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Creative United is an entrepreneurial community interest company committed to supporting the growth and development of the arts, heritage and creative industries.

We work with partners across the public and private sectors to design and deliver programmes that enable economic growth and social impact.

Our vision is for artists, creative enterprises and cultural organisations to have access to the skills, advice and services they need to achieve their ambitions for growth and impact within their communities.

We are focused on helping the organisations and individuals that we work with to:

- Understand their business model and the market/s in which they are operating
- Reduce economic barriers to participation
- Broaden and diversify their customer base
- Grow their sales revenues, and increase their social impact

We believe that culture, creativity and the arts should be accessible and an essential part of life that everyone can experience and enjoy in some shape or form. That's why we deliver programmes that increase public access to and engagement with the arts and creativity.

executive summary

In common with most organisations, this annual report is being published some six months or so following the end of our financial year in March 2020. In any normal year, the narrative of this executive summary would have been to capture the key events and impacts achieved during the year under review, as well as signalling our plans and ambitions for the year ahead.

But this year is not a normal year. Just as 2019/20 came to a close, the country went into lockdown, and the scale and severity of the global coronavirus pandemic started to become startlingly clear.

It is in this context that as we take the opportunity to celebrate everything we achieved in 2019, we do so with the painful realisation that so many of the people and places that underpin the strength and diversity of our creative sectors have been devastated by the impact of Covid-19, and the damage wrought is likely to be long lasting. In that sense, this report serves as a reminder of how strong things were in 2019, and the importance of doing everything we can to protect, rebuild and invest in the artists, musicians, performers, producers, venues, museums, galleries, heritage sites and other elements that make up our uniquely rich and diverse cultural ecology here in the UK.

As a Sector Support Organisation, Creative United is committed to helping the creative economy to recover as quickly as it can. With the support of our funding partners we will be working hard to ensure that the individuals and organisations we work with are equipped to face the challenges ahead, and also to take advantage of the opportunities to work differently and better that have started to emerge as consequence of the hard stop imposed by Covid-19 on all our lives.

Our track record in developing and delivering business support programmes that are responsive to the needs of organisations across the arts, heritage and wider creative industries puts us in a strong position in this regard, and we are looking forward very much to continuing to work with our incredible network of advisors to ensure that specialist business advice is available to those that need it.

A major strategic focus for Creative United in 2019 was the research and development of our 'Future of the Art Market' Report and Unconference through which we sought to identify the changing dynamics of the UK art market and predict how these might develop in the future – for good or for bad. As our 200 guests gathered at Somerset House on 13 November 2019 to discuss issues such as the environmental impact of art fairs, use of digital technologies in buying and selling artwork and the lack of diversity within

the market, who could possibly have predicted that within a few short months we would see such a dramatic acceleration of change across our industry.

2019 was also an important year for the Take it away Consortium, the partnership structure through which we are driving forward our Inclusive Access to Music Making (IAMM) initiative. We are delighted to have forged such a strong alliance with our colleagues at OHMI Trust, Youth Music, Open Up Music, Drake Music and Music for Youth and to see the positive results that this partnership has generated. This includes our ground-breaking pilot programme in partnership with Nottingham Music Hub, and the publication of our Guide to Buying Adaptive Musical Instruments.

Despite the obvious challenges, we look forward to building on the successes of 2019/20 with an even stronger sense of purpose and commitment in the year ahead and to ensuring that the arts, culture and creativity remain accessible to all.



