

**CREATIVE ENGLAND LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2019**



**CREATIVE ENGLAND LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

**COMPANY INFORMATION**

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**DIRECTORS**

N. Rami  
P. Duggal  
D. Perkins  
C. Wace  
I. Graham  
A. Stark  
B. Budge  
I. Livingstone  
K. Blackett  
M. Coats  
J. Newbiggin (resigned 25 April 2018)  
A. Chitty (resigned 25 April 2018)  
W. Lawrence (resigned 25 April 2018)  
R. Klein (resigned 25 April 2018)  
E. Turpie (resigned 25 April 2018)  
H. Rabbatts (resigned 22 May 2018)

**REGISTERED NUMBER**

07432947

**REGISTERED OFFICE**

1st Floor College House  
32-36 College Green  
Bristol  
BS1 5SP

**INDEPENDENT AUDITORS**

Bishop Fleming LLP  
Chartered Accountants & Statutory Auditors  
16 Queen Square  
Bristol  
BS1 4NT

**PRINCIPAL BANKERS**

National Westminster Bank Plc  
32 Corn Street  
Bristol  
BS99 7UG

**CREATIVE ENGLAND LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

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**GROUP STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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**INTRODUCTION**

The directors present their Strategic Report on the group for the financial year ended 31 March 2019.

**OUR PURPOSE**

Creative England identifies great talent and businesses and provides them with the help and support they need in order to grow; creating jobs and connecting businesses to investment and new markets; showcasing new and emerging talent.

Our vision is for England's creative businesses and talent to be the most successful in the world; building economic growth that benefits our nation. We believe that the way to do this is to create opportunities for diverse new voices to tell their stories and to provide the support and infrastructure that helps innovative products and services to be developed and new businesses to flourish.

**REVIEW OF THE BUSINESS**

England's creative industries generate jobs, profile and drive inclusive growth. They play a vital role in England's economy, growing at twice the rate of the wider economy and contributing over £100bn in gross value added. Creative England has increasingly looked to find innovative ways of supporting creative talent, whilst ensuring the organisation's own sustainability. The business has done this through securing a range of public-sector contracts aimed at scaling creative enterprises and by private partnerships with brands, broadcasters and content platforms.

**GROWING CREATIVE BUSINESSES**

In 2018 Creative England commissioned The Good Economy to carry out an independent analysis of our Business Investment Programme 2012-17. This pioneering programme was designed to address the market failure that many creative businesses face accessing the right type of support and combines finance and business support, tailored to meet the very specific needs of small creative businesses. The Good Economy's analysis assessed the extent to which Creative England supported the following outcomes:

- Business Sustainability
- Business Growth
- Job Creation
- International Trade/Export
- Innovation
- Cluster Development.

The headline findings demonstrate:

- There continues to be a high level of demand for finance from businesses who struggle to find mission-aligned capital. Creative England made an average of 85 investments per year, totalling nearly £4m per annum
- Creative England is backing creative businesses that help to deliver inclusive growth, with 81% of our investment taking place outside London and the South East, compared to an average of 62% for UK SME lending and 35% for venture capital.
- 45% of investee businesses are in areas where the social need for inclusive job growth is above the national average.
- Creative England can also demonstrate it is supporting the development of regional creative clusters with nearly 70% of investment and businesses located within the creative clusters identified by NESTA.
- Creative England's investee businesses are achieving long-term sustainability and have better survival rates than the creative sector as a whole, with 83% of Creative England investee businesses having a 3-year survival rate, compared to a national average of 60%. Furthermore, the total number of jobs created and sustained is 1,145
- Finally, the assessment demonstrated that Creative England's funding helps businesses to mobilise private, commercial investment with £4 of private sector finance leveraged for every £1 of public sector investment.

**GROUP STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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The Good Economy report acknowledges:

*"Creative England has effectively mobilised public funding to deliver social value and economic growth. It is making an important contribution to achieving the ambitions of the Government's Industrial Strategy, helping to boost the role of creative businesses in securing the UK's future economic success and more inclusive and sustainable growth."*

The distinguishing feature of Creative England's approach to growing businesses is the expertise and specialism our team and partners bring. We are particularly pleased to continue our partnership with the BFI, helping to grow the next generation of screen businesses, through the Creative Enterprise programme. This programme builds on our expertise as an investor and developer of enterprise, focusing on creative entrepreneurs, practitioners and companies to help them develop their creative and business strategies and take advantage of emerging markets. The programme incorporates business diagnostics; mentoring; networking and business development sessions as well as a New Ideas Fund, all designed to support screen businesses and entrepreneurs. It's core focus is to invest in the talent that will build the next generation of screen businesses.

