Handbook

In Search of the Right Investor:

Eight Stories About Money, Values and the Cost of Growth

Case Studies from Kazakhstan and the United Kingdom

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About the Project

In Search of the Right Investor was produced in 2026 as part of the British Council's Connections Through Culture programme. It is based on real case studies from Kazakhstan and the United Kingdom, documenting investment practices in the creative sector, including existing models, opportunities and systemic barriers. The handbook is a practical continuation of earlier research into the potential of impact investment in Kazakhstan's creative industries.

The authors would like to thank everyone featured in this handbook, including entrepreneurs, producers, fund managers and organisational leaders, who agreed to share their experiences. Without their willingness to speak openly, this work would not have been possible.

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Introduction

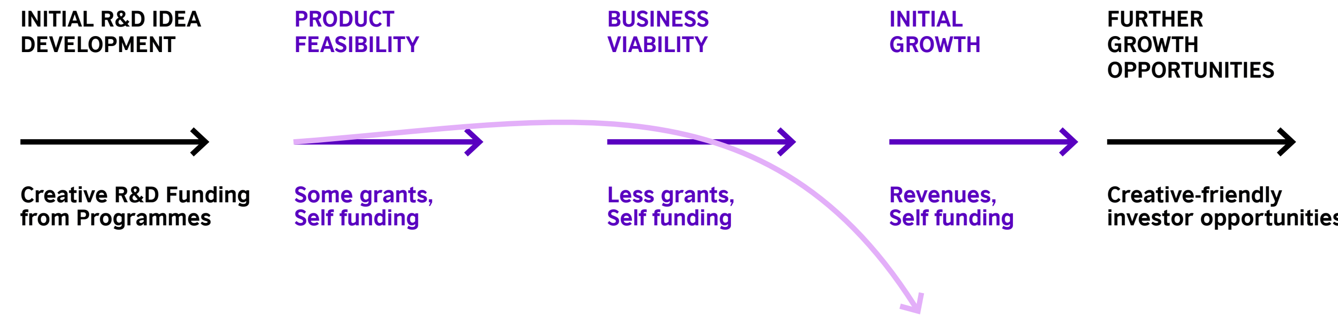
What do a Kazakhstani video game developer, the Royal Shakespeare Company and an investment committee made up of East London residents have in common?

At first glance, nothing. Yet all the examples in this handbook are connected by one question: under what conditions can a partnership between a creative business and those who provide capital succeed?

The collection spans two markets with very different investment infrastructures, Kazakhstan and the United Kingdom, and several sectors: film, music, architecture, game development, theatre and urban cultural spaces. The case studies feature young founders and serial entrepreneurs, leaders of organisations with centuries-old traditions and institutional investors.

The gap between creative business and capital has been discussed for years. Yet the conversation usually remains at the level of broad statements. What it lacks is first-hand detail: the terms of real deals, lived experience and mistakes made by real people. This handbook goes some way towards filling that gap.

Despite the clear differences between the cases, consistent patterns emerge. The challenges creative businesses face when seeking finance are not determined by geography, their starting point or the entrepreneur's level of experience. Standard assessment criteria, such as collateral, measurable growth indicators, the potential to scale and a short repayment horizon, were designed for other business models. When applied to the creative sectors, they exclude some of their most important assets: reputation, cultural influence and social impact, none of which appears on a balance sheet. A rejected bank application or an investment deal that falls through is not an isolated incident, but a symptom of structural problems that need to be addressed.



HOPEFUL FINANCE CHALLENGES MODEL

For creative businesses, finding themselves in a blind spot is not the exception but the norm: too large for small investors and too niche for larger ones, too hybrid or too risky on paper. Addressing this requires change from everyone involved. Entrepreneurs need a common language for engaging with investors. Investors need tools for assessing intangible assets. Institutions need to understand why support programmes so often fail to reach the people they were designed to help.

We chose the case study format because the real experience of entrepreneurs speaks more powerfully than statistics. These stories introduce innovative financing models, including pay-for-success and participatory investment. They also explore the nature of "expensive money", the dilemma of the controlling stake, misaligned planning horizons and the practical mechanisms through which entrepreneurs and investors align their values.

Each case is accompanied by questions for discussion. They do not have a single correct answer. Instead, they invite a conversation in which different voices matter. This handbook is an invitation to dialogue between entrepreneurs, investors and institutions. Without it, progress will be slow.

Nastia Goncharova, Gill Wildman
Almaty, Bristol
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Tolqyn Film Fund: How Private Capital Is Shaping a New Ecosystem in Kazakhstan's Film Industry

This case study is based on an interview with Ernar Kurmashev. All quotations are his.

Ernar Kurmashev, film producer and managing partner of Tolqyn Film Fund, believes that Kazakhstani cinema can be commercially successful. Together with his colleagues, he is testing a hypothesis: that raising capital and managing investment through a specialised fund can both strengthen the film industry's position in the region and create an attractive model for large-scale investors.

The successful launch of the fund's first projects gives grounds for optimism. Ernar and his partners now face a new set of challenges: how to increase the number of strong projects in the pipeline, reduce the risks associated with weak box office performance, and scale the model into other markets.

Key themes: *specialised investment fund; film projects as assets; portfolio approach and co-management; commercial film-production ecosystem; institutional capital.*

About the Fund

Tolqyn Film Fund was established in 2025 at the Astana International Financial Centre (AIFC). It is the first specialised investment fund in Central Asia and the CIS to invest in the production, theatrical release and distribution of feature films with strong box office potential. The fund also invests in co-productions involving Kazakhstani and international producers.

The fund is managed by Dasco Capital Ltd. and has raised KZT 2 billion from private and institutional investors. Its structure includes the listing of exchange traded notes (ETNs) issued by Tolqyn SPC Ltd. on the Astana International Exchange (AIX). This enables institutional investors to access the film industry through a familiar financial instrument. Halyk Finance is the anchor investor, while Ascar Cinema, part of Meloman Entertainment, acts as distributor.

In its first year, the fund reviewed 120 applications from 12 countries, including Russia, the United States and France, and invested in five projects. Its first release, *Dastur: Teris Bata* (2025), became one of the highest grossing films in Kazakhstan and outperformed *Avatar* at the domestic box office on its opening day.

Market Context and Key Challenges

Since independence, Kazakhstan has developed a producer-led film sector in which private capital has assumed an increasingly important role as state involvement has declined.

The market is nevertheless still considered to be developing. Despite the presence of many young and ambitious teams, numerous projects fail to achieve commercial success because of limited professional expertise, chronic underfunding, cost overruns, or the absence of a marketing budget.

In developing a new model for attracting large scale capital to Kazakhstan's film industry, the fund encountered several structural challenges.

The first was the low level of trust among private and institutional investors. Kazakhstan's film industry was not regarded by the financial sector as a stable asset class. There were no transparent track records, reliable data on returns, or examples of professionally managed, scalable turnkey investment models.

The second challenge was the high level of operational uncertainty inherent in film production. Budget overruns, missed deadlines, weak marketing and dependence on individual decision makers have historically caused even promising projects to fail.

The third concerned the quality of incoming projects. A large proportion of applications came from first time filmmakers and teams with no experience of commercial producing. This increased both the production and reputational risks for everyone investing in a project.

The fourth challenge was strategic. The fund needed to demonstrate that a commercially driven model could succeed in the domestic market and that film could generate predictable returns for investors.

Strategy and Management Decisions

Tolqyn Film Fund has developed a multi-layered investment model that combines practices from venture capital and commercial film production. The model is designed to reduce barriers to private investment.

The fund applies a rigorous screening process to projects entering its pipeline. Of the 120 applications reviewed in its first year, only five received investment. The principal criteria are the commercial potential of the screenplay and its suitability for wide theatrical release. The fund does not invest in documentaries, arthouse films or projects intended primarily at the festival circuit rather than mainstream audiences. Its three-stage selection process is designed to identify strong projects and reduce operational risk:

Stage 1. The analytical team, a producer and Creative Director Kuanysh Beisek carry out the initial screenplay assessment.

«We invest once there is a completed screenplay. For us, it is essential that the script is well developed, compelling and commercially viable. We read it down to the last comma.»

Stage 2. An advisory board determines the scale and form of the investment. It includes four film industry experts and two venture capital specialists and is chaired by Adil Nurgozhin of Big Sky Capital.

Stage 3. The investment committee, comprising Ernar Kurmashev, Darmen Sadvakasov and Aidar Arifkhanov, makes the final decision.

Budget review forms a separate part of the selection process. Before an investment is approved, each project is examined by a budget committee, which reviews the cost estimates in detail and requires revisions where excessive expenditure is identified.

The fund also acts as an active co-producer. It provides selected projects with comprehensive support, ranging from strategic advice and project oversight to sponsor acquisition, regulatory approvals and the implementation of marketing campaigns.

The team deliberately invests substantial sums in marketing. The promotional budget for *Dastur* alone amounted to KZT 50 million. Experience has demonstrated a direct relationship between marketing investment and box office performance.

The fund also favours projects with potential for expansion, including sequels and franchises built around high concept ideas.

From a risk management perspective, diversification has been the fund's central strategic decision. Rather than investing in individual films, it backs a portfolio of projects on the assumption that two or three successful releases can offset losses from weaker performers. This reduces pressure on producing teams and lowers the likelihood of conflict with investors. Over a three-year period, the fund plans to invest in 19 film projects.

«This is the model used internationally, where producers raise investment for a portfolio of projects in order to diversify risk. We understand that if one film fails at the box office, the next can recover the losses. That means we will not hold the producing team accountable for a failure in the way an investor backing a single film might. Investing in one film is like gambling in a casino. The producer takes a major risk. What often follows is a trail of damaged relationships, legal disputes, dissatisfied investors and producers whose careers never recover.»

Results and Current Position

The fund's first film, *Dastur,* performed strongly at the box office and became one of the leading releases in the Kazakhstani market. This confirmed the viability of the fund's model and strengthened its position in discussions with prospective investors.

The fund currently has four films in its pipeline: the ethno-horror *Dastur: Teris Bata,* directed by Alisher Utev; the family comedy *Baika! Alayak!* by Darkhan Sarkenov, scheduled for release in March 2026; the action adventure *Zheti Qaraqshy* by Kuanysh Beisek, due for release in April 2026; and the action film *Shymyr,* starring Yerkebulan Dairyov, due for release in May 2026. The selection of new projects continues.

Ernar Kurmashev believes that Tolqyn Film Fund can become a central element of the emerging commercial film production ecosystem and a focal point for professional producing teams. He draws a parallel with the technology sector, where venture funds gave rise to accelerators, incubators and studios. In much the same way, investors in Kazakhstan may soon gain access to talented teams and investment ready film projects.

«We are demonstrating to investors that film can be a profitable and compelling business. Once that proposition is proven, institutional investors will commit substantially more capital to the industry.»

Lessons and Analytical Conclusions

For investors, the Tolqyn Film Fund case demonstrates that creative industries can be approached through a familiar investment vehicle, provided that projects are selected rigorously, risk is managed through a portfolio approach, and the fund plays an active co-management role. What matters is not only demand for the content itself but also the management model that supports it.

For film producers, the case points to a shift in the balance of power. While creative vision remains essential, financial commitments require teams to operate with discipline, transparency and shared oversight. A strong screenplay without an experienced producing team is no longer regarded as sufficient to deliver commercial success or investment returns.

For the market as a whole, the Tolqyn Film Fund case illustrates a transition from isolated transactions to systemic market infrastructure. If the fund completes several investment cycles successfully, it could catalyse the emergence of accelerators, incubators and new investment players in film, much as venture capital funds helped shape the technology ecosystem.

Discussion Questions

1. What compromises must both sides make to reconcile the fund's liabilities with the creative independence of producers?
2. What does the film industry lose if investment funds finance only commercial content? Who should support the rest?
3. Under what conditions can a portfolio approach work in a small market with limited distribution?
4. What institutional conditions are needed for a fund to become a catalyst for the ecosystem rather than remain its only player?

Photo: provided by the fund, forbes.kz

Qara Studios: Cultural Impact and the Cost of Growth

This case study is based on an interview with Yerkebulan Kurishbayev. All quotations are his.

Today, Qara Studios is best known for its genre films and for projects such as OYU Live, OYU Fest and Qara Forum. Over the past seven years, the company has become a major force on Kazakhstan's cultural scene, while its flagship projects have helped shape a new aesthetic for the country's creative landscape.

Yet the studio's rapid growth and expanding institutional influence were largely driven by an investment phase that both accelerated its development and exposed weaknesses in its management.

Qara Studios illustrates how a creative business evolves from a close-knit creative team into a structured company, and the consequences that can follow when a partnership is built on an unbalanced governance model.

Key themes: *values-based investment; the 50/50 dilemma; balancing financial returns with cultural mission; applying conventional financial logic to creative business models.*

About Qara Studios

Qara Production, an events agency and music video production studio, was founded by director and music video filmmaker Aisultan Seitov and producer Yerkebulan Kurishbayev.

