

Creative and Cultural Industries Limited
Annual Report and Financial Statements

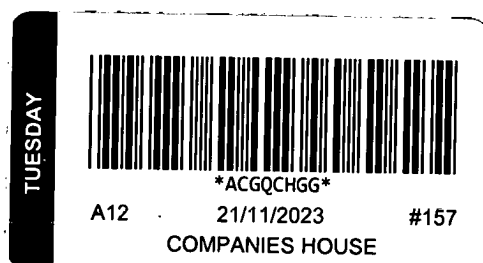
For the year ended

31 March 2023

Company Registration Number 05122855

Charity Number 1105974 and SC042165

www.ccskills.org.uk



Creative and Cultural Industries Limited

Financial Statements

Year ended 31 March 2023

Contents	Page
Trustees' annual report	1-12
Independent auditor's report	13-17
Statement of financial activities	18
Balance Sheet	19
Statement of cash flows	20
Notes to the financial statements	21-38

Creative and Cultural Industries Limited

Trustees' Annual Report

Year ended 31 March 2023

The Trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2023.

Reference and administrative details

Charity number:	1105974
Charity number (Scotland):	SC042165
Company number:	05122855
Website:	www.ccskills.org.uk
Principal & Registered Office:	Third Floor Priory Place New London Road Chelmsford Essex CM2 0PP
Independent Auditor:	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers:	Barclays Bank plc 29 Borough High Street Southwark London SE1 1LY

Creative and Cultural Industries Limited

Trustees' Annual Report

Year ended 31 March 2023

Directors and Trustees

The members of the charitable company (the Charity) are its Directors for the purposes of Company Law and its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees serving during the year and since the year end were as follows:

Trustees

Donald Hyslop, Chair of Trustees
Carol Harvey-Barnes (resigned 12 July 2022)
David Anderson (retired 18 October 2022)
Clare Hawkins
Vithleem Nikolaidou
Alexandra Porter-Smith (resigned 12 July 2022)
Yvonne Kelly (resigned 10 May 2023)
Catherine Ann Ritman
Rosemary Greenlees
Graeme Farrow
Mary Nagele
Fiona Yardley
Mark Allison

Company Secretary

Mark Allison

Executive

Karen Newman, Executive Director

Creative and Cultural Industries Limited

Trustees' Annual Report

Year ended 31 March 2023

1. Structure, Governance and Management

1.1 Governing Document

Creative and Cultural Industries Limited (the Charity) is a charitable company limited by guarantee, incorporated on 7 May 2004 in England and registered as a charity on 22 September 2004 in England and Scotland. The liability of each member in the event of winding up is limited to £1. The Charity was established under a Memorandum of Association which established the objects and powers of the Charity and is governed under its Articles of Association. The Charity operates under the name Creative & Cultural Skills.

1.2 Trustee Organisation

A board of Trustees administers the Charity. The board meets at least quarterly and is led by a chair. Up to 20 Trustees can be appointed. The Trustees are also the members of the charitable company.

Trustees automatically retire from office at the first Annual General Meeting occurring after their third anniversary but may be reappointed for up to three terms of three years.

The Chief Executive is appointed by the Trustees to manage the day-to-day operations of the Charity. The CEO will facilitate effective operations, and will have delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance, employment and the programme of activity.

Trustees are elected to the Board by existing members. The Board must have a minimum of three members and a maximum of 20.

New Trustees undergo an induction process to brief them on the business plan and objectives of the Charity, the committee and decision-making processes, and to meet key employees.

1.3 Transactions with Trustees

During the year, the Charity reimbursed travel expenses payments to five Trustees, totalling £1,615 (2022: two Trustees travel expenses totalling £59).

1.4 Risk Management

The Trustees have a risk management strategy which comprises:

- a periodic review of the risks the Charity may face as part of the delivery of the business plan and budget;
- the establishment of systems and procedures to manage those risks identified in the plan and others that occur during the year;
- the implementation of procedures designed to minimise any potential impact on the Charity should those risks materialise;
- review of the financial and business controls by the Executive Director (ED) reporting to the Board;
- use of professional advisors to assess the suitability of controls in managing the risks within the business;
- a strategic planning process that includes a three-year financial plan to highlight future funding needs and potential; and

- a review of the reserves policy to ensure the Charity has adequate financial reserves.

The Charity's principal risk is the availability of funding within the sector and the potential for Government spending priorities not recognising the value of the Cultural sector resulting in a reduction of the Charity's reserves and a risk to financial sustainability.

The Charity holds a Professional Indemnity policy with Aviva Insurance Limited. The policy limits the liability of Trustees, Directors and Officers up to £1 million. The cost of the policy in the year ended 31 March 2023 was £3,883 (2022: £4,092).

1.5 Remuneration Policy

The Charity has a Pay and Reward policy that governs how it sets pay and remuneration. There is an annual process of objective setting and assessment against success criteria as part of the Charity's well-established performance management system. The CEO and ED make recommendations to the Trustees on pay awards for all eligible staff each April using the results of the performance related pay assessments and in the context of affordability. The key management personnel of the Charity, responsible for directing and controlling, running and operating it on a day-to-day basis, comprise the trustees together with CEO and ED (the Executive team). The Trustees do not receive remuneration for their services as trustees. The Board of Trustees determine the CEO and ED pay and remuneration annually, by benchmarking against similar roles in organisations of a comparable size and with comparable objects.

2. Achievements and performance in delivering public benefit

The Trustees have had regard to the Charity Commission's guidance on public benefit when considering the Charity's planned activities.

In 2022-23 the Charity supported and advocated for the skills and training needs of the UK's creative and cultural industries by:

- Using policy and research to set the pace for positive sectoral change that leads to wider use of work-based entry routes for underrepresented young people; leveraging our expertise in the cultural sector to inform cultural education provision, careers planning and qualification development, apprenticeship development and local skills planning with relevant agencies across the four nations
- Supporting young people to learn about and pursue careers in the cultural sector, including by creating and promoting technical and vocational pathways into creative careers
- Ensuring that fair access and inclusive recruitment practices are used in the cultural sector
- Establishing a network advocating for Fair Access and Inclusive Recruitment
- Developing a financially sustainable and inclusive organisation.

