

Company Registration Number: 04566484
Charity Registration Number: 1105174

CREATIVE FOLKESTONE
(A COMPANY LIMITED BY GUARANTEE)

**ANNUAL REPORT AND
FINANCIAL STATEMENTS**

Year ended 31 March 2020

CREATIVE FOLKESTONE

Strategic Report For the year ended 31 March 2020

The Trustees, (who are also directors of the Charity for the purposes of the Companies Act) present their annual report together with the audited consolidated financial statements of Creative Folkestone for the year ended 31 March 2020.

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

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

Reference and administrative details

Registered company number	04566484 (England and Wales)
Registered charity number	1105174 (England and Wales)
Registered office	Quarterhouse Mill Bay, Folkestone Kent CT20 1BN
Trustees	Sir Roger M De Haan (Chair) Cathy Beare Lady Alison De Haan Dr Stephen Deuchar CBE Rachel Higham (Resigned 8 September 2020) Paul D Hudson Andrew T Ironside Timothy D Llewellyn OBE (Retired 29 June 2020) Trevor J Minter OBE DL The Earl of Radnor Alastair D Upton Grahame W G Ward
Chief Executive	Alastair D Upton
Company Secretary	Angela C Ludlow
Auditor	RSM UK Audit LLP 25 Farringdon Street London EC4A 4AB
Solicitors	Withers LLP 16 Old Bailey, London EC4M 7EG
Bankers	NatWest Bank Folkestone Branch, Europa House 49 Sandgate Road Folkestone Kent CT20 1RU
Website	www.creativefolkestone.org.uk

CREATIVE FOLKESTONE

Strategic Report For the year ended 31 March 2020

Objectives and activities

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

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

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

All our Board and staff are committed to enabling the very best work to be created. We always appoint skilled and ambitious curators and programmers who are empathetic to art, artists, place and community. Creativity drives the goals we set ourselves in early 2012 and which continue to guide the organisation:

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

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

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

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

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

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Strategic Report For the year ended 31 March 2020

Public benefit

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

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

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

Structure, governance and management

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

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

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

New Trustees are appointed by the Board. An induction process is carried out whereby the proposed Trustee is given a copy of the constitution, audited accounts and copies of trustee meeting minutes, together with the Charity Commission's published guidelines for charity trustees. The new Trustee is also given a detailed tour of the Creative Quarter and an introduction to all the projects being undertaken by the Charity.

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

Key management personnel and pay policy

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

This Strategic Report was approved by the Board of Trustees on ^{29th Sept 2020} ~~29th Sept 2019~~ and signed on their behalf by:



Sir Roger M De Haan – Chair of Trustees

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Report of Trustees For the year ended 31 March 2020

Achievements and performance

Creative Folkestone overview

Whilst the Coronavirus pandemic only materially affected the last few weeks of the financial year, its impact will have a significant effect on the delivery of future programming. However, it does not detract from what was a very successful year for Creative Folkestone which started with the organisation's name change from Creative Foundation to Creative Folkestone.

Our efforts in the first three months of financial year 2019/20 focused on implementing the new approaches announced at the event where we launched our new name. New branding was rolled out across all our marketing and communication collateral including our first 'all-in-one' Summer brochure (containing Quarterhouse, Open Quarter and the Learning and Engagement programme), the new Folkestone Artworks guide and the materials for our new Creative Folkestone Membership scheme.

During 2019/20, Creative Folkestone's new branding and identity became imbedded in the organisation. Creative Folkestone's brand is now firmly at the forefront of everything we do with the projects; Triennial, Book Festival, Creative Quarter, Quarterhouse and Learning and Engagement.

The launch, supported by our Triennial PR agency, Pelham PR, led to a significant amount of media coverage including features in the Independent, Guardian and Harper's Bazaar. This, in turn, contributed to an uplift in interest from many quarters including businesses wanting to support the organisation.

Creative Folkestone's membership scheme exceeded our expectations with 227 people signing up in the first year of the scheme. Members enjoy benefits such as discounts on tickets and invitations to exclusive events in the Creative Quarter. In July 2019, Assistant Curator Jo Cowdrey took members on a Folkestone Artworks Tour, in September members attended an event hosted by Chief Executive Alastair Upton to preview the Autumn Season including the new look Folkestone Book Festival, and in October the Turner Contemporary, Margate, invited our members to a private view of the Turner Prize. Events planned for Spring 2020 had to be postponed due to Coronavirus.

The new look Creative Folkestone Book Festival, under the curatorial direction of Doran Browne and entitled *The Shape of Things to Come*, was very well received. The theme was Futures and allowed us to engage with a myriad of ideas including globalisation, nationalism, technology, migration, ecology and much more. Speakers included Caroline Lucas, Ben Okri, Paul Mason, Anthony Seldon, Lemn Sissay, Richard Dawkins and Gavin Esler. There was also a performance strand which brought actors such as Imogen Stubbs, Alex Jennings, Greta Scacchi and Toby Jones to the festival.

The Performing Arts Team continued with a full mix of theatre, dance, music, film, live screening, comedy and family shows, punctuated by the Sacconi Chamber Music Festival, New Queers on the Block and a family fun day as part of Open Quarter along with the return of SALT Festival of the sea and the environment which is always very popular with the local community.

Creative Folkestone, through support provided by the Paul Hamlyn Foundation, commissioned a review of its learning programme which was undertaken by consultant Fiona Kingsman and presented to the Board in June 2019. It said that we had established a Learning and Engagement programme that provided intense, immersive, production-based experiences for its participants. We now know our practice is sound and extensive. Our next steps will be to put a structure in place from Board level through to the Senior Management Team and to the practitioners delivering the programme.

One of the major highlights of 2019/20 year was the successful campaign, run by the Art Fund to save for the nation, Prospect Cottage, the late Derek Jarman's home in Dungeness. The Art Fund's appeal successfully reached its £3.5-million target in just 10 weeks, with a final total of £3,624,087. A number of leading charities, trusts, foundations and philanthropists donated and over 8,000 donations were made by the public.

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Report of Trustees

For the year ended 31 March 2020

The campaign was supported by major grants of £750,000 from the National Heritage Memorial Fund, £500,000 from Art Fund, £250,000 from the Linbury Trust and £200,000 from the Roger De Haan Charitable Trust as well as significant support from the Luma Foundation, the John Browne Charitable Trust and the Ampersand Foundation.

The success of the campaign will enable Art Fund to purchase Prospect Cottage and to fund a permanent public programme, the conservation and maintenance of the building, its collection, its contents and its renowned garden. Before the Art Fund's appeal, Prospect Cottage had been at risk of being sold privately, its contents dispersed, and its artistic legacy lost. It is intended that Creative Folkestone will become the custodian of Prospect Cottage, and will develop a residency programme for artists, academics, writers, gardeners, filmmakers and others interested in Jarman and his work.

We have set up a new Visitor Experience team in Folkestone and the staff have undergone training to create a welcoming atmosphere for visitors and to carry out front of house duties and café/bar services. They have also been trained to give visitors insight into the artworks and encourage membership and donations.

CUPIDO, our EU Interreg North Sea Regional programme, in partnership with 16 other groups from 7 European countries, continues to be successful. CUPIDO allows us to share experiences, knowledge and expertise in order to connect the digital world with the cultural sector. Our three-year grant is contributing to both the cost of a digital artwork for the next Folkestone Triennial and support for the successful conversion of Glassworks, our co-working space, into a digital hub.