We also continued to support games companies through our flagship development lab programme Gameslab in Leeds, for new and emerging micro games studios throughout 2018/19. The three-year project ended in March 2019 and has played a significant role supporting the growth of a strong games cluster in the Leeds city region. In 2018/19 we supported 23 companies, bringing the total supported on the programme to 65. 11 of those companies are female-led and 18 led by people with black and minority ethnic backgrounds. Notable highlights from this year's programme delivery include the "Yorkshire Jam" games development weekend run simultaneously in Bradford, Huddersfield and Leeds, a first with this format of business support for Creative England.

Our Production Services and Partnerships team have continued to provide ongoing support and engagement with our 250 local authority and public service partners. We consistently link both large and small production companies with local authorities and an array of services to source appropriate locations, studios, facilities and crew, encouraging localised investment and job creation. In December 19 Creative England launched the Filming in England initiative with our Film Office partners to raise the profile of the English regions and awareness of the wealth of facilities and expertise across the country, outside London. Some notable productions Creative England have supported this year include *Bohemian Rhapsody*, *Dumbo*, *Paddington 2*, *Curfew*, *Killing Eve* (S2), *Peaky Blinders* (S5), *The Crown* (S3), *War of the Worlds*.

## **GROWING TALENT**

Creative England's activity acts as a catalyst across the country, breaking down the barriers that can inhibit people realising their creative ideas. We mentor talent and connect it to the money, markets and networks that help great ideas and businesses flourish. The CE50 is an example of talent acceleration in action – an annual showcase 50 of the most interesting and innovative creative producers and entrepreneurs. We shine a light on emerging creative leaders who are making a real impact on the growth and prosperity of our screen and digital sector.

Creative England's BE MORE CREATIVE campaign, is also designed to bring together local creative networks and this year travelled to Stoke, Manchester, Bristol and Birmingham, together totalling over 500 attendees and wide social media reach.

iFeatures, our partnership with BFI, BBC Films, GreatPoint Media and ScreenSkills, - is fast becoming the UK's premier development and production lab for new talent making their first feature film.

iFeatures films have garnered several BAFTA nominations and a host of festival and industry awards, including *Apostasy* nominated for the 2019 BAFTA outstanding debut award. Since our establishment in 2012, Creative England-supported films have so accumulated 2 BAFTA wins from 20 nominations; 17 wins at the British Independent Film Awards (BIFAs), from 81 nominations, 2 European Film Award wins, and 1 Oscar nomination, with premieres at Cannes, Sundance, Berlin, Venice and Toronto.

**GROUP STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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In addition, the horror feature film *Calibre*, supported via the Emerging and Lottery Production funds, won the Michael Powell Award at Edinburgh before going out to 190 territories as a Netflix Original, where it was a worldwide top 10 trending film for the platform. The film subsequently won a Scottish BAFTA from its 5 nominations.

Ensuring we play our part in creating a more inclusive workforce and open opportunities for those without access to the embedded networks that exist in the creative industries remains a cornerstone of our mission and our Shortflix collaboration with Sky Arts is an excellent illustration. Shortflix is designed to help young people not in education, employment or training make their debut film and over the year these films and filmmakers saw great success, for example, with writer/director Luna Carmoon being selected as a Sundance Ignite fellow and nominated for the Edinburgh TV Festival Debut Director Award.

Our talent development activity also encompasses the games sector and seven of our supported studios received TIGA nominations at the 2018 awards including Toxic Games who were up for 3 - best Action and Adventure Game, Best Puzzle Game and Best Visual Design for their Q.U.B.E 2 sequel. Toxic Games also won Reboot Develop's 'Game of the Year Award' and 'Outstanding Gameplay Award' for the same title in 2016. Similarly, six of our supported studios were nominated at the 2018 UK Games Fund Awards including Coatsink who took home 'Studio of the Year' award. Fourth State have won a suite of awards for their debut title, *Lost Words* which so far includes 3 Game Connection Awards, and 2 'Game of the Show' awards from GamesCom and Intel Buzz and a UK Games Fund award. A member of their talented programming team also received individual recognition through being nominated for an award at DevelopHER.

## **INFLUENCING POLICY**

Creative England continues to advocate for the value of the sector and the contribution it makes to our economy and social and cultural life.

We played an active role on the Creative Industries Council, supporting the development of the Creative Industries Sector Deal, published in 2018. The strategy in place demonstrates a significant "shift" in both industry and government thinking. Creative England has been able to provide not only the evidence of the need for that shift, but through its work with creative talent and businesses, suggests the successful interventions that have made an impact on the ability of the sector to respond and grow. We continue play an active role in the implementation of the Deal, sitting on the Creative Scale up advisory board, partnering on the delivery of Creative Kickstart, and as a named partner on the delivery of the Cultural Development Fund projects in Wakefield and Plymouth.

Our visibility and expertise relating to the investment market in the creative sector continues to improve with the contributions made by our Chief Executive Caroline Norbury to the Creative Industries Council, and as chair of the Investment for Growth working group.