Me Me are





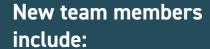






Staff during the year included:

(L - R)
Angela Suh
Carla Pianese
Sarah Thirtle
Stephen Tribbel
Mia Dunning
Hannah Mason
Sophie Ogunyemi
Alexander Tucker
Lorna Jones
Ben Gelbrun



Nicole Horgan Melody Patman

Our board:

David Gilbert (Chairman)
Mary-Alice Stack (Chief Executive)
Suzanne Bull MBE
Anu Giri
Katherine Hall
Nick Henry
Rikesh Shah
Rosie Wolfenden MBE



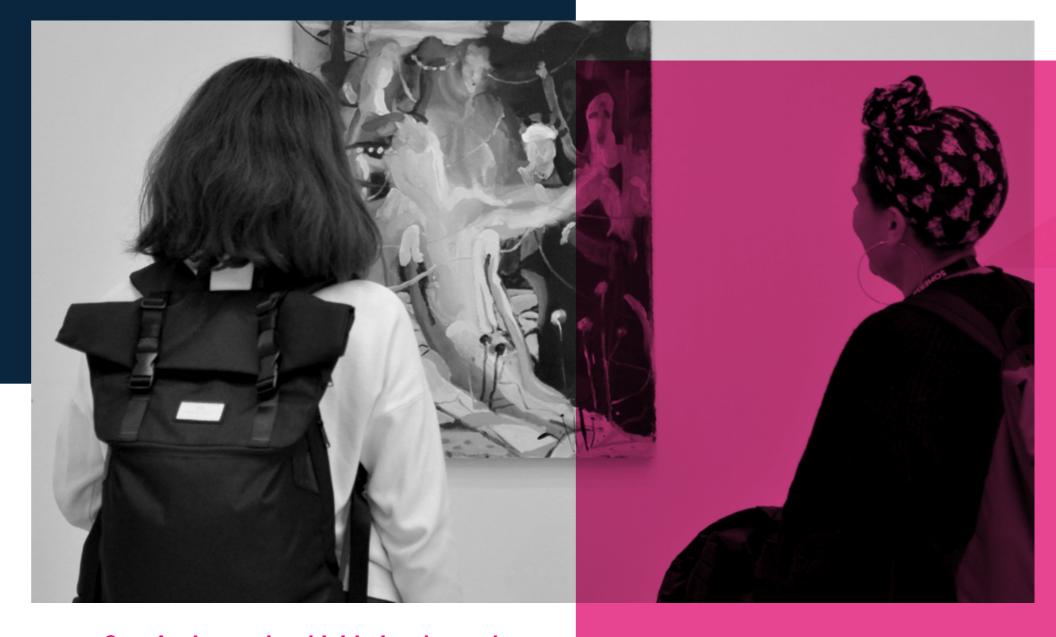






Making contemporary art and craft accessible to all





Own Art is a national initiative that makes buying contemporary art and craft more affordable, by providing interest-free finance for the purchase of original work.

With the support of our funding partners Arts Council England, Creative Scotland and the Arts Council of Northern Ireland, **Own Art aims to reduce the financial barriers and perceptions of elitism that commonly exist within the art market**, by making it easier and more accessible for people to purchase and enjoy original art and craft, regardless of their income and socio-economic background.

Own Art works with a network of **over 300 member galleries** from across England, Scotland and Northern Ireland, including commercial and not-for-profit galleries, museums, art fairs and artist-led organisations. Through Own Art, these member galleries are able to offer interest-free finance to their customers both online and in-store, helping customers

to purchase the art and craft they love.

Alongside subsidised credit facilities, our member galleries receive free marketing support and a range of other benefits offered by partner organisations that can help them to develop, grow and diversify their customer base.

Since 2004, the scheme has enabled more than **64,000 customers** to get access to the art they love, supporting over **£56 million of sales of contemporary art and craft.**

Own Art is delivered by Creative United in partnership with Hitachi Capital Consumer Finance.

For more information please visit ownart.org.uk

Who uses Own Art?