2.1 Outputs achieved

Policy and research

The recommencement of a regular programme of sector consultation on the recruitment challenges and skills issues facing our stakeholders.

The commissioning of new research to help us determine our future role, including the unique research role that Creative & Cultural Skills can play:

Creative and Cultural Industries Limited

Trustees' Annual Report

Year ended 31 March 2023

- a literature review to continue the 'Building a Creative Nation' series to assess the recruitment and skills landscape post-pandemic
- research into the definitive picture of creative apprenticeships or apprenticeships utilised by the creative industries, how and when these have evolved and what evidence exists around take up and completion
- a digest of changes to teaching and learning that have occurred as a result of the pandemic, including best practice linked to improved provision, take up and impact.

The delivery of primary research for key stakeholders including Engage (on the educational landscape in Wales), Welsh Government (on attitudes towards apprenticeships in the museums and heritage sector), Arts Council Northern Ireland (on the talent pipeline in the creative industries in NI) and Creative Scotland (on workforce development in Scotland).

The reopening of discussions with research partners to share our findings and explore how we can collaborate in future.

The development of a future research strategy:

- Contribution to policy discussions within Westminster and in the devolved nations, including review of National Occupational Standards in Wales and Scotland, and discussions about the future of creative apprenticeships and the inclusion of the creative industries in the next round of Bootcamps
- Collaboration with the Federation of Sector Skills Councils on a digest of skills asks to all of the major political parties with a view to including some of these in their election manifestos
- Contribution to qualification development, including in England, the development of a new T-Level in Craft and Design
- Involvement in Local Skills Improvement Planning in priority areas in England.

Careers

Retention of our exclusive role in relation to Arts Award training in Wales.

Participation in the Creative Careers Programme Steering Group, and the development of proposals for intensive careers projects in the WM, NE and online.

Development of the pilot careers programme we created in 2021 in Scotland with *Developing the Young Workforce and Historic Environment Scotland*. The Creative Careers Week Scotland was repeated in November 2022, this time involving Creative Scotland who sponsored the development of a pilot panel on Creative Entrepreneurship.

Development of proposed careers programme in Wales as part of a wider bid to the Arts Council of Wales. Commencement of discussions with Arts Council Northern Ireland about the possibility of a careers programme in NI in 23-24 and the development of proposals for two intensive careers projects in Belfast.

Delivery of a number of services to education providers to enhance their careers provision, including the Welsh National Opera Design Challenge, which attracted entrants from six institutions, of which some were former NSA members and some were new to a relationship with Creative & Cultural Skills,

Creative and Cultural Industries Limited

Trustees' Annual Report

Year ended 31 March 2023

and the continuation of our programme of backstage tours and talks, with 14 events hosting over 160 participants.

Commencement of a body of thinking about a future membership offer for education providers that could encompass these, and other, services.

Conclusion of Creative Kickstart and Cultural Ambition Programmes. 166 organisations participated in Creative Kickstart with 306 placements identified. 68% (211 placements) completed the six-month placement period. Cultural Ambition delivered 32 cultural heritage placements to young people not in education, employment or training and involved collaboration with a group of heritage sector venues across Wales.

Supporting the cultural sector

Conclusion of our sector support programme in England, which by the end of Q3 had exceeded activity plan targets:

Objective	Activity	Location	Target	Impact	Deadline	Achieved
To disseminate best practice and guidance and lobby for their use in the cultural sector	Delivery of SSO training programme	England	1000	Best practice is used in the cultural sector	End March 2023	1,481 + 8,470 social media interactions
To support individual organisations in implementing guidance as required	Provision of support, including but not limited to: support with inclusive recruitment approaches, 1:1 support and guidance on the topics above, supporting the development and inclusion of meaningful skills and employment interventions	Pan-UK	1000+	The sector is supported to use fair access and inclusive recruitment practices	Ongoing	1173

Conclusion of our sector support programmes in Northern Ireland and Scotland, both delivered in challenging external circumstances and neither achieving targets set:

	Target engagement	Booked	Attended
NI	540	160	81
Scotland	540	421	237

As these were both pilot programmes, we gathered much useful information about how participants had heard about the programme, which subjects had greatest appeal and the programme's geographical and art form; what participants' starting point was in terms of knowledge and experience, and how the programme added value and was anticipated to affect practice in future. We also learned about how to finetune our content to be locally appropriate, how we can continue to evolve our offer in response to feedback, and how our pan UK presence can be of benefit to cultural organisations throughout the country by surfacing and sharing the very best practice wherever it is happening. Finally, we also gained valuable learning about delivery.

Creative and Cultural Industries Limited

Trustees' Annual Report

Year ended 31 March 2023

Taking the above learning into account, commencement of an intensive body of work to transform and monetise our future SSO offer:

- A review of the internal processes supporting our SSO
- The development of a new engagement model to focus our efforts and ensure that we can develop relationships within an explicit 'pyramid of engagement'
- Initial review of content
- Commissioning of a piece of research on future modes of delivery
- A survey of cultural organisations to inform our future approach
- In person consultation with the sector via a series of roundtables; the delivery of roundtables in Wales and Scotland.

Advocacy and networking

The launch of a programme of refreshed advocacy and networking, underpinned by work on our internal and external communications strategy, relationship management, fundraising and business development.

Commencement of a body of thinking about a future membership offer for education providers, which with the closure of the business will not be completed.

Maintenance of key relationships with FE/HE providers and cultural organisations through the sector and education support programmes described above, a series of 3 pulse surveys, symposia and events and an ongoing programme of communication. Delivery of monthly newsletter, which enjoyed an open rate of 38% from January 2023. Focusing our social media on LinkedIn and Twitter proved effective, driving followers up on LinkedIn by nearly 40% and impressions on Twitter during our apprenticeship campaign by 370%. Relaunch of Instagram activity to build on these successes.