## **LOOKING FORWARD**

Looking forward to the next financial year, the political, socio-economic and business climate remains challenging for a small not for profit organisation such as Creative England. We continue to rely on short to medium term contracts for services largely financed from public sector sources. We are making some progress, transitioning from an organisation funded through the public sector to a blended finance model with more secure and transparent commercial revenue streams.

We spent the early part of 2019 undertaking a fundamental review of all our activity to ensure it remains mission focused. Many of the programmes we have delivered to date have been funded by the European Regional Development Fund. Little is known about the successor to the ERDF and with the continuing uncertainty of these funds, we need to seek new ways to support the sector and ensure the financial stability of our organisation.

Our core business narrative remains strong – we find rising stars, create new products and services; we link that high growth potential to the relevant investment, and we accelerate that talent – linking it to the global players and market-makers that mobilise SMEs.

**GROUP STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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We consistently simplify our business model and as we move into the new financial year our focus will be:

- **Sector Leadership & Advocacy:** Providing insight, market intelligence, expertise and advocacy
- **Inclusive Growth:** Demonstrating how the cultural and creative industries are at the heart of our towns and cities and can build inclusive growth
- **Talent Development:** Building the next generation of creative practitioners and entrepreneurs
- **Business Environment:** Building the ecosystems around the country that support creative industries enterprises to grow

The first step in that direction is a partnership with the Creative Industries Federation (CIF). Creative England and the Creative Industries Federation intend to join forces, coming together as one new organisation to create an eco-system for the creative industries that drives growth, inclusion and innovation. The new combined organisation will be better placed to champion, develop and support the right type of environment that enables talented creative enterprises and individuals from all backgrounds to thrive. We will be working on the detail of this new partnership towards the latter part of FY 2019/20.

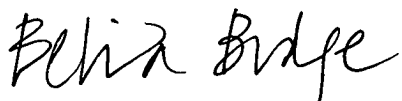
With the RGF funds fully invested our focus over last twelve months has been on deploying returning funds to leverage additional investment. The Good Economy's independent assessment of our loan performance confirmed our strong performance as a lender to creative businesses and a further independent verification demonstrated our default rate was less than 4%. Our efforts to identify funding to continue our investment activity, has paid off and we have established a partnership with Triodos Bank, who champion sustainable and ethical change, to create a new £24 million Debt Fund for the benefit of creative businesses. The Fund will be delivered by Creative England's wholly owned subsidiary Creative Growth Finance and will offer loans of up to £0.5 mil to creative companies looking to take their business to the next stage of growth.

These two key strategic developments have necessitated some changes to our corporate structure and the board has resolved to proceed with a restructure of the company, to be undertaken in the FY 2020/21.

If the UK is to take advantage of its capacity to be a leader in creating new IP across film, TV, games and digital platforms it needs to ensure it can attract and grow the best talent and scale businesses and in all its regions. Creative England will continue to shine a light on the world-class talent that exists across the country and ensure that the businesses, creators and practitioners that power our world leading creative sector has the opportunity to grow, innovate and achieve their great creative potential.

This report was approved by the Board on *03 DECEMBER 2019* and signed on its behalf.

**B. Budge**  
Director



**CREATIVE ENGLAND LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MARCH 2019**

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The directors present their report and the financial statements for the year ended 31 March 2019.

**PRINCIPAL ACTIVITIES**

Creative England is a not-for-profit organisation. The principal activities of the company are to develop and promote the creative industries. Creative England Limited provides strategic leadership for creative industries across England and aims to invest in initiatives which ensure the development of dynamic, creative and innovative environments for the growth of these industries and businesses.

**RESULTS AND DIVIDENDS**

The surplus for the year, after taxation, amounted to £40,832 (2018: £43,620).

**DIRECTORS**

The directors who served during the year were:

N. Rami  
P. Duggal  
D. Perkins  
C. Wace  
I. Graham  
A. Stark  
B. Budge  
I. Livingstone  
K. Blackett  
M. Coats  
J. Newbigin (resigned 25 April 2018)  
A. Chitty (resigned 25 April 2018)  
W. Lawrence (resigned 25 April 2018)  
R. Klein (resigned 25 April 2018)  
E. Turpie (resigned 25 April 2018)  
H. Rabbatts (resigned 22 May 2018)

**DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.



**CREATIVE ENGLAND LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2019**

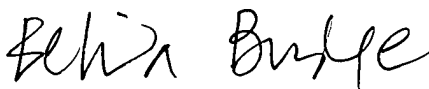
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**AUDITORS**

The auditors, Bishop Fleming LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

**B. Budge**  
Director and Interim Chair



Date: 15.11.2019

1st Floor College House  
32-36 College Green  
Bristol  
BS1 5SP

**CREATIVE ENGLAND LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS' RESPONSIBILITIES STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2019**

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The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under Company law the directors must not approve the financial statements unless they are satisfied that they a true and fair view of the state of affairs of the Company and the Group and of the surplus or deficit of the Group for that period.