26% of customers are earning less than £25k a year

23% of customers are first time buyers

21% are under the age of 35



Own Art supports 304 member galleries across England, Scotland and Northern Ireland

87%





C

93%

of customers
stated that
Own Art
enabled them
to make their
purchase

100% of
customers
would
recommend
the scheme to
others

64% of customers used Own Art to purchase work in a gallery local to where they live

60% of customers stated that they have used the scheme more than once

of galleries agree that Own Art helped them make more sales

2019/2020: The figures

5,501

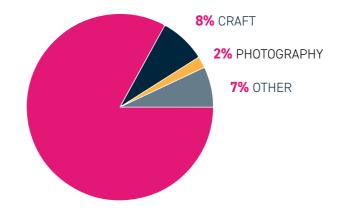
loans were transacted in **2019/2020**worth a total value of

£5,518,163

Average Loan Value

£1,003

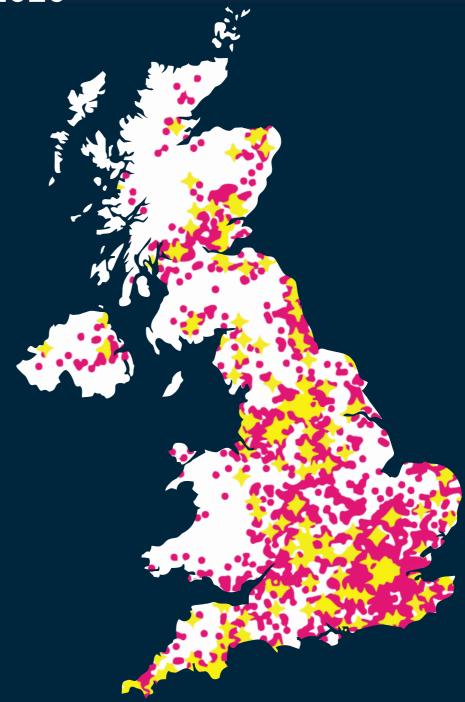
What kind of art do people use Own Art for?



83% FINE ART

GALLERIES & CUSTOMERS WE SUPPORTED 2019/2020





"A great idea, **making art affordable** to many. I hadn't considered owning until I discovered how manageable the purchase was under Own Art financing."

Own Art customer 2020

"[Own Art] is a **very valuable sales tool** and has helped me clinch numerous sales in a testing sales environment."

Own Art gallery member since 2013

Excellent scheme. It has helped so many to start an art collection. Often customers are coming in when 10 months is finished to look for the next addition"

Own Art gallery member 2020

"This is a fantastic service that enables us to own beautiful things whilst supporting local young artists. I cannot praise it enough"

Own Art customer 2020

Research:
The appetite for contemporary craft is growing

and gauge appetite for British craft in over a decade.

The research, implemented prior to the Covid-19 pandemic, was conducted by Morris Hargreaves Macintyre and surveyed 5,000 UK residents, 1,500 US citizens and 1,700 professional makers. It has subsequently been layered with a further Crafts Council survey carried out among 573 UK-based makers during the Covid-19 pandemic.

The report's findings make encouraging reading for galleries and makers, demonstrating significant growth potential for the appreciation and consumption of UK craft. The report reveals that 73% of UK adults had bought craft in 2019 - snapping up over 25 million handcrafted objects.

In another interesting shift, the report's findings also show that that almost a third (32%) of today's buyers are aged under 35 – making this demographic the biggest buyer of craft today.

The report highlights the need to work with makers, creative enterprises and the wider industry to support the sector's growth potential, in particular around building economic sustainability and resilience, and the nurturing of a customer base who are growing in confidence and engagement with the medium of craft.

The report points to the value of the Own Art scheme in particular as an access point for customers, and a route to unlocking higher value sales for makers and galleries through the provision of interest-free retail finance.

The findings will be utilised by the Crafts Council to lobby the government and industry bodies post-pandemic and beyond to support the recovery of a creative sector which generated over £3 billion for our economy in 2019.

Click here to read The Market for Craft report

Alongside running the Own Art scheme, Creative United works on a number of research and special projects throughout the year which are designed to further support the visual arts sector.

Early on in 2020, Creative United joined forces

with Crafts Council and a consortium of national

partners to publish the first report to identify

The Future of the Art Market

Report **2019**

The first major study of its kind to be undertaken in the past 15 years

What will the UK contemporary art market look like in 2030? How will social, economic, and technological developments shape it? These were the questions that Creative United set out to answer as we launched our Future of the Art Market Report in November 2019.