Delivery of campaign on apprenticeships, which included the promotion of a variety of stories, case studies, apprenticeship opportunities and events. Provision of case studies showcasing our sector for DfE's Get the Jump campaign as part of National Apprenticeship Week.

Development of website to improve navigability and ensure alignment with strategic messaging framework agreed by the Board in October 2022, as part of a first iteration of website development that will be needed to support future membership and sector support offer. With the closure of the business this will not be completed.

Delivery of the following events:

Online discussion and debate exploring ideas for a new kind of work economy across the music industry, *A new kind of work economy: the future of talent pipelines across the UK music industry* (80 in person participants and a further 124 YouTube views).

Virtual symposium event on placement programmes: *Shared experience Placement Programmes for the Creative and Cultural Sector* (79 in person participants and a further 109 YouTube views).

Online discussion Work, earn, learn: *Can apprenticeships build an inclusive and skilled sector?* (84 in person and a further 11 YouTube views).

Virtual symposium event on apprenticeships: *Shared Experience Putting Apprenticeships at the heart of our workforce* (79 in person and a further 121 views online).

Round table event in Wales: *What do we need now? The future for the creative and cultural sectors in*

Creative and Cultural Industries Limited

Trustees' Annual Report

Year ended 31 March 2023

Wales (11 participants, who agreed to continue to meet as a Skills Advisory Group and met a second time in February).

Round table event in Scotland exploring the same themes (18 attendees).

In person research symposium: *Creative and Cultural Skills workforce development research symposium* (8 attendees).

Welsh Language

The organisation remains committed to delivering against the Welsh Language Scheme. This year, we have updated our website, including a Welsh language 'toggle' and have reviewed the internal Welsh Language Policy that was subsequently approved by the Board in April 2023. We have worked bilingually with Welsh audiences through surveys (for example, the Cultural Sector Apprenticeship Survey/Arolwg o Brentisiaethau yn y Sector Diwylliannol), and through communication with our new Creative & Cultural Skills Advisory Group Wales. We are also looking into how we can indicate language preferences on our new, incoming CRM system.

Organisation design and development

Conclusion of a Board-commissioned organisation review and a body of strategic work recommended by the review, with the Board signing off a new strategic and messaging framework in October 2022.

Development of a body of significant mapping work on future fundraising prospects across all sources (public sector, corporate and philanthropic funders), establishment of a Board-led fundraising committee and development and agreement of an ethical fundraising policy. Development of a number of significant funding bids to all four arts funding bodies in the four nations, as well as other sources including Skills Development Scotland, Foundation for Future London, Creative Skills Fund Wales, UK Shared Prosperity Fund for Mid-Wales, Dormant Accounts Fund NI and others.

Delivery of a body of scenario planning following Arts Council England's decision to remove CCSkills from its portfolio of regularly funded organisations. Successful application to ACE's Transition Fund and development and submission of Expression of Interest to ACE Lottery Project Fund.

Development of a business and activity plan for 23/24.

3. Changes in staffing

Jane Ide joined as CEO in November 2020, standing down from her post in March 2022. Two long standing Directors (for Partnerships & Delivery and Policy & Development) left the organisation at the end of the same financial year, with an Interim Director of Communications leaving at the end of May 2022.

Following the organisation review that the Board commissioned after Jane Ide's departure, an interim leadership structure was implemented, with leadership shared between the Finance Director (whose role was amended to that of Executive Director), and Interim Directors of Strategy and Policy. This structure remains in place, providing the continuity that the organisation has needed through a period of significant change. An Associate Communications team has strengthened leadership capacity and driven forward the rebuilding of the organisation's external profile.

The organisation has also seen changes to its delivery team in England following the departure of three Partnership Managers and the Heads of Partnership in Northern Ireland and Scotland.

Creative and Cultural Industries Limited

Trustees' Annual Report

Year ended 31 March 2023

Associate expertise has been added to the team in England while new permanent Heads of Partnerships in Northern Ireland and Scotland were successfully recruited and inducted, both incumbents making rapid progress in building key relationships in their respective nations.

Work towards a permanent structure was progressed during the year with a view, subject to funding of this being implemented in the next financial year. The staffing model envisaged in future will be a lean core team, distributed across the UK, supplemented by Associate expertise and a network of freelance delivery partners, so that the operation can be scaled flexibly according to need. A key feature of the team will remain our network of experts on the ground, including Heads of Partnerships in Northern Ireland, Scotland and Wales and a team of Partnership Managers covering England; their work will continue to be coordinated by a lean central team covering finance and operations, strategy, policy and communications and programme management.

A new systematic approach to work planning and intelligence sharing has been developed and implemented, based on a T-model of expertise where individual members of staff combine responsibilities for a region with a policy area. Across the team, the aim will be to build on the existing significant knowledge of working in the cultural and creative industries, technical knowledge and experience related to working with disadvantaged young people, careers, apprenticeships, fair access, as well as a body of functional skills. In future, the aspiration is also to include some members of the staff at the start of their creative careers, so that CCSkills is modelling the best practice it champions to others.

4. Financial Review

The financial statements have been prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and comply with the Charities SORP.

The Charity's income decreased by £168k to £656k (2022: £824k). The main sources of income were from Arts Council England, Heritage Lottery Fund and the DWP Kickstart Scheme.

The Charity's expenditure decreased by £162k to £896k (2022: £1,058k), mainly due to the adjusted income streams in year resulting from the continued effects of the Covid-19 pandemic and the environment the Charity was working in during this period.

During the year, the Charity received contributions in the form of services and in-kind support from employers within its sectors. These contributions included the time of employers and their staff in supporting events, opportunities to use facilities and equipment at no cost, and providing access to venues and events.

Unrestricted reserves ended £239k lower at £558k (2022: £797k).

5.1 Going concern

The Charity received core funding investment from Arts Council England as a Sector Support Organisation ("SSO"), as part of their National Portfolio 2018-2023 of £488k per year.