The founders built the business around a shared commitment to creative expression. Within a few years, the studio expanded its portfolio and evolved into the cross-disciplinary company now known as Qara Studios.

«The basic rule of economics is to have several points of support. I always tried to find them. Rather than relying on a single path, I wanted several different directions within the creative sector that could each generate income.»

Today, the studio's best-known projects include OYU Live, a performance platform for musicians from Kazakhstan and Central Asia now in its eighth YouTube season; OYU Fest, an annual music festival held in Almaty and Astana; and Qara Forum, a platform for creative professionals from Kazakhstan and abroad to exchange ideas and experience.

From the outset, the studio was closely associated with Aisultan Seitov. His collaborations with artists including Moldanazar, Skryptonite and Jah Khalib, as well as international performers such as Offset and 21 Savage, established a distinctive visual language that became synonymous with Qara Studios. Together with the success of the studio's early projects, his creative standing generated significant reputational capital and attracted the attention of potential partners and investors.

Legally, however, Yerkebulan Kurishbayev was the company's sole shareholder, as well as its CEO and executive producer. Seitov remained Creative Producer without taking an ownership stake in the business. That decision would later prove pivotal when the investment deal was negotiated.

The Investor and Deal Structure

The studio grew organically and had no pressing need for additional capital. Nevertheless, Kurishbayev recognised that the right investment could accelerate its expansion beyond Kazakhstan.

Following the viral success of Aisultan Seitov's interview with Yuri Dud, the studio was approached by numerous potential investors. However, the founders deliberately rejected conventional investment models that focused primarily on financial multiples. Instead, they sought smart investors who shared their cultural mission.

«I was never interested in partners whose primary goal was to make money. I wanted people who genuinely wanted to invest in art, culture and heritage. That was what mattered to me».

The investor ultimately came from EA Group, a Kazakhstan-based investment holding. The partnership was founded on shared values. The investor openly expressed a commitment to supporting Seitov's creative work and contributing to the development of cultural projects in Kazakhstan.

The first investment round was structured as the sale of a stake in Qara Studios, which at the time was wholly owned by Yerkebulan Kurishbayev. EA Group's private equity fund acquired a 50 per cent stake, while Qara Studios received $1 million to develop a new direction for the business: original feature films.

«What I had always wanted was a like-minded partner, someone we could genuinely trust.»

The second round took the form of an interest-free loan from the same investor to support the company's operating activities. Around two-thirds of the loan was repaid over the following three years.

Investing in Film

The investment enabled Qara Studios to produce three feature films: Aisultan Seitov's directorial debut *Qash, Zere,* directed by Dauren Kamshybayev, and *Locked In (Vzaperti),* directed by Olzhas Bayalbayev. Kurishbayev served as producer on all three films.

The expectation was that the investment would generate returns and provide the foundation for the company's next stage of growth. Instead, none of the films recouped their production costs. As CEO, Kurishbayev faced an immediate challenge: developing a strategy to recover the investment while positioning the company for longer-term growth.

The cultural impact of the films, however, was considerable. They became important reference points for a new generation of filmmakers, received recognition at international festivals and broadened the range of genres represented in Kazakhstan's film industry. The projects also established Kurishbayev as a respected voice within the sector and led to his involvement in wider institutional developments across the industry.

OYU Fest as a Strategic Response

As the company sought to stabilise the business, the idea for OYU Fest began to take shape. The festival was conceived as a natural extension of OYU Live, the non-commercial cultural project that had built a live portfolio of Kazakhstani musicians on YouTube. Its fourth season was released exclusively on Spotify.

«The post-Covid period gave music an enormous boost. I could see that people increasingly wanted to listen to Kazakhstani music, and I wanted to give them that experience. There was also a clear opportunity to monetise it. That's how OYU Fest came about: with a clear commercial purpose.»

The festival broke even in its first year, a rare achievement in the events industry. Subsequent editions not only more than doubled their financial performance but also delivered significant growth in audience numbers, geographical reach, economic performance and cultural impact. Over four years, OYU Fest generated cumulative turnover of more than KZT 4 billion and contributed KZT 300 million in taxes.

OYU Fest Growth	2022	2023	2024	2025
Audience	6,000 (Almaty)	8,000 (Almaty)	16,000 (Almaty, Astana)	24,000 (Almaty, Astana)
Artists	14	15	13	19
Event budget (KZT)	75m	145m	388m	500m

OYU Fest became a rare example of exponential growth achieved without compromising creative freedom. The company made a clear distinction between its commercial and creative projects.

«Under our internal policy, we have no more than two or three creative projects a year where we're prepared to invest without expecting any financial return. OYU Live was one of those projects. It existed to build our portfolio. It's our flagship, the face of the company. We felt that if we started aggressively pursuing sponsors, we'd cheapen the project. We couldn't allow that to happen. In the end, it remained exactly what it was.»

Over time, the non-commercial OYU Live evolved into a fully-fledged ecosystem, with sponsorship support from Spotify (Season 4) and Kaspi (Seasons 7 and 8).

Alongside 112 music videos across eight YouTube seasons:

- it expanded to include six special editions dedicated to traditional Kazakh cultural celebrations;
- OYU Doc, a three-part documentary series about Kazakhstani musicians and bands;
- and a documentary chronicling the first OYU Fest in 2022.

Growth Challenges and Management Mistakes

Following the restructuring, Qara Studios continued to operate as an autonomous creative business, even though ownership was now formally shared equally.

The investor's team remained largely outside the studio's day-to-day operations, which was initially seen as a sign of mutual trust. The holding company limited its involvement to targeted support with government relations.

However, as the company's revenues grew rapidly, the investor initiated a detailed audit. The private equity fund evaluated the business primarily in terms of financial performance, while Kurishbayev sought to balance profitability with the "family" atmosphere within the team and the company's cultural mission. The result was a conflict of expectations.

Looking back, Kurishbayev acknowledges two underlying weaknesses: the absence of professional financial management and an excess of trust, both in his own team and in the investor.

He identifies one strategic mistake. During a period of rapid growth, the company operated without a CFO. Attempting to compensate for the lack of expertise by assigning strategic financial management to the chief accountant created a significant vulnerability. The company's expansion outpaced the CEO's managerial development. At the same time, the holding company's managerial, financial and legal expertise was never fully integrated to minimise risks from the outset of the partnership.

«In the creative industries, making serious money can be dangerous. First, because the money may come faster than you have time to grow, to understand who you need around you, what you're good at and what you're not. There's also a risk when the mission of the founding investor and that of the operating team are fundamentally different. The team simply keeps things running. Communication starts to break down, and the process gradually slips out of control."

"Your ego tells you that you can handle everything yourself. You're good with money. You can read contracts. You have an excellent team. Why would you need anyone else's help? Keep everyone at arm's length. It's your company. They aren't interfering, so, just to be safe, you build a fence yourself.»

The 50/50 Dilemma

Selling a 50% stake to the investor ultimately meant surrendering unambiguous control over the studio's governance, although this only became apparent in retrospect.

Equal ownership was not supported by mechanisms for shared governance. No supervisory board was established, responsibilities were not clearly defined, and the involvement of the investor's team in financial and legal matters was not formalised. Formally, this authority remained with Yerkebulan Kurishbayev as the companyэs co-founder and CEO, but equal ownership created tension and led to deadlock in addressing strategic issues.

Kurishbayev's conclusion is unequivocal: never sell more than a 49% stake. A controlling interest allows founders to preserve the company's strategic direction, particularly in creative businesses where decisions are often driven by artistic vision and cultural values rather than financial ambition alone.

«If I created this business, I should retain the controlling stake and the ability to make the final decisions. I think back to who I was seven years ago. I didn't start this business to work by someone else's rules. I wanted to create something meaningful, to combine business with creativity and to maintain that balance.»

In December 2025, Yerkebulan Kurishbayev stepped down as CEO and General Producer of Qara Studios after selling his stake to the investor.

Investing in Creative Industries

The Qara Studios case raises a question relevant to the creative industries as a whole. Should conventional financial logic be applied to creative business models, where the primary asset is reputation and cultural impact? Are the consequences of mismatched management approaches that resulted in distorted value and tension within the team an isolated case, or are they a systemic feature?

A further fundamental challenge lies in the mismatch of investment horizons. Private equity funds typically operate on a three-to-five-year timeline with clearly defined exit multiples. Cultural brands, by contrast, take much longer to mature. OYU Live only became a landmark project after several seasons. OYU Fest broke even in its first year, an exceptional outcome rather than a disappointment. Aisultan Seitov's debut feature did not achieve strong box office results, yet it gained international festival recognition and raised the standard of filmmaking in Kazakhstan.

Creative businesses benefit most from investors who act as mentors, helping companies grow at a pace they can sustain. At the same time, creative entrepreneurs need to recognise the limits of their own expertise and take the initiative in drawing on the knowledge and resources their investors can offer.

Kurishbayev's central argument is that anyone investing in the creative industries should do so with the ambition of becoming part of something larger: contributing to the development of culture, heritage and the arts. Treating such ventures solely as commercial businesses is, in his view, a fundamental mistake.

«When young filmmakers come to me with an idea for a feature film, they immediately start pitching. ChatGPT has probably told them to talk about commercial potential because producers love money. So, they explain the projected box office, the marketing budget, and how the film will make a billion. That's the moment I say goodbye. If I were an investor, I wouldn't want to hear a single word about figures or money from creative people, because that's not their job. I'd like investors to understand that as well.»

Qara Studios: Key Data

Year founded	2019	Almaty, Kazakhstan
Founders	Aisultan Seitov Yerkebulan Kurishbayev	Director, music video maker CEO, General Producer
Team at launch	3	Excluding freelancers
Team at the end of 2025	22	Excluding freelancers
Feature films	**Zere (2021), dir. Dauren Kamshybayev** **Qash (2022), dir. Aisultan Seitov** Festival recognition for Qash: Shanghai International Film Festival 2023, Best Director Asia Pacific Screen Awards 2023, Best Cinematography Kazakhstan Critics' Choice Awards, Best Debut Alternativa Film Awards, Resonance Award Bastau International Film Festival, Breakthrough of the Year Asian Film Awards Hong Kong, nominations for Best Original Score and Best Cinematography Camerimage (Poland), nomination for Best Directorial Debut Ticketon Award, Global Recognition Award **Vzaperti (Locked In) (2023), dir. Olzhas Bayalbayev** Festival recognition for Vzaperti: Boston Sci-Fi Film Festival, Best Film	
OYU Live	Since 2021	Non-commercial YouTube project with eight seasons (112 music videos). Ecosystem includes OYU Playlist, OYU Doc and OYU Acoustic.
OYU Fest	Since 2022 (six editions)	Annual music festival held in Almaty and Astana. Ticketon Award for Best Festival 2024.
Qara Forum	Since 2023 (three editions)	Professional platform for dialogue between Kazakhstani and international creators.
CEO exit	December 2025	Sale of Kurishbayev's stake to the investor.

Investment Deal Structure

Round 1	Sale of a 50% stake to EA Group for $1 million
Deal structure	50/50 ownership
Use of funds	Feature films production
Round 2	Interest-free operational loan from the same investor
Loan repayment	66% repaid over three years
Governance structure	No formal governance arrangements: no supervisory board, no clearly defined division of responsibilities
Investor's role	No involvement in day-to-day operations, with targeted support on government relations (GR) only

Discussion Questions

1. How can alignment of values between an investor and a founder be built into the governance structure and maintained as the company grows?
2. Can cultural influence and reputational capital be considered valid returns on investment when projects do not generate a financial return?
3. Why does a 50/50 ownership structure create risks for a creative business, and how should control be distributed to avoid a management deadlock?
4. What investment models can account for financial performance and cultural mission at the same time?

