



Creative
United

Creative United
Annual Impact Report

2017/18

Our vision

Creative United strives for economic growth and social impact in the arts, cultural and creative industries.

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

Our mission is to provide a range of programmes and business services which enable the development and sustainability of organisations and enterprises operating within these sectors.

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

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

Communities we serve include:

- Creative businesses
- Artists and creative practitioners
- Charitable and social enterprises
- Other for-profit and not-for-profit organisations operating within the wider arts, cultural and creative industries



Contents

- 02 Our vision
- 04 Executive summary
- 06 Our team
- 08 Who we support
- 10 Own Art
- 14 Take it away
- 18 Access to music
- 20 Business Support
- 24 Thank you
- 26 Abbreviated accounts



Photo by Juliana Velasquez

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Executive Summary

Five years ago, Creative United was established as a pioneering Community Interest Company with a mission to enable the economic growth and development of the arts and creative industries.

As we move towards a period of considerable economic uncertainty in the UK, our role in helping organisations and enterprises to build their business skills and increase their financial capacity through the use of alternative forms of finance has never been more important.

During the year, our business support activities focused primarily on the delivery of Prosper, a nine month action research project working with a diverse cohort of 70 arts and cultural organisations across England. The evaluation of this project, undertaken by the Centre for Business in Society at Coventry University, will provide an important and valuable evidence base to

support further investment in specialist business support for the cultural and creative sector.

In 2017/18 we also celebrated the 10th anniversary of our Take it away scheme. This was a particularly proud moment for me, having been responsible for the initial development and launch of the programme at Arts Council England in 2007, working in partnership with the Music Industries Association.

We are hugely grateful to Arts Council England and the Arts Council of Northern Ireland for their continued investment in this programme, helping us to ensure that the cost of purchasing a musical instrument is as accessible as possible to everyone.

Mary-Alice Stack, Chief Executive

Our tea



Directors

David Gilbert (Chair)

Hilary Carty

Katherine Hall

Nick Henry

Fergus McNeill

Rikesh Shah

Mary-Alice Stack (Chief Executive)