The Charity generated £21k (2022: £69k) income through the DWP funded Kickstart programme, £32k (2022: £83k) through the HLF funded Cultural Ambition programme that completed in June 2022, £23k (2022: £nil) through the Creative Scotland funded Sustaining Creative Development.

Creative and Cultural Industries Limited

Trustees' Annual Report

Year ended 31 March 2023

The Trustees have considered the ongoing risk of funding in the Creative and Cultural sector and noted in particular the decision on future core funding. The Charity was unsuccessful in its bid for IPSO funding for 2023-2026 from Arts Council England but has been reframing its business model assisted by a successful bid for Transition Funding.

To continue as a going concern beyond Transition Funding the Trustees have applied for a number of major projects in the UK, and structural support from the Arts Council for funding as a Nationally Significant Activity. Regrettably these bids were not successful and accordingly the Trustees decided that the business would not be able to operate beyond 2023. The Trustees have agreed to an orderly wind down. As a result of this decision the accounts have been prepared on a basis other than going concern, but this has not resulted in any revaluation of assets and liabilities. The company has sufficient cash reserves to meet its liabilities.

5.2 Investment powers and policy

Under the Memorandum and Articles of Association, the Charity has the power to invest in any way the Trustees wish. The Trustees, having regard to the liquidity requirements of operating the Charity, and to the reserves policy, have operated a policy of placing excess cash not required for immediate use in higher interest, instant access savings accounts with the Charity's bankers, Barclays.

5.3 Reserves policy

The Trustees have established the level of unrestricted reserves that the Charity will hold. These reserves are needed to bridge the funding gaps between spending on projects and receiving resources through grants and agreements that provide funding. The Trustees consider that the ideal level of free reserves as at the year-end would be £291k, the equivalent of three months of the fixed or non-cancellable resources expended. At this level the Trustees feel that the Charity would be able to continue its core activities should it experience a sudden and marked decrease in funding available. This level will be reviewed on a periodic basis to ensure that changes in the business and funding environments are catered for.

The Charity's free reserves at 31 March 2023 are £542k representing six months of fixed operational costs. These will be used to fund trading for as long as possible in the next financial year and to meet all liabilities as the business closes.

6. Trustees' responsibilities in relation to the financial statements

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

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

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

- select suitable accounting policies and then apply them consistently;

Creative and Cultural Industries Limited

Trustees' Annual Report

Year ended 31 March 2023

- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements and;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping 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, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 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.

Each of the Trustees confirms that:

- so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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.

7. Statement as to disclosure of information to the auditor

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Creative and Cultural Industries Limited

Trustees' Annual Report

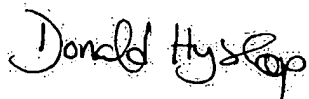
Year ended 31 March 2023

8. Auditor

Registered office:

Buzzacott LLP
130 Wood Street
London
EC2V 6DL

Approved by the Trustees on 8 November 2023
Signed on behalf of the Trustees

A handwritten signature in black ink, appearing to read 'Donald Hyslop', with a stylized flourish at the end.

Donald Hyslop
Chair of Trustees

Creative and Cultural Industries Limited

Independents Auditor's Report

(incorporating an Income & Expenditure Account)

Year ended 31 March 2023

Opinion

We have audited the financial statements of Creative and Cultural Industries Limited (the 'charitable company') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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.

Emphasis of Matter – basis of preparation

We draw attention to the principal accounting policies on page 21 which explain that the charity is not able to continue to operate as a consequence of the lack of core funding. The trustees therefore do not consider that it is appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a basis other than that of going concern. Our opinion is not modified in respect of this matter.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report and financial statements, 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.

Creative and Cultural Industries Limited

Independents Auditor's Report

(incorporating an Income & Expenditure Account)

Year ended 31 March 2023

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 trustees' report, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report, which is also the directors' report for the purposes of company law, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- proper and 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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.

Creative and Cultural Industries Limited

Independents Auditor's Report

(incorporating an Income & Expenditure Account)

Year ended 31 March 2023

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice Accounting and Reporting by Charities preparing this accounts in accordance with the Financial reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)), those that relate to data protection (General Data Protection Regulation) and those in relation to safeguarding.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Creative and Cultural Industries Limited

Independents Auditor's Report

(incorporating an Income & Expenditure Account)

Year ended 31 March 2023

To address the risk of fraud through management bias and override of controls we:

- performed analytical procedures to identify any unusual or unexpected relationships; and
- tested journal entries to identify unusual transactions; and
- assessed whether the judgements and the assumptions made in recognising income and forecasting future income and expenditure for the purpose of assessing going concern were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Creative and Cultural Industries Limited

Independents Auditor's Report

(incorporating an Income & Expenditure Account)

Year ended 31 March 2023

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 and to the charity's trustees as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 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.

Buzzacott LLP

Catherine Biscoe (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 17 November 2023

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Creative and Cultural Industries Limited

Statement of Financial Activities

(incorporating an Income & Expenditure Account)

Year ended 31 March 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Income and Endowment from:					
Donations and legacies	3	-	21,199	21,199	3,564
Other trading activities	4	3,000	-	3,000	36,915
Investment income	5	760	-	760	56
Charitable activities	6	526,773	104,662	631,435	783,711
Total Income		<u>530,533</u>	<u>125,861</u>	<u>656,394</u>	<u>824,246</u>
Expenditure on					
Raising funds	7	18,897	-	18,897	32,833
Charitable activities	8	751,290	125,861	877,151	1,025,083
Total Expenditure	10	<u>770,187</u>	<u>125,861</u>	<u>896,048</u>	<u>1,057,916</u>
Net movement in funds and net expenditure for the year					
		(239,654)	-	(239,654)	(233,670)
Reconciliation of funds					
Balances brought forward	21/22	797,381	-	797,381	1,031,051
Balances carried forward		<u>557,727</u>	<u>-</u>	<u>557,727</u>	<u>797,381</u>

The charity has no recognised gains or losses other than the results for the year as set out above.
All amounts relate to discontinuing (or discontinued) activities.