Published to coincide with the 15th anniversary of the Own Art scheme, the Future of the Art Market Report reflects on the exponential growth in the global market for contemporary art that has occured over the past twenty years, and considers how current market dynamics and trends might impact on galleries, artists and buyers in the decades ahead.

Authored by Lucy Rose Sollitt and published by Creative United in partnership with Arteïa, Creative Scotland and DACS, the report provides insights into the forces and tensions shaping the art market ecosystem today and explores how new and potentially disruptive technologies, consumer behaviour and the social values and expectations of the next generation of artists could mean that the market (and wider artworld) is reaching a tipping point of structural change.

Featuring 'think pieces' from Penny Rafferty, Robert Norton, The White Pube, Harm van den Dorpel and Rozsa Farkas that explore alternative economic models for the production, distribution, ownership and authentification of works of art in a digitally driven world, the report gives us much to consider in terms of how Creative United can best respond to the challenges and opportunities facing galleries and artists at this time, and how this might influence our thinking around the further development and growth of our Own Art scheme.

Click here to download the Future of the Art Market Report 2019

In partnership with:

ARTEÏA



DACS



Unconference

To mark the publication of the Future of the Art Market Report, Creative United was delighted to bring the discussions to a live audience for the Future of the Art Market Unconference, held at Somerset House on 13 November 2019.

The event was a first-of-its-kind opportunity for those working at the intersections of contemporary art practice, technology, social change and commerce to come together, both virtually and physically, to debate current and emerging trends in the contemporary art market in the UK.

The Unconference was attended by over 200 guests, many of them experts in their fields as artists, entrepreneurs, influencers and authorities in technology and art. The event was generously hosted by the Somerset House Trust and with contributions from Creative Scotland and Phillips Auction House, and was produced by Creative United in partnership with Vastari and UCL Innovation & Enterprise.

In partnership with:













Whether you are a professional musician or just starting out, making music can be tough financially. The cost of instruments and private lessons mean some people never discover the joy of learning and playing music.

Take it away is a national initiative supported by Arts Council England and Arts Council of Northern Ireland designed to make it more affordable for people to get involved in making music. The scheme offers interest-free finance for the purchase of musical instruments, equipment, software, accessories and tuition and has a particular focus on encouraging music making amongst children and young adults.

Whether you are a parent wanting to support your child's first musical steps, or an aspiring producer looking for their next bit of tech, **Take it away helps to ensure that musicianship is a key skill for life that everyone has the opportunity to develop** regardless of socio-economic background.





Giving music the backing it needs.

We work with a network of over 130 music retailers and specialist shops across England and Northern Ireland to offer the scheme, enabling our retailers to offer interest-free finance up to £25,000 to customers both in-store and online. Take it away supports retailers to become stronger businesses too, offering free marketing support and a range of member benefits.

Since its launch in 2007, over **94,000 customers have bought more than £67 million worth of instruments from our retailers.** Together with our partners, we look to enable and inspire a life-long love of music for all.

Take it away is delivered by Creative United in partnership with Omni Capital Retail Finance.

Find out more about the scheme via **takeitaway.org.uk**

Who uses Take it away?



30% of customers are earning less than £25k a year

51% of purchases were made for a young person under 18



Take it away supports 137 member retailers

91%

of Take it away retailers stated that they experience incremental business through the Take it away scheme



100% of customers would use the Take it away scheme again



83% of customers stated that they would have not been able to make their purchase without the use of Take it away

2019/2020: The figures

1,517

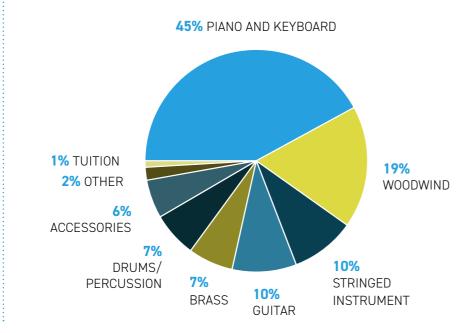
loans were transacted worth a total value of