We have now started The South East Creative Cultural and Digital Support (SECCADS) programme which will run over a two year period. Glassworks is used as a location for meetings and events to provide business support and networking opportunities for Creative, Cultural and Digital Businesses.

The Board of Trustees would like to express their ongoing appreciation for the continued generosity of its benefactors, in terms of both committed funding and in-kind assistance, with the work of the Charity, including Kent County Council (KCC), Arts Council England (ACE), Folkestone and Hythe District Council (FHDC), EU Interreg Programme, NewsNow, Canterbury Christ Church University, Eurotunnel, South Eastern, Folkestone Harbour and Seafront Development Company, Paul Hamlyn, Otterpool Park, Jenner and RSM.

NPO status provides support for four years to 31st March 2022 and at 14% turnover this year gives a more stable financial base to plan from. The support from Kent County Council and Folkestone and Hythe District Council is particularly important as it provides match funds for ACE.

The Board of Trustees would like to convey special thanks to the Trustees of the Roger De Haan Charitable Trust (RDHCT) for their continued support for the work of Creative Folkestone.

The Board of Trustees would also like to convey their appreciation for the dedication and hard work of both the Charity's staff and its committee members who are not Trustees. They have all made an invaluable contribution to another successful year.

Creative Quarter

Creative Quarter has developed into a vibrant urban village of designers, filmmakers, musicians, web developers and artists, making it a hive of activity. Over 90 buildings have been restored so far, and the Creative Quarter Team now look after around 80 flats, 115 studios and offices and over 50 shops.

In 2019/20 six new shops, one new bar and two new restaurants opened. Overall flats, studios and shops have remained at around 95% occupancy and we had more applications from prospective tenants than properties on offer. Glassworks was at 63% occupancy at the end of the year, but with one tenant hoping to lease seven units (dependent on securing funding), that could go up to 81%.

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Report of Trustees For the year ended 31 March 2020

Digital:glassworks is our response to the growing demand in Folkestone from internet-based businesses for workspace. We are creating new business opportunities through providing workspace with high powered digital connectivity for the cultural sector. This should further stimulate the local economy and retain young talent in our area.

The Open Quarter festival took place from 13-25 June 2019. It included the Connecting Creatives networking event, TEDx Folkestone and a substantial number of performances, on-street entertainment, theatre, live music, workshops, exhibitions and an open studio event held in the Creative Quarter.

The South East Creative, Cultural and Digital Programme (SECCADS) is an ambitious programme, led by Thurrock Council and running across Essex, Kent and East Sussex. The programme is for creative, cultural or digital businesses and is looking to cultivate skills and broaden professional networks. Creative Folkestone is a regional hub that supports the delivery of the South East Creatives programme. In the past year, we have delivered 24 events in total and attracted 2,954 participants and audience members. This included six events, prior to lockdown, which welcomed 328 participants and audience members.

The Phase III construction sites, the last of the dilapidated buildings bought and rebuilt or refurbished by the RDHCT, have all experienced delays. The Mill Bay Cabins are now expected to be completed in March 2021. The 23-25 Tontine Street side of this project is progressing well with imminent completion. The Usual Suspect's site has experienced significant delays but is almost complete.

Folkestone Artworks

Following each Folkestone Triennial, new artworks are acquired for the Folkestone Artworks collection which has grown to become the UK's largest urban outdoor exhibition of contemporary art.

Following the relaunch of Folkestone Artworks in March 2019, we now publish a Creative Folkestone Artworks guidebook and we provided an area, within the Quarterhouse, where our Visitor Experience staff are able to give helpful information about Folkestone Artworks and tours of different durations in addition to advising on accessibility.

Maintenance of Folkestone Artworks is continuous with some demanding greater attention than others. We have renovated several of the larger pieces in the collection including Pablo Bronstein's *Beach Hut*, which has been entirely repainted, as has *Siren*, by Marc Schmitz and Dolgor Ser-Od. Lubaina Himid's *Jelly Mould Pavilion* received several structural repairs that included the replacement of corroded steel fixings and it had a fresh coat of paint inside and out. Richards Woods pink *Holiday Home*, moored in the inner harbour, came adrift and had to be rescued and restored with improved mooring fixings. Cristina Iglesias's *Towards the Sound Of Wilderness* had to be disassembled, repaired and reassembled due to vandalism, as did Will Kwan's *Apparatus #9*.

Overall the exhibition is in good condition. The normal regular maintenance and cleaning schedules are planned to continue.

Prospect Cottage

In 2018 the Art Fund asked if Creative Folkestone would join them and Tate to help save, for the nation, Prospect Cottage, the late Derek Jarman's home in Dungeness. The Art Fund would raise the funds to buy the cottage and its contents and hold the freehold and the Tate would care for the archive. Creative Folkestone would look after the house, run a residency programme and provide interpretation and access.

At the end of March, just after the start of lockdown, the Art Fund appeal for Prospect Cottage closed. Art Fund are looking to complete the purchase in the Autumn of 2020. If it does, it is intended that Creative Folkestone will take a lease and have access to the endowment fund raised by the Art Fund for care, maintenance and operation of the Cottage.

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Report of Trustees For the year ended 31 March 2020

Creative Folkestone has already supported some minor maintenance of the garden and is in the process of setting up relationships with professional gardeners and volunteers to help in the future. Preparations have also been made for renovation works to the cottage to take place over the winter in 2020/21. It is intended that Jo Cowdrey, our assistant curator for Folkestone Triennial, will oversee the works.

To determine the best way to care for the property in the long term and to set the parameters for visits and residencies, an advisory sub-committee will be formed and chaired by Stephen Deuchar.

Quarterhouse

The Performing Arts team had another successful year with Quarterhouse programme. They increased the number of events and expanded the artistic variety to include comedy, film, festivals, theatre and dance performance. In total they organised 455 performances and sold 23,413 tickets.

In order to ensure that everybody has the opportunity to participate in our creative programme, we continued our affordable ticket pricing policy that is particularly aimed at young people. We also continued to offer our *Pay-What-You-Decide* performances which enable individuals on low income to attend and regular members of our audience to, perhaps, take a risk on something new.

Our programme of contemporary theatre, dance, circus, music, festivals and family shows was complemented by a popular programme of comedy, music, film and live broadcasts of NT Live and ROH Live.

Of note this year was the culmination of a two-year Arts Council Strategic Touring project, *New Queers on the Block*. The project was led by The Marlborough Theatre, Brighton and was a national touring project that brought together a venue and a LGBTQ+ organisation in each of its locations. Partners worked together to present a LGBTQ+ performance and to develop audiences for leading-edge queer work. The programme is selected and curated by local partners with support from The Marlborough Theatre. Wraparound activity was bespoke to each town. The performing arts team at Quarterhouse worked in partnership with]performance space[who curated a series of talks and workshops with a library of key texts about queer culture. *Queer Ear* was designed particularly to attract young LGBTQ+ individuals and to create a community for those who might have been experiencing isolation.