Creative and Cultural Industries Limited

Balance Sheet

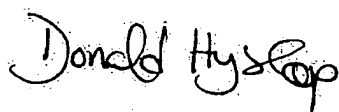
As at 31 March 2023

Company registration no. 05122855

	Notes	2023 £	2022 £
Fixed assets			
Tangible assets	14	15,822	26,146
		<u>15,822</u>	<u>26,146</u>
Current assets			
Debtors	15	20,841	51,248
Cash at bank and in hand		606,364	795,854
		<u>627,205</u>	<u>847,102</u>
Creditors: Amounts falling due within one year	16	(85,300)	(75,867)
Net current assets		<u>541,905</u>	<u>771,235</u>
Total assets less current liabilities		<u>557,727</u>	<u>797,381</u>
Funds			
Unrestricted	21/22	557,727	797,381
Restricted	23/24	-	-
Total funds		<u>557,727</u>	<u>797,381</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the Small Companies regime.

These financial statements on pages 21 to 38 were approved and authorised for issue by the board of Trustees on 8 November 2023 and are signed on their behalf by:



Donald Hyslop
Chair of Trustees

Creative and Cultural Industries Limited

Statement of Cash Flows

For the year ended 31 March 2023

	2023	2022
	£	£
Net expenditure for reporting period	(239,654)	(233,670)
<i>Adjustments for:</i>		
Depreciation charge	10,324	9,959
Interest income	(760)	(56)
Loss on sale of fixed assets	-	2
Decrease in debtors	30,407	51,185
Increase/(decrease) in creditors	9,433	(45,656)
Net cash generated from operations	(190,250)	(218,236)
<i>Cashflow from investing activities:</i>		
Interest income	760	56
Proceeds from the sale of fixed assets	-	350
Purchase of fixed assets	-	(9,247)
Net cash used in investing activities	760	(8,841)
Change in cash and cash equivalents in the reporting period	(189,490)	(227,077)
Cash and cash equivalents at the beginning of the reporting period	795,854	1,022,931
Cash and cash equivalents at the end of the year	606,364	795,854
Analysis of changes in net debt		
	1 April	31 March
	2022	2023
	£	£
Cash at bank and in hand	795,854	606,364

Creative and Cultural Industries Limited

Notes to the Financial Statements

Year ended 31 March 2023

1. Accounting policies

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

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements are prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and comply with the Charities SORP.

Going concern

The Trustees assess whether the use of going concern is appropriate i.e., whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees have made this assessment and have concluded, given the lack of core funding support to the organisation, that these financial statements should be prepared on a basis other than that of going concern. The preparation of the financial statements on a basis other than going concern has not led to any adjustments to the carrying value of assets or liabilities.

The Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to meet its liabilities as they fall due in the period up to the point when it ceases activity

Public benefit entity

Creative & Cultural Industries Limited meets the definition of a public benefit entity under FRS102.

Judgements / uncertainties

In the opinion of the trustees, there were no judgements made that have a significant effect on the amounts recognised in the financial statements other than the estimation of future income and expenditure flows for the purpose of assessing going concern nor any key assumptions or estimates made which might cause a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

Financial assets

The charity only holds basic financial instruments, which comprise of trade and other debtors, accrued income, trade and other creditors and accruals are initially recognised at transaction value and subsequently measured at their settlement value.

Financial liabilities

Basic financial liabilities are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Creative and Cultural Industries Limited

Notes to the Financial Statements

Year ended 31 March 2023

Taxation

Creative & Cultural Industries Limited is registered as a charity (Charity Commission reference 1105974) and as such the income arising from and expended on its charitable activities is exempt from corporation tax. It is also registered for Value Added Tax with HM Revenue & Customs.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Donations and grants

Income from donations and grants, including Government capital grants, is included in income when these are receivable, except as follows:

- when donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those periods; and
- when donors impose conditions, which must be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in income until the pre-conditions for use have been met.

When donors specify that donations and grants, including capital grants, are for particular purposes, which do not amount to pre-conditions regarding entitlement, this income is included in income of restricted funds when receivable.

Donated services and facilities are included at the value to the charity where this can be quantified.

For performance-related grants, in the absence of specific milestones to determine entitlement, income is recognised to the extent that resources have been committed to the specific programme, as this is deemed to be a reliable estimate of the right to receive payment for the work performed. In this case, cash received in excess of expenditure is included as a creditor (as deferred income) and expenditure in excess of cash included as a debtor (as accrued income).

Membership and service income

Income from memberships and services, including events, is included in income and recognised in the period to which it relates.

Tangible fixed assets

Individual fixed assets costing £1,000 or more are capitalised at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

- Office equipment – 33% Straight line.

Creative and Cultural Industries Limited

Notes to the Financial Statements

Year ended 31 March 2023

- Fixtures & fittings – 33% Straight line.
- Website – 20% Straight line.

Items of a capital nature are reviewed for their purpose and are capitalised where they are considered to provide an ongoing use to the charity.

Pension costs

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the Statement of Financial Activities.

Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on the basis of staff time spent on projects.

Expenditure on raising funds

Costs of raising funds comprise the costs associated with attracting income and raising the profile of the charity within the Creative and Cultural Industries sector.

Expenditure on charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Costs common to more than one area are apportioned based on staff time, between both direct and support costs accordingly.

Grants are charged to the statement of financial activities when a constructive obligation exists.

Governance costs

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity. They include audit and accountancy fees and costs linked to the strategic management of the charity. These costs are included within support costs.

Fund accounting

Funds held by the charity are either:

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in note 23.

Creative and Cultural Industries Limited

Notes to the Financial Statements

Year ended 31 March 2023

Agency arrangements

CCI received funds from the DWP Kickstart Scheme to provide paid employment for the recipients. CCI acted as an agent in the relationship, as DWP retained full discretion over the dissemination of funds, and hence no income or expenditure is recognised in the statement of financial activities in CCI's accounts as a result, aside from a management fee retained by CCI in recognition of the admin burden of the project (see note 20).

2. Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each of the members in the event of winding up is limited to £1.

3. Income from donations and legacies

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	2023 £	£	£	2022 £
Donations in kind:						
Employer	-	21,199	21,199	-	3,564	3,564
contributions	-	21,199	21,199	-	3,564	3,564

The 2023 income from donations and legacies of £21,199 was all restricted. (The 2022 income from donations and legacies of £3,564 was all restricted.)

4. Other trading activities

	Unrestricted	Total	Total
	£	2023 £	2022 £
Subscriptions & membership fees	3,000	3,000	36,915
	3,000	3,000	36,915

The 2023 other trading income of £3,000 was all unrestricted. (The 2022 other trading income of £36,915 was all unrestricted).

5. Investment income

Creative and Cultural Industries Limited

Notes to the Financial Statements

Year ended 31 March 2023

	Unrestricted	Total 2023	Total 2022
	£	£	£
Bank interest receivable	760	760	56
	<u>760</u>	<u>760</u>	<u>56</u>

The 2023 investment income of £760 was all unrestricted (The 2022 investment income of £56 was all unrestricted).

6. Income from charitable activities

	Total 2023 £	Total 2022 £
Restricted grants receivable		
Arts Council of Northern Ireland	2,933	-
Heritage Lottery Fund	31,965	83,430
Creative Scotland – Sustaining Creative Development Programme	23,275	-
Skills Development Scotland	-	16,625
Federation for Industry Sector Skills and Standards	1,168	1,664
Arts Council of Northern Ireland	18,630	18,630
Creative Scotland – Creative Industries Programme	5,608	-
WMC – Learning Designer	15,000	-
Wales - Engage	1,917	-
DCMS – Discover Insight Days	-	52,184
National Archives	-	25,990
Welsh Assembly Government – Review Heritage Apprenticeships	4,166	-
	<u>104,662</u>	<u>198,523</u>
Unrestricted grants receivable	2023	2022
Arts Council England (ACE) NPO Funding	487,508	487,508
DWP Kickstart Scheme	20,538	68,658
Other project income	18,727	29,022
	<u>526,773</u>	<u>585,188</u>

Creative and Cultural Industries Limited

Notes to the Financial Statements

Year ended 31 March 2023

7. Expenditure on raising funds

	Total 2023 £	Total 2022 £
Marketing and publicity		
Staff costs	11,541	14,505
Marketing, public relations & development	4,396	8,044
Website	2,960	10,284
	18,897	32,833

All marketing and publicity expenditure are unrestricted in both 2023 and 2022.

Creative and Cultural Industries Limited

Notes to the Financial Statements

Year ended 31 March 2023

8. Expenditure on charitable activities

	Expenditure on raising funds £	Expenditure on charitable activities £	Governance costs £	Support costs £	2023 Total £	2022 Total £
Direct costs						
Staff costs	11,541	239,259	-	-	250,800	122,406
Marketing, public relations & development	4,396	-	-	-	4,396	8,044
Website	2,960	-	-	-	2,960	10,284
Travel & subsistence, postage & sundry	-	246,519	-	-	246,519	8,410
Benefit in kind	-	-	-	-	-	3,564
Support costs						
Staff costs	-	-	-	153,716	153,716	758,489
Employer contribution (BIK)	-	-	-	21,199	21,199	3,564
Other staff costs	-	-	-	15,369	15,369	36,403
Consultants & Subcontractors	-	-	-	112,084	112,084	22,467
Property costs	-	-	-	1,868	1,868	1,929
Office running costs	-	-	-	13,958	13,958	13,996
Computer costs	-	-	-	16,490	16,490	17,998
Travel & subsistence	-	-	-	4,411	4,411	3,211
Depreciation and loss on disposals	-	-	-	10,324	10,324	9,961
Bad debt	-	-	-	-	-	-
Governance costs						
Professional fees	-	-	26,354	-	26,354	25,191
Auditor's remuneration	-	-	15,600	-	15,600	12,000
	<u>18,897</u>	<u>485,778</u>	<u>41,954</u>	<u>349,419</u>	<u>896,048</u>	<u>1,057,916</u>
Support costs	-	349,419	-	(349,419)	-	-
Governance costs	-	41,954	(41,954)	-	-	-
Total expenditure 2023	<u>18,897</u>	<u>877,151</u>	<u>-</u>	<u>-</u>	<u>896,048</u>	<u>1,057,916</u>
Total expenditure 2022	<u>32,833</u>	<u>1,025,083</u>	<u>-</u>	<u>-</u>	<u>1,057,916</u>	

Creative and Cultural Industries Limited

Notes to the Financial Statements

Year ended 31 March 2023

9. Support costs (prior year)

	Expenditure on raising funds £	Expenditure on charitable activities £	Governance costs £	Support costs £	2022 Total £
Direct costs					
Staff costs	14,505	107,901	-	-	122,406
Marketing, public relations & development	8,044	-	-	-	8,044
Website	10,284	-	-	-	10,284
Travel & subsistence, postage & sundry	-	8,410	-	-	8,410
Benefit in kind	-	3,564	-	-	3,564
Support costs					
Staff costs	-	-	-	758,489	758,489
Employer contribution (BIK)	-	-	-	3,564	3,564
Other staff costs	-	-	-	36,403	36,403
Consultants & Subcontractors	-	-	-	22,467	22,467
Property costs	-	-	-	1,929	1,929
Office running costs	-	-	-	13,996	13,996
Computer costs	-	-	-	17,998	17,998
Travel & subsistence	-	-	-	3,211	3,211
Depreciation and loss on disposals	-	-	-	9,961	9,961
Bad debt	-	-	-	-	-
Governance costs					
Professional fees	-	-	25,191	-	25,191
Auditor's remuneration	-	-	12,000	-	12,000
	<u>32,833</u>	<u>119,875</u>	<u>37,191</u>	<u>868,018</u>	<u>1,057,916</u>
Support costs	-	868,018		(868,018)	-
Governance costs	-	37,191	(37,191)	-	-
Total expenditure 2022	<u><u>32,833</u></u>	<u><u>1,025,083</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>1,057,916</u></u>