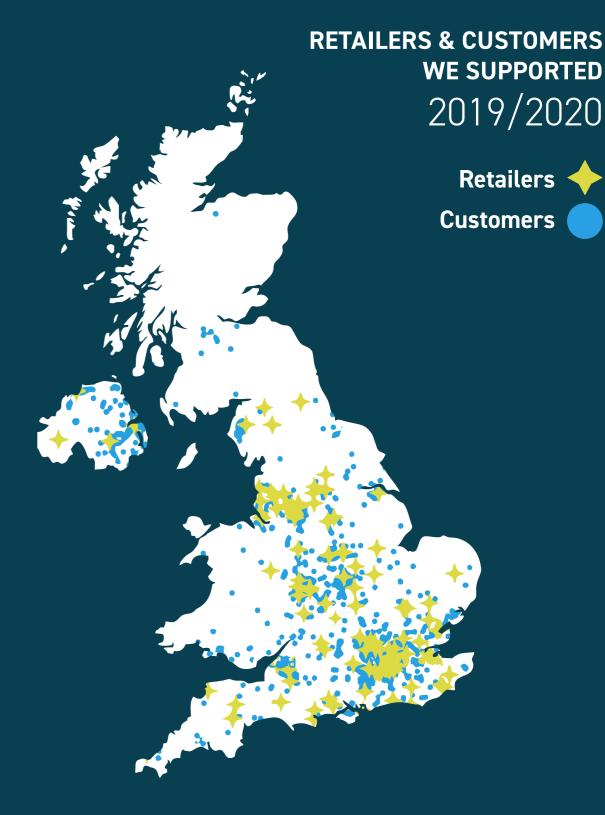
£2,006,139

Average loan value

£1,322

What instruments were purchased?





"This scheme has **made it possible**, especially during lockdown, for me to continue to practice and be musically productive"

Take it away customer 2020

"It made it possible for my son to get the **step up instrument** he needed."

Take it away customer 2020

"[The scheme] enables the buying of a more expensive instrument. Fantastic facility for those on a limited budget." Take it away customer 2020

"This is an excellent scheme which enables young people to have opportunities **they may not** otherwise have."

Take it away customer 2020

Guide to Buying Adaptive Musical Instruments

Early in 2020, Creative United were delighted to launch the first edition of its Guide to Buying Adaptive Musical Instruments, distributed in partnership with the Musicians' Union and Normans Musical Instruments.

Compiled between 2019-2020, the guide includes details of **more than 80 products**, from batons and bows to one-handed clarinets and saxophones, that have been specially designed to make learning and playing musical instruments of all kinds as accessible as possible for disabled players of all ages.

The guide was created in response to research undertaken by the Take it away Consortium (a partnership between Creative United, Drake Music, Music for Youth, The OHMI Trust, Open Up Music and Youth Music) in 2018, which identified that a significant barrier to participation in music for disabled children was a lack of access to, and knowledge about the existence of adaptive musical instruments and assistive equipment.

63% of music retailers said they were not aware of any specialist products or adapted instruments. Only 55% of music educators and less than 25% of parents with disabled children agreed with the statement "I know how and where to source an adapted musical instrument".

The publication of the guide aims to directly address these issues by raising awareness of the extraordinary range of adaptive instruments that are currently available, with the hope that this will inspire and encourage many more

disabled people to be confident of their ability to learn and play music.

The Guide to Buying Adaptive Musical Instruments forms part of the wider IAMM (Inclusive Access to Music Making) initiative, led by Creative United and Take it away and will be accompanied by further projects throughout the year.

Download a free copy of the guide via our website:

takeitaway.org.uk





Supporting creative businesses and freelancers to increase their growth, impact and resilience.