The *New Queers on the Block* mini festival, at the beginning of November, was a resounding success with performances by Ira Brand, Benjamin Sebastian, Subira Wahogo and Last Yearz Interesting Negro wrapped around with video work by Istanbul Queer Art Collective and Samir Kennedy. Audiences were intergenerational and feedback was very positive. We are discussing with The Marlborough a new partnership and an annual *New Queers* mini-festival.

We supported a new integrated dance company called *Confico* who work with learning disabled young people across Kent. Six dancers were selected by audition to join the company as paid members. The company performed work in progress across Kent festivals during the summer of 2019 and premiered, to great acclaim, their debut show *JOiNT* at Quarterhouse in December alongside a solo by *Stoppgap Dance*. The company have since secured a further year of funding from Arts Council England and continue to train in *Glassworks Studio* every Friday.

This year's Christmas Show was *Once Upon A Snowflake* by *Paper Balloon* performed by a highly skilled cast of 3 actor musicians with great music, shadow puppetry and audience participation.

We continue to host a huge range of community activities at Quarterhouse and in *Glassworks Studio* including yoga, improv, writing, dance and Folkestone Food Hub. In 2019/20, we have been able to give financial support to a variety of Folkestone creatives through the *Festivals Fund*, provided by the RDHCT, including *Charivari*, *Folkestone Pride*, *Living Advent Calendar*, *Profound Sound*, *Folkestone Puppet Festival* and *TedX Folkestone*. *Salt Festival of the Environment* returned for its fourth year, with more than 3,000 people immersing themselves in questions of landscape and the environment through performances, workshops, talks, walks, swims and food. March 2020 saw the first *Take Up Space Festival* co-curated with

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Report of Trustees

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Folkestone Women's Forum. It included performances by Big Joanie, Vanessa Kissuule, Shay D and Amy Bell.

The diversity of our performance programme continued to expand across artforms with performances by Paula Varjack, Namlo, Le Gateau Chocolat, Rachael Young, Tom Marshman, Alissa Anne Jeun Yi, Lisa Hammond, Romany Diamonds, Randolph Matthews, Stephen K Amos, Hashmat Sultana, Sonia Sabri, Jonny Cotsen, Pagrav Dance in 2019/20. We hosted a week-long residency with LUNG Theatre for their new show *Who Cares* about the UK's failing care system. The company led workshops in schools and with young carers as well as presenting six performances at Quarterhouse. We began a new strand of programming, called Doc Club, in partnership with Folkestone-based film company Violet Pictures with one documentary film per month and post-show Q&A's with someone involved in the making of the film. The films were varied and fascinating and a good audience has grown very quickly for these events. At the end of the year we were selected to take part in Future Arts Centre's Here and Now project to celebrate 25 years of the National Lottery. We are working with Stacy Makishi to establish a Church of The Latter Day Sinners with the people of Folkestone as part of Normal? Festival of the Brain.

We are delighted to have restarted our Performing Arts Sub Committee with some fresh faces and view points.

Folkestone Book Festival

The Folkestone Book Festival started in 1982 and is the oldest of Creative Folkestone's five projects and is one of the annual highlights in our performing arts programme. Last year we celebrated our 38th festival, *The Shape of Things to Come*, under new curators Doran Browne, Liam Browne and Sean Doran. They were commissioned to develop a new concept with the aim of elevating the festival from a highly regarded regional event to one with a national and international profile.

The Shape of Things to Come took place over 10 days from 15 -24 November in several places in Folkestone, Hythe and Romney Marsh. Its format moved away from single authors discussing their latest publications to high profile writers, thinkers, experts and interviewers, from a range of backgrounds with diverse views, discussing their ideas and considering the future. This allowed our Book Festival to be positioned as the country's only book festival focusing on 'the shape of things to come'.

The Book Festival's events were staged throughout the district in distinctive venues. These new spaces allowed us to add theatricality and, by joining discussions of literature with music and film, we were able to deliver a very successful festival.

40 plus events took place in eleven venues and sites in the district. The "Words from the Wider World" thread of live links connected Folkestone to the wider world.

Over 4,000 tickets were sold. In addition, we organised events for 1,000 primary school children and, for the first time, 70 secondary school students.

We are very grateful to our Principal Sponsor, NewsNow, the independent online news aggregation platform, our Education Partner, Canterbury Christ Church University and Book Festival Sponsors Eurotunnel, South Eastern, Folkestone Harbour and Seafront Development Company, Otterpool Park, Jenner and RSM. We would also like to extend our thanks to the Friends of the Folkestone Book Festival who supported us, as always, with a team of extremely knowledgeable and welcoming volunteers as well as making a generous financial contribution.

The Book Festival attracted media coverage in print, online and broadcast media and resulted in significantly more coverage than in prior years.

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Report of Trustees For the year ended 31 March 2020

Creative Folkestone Triennial

The preparations for the fifth Folkestone Triennial, due to take place from 5 September – 8 November 2020, were well underway when the U.K. entered lockdown however we decided to postpone the Triennial until the same period in 2021.

By the time we made the decision to postpone Folkestone Triennial we had already had an event at the Glassworks to announce the 2020 artists. They were Rana Begum, Sam Belinfante, Stephenie Bergman, Patrick Corillon, Shezad Dawood, Richard Deacon, Jacqueline Donachie, genuinefake, Gilbert & George, Helga Griffiths, Mariko Hori, Christopher Houghton Budd, Atta Kwami, Morag Myerscough, Jacqueline Poncelet, Pilar Quinteros, Mike Stubbs, Jason Wilsher-Mills, Winter / Hörbelt and HoyCheong Wong & Simon Davenport & Shahed Saleem / Makespace. The Turner Prize-winning artist collective Assemble and the distinguished Croatian artist Tina Gverović have subsequently accepted an invitation to participate in the 2021 event.

We have also established formal partnerships with England's Creative Coast, UP Projects London, Artconnexions Lille, Fondation de France, Folkestone Islamic Cultural Centre, Folkestone and Hythe District Council (Beach Huts) and the large-scale Pioneering Places East Kent consortium.

The 2021 exhibition will have the title *The Plot* which suggests multiple meanings. A plot can be a narrative or a conspiracy. It can also mean a plot of land or to plot a course or graph – things that are mathematically verifiable as opposed to observing the gap between an experience that everybody can verify or falsify for themselves and what is otherwise told or narrated. Folkestone Triennial urges viewers to consider the voids left behind by 'fake news' and 'post-truths'.

The Triennial uses three historic Folkestone narratives as a point of departure: St Eanswythe's Watercourse; the physician William Harvey's discovery of the circulation of the blood; and Folkestone's industrial road 'The Milky Way'. Referring to passages of movement - the movement of water, blood and goods - the exhibition will present artworks in public spaces across the town, along the various routes associated with these stories. By borrowing from, or lending to existing narratives, the exhibition, though set in Folkestone, raises questions around the universal need to distinguish reality from myth.

Pioneering Places

Pioneering Places is part of the national Great Place Scheme, an ambitious project that aims to make East Kent an even better place to live, work and visit by exploring heritage, developing civic pride and connecting artists and communities. The four projects in Canterbury (The Marlowe/Canterbury City Council), Dover (The Land Trust), Folkestone (Creative Folkestone) and Ramsgate (Turner Contemporary) have been designed to encourage local people to become involved and help shape the place where they live. Pioneering Places is funded by the Arts Council England, the National Lottery Heritage Fund, Artswork, Kent County Council and Christ Church Canterbury University, with Historic England providing advice.

