEAST** - investing in projects that support co-creation between artists and communities in Cornwall
- **Carn to Cove and C Fylm** - touring the performing arts and cinema across Cornwall's and Devon's smaller communities
- **Cornwall 365 What's On** - the comprehensive events listing website platform and printed magazine for Cornwall which works in partnership with C365 Network.

Creative Economy support
- **Cultivator** - providing skills, networking, investment, export, and other creative business development opportunities for the sector
- **Cornwall 365 Network** - promoting Cornwall as a year-round sustainable creative destination through the C365 What's On and cultural tourism consultancy
- **Screen Cornwall** - supporting the growth of the film industry in Cornwall through services to production companies and talent development programmes

Creative Hub development
- **Krowji** - Cornwall's largest creative hub and workspace cluster in Redruth
- Offering support to emerging creative hubs and place making projects
- We manage and nourish numerous creative networks e.g. The Cornwall Festivals Network, Cornwall Design Forum

Creative Kernow Limited

Trustees' Report

Creative Kernow is a well-established charity and social enterprise with an experienced board of trustees and a strong staff team. Our finances are broadly based with a variety of income sources including long-term grant support from Arts Council England and Cornwall Council, European Structural Investment funds via European Social Fund and European Regional Development Fund, earned income from commissions and contracts, box office income from events and rental income from our workspace cluster in Redruth. Creative Kernow contributes significantly to developing and delivering effective models for creative and cultural practice, sector, community and audience engagement, clusters and networks and leadership development in our rural region.

We continually develop new projects and partnerships, seeking opportunities to enhance our sustainability as an organisation, supporting other initiatives and playing an active role in advocacy and leadership for the sector and for Cornwall. Creative Kernow has a good track record of developing innovative projects, investing in our staff, being willing to take risks and planning for the longer term.

Performance

This section provides a summary of activity between April 2021 and March 2022, and it is divided into our separate delivery strands: Creative Communities, Creative Economy, and Creative Hub Development.

Creative Communities

The impact of the Covid-19 pandemic continued to be significant for all Creative Kernow's programmes and outputs as it was for the wider cultural and creative sector. The staging of productions and performances continued to experience disruptions due to concerns on audience safety at events and our adherence to government guidelines. Together Carn to Cove and C Fylm saw the cancellation of two performances, two productions, and five screenings. The 30% reduced capacity for those events that were able to go ahead resulted in a loss of income of £10,500 during this period.

Nevertheless, Carn to Cove managed to deliver 94 performances and 39 productions which enjoyed an overall audience number of 4,875, and three live online shows for which there were 158 audience members. Carn to Cove celebrated its 20th anniversary in Autumn 2021 with a short film and dedicated live performance, and the resulting Autumn season saw 41 live events take place, including a trailblazing new work with a young company Troubadour Stageworks in new community venues and delivering pre-event workshops to primary schools. Scottish Dance Theatre visited with their show Antigone, Interrupted as part of the Rural Touring Dance initiative, a Carn to Cove partner. Hosted in Tolmen Centre, Sir Nicholas Serota (Arts Council Chairman) attended and subsequently wrote to Carn to Cove to thank them for having hosted the performance.

Other highlight Carn to Cove performances included two recitals by Bournemouth Symphony Orchestra, a double bill of Blacklist/Fig Leaf by crump dancer Joshua Nash during which the Studio 4 Dance youth group carried out the curtain call, an online performance of Vår: The Story Of Hervor by a Norwegian artist and composer duo, and Circus Around and About.

C Fylm's in-person screenings gradually recommenced from May 2021 onwards, with events in 36 community venues throughout Cornwall. C Fylm hosted the Behind the Postcard film with 23 simultaneous screenings. The community film network also joined The Great Big Green Week for September 2021, and screened films about the environment, sustainability, and the natural world across Cornwall. A litter-picking sound walk in Redruth kicked off the week during which C Fylm screened 2040, Before the Flood, I Am Greta, More Than Honey, The Biggest Little Farm, and Wild Cornwall - Out on the Edge. Ian McCarthy, director of Wild Cornwall, joined for a Q&A after the screening of his film.

Between April 2021 and March 2022, FEAST invested £214,300 into 131 artists who were commissioned to deliver projects throughout Cornwall. 16 artists' residencies were also supported through FEAST.

Through the G7 Kernow Legacy Programme, FEAST was allocated £30,000, with which they launched the Shout Louder campaign for COP26 and commissioned 12 artists to send their powerful message, in whichever medium or format they chose, to the international environmental summit in Glasgow in November 2021.

The pilot year of Arts Lab began in 2021, a wellbeing programme in partnership with Arts Well and funded through Headstart Arts of Cornwall Council and the National Lottery Heritage Fund. Designed for young people aged 10 - 16 in educational settings and youth groups throughout Cornwall, artists were commissioned by FEAST to carry out creative activity with young people according to what the young people had requested themselves. While the activity did not fall within the last reporting period (April 21 - March 22), the Arts Lab impact report to cover February - August 2022 is available to read here: https://feastcornwall.org/arts-lab/

Creative Kernow partnered with Cornwall Museums Partnership to deliver Tresorys Kernow, a pilot project which utilised the Community Renewal Fund to demonstrate how culture and heritage can lead regeneration in 10 towns and villages in partnership with communities in the context of Covid recovery and climate adaptation. Using £100,000 of allocated funding, FEAST commissioned 38 culture-led projects from January to June 2022 in St Austell, Saltash, Lostwithiel, Newquay and Penzance. While the delivery of activity once again fell outside of the reporting period, the post-June learning was that this programme of activity called for the adapting of the FEAST process. The criteria, commission call, and selection panels were uniquely adapted to and owned by the residents of those towns. Also new to the FEAST process was specific liaison with local cultural leaders whom we named 'Pollinators'. These Pollinators developed confidence and skills as they took the lead in commissioning work for their communities and adopted new methodology to take forward into future project delivery.

Through Redruth Unlimited, part of the High Street Heritage Action Zone scheme which is working towards the heritage-led regeneration of Redruth with the help of a £1.6 million grant from Historic England, FEAST commissioned projects such as the Strength in Feathers Journal which is a writing for wellbeing project and Agents 4 Change which engages young local people in designing the future of Redruth.

FEAST supported a successful bid to secure Scott Fletcher's further digitisation and virtual reality interpretation of Bill's Attic in a project costing £75,750 with a plan to hand over digital assets to Creative Kernow's ownership once the project is complete. The physical space is hosted at Krowji's Old Schoolhouse and is a facsimile of the late Wildworks' Theatre director Bill Mitchell's attic which contained around 4,000 artefacts and now acts a workspace in which artists can take up residencies through FEAST.

Carn to Cove, C Fylm, and FEAST formed a new collaborative model called 'The Hive' to develop an integrated approach to delivering the Creative Communities strand of work.

Creative Economy Support

The current ERDF and ESF funding for the Cultivator programme comes to an end in 2023, with project delivery for both strands ending on 30th June 2023. It is hoped that Cornwall Council's UK Shared Prosperity Fund programme (the Good Growth Programme) will enable funding for some version of the Cultivator programme.

The Cultivator programme has remained relevant to the needs of creative industries SMEs, including providing more networking opportunities and support throughout the Covid-19 pandemic. There is evidence that due to the pandemic, clients have demanded 'softer' support such as support with confidence and wellbeing. Business support tailored specifically to the needs of creative enterprises is particularly crucial for emerging creative talent and for heritage organisations. In addition, the fact that Cultivator supports networking and collaboration across subsectors is important for stimulating growth in the region. During this year, we have also seen the successful delivery of two cohorts of the Creative and Cultural Leadership Development programme, in partnership with our Delivery partner the University of Plymouth.

The visual arts category continues to make up almost one third of all clients. Businesses in the craft and film and TV sector make up a reasonable portion of those supported, with graphic and product design businesses well represented. Gains have been made in the number of clients from the performance and music sector. A smaller proportion of clients are from media publishing and communications, galleries and museums, and fashion and textiles.

The project is performing well in all activity areas, and the project is progressing well against both our internal targets and those set by ESF and ERDF. Since the difficulties experienced in the last reporting period due to Covid-19, most programme activities have managed to recover and make excellent progress. 68% of clients have accessed more than one strand, showing the value for clients in being able to access different activities on the programme.

The 'Future of Cultivator' survey was circulated to all Cultivator clients in October 2021 and was designed to explore data which would inform the programme's future design post EU funding. The report identified that those strands of the Cultivator offer most valued by clients are:

- One-to-one advice business and skills advice sessions with Creative Business Advisor
- Individual Skills Grant programme
- Skills events
- Creative Investment Grant programme
- Networking

Cornwall 365 worked on four elements of Tresorys Kernow, as What's On promoted TK funded events in the ten towns, 365 Network held a series of tourism, event, and sustainability Skills Sessions funded by Cultivator, a second pilot of In The Loop, a data collection and analysis prototype, was run, and Cornwall 365 led on the TK communications.

Cornwall 365 Network commenced research around mapping Cornish Intangible Cultural Heritage, a piece of work commissioned by Cornwall Council. Together with Hannah Irwin and Emily Sorrel, Project Manager Bethany Lyne also worked on the Network of Networks action research project as part of the Creative and Cultural Leadership Development Programme run by Cultivator and the University of Plymouth. The project proposed to investigate the varied formal and informal networks for creatives, artists, and cultural organisations across Cornwall and the wider South West region.

Cornwall 365 collaborated with the EXPERIENCE project to lead sessions to facilitate collaboration between businesses to seize the potential longer-term opportunities of year-round visitor experiences in the Penzance area. EXPERIENCE is an ERDF and Cornwall Council funded project involving six areas of the Channel region to promote experiential tourism and sustainable economic growth during the quieter autumn and winter months.

Screen Cornwall grew its activity significantly in its third year, and the last with core funding from Council/LEP. The team have built on existing partnerships through further work with BFI and Creative UK. The landowner and a locations database has grown, as has the crew database. Also we have invested significant time in working with creative talent (writers/directors/producers) through the Peninsula Producers Network and New Writers Network. Working in partnership with Cultivator, a further supported six limited companies were awarded Screen Growth Development Funding. These businesses, and writers from BBC Cornish Voices, were showcased at London event for stakeholders in December alongside our presence at FOCUS production show.

Commissions were driven by the G7 cultural programme, with Behind the Postcard involving collaborations right across the sector and reaching significant audiences online and through a community premiere in partnership with C Fylm. Drawing on Cornwall's unique creative ecology, the short 'Behind The Postcard' film (produced by Screen Cornwall) involved 32 writers, 25 community workshops, more than 300 workshop participants, over 65 performers, over 30 creative professionals and four lead delivery organisations working the length and breadth of Cornwall from the Isles of Scilly to Bude and the Rame Peninsula. The film was dedicated to all those working in the creative, cultural and heritage sectors whose livelihoods have been affected by the pandemic, and commissioned by Cornwall Council in partnership with Cabinet Office, Arts Council England and National Heritage Lottery Fund.

Six further standalone film commissions were awarded to emerging talent, as well as the usual School of Film & TV graduate shorts and FylmK awards, making it our busiest commissioning year to date. The Cornish-language Fylm K project Mowes entered the Cornwall Film Festival and, along with An Tarow, was selected for Babel Film Festival for indigenous languages hosted in Sardinia. Another Fylm K film Kestav was selected for Miami International Science Fiction Film Festival. The 2021 commission went to Edward Rowe's Mab Hudel which as of March 2022 was in post-production. Finally, Screen Cornwall supported the LEP in its bid for Cornwall to become City of Culture in 2025.

The Screen Cornwall Impact Report covers activity from April 2019 - March 2022 and is available to read here: https://www.screencornwall.com/news-events/screen-cornwall-impact-report

Creative Hub Development

Krowji suffered a devastating fire in May 2021 losing 15 studios and the Creative Kernow offices. Creative Kernow took its camaraderie to new levels with every member of the team mucking in to do what they could to help, not only on the day but the weeks and months that followed. There was an overwhelming amount of help and support from the local community - over £20k was raised for the artists through JustGiving which was then matched by the Cornwall Community Foundation and RIO to total £50k. The Krowji team kept in daily contact with the tenants worst affected by the fire, making a studio available for them to meet together and involving them in Open Studios events and other opportunities. By the end of the year they had all been offered an alternative studio. Krowji also increased levels of communication across the site as all tenants were impacted by the fire, not least due to the need for restricted studio access for a period of time, and fortunately this helped to prevent the need for any rental discounts.

Over the course of the year the Krowji team worked tirelessly to meet the compliancy requirements laid out by the fire service and following an inspection in February 2022 the site was signed off. In December 2021 Krowji held its first Christmas Open Studios event in two years, receiving an unprecedented level of press coverage as a result of the interest in the fire and good visitor numbers including many who hadn't been to Krowji before.

The effects of Covid and the fire compounded pre-existing financial concerns for the business and six months into the financial year Krowji was also experiencing significant staffing changes. The decision was taken to reduce the office-based team from 3.4 to 2.4 FTE posts and to increase the rents by 10% on 1st April 2022. Despite these changes occupancy levels continued to increase from 82% in April 2021 (a low rate due to the opening of Phase 2 in November 2020) and reached 93% in March 2022. The percentage of potential rental income received averaged 94% across the year and increased to 98% in March 2022. The Yard maintained 98-100% occupancy throughout the year.

The number of studio enquiries received this year was 148 (an increase from 113 enquiries last year) with an application rate of 43%. A total of 145 creative and cultural individuals and businesses rented a studio at Krowji this year and in the annual tenant survey for 2021 Krowji achieved 98% tenancy satisfaction out of 51 responses.

Partnership activities and other projects

Creative Kernow plays a key part in innumerable partnership projects across Cornwall and further afield, often going far beyond what is formally required or expected by our funders. All our projects involve working in partnership with others and this is one of the most rewarding aspects of our role.

This year we embarked on a major partnership project with Cornwall Museums' Partnership which concluded in the summer of 2022. As well as being an opportunity to work more closely with a key sector support organisation and NPO, the project Tresorys Kernow is testing the use of Community Renewal funding for culture led regeneration. Community Renewal Fund is the pilot for the Shared Prosperity Fund which replaces European Structural Funds post Brexit.

The Krowji team continues to offer advice, guidance and support to other emerging creative hubs around Cornwall in line with our vision of a network of creative workspace clusters; Krowji operates the Cornwall Studio Finder listings, currently displaying some 32 other studio providers right across Cornwall. We continue to act as the UK lead contact for the National Federation of Artists' Studio Providers, but this is now usually restricted to telephone support backed up by the NFASP online resource library.

Our links with projects in Redruth remained a priority. FEAST commissioned projects for the Redruth Unlimited cultural programme as part of High Street Heritage Action Zone (HSHAZ) funded by Historic England.

Our staff were as always involved in a wide variety of other local and regional initiatives, sometimes in a work capacity and sometimes personally. These included the boards or steering groups for CIOS LEP Creative Industries Taskforce, Kernow Education Arts Partnership, Miracle Theatre, Cornwall Wildlife Trust, Cornwall Media Resource, Cornwall Digital Skills Partnership, Cornwall Film Festival, Goldentree, Cousin Jacks, The Tin Coast Partnership, Leach Pottery, Scary Little Girls and O-Region as well as a number of strategy review bodies. This is a key aspect of Creative Kernow's work which is hard to quantify, but which is highly valued by our funders.

Financial Review

The Creative Kernow group ended the year with a surplus of £84,887, made up of a deficit of £67,179 on unrestricted funds and a surplus on restricted funds of £152,066. Our unrestricted reserves have decreased to £437,918, with total funds held by the group at the year-end standing at £844,245. The level of free reserves for the charity at 31 March 2022 is £324,004 and £240,089 for the group.