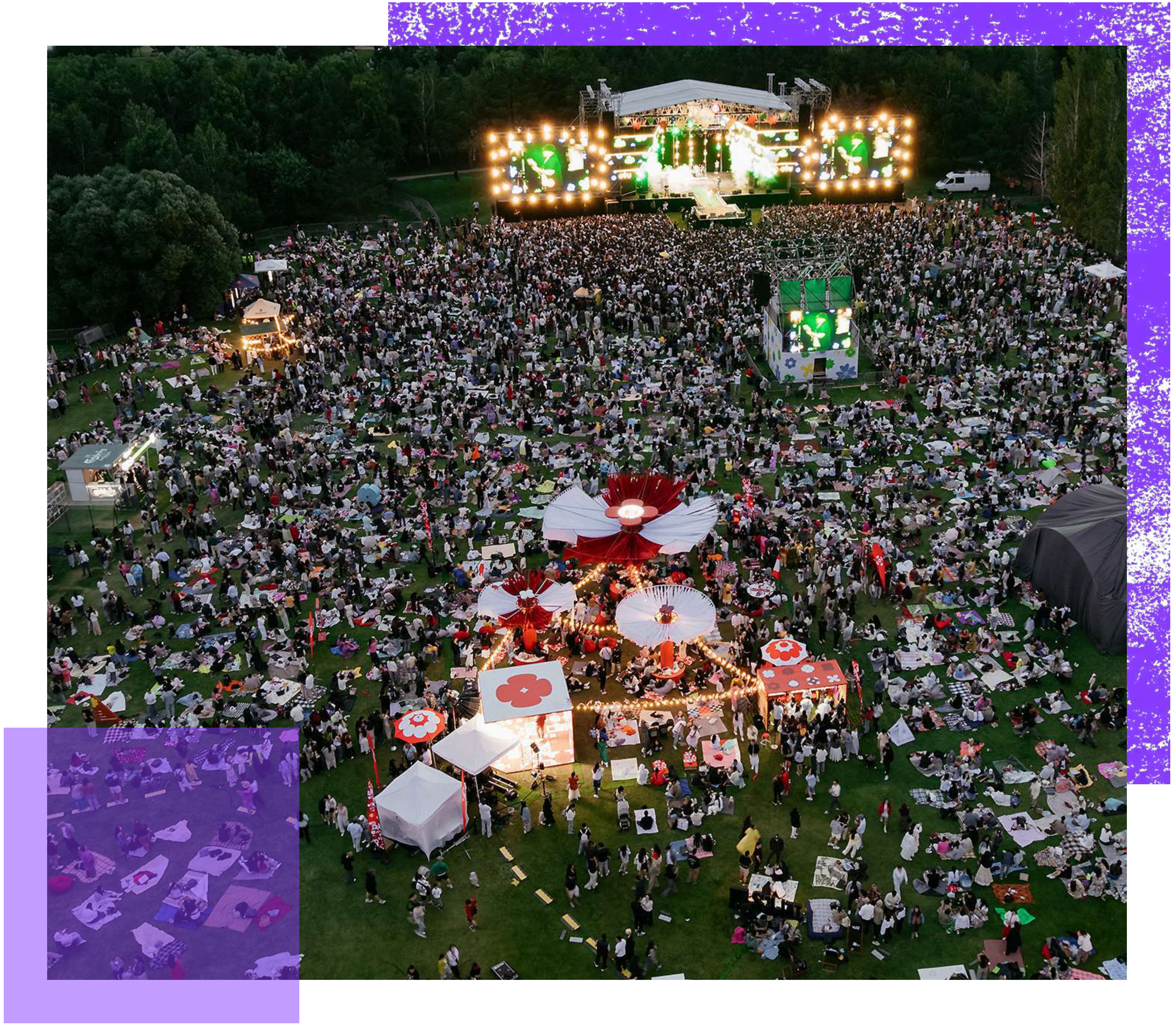


Photo: weproject.media, the-village-kz.com, designer.kz, ru.kinorium.com, 98mag.kz.

Rhinotales: A Kazakhstani Game Developer in Search of Large-Scale Capital

This case study is based on an interview with Artyom Slesarenko. All quotations are his.

In early 2026, Artyom Slesarenko, CEO of the Kazakhstani game development studio Rhinotales, is completing the company's long-running project, *Critical Shift,* and faces a strategic choice: which business model should the company adopt to support its future growth and improve its investment attractiveness? One option is to focus on large-scale niche projects with budgets of $2 to 5 million. The other is to adopt a venture studio portfolio model and develop lower budget products costing up to $100,000 each.

Key themes: *the investment market's blind spot; publisher financing; the venture studio portfolio model; uncontrolled project growth; intellectual property as a recognised asset.*

Rhinotales' First Success

In 2017, serial entrepreneur Artyom Slesarenko, then the owner of a steel profile manufacturing plant, was looking for a new business venture unconstrained by logistical or geographical limitations. A long-time gamer himself, he decided to invest in a studio developing interactive films and video games, and soon became its CEO.

Rhinotales targets international markets through established distribution channels including Steam, PlayStation, Xbox and Nintendo, giving the studio access to global audiences.

The studio's first product was an interactive film. *She Sees Red*, a crime thriller, is a hybrid of film and video game in which the player makes a decision on the protagonist's behalf every two to three minutes, shaping both the narrative and its outcome.

Financial constraints meant that the project was released as an extended demo on Steam in 22 languages. Despite the absence of marketing support, it gained traction organically through platform algorithms and user reviews.

The project proved commercially viable, selling more than 300,000 copies. Around 40% of sales came from China, with around 10% each from the United States and from Russia and Europe combined, while approximately 200 copies were sold in Kazakhstan. Total revenue reached approximately $600,000, enabling the studio to recover its costs and reinvest in new projects.

Rhinotales also licensed the rights to *She Sees Red* to the Chinese media conglomerate Tencent for a period of three years and became the first Kazakhstani studio to sign an agreement with Sony PlayStation.

Building on the success of *She Sees Red*, the studio began developing *Critical Shift*, a large-scale role-playing game[1] with a planned playtime of 40 hours. The project was initially budgeted at $500,000 with a planned development timeline of two years. In practice, development took six years, and the budget exceeded $5 million. The project expanded significantly in terms of content volume, visual ambition and gameplay complexity. Release is scheduled for 2026 on PC, Xbox, Nintendo and PlayStation.

[1] Role-playing game (RPG): a video game genre in which players control a character, develop its skills and make narrative choices.

Industry Context

The global video games industry is one of the world's fastest growing industries. By 2026, the market is projected to reach $321 billion, with the number of players expected to exceed 3 billion. Around 1.7 billion of those players are in Asia, the Middle East and North Africa (MENA).

In Kazakhstan, the games industry is still at an early stage of development but has already become one of the country's three largest IT export sectors. Since 2022, more than 60 companies have joined the Astana Hub ecosystem through its GameDev Centre. Local support hubs have also opened in Kyzylorda and Kostanay. More than 290 educators have completed AI and game development training programmes through TechOrda.

The country's most prominent game projects include *Car Parking Multiplayer, Grandmobile, She Sees Red, Madout* and *BLOCKPOST Mobile.* Among the start-ups that have attracted investment, *Hero's Journey* raised $6 million in the fitness gaming segment, while IDos Games secured investment in Web3.

The sector nonetheless remains fragmented and systematically underfunded, and a shortage of specialist talent persists.

How the Studio Developed

Since 2017, Rhinotales has deliberately built a geographically distributed international team. Today, the team comprises 35 people from multiple countries, including Belarus, Turkey and Serbia. This approach has enabled the studio to avoid relying on the limited pool of artists, game designers and developers available in the Kazakhstani market.

The company has focused on three strategic markets: the global English-language market, the Russian-speaking world and China, where its first project has already demonstrated strong demand.

Key Challenges

One of the studio's central structural challenges is the nature of interactive film itself. It sits at the intersection of two media and has to compete simultaneously with video games and films.

«When we did eventually raise money and sign contracts, film investors struggled to understand how we could sell an interactive product as a game, while video game investors found it hard to assess its potential as a film. We also had conversations with the Russian companies MTS and IVI, but they found it technically very difficult to integrate third-party gaming software.»

Products of this kind have strong potential for international markets, but they are expensive to make.

«If you have a good, compelling product and it finds its audience, you have customers all over the world. Gamers can play it anywhere.»

Production costs are comparable to those of a television series, but the time users spend with the product is significantly shorter. This makes the genre less attractive to streaming platforms, whose business models depend on keeping audiences within their own ecosystems. Netflix tested the format with *Bandersnatch* in 2018, but later abandoned it.

The second structural challenge is financing. *She Sees Red* was financed entirely by Slesarenko himself, as the studio was unable to attract external investors.

In its search for external capital, the studio found itself in the investment market's blind spot: too large for private investors and too niche for international funds because of its geography, funding requirements and product format. Kazakhstani investors are typically willing to invest between $10,000 and $100,000 in game development and openly acknowledge their limited understanding of creative business models. Russian investors, prior to 2022, considered projects with budgets of $3–4 million, but the geopolitical situation put those discussions on hold.

International investors typically target projects with budgets of up to $500,000 and prefer to invest through US or EU jurisdictions. International publishers, meanwhile, operate on a venture studio model – backing a portfolio of 10–15 projects at $50,000–$300,000 each, on the logic that one successful title will offset the losses on the others. Large-scale AAA projects,[2] with average deal sizes of $20–50 million and comparable marketing budgets, are financed primarily by Hollywood studios and major media companies.

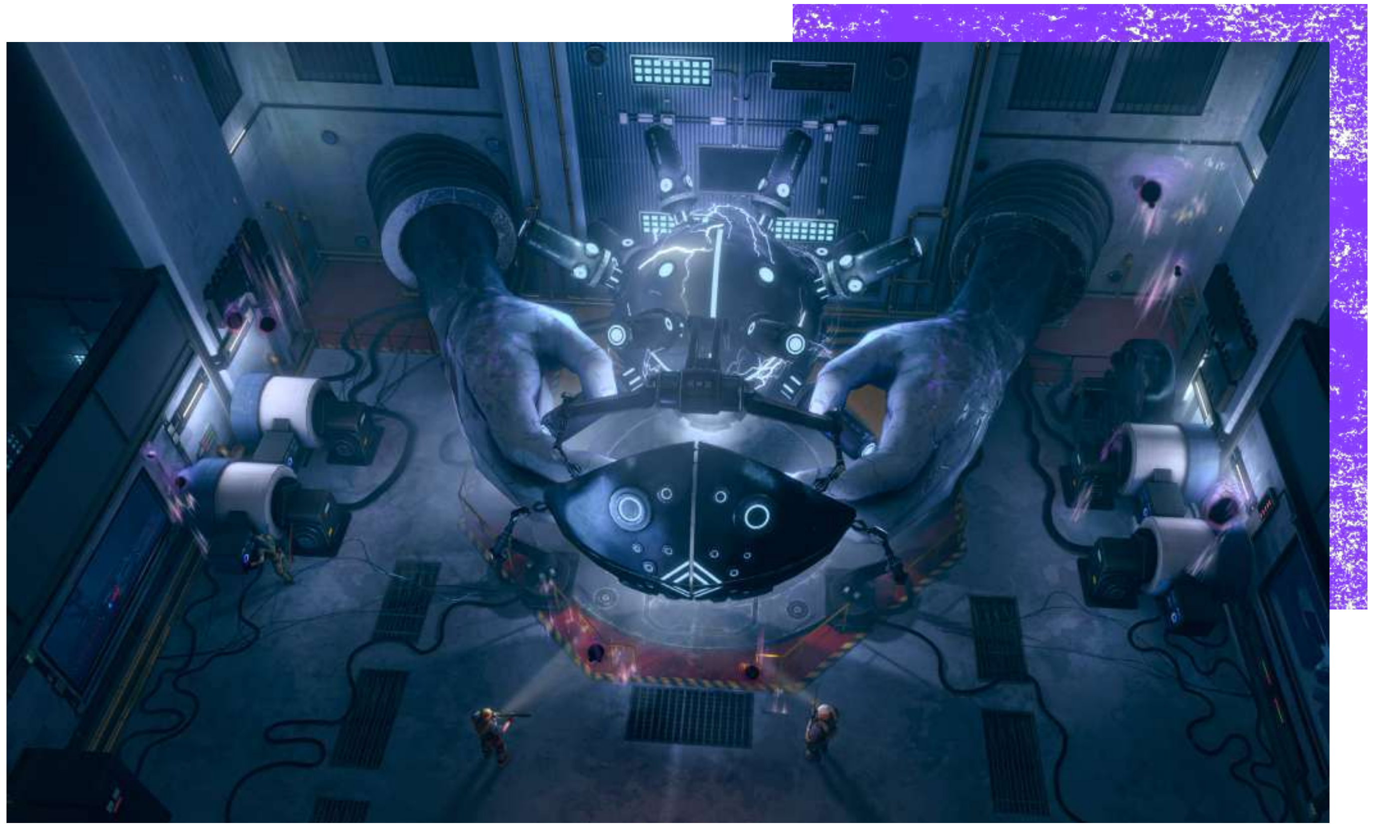
[2] AAA (Triple-A): high-budget video games with high production values, designed for a mass-market audience (e.g. *Call of Duty, Battlefield*).

The third challenge is the lack of structural capital. In the games industry, it is difficult to raise investment at the idea stage. Banks, meanwhile, do not recognise intellectual property as collateral, which blocks access to debt financing for creative projects.

«It's still unclear what additional financing is available in Kazakhstan. To get a loan you need collateral. We have none. We could formalise it as intellectual property, but in Kazakhstan that's not possible.»

Slesarenko believes these constraints reduce Kazakhstan's attractiveness for large-scale investment in game development and that the current state of the sector further discourages investors. In his view, the market remains fragmented, there are no platforms bringing together the sector's key players, and the investment threshold remains high.

A further challenge was managing project scope. During the development of *Critical Shift,* the team encountered uncontrolled project growth. Expanding the content and increasing the complexity of the gameplay raised the potential value of the product, but simultaneously increased the risk of recouping costs and made it harder to attract investment.