By strengthening the networks between culture and civic and community organisations and by involving citizens and local businesses, the Pioneering Places projects will enhance the role that culture plays in the future of each place. In time this will lead to the wide range of social and economic benefits that arts, culture and heritage can achieve. We have appointed Jason Jones-Hall as Project Director, replacing Fiona Kingsman, who has now moved into the new position of Deputy Chief Executive at Creative Folkestone.

Following 'The History and Possible Futures of Folkestone Gasworks' exhibition, held in June/July 2019, a selection of its content was uploaded to the Creative Folkestone website. This included a digital version of the exhibition guide and proposals for the possible future of the site. These were ideas generated through our work with EAST Architects, Little Architect and the local community.

In September EAST Architects submitted the final Masterplan Report. It was shared with key stakeholders and presented to Folkestone & Hythe District Council by Creative Folkestone's Chief Executive.

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For the year ended 31 March 2020

Folkestone & Hythe District Council's cabinet have since agreed to purchase the Gasworks site. Meetings have taken place with officers from Folkestone & Hythe District Council to discuss its potential future uses and priorities for public access. The Triennial curator is finalising the arrangements for artists to deliver major commissions in and around the Gasworks site for the 2021 Folkestone Triennial.

An educational partnership has been developed with the EDGE School of Creative and Business, at East Kent Community College. This will see Pioneering Places East Kent build on its work with school children and adults by engaging with a new target audience of people aged 15-30.

The public-facing project site has now been launched at culturalplacemaking.com. The launch has been promoted by Whitehouse Consultancy via a briefing note to national policymakers and key stakeholders with a view to raising, at a national level, awareness of the project's outcomes and achievements. The site has also been promoted through social media channels, including the @PioneeringEK twitter feed, which now has over 1,900 followers across the arts, heritage, placemaking, cultural policy, education, digital, creative industries and national and local government.

The Project Director presented to the Kent Planning Officers Group to share learning to date and to raise awareness of the project and its connections with local planning departments. Feedback and discussions with the Planning Officers Group following this presentation will help inform the forthcoming Planners Toolkit on these themes. This toolkit will be developed in 2020 to sit alongside the Research and Knowledgebase.

Pioneering Places East Kent has appointed London-based advocacy/lobbying agency, Whitehouse Consulting, to assist in influencing key decision-makers and policy-makers to reconsider the role culture and heritage should have in local, regional and national decision-making, planning and delivery.

Learning and Engagement

Throughout the last year we have continued to deliver free family workshops at Block 67, outreach workshops in schools and monthly workshops at Age UK, Mind, Homestart and Surestart along with Work In Progress, Neon After School Club and our Book Festival School Programme. The Learning Officer has also supported Pioneering Places East Kent with an engagement programme in partnership with East Architects and Little Architects.

At the beginning of 2019 Age UK and Homestart approached Creative Folkestone to explore ways in which creative activities could benefit the individuals they support. It was agreed to organise regular workshops. Since then these workshops have gone from strength to strength serving people with a broad spectrum of abilities within the Age UK participants; some with dementia and others with low dexterity.

The workshops developed for Homestart were aimed at women suffering domestic abuse allowing them a safe space and the time and confidence to learn about the benefits of creative processes. The design of these workshops has been challenging for the art practitioners who had to learn new skills in matching the workshop content with the participants' ability and perception levels. The Learning Officer worked with local artists and practitioners to deliver the workshops in line with our policy of employing local artists in order to develop their skills through the Learning programme.

Our Work in Progress programme continues to offer work experience in the creative industries to local students. Most notably this year a student from the Marsh Academy has been assisting the workshop leaders with family workshops at Block 67.

Our drop-in family workshops take place in a bespoke studio at Block 67, where children and families are offered an array of exciting sessions aimed at stimulating individuality, imagination and the exchange of ideas in a supportive and fun environment. 27 workshops were enjoyed by a total of 1,300 attendants in 2019/20.

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Report of Trustees For the year ended 31 March 2020

The Young Animators Club runs twice a month. In 2019/20, 41 children and teenagers between the age of 8 and 19 years signed up. The club provides a free, fun and practical time for young people interested in arts, media, animation, design, music/sound and film making. It also offers smaller group sessions for children on the *Special Education Needs* spectrum with some of the children referred from Kent County Council.

The Neon After School club gives local children, from a range of backgrounds, the opportunity to work with professional artists at weekly workshops and to produce an original piece of performance from scratch to show to family and friends at the end of each term. The workshops explore a variety of art forms, techniques and styles for children and young people who are interested in the visual and performing arts. Neon was attended by 171 children between the ages of 5 and 16 years over the course of the year.

Through our project, Pioneering Places East Kent, an educational partnership has been developed with the EDGE School of Creative and Business at East Kent Community College. This partnership will see us build on our work with school children and older adults by engaging with a new target audience of people aged 15-30 years.

Over 1,000 primary school children and 70 secondary school children attended free events for young people as part of the 2019 Book Festival with authors Ali Sparkes, Jo Coelho, Sheena Dempsey and Yomi Ayeni.

In total over 3,000 children, young people and adults participated in our Learning and Engagement Programme in 2019/20.

Otterpool: Creative Folkestone and Folkestone and Hythe District Council

Creative Folkestone was commissioned as consultants by Folkestone and Hythe District Council to support the delivery of Otterpool's creative strategy. Otterpool is a proposed Garden Town, situated in the countryside, about 6 miles from Folkestone. Our role was to oversee the commissioning of an action plan, have an input in how it was delivered and to work with the Council to appoint someone to deliver the plan.

Subsequently Laurence Taylor was commissioned to draft the creative and cultural action plan for Otterpool.

Diversity

Creative Folkestone appreciates that diversity is not just the right or fair thing to do so that everyone in our country takes part in and enjoys a full cultural and creative life, but that diversity enriches our cultural output and enables and expands the audiences we work with. Diversity makes its own creative case. Our commitment to diversity comes very naturally to Creative Folkestone since, as one of the country's leading placemaking arts organisations, working with the whole community is in our DNA.

Creative Folkestone's artistic programme reflects the diversity of Britain. The performance programme, the Book Festival, workshops and the upcoming Triennial all have gender parity of artists and session leaders and achieve requirements for the wider representation of people with protected characteristics.

In addition, targeted activities that have included Normal? Festival of the Brain (mental health and wellbeing), Take Up Space festival to celebrate International Women's Day and New Queer's on the Block. We are also developing relations and longer term projects with the local Nepalese and Roma communities.

There has been specific work on artist development for people within our community with protected characteristics. This has included ethnic minorities, the LGBTQ+ community and people with disabilities. We have supported a successful Shape bid to ACE for a programme based in Folkestone to support, amongst others, disabled artists.

CREATIVE FOLKESTONE

Report of Trustees For the year ended 31 March 2020

We have assisted a number of artists and arts organisations to gain funding either through the Festival Fund or through giving advice on drafting applications to other organisations including ACE. This support has been provided to a number of diverse artists and organisations including Manjeet Mann, ConfiDance and Living Words.

The Audience Finder survey has shown, over time, that Creative Folkestone's audience broadly reflects the demographic profile of the region's population.

Our staff and Trustee diversity questionnaire showed that our staff broadly represented the protected characteristics of the local community although men are under represented in our workforce. This was a survey carried out in 2019 and the small size of our workforce means that changes in personnel can lead to large % movements.