Creative United devise and deliver business support programmes tailored for arts, creative and heritage businesses and freelancers, which help them define and reach their growth and resilience goals. Through funding and partnership working, we are able to offer many of these for free. Our national, regional and local programmes enable skills development, bolstered confidence, increased and diversified income streams, improved social impacts and the conditions for investment.

Business Support stats **2019/2020**



100% said they would recommend a business support programme like Prosper North to a peer



Creative United has a unique network of over 40 business advisors whose expertise span the full breadth and depth of the arts and creative industries

80

Businesses supported across the programmes

68

Training and networking events delivered

852

Hours of business support provided



Prosper North

Launched in 2019, and due to complete in March 2021, Prosper North is a programme designed to support cultural heritage organisations across the North of England to increase their income, improve their business planning, strengthen their impact in their communities and be ready to access social investment from Key Fund's Northern Cultural Regeneration Fund.

The programme offers a mix of 1:1 support, workshops and webinars, delivered by Creative United's specialist business advisors, alongside partners Bates Wells, Key Fund and Social Investment Business.

Prosper North is open to organisations based in any of the 11 northernmost Local Enterprise Partnership regions that are working in the cultural heritage sector, from music venues and museums, to community art groups and literature festivals. In particular, participants on the Prosper North programme are chosen for their commitment to delivering positive social impacts in the sector and their local community.

In 2019/20, the programme enrolled 30 cultural heritage organisations (80 will be supported in total), providing over 202 hours of free, bespoke support, covering subjects such as trading as a social enterprise, business modelling and social investment.

In these challenging times of social distancing due to the Covid-19 pandemic, the programme will also help participants with planning for the rebuilding of businesses post-lock down.

Applications to the programme are now closed. Outcomes from the programme will be released in 2021.

In partnership with:









When asked to choose '3 words' that describe their experience of the Prosper North programme, participants said:



Inspirational Supportive

Informative



FOR 5 E

Creative United launched Forge in December 2018 with the aim of supporting 65 creative freelancers and SMEs in the Blackhorse Lane area of the London Borough of Waltham Forest to increase their growth and impact.

Backed by Waltham Forest Borough Council, with funds from the Mayor of London, Forge was developed to stimulate growth and impact through a mix of tailored workshops, 1:1 advice and coaching, and networking events; enabling peer-to-peer knowledge sharing and the opportunity to make connections.

We were delighted to see that the programme received over 170 applications in total, from a varied and exciting mix of creative businesses, including visual design, film, dance, leatherwork, fashion, textiles, journalism, theatre and more.

In 2019/2020, 50 creative businesses took part in workshops and networking events with topics including Value Proposition & Brand Positioning, Scaling Up & Working Internationally, Business Finance Literacy, Resilience and Vision and more. Each participant also received 1:1 business advice from a team drawn from Creative United's network of expert business advisors and delivery partner Ayama Coaching. In total, 650 hours of support were received by the programme's cohorts of businesses.



The importance of creating a supportive network for creative businesses was brought into even greater focus in early 2020 through the arrival of the Covid-19 pandemic, which saw great disruptions to SMEs and freelancers in the creative sector.

Creative United continued to deliver the Forge programme in full, moving workshops and events online and re-shaping content to enable participants to continue connecting and to offer tailored support designed to help participants through lockdown and recovery.

We would like to extend our thanks to our partners Waltham Forest Borough Council, Hive Collective, Ayama Coaching, To Market, Waltham Forest Business Network, Louise Gordon Media and innovation and scale-up expert Paul Sturrock who helped us to deliver the programme.

The outcomes from the programme will be published in early 2021.

In partnership with:



2019/20 has been another successful year for Creative United. With the much valued support of the Arts Council, we have been able to extend our impact in our sector into new and exciting areas.