Management and Strategic Lessons

After becoming CEO, Slesarenko took direct responsibility for sales, marketing and budget management. His focus on speed and execution discipline enabled the studio to release its first project in just ten months, from concept to launch.

In parallel, the team held discussions with international publishers and investment funds in Europe, Japan, the UAE and Cyprus. Two models of collaboration were explored: publisher financing with revenue sharing, and equity investment.

«Publishers give you money, but they take a 30–50% share of the revenue. They also provide funds for marketing and promotion. That model is also viable, because they have a dedicated team that does nothing but promote games.»

The team also reassessed the value of smart investors. On one occasion, the studio turned down a $500,000 investment offer, considering the amount insufficient. It later acknowledged that it had underestimated the value of the investor's expertise and access to new markets.

«We were confident we had enough of our own money for the second project and turned down the offer. But with those investors we could have built a wider network, become part of their ecosystem, where partners could tell us what we were doing wrong. That kind of support would have pushed us two or three years ahead. Turning it down was a mistake.»

The *Critical Shift* experience prompted Slesarenko to rethink his approach to product development. As the studio prepares to release its large-scale RPG, it is now considering a more flexible model: releasing an MVP (minimum viable product), gathering feedback, and only then scaling the product, or pivoting to a new idea.

Despite the difficulties, the capabilities of both the founders and the team have grown substantially over the past six years. Throughout this period, the studio has been part of the Astana Hub ecosystem, where Artyom Slesarenko mentors young developers.

Investment Scenarios

As an investor in his own company, Artyom Slesarenko believes that the sector requires a portfolio approach to investment.

Recommendations for investors:

An optimal model might be a $3–5 million fund backing 15 projects at $200,000–$300,000 each. The key requirements are a willingness to work with international teams and recognition of intellectual property as a genuine asset.

An alternative approach is to back a single large niche project, which carries a high risk of failing to recoup its costs but also offers potentially high returns.

Slesarenko also highlights the cost advantage of local development: a project of *Critical Shift's* calibre would require at least $12–15 million to produce in the United States, compared with the current $5 million.

Today, international investment can be channelled into Kazakhstan through investment syndicates across the Turkic countries, the AIFC and Astana Hub. At the same time, demand remains high for smart capital accompanied by strategic support.

Recommendations for entrepreneurs:

Success in game development requires not only creative ideas and specialist skills, but also rigorous operational discipline, financial control and an understanding of global markets. Teams need experienced producers, managers and professionals with expertise in product monetisation.
Large projects tend to become more complex and take longer to complete, increasing dependence on international capital. But the scale of risk is proportionate to the scale of potential international success.

«If you manage to develop a superhit, the returns will be enormous. We're aiming for $30–40 million in revenue.»

To build experience, find mentors and attract international investment, participation in major global industry events such as Gamescom, game jams and incubators is invaluable.

Recommendations for policymakers:

Developing the games sector requires consistent, long-term support for the creative industries, comparable to the models adopted in South Korea and the UAE. Fragmented initiatives without stable funding and institutional backing cannot create a sustainable industry. Building an ecosystem requires capital, development programmes and financing mechanisms that combine commercial and public funding, for example in a 25:75 ratio.

«Kazakhstan sits at the intersection of Eastern and Western cultures. With the right focus, genuinely unique directions could emerge here – the way K-pop did in South Korea or manga in Japan. But without political will and the right institutional framework, everyone is still developing independently.»

«Have we received state funding? No. Is there any support? No. But we are registered at Astana Hub. We'll need that support once we have a successful project. What I worry about is that by the time we release the project, our benefits at Astana Hub will have already expired.»

Discussion Questions

1. Why did Rhinotales' projects end up in the investment market's blind spot? Is this an isolated case or a structural problem?
2. How does the move to a venture studio portfolio model change Rhinotales' business model and creative identity?
3. When comparing investment offers, how should an entrepreneur assess smart capital, including expertise, networks and strategic support?
4. How might recognising intellectual property as an asset change the way creative industries are financed? What would need to happen for this to become possible?

Photo: provided by the subject.

Adili: How a Kazakhstani Lifestyle Brand Sought Capital and Learnt to Value Its Intangible Assets

This case study is based on an interview with Indira Adil. All quotations are hers.

Indira and Asel Adil founded Adili in 2010 without start-up capital. Over the next fifteen years, the company developed into a lifestyle brand with its own full-cycle production facility, a team of 100 people and eight retail stores in Kazakhstan.

At the centre of the case is the sisters' decision in 2015 to launch a production line using borrowed capital. The move exposed a systemic gap between how financial institutions evaluated the business and where the company's greatest value lay, as well as persistent stereotypes surrounding women-led and creative businesses. The case illustrates a fundamental condition for a start-up's transition to sustainable growth and raises a question relevant across the creative industries: how can a business value and monetise what cannot be touched?

Key themes: *concessional public financing; repayment terms as a factor in survival; investor stereotypes surrounding women-led and creative businesses; intellectual property valuation; monetising ideas within a production business.*

About the Company

Adili was founded in 2010 by two sisters, Indira and Asel Adil. The business began with the production and sale of accessories, including silk scarves, tote bags, notebooks and leather goods. Over time, the range expanded to include home textiles, clothing and corporate orders. Today, Adili describes itself as a lifestyle company with a fifteen-year history and a distinctive visual language based on original prints, reinterpreted national motifs and an unconventional approach to traditional forms.

Throughout this period, the company grew using its own working capital. The sole exception was the decision made in 2015. It not only changed the scale of the business but also exposed structural tensions in a capital market that remains difficult for creative companies in Kazakhstan to access.

The Decision to Launch Production

By 2015, the sisters had two retail outlets and a strong reputation in the premium accessories market. Their next step was to establish their own production facility. Creating an in-house experimental production base would make the business more flexible and independent and allow it to respond to demand more quickly.

Asel Adil began researching the digital printing market and attending industry exhibitions. Selecting the right equipment took time. While factories in China and other textile-producing countries were designed for high-volume production, Adili needed a solution capable of producing small runs without compromising on quality. The sisters chose a Dutch machine fitted with Japanese print heads and using environmentally friendly inks that minimised water and electricity consumption.

«At that point, we did not have a large space, and we had no specialists at all. This was something entirely new. We needed flexibility, and we could not have bought the equipment with our own money.»

The company therefore needed external financing and approached several banks.

Gaps and Prejudices

The response from financial institutions was predictable. Adili's request did not fit the banking products available at the time.

«You have no idea how many prejudices there were. Two young women came in wanting to make and print things and asking for money to do it. Yes, we had two retail outlets, but that was our entire financial history. Naturally, not everyone understood the nature of the business. Scarves? A women's business?»

The project was treated as a manufacturing start-up with limited collateral. This perspective largely determined the negative outcome of negotiations with most banks. The exception was Sberbank, which acted as an operator for a state support programme delivered through the Damu Fund.[3] The fund's role was decisive. It provided Adili with a state guarantee and removed the main obstacle: the absence of collateral that met the bank's requirements.

[3] Damu Entrepreneurship Development Fund JSC – Kazakhstan's leading development institution supporting micro, small and medium-sized enterprises. It provides financial and non-financial support and acts as an operator for state programmes.

The business was evaluated based on measurable indicators, including current cash flow, stock and materials, and projected job creation. Its creative component, including original prints, cultural value and brand reputation, was not taken into account.

«They did not value our future creative ideas. They looked only at what could be measured and counted here and now. They were not interested in what we planned to produce. What mattered was that there was a tangible product, that it could be sold and that it had a price. No one considered that the creative component might increase the value of the product.»

The Grace Period That Made the Difference

Adili secured a loan of €170,000 at an annual interest rate of 4%. For comparison, by the end of 2025, the average interest rate on long-term business development loans in Kazakhstan was the highest among the member states of the Eurasian Economic Union, at 25.1%.[4]

The minimum rate available under subsidised state programmes ranged from 8.8% to 12.6% a year. The concessional terms available to Adili in 2015 therefore represented a rare opportunity.

The decisive factor, however, was not the interest rate but the repayment schedule. As Indira explains, launching a production line takes time. If the first repayment falls due before the business begins generating revenue, a start-up may be unable to withstand the pressure from the outset.

Purchasing and commissioning the equipment, recruiting specialists, launching the product and refining quality issues took around six months. During that period, production had not yet begun and there were no sales.

«You have only just taken the money, and already you have to repay it. But you have nothing to repay it with because production has not started. At the outset, it is essential to agree a realistic schedule and discuss all the repayment terms.»

The bank and the Damu Fund gave the project time to adjust. Repayment of the principal was aligned with the seasonality of the business. Adili has two annual sales peaks: International Women's Day on 8 March and New Year. The grace period reduced the pressure of monthly obligations and proved decisive in enabling the company to establish itself.

«A lender's or investor's approach to a start-up has a major effect on its prospects from the outset. The business either suffocates immediately, or the investor gives it time to mature.»

Why Not a Private Investor?

Over fifteen years, the Adil sisters made several attempts to attract private investment, but ultimately decided against completing a deal.

«The culture of private investment in Kazakhstan is difficult to understand. There needs to be a transparent model and clear agreements, ideally through a fund that invests systematically on clearly defined terms. Instead, you often encounter something like, 'You respect me, but I do not respect you.' That also says something about the maturity of the market. When the investor is an individual, subjective factors create many risks. We were afraid of limiting our freedom.»

Despite its limitations, Indira considers a bank loan the most straightforward and predictable financial instrument. The rules are clear, the bank does not intervene in operational decisions, and the entrepreneur's only obligation is to meet the repayment schedule.

Today, Indira sees no workable alternatives for raising capital. In her words, 'banks have become completely boring'. Against a backdrop of high interest rates, even standard products have become less accessible, while programmes designed specifically for creative businesses have yet to emerge. Her membership of the Parasat business club provides valuable business connections but has not helped the company attract private investment.

The sisters nevertheless intend to address this question. Before entering negotiations with potential investors, they need to understand the value of the creative component of their business and determine how much of the company's revenue it generates.

[4] Business loans in Kazakhstan are the most expensive among EAEU member states: https://kz.kursiv.media/2025-12-08/svan-stavki-po-kreditam-dlya-biznesa-v-kazahstane-samye-vysokie-sredi-stran-eaes/

How Do You Value What You Cannot Touch?

This is Adili's central strategic challenge. For fifteen years, the company has developed an original style and built its reputation. Its interpretation of national ornament became a reference point for a generation of Kazakhstani designers, while competitors repeatedly copied its signature prints.

This form of cultural capital is difficult to quantify or reflect in financial statements. Yet it explains why Indira describes Adili not simply as a manufacturer of clothing and accessories, but as a business built around ideas.

«Why the Mona Lisa is worth so much is difficult to explain. Presumably, there are tools for valuing it. If we simply count the fabric and the machinery, the product will not be worth what we would like it to be worth. I am certain that the intangible value we create accounts for 70% of our business.»

Efforts to formalise the company's intellectual property have so far produced limited results. Adili registers its catalogues, but this does not create additional value for the business. International registration of the brand is not yet complete, and financial institutions in Kazakhstan still offer no established approaches to valuing intangible assets in the creative industries

Indira is looking for solutions by consulting advisers with experience at Big Four firms[5] and exploring international valuation methods. At the same time, Adili has completed several rounds of advisory support from the EBRD,[6] focused on production efficiency, including reducing defects and increasing productivity, as well as international brand positioning and visual merchandising.

Meanwhile, Adili's understanding of value extends beyond its commercial activities. Although the company rarely speaks publicly about this aspect of its work, fabric offcuts are sorted by size and regularly donated to schools, creative clubs and children's homes for use in art therapy.

One such initiative was developed with ARDI, an association of parents of children with special needs. Children and their parents made toys from printed cotton, which were then packaged and sold in Adili stores, with the proceeds returned to the participants. The team hoped to develop the initiative further through corporate gifts, but it did not progress beyond the pilot stage. Indira attributes this largely to what she describes as the 'mindset' of recipients of targeted social assistance.

The experience raised a broader question: how can social value become part of a commercially sustainable business model?

[5] The Big Four – the four largest international audit and consulting firms: Deloitte, PwC, EY and KPMG.
[6] EBRD stands for the European Bank for Reconstruction and Development.

Where the Company Stands Today

Adili ended 2025 with a team of 100 people, eight physical stores, a website and a target of increasing online sales to 40% of total revenue. The company is also experimenting with a B2B offer, providing corporate clients with concept-led branding based on ornament.

The business moved beyond the start-up stage long ago. It is now a complex operating structure with a payroll, commercial commitments and an established production process. Indira describes the team as her main motivation. Her focus is on the people who need regular training and stable employment.

Indira sees the sisters' professional financial backgrounds as one of the main reasons for the company's resilience. Their business expertise enabled the company to grow organically. New stores, a broader product range and a larger team were all financed through reinvested revenue.