Further analysis of our last ten years of recruitment shows that from application to appointment people with protected characteristics have been slightly over recruited i.e. our staff have more diversity than the pool of applicants. Our recruitment process now includes a diversity question asked of all applicants at the time of application that asks how an applicant feels they will support Creative Folkestone's commitments to diversity in their role if appointed.

An analysis of the make up of our Board showed it lacked diversity in a number of areas. The Board has agreed that new trustees will be recruited, over time, to balance it and its sub committees. The two areas of most significant under representation are gender and black or ethnic minority background.

ACE have reported that Creative Folkestone has already achieved a strong rating in this categorisation.

Coronavirus

On Tuesday March 17th Creative Folkestone's staff changed from working in the office and the Glassworks to working from home. The last event at Quarterhouse took place on 16th March.

Quarterhouse's physical box office was closed to the public and all work, except property maintenance, was carried out remotely. The team had previously prepared for remote working and the organisational functions and communications were moved smoothly and effectively.

Quarterhouse events were mostly postponed, initially until the end of June and then indefinitely. Where events were cancelled people were asked to make donations or take vouchers.

Some of our tenants expressed anxiety about their ability to continue to pay their rent. We were able to extend some assistance by allowing them to delay payment. The impact of Coronavirus will become clearer by the end of 2020/21 and we may see a reduction in our rental, ticket, and fundraising income.

We postponed the 2020 Triennial until 2021.

From the start of lockdown, whenever possible, our learning and engagement programme was moved online. This included producing family activity videos for the Artworks and videos for the young person's performance group Neon. The creative industry development programme, South East Creatives, was moved online and the Quarterhouse film group, Doc Club, streamed live discussions after a curated film programme.

Since lockdown was implemented the South East Creatives programme was quick to move to a digital offer, streaming talks on social media channels. This has highlighted a new way of working for the organisation.

With Quarterhouse closed, Creative Folkestone made a priority of its planning for the reopening of the Creative Quarter by utilising the external Artworks and starting a volunteer programme, building community engagement and delivering existing programmes online.

CREATIVE FOLKESTONE

Report of Trustees For the year ended 31 March 2020

Plans for the future

Our plan and budget for 2020/21 has been disrupted by Coronavirus and has been remodelled in order to be appropriate in these extraordinary times.

The Creative Quarter rent has held up well, however we may experience challenges with letting our commercial properties. However, enquiries from prospective tenants are strong at the time of writing this report. We may face a downturn in demand so we continue to take a cautious approach to our expenditure.

We have closed the Quarterhouse. Once restrictions are lifted, and it can re-open, it is not clear when its audiences will wish to return and what capacity the auditorium will have. Taking this in to account our plan for 2020-2021 is for the Quarterhouse to remain closed to audiences. We will enliven the town by supporting artists, the creative community and our tenants.

SEECADS, a creative industry business support programme, is in place and will be continued beyond December 2020. This is delivered digitally and is one of Creative Folkestone's digital lock down programmes.

We will continue to support our commercial tenants to help to ensure a safe working and trading environment. We will collaborate with FHDC and businesses in Folkestone to try to make the town function as a place to work, shop and eat out in.

We will promote Folkestone as an attractive town to set up a creative life and business especially to those wishing to relocate from London. The live-work opportunities we offer will be emphasised.

To help enliven the town, engage the community and make Folkestone attractive to visitors a new approach to Folkestone Artworks will be taken. A team of volunteers is being recruited to become ambassadors for our art. They will help staff Mark Dion's Seagull over the summer. This will encourage people who come to Folkestone and to spread out from the harbour and beach to enjoy all its art, history and landscape. In the autumn a major community project will be launched around Banksy's Plinth.

Quarterhouse will be turned into a community resource. The excellent group of performers and artists in the Creative Quarter will be invited to use the space to develop work and test it on limited audiences. The Clearing will become a studio for development and workshops. Our programme will concentrate on younger people as will our learning activities.

The Book Festival programme is well underway. It is likely this will be delayed until June 2021. We will use the original November 2020 slot we had for the festival to keep our audience engaged.

The purchase of Prospect Cottage, by the Art Fund, is expected to be completed in September. We are targeting spring 2021 for public openings and a programme of residencies. An event, centred on Prospect Cottage, will be included in the 2021 Book Festival and the 2021 Triennial.

FHDC's work on Otterpool has been supported by Creative Folkestone. We wrote the cultural vision and strategy in 2019. In 2020 they will deliver a three year action plan and there is a possibility that we will be asked to oversee its delivery.

During the course of the year, we will be taking a cautious approach to our expenditure and we will continue to make use of the furlough scheme.

Creative Folkestone has made huge strides in its work on diversity and it will be mindful of this in all its activities and continue to make progress.

It is hoped that by year end 2020/21, some stability will have returned to our community. Our work on the Triennial will make sure the exhibition is held in September 2021. The delayed Book Festival will take place in June 2021. While the Quarterhouse's programme is suspended it will be used to support performers.

CREATIVE FOLKESTONE

Report of Trustees For the year ended 31 March 2020

We will start to write the next business plan which has to be presented to ACE NPO in early 2022.

A bid will be made in 2022 to the Art Fund Museum of the Year. We will present the whole town as being the museum, highlighting the community projects associated with Folkestone Artworks (Banksy's Plinth and volunteering), events at Quarterhouse, our learning activities and Folkestone Triennial. We will highlight how the creative life of the town has allowed it to respond to the crisis of Coronavirus.

Financial review

The financial position of the Charity is as set out in the financial statements for the year. During the financial year ended 31 March 2020, the Charity incurred a deficit of £51,295 (2019: £1,040). The results were impacted adversely by reduced rental income as a consequence of delays in completion of two further Creative Quarter properties and the changes made to the Charity's Glassworks property following the departure of its previous tenant.

The Charity has faced considerable challenges following the Covid-19 outbreak with restrictions placed on its charitable activities, staff movement and tenants' premises. In response, the Charity reduced its costs wherever possible including using the government's furlough scheme, adapted its operations and provided support to its staff and tenants. Helpfully, the Charity had been taking steps to build up its cash reserves which improved its resilience during recent months.

At 31 March 2020, the Charity held cash balances of £1.23 million. However, as this amount includes cash which is already committed to specific projects and costs, the trustees use a more sensitive measure to determine the charity's true reserve position. By this measure, the Charity had a free reserve available to it of £413,000 as at 31 March 2020.

The Charity held long leasehold properties at 31 March 2020 with a balance sheet value of £12 million. These properties are owned by the Roger De Haan Charitable Trust and leased to Creative Folkestone at a peppercorn rent for 125 years. These properties provide a rental income for the Charity which it uses to satisfy its charitable objectives.

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

The high level of restricted funds shown in the balance sheet as at 31 March 2020 relates principally to the Charity's properties in the Creative Quarter rather than available cash resources.

Reserves policy

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

More recently the Charity has sought to build a cash reserve in addition to its property assets. It aims to maintain positive cash reserves over the next 10-year period. A risk-based assessment of need has set a target range of between £250,000 and £400,000. The current free reserves are £413,000.