Charity turnover in the year was £2,394,829 in comparison with £1,744,185 in the 2020/21 financial year. The significant disruption to business due to the Krowji fire did not impact on delivery of activity or income generation. Two largescale short term projects - G7 Cultural Programme and Tresorys Kernow (which continues into 2022/23) created opportunities for Creative Kernow, Cornwall Arts Marketing and Screen Cornwall to develop new areas of work which will support longer term strategic plans.

The Trust's policy on the level of reserves is that they should provide at least three months' operating costs for Creative Kernow's core team; our reserves continue to be more than adequate for that purpose. In future years these reserves may be required for staff redundancies as the Cultivator programme comes to the end of its EU funding. Redundancy costs cannot be claimed though these funding programmes.

We continue to reduce our reliance on ACE and Cornwall Council core funding as a proportion of our turnover. The staff and trustees continue their entrepreneurial approach to the diversification of income streams with earned income from consultancy, partnership projects and non-statutory funding sources helping generate revenue.

We continue to believe that we are an efficient and cost-effective organisation, with a small core management and admin team supporting the programmes and subsidiary businesses.

The Board feels confident that the future of Creative Kernow's core activity is secure, given continued support at current levels and the Trustees believe that the Charity's finances are on a secure long-term footing.

Financial performance of our subsidiary companies

Following last year's deficit position Krowji Limited had a robust plan in place to reduce costs and manage operations with a smaller staff team alongside a 10% increase to rents. These strategies were at times challenging, particularly following the fire and the need to provide additional support to the artists affected. Effective communication and tenant liaison helped maintain strong occupancy figures and Krowji also benefited from Coronavirus Job Retention Scheme grants of £1,222 and COVID Business Rates Relief of £24,000 in the year. Krowji Limited ended the year with a pre-tax profit of just over £27,000.

Cornwall Arts Marketing Limited benefited from an increase in revenue in 2021/22 as event producers were back in business and using Cornwall 365 to advertise their events following the relaxation of Covid restrictions. The company was also able to access grant funding to research and develop new revenue streams linked to data via the In the Loop prototype. Cornwall Arts Marketing generated a small pre-tax profit of just over £8,000.

Screen Cornwall Limited grew turnover by 38% in the year thanks to an increase in work following the pandemic and in particular grant funding from Cornwall Council and the G7 programme. Screen Cornwall ended the year with a pre-tax profit of just under £9,000.

Pay policy for senior staff

The board of directors, who are the charity's trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating Creative Kernow on a day to day basis. All directors give their time freely and no director received remuneration in the year, including the directors of the subsidiary companies. Details of any related party transactions are disclosed in the notes to the accounts.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings, as is the pay of other staff. In view of the nature of the organisation, the directors benchmark senior staff salaries against levels in other enterprises in the region of a similar size run on a voluntary basis and they believe that our salary levels are similar to those in such organisations.

Risk Management

The trustees have a risk management strategy which comprises:

- an annual review of the principal risks and uncertainties that the charity and its subsidiaries face;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

Following the easing of coronavirus restrictions from May 2021 onwards the specific risk assessment relating to staff health and welfare was updated throughout the year in response to changing government guidance.

The conclusion of our risk assessment at the time of this report is that the charity and its subsidiaries are still in a strong position as far as financial sustainability is concerned, but that this is inevitably very dependent on continued support from the major public funders of our work and on continuing demand for workspace. The securing of another 3 years of funding from Arts Council and Cornwall Council from 2023-26 is, along with the progress of four applications for the UK Shared Prosperity Fund, reassuring - see "Looking ahead" below.

In terms of risks relating to our activities and our built environment, close attention is always given to office-based activity and the safety of our premises at Krowji, with strong and regularly reviewed policies and procedures in respect of health and safety, fire and other such risks. Key staff undertake appropriate training and awareness raising across these operational areas. These risks have clearly changed and grown under Covid, but the directors and senior staff continue to believe that the Creative Kernow group is operating safely and with appropriate measures in place.

Looking ahead

The outlook with regard to public funding for the organisation is a mixed picture. We were delighted to secure a four year funding agreement with Cornwall Council (2022-26) and to successfully re-join the Arts Council National Portfolio of funded organisations from (2023-26). All of this funding is directed towards Creative Communities activity.

The announcement of the Good Growth funding programme for Cornwall and the Isles of Scilly, which is distributing the UK Shared Prosperity Fund, offered opportunities for all four Creative Kernow group companies to apply. All four applications were passed to the next stage and we anticipate beginning work on these projects in April 2023. Of particular note is that the fund provides 2 years of core funding costs for Screen Cornwall which allows the team to focus on their strategic role for the screen sector without taking on additional project work.

Of concern is the failure to secure ongoing funding for the Cultivator programme. In February 2023, Cornwall Council invited expressions of interest for organisations to deliver business support which Cultivator have responded to. We await further details of the call for applications and the size of the investment pot. At present our funding from ESF and ERDF will end in end in July 2023 and we are preparing staff for the likelihood of redundancies.

Creative Kernow and Krowji will be embarking on a small-scale capital project to replace the 15 artist studios destroyed in the 2021 fire. Our insurer Aviva have released part of the final settlement for the loss of the building and we have begun discussions with a landscape architect to design the layout of a modular solution to inform our pre-planning application. Demand for workspace is still strong and we hope to open some of the new spaces in the autumn of 2023.

Trustees and senior staff have been reviewing the group structure to identify options for improvement to support trading and governance. We have been supported by Counter Culture Ltd in these considerations and a trustee/staff task and finish group is overseeing the completion of this review and developing a timeline for agreeing options and implementation.

We relaunched our advertising for a new Chair of Trustees for Creative Kernow in February 2023 and hope to appoint a successor to John Pulford in May. Our initial campaign resulted in the appointment of Professor Paul Springer who was due to be elected as Chair at this AGM. Due to unforeseen circumstances Paul is relocating his work to London and unable to commit to the Chair role but Trustees were pleased to appoint him as a Trustee without office.

The trustees believe that Creative Kernow is well-placed to make the most of the opportunities and challenges that lie ahead and we will continue to take a lead amongst our partners in Cornwall in helping the sector to go forward. The role of the staff taskforces has been evident in embedding our organisational commitments to sustainability and climate change; equality, diversity and inclusion and developing an evidence base for cultural and creative impact.

The Board is firmly committed to the principles of public benefit, widening access, diversity and equal opportunities. We have worked closely with our funders - especially Arts Council England - on issues of governance, diversity and transparency as part of our funding agreements. The directors and staff will regularly monitor the charity's actions on equal opportunities and their impact on staff, partner organisations and the public.

In shaping their objectives for the year and planning Creative Kernow's activities, the trustees have considered the Charity Commission's guidance on public benefit and the importance of demonstrating that Creative Kernow fulfils its charitable purposes for the wider good of society. They believe that this report shows clearly that the charity offers a very wide range of support, activities and services to all the communities of Cornwall.

Creative Kernow Limited

Trustees' Report

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 27.3.23 and signed on its behalf by:

.....
John Alfred Pulford
Trustee

Creative Kernow Limited

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Creative Kernow Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

Approved by the trustees of the charity on 27.3.23 and signed on its behalf by:

.....
John Alfred Pulford
Trustee

Creative Kernow Limited

Independent Auditor's Report to the Members of Creative Kernow Limited

Opinion

We have audited the financial statements of Creative Kernow Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Cash Flows, Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (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 charitable company's affairs as at 31 March 2022 and of the group's results and of the parent charitable company's incoming resources and application of resources 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 group and parent 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 trustee's 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 company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the group financial statements and parent charitable company's financial statements and our auditor's report thereon. Our opinion on the group financial statements and parent charitable company's 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.

In connection with our audit of the group financial statements and parent charitable company's financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements and parent charitable company's financial statements or our knowledge obtained in 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 there is a material misstatement in the group financial statements and parent charitable company's financial statements or a material misstatement of the other information. 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 Kernow Limited

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 trustees' report, 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 strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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 11], the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the group financial statements and parent charitable company's 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 group financial statements and parent charitable company's financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the group financial statements and parent charitable company's financial statements, the trustees are responsible for assessing the group's and the parent 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 group or the parent 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.

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

Independent Auditor's Report to the Members of Creative Kernow Limited

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity at the planning stage of the audit. The charity is subject to laws and regulations that directly affect the financial statements, specifically the Companies Act 2006, Charities Act 2011 and Charities Statement of Recommended Practice. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items. The charity is also subject to laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or loss of the charity's ability to operate. In making this assessment we determined that the most significant elements of legislation include those relating to employment laws and regulations (including CJRS compliance), health and safety standards and compliance with major funding contracts.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following:

- Making enquiries of management regarding their knowledge of any non-compliance with laws and regulations that could affect the financial statements. As part of these enquiries, we also discussed with management changes in risk assessment relating to fraud, and whether there have been any known instances, allegations or suspicions of fraud, of which there were none.

- Considering the filings made at Companies House and the Charity Commission, and any omissions thereon, of which none were identified.

- Discussing with management compliance with health and safety legislation, including any reforms to these.

- Making enquiries of management and reviewing charity expenditure for any evidence of disputes, actual or potential litigation and claims, with regulators or any other such body.

- Reviewing documentation from fund providers to test whether funds had been appropriately claimed and utilised for purposes as set out in the respective contract terms.

- Reviewing payroll records to test whether Coronavirus Job Retention Scheme funding being claimed was appropriate.

- Auditing the risk of management override of controls, including through testing of journal entries and other adjustments for appropriateness, and evaluating the rationale for significant transactions outside the normal course of business activities, of which there were none.

- Reviewing estimates and judgements made in the financial statements for any indication of bias and challenged assumptions used by management in making the estimates.

- Reviewing Board minutes and correspondence with regulators to corroborate the findings from the above.

Due to the inherent limitations of an audit, there remains a risk that we may not have detected some material misstatements in the financial statements or non-compliance with laws and regulations. This is despite the fact that we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed irregularities are from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. As with any audit, there remained a high risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. This risk was reduced by a thorough review of all controls in place that monitor items and transactions affecting the financial statements. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the charity.

Independent Auditor's Report to the Members of Creative Kernow Limited

All relevant laws, regulations and significant risks of fraud identified have been clearly communicated to each member of the audit engagement team.

We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at 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 and 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 charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Paula Thomas

Paula Thomas BA FCA DChA (Senior Statutory Auditor)
For and on behalf of Walker Moyle Ltd, Statutory Auditor

3 Chapel Street
Redruth
Cornwall
TR15 2BY

Date: 28th March 2023

Creative Kernow Limited

Consolidated Statement of Financial Activities for the Year Ended 31 March 2022
(Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £	(As restated) Total 2021 £
Income and Endowments from:					
Donations and legacies	3	326,146	1,911,537	2,237,683	1,705,954
Commercial trading operations		622,057	117,248	739,305	678,647
Investment income	4	1,295	-	1,295	1,365
Charitable activities	5	100,931	39,489	140,420	21,774
Total Income		1,050,429	2,068,274	3,118,703	2,407,740
Expenditure on:					
Commercial trading operations		(599,596)	(96,840)	(696,436)	(689,578)
Charitable activities	6	(518,012)	(1,819,368)	(2,337,380)	(1,621,480)
Total Expenditure		(1,117,608)	(1,916,208)	(3,033,816)	(2,311,058)
Net (expenditure)/income		(67,179)	152,066	84,887	96,682
Net movement in funds		(67,179)	152,066	84,887	96,682
Reconciliation of funds					
Total funds brought forward		505,097	254,261	759,358	662,676
Total funds carried forward	20	437,918	406,327	844,245	759,358

All of the group's activities derive from continuing operations during the above two periods.

The funds breakdown for 2021 is shown in note 20.

Creative Kernow Limited

(Registration number: 1727731)
Consolidated Balance Sheet as at 31 March 2022

	Note	2022 £	(As restated) 2021 £
Fixed assets			
Tangible assets	11	5,187,104	5,312,485
Current assets			
Debtors	13	551,774	660,553
Cash at bank and in hand	14	749,682	405,289
		1,301,456	1,065,842
Creditors: Amounts falling due within one year	15	(1,184,634)	(1,018,212)
Net current assets		116,822	47,630
Total assets less current liabilities		5,303,926	5,360,115
Creditors: Amounts falling due after more than one year	16	(4,441,809)	(4,589,274)
Provisions	19	(17,872)	(11,483)
Net assets		844,245	759,358
Funds of the group:			
Restricted funds		406,327	254,261
Unrestricted income funds			
Unrestricted funds		437,918	505,097
Total funds	20	844,245	759,358

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011.

The financial statements on pages 16 to 48 were approved by the trustees, and authorised for issue on 27.3.23 and signed on their behalf by:

John Alfred Pulford
Trustee

Creative Kernow Limited

(Registration number: 1727731)
Balance Sheet as at 31 March 2022

	Note	2022 £	(As restated) 2021 £
Fixed assets			
Tangible assets	11	276,937	286,376
Investments	12	201	201
		277,138	286,577
Current assets			
Debtors	13	953,874	1,011,021
Cash at bank and in hand		609,046	304,072
		1,562,920	1,315,093
Creditors: Amounts falling due within one year	15	(433,041)	(236,471)
Net current assets		1,129,879	1,078,622
Total assets less current liabilities		1,407,017	1,365,199
Creditors: Amounts falling due after more than one year	16	(452,123)	(457,174)
Net assets		954,894	908,025
Funds of the charity:			
Restricted funds		353,953	222,295
Unrestricted income funds			
Unrestricted funds		600,941	685,730
Total funds	20	954,894	908,025

The financial statements on pages 16 to 48 were approved by the trustees, and authorised for issue on 27.3.23 and signed on their behalf by:

.....
John Alfred Pulford
Trustee

Creative Kernow Limited

Consolidated Statement of Cash Flows for the Year Ended 31 March 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net income		84,887	96,682
Adjustments to cash flows from non-cash items			
Depreciation		135,779	105,867
Investment income	4	(1,295)	(1,365)
Impairment loss on disposal of fixed assets held for the group's own use		9,903	-
		229,274	201,184
Working capital adjustments			
Decrease/(increase) in debtors	13	108,779	6,906
(Decrease)/increase in creditors	15, 16	172,757	874,987
(Decrease)/increase in provisions	19	6,389	3,125
Net cash flows from operating activities		517,199	1,086,202
Cash flows from investing activities			
Interest received on bank deposits	4	95	165
Rent Income	4	1,200	1,200
Rent income from lease	4	5,151	5,151
Rent income from lease - cons adj	4	(5,151)	(5,151)
Purchase of tangible fixed assets	11	(20,301)	(1,277,440)
Net cash flows from investing activities		(19,006)	(1,276,075)
Cash flows from financing activities			
Value of new loans obtained during the period		-	200,000
Repayment of loans and borrowings	15, 16	(153,800)	(52,232)
Net cash flows from financing activities		(153,800)	147,768
Net increase/(decrease) in cash and cash equivalents		344,393	(42,105)
Cash and cash equivalents at 1 April		405,289	447,394
Cash and cash equivalents at 31 March		749,682	405,289

All of the cash flows are derived from continuing operations during the above two periods.

Creative Kernow Limited

Statement of Cash Flows for the Year Ended 31 March 2022

	Note	2022 £	(As restated) 2021 £
Cash flows from operating activities			
Net income		46,869	112,862
Adjustments to cash flows from non-cash items			
Depreciation		3,773	3,715
Investment income		(16,726)	(16,457)
Impairment loss on disposal of fixed assets held for the charity's own use		9,903	-
		43,819	100,120
Working capital adjustments			
(Increase)/decrease in debtors	13	57,147	(187,104)
Increase/(decrease) in creditors	15, 16	191,519	(59,073)
Net cash flows from operating activities		292,485	(146,057)
Cash flows from investing activities			
Interest receivable and similar income		16,726	16,457
Purchase of tangible fixed assets	11	(4,237)	(3,240)
Net cash flows from investing activities		12,489	13,217
Net increase/(decrease) in cash and cash equivalents		304,974	(132,840)
Cash and cash equivalents at 1 April		304,072	436,912
Cash and cash equivalents at 31 March		609,046	304,072

All of the cash flows are derived from continuing operations during the above two periods.