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

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CREATIVE ENGLAND LIMITED**

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**OPINION**

We have audited the financial statements of Creative England Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2019, which comprise the Group Statement of Comprehensive Income, the Group and Company Statements of Financial Position, the Group Statement of Cash Flows, the Group and Company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 March 2019 and of the Group's profit 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent 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 directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' 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.

**CREATIVE ENGLAND LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CREATIVE ENGLAND LIMITED  
(CONTINUED)**

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We have nothing to report in this regard.

**OPINION 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 Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

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

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

**RESPONSIBILITIES OF DIRECTORS**

As explained more fully in the Directors' Responsibilities Statement on page 7, the directors 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 directors 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 directors are responsible for assessing the Group's and the parent 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 directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

**AUDITORS' 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 Auditors' 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: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

**CREATIVE ENGLAND LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CREATIVE ENGLAND LIMITED  
(CONTINUED)**

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**USE OF OUR REPORT**

This report is made solely to the 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 Company's members those matters we are required to state to them in an Auditors' 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 Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

*Bishop Fleming LLP*

David Butler FCA (Senior Statutory Auditor)  
for and on behalf of

**Bishop Fleming LLP**  
Chartered Accountants  
Statutory Auditors  
16 Queen Square

Bristol

BS1 4NT

Date: *19 March 2019*

**CREATIVE ENGLAND LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 MARCH 2019**

	<b>Note</b>	<b>2019 £</b>	<b>2018 £</b>
Income	4	4,229,177	7,690,933
Direct expenses		(2,719,946)	(5,901,843)
<b>GROSS SURPLUS</b>		<b>1,509,231</b>	<b>1,789,090</b>
Administrative expenses		(1,476,024)	(1,746,995)
<b>OPERATING SURPLUS</b>		<b>33,207</b>	<b>42,095</b>
Interest receivable and similar income	7	9,601	2,538
<b>SURPLUS BEFORE TAXATION</b>		<b>42,808</b>	<b>44,633</b>
Tax on surplus	8	(1,976)	(1,013)
<b>SURPLUS FOR THE FINANCIAL YEAR</b>		<b>40,832</b>	<b>43,620</b>
<b>SURPLUS FOR THE YEAR ATTRIBUTABLE TO:</b>			
Owners of the parent Company		40,832	43,620
		<b>40,832</b>	<b>43,620</b>

There was no other comprehensive income for 2019 (2018:£NIL).

The notes on pages 17 to 29 form part of these financial statements.

**CREATIVE ENGLAND LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER:07432947**


**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2019**

	Note	2019 £	2018 £
<b>FIXED ASSETS</b>			
Tangible assets	10	33,832	28,948
Investments	11	150	150
		<u>33,982</u>	<u>29,098</u>
<b>CURRENT ASSETS</b>			
Debtors: amounts falling due within one year	12	705,932	913,201
Current asset investments	13	8,505,485	7,354,206
Cash at bank and in hand	14	9,599,475	9,843,141
		<u>18,810,892</u>	<u>18,110,548</u>
Creditors: amounts falling due within one year	15	(9,504,089)	(9,797,814)
<b>NET CURRENT ASSETS</b>		<u>9,306,803</u>	<u>8,312,734</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>9,340,785</u>	<u>8,341,832</u>
Creditors: amounts falling due after more than one year	16	(8,498,798)	(7,540,677)
<b>PROVISIONS FOR LIABILITIES</b>			
<b>NET ASSETS EXCLUDING PENSION ASSET</b>		<u>841,987</u>	<u>801,155</u>
<b>NET ASSETS</b>		<u>841,987</u>	<u>801,155</u>
<b>CAPITAL AND RESERVES</b>			
Income and expenditure account	20	841,987	801,155
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY</b>		<u>841,987</u>	<u>801,155</u>
		<u>841,987</u>	<u>801,155</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

M. Coats  
Director

Date:

  
Tues 3 Dec 2019

**CREATIVE ENGLAND LIMITED**

**(A COMPANY LIMITED BY GUARANTEE)**

**REGISTERED NUMBER:07432947**

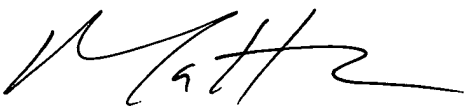
**COMPANY STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2019**

	Note	2019 £	2018 £
<b>FIXED ASSETS</b>			
Tangible assets	10	33,832	28,948
Investments	11	250	250
		<u>34,082</u>	<u>29,198</u>
<b>CURRENT ASSETS</b>			
Debtors: amounts falling due within one year	12	819,572	814,483
Current asset investments	13	8,498,698	7,347,419
Cash at bank and in hand	14	8,622,557	7,116,196
		<u>17,940,827</u>	<u>15,278,098</u>
Creditors: amounts falling due within one year	15	(8,690,476)	(7,159,039)
<b>NET CURRENT ASSETS</b>		<u>9,250,351</u>	<u>8,119,059</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>9,284,433</u>	<u>8,148,257</u>
Creditors: amounts falling due after more than one year	16	(8,498,798)	(7,400,189)
		<u>785,635</u>	<u>748,068</u>
<b>NET ASSETS</b>		<u>785,635</u>	<u>748,068</u>
<b>CAPITAL AND RESERVES</b>			
Income and expenditure account	20	785,635	748,068
		<u>785,635</u>	<u>748,068</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