«We have developed throughout this period using our own working capital. The bank loan helped us establish production and launch the product line. Apart from that, we use our own money and reinvest it in the business. We have opened new stores and expanded the range, all at our own expense. That is already a sign of resilience.»

Adili's next stage is preparation for external investment. The company is approaching it at a time of structural change. Retail is declining, while online sales require substantial investment in marketing. Indira's priority is therefore to quantify the brand, commission an independent valuation of its intangible assets and understand the true value of what cannot be touched.

«Retail is declining. It is a global trend. Sales are not growing. That means the only things we can really sell are our ideas, creativity and innovative approach. If we say that we sell T-shirts and cushions, no one is interested. We will sell our ideas. That is what will save us.»

Appendix: Adili at a Glance

Business activities	-	Textile production, retail, advertising and branding services
Year founded	2010	Almaty, Kazakhstan
Current team size	100 people	-
Retail network	8 physical stores and a website	Target: up to 40% of sales online
Own production launched	2015–2017	Full cycle: design, printing and sewing
First financing	Concessional loan at 4% a year	Sberbank as operator, with a Damu Fund guarantee
Private investment	None	Deliberate decision
Primary growth tool	Own working capital	Bank loan to establish production; all further growth financed through reinvested revenue
Support programmes	EBRD consultancy	Production, branding and visual merchandising

Discussion Questions

1. Why was a flexible repayment schedule more important to an early-stage start-up than the low interest rate on a subsidised loan?
2. What lies behind the strategy of relying on oneself: a conscious choice or a forced response to the rigidity of the financial market?
3. What risks arise when a creative business is assessed solely through its tangible assets and standard financial performance?
4. What approaches could help investors and financial institutions assess the cultural capital of creative businesses?

Photo: provided by the subject.

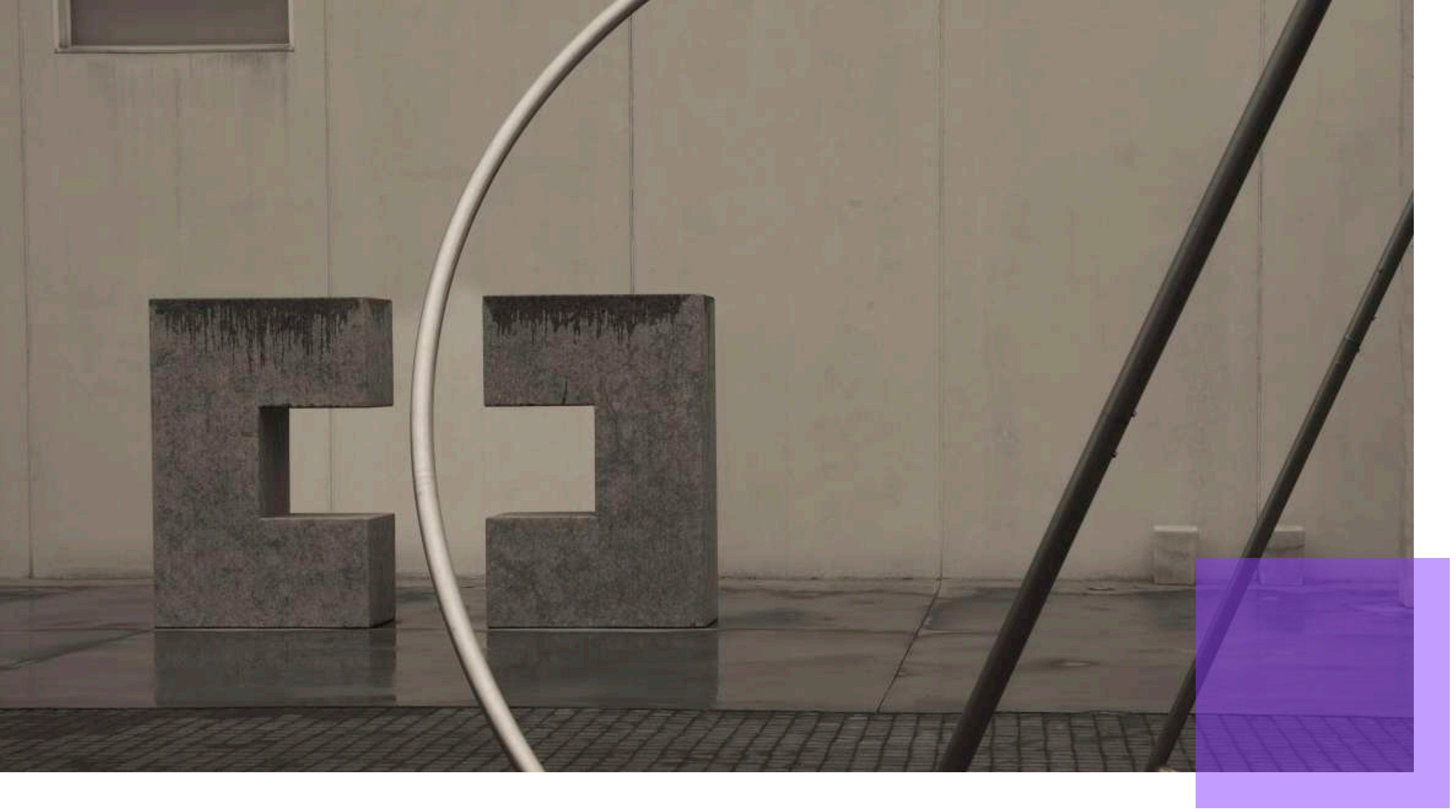
Ivan Borisochkin: An Architect Building for Himself

This case study is based on an interview with Ivan Borisochkin. All quotations are his.

For many years Ivan Borisochkin designed private buildings and public spaces for others. In 2023, while developing a digital start-up, he decided to bring together all his resources, his architectural practice, the family joinery workshop and a mobile application, into a single ecosystem.

His attempt to attract investment exposed a fundamental contradiction between the logic of craft production and the expectations of private capital. In search of investors who shared his values and were prepared to commit to a long-term development horizon, Borisochkin found himself in Bali.

Key themes: *values-based investment, "expensive money", family business, ecosystem logic, purpose driven entrepreneurship.*



The Architect and His Assets

Borisochkin built his career at the intersection of architecture and related disciplines. In 2023 he began developing his own start-up, a mobile application called Simple Plan. Drawing on his experience as a practising architect, he understood exactly where communication between clients and contractors tended to break down. These insights became the foundation of a tool for planning and managing residential interior renovation projects.

At the MVP (minimum viable product) stage, the project went through accelerator programmes at Dom 36 and Most Hub. The prototype was presented to private investors, but no funding was secured. The project was put on hold.

At the same time, operational problems began to emerge in the family joinery workshop founded by Borisochkin's father. The workshop specialised in bespoke joinery, including doors, panels and furniture, serving both B2B and B2C clients. It could support Borisochkin's own architectural projects but, under its existing business model, remained dependent on external commissions.

«All my life I worked on projects for other people, without seeing what I already had for myself.»

His understanding of ecosystem logic grew out of a professional observation: the architect and the joiner are the last two specialists to leave a construction site and bear the greatest responsibility for the final result.

When Borisochkin designs and delivers a turnkey project, having his own manufacturing capability and digital assets fundamentally changes his negotiating position. He is no longer simply a service provider but becomes a partner who shapes the terms of collaboration. This represents a strategic shift from a service provider to a partner operating within his own ecosystem.

The Workshop: A Turning Point

Borisochkin realised that the workshop's growing technological lag could ultimately force it to close. Over 30 years, the business had successfully survived several crises, yet it remained a craft-based manufacturing business built on manual work and the individual expertise of master joiners.

Each year the workshop completed up to 20 projects of varying scale, generating annual revenues of KZT 150 to 250 million. However, revenue remained irregular. Seasonal demand, lengthy approval processes and price competition all directly affected production utilisation and cash flow. The main losses resulted from production downtime and manufacturing errors.

The workshop faced several operational bottlenecks. Day to day management depended almost entirely on Borisochkin's father, who had reached retirement age and was considering handing over the business. At the same time, there was no formal management or delegation structure within the team.

The family dimension made the situation even more complex. As in many family businesses involving close relatives, operational issues were inseparable from personal relationships, and any management decision had the potential to trigger a family conflict.

«A family business is difficult because you cannot walk away from your relatives. My first task was to build a system in which everyone would be involved in the process, while keeping conflict out of it.»

Borisochkin understood that, to remain competitive in a changing market, the workshop needed to move from a craft-based model to a technology-driven operation. This required formalising the management structure and introducing dedicated marketing and sales functions. Initial estimates suggested that the transformation would require not only investment in production capacity but also significant expansion of the team, increasing the workshop workforce from 15 to 50 employees and growing the project team to 10 specialists. Delivering these changes would require external investment

Investment Experience and the Values Gap

Having gained his first experience of raising investment through the accelerator, Borisochkin turned his attention to transforming the family workshop. He held several rounds of negotiations with potential investors and explored the financing options available, including bank loans and entrepreneurship support programmes.

In his view, the private capital market was divided into two segments. The first, which he calls “new money”, consisted of investors focused on technology ventures and high-risk assets with the potential for rapid growth and high returns. The second, “old money”, comprised conservative investors who had accumulated their wealth during the 1990s and early 2000s and expected a rapid return on their investment. It was this second group that expressed interest in the family business and offered Borisochkin what he describes as “expensive money”: investment with expected returns of up to 40% per annum, secured against the workshop’s production assets.

The negotiations centred on proposals that reflected investors’ expectations of high returns over a short investment horizon. One proposal offered an investment of $100,000 in exchange for a 30% equity stake in the business. Another offered a loan of the same amount at 40% annual interest, repayable within one year. Both proposals were based on the workshop’s current financial performance and took no account of the realities of the production process. Nor did either envisage any involvement by the investors in the operational transformation of the business.

These terms were incompatible with the planning horizon Borisochkin considered realistic for modernising a craft-based manufacturing business.

«I came to realise that preserving our autonomy was critical. Our growth is organic, and it cannot be fast. We cannot transform a small family craft business into a major market player within a single year, particularly with limited resources. This is a long game, at least five years. But investors do not even want to hear about five years. In that situation, we are better off developing within our own means and on our own terms».

His decision to reject “expensive money” was driven not only by financial risk. Borisochkin also realised that he had not yet fully defined the purpose for which he was seeking investment.

«Terms such as ‘marketing’ or ‘team development’ are not sufficiently specific on their own. Without a clear objective, there is a high risk that the money will simply be wasted. All my illusions disappeared when I understood what ‘expensive money’ really meant: concrete obligations to concrete people, to be fulfilled within fixed deadlines. My time and resources were limited, and I had no confidence that the project would take off right then. If I forced the pace because of external pressure, there was a high probability that everything would fall apart. I would end up owing a great deal of money to people from the nineties. That was not something I wanted.»

Borisochkin concluded that using external capital on these terms to accelerate growth would most likely destroy the business. The stakes were high. He could not risk his father’s life’s work or the production asset itself.

Instead, he developed a Plan B: to find investors who shared his values and were prepared to work with a five-to-ten-year investment horizon. That search eventually brought him to Bali, where he joined a community of entrepreneurs, property developers and investors in real estate and hospitality.

«I was looking for partners who were prepared to play the long game. Fast money means big risks. Long term projects require a different approach.»

The Bali Project: The Ecosystem's First Test

The opportunity arose unexpectedly. A Kazakh entrepreneur who owned a plot of land in Bali was looking for an architect to develop the concept for an agricultural complex and boutique hotel. Borisochkin travelled to Bali to assess the site and was presented with three possible models of collaboration.

The first followed a conventional commercial model, with the architect acting as a contractor. The second involved participation in the investment project through a fixed fee together with an equity stake proportionate to the value of the architectural contribution. The third proposed a partnership model combining an operating fee with compensation in the form of a property asset.

Borisochkin rejected the first option immediately. It was precisely the model he had spent several years trying to move beyond. Instead, he chose the second option. What distinguished this partnership from all his previous experience was the alignment of values and long-term aspirations. Rather than negotiating expected returns and repayment periods, the parties focused on how they wanted their lives to look ten years into the future. Their objective was not rapid capital accumulation but satisfaction from the work itself and the contribution it could make to society.

«We know we will not become millionaires tomorrow. Money is not an end in itself. We want to live a life that feels right to us. It is a simple human understanding. It changes your frame of reference and where you focus your attention.»

In practical terms, the Bali partnership brings together all three elements of the ecosystem. Borisochkin's architectural practice generates demand for the family workshop to produce prototypes, furniture and architectural components. In turn, the partner provides capital and operational infrastructure, filling capabilities that the family business had previously lacked. Simple Plan, which had been put on hold after the accelerator programme, gains a new role by providing an opportunity to test the application in exactly this type of project. For the first time, all three elements can operate together.