Our Consumer Credit programmes, Own Art and Take it away, have been the cornerstone on which our CIC has been built. Since these two schemes were launched,

we have achieved over £120 million of sales, which has put new works of art into the hands of 64,000 art lovers, and 94,000 musical instruments into the hands of musicians, supporting the economic and social ecologies of those industries.

On the back of the success we have had in these two areas, we have been able to build new areas of expertise. This is especially true through the development of a range of Business Support programmes, which are now in action throughout England, with the purpose of improving the business capabilities of diverse creative businesses. This will prove invaluable in the challenging times ahead.

We have worked to broaden the debate on the future of the art market via our groundbreaking Future of the Art Market Report and subsequent Unconference event, which has been received with great enthusiasm and engagement.

Looking forward, we are determined to have a transformative impact on improving access to suitable musical instruments for disabled players of school age and beyond. This is a long term initiative for us, which requires expertise in education, instrument technology and supply chain. This is being addressed by our Inclusive Access to Music Making programme which is building momentum and influence.

The future holds greater challenges for Creative United and our partners than ever before. This is going to require even greater customer focus, entrepreneurial expertise and social awareness.

I have no doubt that our skilled and experienced team will rise to this challenge, just as we have on previous occasions. The key will be adapting to the substantial changes that the current pandemic is forcing on us all, and turning them from challenges into opportunities wherever feasible.



Accounts

DIRECTORS:

S N Bull A R Collins D S Gilbert (Chairman) A Giri (Appointed 16 April 2020) K Hall N D Henry R Shah

M-A Stack (Chief Executive)

REGISTERED OFFICE:

10 Queen Street Place London EC4R 1BE

REGISTERED NUMBER:

08280539 (England and Wales)

ACCOUNTANTS:

Alexandra Anthony Limited 47 Church Street, Great Baddow, Chelmsford, Essex CM2 7JA

	Notes	31.3.20 £	£	31.3.19 £	£
FIXED ASSETS Tangible assets	4		5,232		-
CURRENT ASSETS Debtors Cash at bank and in hand	5	53,076 374,993 428,069		68,688 295,617 364,305	
CREDITORS Amounts falling due within one year	6	56,544		94,899	
NET CURRENT ASSETS			371,525		269,406
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>376,757</u>		269,406 ======
PROVISIONS FOR LIABILITIES			30,000		-
RESERVES Income and expenditure account		346,757		269,406	
			<u>346,757</u>		269,406
			376,757 =====		269,406 ====

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2020 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

(a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its surplus or deficit for

each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 10 September 2020 and were signed on its behalf by:

CREATIVE SECTOR SERVICES C.I.C. TRADING AS CREATIVE UNITED

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 **MARCH 2020**

1. STATUTORY INFORMATION

Creative Sector Services C.I.C. is a private company, limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc - 33% on cost and 25% on cost

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in

Current or deferred taxation assets and liabilities are not discounted. Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 13 (2019 - 12).

4. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST At 1 April 2019 Additions	26,217 <u>7,809</u>
At 31 March 2020	34,026
DEPRECIATION At 1 April 2019 Charge for year	26,217 2,577
At 31 March 2020	<u>28,794</u>
NET BOOK VALUE At 31 March 2020	5,232

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.20 £	31.3.19 £
Trade debtors	9,912	31,230
Other debtors	43,164	37,458
	53,076	68,688

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.20 £	31.3.19 £
Trade creditors	18,221	57,241
Taxation and social security	29,646	21,152
Other creditors	8,677	16,506
	<u>56,544</u>	94,899

7. POST BALANCE SHEET EVENT **ELSBC Funds in Liquidation**

During the year, resources were expended by the company on pursuing a claim for funds held in trust by East London Small Business Centre Ltd ('ELSBC') which went into voluntary liquidation on 30 April 2019. This legal dispute was settled in July 2020 and a sum of £300,000 paid to the company.

These funds will be recognised by the company as ring fenced for the development and general management of business support services.



For more information about us or any of our programmes: visit our website www.creativeunited.org.uk call us **020 7759 1111** email info@creativeunited.org.uk

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