Creative Kernow Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Creative Kernow Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. The figures in the financial statements have been rounded to the nearest pound sterling.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the charity and its three wholly owned subsidiary undertakings, Krowji Limited, Cornwall Arts Marketing Limited and Screen Cornwall Limited, on a line by line basis, drawn up to 31 March 2022.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006.

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Fund structure

Unrestricted income funds are available for use at the discretion of the trustees in furtherance of the general activities of the charity.

Restricted income funds are subjected to restrictions on their expenditure imposed by the donor.

Going concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the ongoing use of going concern is appropriate i.e. whether there are any material uncertainties relating to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

The trustees believe Creative Kernow is well placed to make the most of the opportunities and challenges which lie ahead and will continue to take a lead amongst their partners in Cornwall in helping the cultural and creative sectors to thrive and grow.

Funding has been secured for the next three years which provides sufficient time to research and implement new income generation strategies. At the year end the charity held unrestricted reserves of £437,918. This is sufficient to cover expected working capital movements as well as any additional costs not budgeted for.

The trustees are therefore satisfied that the charity will be able to operate within their available facilities and continue as a going concern for the foreseeable future, being 12 months from the date of approval of these financial statements.

Income and endowments

Donations and legacies

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature are recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Grants receivable

Grants, including government grants, are recognised when the group has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income

Investment income is included when receivable.

Charitable activities

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Expenditure
All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. Expenditure includes any VAT which cannot be recovered, and is reported as part of the expenditure to which it relates:-

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

- Governance costs include those costs associated with meeting constitutional and statutory requirements of the Charity and include the audit fee and costs linked to the strategic management of the Charity.

- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis per Note 6

- Expenditure on commercial trading operations comprises the costs incurred by the three trading subsidiaries of the Charity, Krowji Limited, Cornwall Arts Marketing Limited and Screen Cornwall Limited.

Government grants
Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation
The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Goodwill
Goodwill arising on an acquisition of a business is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Amortisation
Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Goodwill	Straight line over 5 years

Tangible fixed assets
Expenditure on tangible fixed assets is capitalised. The costs of minor additions or those below £500 are not capitalised. The charity does not have a policy of revaluation.

Own labour costs which are considered to be directly attributable to the construction of the property are included in the cost of construction.

Depreciation
Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold buildings	Straight line basis over 50 years
Equipment	Straight line basis over 4 years
Plant and machinery	Straight line basis over 10 years
Leasehold land and buildings	Straight line over the life of the lease, apart from Percy Williams Building (phase 1 & 2) which are depreciated over 50 years from dates of completion

No provision is made in respect of freehold land.

Impairment of fixed assets
Intangible and tangible fixed assets are reviewed for impairment when changes in circumstances or events indicate that the carrying value of the fixed assets may not be recoverable. An impairment loss is recognised where the recoverable amount is less than the carrying value.

Debtors
Trade and other debtors are recognised initially at the settlement amount due. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Prepayments are valued at the amount prepaid.

Cash and cash equivalents
Cash at bank and in hand includes cash and short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Creditors and provisions
Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price.

Provisions are recognised when the charity has an obligation at the reporting date as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Leased assets
Rental income from operating leases is recognised on a straight line basis over the term of the lease.

Borrowings
Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Pensions and other post retirement obligations
The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Classification

Financial assets are classified into either basic or other financial assets. Financial liabilities are classified into either basic or other financial liabilities. These classifications depend on certain criteria determined at the time of recognition.

The charity holds only basic financial instruments.

Recognition and measurement

Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the charity's obligations are discharged, expire or are cancelled.

Basic financial assets, which include trade and other debtors, cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is initially measured at the present value of the future receipts discounted at a market rate of interest and subsequently held at amortised cost.

Basic financial liabilities, including trade and other payables are initially measured 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. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Impairment

Basic financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activitites.

2 Charity status

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £5 towards the assets of the charity in the event of liquidation.

The charity is incorporated in England and Wales. The address of its registered office is:
Krowji
West Park
Redruth
Cornwall
TR15 3AJ

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	2022 £	2021 £
Grants				
Carn to Cove - Cornwall Council	16,650	-	16,650	16,650
Carn to Cove - Devon District Councils	-	-	-	19,830
Carn to Cove - Arts Council	85,000	6,319	91,319	95,400
Carn to Cove - Other	-	41,701	41,701	55,041
FEAST - Cornwall Council	-	203,141	203,141	64,475
FEAST - Arts Council	95,000	-	95,000	100,000
FEAST - ESF	-	-	-	37,979
FEAST - Other	-	12,500	12,500	12,500
Cultivator	78,479	1,405,962	1,484,441	975,333
Other Projects - Cornwall Council	4,233	129,720	133,953	44,233
Other Projects - Arts Council	36,588	35,000	71,588	36,588
Other Projects - Other	9,099	26,450	35,549	222,211
Donations				
Carn to Cove - Donations	978	-	978	9,831
FEAST - Donations	-	586	586	15,844
Other Donations	119	50,158	50,277	39
	326,146	1,911,537	2,237,683	1,705,954

4 Investment income

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Interest receivable and similar income;			
Interest received on bank deposits	95	95	165
Rent receivable	1,200	1,200	1,200
	1,295	1,295	1,365

5 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2022 £	Total 2021 £
Carn to Cove	44,408	12,099	56,507	6,436
Miscellaneous	56,523	27,390	83,913	15,338
	100,931	39,489	140,420	21,774

6 Expenditure on charitable activities

	Basis of Allocation	FEAST	Carn to Cove	Carn to Cove Projects	Cultivator	Other Projects	Governance	2022 Total	2021 Total
Direct Costs									
Staff Costs	Direct	77,959	121,315	29,203	486,544	97,365	2,145	814,531	703,458
Other Costs	Direct	184,036	62,889	46,173	865,535	135,235	-	1,293,868	829,474
Publicity	Direct	1,180	725	1,521	-	1,645	-	5,071	3,778
Recruitment	Direct	-	-	-	-	-	-	-	5,765
Travel	Direct	185	3,258	616	5,515	578	-	10,152	1,539
Audit fee	Direct	-	-	-	-	8,862	12,492	21,354	12,456
Total direct costs:		447,396	251,076	123,686	2,223,129	378,920	14,637	2,144,976	2,385,944
Support Costs									
Premises	Floor area	4,962	119	2,533	6,714	62,629	-	76,957	18,565
Legal and professional	Usage	-	-	13	-	2,379	-	2,392	48
Consultancy	Usage	-	-	8,750	90	17,346	-	26,186	150
Office expenses	Usage	5,926	4,904	4,768	10,405	46,832	131	72,966	42,531
Bank charges and interest	Usage	-	-	-	-	227	-	227	-
Depreciation	Usage	-	-	-	-	3,773	-	3,773	3,716
Impairment loss on disposal of fixed assets held for the group's own use	Usage	-	-	-	-	9,903	-	9,903	-
Total support costs:		10,888	5,023	16,064	17,209	143,089	131	192,404	65,010
		458,284	256,099	139,750	2,240,338	522,009	14,768	2,337,380	2,450,954

Included within expenditure on charitable activities 'other costs' on the previous page is grant funding to third party individuals under the Cultivator project, FEAST project and Emergency grants paid to tenants of Krowji impacted by the fire. The total grant funding of activities during the year was £959,178 (2021 - £248,145).

7 Government grants

Government grants recognised in the financial statements are made up of funds from Cornwall Council, Devon District Councils, The British Film Institute, Historic England and Kickstarter grants supported by the government.

The charity was also in receipt of Coronavirus Job Retention Scheme grants of £3,941 in the year.

The amount of grants recognised in the financial statements was £495,405 (2021 - £249,184).

Additional government grants of £90,007 (2021 - £137,851) are recognised in the consolidated financial statements, received by trading subsidiaries. Included in the above is £1,222 received in respect of Coronavirus Job Retention Scheme grants.

8 Net incoming/outgoing resources

Net outgoing/(incoming) resources for the year include:

	2022 £	2021 £
Operating lease rentals	513	513
Auditors' remuneration	17,000	12,500
Other accountancy services	23,547	12,106
Impairment loss on disposal of fixed assets held for the group's own use	9,903	-
Depreciation of fixed assets	135,779	105,867

9 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the group during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

Notes to the Financial Statements for the Year Ended 31 March 2022

10 Group Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	935,604	865,710
Social security costs	73,441	65,730
Pension costs	26,235	24,368
Other staff costs	37,150	2,299
	1,072,430	958,107

The monthly average number of persons (including senior management team) employed by the group during the year was as follows:

	2022 No	2021 No
Charitable Activities	39	35

No employee received emoluments of more than £60,000 during the year.

The key management personnel of Creative Kernow Limited comprise of the Chief Executive Officer only.

The total employee benefits of the key management personnel of the Charity were £56,161 (2021 - £63,569).

11 Tangible fixed assets

Group

	Leasehold Land & Buildings £	Plant and machinery £	Equipment £	Freehold Property £	Total £
Cost					
At 1 April 2021	50,000	196,133	94,919	5,551,268	5,892,320
Additions	-	-	20,301	-	20,301
At 31 March 2022	50,000	196,133	115,220	5,551,268	5,912,621
Depreciation					
At 1 April 2021	3,518	114,683	37,416	424,218	579,835
Charge for the year	510	19,560	9,880	105,829	135,779
Impairment	-	-	-	9,903	9,903
At 31 March 2022	4,028	134,243	47,296	539,950	725,517
Net book value					
At 31 March 2022	45,972	61,890	67,924	5,011,318	5,187,104
At 31 March 2021	46,482	81,450	57,503	5,127,050	5,312,485

Impairment

Freehold Property

An impairment loss of £9,903 was recognised in respect of the damage to the North Light building. The amount of impairment loss included in the statement of financial activities is £9,903 (2021 - £Nil). The impairment loss is included in expenditure on charitable activities.

Charity

	Equipment £	Freehold Property £	Total £
Cost			
At 1 April 2021	38,877	303,142	342,019
Additions	4,237	-	4,237
At 31 March 2022	43,114	303,142	346,256
Depreciation			
At 1 April 2021	34,447	21,196	55,643
Charge for the year	3,040	733	3,773
Impairment	-	9,903	9,903
At 31 March 2022	37,487	31,832	69,319
Net book value			
At 31 March 2022	5,627	271,310	276,937
At 31 March 2021	4,430	281,946	286,376

All freehold property, with a carrying value of £271,310 (2021: £281,946) is pledged as security for the bank loan that Krowji Limited have in place. Further details at note 16.

Impairment

Freehold Property

An impairment loss of £9,903 was recognised in respect of the damage to the North Light building. The amount of impairment loss included in the statement of financial activities is £9,903 (2021 - £Nil). The impairment loss is included in expenditure on charitable activities.

12 Fixed asset investments

Details of undertakings

Details of the investments in which the group holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	Principal activity
Subsidiary undertakings				
Krowji Limited	United Kingdom	Ordinary	100%	receives rental income from a property that it leases from the Charity
Cornwall Arts Marketing Limited	United Kingdom	Ordinary	100%	receives income from the publishing of website and magazine listings within Cornwall
Screen Cornwall Limited	United Kingdom	Ordinary	100%	to develop the screen industries in Cornwall to build a strong and thriving production sector

Subsidiaries

The profit for the financial period of Krowji Limited was £20,938 and the aggregate amount of capital and reserves at the end of the period was £(98,651).

The profit for the financial period of Cornwall Arts Marketing Limited was £8,106 and the aggregate amount of capital and reserves at the end of the period was £(42,843).

The profit for the financial period of Screen Cornwall Limited was £8,977 and the aggregate amount of capital and reserves at the end of the period was £31,281.

The address of the registered office for all subsidiaries is: Krowji, West Park, Redruth, Cornwall TR15 3AJ.

Charity

	2022 £	2021 £
Shares in group undertakings and participating interests	201	201

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 April 2021	201	201
At 31 March 2022	201	201
Net book value		
At 31 March 2022	201	201
At 31 March 2021	201	201

13 Debtors

	Group		Charity	
	2022 £	(As restated) 2021 £	2022 £	(As restated) 2021 £
Trade debtors	33,499	18,068	7,566	6,461
Grants Receivable	470,734	612,206	470,734	460,883
Due from group undertakings	-	-	460,810	516,556
Prepayments	25,011	20,603	7,860	19,460
Other debtors	22,530	9,676	6,904	7,661
	551,774	660,553	953,874	1,011,021

14 Cash and cash equivalents

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

During the year, the Charity received funds of £444,999 (2021 - £216,875) on behalf of other delivery partners within the Cultivator project. The Charity paid £422,425 (2021 - £177,339) of these funds to the delivery partners before the year end. The balance of funds held as agent at the year end was £22,574 (2021 - £39,536).

15 Creditors: amounts falling due within one year

	Group		Charity	
	2022	(As restated) 2021	2022	(As restated) 2021
	£	£	£	£
Bank loans	55,436	53,800	-	-
Trade creditors	125,835	29,802	89,669	18,975
Other loans	400,000	500,000	-	-
Other taxation and social security	44,532	28,970	21,348	17,045
Accruals	101,868	47,498	56,132	12,000
Deferred income	414,574	329,996	258,396	187,894
Other creditors	42,389	28,146	7,496	557
	1,184,634	1,018,212	433,041	236,471

Creditors due within one year includes the following liabilities on which security has been given by the Group:

	Group		Charity
	2022	2021	2022
	£	£	£
Bank Loans	55,436	53,800	-
Other Loans	400,000	500,000	-
	455,436	553,800	-

The bank loan is secured by means of a first legal mortgage over the land of Krowji Limited and Creative Kernow Limited and a first fixed charge on all land and properties owned by Krowji Limited and Creative Kernow Limited. It is also secured by means of a first fixed charge on all present and future goodwill of any business carried out by or on behalf of Creative Kernow Limited on the mortgaged property.

The other loan is secured by means of a second legal mortgage over the leasehold land and property of Krowji Limited.

Deferred income
Charity

	2022
	£
Deferred income at 1 April 2021	645,068
Resources deferred in the period	253,345
Amounts released from previous periods	(187,894)
Deferred income at 31 March 2022	710,519

Group

	2022
	£
Deferred income at 1 April 2021	3,941,577
Resources deferred in the period	322,545
Amounts released from previous periods	(329,996)
Deferred income at 31 March 2022	3,934,126

16 Creditors: amounts falling due after one year

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Bank loans	922,257	977,693	-	-
Deferred income	3,519,552	3,611,581	452,123	457,174
	4,441,809	4,589,274	452,123	457,174

Creditors amounts falling due after more than one year includes the following liabilities on which security has been given by the group:

	Group		Charity
	2022	2021	2022
	£	£	£
Bank Loans	922,257	977,693	-

The bank loan is secured by means of a first legal mortgage over the land of Krowji Limited and Creative Kernow Limited and a first fixed charge on all land and properties owned by Krowji Limited and Creative Kernow Limited. It is also secured by means of a first fixed charge on all present and future goodwill of any business carried out by or on behalf of Creative Kernow Limited on the mortgaged property.

Group

Included in the creditors are the following amounts due after more than five years:

	2022	2021
	£	£
After more than five years by instalments	683,132	745,627

Borrowings due after five years

The amounts due after more than five years by instalments relate to the bank loan. The nominal interest rate is 2.5% over the UK base rate, and the final instalment is due on 17 July 2036. Repayments are made monthly.