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Our Staff

Beatrice Boatto

Head of Marketing & Communications

Mhairi Grant

Strategic Relationship Manager, Own Art & Take it away

Ben Gelburn

Assistant, Finance and Operations

Katherine Hall

Interim Director of Digital Strategy

Lorna Jones

Programme Assistant, Own Art & Take it away

Natalie Ben Rabah

Marketing & Communications Manager

Mary-Alice Stack

Chief Executive

Sarah Thirtle

Director of Business Support Programmes

Alexander Tucker

Head of Finance and Operations

Bethan Hall Williams

Membership Development Manager, Own Art & Take it away

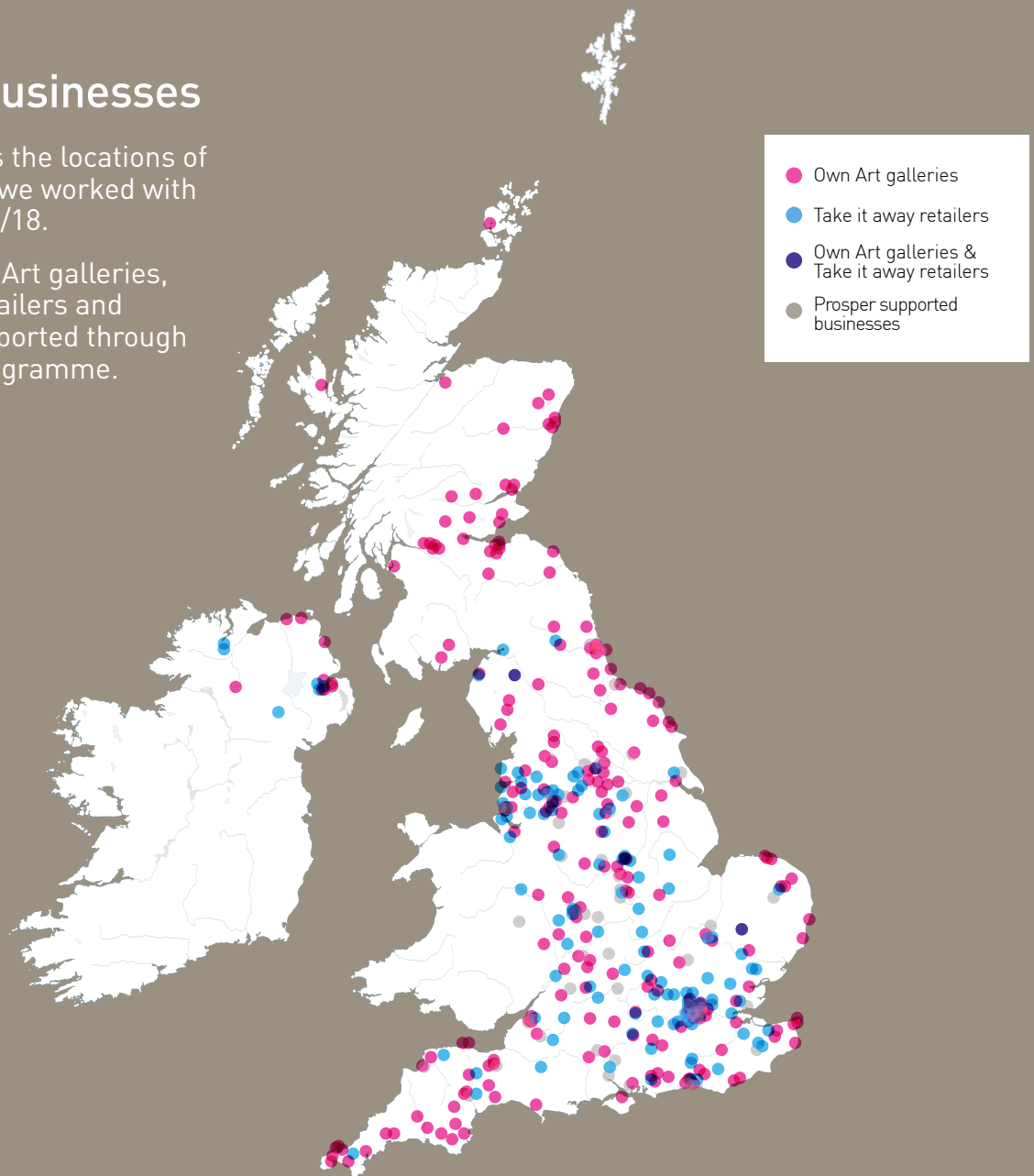
To contact any member of the board or team about a project, please email info@creativeunited.org.uk

Who we su

Creative businesses

This map shows the locations of the businesses we worked with in the year 2017/18.

It includes Own Art galleries, Take it away retailers and businesses supported through our Prosper programme.