M. Coats  
Director

Date:

  
Tues 3 Dec 2019



**CREATIVE ENGLAND LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 MARCH 2019**

	Income and expenditure account	Total net assets
	£	£
At 1 April 2018	801,155	801,155
<b>COMPREHENSIVE INCOME FOR THE YEAR</b>		
Surplus for the year	40,832	40,832
<b>AT 31 MARCH 2019</b>	<b>841,987</b>	<b>841,987</b>

The notes on pages 17 to 29 form part of these financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 MARCH 2018**

	Income and expenditure account	Total net assets
	£	£
At 1 April 2017	757,535	757,535
<b>COMPREHENSIVE INCOME FOR THE YEAR</b>		
Surplus for the year	43,620	43,620
<b>AT 31 MARCH 2018</b>	<b>801,155</b>	<b>801,155</b>

The notes on pages 17 to 29 form part of these financial statements.

**CREATIVE ENGLAND LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

**COMPANY STATEMENT OF CHANGE IN NET ASSETS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

	<b>Income and expenditure account</b>	<b>Total net assets</b>
	<b>£</b>	<b>£</b>
At 1 April 2018	748,068	748,068
<b>COMPREHENSIVE INCOME FOR THE YEAR</b>		
Surplus for the year	37,567	37,567
<b>AT 31 MARCH 2019</b>	<b>785,635</b>	<b>785,635</b>

The notes on pages 17 to 29 form part of these financial statements.

**COMPANY STATEMENT OF CHANGE IN NET ASSETS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

	<b>Income and expenditure account</b>	<b>Total net assets</b>
	<b>£</b>	<b>£</b>
At 1 April 2017	711,529	711,529
<b>COMPREHENSIVE INCOME FOR THE YEAR</b>		
Surplus for the year	36,539	36,539
<b>AT 31 MARCH 2018</b>	<b>748,068</b>	<b>748,068</b>

The notes on pages 17 to 29 form part of these financial statements.

**CREATIVE ENGLAND LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

	2019 £	2018 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Surplus for the financial year	40,832	43,620
<b>ADJUSTMENTS FOR:</b>		
Depreciation of tangible assets	21,025	28,636
Loss on disposal of tangible assets	2,131	-
Interest received	(9,601)	(2,538)
Taxation charge	1,976	1,013
Decrease in debtors	162,265	841,269
Decrease in amounts owed by joint ventures	45,000	-
Increase/(decrease) in creditors	663,434	(3,144,983)
Corporation tax (paid)	(1,014)	(3,361)
Impairment and write off of investments	(2,966,681)	2,736,396
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b>(2,040,633)</b>	<b>500,052</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of tangible fixed assets	(28,040)	(20,252)
Advances of investments	(1,320,501)	(2,230,414)
Receipts from investments	3,135,907	1,630,837
Interest received	9,601	2,538
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>1,796,967</b>	<b>(617,291)</b>
<b>(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(243,666)</b>	<b>(117,239)</b>
Cash and cash equivalents at beginning of year	9,843,141	9,960,380
<b>CASH AND CASH EQUIVALENTS AT THE END OF YEAR</b>	<b>9,599,475</b>	<b>9,843,141</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF YEAR COMPRISE:</b>		
Cash at bank and in hand	9,599,475	9,843,141
	<b>9,599,475</b>	<b>9,843,141</b>

The notes on pages 17 to 29 form part of these financial statements.

**CREATIVE ENGLAND LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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**1. COMPANY INFORMATION**

Creative England Limited is a company limited by guarantee incorporated in England and Wales. The registered office is 1st Floor College House, 32-36 College Green, Bristol, BS1 5SP.

**2. ACCOUNTING POLICIES**

**2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Company's accounting policies (see note 3).

The financial statements are prepared in sterling which is the functional currency of the company.

The following principal accounting policies have been applied:

**2.2 BASIS OF CONSOLIDATION**

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

**2.3 ASSOCIATES AND JOINT VENTURES**

An entity is treated as a joint venture where the Group is a party to a contractual agreement with one or more parties from outside the Group to undertake an economic activity that is subject to joint control.

An entity is treated as an associated undertaking where the Group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

In the consolidated accounts, interests in associated undertakings are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investors share of the profit or loss, other comprehensive income and equity of the associate. The Consolidated Statement of Comprehensive Income includes the Group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the Group. In the Consolidated Statement of Financial Position, the interests in associated undertakings are shown as the Group's share of the identifiable net assets, including any unamortised premium paid on acquisition.