17 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Land and buildings				
Within one year	7,833	7,833	-	-
Between one and five years	10,500	17,500	-	-
	18,333	25,333	-	-
Other				
Within one year	513	513	513	513
Between one and five years	769	1,281	769	1,281
	1,282	1,794	1,282	1,794

18 Income under lease arrangements

Operating lease commitments

Total future minimum lease payments receivable under non-cancellable operating leases as lessor are as follows:

	Group		Charity
	2022 £	2021 £	2022 £
Land and buildings			
Within one year	833	833	-

Krowji Limited is party to a leasing arrangement in relation to a community building which is leased from Cornwall Council and leased on to a third party. The head lease and sub lease agreements, involving Krowji as lessee and lessor, are on the same terms. Therefore, corresponding lease commitments and lease liabilities are included in these financial statements.

19 Provisions

Group

	Deferred Taxation £	Total £
At 1 April 2021	11,483	11,483
Charged to the statement of recognised gains and losses	6,389	6,389
At 31 March 2022	17,872	17,872

Provisions are made up of deferred taxation, provided for at 19% (2021: 19%).

20 Funds

Group

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
Unrestricted funds				
General				
Unrestricted	505,097	1,050,429	(1,117,608)	437,918
Restricted funds				
Restricted	254,261	2,068,274	(1,916,208)	406,327
Total funds	759,358	3,118,703	(3,033,816)	844,245

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
Unrestricted funds					
General					
Unrestricted	424,732	987,435	(911,067)	3,997	505,097
Restricted funds					
Restricted	237,944	1,420,305	(1,399,991)	(3,997)	254,261
Total funds	662,676	2,407,740	(2,311,058)	-	759,358

Creative Kernow Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

Charity

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
Unrestricted funds				
General				
General	685,730	443,803	(528,592)	600,941
Restricted funds				
Carn to Cove Locomotor	52,141	33,188	(82,320)	3,009
Carn to Cove Villages in Action - Headley Trust Donation	5,000	-	-	5,000
Piano Go Round	3,496	80	(1,260)	2,316
Inn Crowd	1,250	1,110	(546)	1,814
Jaw Jaw	150	-	-	150
C-Fylm - Cultivator	476	-	-	476
C-Fylm - International Women	926	-	-	926
C2C Symphony of the Countryside	1,815	-	(38)	1,777
C2C Tin Coast	1,682	-	(1,682)	-
C2C Culture Recovery Grant	9,510	-	(1,782)	7,728
C2C - C-Fylm Crowdfunder	3,330	-	-	3,330
C2C - Scops Arts Trust (R)	4,000	-	(4,000)	-
C2C Kickstart	-	716	-	716
C2C - C-Fylm Green Week	-	5,054	(1,000)	4,054
C2C - Cobweb - Redruth	-	2,000	(951)	1,049
C2C - TK Music Lab	-	20,000	-	20,000
British Film Institute - Cinema Equipment Package	56	-	-	56
FEAST Year 9	5,253	-	(2,500)	2,753
FEAST Year 10	10,712	-	-	10,712
FEAST Year 11	6,746	-	-	6,746
FEAST Year 12	19,299	-	(6,516)	12,783
FEAST Year 13	62,475	-	(29,961)	32,514
FEAST Year 14	-	68,002	(43,110)	24,892
FEAST Bright Sparks	4,347	-	-	4,347
FEAST Gamechanger	-	18,245	(7,636)	10,609
FEAST Bill's Attic	1,545	4,065	(5,352)	258
FEAST Cornwall Community Foundation	160	-	-	160
FEAST Cornwall Comm Foundation Covid Emergency Fund	350	10,000	(3,945)	6,405
FEAST Redruth HSHAZ	5,650	2,900	(6,466)	2,084
FEAST Kresen Kernow Commissioning	500	2,650	(650)	2,500
FEAST Redruth Unlimited	-	44,000	(16,117)	27,883
FEAST Shout LOUDER	-	30,000	(24,995)	5,005
FEAST Arts Lab	-	61,725	(8,938)	52,787
Cultivator	(2,465)	1,405,962	(1,403,497)	-
NFASP	23,891	-	(48)	23,843

Notes to the Financial Statements for the Year Ended 31 March 2022

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
G7	-	129,720	(88,888)	40,832
Krowji Fire - Phoenix Fund	-	85,159	(50,720)	34,439
Tresorys Kernow	-	26,450	(26,450)	-
Total restricted funds	222,295	1,951,026	(1,819,368)	353,953
Total funds	908,025	2,394,829	(2,347,960)	954,894

The specific purposes for which the funds are to be applied are as follows:

The Locomotor/Villages in Action project has been set up to secure the future of the rural touring network in South Devon and co-ordinate international touring companies in the South West region. It will also explore new ways of delivering activity in rural venues, including developing new partnerships and digital innovations.

The C-Fylm Cultivator grant is a capital grant to buy new film equipment for the community film club project.

Piano Go Round is a fund-raising project to enable the purchase of a concert grand piano and lift to allow for touring to Carn to Cove venues around Cornwall. A one off concert was programmed to launch the project and it will be developed further in the future.

Inn Crowd - we are a delivery partner for a project to enable pubs and licensed premises to put on live, professional performances. This will develop audiences and provide support for publicans who are interested in expanding their offer to customers.

Jaw Jaw is a pilot digital project to connect people who are isolated and lonely with professional artists to take part in a series of online participative workshops using Facebook Portal devices.

BFI neighbourhood cinema provides support to the running costs and expansion of the C-Fylm project to allow new communities to form film clubs and screen regular films at a subsidised rate.

International women is a series of films programmed in partnership with Cornwall Womens Centre to develop audiences in hard to reach groups with a season of female focussed films.

C-Fylm Green Week - we received a grant from the British Film Institute to run a week of film screenings to raise awareness of climate emergency.

Carn to Cove Cobweb, Redruth - Cobweb Tours providing support for C2C shows in Redruth.

FEAST is a substantial ongoing programme commissioning and distributing a wide range of great art to villages and towns across Cornwall.

The Bright Sparks fund is designed to encourage collaborations between artists and museums in order to build museums' audiences and volunteer base.

Game Changer is an ESF, Big Lottery funded programme to help people aged 15-25 not in education, employment or training to access one of these options. Creative Kernow co-ordinates opportunities for young people with artist led workshops and with other creative sector businesses.

Bill's Attic is a unique artist residentcy and cultural meeting space at Krowji, which holds the collections of Bill Mitchell as a source of creative inspiration. Funds to date have been raised from the public and future income will be raised from hire of the space.

Cornwall Community Foundation has granted FEAST additional funds to add to the total FEAST grants pot. Every £1 of CCF grant is matched by FEAST and put towards supporting a creative project in the community.

Redruth Unlimited - Redruth Unlimited is funded by Historic England as part of the High Street Heritage Action Zone in partnership with Cornwall Counil (who receive the grant from Historic England). Projects can apply to FEAST for projects that bring culture to Redruth high street areas.

Shout Louder - a specific grants round for artists to respond to climate emergency and 'shout louder' to decision makers at COP26 in Glasgow.

Arts Lab - commissioning artists to deliver art projects in schools and alternative education settings to tackle mental wellbeing. Funding from Headstart programme via Cornwall Council.

Cultivator - a programme of skills and business support for Cornwall's creative and cultural sectors, supporting small businesses, sole traders and freelancers. Funded by the European Regional Development Fund, the European Social Fund, Arts Council England and Cornwall Council.

The NFASP funds relate to a Legacy Fund Agreement arising from the winding up of the National Federation of Artists' Studio Providers Ltd in January 2018. The remaining company funds were transferred to Creative Kernow to be managed as a restricted fund so that some of NFASP's sector support role could continue.

G7 - funding from Cornwall Council to deliver the G7 summit cultural legacy programme. Inlcuded grants to artists and film screening equipment supplied to community centres.

Krowji Fire Phoenix Fund - fund to support post-fire recovery. Includes donations from individuals, Real Ideas Organisation and Cornwall Community Foundation. The Arts Council also provided an emergency grant of £35k towards this.

All other restricted funds have been received for specific activities and projects and have been expended on the activities for which they were received.

Creative Kernow Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
Unrestricted funds					
General					
General	585,994	437,146	(336,317)	(1,093)	685,730
Restricted funds					
Carn to Cove Locomotor	73,058	19,022	(39,939)	-	52,141
Carn to Cove Villages in Action - Headley Trust Donation	5,000	-	-	-	5,000
Piano Go Round	3,136	360	-	-	3,496
Inn Crowd	-	1,250	-	-	1,250
Jaw Jaw	-	6,960	(6,810)	-	150
C-Fylm - Cultivator	981	-	(505)	-	476
C-Fylm - International Women	926	-	-	-	926
C2C Space Project	-	-	(96)	96	-
C2C Symphony of the Countryside	-	3,550	(1,735)	-	1,815
C2C Tin Coast	-	1,800	(118)	-	1,682
C2C Culture Recovery Grant	-	15,400	(5,890)	-	9,510
C2C - C-Fylm Crowdfunder	-	3,330	-	-	3,330
C2C - Scops Arts Trust (R)	-	4,000	-	-	4,000
British Film Institute - Cinema Equipment Package	279	-	(223)	-	56
FEAST Year 9	7,753	-	(2,500)	-	5,253
FEAST Year 10	12,712	-	(2,000)	-	10,712
FEAST Year 11	6,846	-	(100)	-	6,746
FEAST Year 12	58,381	-	(39,082)	-	19,299
FEAST Year 13	-	62,475	-	-	62,475
FEAST Bright Sparks	4,437	-	(90)	-	4,347
FEAST Cornwall AONB Celebrations	5,975	-	(6,000)	25	-
FEAST Gamechanger	-	37,979	(38,343)	364	-
FEAST Bill's Attic	947	13,120	(12,522)	-	1,545
FEAST Cornwall Community Foundation	3,150	-	(2,990)	-	160
FEAST Cornwall Comm Foundation Covid Emergency Fund	-	5,000	(4,650)	-	350
FEAST Redruth HSHAZ	-	9,650	(4,000)	-	5,650
FEAST Kresen Kernow Commissioning	-	2,000	(1,500)	-	500
Core ACE grant for Krowji Phase 2	-	214,020	(214,020)	-	-
Cornwall 365	403	-	(403)	-	-
Cultivator	1,175	907,123	(910,763)	-	(2,465)
NFASP	24,010	-	(119)	-	23,891
G7	-	-	(10)	10	-
Donations	-	-	(598)	598	-

Notes to the Financial Statements for the Year Ended 31 March 2022

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
Total restricted funds	209,169	1,307,039	(1,295,006)	1,093	222,295
Total funds	795,163	1,744,185	(1,631,323)	-	908,025

21 Analysis of net assets between funds

Group

	Unrestricted funds	Restricted funds	Total funds
	General £	£	£
Tangible fixed assets	5,187,104	-	5,187,104
Current assets	621,229	680,227	1,301,456
Current liabilities	(910,734)	(273,900)	(1,184,634)
Creditors over 1 year	(4,441,809)	-	(4,441,809)
Provisions	(17,872)	-	(17,872)
Total net assets	437,918	406,327	844,245

22 Charges

A first fixed charge is held by Triodos Bank over the assets of the Group in respect of a mortgage and loan in place with Krowji Limited for which security has been given. The total amount of borrowings at 31 March 2022 is £977,693 (2021: £1,031,493). The proportion of group assets charged is 19% (2021: 19%).

A secondary charge is held by Percy Williams and Sons Limited over the assets of Krowji Limited in respect of a long term loan for which security has been given. A balance of £400,000 at 31 March 2022 (2021: £500,000) is included in other loans due within one year. The proportion of group assets charged is 8% (2021: 9%).

23 Guarantees

Creative Kernow Limited has provided a guarantee to Triodos Bank on the legal mortgage taken out by its subsidiary, Krowji Limited. If Krowji Limited were to default on the mortgage repayments, Creative Kernow Limited would be liable to pay the amounts on the subsidiary's behalf.

24 Operating lease with subsidiary

Creative Kernow Limited has leased land and property to its subsidiary, Krowji Limited, under a longhold lease agreement in October 2013. The lease is for 99 years. The lease was issued with a lease premium of £500,000 to be paid, and annual peppercorn rent.

25 Related party transactions

Group

Mr P R Williams
(the company secretary and a key employee of Krowji Limited, prior to his resignation on 30 November 2020)
Mr P R Williams had power of attorney for Krowji Limited during the year for the sole purpose of executing underleases and tenancies of parts of the property of Krowji Limited. The power of attorney was revoked on 21 February 2023. At the balance sheet date the amount due to/from Mr P R Williams was £Nil (2021 - £Nil).

Charity

During the year the charity made the following related party transactions:

Krowji Limited
(subsidiary of Creative Kernow Limited)
Rent payable to Krowji Limited for the use of property during the year, total amount paid during the year of £15,967 (2021 - £12,143).

Hire of meeting rooms payable to Krowji for the use of rooms on an ad hoc basis during the year, total amount paid during the year of £394 (2021 - £290).

Rent receivable from Krowji Limited for the lease of property, total amount received during the year of £100 (2021 - £100).

Creative Kernow Limited has provided a loan to Krowji Limited. Interest is charged on the loan, total interest receivable during the year of £10,280 (2021 - £9,941). The loan amount outstanding from Krowji Limited at the balance sheet date is included in the intercompany balances within creditors due under one year. At the balance sheet date the amount due from Krowji Limited was £383,000 (2021 - £383,000).

Cornwall Arts Marketing Limited
(subsidiary of Creative Kernow Limited)
Cornwall Arts Marketing Limited provided advertising services throughout the year. Total amount paid during the year of £3,018 (2021 - £3,884)

The charity provided Cornwall Arts Marketing Limited with the provision of services in the prior year. No such transactions took place in the current year (2021 - £6,458). At the balance sheet date the amount due to Cornwall Arts Marketing Limited was £201 (2021 - £3,736 due from).

Screen Cornwall Limited
(subsidiary of Creative Kernow Limited)
Screen Cornwall Limited incurred project costs which were reimbursed by Creative Kernow Limited throughout the year. Total amount paid during the year of £5,500 (2021 £Nil).

The charity provided Screen Cornwall Limited with the provision of services throughout the year totalling £467 (2021 £Nil). At the balance sheet date the amount due to/from Screen Cornwall Limited was £Nil (2021 - £Nil).

26 Control

The group was controlled by the Trustees who are also the Directors throughout the current year. Refer to the previous year's report for a full list of members serving during that period.

27 Non adjusting events after the financial period

At the balance sheet date, the Percy Williams & Sons Limited loan with Krowji Limited with a carrying amount of £400,000 had a due date of 31 March 2023. Since the year end, the due date of the loan has been extended to 31 March 2024.

Insurance proceeds have been received post year end of £25,279 in July 2022 and £606,385 in February 2023, both in respect of claims made following the fire in the North Light building in May 2021. Full settlement negotiations remain ongoing.

28 Prior period adjustment

The comparatives shown in the financial statements for the year ended 31 March 2021 have been restated to correct the amounts of grants receivable (overstated by £157,358), deferred income (overstated by £78,679) and income from donations and legacies (overstated by £78,679).

Creative Kernow Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

Charity Statement of Financial Activities for the Year Ended 31 March 2022
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £	(As restated) Total 2021 £
Income and Endowments from:					
Donations and legacies	3	326,146	1,911,537	2,237,683	1,705,954
Charitable activities	5	100,931	39,489	140,420	21,774
Investment income		16,726	-	16,726	16,457
Total Income		443,803	1,951,026	2,394,829	1,744,185
Expenditure on:					
Charitable activities		(528,592)	(1,819,368)	(2,347,960)	(1,631,323)
Total Expenditure		(528,592)	(1,819,368)	(2,347,960)	(1,631,323)
Net (expenditure)/income		(84,789)	131,658	46,869	112,862
Net movement in funds		(84,789)	131,658	46,869	112,862
Reconciliation of funds					
Total funds brought forward		685,730	222,295	908,025	795,163
Total funds carried forward	20	600,941	353,953	954,894	908,025

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2021 is shown in note 20.