Creative and Cultural Industries Limited

Notes to the Financial Statements

Year ended 31 March 2023

10. Total resources expenditure

	Staff costs	Depreciation	Other costs	Total 2023	Total 2022
	£	£	£	£	£
Fundraising and publicity	11,541	-	7,356	18,897	32,833
Direct charitable expenditure	392,975	10,324	473,852	877,151	1,025,083
	<u>404,516</u>	<u>10,324</u>	<u>481,208</u>	<u>896,048</u>	<u>1,057,916</u>

	Staff costs	Depreciation	Other costs	Total 2022	Total 2021
	£	£	£	£	£
Fundraising and publicity	14,505	-	18,328	32,833	77,890
Direct charitable expenditure	758,489	9,959	256,635	1,025,083	1,151,143
	<u>772,994</u>	<u>9,959</u>	<u>274,963</u>	<u>1,057,916</u>	<u>1,229,033</u>

11. Trustees' remuneration and expenses

The aggregate amount of expenses paid to five Trustees in 2023 was £1,615 (2022: two Trustees were paid expenses totalling £59). All reimbursed expenses are for travel & subsistence.

None of the Trustees received any remuneration during 2023 (2022: £nil).

The aggregate payroll costs were:

	2023	2022
	£	£
Wages and salaries	333,258	642,472
Social security costs	28,528	61,273
Other pension costs	42,730	69,249
	<u>404,516</u>	<u>772,994</u>

Creative and Cultural Industries Limited

Notes to the Financial Statements

Year ended 31 March 2023

12. Total resources expenditure (continued)

The numbers of employees whose emoluments for the year fell within the following bands over £60,000 was:

	2023 No.	2022 No.
£60,000 to £69,999	1	1
£100,000 to £109,999	-	1

	2023 £	2022 £
Pension contributions made on behalf of higher paid employees	12,715	19,009

The key management personnel of the Charity responsible for directing and controlling, running and operating it on a day-to-day basis comprise of the Trustees together with the CEO and Executive Director (the executive team).

The total employee benefits of the Key Management Personnel, including employer's national insurance and pension contributions, amounted to £80,328 (2022: £204,016).

Average number of staff employed in the year:

	2023 No.	2022 No.
Administration	1	1
Executive	1	2
Marketing	-	2
Project delivery	8	11
	<u>10</u>	<u>16</u>

13. Net Expenditure

Net expenditure is stated after charging:

	2023 £	2022 £
Staff pension contributions	42,730	69,249
Depreciation	10,324	9,959
Loss on disposal of fixed assets	-	2
Auditor's remuneration:		
Audit of financial statements		
- Current year	<u>15,600</u>	<u>12,000</u>

Creative and Cultural Industries Limited

Notes to the Financial Statements

Year ended 31 March 2023

14. Tangible fixed assets

	Computer & Office Equipment	Website	Fixtures & Fittings	Total
	£	£	£	£
Cost				
At 1 April 2022	48,311	31,800	2,700	82,811
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 March 2023	<u>48,311</u>	<u>31,800</u>	<u>2,700</u>	<u>82,811</u>
Depreciation/Amortisation				
At 1 April 2022	39,589	14,376	2,700	56,665
Charge for the year	3,964	6,360	-	10,324
Disposals	-	-	-	-
At 31 March 2023	<u>43,553</u>	<u>20,736</u>	<u>2,700</u>	<u>66,989</u>
Net book value				
At 31 March 2023	<u>4,758</u>	<u>11,064</u>	<u>-</u>	<u>15,822</u>
At 31 March 2022	<u>8,722</u>	<u>17,424</u>	<u>-</u>	<u>26,146</u>

15. Debtors

	2023	2022
	£	£
Trade debtors	5,994	3,310
Other debtors	-	-
Prepayments	14,847	22,821
Accrued income	-	25,117
	<u>20,841</u>	<u>51,248</u>

Creative and Cultural Industries Limited

Notes to the Financial Statements

Year ended 31 March 2023

16. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	36,878	9,145
Other taxes and social security costs	3,565	5,499
Other creditors and accruals	30,194	47,923
Deferred income (see note 17 below)	14,663	13,300
	<u>85,300</u>	<u>75,867</u>

Other creditors in 2023 includes a pension creditor of £nil (2022: £nil).

17. Deferred income

	2023	2022
	£	£
Deferred income as at 1 April 2022	13,300	41,355
Income received requiring deferment	210,843	468,733
Release of incoming resources during year	(209,480)	(496,788)
Deferred income as at 31 March 2023	<u>14,663</u>	<u>13,300</u>

18. Analysis of net assets between funds

	Tangible fixed assets	Net current assets	2023 Total	Tangible fixed assets	Net current assets	2022 Total
	£	£	£	£	£	£
Unrestricted funds	15,822	541,905	557,727	26,146	771,235	797,381
Restricted funds	-	-	-	-	-	-
	<u>15,822</u>	<u>541,905</u>	<u>557,727</u>	<u>26,146</u>	<u>771,235</u>	<u>797,381</u>

Creative and Cultural Industries Limited

Notes to the Financial Statements

Year ended 31 March 2023

19. Related party transactions

David Anderson was a Trustee of the Charity until 18 October 2022 and Director General of National Museum Wales, during the year, the Charity received £3,000 (2022: £3,000) for National Skills Academy membership. The Charity paid £nil to National Museum Wales in year (2022: £nil).

20. Agency agreements

In year, CCI acted as agent for DWP's Kickstart Scheme. Gross income of £677,064 (2022: £1,025,565) was received in year, with a total income of £20,538 (2022: £68,658) being retained by CCI as a management fee. Expenditure of £656,526 (2022: £950,025) was disbursed in full to the beneficiaries in year.