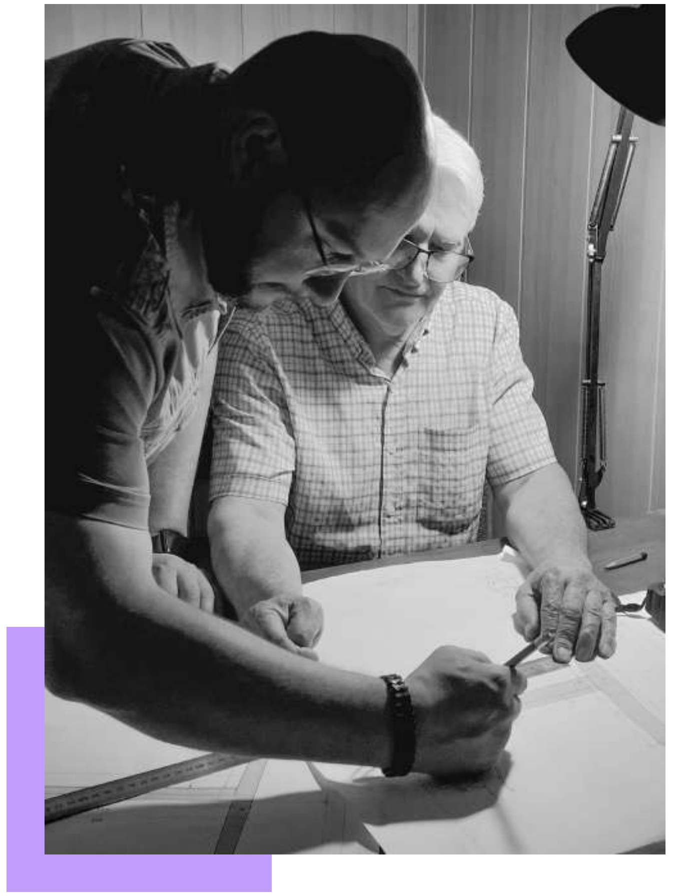
Three Principles

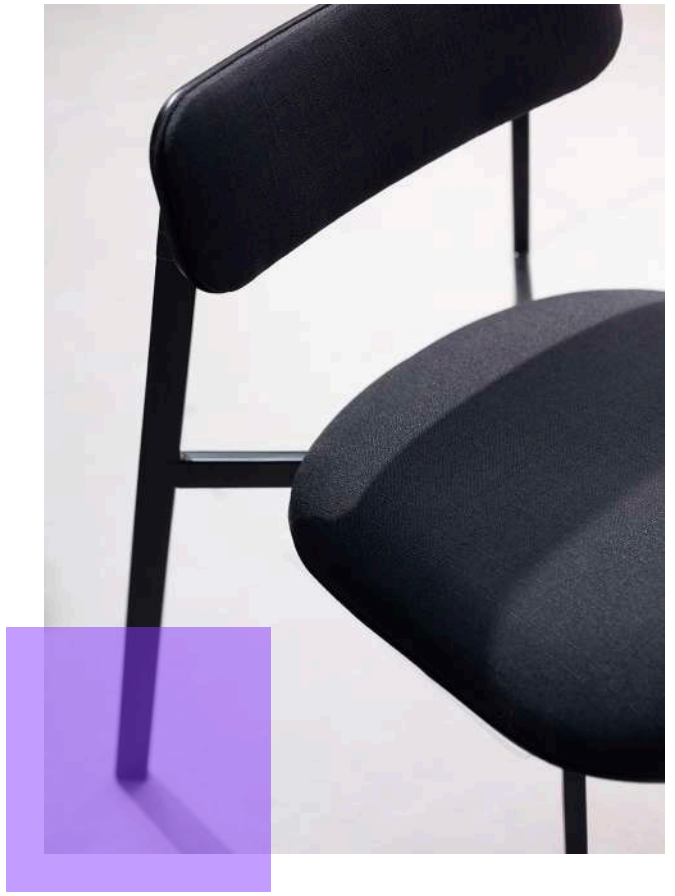
Several years of negotiations and investment deals that never materialised enabled Borisochkin to articulate the principles on which he continues to build his business.

1. Values come first. «Shared values between an entrepreneur and an investor determine a project's goals, strategy and development horizon. Without them, there is no point wasting either your own time or anyone else's.»

2. Purpose matters more than money. «Why am I doing this? Often, the answer is not money.» Without a clear answer to that question, it is too early to seek investment. Vague objectives are the principal reason why other people's capital is used inefficiently or simply wasted.

3. Time is finite, and that changes everything. Recognising that time is finite shifts the conversation about money from the abstract to the practical. Capital is needed for a specific purpose, at a specific moment, and over a specific planning horizon.





Discussion Questions

1. How can strategic caution be distinguished from risk avoidance, and what should investment decisions be based on?
2. What happens to a business strategy when an entrepreneur places meaning and social impact above exponential growth? What kind of investor is prepared to share that logic?
3. How can an ecosystem of interdependent assets be designed so that the failure of one element does not undermine the rest?
4. What mechanisms, including deal structure, risk allocation and exit scenarios, make it possible to test alignment of values with an investor in practice rather than only in negotiations?

Photo: provided by the subject.

Two Routes to Capital: Lessons from a Bristol Venture Studio

This case study is based on an interview with Richard Blows. All quotations are his.

The case compares two fundamentally different routes to finance: a national innovation programme and a local impact fund.

It follows a Venture Studio that grew out of a long-standing personal relationship between two entrepreneurs and asks which type of capital is more effective for niche creative businesses.

Key themes: *hybrid partnership, Venture Studio, digital assets, impact investment, values-based investment, public innovation funding.*

Business Context

Richard Blows founded Time Machine Designs to create digital solutions for cultural heritage. Initially, the company focused on the flight simulation community, but gradually shifted its focus to the cultural sector, working with museums and other heritage organisations.

Time Machine Designs' approach is based on simulating a user's presence within reconstructed historical and cultural environments created using accurate landscape models. A flagship example is *Hadrian's Wall 180*,[7] which allows visitors to explore a detailed reconstruction of the site before arriving in person.

Boomsatsuma is an independent educational organisation in Bristol with an annual turnover of £4 million and 60 employees. Its Chief Executive, Mark Curtis, and Richard Blows have known each other for more than 20 years. During the Covid pandemic, when Blows was experimenting with landscape content for Microsoft Flight Simulator, Curtis recognised the potential for collaboration. Time Machine Designs brought the ideas and expertise in cultural heritage, while Boomsatsuma contributed students with the technical skills required to deliver them.

[7] Hadrian's Wall 180 – a digital add-on for Microsoft Flight Simulator that visualises the 73-mile northern frontier of Roman Britain as it appeared in AD 180. It features 158 turrets, 78 milecastles, 18 forts and more than 140 unique models depicting the Wall in its fortified form.

The Partnership Model

The collaboration led to the creation of the Venture Studio (VS), where students gain practical experience by working in a professional environment.

Time Machine Designs provided the creative vision and expertise in cultural heritage. As the operational partner responsible for the front end, it also managed relationships with cultural organisations.

Boomsatsuma, meanwhile, delivered the technical development of the products, engaging both current students and graduates. The project has involved 685 students across Further and Higher Education.

Today, the Venture Studio operates as a standalone unit within Boomsatsuma. It has two permanent employees, ten freelancers and ten trainees. The VS model enables both partners to develop and grow together while preserving their independence and distinctive areas of expertise.

Seeking Investment

Both partners invested their own resources in developing the project. Blows financed Time Machine Designs as a start-up while also investing in the Venture Studio as its client and commissioner. Boomsatsuma provided partial funding for the studio as an innovation project.

Each partner sought external funding independently. Boomsatsuma secured two investment tranches totalling approximately £800,000 over five years from Bath and Bristol Regional Capital (BBRC), on terms more favourable than traditional loan financing.

By contrast, Blows worked with advisers from Business West's business support programme and innovation specialists at Innovate UK. The latter provided substantial expert support and gave positive assessments of Blows' applications. His second application, which projected revenues of £1.5 million, received a score of 83%. Nevertheless, neither application was funded.

«The sums of money available just don't warrant the effort that's required when set against the likelihood of success.»

At the same time, the Venture Studio secured commissioned work, including a £100,000 contract with Bristol City Council to train interns. Time Machine Designs received 40% of the contract budget for delivering the training.

Blows is currently seeking £100,000 to develop a prototype museum simulator. The project builds on existing developments: the Venture Studio operates on a 'build once, use many times' principle, allowing digital assets to be reused and reducing the cost of developing new products.

Investor Relationships

The partnership between Time Machine Designs and Boomsatsuma was built on a long-standing personal relationship and mutual trust between Blows and Curtis. Rather than seeking external investors at the outset, the partners created a collaborative model in which both invested their own resources and shared the risks.

Boomsatsuma's relationship with BBRC developed through formal investment processes. It resulted in financing on favourable fixed-rate terms, which played a significant role in the organisation's growth. The experience demonstrated the value of impact capital compared with traditional venture capital.

For Time Machine Designs, working with Innovate UK and support programmes, including Business West, proved valuable, helping Blows gain a deeper understanding of the funding application process and articulate the company's intellectual property and competitive advantages more clearly. However, his experience with Innovate UK itself ultimately fell short of expectations. According to Blows, the agency lacked a mechanism that allowed assessment managers to take account of the views of their own innovation specialists, who had advised him throughout the application process.

«That's been really significant in terms of our growth to date. The terms of the investment are also much more favourable than other ways of financing, where it's easy to get bogged down in loan finance. The approach BBRC have developed is something that could scale well. From a Boomsatsuma perspective, it definitely works.»

Lessons and Limitations

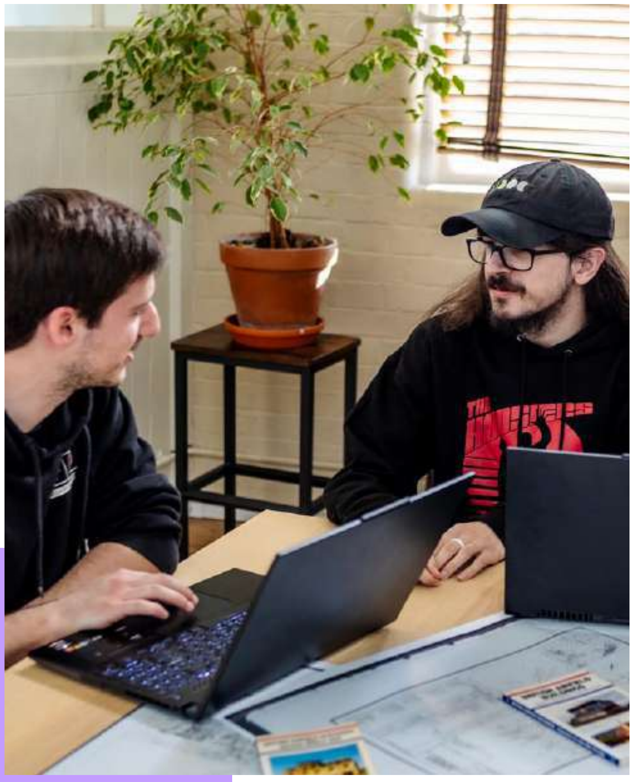
Richard Blows' experience with Innovate UK exposed significant shortcomings in the business assessment process used by the UK's national innovation agency. Assessment managers did not take account of the views of the innovation specialists who had advised Blows throughout the application process, instead making judgements that suggested a limited understanding of his business. Despite receiving a score of 83% and investing considerable effort, including seven days spent preparing one extensive application and several weeks of work overall, the application was unsuccessful.

In Blows' view, further obstacles arose when assessment managers compared local applications with irrelevant international examples, such as a South Korean company operating exclusively in South-East Asia, rather than evaluating the actual market opportunity in the UK. The experience led him to question whether the effort required was proportionate to the funding available.

For both organisations, access to innovation funding remains a principal challenge because of their hybrid position between the public and private sectors. As an independent organisation operating within the state education system, Boomsatsuma lacks the administrative capacity to prepare complex applications for funds such as Innovate UK without diverting key staff from its core activities.

Blows also emphasises the importance of taking a considered approach to choosing sources of finance. Venture capital can fundamentally alter the nature of a business, while funding from certain sources may carry reputational implications for organisations working with the public sector. At the same time, Boomsatsuma's experience with BBRC demonstrates that impact capital, when provided on favourable terms and aligned with the organisation's values, can be highly effective.

Overall, the case suggests that local investment decisions, informed by close collaboration between investors and subject specialists, may be more effective than large national funding programmes. At the same time, programmes such as Innovate UK often offer levels of funding that do not justify the effort required to secure them, particularly where applicants are expected to provide matched funding. In Blows' case, a 30% contribution was required simply to submit an application.



Discussion Questions

1. Why was a local impact fund a more effective source of capital for Boomsatsuma than national innovation programmes?
2. Under what conditions is personal trust a sufficient foundation for a business relationship, and when does it need to be formalised?
3. How can the value of a digital asset be demonstrated to an impact investor when standard valuation methods do not apply?
4. How does the “build once, use many times” model change the economics of creative digital products and their appeal to investors?