CREATIVE KERNOW LIMITED

England & Wales - Charity number 292138

Accounts

Company registration number: 1727731
Charity registration number: 292138

Creative Kernow Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2021

Walker Moyle Ltd
3 Chapel Street
Redruth
Cornwall
TR15 2BY

Creative Kernow Limited

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Creative Kernow Limited

Reference and Administrative Details

Chief Executive Officer	Percival Ross Williams (resigned 30 November 2020
	Fiona Catherine Wotton (appointed 30 November 2020)
Trustees	John Alfred Pulford
	Dinah Louise Graffy (resigned 9 August 2021)
	Simon Paul Harvey
	William Kim Conchie (resigned 9 August 2021)
	Mark Terrance Smith (resigned 22 January 2021)
	Eleanor Jubb
	Ajay Chhabra (appointed 25 January 2021)
	Amanda Berry (appointed 25 January 2021)
	Tamara Bedford (appointed 25 January 2021)
Secretary	Percival Ross Williams (resigned 30 November 2020)
	Fiona Catherine Wotton (appointed 30 November 2020)
Principal & Registered Office	Krowji West Park Redruth Cornwall TR15 3AJ
Other Names of the Charity	Arts Centre Trust, ACT, Creative Skills
Company Registration Number	1727731
Charity Registration Number	292138
Solicitors	Nalders Farley House Falmouth Road Truro Cornwall TR1 2HX
Bankers	CAF Bank Limited PO Box 289 West Malling Kent M19 47A
	Lloyds TSB Bank Plc Truro 7 Boscawen Street Truro Cornwall TR1 2QT
Senior Statutory Auditor	Paula Thomas BA FCA DChA
Auditor	Walker Moyle Ltd 3 Chapel Street Redruth Cornwall TR15 2BY

Creative Kernow Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, are pleased to present their group annual report and the audited financial statements for the year ended 31 March 2021. This report is a combined annual report containing a directors' report as required by company law. The financial statements have been prepared in accordance with the current statutory requirements, the Articles of Association and Statement of Recommended Practice - Accounting and Reporting by Charities (SORP FRS 102).

Reference and Administrative information, set out on Page 1, forms part of this report.

Governance

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £5.

The company is a registered charity number 292138 with effect from 8 May 1986. The governing documents are the Memorandum and Articles of Association.

The charity trustees during the year, appointed since the year end and at the date of this report are:

Trustees

John Alfred Pulford

Dinah Louise Graffy (resigned 9 August 2021)

Simon Paul Harvey

William Kim Conchie (resigned 9 August 2021)

Mark Terrance Smith (resigned 22 January 2021)

Eleanor Jubb

Ajay Chhabra (appointed 25 January 2021)

Amanda Berry (appointed 25 January 2021)

Tamara Bedford (appointed 25 January 2021)

All directors of the company are also trustees of the charity and there are no other trustees. The Board has the power to appoint additional trustees as it considers fit to do so. Although no specific training is required for new trustees, they are made aware of the useful guidance offered by the Charity Commission and others. Policy decisions are made by the Board at regular meetings.

Creative Kernow Limited

Trustees' Report

Organisational Structure

During 2020/21 Creative Kernow Limited had three wholly-owned subsidiary companies which gift-aid the majority of any profits to the charity each year. Their activities during the year are covered as part of the report below.

Krowji Limited is a company limited by shares, number 05420248, and wholly owned by Creative Kernow. It has a board of directors - Greg Oldrieve (Chair), Daiman Baker and Chris Hibbert. It was established in 2005 and its main role is to operate the creative workspace cluster at Krowji in Redruth - the freehold of the property is held by Creative Kernow and Krowji Limited has a long leasehold interest.

Cornwall Arts Marketing Limited is a company limited by shares, number 04346555, and wholly owned by Creative Kernow. It has a board of directors - John Pulford (Chair). It was established to run our major ERDF-supported cultural tourism programme from 2002 onwards; this was wound down some years ago and its main role for the moment is to operate the annual Open Studios event and the Cornwall 365 What's On listings service and printed guide.

Screen Cornwall Limited is a company limited by shares, number 11881973, and wholly owned by Creative Kernow. It has a board of directors - Phillippa Giles (Chair), Simon Harvey and Johnny Fewings (appointed 6th May 2020). It has been set up to drive the development of the screen industries in Cornwall and the Isles of Scilly, working with incoming film & TV productions, businesses and individual freelancers to build a strong and thriving production sector.

All three subsidiary companies were established in order to carry on activities which are directly in pursuit of Creative Kernow's charitable objects and so could legitimately be carried on by the charity itself, but which the trustees judged to be more prudently carried on in a subsidiary company for reasons of financial efficiency and to reduce the risk to the charity's core assets.

Objectives and activities

The objectives of the charity are to provide exhibitions of the arts of dance and drama, to provide training in the arts and arts management and to further the public appreciation of the aforesaid.

Public benefit statement

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Summary

This group report covers the financial year from April 2020 to March 2021. It reviews our objectives, activities and governance; our achievements and financial performance during the year; our work with other agencies and organisations; and our future plans for the organisation and its subsidiary companies.

Creative Kernow is the cultural and creative sector support organisation for Cornwall and the Isles of Scilly. We are a charity with a mission to enrich and energise creative communities of place and practice through the production, distribution and promotion of artistic work, networks and knowledge.

Our core programmes deliver activity in three dynamically interdependent areas:

Cultural Engagement
- **FEAST** - investing in projects that support co-creation between artists and communities in Cornwall
- **Carn to Cove, Villages in Action & C Fylm** - touring the performing arts and cinema across Cornwall's and Devon's smaller communities

Creative Economy support
- **Cultivator** - providing skills, networking, investment, export and other creative business development opportunities for the sector
- **Cornwall 365** - promoting Cornwall as a year-round sustainable creative destination through the C365 What's On and cultural tourism consultancy
- **Screen Cornwall** - supporting the growth of the film industry in Cornwall through services to production companies and talent development programmes

Creative Hub development
- **Krowji** - Cornwall's largest creative hub and workspace cluster in Redruth
- Offering support to emerging creative hubs and place making projects
- We manage and nourish numerous creative networks eg The Cornwall Festivals Network, Cornwall Design Forum

Creative Kernow is a well-established charity and social enterprise with an experienced board of trustees and a strong staff team. Our finances are broadly based with a variety of income sources including long-term grant support from Arts Council England and Cornwall Council, European Structural Investment funds via European Social Fund and European Regional Development Fund, earned income from commissions and contracts, box office income from events and rental income from our workspace cluster in Redruth. Creative Kernow contributes significantly to developing and delivering effective models for creative and cultural practice, sector, community and audience engagement, clusters and networks and leadership development in our rural region.

We continually develop new projects and partnerships, seeking opportunities to enhance our sustainability as an organisation, supporting other initiatives and playing an active role in advocacy and leadership for the sector and for Cornwall. Creative Kernow has a good track record of developing innovative projects, investing in our staff, being willing to take risks and planning for the longer term.

Covid-19

The 2020 coronavirus pandemic created significant challenges for the organisation. Creative Kernow teams adapted admirably to working remotely but our out of date IT systems Income streams from event advertising and box office sales were dramatically reduced as lockdown restrictions prevented public events from going ahead. There was also a delay to the completion of the Krowji Phase 2 development which impacted rental income. In contrast, the Cultivator business development programme - which moved all services online - experienced challenges in reaching the agreed spend profile. The availability of government funding through the Coronavirus Job Retention Scheme and Small Business Rate Relief provided some welcome stabilisation and helped to prevent staff redundancies.

Achievements and performance

This year brought significant change to the organisation with the retirement of longstanding Chief Executive Ross Williams and Finance Director Sue Scregg in December 2020. The trustees wish to record their thanks not only for their years of inspirational service but for postponing their retirement plans to ensure stability during the lockdown period.

Following a delayed recruitment process advertised nationally, the Board of Trustees appointed Fiona Wotton as Chief Executive and Viki Gough as Finance Director and both took up their positions in November 2020.

In financial terms, Creative Kernow was able to navigate the uncertain economic environment and ended the period in a surplus position.

See Finance Summary (page 7) for further details.

This was the final year of what had been planned as a four-year funding relationship with our two main funders, Arts Council England and Cornwall Council. In fact as a result of the Covid pandemic Arts Council announced that the National Portfolio Organisation (NPO) funding agreement would run on for a further year until March 2023. The trustees are very grateful for the continuation of this funding which gives us relative financial stability and security in very uncertain times. We were also successful in securing a Culture Recovery Fund grant which helped replace income lost through cancelled events and to continue to engage with producers and venues so that Carn to Cove, C Fylm and Cornwall 365 have been able to restart activity post lockdown.

Creative Kernow Limited

Trustees' Report

Performance

Cultural Engagement

The impact of the Covid-19 pandemic in 2020-2021 was hugely significant for all of Creative Kernow's programmes and outputs as it was for the wider cultural and creative sector.
The FEAST programme responded quickly to the restrictions with an adapted model for investment in creative community engagement. In the first week of lockdown, the team launched Re- Ignition with a call-out for ideas for creative projects which could be delivered safely in communities, reach people feeling the worst effects of the lockdown, and lift community spirits. Each project found different ways to overcome the restrictions and some projects are designed for people who are unaccustomed to digital access. The Re-Ignition programme was designed to be free to beneficiaries and reaches all ages and demographics.

FEAST funded 84 active projects, 60 of which were through the Re-Ignition Fund using a grants pot of £125,000 a year. The engagement totals for these active projects were 1,257 artists, 241 volunteers, 23,898 participants, 167,377 audience members, and 3,538 communities.

FEAST was selected as a case study of innovative practice in using culture to support local communities through coronavirus in a study commissioned by the national Local Government Association and was the cultural organisation selected for a bursary by the Achates Philanthropy Trust to receive mentoring from one of their team of arts consultants.

Despite the cancellation of performances and screenings, reduced capacity for those events that were able to go ahead and a loss of income during this period, Carn to Cove managed to deliver 172 performances, and 4 live online shows for which there were 193 audience members. The pivot to digital has been a particular highlight. The creation of new types of collaborative work, included 'Symphony of the Countryside', a visual and aural illustration of the environment made in response to the pandemic and the lockdown experience of rural communities in the spring and summer of 2020. 'A Song For Us' was also an opportunity for Carn to Cove to be a commissioning partner for a regional song project; working with Song UK and the artist and musician Gwenno, the song 'Meur Ras Dhia Gernow' was developed during lockdown and made using online video platforms.

Film Club At Home was set up by C Fylm as a free Facebook group where weekly watch-alongs were hosted throughout the pandemic. Through this platform, 50 free-to-view films were watched by participants at home from March 2020 - March 2021, and this activity continued with free and ticketed online screenings. The Facebook group has over 660 members, and has been an invaluable way to stay connected with existing audiences and reach new ones. Film Club At Home was shortlisted as finalists in the 'Best New Film Society' category at the Cinema for All Film Society of the Year awards and received a commendation from the judges.

Creative Economy Support

For Cultivator, the demand for their programme escalated since the beginning of the Covid-19 pandemic. By March, there were 499 creative businesses registered as clients, with 50 in the pipeline. Although many adaptations were adopted to move activities on line, there were elements which struggled to be adapted in this way, as well as the issue of 'online fatigue' which some clients experienced. Cultivator carried out the Baseline survey between April and July to capture the impact that Covid-19 had had on creative industries businesses in Cornwall and the Isles of Scilly receiving 250 responses and contributing to a wider study of the effects of Covid co-ordinated by the University of the West of England.

The Open Studios Cornwall 2020 event was delayed from May to August/September once Covid lockdown restrictions concerning public events had eased. This delay caused the published Open Studios catalogue to be out-of-date, and an overall reduction of visitors and of some artists who had originally signed up to participate. Online studio tours were uploaded to Vimeo for those artists that did not wish to open up their studios to the public during the re-scheduled event because of Covid safety concerns, such as having too small an artist studio for visitors to practice social distancing. This would have had a knock on financial effect for the 300+ artists throughout Cornwall who usually participate in the annual Open Studios event, and the 2021 event was cancelled with plans to reintroduce the event in 2022 and have it adhere to a template which would allow the event to be more sustainable and flexible for both virtual and physical attendance.

Cornwall 365 had to cancel the publication of two of their customary four seasonal What's On Guides since there were very few events or cultural activity taking place during 2020 in Cornwall. As Cornwall 365's core income is through advertising events, Covid had a significant impact on the programme as this market has been hard hit by the pandemic. Throughout the first national lockdown, (March - July 2020) Cornwall 365 adapted their offer and upgraded all events listed with them to Premium for free. Cornwall 365 delivered in-kind support worth over £10,000 to the cultural sector, of which over £2,500 was for FEAST Re-Ignition funded projects as part of a joined-up response from Creative Kernow. Cornwall 365 continued to provide free promotion for digital events to support producers and cultural organisations until the third lockdown in 2021 was lifted.

With the award of a South West Creative Technology Network Data Prototyping fellowship and funding from the Culture Recovery Fund, Cornwall 365 embarked on a rapid research and development project to create a data collection and analysis prototype - In the Loop - linked to the online events database. This work paved the way for future consultancy income streams and is helping to redefine our partner offer around evaluative audience feedback data.

Screen Cornwall entered its second year of operation. The team have been working closely with other regional partners and now have formal agreements with Creative England (partnership production services), Film Offices UK and Falmouth University. Significant work has been underway to develop a network of film friendly landowners and a locations database, providing options for over 200 location enquiries. Alongside this they have registered 200+ crew and production services contacts on a crew database which have so far secured 50 freelance or service contracts. Worked in partnership with Cultivator, Screen Cornwall have supported 9 limited companies in developing their slate and a further 4-6 are expected to apply for similar support before the summer. Talent development has been advanced through the BBC New Creatives scheme as well as engagement with schools, colleges and universities. Screen Cornwall worked closely on the project change request to extend the Cultivator programme which asked for investment into a screen growth fund.

Creative Hub Development

Krowji's new Phase 2 building was completed and opened in November 2020, adding 21 new studios to the site. Building towards our sustainability goals, Phase Two was awarded a BREEAM excellent rating. Covid restrictions prevented a public opening but trustees were pleased to welcome Sir Nicholas Serota, Chairman of Arts Council England for a private visit and ribbon cutting which secured regional media attention.

Much of the studio-holder and tenant activity, including a Christmas Open Studios Event, was cancelled. This resulted in a loss of promotion opportunity, significant income source for tenants, and some tenants moving out due to not being able to meet rent costs following income source loss from Covid-related disruption to their business and trading. The number of studio enquiries received in 2020 (113) was comparable to numbers received in 2019 (99) with an application rate of around 40% of enquiries. As of March 2021 there was 89% studio occupancy of Krowji studios (a drop from 97% in March 2020 due to the site's expansion and tenant move-outs) and 100% occupancy of units at The Yard.

Partnership activities and other projects

Creative Kernow plays a key part in innumerable partnership projects across Cornwall and further afield, often going far beyond what is formally required or expected by our funders. All our projects involve working in partnership with others and this is one of the most rewarding aspects of our role.

Our staff were as always involved in a wide variety of other local and regional initiatives, sometimes in a work capacity and sometimes personally. These included the boards or steering groups for Kernow Education Arts Partnership, Miracle Theatre, Kneehigh, CAST studios, Heartlands, Redruth School, Cornwall Wildlife Trust, Borlase Smart John Wells Trust, Penwith Gallery, Redruth Revival, Cornwall Media Resource, Cornwall Film Festival, Goldentree, The Tin Coast Partnership, Leach Pottery, Scary Little Girls and O-Region as well as a number of strategy review bodies. This is a key aspect of Creative Kernow's work which is hard to quantify, but which is highly valued by our funders.

The Krowji team continues to offer advice, guidance and support to other emerging creative hubs around Cornwall in line with our vision of a network of creative workspace clusters; Krowji operates the Cornwall Studio Finder listings, currently displaying some 32 other studio providers right across Cornwall. We continue to act as the UK lead contact for the National Federation of Artists' Studio Providers, but this is now usually restricted to telephone support backed up by the NFASP online resource library.