	2023	2022
	£	£
Income received	677,064	1,025,565
Expenditure disbursed	656,526	950,025
	<u>20,538</u>	<u>75,539</u>

21. Reconciliation of funds

	Balance at 31 March 2022	Income	Expenditure	Transfers	Balance at 31 March 2023
	£	£	£	£	£
General fund	797,381	530,533	(770,187)	-	557,727
Restricted funds (Note 19a)	-	125,821	(125,821)	-	-
	<u>797,381</u>	<u>656,354</u>	<u>(874,849)</u>	<u>-</u>	<u>557,727</u>

General fund – this relates to unrestricted and undesignated funds which are available for expending in line with the charity's objects.

Creative and Cultural Industries Limited

Notes to the Financial Statements

Year ended 31 March 2023

22. Reconciliation of funds (prior year)

	Balance at 31 March 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2022 £
General fund	1,031,051	622,159	(855,829)	-	797,381
Restricted funds (Note 19b)	-	202,087	(202,087)	-	-
	<u>1,031,051</u>	<u>824,246</u>	<u>(1057,916)</u>	<u>-</u>	<u>797,381</u>

General fund – this relates to unrestricted and undesignated funds which are available for expending in line with the charity's objects.

23. Restricted funds

	Balance at 31 March 2022 £	Income £	Expenditure £	Balance at 31 March 2023 £
Heritage Lottery Fund	-	31,965	(31,965)	-
Creative Scotland – Sustaining	-	23,275	(23,275)	-
Creative Development Programme	-	1,168	(1,168)	-
Federation for Industry Sector Skills and Standards	-	18,630	(18,630)	-
Arts Council Northern Ireland – Fair Access Programme	-	2,933	(2,933)	-
Arts Council Northern Ireland – Arts Development Fund Award	-	5,608	(5,608)	-
Creative Scotland – Creative Industries Programme	-	15,000	(15,000)	-
WMC – Learning Designer	-	1,917	(1,917)	-
Wales - Engage	-	4,166	(4,166)	-
Welsh Assembly Government – Review Heritage Apprenticeships	-	21,199	21,199	-
Donations in Kind	-	125,821	(125,821)	-
	<u>-</u>	<u>125,821</u>	<u>(125,821)</u>	<u>-</u>

The Heritage Lottery Fund represents a project in Wales; 'Cultural Ambition: Diversifying the heritage workforce through collaboration, opportunity and skills'. This project will create 33, 12-month

Creative and Cultural Industries Limited

Notes to the Financial Statements

Year ended 31 March 2023

training placements over a three-year period, targeting trainees from communities experiencing economic disadvantage.

Creative Scotland – provided funding for the delivery of the Sustaining Creative Development Fair Access Sector Support Programme for the cultural sector in Scotland.

Federation for Industry Sector Skills and Standards provided grant funding for the development of curriculum materials.

Arts Council Northern Ireland provided funding to support the delivery of the Fair Access Support Programme in Northern Ireland.

Arts Council Northern Ireland provided funding to support the Talent Pipeline Study Proposal in Northern Ireland.

Creative Scotland provided funding for the development and delivery of Creative Careers Week 2022 in Scotland.

Wales Millennium Centre provided funding for a skills and complimentary support programme, looking at development for learners to support them into the cultural sector.

Engage Cymru provided funding for a scoping exercise to review potential partnership work with HEI and FE partners in Wales.

Welsh Assembly Government provided funding to research the appetite and demand for apprenticeships in archives, museums, and libraries in Wales.

Donations in kind are contributions received in the form of services and in-kind support from employers within the sector.

24. Restricted funds (prior year)

	Balance at 31 March 2021 £	Income £	Expenditure £	Balance at 31 March 2022 £
Heritage Lottery Fund	-	83,430	(83,430)	-
Creative Scotland	-	16,625	(16,625)	-
Federation for Industry Sector Skills and Standards	-	1,664	(1,664)	-
Arts Council Northern Ireland	-	18,630	(18,630)	-
DCMS – Discover Insight Days	-	52,184	(52,184)	-
National Archives	-	25,990	(25,990)	-
Donations in Kind	-	3,564	(3,564)	-
	-	202,087	(202,087)	-

Creative and Cultural Industries Limited

Notes to the Financial Statements

Year ended 31 March 2023

The Heritage Lottery Fund represents a project in Wales; *'Cultural Ambition: Diversifying the heritage workforce through collaboration, opportunity and skills'*. This project will create 33, 12-month training placements over a three-year period, targeting trainees from communities experiencing economic disadvantage.

Creative Scotland provided funding for the delivery of the Fair Access Sector Support Programme for the cultural sector in Scotland.

Federation for Industry Sector Skills and Standards provided grant funding for the development of curriculum materials.

Arts Council Northern Ireland provided funding to support the delivery of the Fair Access Support Programme in Northern Ireland.

DCMS funded Discover Insight Days builds on the successful delivery of the Creative Careers Programme. Industry Insights Days provide a deeper dive into specific occupational areas for those aged 16+, alongside the development of new 'Job Profiles' made available through the Discover Creative Careers Finder (online careers platform).

National Archives provided funding for the delivery of tailored training to the archive sector and to provide supporting material for The National Archives website.

Donations in kind are contributions received in the form of services and in-kind support from employers within the sector.

25. Corporation tax

Creative and Cultural Industries Limited is a registered charity and as such its income and gains falling within Sections 466 to 493 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.

26. Post Balance sheet event

Creative and Cultural Industries Ltd has traditionally relied on core funding to continue its operations. Although transitional funding was provided by Arts Council England from April 2023 the business has not been able to have the time to put into practice its new business model nor to successfully apply for alternative core funding. The annual accounts for the year to 31 March 2023 had not been approved by the point of the rejection on 10 October 2023, by Arts Council England, for a bid for funding as a Nationally Significant Activity. During October 2023 the Trustees have considered alternatives but have concluded there is no viable option remaining and a process of orderly wind down will take place.