Photo: provided by the subject.

Conditional Philanthropy: How the Royal Shakespeare Company Attracted Donors Who Had Not Invested in the Arts

This case study is based on an interview with Nick Wilsdon, Impact Lead at Figurative.

Arts organisations have traditionally struggled to compete for impact capital. A common assumption among funders is that the social impact of the arts is difficult to measure.

The Royal Shakespeare Company (RSC) tested a pay-for-success model, also known as Conditional Philanthropy, in which donations are pledged in advance but paid only once agreed outcomes have been achieved.

Figurative's Arts & Culture Impact Fund, which shared the RSC's values, provided the upfront capital. The case raises a question relevant across the creative sector: how can social impact data become a tool for attracting capital?

***Key themes:** pay-for-success, Conditional Philanthropy, social and cultural impact, impact investment, values-based investment, impact measurement.*

Context and Challenge

The Royal Shakespeare Company is one of the world's leading theatre companies, with a long history of artistic exploration and innovation. Alongside its performance work, the RSC runs its Associated Schools Programme, which works with 250 schools and 12 regional theatres. The programme is designed for young people in areas of socio-economic disadvantage. It aims to strengthen literacy, communication and social skills, and in turn resilience, by introducing participants to Shakespeare's work. Research by the Universities of Nottingham and Warwick has confirmed the programme's effectiveness: participants showed improvements in academic outcomes and overall wellbeing.

The RSC's goal was to secure the programme's long-term sustainability by expanding the Associated Schools Programme from 250 to 350 schools from the 2023/24 academic year. Growth on that scale required a different financial logic.

The organisation therefore set out to attract a growing pool of data-driven philanthropists. These donors expect stronger evidence of social impact and have historically been less likely to fund the arts. This is partly due to the perception that the long-term changes created by arts organisations are harder to demonstrate and measure than outcomes in health or education.

To address this challenge, the RSC decided to test a pay-for-success model, also known as Conditional Philanthropy. Under this model, donations are committed in advance but paid only after agreed outcomes have been achieved. The approach requires clearly defined outcomes, credible methods of measurement and mutual trust between the organisation seeking funding and its donors.

Process and Solution

The RSC partnered with the Arts & Culture Impact Fund (ACIF), a £16 million UK investment fund managed by Figurative. ACIF supports socially driven arts, culture and heritage organisations across the UK. It provides affordable repayable finance that can be used to acquire assets, improve infrastructure, develop new projects or expand existing sources of income.

Through ACIF, Figurative invested £600,000 in upfront capital, enabling the RSC to expand the programme before receiving donations under the pay-for-success model. ACIF also provided extensive support in developing the impact measurement framework, significantly strengthening the programme's investment proposition.

Figurative and the RSC worked together to develop an impact outcomes framework capable of supporting a pay-for-success model.

Their collaboration focused on four areas:

- Co-developed a framework that defined clear intermediate and long-term outcomes, with measurable indicators for each element of the programme.;
- Aligned the work of the learning team, responsible for programme delivery and impact, with the development team, responsible for fundraising and donor engagement;
- Supported internal alignment and approvals within the RSC;
- Turned the framework into an investment proposition tailored to impact-driven donors.

In parallel, ACIF conducted due diligence and assessed the risks. Despite the novelty of the model, the investment was considered lower risk than similar investments, thanks to the RSC's financial reserves and its ability to repay the loan even if the pay-for-success model failed to generate the expected level of donations. Confidence was further strengthened by the RSC's management capability and the commercial success of recent productions, including My Neighbour Totoro and Hamnet.

Outcomes

Over two years, the RSC brought 100 additional schools into the Associated Schools Programme. By successfully testing this new pay-for-success funding model, the organisation demonstrated how the pool of donors supporting the arts could be expanded.

An equally important outcome was a stronger approach to impact measurement. The organisation gained structured social impact data that proved valuable not only for reporting, but also for improving educational practice, helping to dispel the assumption that arts organisations cannot demonstrate meaningful socio-economic outcomes.

«This project presents a unique and innovative investment opportunity, bringing together quantitative rigour and structure to evaluate the well-established learning outcomes of the RSC's Associated Schools Programme. The pedagogical approach has a demonstrable track record of enabling positive outcomes for pupils in areas of socio-economic disadvantage, and the potential to leverage this to unlock new income from philanthropists not already engaged with the arts is both groundbreaking and exciting for the sector.»

Lessons Learned

A funding mechanism must be supported by a compelling narrative. Pay-for-success is not just a funding structure. It requires a proposal that donors can trust, which depends on clear outcomes, credible measurement and internal alignment across the organisation.

Collaboration between expert teams ensures rigour and engagement. Jointly developing the impact outcomes framework enabled the RSC and ACIF teams to produce realistic projections that met donor expectations. Expert collaboration kept the process from becoming either an academic exercise or simply an investor pitch.

Internal coordination is part of the solution. The work was not only about defining outcomes. It depended on aligning the learning and development teams, clarifying decision points and establishing areas of shared responsibility.

Risk can be reduced through organisational fundamentals. Financial reserves, repayment capacity and strong leadership all matter. They determine whether an innovative mechanism remains a manageable experiment or becomes a risky gamble.

Sector-wide value can be created from a single trial. This case demonstrates how Conditional Philanthropy can strengthen the financial resilience of arts organisations as public and private funding become less predictable.

Discussion Questions

1. Who should define social impact indicators, and how can the process be structured to work for both the organisation and the donor?
2. Under what conditions can the pay-for-success model become accessible to smaller cultural organisations that do not have the RSC's institutional reserves?
3. What are the risks of assuming that a strong reputation is enough for a cultural organisation to attract capital, and how can this assumption be challenged?
4. How can social impact data be used to attract a new class of donors?

Photo: Sara Beaumont / Royal Shakespeare Company.

Boathouse Creative Studio: How a Local Community Influences Investment Decisions

This case study is based on an interview with Kate Harmatz, Head of Partnerships at Barking & Dagenham Giving.

Barking & Dagenham Giving tested a participatory investment model in which decisions about which businesses to support were made not only by professional analysts, but also by local residents.

The Boathouse case shows how patient[8] capital enabled the creative space to obtain a loan on terms unavailable through the conventional financial system.

Key themes: *community investment, reputation as an asset, place-based impact funds, participatory decision-making, patient capital.*

[8] Patient capital – long-term investment that accepts slower financial returns to support organisations with the potential to generate lasting social, cultural or environmental impact.

Context and Challenge

Barking & Dagenham Giving (B&DG) is a place-based impact fund that raises local capital and deploys it into projects with social impact across East London. Its purpose is to manage those resources in ways that strengthen resident-led initiatives while giving local people a meaningful role in investment decisions.

The borough of Barking and Dagenham has historically been underfunded. Rapid development, combined with cuts to public services, has reduced the availability of community spaces and deepened social divisions across the community, including young people, women and refugees.

Boathouse Creative Studio has been operating in Barking for ten years. Boathouse occupies a former malthouse that has been converted into a two-storey building with artists' studios and shared spaces. It is led by theatre director Carole Pluckrose, who is well respected within the local community.

As a Community Interest Company,[9] Boathouse generates both revenue and social impact. Most of its income comes from renting artists' studios. During the week, the main hall hosts activities for parents and young children, creative clubs and rehearsals; at weekends it is let for commercial events.

By the time the studio sought investment, it had reached the limits of its existing business model. However, further growth required investment. Renovating the premises would increase commercial rental income and support its long-term sustainability, allowing Boathouse not just to maintain its community and cultural programme, but to expand it.

[9] Community Interest Company (CIC) – a legal form of social enterprise in the United Kingdom, designed to operate for the benefit of the community rather than private shareholders.

The Investment Decision

B&DG financed Boathouse through a participatory investment model built around non-extractive finance. The studio received an initial loan of £75,000, repayable over five years at an annual interest rate of 5%.

The process took 18 months and involved far more than disbursing a concessional loan. It included relationship-building, grant funding, an accelerator programme, and the creation of an investment committee made up of local residents with full decision-making authority.

Why B&DG Backed the Project

The project gave the fund a chance to test a hypothesis: that affordable, community-oriented lending can strengthen local assets and generate social impact that grants alone cannot sustain.

Spaces like Boathouse matter to cities. They serve as shared infrastructure for cultural events, community gatherings and inclusive activities – exactly the kind of anchor points that are in short supply in high-density areas undergoing rapid development.

From a conventional financing perspective, however, the project had a structural weakness: Carole Pluckrose had no formal lease, relying instead on a longstanding relationship of trust with the building's owner.

«If you would have looked at Carole's business on paper, it would have looked incredibly risky.»
– Kate Harmatz

The fund and the community committee judged the studio's social contribution and track record to be a significant part of the impact mix.[10] Boathouse scored strongly on two key indicators: support for artists and cultural spaces, and the strengthening of community cohesion. On that basis, B&DG provided patient capital on fair terms.

Deciding Factors

Several factors made the financing possible:

- Carole Pluckrose's reputation: she had previously received grants for participatory projects and had the strong support of the local community;
- The accelerator programme: it helped Pluckrose work through her initial reservations about repayable finance and decide whether the model was right for Boathouse;
- B&DG's investment readiness support: by the end of the accelerator, Pluckrose had developed a practical renovation plan with projected revenue growth;
- Risk sharing:– the question of the missing lease was passed to the investment committee, distributing the risk between B&DG and the Boathouse team rather than treating it as a disqualifying factor.

[10] Impact mix – in impact investing, the combination of expected financial returns and measurable social and/or environmental impact within a single investment or portfolio.

«Risk can mean very different things, and it's so dependent on the context how you're examining risk.»
– Kate Harmatz

This broader understanding of risk ultimately shaped the committee's decision to proceed with the investment.

The investment enabled a substantial upgrade of the creative space. The renovation demonstrated its potential to strengthen the business model and expand commercial income. Carole Pluckrose also repositioned herself – shifting her focus from artistic direction to entrepreneurship and social leadership. Boathouse is now considering a second phase of expansion, including a potential second loan to convert the adjacent space into a café.

Lessons Learned

The Boathouse case demonstrates the need to rethink what "risk" means when investing in communities. It demonstrates the value of qualitative risk assessment and the importance of giving local residents a genuine stake in investment decisions.

«People with no professional financial experience are perfectly capable of making long-term and impactful investment decisions for where they live.»
– Kate Harmatz

Key takeaways:

- Local knowledge changes how risk is assessed.
- Repayable finance can strengthen community cohesion.
- Community participation in decision-making takes longer – but increases legitimacy and builds leadership.
- Social impact, investment attractiveness and community support can be mutually reinforcing.

«Me paying back the interest is an honour, because I know it's going to go to the next person like me.»
– Carole Pluckrose

On paper, the absence of a lease should have ruled out any loan. In practice, the community knew exactly what Boathouse meant to the area and what Carole had achieved. That knowledge reframed the risk. When loan repayment is understood as the local circulation of capital, financing becomes a community development mechanism – not just a financial transaction. Community governance takes time, but it builds capacity, legitimacy and leadership.

«We invest in community assets and in businesses with returns that we then use for grant making.»
– Kate Harmatz

The project changed how B&DG approaches evaluation – looking not only at an organisation's ability to repay, but at its measurable social impact. It also demonstrated that community committees can play a meaningful role in due diligence.

Conclusions and Recommendations

The case demonstrates that participatory investment[11] can drive the development of local infrastructure in the public interest – particularly in areas experiencing rapid development. It depends on a specific combination: fair capital, local decision-making and investment in community capacity.

Recommendations for investors:

- Start with inclusion and build from there: bring lived-experience expertise into investment decisions, even if it begins with a single seat at the table;
- Treat paper-based risk assessment as incomplete: use community intelligence to better understand an applicant's reputation, track record and contribution to place;
- Offer blended pathways: combine grants, accelerator support and fair repayable finance to help build resilient enterprises;
- Design for circulation: connect loan repayment to local benefit and the next round of investment.