Our links with projects in Redruth continue to grow. FEAST commissioned and supported the pilot project for the High Street Heritage Action Zone (HSHAZ) for the town. Agents 4 Change brought together young people in Redruth to have their say in the future development of the town's high street. In December 2020 it was announced that Historic England would invest £80,000 in a cultural programme as part of the HSHAZ scheme which FEAST will be managing over the next 2 years.

Creative Kernow staff have played a supporting role in the development of the Town Deal fund for Camborne through the project board. Advice and guidance have also been provided to St Ives and Penzance Town Deal Boards. It has been pleasing to see the role of culture and the creative industries being recognised and embedded within these strategies.

Financial Review

Despite the impacts of the global COVID 19 pandemic and interruption to income generating activity the Creative Kernow group ended the year with a surplus of £175,361, a surplus of £85,301 on unrestricted funds and a surplus on restricted funds of £90,060. Our unrestricted reserves have increased to £510,033, with total funds held by the group at the year-end standing at £838,037. The level of free reserves for the charity at 31 March 2021 is £404,290 and £432,651 for the group

Activity levels were considerably reduced during the year and expenditure on events, travel and hospitality due to restrictions accounted for significant savings. Creative Kernow was also able to take advantage of government support for furloughed staff and the Culture Recovery Fund. Nevertheless, support for our beneficiaries remained strong with activity taking place online or through other adapted methods as described in earlier sections.

Turnover in the year for the charity was £1,822,864 in comparison with £1,389,570 in the 2019/20 financial year. The Cultivator Programme continues to account for approximately 60% of income.

The Trust's policy on the level of reserves is that they should provide at least three months' operating costs for Creative Kernow's core team; our reserves continue to be more than adequate for that purpose. In future years these reserves may be required for staff redundancies as the Cultivator programme comes to the end of its EU funding. Redundancy costs cannot be claimed though these funding programmes.

We continue to reduce our reliance on ACE and Cornwall Council core funding as a proportion of our turnover. The staff and trustees continue their entrepreneurial approach to the diversification of income streams with earned income from consultancy, partnership projects and non-statutory funding sources helping generate revenue. The FEAST team in particular have continued to take on extra project management work.

We continue to believe that we are an efficient and cost-effective organisation, with a small core management team of the Creative Kernow Chief Executive and Finance Director supporting a wide range of projects.

The Board feels confident that the future of Creative Kernow's core activity is secure, given continued support at current levels and the Trustees believe that the Charity's finances are on a secure long-term footing.

Financial performance of our subsidiary companies

Krowji Limited had another challenging year with the completion of the Phase 2 capital project delayed due to Covid and the new facilities opening on the eve of a national lockdown. Rental income stayed relatively static compared to 2019/20 but expenditure increased with greater staffing costs and business rates being payable on studios that were empty for more than 3 months. Krowji was fortunate to be able to access the Government's Covid support grants including the retail, hospitality and leisure grants, small business rates relief and staff retention scheme which totalled nearly £160,000. Krowji Limited ended the year with a deficit of just under £18,000. Work has since focused on reducing staff and operating costs and increasing studio occupancy as Covid restrictions were lifted.

Creative Kernow Limited

Trustees' Report

Cornwall Arts Marketing Limited managed its activity carefully in 2020/21, balancing the need to support the struggling cultural and tourism sectors alongside the reduced volume of public events and advertising budgets. Whilst income was down by 33%, costs were reduced accordingly. The company benefitted from the Coronavirus Job Retention scheme to reduce staff costs during the height of the pandemic and applied a proportion of the Culture Recovery Fund grant awarded to Creative Kernow to re-engage with cultural producers and audiences during the summer period. This has resulted in a small profit of just under £5,000.

Screen Cornwall Limited entered its second year of operations. Additional project and commercial activity was reduced due to Covid which impacted on income levels. The team used their time to focus on research and development activity which has kept their business plan on track. Screen Cornwall ended the year with a small deficit of just over £3,000.

Pay policy for senior staff

The board of directors, who are the charity's trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating Creative Kernow on a day to day basis. All directors give of their time freely and no director received remuneration in the year, including the directors of the subsidiary companies. Details of any related party transactions are disclosed in the notes to the accounts.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings, as is the pay of other staff. In view of the nature of the organisation, the directors benchmark senior staff salaries against levels in other enterprises in the region of a similar size run on a voluntary basis and they believe that our salary levels are similar to those in such organisations. Salaries for the Chief Executive and the Finance Director have been reviewed recently in the context of recruitment for both posts this year.

Risk Management

The trustees have a risk management strategy which comprises:

- an annual review of the principal risks and uncertainties that the charity and its subsidiaries face;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

The coronavirus pandemic necessitated a specific risk assessment relating to staff health and welfare which was developed in March 2020 and updated throughout the year in response to changing government guidance.

The financial impact on the 2020/21 was better than anticipated thanks to the availability of emergency funding. 2021/22 year will be more challenging and the risks are outlined in more detail in the 'Looking ahead' section below.

The conclusion of our risk assessment at the time of this report is that the charity and its subsidiaries are still in a strong position as far as financial sustainability is concerned, but that this is inevitably very dependent on continued support from the major public funders of our work and on continuing demand for workspace. Trustees and senior staff are working to align the work of the Creative Kernow Group with the priorities of the Arts Council and Cornwall Council. The publication of the Arts Council's Let's Create Strategy this year in preparation for inviting organisations to join the new national portfolio is a positive opportunity as our well established programmes deliver against the new outcomes Creative People, Cultural Communities and a Creative and Cultural Country for All. We are also referenced throughout Cornwall Council's Creative Manifesto published this year and have continued to respond to needs identified by our local authority bringing us access to new areas of delivery.

In terms of risks relating to our activities and our built environment, close attention is always given to office-based activity and the safety of our premises at Krowji, with strong and regularly reviewed policies and procedures in respect of health and safety, fire and other such risks. Key staff undertake appropriate training and awareness raising across these operational areas. These risks have clearly changed and grown under Covid, but the directors and senior staff continue to believe that the Creative Kernow group is operating safely and with appropriate measures in place.

Looking ahead

Our core Arts Council funding had been expected to run until March 2022 under the current four-year funding agreement; as a result of the Covid situation this agreement has been extended for a further year until March 2023. Work is underway to develop a five-year strategic plan for all our CK Group activity. The first year of this 2023/24 will be the first year of a new NPO agreement with Arts Council (2023-26). We will submit our proposals for consideration in May 2022 with decisions expected in October 2022.

Funding for the second phase of the Cultivator programme is now extended until of March 2023 with some ESF activity finishing in June 2023. This follows a successful project change request approved in February 2022. The Cultivator team are now preparing to re-open for business sign ups The Shared Prosperity Fund which has been announced as the successor to the European Programmes is expected to make public its focus and eligibility criteria in April 2022. We are closely engaged with the process through a collaborative project with Cornwall Museums' Partnership pitched to the Community Renewal Fund which is positioned as a transitional funding programme before Shared Prosperity Fund comes on stream. This project - Tresorys Kernow (Cornish Treasures) runs from December 2021 until the end of June 2022. We are also building plans to commercialise some Cultivator services which is informed by surveys and focus groups with the current cohort of clients.

Krowji is still in recovery from a major fire in May 2021 which destroyed 15 artist studios. On top of the financial challenges already outlined there is a need for a robust recovery plan to ensure the business is financially viable with the reduction in spaces in the short term and to determine a plan of action in relation to any insurance settlement. Demand for workspace is still strong and there is a waiting list of practitioners seeking spaces for work which cannot be accommodated in the Percy Williams building due to noise or mess. The demolition of the affected North Light Building is now complete and the Krowji team and directors are developing a brief for modular provision which could attract a greater diversity of businesses to the site. These plans will be the subject of a public consultation with tenants and creative networks. Funding and timescales will be determined by the resolution of our insurance claim with Aviva. As part of the strategic plan Creative Kernow will be looking at innovative ways to use Krowji for new research and development programmes. This will build on the British Council and Falmouth University led Creative Hubs studies which Krowji contributed to.

Cornwall Council and the Cornwall and Isles of Scilly LEP are actively supportive of the growth of the screen sector and Screen Cornwall is very well-placed to participate in its strategic development. As well as exploring the potential for securing public investment to encourage film productions to use the region as a location, Screen Cornwall are also connecting to research and innovation funding opportunities through regional universities.

With such an uncertain period ahead of the organisation - albeit with lots of potential and hope - it is right that we consider more radical approaches to ensuring our survival. Trustees have been reviewing options for reorganising staffing that would create savings and other efficiencies. Collaborations and partnerships with other cultural organisations have also been proposed which would both save money through shared services and increase capacity to deliver more ambitious service agreements for external clients. This approach is encouraged by our main funders and will build on our strong track record of working in partnership.

Board succession planning remains a priority. Trustees agreed a development plan which is being followed with monitoring at each Creative Kernow Board meeting. Our Chair John Pulford has announced his intention to retire and advertising will take place from May with a view to beginning handover in September. Three new board members were appointed in January 2021 and we are due to welcome another three trustees in March 2022 following our recruitment drive in December.

The trustees believe that Creative Kernow is well-placed to make the most of the opportunities and challenges that lie ahead and we will continue to take a lead amongst our partners in Cornwall in helping the sector to go forward. This will include an increasing emphasis on the issues of sustainability and climate change; equality, diversity and inclusion and impact and data.

The Board is firmly committed to the principles of public benefit, widening access, diversity and equal opportunities. We have worked closely with our funders - especially Arts Council England - on issues of governance, diversity and transparency as part of our funding agreements. The directors and staff will regularly monitor the charity's actions on equal opportunities and their impact on staff, partner organisations and the public.

In shaping their objectives for the year and planning Creative Kernow's activities, the directors have considered the Charity Commission's guidance on public benefit and the importance of demonstrating that Creative Kernow fulfils its charitable purposes for the wider good of society. They believe that this report shows clearly that the charity offers a very wide range of support, activities and services to all the communities of Cornwall.

Creative Kernow Limited

Trustees' Report

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 24.3.22 and signed on its behalf by:

.....
John Alfred Pulford
Trustee

Creative Kernow Limited

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Creative Kernow Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

Approved by the trustees of the charity on 24.3.22 and signed on its behalf by:

.....
John Alfred Pulford
Trustee

Creative Kernow Limited

Independent Auditor's Report to the Members of Creative Kernow Limited

Opinion

We have audited the financial statements of Creative Kernow Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Cash Flows, Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (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 charitable company's affairs as at 31 March 2021 and of the group's results and of the parent charitable company's incoming resources and application of resources 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 group and parent 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 director's 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 company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the group financial statements and parent charitable company's financial statements and our auditor's report thereon. Our opinion on the group financial statements and parent charitable company's 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.

In connection with our audit of the group financial statements and parent charitable company's financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements and parent charitable company's financial statements or our knowledge obtained in 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 there is a material misstatement in the group financial statements and parent charitable company's financial statements or a material misstatement of the other information. 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 Kernow Limited

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 trustees' report, 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 strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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 11], the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the group financial statements and parent charitable company's 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 group financial statements and parent charitable company's financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the group financial statements and parent charitable company's financial statements, the trustees are responsible for assessing the group's and the parent 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 group or the parent 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.

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

Independent Auditor's Report to the Members of Creative Kernow Limited

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity at the planning stage of the audit. The charity is subject to laws and regulations that directly affect the financial statements, specifically the Companies Act 2006, Charities Act 2011 and Charities Statement of Recommended Practice. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items. The charity is also subject to laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or loss of the charity's ability to operate. In making this assessment we determined that the most significant elements of legislation include those relating to employment laws and regulations (including CJRS compliance), health and safety standards and compliance with major funding contracts.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following:

- Making enquiries of management regarding their knowledge of any non-compliance with laws and regulations that could affect the financial statements. As part of these enquiries, we also discussed with management changes in risk assessment relating to fraud, and whether there have been any known instances, allegations or suspicions of fraud, of which there were none.

- Considering the filings made at Companies House and the Charity Commission, and any omissions thereon, of which none were identified.

- Discussing with management compliance with health and safety legislation, including any reforms to these in light of national restrictions imposed during the year.

- Making enquiries of management and reviewing charity expenditure for any evidence of disputes, actual or potential litigation and claims, with regulators or any other such body.

- Reviewing documentation from fund providers to test whether funds had been appropriately claimed and utilised for purposes as set out in the respective contract terms.

- Reviewing payroll records to test whether Coronavirus Job Retention Scheme funding being claimed was appropriate.

- Auditing the risk of management override of controls, including through testing of journal entries and other adjustments for appropriateness, and evaluating the rationale for significant transactions outside the normal course of business activities, of which there were none.

- Reviewing estimates and judgements made in the financial statements for any indication of bias and challenged assumptions used by management in making the estimates.

- Reviewing Board minutes and correspondence with regulators to corroborate the findings from the above.

Due to the inherent limitations of an audit, there remains a risk that we may not have detected some material misstatements in the financial statements or non-compliance with laws and regulations. This is despite the fact that we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed irregularities are from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. As with any audit, there remained a high risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. This risk was reduced by a thorough review of all controls in place that monitor items and transactions affecting the financial statements. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the charity.

Independent Auditor's Report to the Members of Creative Kernow Limited

All relevant laws, regulations and significant risks of fraud identified have been clearly communicated to each member of the audit engagement team.

We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at 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 and 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 charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Paula Thomas

Paula Thomas BA FCA DChA (Senior Statutory Auditor)
For and on behalf of Walker Moyle Ltd, Statutory Auditor

3 Chapel Street
Redruth
Cornwall
TR15 2BY

Date: 28th March 2022

Creative Kernow Limited

Consolidated Statement of Financial Activities for the Year Ended 31 March 2021
(Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Income and Endowments from:					
Donations and legacies	3	410,268	1,374,365	1,784,633	1,257,073
Commercial trading operations		565,381	113,266	678,647	572,342
Investment income	4	1,365	-	1,365	1,427
Charitable activities	5	15,357	6,417	21,774	111,121
Total Income		992,371	1,494,048	2,486,419	1,941,963
Expenditure on:					
Commercial trading operations		(583,276)	(106,302)	(689,578)	(644,046)
Charitable activities	6	(327,791)	(1,293,689)	(1,621,480)	(1,315,873)
Total Expenditure		(911,067)	(1,399,991)	(2,311,058)	(1,959,919)
Net income/(expenditure)		81,304	94,057	175,361	(17,956)
Transfers between funds		3,997	(3,997)	-	-
Net movement in funds		85,301	90,060	175,361	(17,956)
Reconciliation of funds					
Total funds brought forward		424,732	237,944	662,676	680,632
Total funds carried forward	20	510,033	328,004	838,037	662,676

All of the group's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 20.

Creative Kernow Limited

(Registration number: 1727731)
Consolidated Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	5,312,485	4,140,912
Current assets			
Debtors	13	817,911	667,459
Cash at bank and in hand	14	405,289	447,394
		1,223,200	1,114,853
Creditors: Amounts falling due within one year	15	(1,096,891)	(1,076,381)
Net current assets		126,309	38,472
Total assets less current liabilities		5,438,794	4,179,384
Creditors: Amounts falling due after more than one year	16	(4,589,274)	(3,508,350)
Provisions	19	(11,483)	(8,358)
Net assets		838,037	662,676
Funds of the group:			
Restricted funds		328,004	237,944
Unrestricted income funds			
Unrestricted funds		510,033	424,732
Total funds	20	838,037	662,676

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011.