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

CREATIVE FOLKESTONE

Report of Trustees For the year ended 31 March 2020

Designated funds

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

The Trustees have designated £459,000 from current unrestricted reserves. These funds will be spent in the 2021 Triennial.

Investment policy

The Charity's surplus funds are presently held on cash deposit.

Principal risks and uncertainties

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. Regular formal trustee and management meetings are held to review progress towards achieving the Charity's objectives and to promote strategic direction within the operation. The Senior Team addresses regularly the full risk schedule identified by the Trustees and puts in place procedures and controls so as to ensure those risks are adequately managed. The principal risks are a) economic downturn and political uncertainty, b) loss of key Board members and staff and c) failure to hit earned income and fundraising targets. The mitigating actions are identified in the business plan, including ensuring necessary reserves, good property management, succession planning and investment in the fundraising team. The Charity had in place a contingency plan which proved its worth during Covid-19 restrictions, with operations transitioning smoothly to a home working environment for all staff.

Equal opportunities and diversity policy

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

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

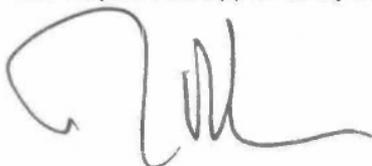
Auditor

RSM UK Audit LLP was appointed auditor to Creative Folkestone in accordance with section 485 of the Companies Act 2006 and has indicated its willingness to continue in office.

Strategic report

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

This Report was approved by the Board of Trustees on ~~29 Sept 2020~~ and signed on their behalf, by:



Sir Roger M De Haan – Chair of Trustees

CREATIVE FOLKESTONE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing those financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CREATIVE FOLKESTONE

Opinion on financial statements

We have audited the financial statements of Creative Folkestone (the 'charitable company') for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CREATIVE FOLKESTONE

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees or the Strategic 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

Nicholas Sladden (Senior Statutory Auditor)

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

11 December 2020

CREATIVE FOLKESTONE

Statement of Financial Activities (Including Income and Expenditure Account)

For the year ended 31 March 2020

		Year ended 31 March 2020			31 March 2019
	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds £	Total Funds £
Income from:					
Donations and legacies	3	55,042	73,000	128,042	518,027
Charitable activities	4	2,162,979	519,227	2,682,206	2,298,311
Other trading activities	5	96,872	-	96,872	123,116
Investments	6	3,282	-	3,282	1,340
Total income		<u>2,318,175</u>	<u>592,227</u>	<u>2,910,402</u>	<u>2,940,794</u>
Expenditure on:					
Charitable activities	7	2,102,499	816,965	2,919,464	2,890,902
Other trading activities	10	42,233	-	42,233	50,932
Total expenditure		<u>2,144,732</u>	<u>816,965</u>	<u>2,961,697</u>	<u>2,941,834</u>
Net (expenditure)/income and net movement in funds		173,443	(224,738)	(51,295)	(1,040)
Total funds at 1 April		979,737	17,474,000	18,453,737	18,454,777
Total funds at 31 March		<u>1,153,180</u>	<u>17,249,262</u>	<u>18,402,442</u>	<u>18,453,737</u>

CREATIVE FOLKESTONE

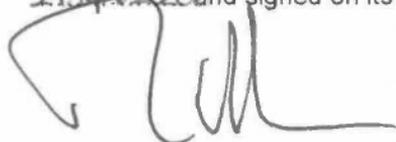
Balance Sheet

At 31 March 2020

Company Registration Number: 04566484

	Notes	2020 £	2019 £
Fixed assets			
Tangible assets	14	17,476,224	17,714,722
Heritage assets	15	53,400	53,400
Investments	16	1	1
		<hr/>	<hr/>
		17,529,625	17,768,123
Current assets			
Debtors	17	380,693	424,477
Cash at bank and in hand		1,227,023	1,040,163
		<hr/>	<hr/>
		1,607,716	1,464,640
Creditors: amounts falling due within one year	18	(734,899)	(779,026)
		<hr/>	<hr/>
Net current assets		872,817	685,614
		<hr/>	<hr/>
Net assets		18,402,442	18,453,737
		<hr/>	<hr/>
Funds			
Unrestricted funds	21	1,153,180	979,737
Restricted funds	21	17,249,262	17,474,000
		<hr/>	<hr/>
Total funds		18,402,442	18,453,737

The financial statements on pages 19 to 35 were approved by the board and authorised for issue on ~~21 Sept 2020~~ and signed on its behalf by:



Sir Roger M De Haan – Chair of Trustees

CREATIVE FOLKESTONE

Statement of Cash Flows

For the year ended 31 March 2020

	Notes	2020 £	2019 £
Cash outflow from operating activities:			
Net cash provided by operating activities	23	183,578	(51,214)
Interest received		3,282	1,340
Net decrease in cash and cash equivalents		<u>186,860</u>	<u>(49,874)</u>
Cash and cash equivalents 1 April		1,040,163	1,090,037
Cash and cash equivalents 31 March		<u>1,227,023</u>	<u>1,040,163</u>
Relating to:			
Cash at bank and in hand		<u>1,227,023</u>	<u>1,040,163</u>

CREATIVE FOLKESTONE

Notes to the Financial Statements (continued) For the year ended 31 March 2020

1 Accounting policies

Legal status

The Charity is a company limited by guarantee. The members of the company are the Trustees. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

The Charity's objectives and aims are disclosed in the Trustees' Report.

Accounting convention

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

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

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

Going concern

The Trustees confirm that at the time of approving the financial statements, there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. In arriving at this conclusion, the Trustees have taken account of current and anticipated financial performance in the current economic conditions, and the Charity's reserves position. Since the significance of the economic impacts of the COVID-19 outbreak have become apparent, the Trustees have reviewed in detail the Charity's position and the appropriate basis on which to prepare the financial statements.

The Trustees anticipate that there will be significant adverse impacts on many income streams. The full impact of the COVID-19 outbreak cannot presently be estimated with any certainty, but the stress testing of the Charity's financial position has satisfied the Trustees that it has adequate reserves and mitigation strategies available to deal with the impact of the outbreak as it unfolds. The cash position is strong, the charity has no debt, the rental income has so far held up well, funding from the Arts Council is secure for at least three years and funds have been put aside for the 2021 Folkestone Triennial. The Trustees recognise that 2020 will be a challenging year and have recast the budget accordingly while assessing what further actions can be taken if needs be and they have concluded that it remains appropriate to prepare the financial statements of the Charity on the going concern basis.

Consolidation

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

Income

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

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

CREATIVE FOLKESTONE

Notes to the Financial Statements (continued) For the year ended 31 March 2020

1 Accounting policies (continued)

Income from government and other grants, whether 'capital' grants relating to tangible fixed assets or 'revenue' grants, is recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Expenditure

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

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

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

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

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

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

Heritage assets

Metropole:

This comprises artworks that were collected through the Metropole Arts Centre that are owned by the Charity. This artwork is recognised as a heritage asset for the purposes of these financial statements, in accordance with the Charity SORP Section 18, since it is held and maintained principally for its contribution to knowledge and culture. The Trustees valued this artwork at £53,400 based upon valuations for various parts of the collection. The Trustees do not believe that the value of the artwork has changed. The entire collection has been lent to another Charity, The Friends of the Folkestone Collections, which bears the responsibility for insuring and storing the collection.