**2.4 GOING CONCERN**

The Directors have prepared forecasts which show that the Company will have sufficient funds to meet its liabilities as they fall due, and that it will continue to meet its current liabilities covenants for a period of at least twelve months from the date of signing these accounts.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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**2. ACCOUNTING POLICIES (continued)**

**2.5 REVENUE**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**2.6 GRANTS RECEIVABLE**

Income from grants and other sources is included when receivable, provided conditions for receipt are met, unless the income relates to a specified future period in which case it is deferred.

**2.7 GRANTS PAYABLE**

Grants payable to third parties are accounted for in the period relating to the date of formal approval.

**2.8 TANGIBLE FIXED ASSETS**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	- 20-33% straight line
IT and office equipment	- 20-33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of Comprehensive Income.

**CREATIVE ENGLAND LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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**2. ACCOUNTING POLICIES (continued)**

**2.9 OPERATING LEASES: THE GROUP AS LESSEE**

Rentals paid under operating leases are charged to the Consolidated Statement of Comprehensive Income on a straight line basis over the lease term.

**2.10 VALUATION OF INVESTMENTS**

Investments in subsidiaries are measured at cost less accumulated impairment.

Loans and other investments made by Creative England Limited and its subsidiaries are included in the balance sheet as current assets. An annual review of the viability of investments is carried out by Creative England Limited. Where there is no evidence of potential financial success of a project, an impairment review is undertaken and the value of the investment is written down if appropriate.

**2.11 DEBTORS**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.12 CASH AND CASH EQUIVALENTS**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

**2.13 FINANCIAL INSTRUMENTS**

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

**2.14 CREDITORS**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.15 PENSIONS**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payments obligations.

The contributions are recognised as an expense in the Income Statement when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

**CREATIVE ENGLAND LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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**2. ACCOUNTING POLICIES (continued)**

**2.16 INTEREST INCOME**

Interest income is recognised in the Consolidated Statement of Comprehensive Income using the effective interest method.

**2.17 TAXATION**

Tax is recognised in the Consolidated Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

**3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

Estimates and judgments, including the key judgment of the recoverability of investments, are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**4. TURNOVER**

	2019 £	2018 £
United Kingdom	4,229,177	7,690,933
	<u>4,229,177</u>	<u>7,690,933</u>

Turnover for 2018-19 is lower than 2017-18 because of a deliberate decision by the Board to hold back investment activity in order to use funds to cornerstone a new fund that will support Creative England's growth plans for 2019-20.

**CREATIVE ENGLAND LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

**5. EMPLOYEES**

Staff costs, including directors' remuneration, were as follows:

	<b>Group 2019 £</b>	<b>Group 2018 £</b>
Wages and salaries	1,387,035	1,744,187
Social security costs	125,164	161,361
Cost of defined contribution scheme	110,357	128,714
	<u><b>1,622,556</b></u>	<u><b>2,034,262</b></u>

The average monthly number of employees, including the directors, during the year was as follows:

	<b>2019 No.</b>	<b>2018 No.</b>
Creative England	33	41
iFeatures	3	1
Creative England Trading Company	1	1
	<u><b>37</b></u>	<u><b>43</b></u>

Staff in iFeatures and CE Trading were employed by Creative England, but were allocated to those subsidiaries for specific delivery purposes.

**6. DIRECTORS' REMUNERATION**

	<b>2019 £</b>	<b>2018 £</b>
Directors' emoluments	10,250	36,000
	<u><b>10,250</b></u>	<u><b>36,000</b></u>



**CREATIVE ENGLAND LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

**7. INTEREST RECEIVABLE**

	2019 £	2018 £
Bank interest receivable	9,601	2,538
	<u>9,601</u>	<u>2,538</u>

**8. TAXATION**

	2019 £	2018 £
<b>CORPORATION TAX</b>		
Current tax on (deficit)/surplus for the year	1,976	1,013
<b>TOTAL CURRENT TAX</b>	<u>1,976</u>	<u>1,013</u>

**FACTORS AFFECTING TAX CHARGE FOR THE YEAR**

The company is a not-for-profit organisation and accordingly corporation tax is only charged on investment income and gains.

**FACTORS THAT MAY AFFECT FUTURE TAX CHARGES**

There were no factors that may affect future tax charges.

**9. PARENT COMPANY SURPLUS FOR THE YEAR**

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The surplus after tax of the parent Company for the year was £37,567 (2018: £36,539).