The financial statements on pages 16 to 47 were approved by the trustees, and authorised for issue on 24.3.22 and signed on their behalf by:

JAP Pulford

John Alfred Pulford
Trustee

Creative Kernow Limited

(Registration number: 1727731)
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	286,376	286,851
Investments	12	201	201
		286,577	287,052
Current assets			
Debtors	13	1,168,379	823,917
Cash at bank and in hand		304,072	436,912
		1,472,451	1,260,829
Creditors: Amounts falling due within one year	15	(315,150)	(290,493)
Net current assets		1,157,301	970,336
Total assets less current liabilities		1,443,878	1,257,388
Creditors: Amounts falling due after more than one year	16	(457,174)	(462,225)
Net assets		986,704	795,163
Funds of the charity:			
Restricted funds		296,038	209,169
Unrestricted income funds			
Unrestricted funds		690,666	585,994
Total funds	20	986,704	795,163

The financial statements on pages 16 to 47 were approved by the trustees, and authorised for issue on 24.3.22 and signed on their behalf by:

.....
John Alfred Pulford
Trustee

Creative Kernow Limited

Consolidated Statement of Cash Flows for the Year Ended 31 March 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash income/(expenditure)		175,361	(17,956)
Adjustments to cash flows from non-cash items			
Depreciation		105,867	91,744
Investment income	4	(1,365)	(1,427)
		279,863	72,361
Working capital adjustments			
Decrease/(increase) in debtors	13	(150,452)	(244,923)
(Decrease)/increase in creditors	15, 16	953,666	849,043
(Decrease)/increase in provisions	19	3,125	(7,988)
Net cash flows from operating activities		1,086,202	668,493
Cash flows from investing activities			
Interest received on bank deposits	4	165	227
Rent Income	4	1,200	1,200
Rent income from lease	4	5,151	5,151
Rent income from lease - cons adj	4	(5,151)	(5,151)
Purchase of tangible fixed assets	11	(1,277,440)	(556,212)
Net cash flows from investing activities		(1,276,075)	(554,785)
Cash flows from financing activities			
Value of new loans obtained during the period		200,000	250,000
Repayment of loans and borrowings	15, 16	(52,232)	(49,503)
Net cash flows from financing activities		147,768	200,497
Net (decrease)/increase in cash and cash equivalents		(42,105)	314,205
Cash and cash equivalents at 1 April		447,394	133,189
Cash and cash equivalents at 31 March		405,289	447,394

All of the cash flows are derived from continuing operations during the above two periods.

Creative Kernow Limited

Statement of Cash Flows for the Year Ended 31 March 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash income		191,541	63,792
Adjustments to cash flows from non-cash items			
Depreciation		3,715	4,294
Investment income		(16,457)	(21,376)
		178,799	46,710
Working capital adjustments			
(Increase)/decrease in debtors	13	(344,462)	224,564
Increase in creditors	15, 16	19,606	46,972
Net cash flows from operating activities		(146,057)	318,246
Cash flows from investing activities			
Interest receivable and similar income		16,457	1,427
Purchase of tangible fixed assets	11	(3,240)	(619)
Net cash flows from investing activities		13,217	808
Net (decrease)/increase in cash and cash equivalents		(132,840)	319,054
Cash and cash equivalents at 1 April		436,912	117,858
Cash and cash equivalents at 31 March		304,072	436,912

All of the cash flows are derived from continuing operations during the above two periods.

Creative Kernow Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Creative Kernow Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. The figures in the financial statements have been rounded to the nearest pound sterling.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the charity and its three wholly owned subsidiary undertakings, Krowji Limited, Cornwall Arts Marketing Limited and Screen Cornwall Limited, on a line by line basis, drawn up to 31 March 2021.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006.

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Fund structure

Unrestricted income funds are available for use at the discretion of the trustees in furtherance of the general activities of the charity.

Restricted income funds are subjected to restrictions on their expenditure imposed by the donor.

Going concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. In making their assessment, the trustees have considered the impact of the COVID-19 pandemic.

The trustees believe that Creative Kernow is well-placed to make the most of the opportunities and challenges that lie ahead and will continue to take a lead amongst their partners in Cornwall in helping the sector to go forward.

Contract funding has been secured until June 2023, with applications for further funding currently ongoing. At the year-end, the charity held unrestricted reserves of £510,033. This is sufficient to cover expected Working Capital movements, as well as any additional unexpected costs not budgeted for.

The trustees are therefore satisfied that the charity will be able to operate within their available facilities and continue as a going concern for the foreseeable future, being a period no less than 12 months from the date of approval of these financial statements.

Income and endowments

Donations and legacies

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature are recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Grants receivable

Grants, including government grants, are recognised when the group has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income

Investment income is included when receivable.

Charitable activities

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. Expenditure includes any VAT which cannot be recovered, and is reported as part of the expenditure to which it relates:-

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

- Governance costs include those costs associated with meeting constitutional and statutory requirements of the Charity and include the audit fee and costs linked to the strategic management of the Charity.

- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis per Note 6

- Expenditure on commercial trading operations comprises the costs incurred by the three trading subsidiaries of the Charity, Krowji Limited, Cornwall Arts Marketing Limited and Screen Cornwall Limited.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Goodwill

Goodwill arising on an acquisition of a business is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Goodwill	Straight line over 5 years

Tangible fixed assets

Expenditure on tangible fixed assets is capitalised. The costs of minor additions or those below £500 are not capitalised. The charity does not have a policy of revaluation.

Own labour costs which are considered to be directly attributable to the construction of the property are included in the cost of construction.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold buildings	Straight line basis over 50 years
Equipment	Straight line basis over 4 years
Plant and machinery	Straight line basis over 10 years
Leasehold land and buildings	Straight line over the life of the lease, apart from Percy Williams Building (phase 1 & 2) which are depreciated over 50 years from dates of completion

No provision is made in respect of freehold land.

Debtors

Trade and other debtors are recognised initially at the settlement amount due. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Prepayments are valued at the amount prepaid.

Cash and cash equivalents

Cash at bank and in hand includes cash and short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Creditors and provisions

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price.

Provisions are recognised when the charity has an obligation at the reporting date as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Leased assets

Rental income from operating leases is recognised on a straight line basis over the term of the lease.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Classification

Financial assets are classified into either basic or other financial assets. Financial liabilities are classified into either basic or other financial liabilities. These classifications depend on certain criteria determined at the time of recognition.

The charity holds only basic financial instruments.

Recognition and measurement

Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the charity's obligations are discharged, expire or are cancelled.

Basic financial assets, which include trade and other debtors, cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is initially measured at the present value of the future receipts discounted at a market rate of interest and subsequently held at amortised cost.

Basic financial liabilities, including trade and other payables are initially measured 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. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Impairment

Basic financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in profit or loss.

2 Charity status

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £5 towards the assets of the charity in the event of liquidation.

The charity is incorporated in England and Wales. The address of its registered office is:
Krowji
West Park
Redruth
Cornwall
TR15 3AJ

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	2021 £	2020 £
Grants				
Creative Skills - Arts Council	-	-	-	10,000
Creative Skills - ESF	-	-	-	3,381
Carn to Cove - Cornwall Council	16,650	-	16,650	16,650
Carn to Cove - Devon District Councils	-	19,830	19,830	28,996
Carn to Cove - Arts Council	80,000	15,400	95,400	115,267
Carn to Cove - Other	41,118	13,923	55,041	17,409
FEAST - Cornwall Council	-	64,475	64,475	62,475
FEAST - Arts Council	100,000	-	100,000	100,000
FEAST - ESF	-	37,979	37,979	41,164
FEAST - Other	-	12,500	12,500	10,400
Cultivator	73,146	980,866	1,054,012	790,717
Other Projects - Cornwall Council	44,233	-	44,233	4,233
Other Projects - Arts Council	36,588	-	36,588	33,655
Other Projects - Other	8,191	214,020	222,211	6,250
Donations				
Carn to Cove - Donations	6,079	3,752	9,831	6,854
FEAST - Donations	4,224	11,620	15,844	9,272
Other Donations	39	-	39	350
	410,268	1,374,365	1,784,633	1,257,073

4 Investment income

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Interest receivable and similar income;			
Interest received on bank deposits	165	165	227
Rent receivable	1,200	1,200	1,200
	1,365	1,365	1,427

5 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2021 £	Total 2020 £
Carn to Cove	3,669	2,767	6,436	93,295
Miscellaneous	11,688	3,650	15,338	17,826
	15,357	6,417	21,774	111,121

6 Expenditure on charitable activities

	Basis of Allocation	FEAST	Carn to Cove	Carn to Cove Projects	Cultivator	Creative Skills	Other Projects	Governance	2021 Total	2020 Total
Direct Costs										
Staff Costs	Direct	39,159	68,207	36,544	485,965	-	71,438	2,145	703,458	632,231
Other Costs	Direct	157,403	8,683	16,094	392,978	-	254,316	-	829,474	576,850
Freelance fees	Direct	-	-	-	-	-	-	-	-	-
Publicity	Direct	2,050	1,509	219	-	-	-	-	3,778	2,096
Recruitment	Direct	-	-	-	5	-	5,760	-	5,765	3,792
Travel	Direct	-	78	582	825	-	54	-	1,539	24,420
Audit fee	Direct	-	-	-	-	-		12,456	12,456	9,492
Total direct costs:		198,612	78,477	53,439	879,773	-	331,568	14,601	1,556,470	1,248,881
Support Costs										
Premises	Floor area	7,095	440	220	6,589	(217)	4,438	-	18,565	11,715
Legal and professional	Usage	-	-	-	-	-	48	-	48	2,172
Consultancy	Usage	-	-	-	-	-	150	-	150	1,800
Office expenses	Usage	980	2,391	929	23,269	-	14,830	132	42,531	46,758
Bank charges and interest	Usage	-	-	-	-	-	-	-	-	253
Depreciation	Usage	-	260	728	1,131	-	1,597	-	3,716	4,294
Total support costs:		8,075	3,091	1,877	30,989	(217)	21,063	132	65,010	66,992
		206,687	81,568	55,316	910,762	(217)	352,631	14,733	1,621,480	1,315,873

Included within expenditure on charitable activities 'other costs' on the previous page is grant funding to third party individuals under the Cultivator project and FEAST project. The total grant funding of activities during the year was £248,145 (2020 - £293,442).

7 Government grants

Government grants recognised in the financial statements are made up of funds from Cornwall Council, Devon District Councils, and an Access to Work grant funded by the government.

The charity was also in receipt of Coronavirus Job Retention Scheme grants of £36,782 and COVID Business Rates Relief grants of £40,000 in the year.

The amount of grants recognised in the financial statements was £249,184 (2020 - £143,430).

Additional government grants of £137,851 (2020 - £47,674) are recognised in the consolidated financial statements, received by trading subsidiaries. Included in the above is £16,127 received in respect of Coronavirus Job Retention Scheme grants and £77,724 of COVID Business Rates Relief grants.

8 Net incoming/outgoing resources

Net outgoing/(incoming) resources for the year include:

	2021 £	2020 £
Operating lease rentals	513	942
Auditors' remuneration	12,500	8,200
Other accountancy services	12,106	10,079
Depreciation of fixed assets	105,867	91,744

9 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the group during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

10 Group Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	865,710	755,187
Social security costs	65,730	62,401
Pension costs	24,368	20,905
Other staff costs	2,299	10,853
	958,107	849,346

The monthly average number of persons (including senior management team) employed by the group during the year was as follows:

	2021 No	2020 No
Charitable Activities	35	37

No employee received emoluments of more than £60,000 during the year.

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

	2021 No	2020 No
£60,001 - £70,000	-	1

The key management personnel of Creative Kernow Limited comprise of the Chief Executive Officer only.

The total employee benefits of the key management personnel of the Charity were £63,569 (2020 - £62,680).

11 Tangible fixed assets

Group

	Leasehold Land & Buildings £	Plant and machinery £	Equipment £	Freehold Property £	Asset in the course of construction £	Total £
Cost						
At 1 April 2020	50,000	196,133	36,554	3,656,283	675,910	4,614,880
Additions	1,233,777	-	58,365	-	-	1,292,142
Adjustment	-	-	-	-	(14,702)	(14,702)
Transfers	-	-	-	661,208	(661,208)	-
At 31 March 2021	1,283,777	196,133	94,919	4,317,491	-	5,892,320
Depreciation						
At 1 April 2020	3,008	95,123	32,513	343,324	-	473,968
Charge for the year	510	19,560	4,903	80,894	-	105,867
At 31 March 2021	3,518	114,683	37,416	424,218	-	579,835
Net book value						
At 31 March 2021	1,280,259	81,450	57,503	3,893,273	-	5,312,485
At 31 March 2020	46,992	101,010	4,041	3,312,959	675,910	4,140,912

Charity

	Equipment £	Freehold Property £	Total £
Cost			
At 1 April 2020	35,637	303,142	338,779
Additions	3,240	-	3,240
At 31 March 2021	38,877	303,142	342,019
Depreciation			
At 1 April 2020	31,794	20,134	51,928
Charge for the year	2,653	1,062	3,715
At 31 March 2021	34,447	21,196	55,643
Net book value			
At 31 March 2021	4,430	281,946	286,376
At 31 March 2020	3,843	283,008	286,851

All freehold property, with a carrying value of £281,946 (2020: £283,008) is pledged as security for the bank loan that Krowji Limited have in place. Further details at note 16.

12 Fixed asset investments

Details of undertakings

Details of the investments in which the group holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	Principal activity
Subsidiary undertakings				
Krowji Limited	United Kingdom	Ordinary	100%	receives rental income from a property that it leases from the Charity
Cornwall Arts Marketing Limited	United Kingdom	Ordinary	100%	receives income from the publishing of website and magazine listings within Cornwall
Screen Cornwall Limited	United Kingdom	Ordinary	100%	to develop the screen industries in Cornwall to build a strong and thriving production sector

Subsidiaries

The loss for the financial period of Krowji Limited was £17,955 and the aggregate amount of capital and reserves at the end of the period was £(119,589).

The profit for the financial period of Cornwall Arts Marketing Limited was £4,902 and the aggregate amount of capital and reserves at the end of the period was £(50,949).

The loss for the financial period of Screen Cornwall Limited was £3,194 and the aggregate amount of capital and reserves at the end of the period was £22,304.

The address of the registered office for all subsidiaries is: Krowji, West Park, Redruth, Cornwall TR15 3AJ.

Charity

	2021 £	2020 £
Shares in group undertakings and participating interests	201	201

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 April 2020	201	201
At 31 March 2021	201	201
Net book value		
At 31 March 2021	201	201
At 31 March 2020	201	201

13 Debtors

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	18,068	64,853	6,461	5,070
Grants Receivable	769,564	495,849	618,241	231,711
Due from group undertakings	-	-	516,556	565,531
Prepayments	20,603	46,505	19,460	7,617
VAT recoverable	-	9,235	-	-
Other debtors	9,676	51,017	7,661	13,988
	817,911	667,459	1,168,379	823,917

14 Cash and cash equivalents

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

During the year, the Charity received funds of £216,875 (2020 - £247,861) on behalf of other delivery partners within the Cultivator project. The Charity paid £177,339 (2020 - £235,454) of these funds to the delivery partners before the year end. The balance of funds held as agent at the year end was £39,536 (2020 - £12,407).

15 Creditors: amounts falling due within one year

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Bank loans	53,800	52,232	-	-
Trade creditors	29,802	18,814	18,975	5,764
Other loans	500,000	300,000	-	-
Other taxation and social security	28,970	36,959	17,045	32,506
Accruals	47,498	105,530	12,000	7,200
Deferred income	408,675	517,774	266,573	234,982
Other creditors	28,146	45,072	557	10,041
	1,096,891	1,076,381	315,150	290,493

Creditors due within one year includes the following liabilities on which security has been given by the Group:

	Group		Charity
	2021 £	2020 £	2021 £
Bank Loans	53,800	52,232	-
Other Loans	500,000	300,000	-
	553,800	352,232	-

The bank loan is secured by means of a first legal mortgage over the land of Krowji Limited and Creative Kernow Limited and a first fixed charge on all land and properties owned by Krowji Limited and Creative Kernow Limited. It is also secured by means of a first fixed charge on all present and future goodwill of any business carried out by or on behalf of Creative Kernow Limited on the mortgaged property.