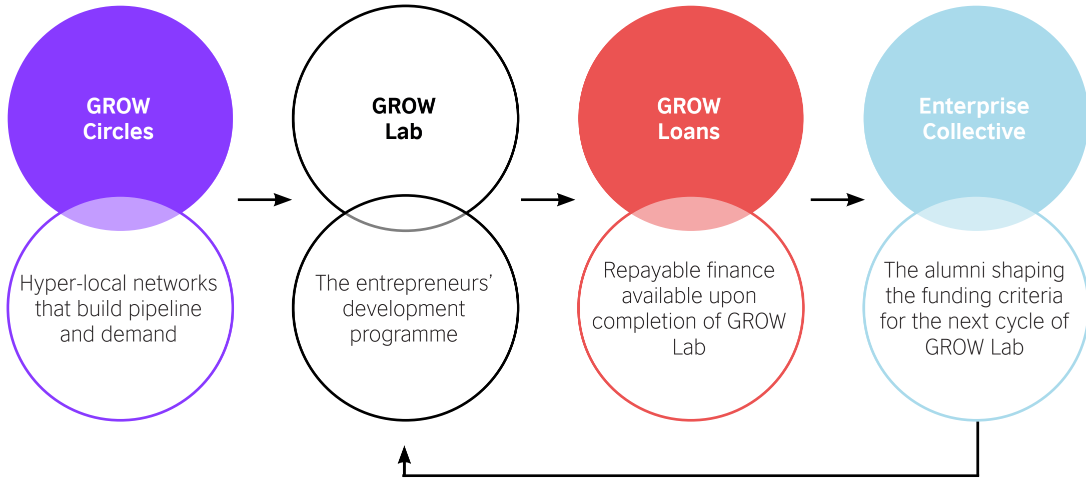
Recommendations for community enterprises:

- Link income growth to mission delivery. Investment in physical improvements can increase earned income while protecting the cultural and community use of a space;
- Use supportive finance to build confidence and unlock expansion, without needing to conform to extractive norms.

[11] Participatory investment – an approach to investment that combines social or environmental objectives with the active involvement of local communities in investment decision-making.

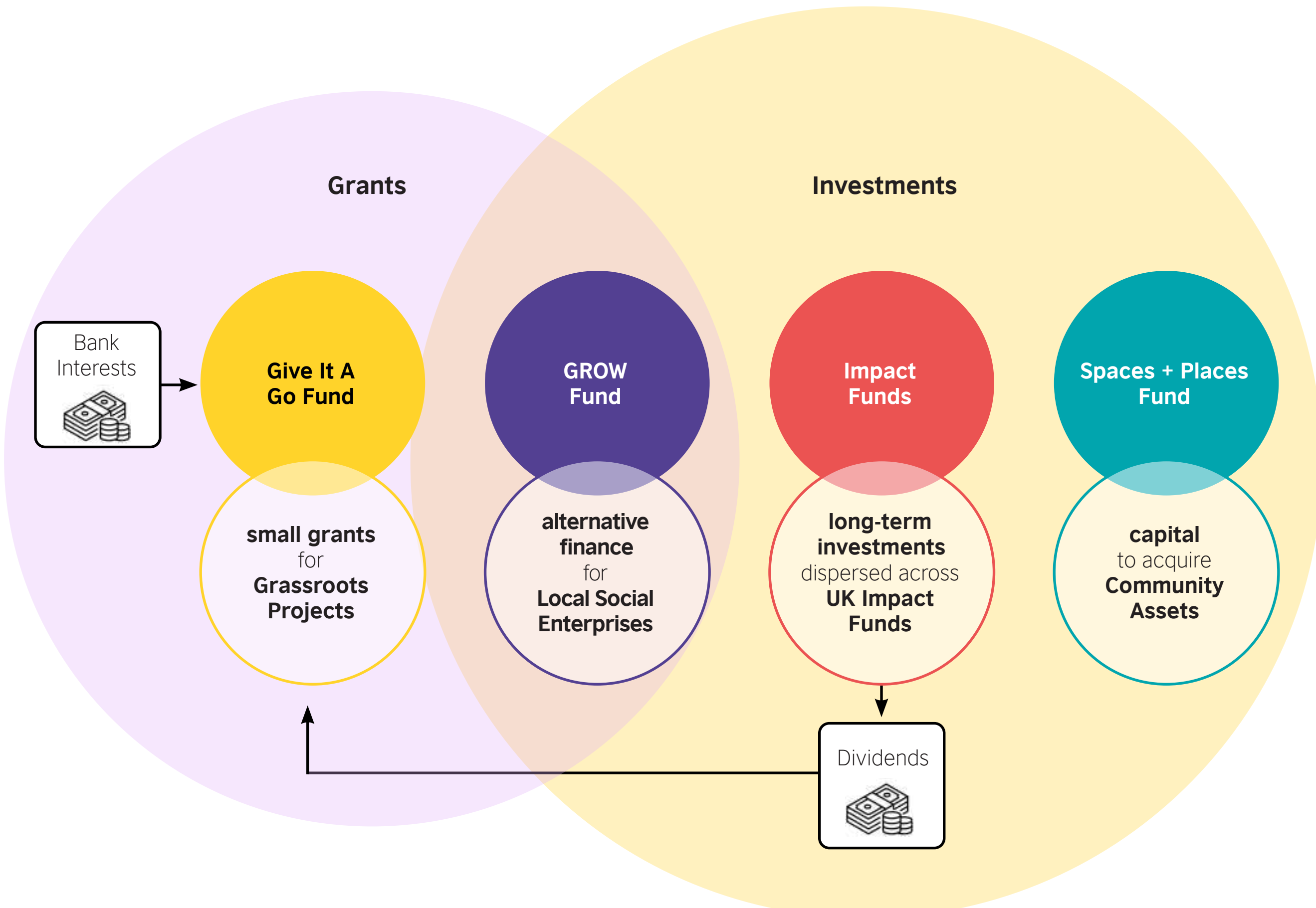
Barking & Dagenham Giving's GROW Fund

Where purpose-led entrepreneurs in or around Barking & Dagenham come together to learn, share challenges, and build stronger businesses.



Barking & Dagenham Giving's 100% Community-led Endowment Portfolio

Where local people are supported to make long-term and impactful investment decisions about where they live.



Discussion Questions

1. What needs to change in business valuation practices for reputation and community trust to be recognised as investment assets?
2. Can a model based on circulating capital within the community be sustainable and scaled beyond a local context?
3. Under what conditions is community participation in investment decisions effective, and when might it fail?
4. Are there creative businesses in your area for which community investment or participatory investment would be the most appropriate form of finance?

Photo: provided by the subject.

Closing Thoughts

Instead of a traditional conclusion, we end this handbook with a conversation between its two authors, Nastia Goncharova and Gill Wildman. This format reflects the way the research evolved far better than a single narrative voice could. It also brings together the two perspectives, Kazakhstani and British, that have shaped this handbook throughout.

What was your original hypothesis when you started this project?

(Nastia) My starting point was that creative entrepreneurs occupy a blind spot in financial markets, remaining invisible to investors because they do not fit existing investment frameworks. Our case studies confirmed this. The entrepreneurs we spoke to have found their own ways forward, adapting to standard financial conditions, often on terms that are far from fair.

(Gill) What struck me was how inventive creative entrepreneurs are when it comes to financing, just as they are in every other aspect of their work. I assumed that impact investment would be a natural fit for the creative sector and that the UK would provide plenty of successful examples. Finding them proved far more difficult than I had expected.

(Nastia) It is clear that capital is available, including in Kazakhstan. However, investors still have a limited understanding of the creative industries, which gives rise to stereotypes, scepticism and unrealistic expectations. The creative economy is discussed at different levels in Kazakhstan and across Central Asia, yet dedicated programmes and financial instruments are still largely absent.

(Gill) The pattern is similar in both countries: plenty of discussion, but little practical action. In theory, there is a synergy between impact investors and creative entrepreneurs. In practice, however, there is a disconnect. Investors do not recognise the kinds of impact creative businesses create, while entrepreneurs are often not equipped to articulate, measure or demonstrate that impact. I had not expected to find this gap within the field of impact investment. It was a real eye-opener.

How established would you say impact investment is in your country?

(Nastia) I would say it is still underdeveloped. While there are occasional support programmes for social entrepreneurship, it would be difficult to describe this as a fully developed ecosystem. There is nothing comparable exists in the creative industries.

(Gill) In the UK, impact investment is much more established, but it remains concentrated largely in the non-profit sector, supporting civic initiatives and new ways of bringing people together at community level. In the context of creative business, however, it is still at a very early stage.

How aware are creative entrepreneurs in your country of different forms of investment, including impact investment?

(Nastia) In Kazakhstan, awareness remains fairly low. Entrepreneurs tend to turn to familiar sources of finance, such as banks, private lenders or investors. They know about investment funds but understand that they are unlikely to meet their criteria. Impact investment remains relatively unfamiliar.

(Gill) The situation is much the same in the UK. Those who have taken part in business support programmes are familiar with equity investment, but many find that this route is either unsuitable for them or would require fundamental changes that conflict with their values.

The idea of investment for social impact is still relatively new and has yet to become part of the standard knowledge base of creative entrepreneurs. But there is every reason to believe that this can change.

What surprised you in the case studies?

(Nastia) What surprised me was how much effort goes into finding finance that suits the nature of a creative business. The entrepreneurs in these case studies often choose organic growth not only because suitable funds are unavailable, but also because they do not trust private investors and institutions. Their reluctance to be indebted to anyone reflects systemic barriers that go far beyond psychological discomfort.

It also became clear that shared values between an entrepreneur and an investor are not particularly rare. However, we found no mechanism for translating that alignment into a model of collaboration, specific agreements or business processes.

(Gill) What struck me most was that knowing about investment funds matters less than knowing the people behind them. For Boomsatsuma, this was crucial. They were in regular contact with the people managing the fund.

Another thing that stood out was their inventiveness. Figurative and the RSC developed an entirely new pay-for-success approach. Without it, the theatre would not have received funding. Barking and Dagenham Giving transferred decision making to the community, and this became the main factor in its success. The council provided the initial funding and trained local people to work with the fund, setting money in motion between social enterprises in the area. I found that remarkable.

Innovation creates space for further innovation.

Another important factor is the value of reputation. When investors talk about investing in intellectual property, they should also consider reputational value as a way of reducing risk for the company.

(Nastia) It is important to recognise that reputation can be treated as an asset in its own right. This is particularly true for creative companies. Every entrepreneur I spoke to referred to reputation, whether their own, their company's or their partners', as one of their main resources. They take it seriously.

What concerns you?

(Nastia) For me, the biggest challenge is the current state of targeted investment and impact investment in the creative industries. Demand for "patient capital" is enormous. Entrepreneurs are ready to engage and explain the specific nature of their business models, but for now the conversation still feels one sided.

(Gill) What worries me is the persistent lack of understanding between the two sides. Impact investors do not recognise the real value of creative companies as it is currently presented to them, and there is work to be done on both sides. They are missing a genuine opportunity.

What would you recommend to creative entrepreneurs when considering impact investment?

(Nastia) Start by understanding the value you create, not only in economic terms. Then think about your impact in context. What lasting changes does your work bring about? Who could help amplify that impact?

Once you have that picture, even if it cannot yet be expressed in numbers, your conversations with investors and funders become much more meaningful, whether you are seeking finance or simply advice. Everything begins with a clear understanding of what you do and why it matters.

(Gill) Two practical suggestions. First, start measuring your impact as early as possible and keep refining the way you do it. Second, make the effort to meet investors in person. Understanding how investors think, and helping them understand your perspective in return, is valuable advice for anyone seeking investment. As the case studies show, personal relationships often open the door to better opportunities and better terms.

What would you recommend to impact investors considering creative businesses and their impact?

(Nastia) I think the next step for impact investors is to look more closely at what impact means in the creative industries. They already have the resources and methodologies to do this. There is also much to learn from private corporations that have been working systematically with impact for many years.

That knowledge already exists. The next step is to use it to build capacity on both sides, among investors and entrepreneurs alike. What the sector needs now is a common language for understanding and discussing impact.

(Gill) I agree. I would go one step further. I think impact investors also need to broaden the way they think about impact. Reputation, trust, social cohesion and other forms of value should be recognised alongside the outcomes captured by conventional metrics.

What would you recommend to policy makers and institutions?

(Nastia) In Kazakhstan, discussions about comprehensive financial support for the creative industries are already underway. But frankly, the system is still built around distributing funds rather than recovering and reinvesting them.

I would like to see more attention given to concessional returnable capital, along the lines of the Boathouse model. It creates accountability on both sides, encourages entrepreneurs to build financially sustainable businesses while increasing their impact, and allows the same capital to support many more creative businesses over time.

(Gill) I would add one more point. Policymakers can play an important role in helping new funds emerge by encouraging investment and experimentation with different governance models. They can also help existing impact funds build expertise in the creative industries, while supporting creative businesses to become more investment ready. Where there is genuine alignment between investors and entrepreneurs, the chances of successful investment partnerships are much greater.

(Nastia) None of this will happen without intermediary organisations, whether impact funds, impact hubs or specialists in impact assessment. They need long term, systemic support from both the public sector and the investment community.

What next?

(Nastia) The solutions already exist, and they continue to evolve, both in Kazakhstan and in the United Kingdom. What still stands in the way is our willingness to engage with one another. I hope these case studies encourage entrepreneurs, investors and policymakers not simply to start a dialogue, but to have an honest conversation about the true value and scale of cultural and social impact created by the creative industries.

(Gill) The more innovation we see, the more room there is for change. The next step is for entrepreneurs and investors to find each other, not through application forms or funding criteria, but through direct conversations grounded in evidence. As the case studies throughout this handbook show, this is where real change begins.

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