**CREATIVE ENGLAND LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

**10. TANGIBLE FIXED ASSETS**

	<b>Group and Company</b>		
	<b>Fixtures and fittings £</b>	<b>IT and office equipment £</b>	<b>Total £</b>
<b>COST OR VALUATION</b>			
At 1 April 2018	133,943	227,546	361,489
Additions	-	28,040	28,040
Disposals	-	(19,206)	(19,206)
At 31 March 2019	133,943	236,380	370,323
<b>DEPRECIATION</b>			
At 1 April 2018	133,943	198,598	332,541
Charge for the year on owned assets	-	21,025	21,025
Disposals	-	(17,075)	(17,075)
At 31 March 2019	133,943	202,548	336,491
<b>NET BOOK VALUE</b>			
At 31 March 2019	-	33,832	33,832
At 31 March 2018	-	28,948	28,948

**11. FIXED ASSET INVESTMENTS**

	<b>Group</b>
	<b>Investment in joint ventures £</b>
<b>COST OR VALUATION</b>	
At 1 April 2018	150
At 31 March 2019	150

**CREATIVE ENGLAND LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

**11. FIXED ASSET INVESTMENTS (CONTINUED)**

	Investments in subsidiary companies £	Investment in joint ventures £	Company  Total £
<b>COST OR VALUATION</b>			
At 1 April 2018	100	150	250
At 31 March 2019	100	150	250

**12. DEBTORS**

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Trade debtors	19,200	4,939	-	-
Amounts owed by group undertakings	-	-	184,730	100,101
Amounts owed by joint ventures and associated undertakings	-	45,000	-	-
Other debtors	551,715	431,889	505,492	329,151
Prepayments and accrued income	135,017	431,373	129,350	385,231
	<b>705,932</b>	<b>913,201</b>	<b>819,572</b>	<b>814,483</b>

**CREATIVE ENGLAND LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

**13. CURRENT ASSET INVESTMENTS**

	<b>Group 2019 £</b>	<b>Group 2018 £</b>	<b>Company 2019 £</b>	<b>Company 2018 £</b>
Investments held	<b>8,505,485</b>	7,354,206	<b>8,498,698</b>	7,347,419
	<b>8,505,485</b>	7,354,206	<b>8,498,698</b>	7,347,419

During the year the company has reassessed the impairment of investments based on recent history of loan repayments and investment returns. The company now makes better investment decisions and exercises better control over investment management which has yielded higher recoupment and returns compared to previous years.

As a result, the company has released £3,161,041 from the opening impairment provision for investments. This amount has not been taken through the income statement as it is not a fair reflection of activity during the year to 31 March 2019.

**14. CASH AND CASH EQUIVALENTS**

	<b>Group 2019 £</b>	<b>Group 2018 £</b>	<b>Company 2019 £</b>	<b>Company 2018 £</b>
Cash at bank and in hand	<b>9,599,475</b>	9,843,141	<b>8,622,557</b>	7,116,196
	<b>9,599,475</b>	9,843,141	<b>8,622,557</b>	7,116,196

Included in the group cash amounts above are the following balances held on trust and committed for specific investment activities and cannot be used to fund general activity;  
£2,047,493 (2018: £2,574,464) Lottery (British Film Institute) Funds  
£3,862,181 (2018: £3,408,883) Regional Growth Funds  
£2,285,146 (2018: £2,329,074) Advantage Media Production / West Midlands Production Funds

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group 2019 £</b>	<b>Group 2018 £</b>	<b>Company 2019 £</b>	<b>Company 2018 £</b>
Trade creditors	<b>173,437</b>	257,119	<b>158,558</b>	250,921
Amounts owed to group undertakings	-	-	<b>44</b>	132,368
Amounts owed to joint ventures	-	100	-	100
Corporation tax	<b>1,976</b>	1,014	<b>1,585</b>	434
Other taxation and social security	<b>74,057</b>	124,994	<b>74,057</b>	90,638
Other creditors	<b>543,981</b>	1,081,676	<b>543,981</b>	1,081,676
Accruals and deferred income	<b>8,710,638</b>	8,332,911	<b>7,912,251</b>	5,602,902
	<b>9,504,089</b>	9,797,814	<b>8,690,476</b>	7,159,039

**CREATIVE ENGLAND LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

**16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group 2019 £</b>	<b>Group 2018 £</b>	<b>Company 2019 £</b>	<b>Company 2018 £</b>
Amounts owed to joint ventures	100	-	100	-
Accruals and deferred income	8,498,698	7,540,677	8,498,698	7,400,189
	<b>8,498,798</b>	<b>7,540,677</b>	<b>8,498,798</b>	<b>7,400,189</b>

**17. GROUP DEFERRED INCOME**

	<b>2019 £</b>	<b>2018 £</b>
<b>AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		
RGF Recoupment	3,471,712	2,438,547
RGF	2,499	2,499
Other	1,500,525	848,554
iFeatures 4	365,000	585,000
iFeatures 5	14,341	303,189
ERDF	2,603,592	2,328,563
	<b>7,957,669</b>	<b>6,506,352</b>
<b>AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>		
To be invested	-	140,488
Provision for WMPF and RGF Investments	8,498,698	7,400,189
	<b>8,498,698</b>	<b>7,540,677</b>
<b>TOTAL DEFERRED INCOME</b>	<b>16,456,367</b>	<b>14,047,029</b>