Art Buff:

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

Taxation

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

CREATIVE FOLKESTONE

Notes to the Financial Statements (continued) For the year ended 31 March 2020

1 Accounting policies (continued)

Tangible fixed assets

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

Freehold property	50 years straight line
Long leasehold	straight line over life of lease
Leasehold improvements	straight line over life of lease
Plant and machinery	15 – 33% on cost straight line
Computer equipment	33% on cost straight line
Fixtures and fittings	15% on cost straight line

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

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

Cash and cash equivalents

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

Financial instruments

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

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

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

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

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

Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

CREATIVE FOLKESTONE

Notes to the Financial Statements (continued) For the year ended 31 March 2020

1 Accounting policies (continued)

Agency Arrangements

The charity acts as an agent in the administering of the Great Place Scheme Pioneering Places: East Kent Fund for the Heritage Lottery Fund (HLF). Related payments received from HLF and subsequent disbursements to other partners within the scheme are excluded from the statement of financial activities to the extent that the charity does not have a beneficial interest in the individual transactions

2 Accounting estimates and areas of judgment

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

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

Critical judgments

Heritage assets

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

3 Donations and legacies	2020 £	2019 £
Restricted		
Roger De Haan Charitable Trust:		
Transfer of leasehold properties	-	430,000
Folkestone Festivals Fund	73,000	36,796
Total restricted	<u>73,000</u>	<u>466,796</u>
Unrestricted		
McAlpine donation	40,000	40,000
Other	15,042	11,231
Total unrestricted	<u>55,042</u>	<u>51,231</u>
Total donations and legacies	<u>128,042</u>	<u>518,027</u>

CREATIVE FOLKESTONE

Notes to the Financial Statements (continued) For the year ended 31 March 2020

4 Charitable activities	Rental income	Grants	Other sources of income	Total
	£	£	£	£
Creative Quarter	1,117,650	3,417	4,089	1,125,156
Arts programme festivals and events	-	54,800	30,355	85,155
Folkestone Triennial	-	530,056	23	530,079
Folkestone Artworks	-	-	98,873	98,873
Quarterhouse	8,726	126,375	91,121	226,222
Learning & Engagement	-	-	12,687	12,687
Great Place Scheme	-	184,034	-	184,034
Development	-	420,000	-	420,000
2020 Total activities	<u>1,126,376</u>	<u>1,318,682</u>	<u>237,148</u>	<u>2,682,206</u>
2019 Total activities	<u>1,127,557</u>	<u>881,780</u>	<u>288,974</u>	<u>2,298,311</u>

Of the £2,682,206 income received in the period to 31 March 2020, £519,227 was attributable to restricted funds and £2,162,979 was attributable to unrestricted funds.

Of the £2,298,311 income received in the period to 31 March 2019, £350,239 was attributable to restricted funds and £1,948,072 was attributable to unrestricted funds.

5 Other trading activities	Unrestricted	
	2020 £	2019 £
Bar income	53,854	49,733
Other sundry income	43,018	73,383
	<u>96,872</u>	<u>123,116</u>

6 Investments	Unrestricted	
	2020 £	2019 £
Deposit account interest	<u>3,282</u>	<u>1,340</u>

CREATIVE FOLKESTONE

Notes to the Financial Statements (continued) For the year ended 31 March 2020

7 Charitable activities	Direct Costs £	Grants payable £	Support costs £	Total £
Creative Quarter	858,094	-	164,741	1,022,835
Arts programme festivals and events	90,807	73,000	19,868	183,675
Folkestone Triennial	287,727	-	62,952	350,679
Folkestone Artworks	98,357	-	21,520	119,877
Quarterhouse	561,084	-	226,744	787,828
Learning & Engagement	78,843	-	17,250	96,093
Great Place Scheme	207,391	-	45,375	252,766
Development	105,711	-	-	105,711
2020 Total activities	2,288,014	73,000	558,450	2,919,464
2019 Total activities	2,214,106	36,796	640,000	2,890,902

Of the £2,919,464 charitable activities expenditure in the period to 31 March 2020, £816,965 was attributable to restricted funds and £2,102,499 was attributable to unrestricted funds.

Of the £2,890,902 charitable activities expenditure in the period to 31 March 2019, £822,154 was attributable to restricted funds and £2,008,748 was attributable to unrestricted funds.

8 Grants payable	Unrestricted	
	2020 £	2019 £
Arts programme festivals and events	73,000	36,796

9 Support costs

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

10 Other trading activities	Unrestricted	
	2020 £	2019 £
Bar expenditure	42,233	48,538
Other sundry expenditure	-	2,394
	42,233	50,932

CREATIVE FOLKESTONE

Notes to the Financial Statements (continued) For the year ended 31 March 2020

	2020 £	2019 £
11 Auditor's remuneration		
Audit services – statutory audit of the charity	16,700	14,750
Other services:		
Audit-related assurance services	-	1,000
Auditor's non-audit services	2,200	2,000
	18,900	17,750
12 Net income	2020 £	2019 £
This is stated after charging:		
Depreciation	238,498	242,488
Other operating leases	553	1,675
	239,051	244,163
13 Staff costs and remuneration of key management personnel	2020 £	2019 £
Wages and salaries	650,015	627,367
Social security costs	55,448	55,191
Other pension costs	53,536	43,266
	758,999	725,824
The average monthly number of employees during the year was as follows:	2020 no.	2019 no.
Creative Quarter	2	2
Arts programme festivals and events	1	-
Development	2	2
Marketing	2	3
Learning and engagement	1	1
Management and administration	5	5
Quarterhouse	3	3
Visitor Experience	7	6
	23	22
The number of employees whose emoluments for the year fell within the following bands was:		
£70,001 – £80,000	1	1

All employees earning more than £60,000 participated in the pension scheme.

CREATIVE FOLKESTONE

Notes to the Financial Statements (continued) For the year ended 31 March 2020

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

The Chief Executive, Mr A Upton, was also a member of the Board of Trustees during the year and received remuneration and benefits for his services in that office, through an employment contract with the Charity, of £75,257 (2019: £73,117) and pension contributions for the period of £10,711 (2019: £10,450).

Fiona Kingsman was appointed deputy Chief Executive Officer in August 2019 and received remuneration and benefits for her services in that office, through an employment contract with the Charity, of £33,333 (2019: £nil) and pension contributions for the period of £2,537 (2019: £nil).

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

No members of the Board of Trustees were reimbursed expenses during either period.

CREATIVE FOLKESTONE

Notes to the Financial Statements (continued)
For the year ended 31 March 2020

14	Tangible fixed assets	Freehold property £	Long leasehold £	Leasehold improvements £	Plant and machinery £	Furniture & Fixtures £	Computer equipment £	Total £
	Cost							
	1 April 2019 and 31 March 2020	5,992,909	12,927,451	854,378	187,552	23,490	24,978	20,010,758
	Depreciation							
	1 April 2019	1,142,569	834,402	92,407	180,090	21,590	24,978	2,296,036
	Charge for the year	119,857	103,431	6,889	6,421	1,900	-	238,498
	31 March 2020	1,262,426	937,833	99,296	186,511	23,490	24,978	2,534,534
	Net book value							
	31 March 2020	4,730,483	11,989,618	755,082	1,041	-	-	17,476,224
	31 March 2019	4,850,340	12,093,049	761,971	7,462	1,900	-	17,714,722

CREATIVE FOLKESTONE

Notes to the Financial Statements (continued) For the year ended 31 March 2020

15	Heritage assets	Total £
	Market value At 1 April 2019 and 31 March 2020	<u>53,400</u>
	Net book value At 1 April 2019 and 31 March 2020	<u>53,400</u>
16	Fixed asset investments	Shares in group undertakings £
	Market value At 1 April 2019 and 31 March 2020	<u>1</u>
	Net book value At 1 April 2019 and 31 March 2020	<u>1</u>

There were no investment assets outside the UK.