The other loan is secured by means of a second legal mortgage over the leasehold land and property of Krowji Limited

Deferred income
Charity

	2021 £
Deferred income at 1 April 2020	697,206
Resources deferred in the period	261,522
Amounts released from previous periods	(234,981)
Deferred income at 31 March 2021	723,747

Group

	2021 £
Deferred income at 1 April 2020	2,994,629
Resources deferred in the period	1,715,264
Amounts released from previous periods	(701,480)
Deferred income at 31 March 2021	4,008,413

16 Creditors: amounts falling due after one year

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Bank loans	977,693	1,031,493	-	-
Deferred income	3,611,581	2,476,857	457,174	462,225
	4,589,274	3,508,350	457,174	462,225

Creditors amounts falling due after more than one year includes the following liabilities on which security has been given by the group:

	Group		Charity
	2021 £	2020 £	2021 £
Bank Loans	977,693	1,031,493	-

The bank loan is secured by means of a first legal mortgage over the land of Krowji Limited and Creative Kernow Limited and a first fixed charge on all land and properties owned by Krowji Limited and Creative Kernow Limited. It is also secured by means of a first fixed charge on all present and future goodwill of any business carried out by or on behalf of Creative Kernow Limited on the mortgaged property.

Group

Included in the creditors are the following amounts due after more than five years:

	2021 £	2020 £
After more than five years by instalments	745,627	806,276

Borrowings due after five years

The amounts due after more than five years by instalments relate to the bank loan. The nominal interest rate is 2.6%, and the final instalment is due on 17 July 2036. Repayments are made monthly.

17 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Land and buildings				
Within one year	7,833	833	-	-
Between one and five years	17,500	-	-	-
	25,333	833	-	-
Other				
Within one year	513	513	513	513
Between one and five years	1,281	1,794	1,281	1,794
	1,794	2,307	1,794	2,307

18 Income under lease arrangements

Operating lease commitments

Total future minimum lease payments receivable under non-cancellable operating leases as lessor are as follows:

	Group		Charity
	2021 £	2020 £	2021 £
Land and buildings			
Within one year	833	833	-

Krowji Limited is party to a leasing arrangement in relation to a community building which is leased from Cornwall Council and leased on to a third party. The head lease and sub lease agreements, involving Krowji as lessee and lessor, are on the same terms. Therefore, corresponding lease commitments and lease liabilities are included in these financial statements.

19 Provisions

Group

	Deferred Taxation £	Total £
At 1 April 2020	8,358	8,358
Charged to the statement of recognised gains and losses	3,125	3,125
At 31 March 2021	11,483	11,483

Provisions are made up of deferred taxation, provided for at 19% (2020: 19%).

20 Funds

Group

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
Unrestricted funds					
General					
Unrestricted	424,732	992,371	(911,067)	3,997	510,033
Restricted funds					
Restricted	237,944	1,494,048	(1,399,991)	(3,997)	328,004
Total funds	662,676	2,486,419	(2,311,058)	-	838,037

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2020 £
Unrestricted funds					
General					
Unrestricted	492,757	901,032	(979,057)	10,000	424,732
Restricted funds					
Restricted	187,875	1,040,931	(980,862)	(10,000)	237,944
Total funds	680,632	1,941,963	(1,959,919)	-	662,676

Creative Kernow Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

Charity

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
Unrestricted funds					
General					
General	585,994	442,082	(336,317)	(1,093)	690,666
Restricted funds					
Carn to Cove Locomotor	73,058	19,022	(39,939)	-	52,141
Carn to Cove Villages in Action - Headley Trust Donation	5,000	-	-	-	5,000
Piano Go Round	3,136	360	-	-	3,496
Inn Crowd	-	1,250	-	-	1,250
Jaw Jaw	-	6,960	(6,810)	-	150
C-Fylm - Cultivator	981	-	(505)	-	476
C-Fylm - International Women	926	-	-	-	926
C2C Space Project	-	-	(96)	96	-
C2C Symphony of the Countryside	-	3,550	(1,735)	-	1,815
C2C Tin Coast	-	1,800	(118)	-	1,682
C2C Culture Recovery Grant	-	15,400	(5,890)	-	9,510
C2C - C-Fylm Crowdfunder	-	3,330	-	-	3,330
C2C - Scops Arts Trust (R)	-	4,000	-	-	4,000
British Film Institute - Cinema Equipment Package	279	-	(223)	-	56
FEAST Year 9	7,753	-	(2,500)	-	5,253
FEAST Year 10	12,712	-	(2,000)	-	10,712
FEAST Year 11	6,846	-	(100)	-	6,746
FEAST Year 12	58,381	-	(39,082)	-	19,299
FEAST Year 13	-	62,475	-	-	62,475
FEAST Bright Sparks	4,437	-	(90)	-	4,347
FEAST Cornwall AONB Celebrations	5,975	-	(6,000)	25	-
FEAST Gamechanger	-	37,979	(38,343)	364	-
FEAST Bill's Attic	947	13,120	(12,522)	-	1,545
FEAST Cornwall Community Foundation	3,150	-	(2,990)	-	160
FEAST Cornwall Comm Foundation Covid Emergency Fund	-	5,000	(4,650)	-	350
FEAST Redruth HSHAZ	-	9,650	(4,000)	-	5,650
FEAST Kresen Kernow Commissioning	-	2,000	(1,500)	-	500
Core ACE grant for Krowji Phase 2	-	214,020	(214,020)	-	-
Cornwall 365	403	-	(403)	-	-
Cultivator	1,175	980,866	(910,763)	-	71,278
NFASP	24,010	-	(119)	-	23,891

Notes to the Financial Statements for the Year Ended 31 March 2021

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
G7	-	-	(10)	10	-
Donations	-	-	(598)	598	-
Total restricted funds	209,169	1,380,782	(1,295,006)	1,093	296,038
Total funds	795,163	1,822,864	(1,631,323)	-	986,704

The specific purposes for which the funds are to be applied are as follows:

The Locomotor/Villages in Action project has been set up to secure the future of the rural touring network in South Devon and co-ordinate international touring companies in the South West region. It will also explore new ways of delivering activity in rural venues, including developing new partnerships and digital innovations.

Piano Go Round is a fund-raising project to enable the purchase of a concert grand piano and lift to allow for touring to Carn to Cove venues around Cornwall. A one off concert was programmed to launch the project and it will be developed further in the future.

Inn Crowd - we are a delivery partner for a project to enable pubs and licensed premises to put on live, professional performances. This will develop audiences and provide support for publicans who are interested in expanding their offer to customers.

Jaw Jaw is a pilot digital project to connect people who are isolated and lonely with professional artists to take part in a series of online participative workshops using Facebook Portal devices.

The C-Fylm Cultivator grant is a capital grant to buy new film equipment for the community film club project.

International women is a series of films programmed in partnership with Cornwall Womens Centre to develop audiences in hard to reach groups with a season of female focussed films.

BFI neighbourhood cinema provides support to the running costs and expansion of the C-Fylm project to allow new communities to form film clubs and screen regular films at a subsidised rate.

FEAST is a substantial ongoing programme commissioning and distributing a wide range of great art to villages and towns across Cornwall.

The Bright Sparks fund is designed to encourage collaborations between artists and museums in order to build museums' audiences and volunteer base.

Area of Outstanding Natural Beauty Celebrations: the AONB has provided a grant to FEAST to enable them to commission a programme of cultural activity which celebrates the AONB's 60th birthday in 2019.

Game Changer is an ESF, Big Lottery funded programme to help people aged 15-25 not in education, employment or training to access one of these options. Creative Kernow co-ordinates opportunities for young people with artist led workshops and with other creative sector businesses.

Bill's Attic is a unique artist residentcy and cultural meeting space at Krowji, which holds the collections of Bill Mitchell as a source of creative inspiration. Funds to date have been raised from the public and future income will be raised from hire of the space.

Cornwall Community Foundation has granted FEAST additional funds to add to the total FEAST grants pot. Every £1 of CCF grant is matched by FEAST and put towards supporting a creative project in the community.

Arts Council England made an award of £250,000 in total towards the Krowji Phase 2 capital scheme. This grant is paid to Creative Kernow and passed over to the Krowji subsidiary which is managing the construction project.

Cornwall 365 is a cultural tourism project which aims to help the visitor and creative sectors to work more closely together to promote Cornwall as a cultural destination.

Cultivator - a programme of skills and business support for Cornwall's creative and cultural sectors, supporting small businesses, sole traders and freelancers. Funded by the European Regional Development Fund, the European Social Fund, Arts Council England and Cornwall Council.

The NFASP funds relate to a Legacy Fund Agreement arising from the winding up of the National Federation of Artists' Studio Providers Ltd in January 2018. The remaining company funds were transferred to Creative Kernow to be managed as a restricted fund so that some of NFASP's sector support role could continue.

All other restricted funds have been received for specific activities and projects and have been expended on the activities for which they were received.

Creative Kernow Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Balance at 31 March 2020 £
Unrestricted funds				
General				
General	553,496	404,555	(372,057)	585,994
Restricted funds				
Carn to Cove Locomotor	51,413	92,351	(70,706)	73,058
Carn to Cove Villages in Action - Headley Trust Donation	-	5,000	-	5,000
SPARSE	-	7,743	(7,743)	-
Piano Go Round	-	3,444	(308)	3,136
Inn Crowd	-	2,000	(2,000)	-
Jaw Jaw	-	3,625	(3,625)	-
C-Fylm - Cultivator	1,486	-	(505)	981
C-Fylm - International Women	-	1,550	(624)	926
British Film Institute - Cinema Equipment Package	502	-	(223)	279
Cornish Tommies	822	-	(822)	-
FEAST Year 9	18,946	-	(11,193)	7,753
FEAST Year 10	17,312	-	(4,600)	12,712
FEAST Year 11	49,857	-	(43,011)	6,846
FEAST Year 12	-	64,475	(6,094)	58,381
FEAST Bright Sparks	2,425	5,000	(2,988)	4,437
FEAST Cornwall AONB Celebrations	5,975	-	-	5,975
FEAST Gamechanger	-	41,164	(41,164)	-
FEAST Bill's Attic	-	7,272	(6,325)	947
FEAST Cornwall Community Foundation	-	5,000	(1,850)	3,150
Core ACE grant for Krowji Phase 2	-	10,980	(10,980)	-
Cornwall 365	823	-	(420)	403
Clore Fellowship	1,250	6,250	(7,500)	-
Cultivator	2,923	725,780	(727,528)	1,175
NFASP	24,141	-	(131)	24,010
Creative Europe - CARPET	-	3,381	(3,381)	-
Total restricted funds	177,875	985,015	(953,721)	209,169
Total funds	731,371	1,389,570	(1,325,778)	795,163

21 Analysis of net assets between funds

Group

	Unrestricted funds General £	Restricted funds £	Total funds £
Tangible fixed assets	5,312,485	-	5,312,485
Current assets	602,762	620,438	1,223,200
Current liabilities	(804,457)	(292,434)	(1,096,891)
Creditors over 1 year	(4,589,274)	-	(4,589,274)
Provisions	(11,483)	-	(11,483)
Total net assets	510,033	328,004	838,037

22 Commitments

Group

Capital commitments

Krowji Limited was committed to capital expenditure in respect of the Krowji Phase 2 building project as at 31 March 2020. This building project was completed during the year.

The total amount contracted for but not provided in the financial statements was £Nil (2020 - £1,039,946).

23 Charges

A first fixed charge is held by Triodos Bank over the assets of the Group in respect of a mortgage and loan in place with Krowji Limited for which security has been given. The total amount of borrowings at 31 March 2020 is £1,031,493 (2020: £1,083,725). The proportion of group assets charged is 19% (2020: 26%).

A secondary charge is held by Percy Williams and Sons Limited over the assets of Krowji Limited in respect of a long term loan for which security has been given. A further advance of the loan was made to Krowji in the year resulting in a balance of £500,000 at 31 March 2021 (2020: £300,000). The proportion of group assets charged is 9% (2020: 7%).

24 Guarantees

Creative Kernow Limited has provided a guarantee to Triodos Bank on the legal mortgage taken out by its subsidiary, Krowji Limited. If Krowji Limited were to default on the mortgage repayments, Creative Kernow Limited would be liable to pay the amounts on the subsidiary's behalf.

25 Operating lease with subsidiary

Creative Kernow Limited has leased land and property to its subsidiary, Krowji Limited, under a longhold lease agreement in October 2013. The lease is for 99 years. The lease was issued with a lease premium of £500,000 to be paid, and annual peppercorn rent.

26 Related party transactions

Group

Mr P R Williams
(the company secretary and a key employee of Krowji Limited, prior to his resignation on 30 November 2020)
Mr P R Williams has power of attorney for Krowji Limited for the sole purpose of executing underleases and tenancies of parts of the property of Krowji Limited. At the balance sheet date the amount due to/from Mr P R Williams was £Nil (2020 - £Nil).

Charity

During the year the charity made the following related party transactions:

Krowji Limited
(subsidiary of Creative Kernow Limited)
Rent payable to Krowji Limited for the use of property during the year, total amount paid during the year of £12,143 (2020 - £13,346).

Hire of meeting rooms payable to Krowji for the use of rooms on an ad hoc basis during the year, total amount paid during the year of £290 (2020 - £994).

Rent receivable from Krowji Limited for the lease of property, total amount received during the year of £100 (2020 - £100).

Creative Kernow Limited has provided a loan to Krowji Limited. Interest is charged on the loan, total interest receivable during the year of £9,941 (2020 - £14,798). The loan amount outstanding from Krowji Limited at the balance sheet date is included in the intercompany balances within creditors due under one year. At the balance sheet date the amount due from Krowji Limited was £383,000 (2020 - £383,000).

Cornwall Arts Marketing Limited
(subsidiary of Creative Kernow Limited)
Cornwall Arts Marketing Limited provided advertising services throughout the year. Total amount paid during the year of £3,884 (2020 - £1,570)

The charity provided Cornwall Arts Marketing Limited with the provision of services throughout the year totalling £6,458 (2020 - £Nil). At the balance sheet date the amount due from Cornwall Arts Marketing Limited was £3,736 (2020 - £Nil).

27 Control

The group was controlled by the Trustees who are also the Directors throughout the current year. Refer to the previous year's report for a full list of members serving during that period.

28 Non adjusting events after the financial period

Krowji Limited had a fire in the North Light building on 16 May 2021. The building became unusable for any activity and has since been demolished for the site to serve another commercial purpose. The company made an insurance claim, of which various instalments towards loss of earnings and the contents claim have been received post year end and full settlement negotiations are currently underway.

At the balance sheet date, the Percy Williams & Sons Limited loan with Krowji Limited with a carrying amount of £500,000 had a due date of 31 March 2022. Since the year end, the due date of the loan has been extended to 31 March 2023.

Creative Kernow Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

Charity Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Income and Endowments from:					
Donations and legacies	3	410,268	1,374,365	1,784,633	1,257,073
Charitable activities	5	15,357	6,417	21,774	111,121
Investment income		16,457	-	16,457	21,376
Total Income		442,082	1,380,782	1,822,864	1,389,570
Expenditure on:					
Charitable activities		(336,317)	(1,295,006)	(1,631,323)	(1,325,778)
Total Expenditure		(336,317)	(1,295,006)	(1,631,323)	(1,325,778)
Net income		105,765	85,776	191,541	63,792
Transfers between funds		(1,093)	1,093	-	-
Net movement in funds		104,672	86,869	191,541	63,792
Reconciliation of funds					
Total funds brought forward		585,994	209,169	795,163	731,371
Total funds carried forward	20	690,666	296,038	986,704	795,163

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 20.