**CREATIVE ENGLAND LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

**18. COMPANY DEFERRED INCOME**

	2019 £	2018 £
<b>AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		
RGF Recoupment	3,471,712	2,438,547
RGF	2,499	2,499
Other	1,496,650	537,852
ERDF	2,281,396	849,003
	<u>7,252,257</u>	<u>3,827,901</u>
<b>AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>		
Provision for WMPF and RGF Investments	8,498,698	7,400,189
<b>TOTAL DEFERRED INCOME</b>	<u><u>15,750,955</u></u>	<u><u>11,228,090</u></u>

**19. FINANCIAL INSTRUMENTS**

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
<b>FINANCIAL ASSETS</b>				
Financial assets measured at cost through profit or loss	9,599,475	9,843,141	8,622,557	7,116,196
Financial assets that are debt instruments measured at amortised cost	9,030,181	9,030,181	9,188,923	9,188,923
	<u>18,629,656</u>	<u>18,873,322</u>	<u>17,811,480</u>	<u>16,305,119</u>
<b>FINANCIAL LIABILITIES</b>				
Financial liabilities measured at amortised cost	(9,425,327)	(9,624,672)	-	(9,234,548)

Financial assets measured at cost through profit or loss comprise cash at bank and in hand.

Financial assets measured at amortised cost comprise current asset investments, trade debtors, amounts owed by group undertakings and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group undertakings, accruals, deferred income over 1 year and other creditors.

**CREATIVE ENGLAND LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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**20. RESERVES**

Income and expenditure account

The year end income and expenditure account reserve includes all current and prior period retained surpluses and deficits.

The directors consider it prudent to work towards building an appropriate level of reserves for the following reasons;

- To use as leverage and as match funding where appropriate to be able to raise funding for our activities.
- To be able to underpin any other long-term delivery commitments.
- To enable improvement to our infrastructure to ensure effective delivery of our services.
- To strengthen our ability to meet our liabilities and commitments in the event of closure; the company is entirely dependent on securing external funding in some cases from year to year which is inevitably subject to fluctuation. Any significant fluctuation in funding can mean the company will need to either cut operations or cease activities entirely resulting in winding down and closure of the company. In event of this happening Creative England will need sufficient reserves to be able to meet all its liabilities and commitments.

**21. COMPANY STATUS**

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

**22. COMMITMENTS UNDER OPERATING LEASES**

At 31 March 2019 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group</b> <b>2019</b> £	<i>Group</i> <i>2018</i> £	<b>Company</b> <b>2019</b> £	<i>Company</i> <i>2018</i> £
Not later than 1 year	<b>73,477</b>	78,024	<b>73,477</b>	68,024
Later than 1 year and not later than 5 years	<b>139,822</b>	156,371	<b>139,822</b>	145,919
	<b>213,299</b>	234,395	<b>213,299</b>	213,943

**23. RELATED PARTY TRANSACTIONS**

Owing to the nature of the Creative England's operations and the composition of the Board of Trustees, transactions may take place with organisations in which a director has an interest. All transactions involving such organisations are conducted at an arm's length and in accordance with the normal procurement and grant making procedures.

As the parent company of a group, Creative England Limited uses the exemption given under FRS 102 and does not disclose transactions or balances with group companies.

**CREATIVE ENGLAND LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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**24. POST BALANCE SHEET EVENTS**

After the balance sheet date, the Board of Directors took the decision to split out the "commercial" activities of Creative England from its social activities. The commercial activities are loans and investments which are made with a view to receiving recoupment and return and these are to be transferred at cost from Creative England to CE Trading Limited. Group results will remain unaffected by this restructuring of activities but the change will impact on the balance sheet and income statement for Creative England Limited.

**25. SUBSIDIARY UNDERTAKINGS**

The following were subsidiary undertakings of the Company:

**Screen West Midlands - company limited by guarantee**

Screen West Midlands is a wholly owned subsidiary limited by guarantee. The principal activities of the company are to develop and promote creative industries in the West Midlands region of England.

**South West Screen - company limited by guarantee**

South West Screen is a wholly owned subsidiary limited by guarantee. The principal activities of the company are to develop and promote creative industries in the South West of England. This company was dissolved on 09/07/2019.

**iFeatures Limited - company limited by guarantee**

iFeatures Limited is a subsidiary of Creative England Limited. The principal activities of the company are to develop and produce high quality low budget films.

**Vision + Media - company limited by guarantee**

Vision + Media is a wholly owned subsidiary limited by guarantee. The principal activities of the company are supporting small and medium entities in the digital and creative sector in the North of England.

**CE Trading Limited - 100% controlled**

CE Trading Limited is a subsidiary of Creative England Limited with 100 class A ordinary shares of £1 each in issue. The principal activities of the company are to generate commercial revenues that will be recycled and re-invested back into new Creative England initiatives; thereby supporting the delivery and continued success of Creative England's core business investment and development activities.