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

	Registered Office	Class of share	% held		Nature of business
			Directly	Indirectly	
The Creative Foundation (Trading) Limited	England and Wales	Ordinary A	100%	-	Dormant

17	Debtors: amounts falling due within one year	2020 £	2019 £
	Trade debtors	176,685	15,630
	Other debtors	33,560	32,445
	VAT	5,341	15,005
	Prepayments and accrued income	165,107	361,397
		<u>380,693</u>	<u>424,477</u>

CREATIVE FOLKESTONE

Notes to the Financial Statements (continued) For the year ended 31 March 2020

18	Creditors: amounts falling due within one year	2020	2019
		£	£
	Trade creditors	122,348	275,924
	Amounts owed to group undertakings	647	647
	Social security and other taxes	15,213	13,857
	Other creditors	415,989	332,319
	Accruals	117,337	111,432
	Deferred income (note 18a)	63,365	44,847
		<u>734,899</u>	<u>779,026</u>

18a	Deferred income	2020	2019
		£	£
	Deferred income as at 1 April	44,847	141,091
	Income received requiring deferment	63,365	44,847
	Release of income during the year	(44,847)	(141,091)
	Deferred income as at 31 March	<u>63,365</u>	<u>44,847</u>

Deferred income of £37,490 (2019: £44,847) represents income received in advance for property rentals and £25,875 (2019: £nil) represents income received in advance in relation to grants.

19 Pension

The Charity operates a defined contribution scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £53,536 (2019: £43,266). The total contributions outstanding at the year end were £6,530 (2019: £4,360).

CREATIVE FOLKESTONE

Notes to the Financial Statements (continued)
For the year ended 31 March 2020

20	Analysis of net assets between funds – Current year to 31 March 2020	Unrestricted funds £	Restricted funds £	Total Funds 2020 £	Total funds 2019 £
	Fixed assets	280,362	17,249,262	17,529,624	17,768,122
	Investments	1	-	1	1
	Current assets	1,607,716	-	1,607,716	1,464,640
	Current liabilities	(734,899)	-	(734,899)	(779,026)
		<u>1,153,180</u>	<u>17,249,262</u>	<u>18,402,442</u>	<u>18,453,737</u>
	Analysis of net assets between funds – Prior year to 31 March 2019	Unrestricted funds £	Restricted funds £	Total Funds 2019 £	Total funds 2018 £
	Fixed assets	294,122	17,474,000	17,768,122	17,580,610
	Investments	1	-	1	1
	Current assets	1,464,640	-	1,464,640	1,390,516
	Current liabilities	(779,026)	-	(779,026)	(516,350)
		<u>979,737</u>	<u>17,474,000</u>	<u>18,453,737</u>	<u>18,454,777</u>
21	Movement in funds		At 31 March 2019 £	Net movement in funds £	At 31 March 2020 £
	Unrestricted funds				
	General fund		648,376	(180,118)	468,258
	Folkestone Triennial		100,000	359,000	459,000
	Freehold property		231,361	(5,439)	225,922
			<u>979,737</u>	<u>173,443</u>	<u>1,153,180</u>
	Restricted funds				
	Freehold and leasehold properties		4,618,980	(114,418)	4,504,562
	Leasehold properties		12,855,020	(110,320)	12,744,700
			<u>17,474,000</u>	<u>(224,738)</u>	<u>17,249,262</u>
	Total funds		<u>18,453,737</u>	<u>(51,295)</u>	<u>18,402,442</u>

CREATIVE FOLKESTONE

Notes to the Financial Statements (continued) For the year ended 31 March 2020

21 Movement in funds (continued)

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

	Income	Expenditure	Transfers between funds	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	2,138,096	(2,138,614)	(179,600)	(180,118)
Folkestone Triennial	180,079	(679)	179,600	359,000
Freehold property	-	(5,439)	-	(5,439)
	<u>2,318,175</u>	<u>(2,144,732)</u>	<u>-</u>	<u>173,443</u>
Restricted funds				
Folkestone Triennial	350,000	(350,000)	-	-
Folkestone Artworks	89,427	(89,427)	-	-
Quarterhouse	25,000	(25,000)	-	-
Freehold Property	-	(114,418)	-	(114,418)
Leasehold Properties	-	(110,320)	-	(110,320)
Arts Programme Festivals & Events	127,800	(127,800)	-	-
	<u>592,227</u>	<u>(816,965)</u>	<u>-</u>	<u>(224,738)</u>
Total funds	<u>2,910,402</u>	<u>(2,961,697)</u>	<u>-</u>	<u>(51,295)</u>

The transfer to the Folkestone Triennial has increased the designated fund to ensure future funding commitments can be met.

Details on funds are as follows:

Freehold Property	Represents grants received by the Charity for capital projects. These are depreciated over the estimated useful economic life of the asset the grant was used to purchase.
Leasehold properties	Represents the transfer of leasehold properties from the Roger De Haan Charitable Trust to the Charity.
Folkestone Triennial	3 yearly public contemporary arts exhibition held in Folkestone.
Folkestone Artworks	Maintenance of contemporary artwork left in situ after the Folkestone Triennial.
Quarterhouse	The ownership and operation of the Quarterhouse Performing Arts Centre.
Arts Programme Festivals & Events	Festival ticket and fundraised income.

CREATIVE FOLKESTONE

Notes to the Financial Statements (continued) For the year ended 31 March 2020

22 Related party disclosures

The Roger De Haan Charitable Trust (RDHCT) donated leasehold properties valued at £nil (2019: £430,000), made a payment of £89,427 (2019: £128,495) to the Folkestone Artworks and a grant of £100,000 (2019: £Nil) for the Folkestone Triennial.

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

23 Net cash flow from operations	2020 £	2019 £
Net deficit for the year	(51,295)	(1,040)
Depreciation	238,498	242,488
Interest received	(3,282)	(1,340)
Decrease/(increase) in debtors	43,784	(123,998)
(Decrease)/increase in creditors	(44,127)	262,676
Donated assets	-	(430,000)
Net cash inflow/(outflow) from operating activities	<u>183,578</u>	<u>(51,214)</u>

24 Commitments under operating leases

At 31 March 2020 the Charity was committed to making the following payments under non-cancellable operating leases in the year to 31 March:

	2020 £	2019 £
Operating leases which expire:		
Within one year	553	1,675
Between two and five years	-	553
	<u>553</u>	<u>2,228</u>

25 Agency arrangements

The charity administers the disbursement of the grants due to the partners of The Great Place Scheme Pioneering Places: East Kent, on behalf of Heritage Lottery Fund. In the year amounts were received totalling £296,135 (2019: £274,401). The amount received but not yet distributed at the year end was £297,189 (2019: £225,297) and is included in other creditors at the reporting date.