521

businesses supported
across the UK

84%

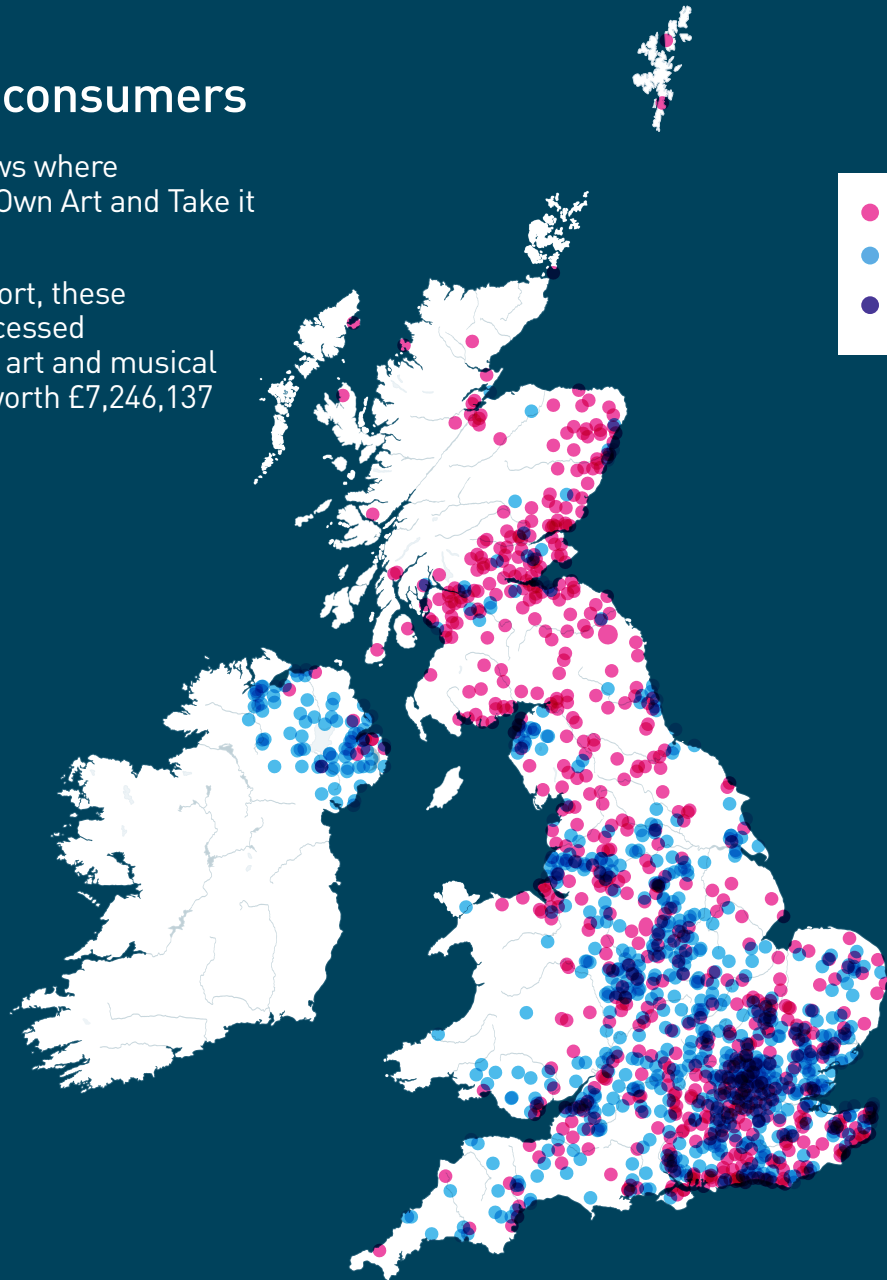
of the businesses we
worked with are based
outside London

pport

Creative consumers

This map shows where customers of Own Art and Take it away live.

With our support, these customers accessed contemporary art and musical instruments worth £7,246,137 this year.



- Own Art customers
- Take it away customers
- Own Art customers & Take it away customers

7,928
customers

99%
would use Own Art/
Take it away again

82%
of our customers live
outside London



Own Art

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

Since 2004, Own Art has enabled more than 50,000 customers to get access to the art they love. Delivered through a network of 300 galleries across England, Scotland and Northern Ireland, the scheme has supported £40 million of sales of contemporary art and craft to UK customers.

By making it easier and more affordable for people to access art, regardless of their income and socio-economic background, Own Art reduces the financial barriers and perceptions of elitism that commonly exist within the art market.

99%

of survey respondents said they would use Own Art again

85%

of customers said Own Art enabled them to buy a piece of art they loved

“This is a fantastic scheme. I have only ever bought original art a few times and only from friends. This was such an exciting departure for me. I absolutely love the pictures I bought and they have transformed my home.”

Anna Rodwell



rt

How does Own Art support the creative economy?

Own Art supports the UK's creative economy by encouraging increased sales of work by living artists. Working in partnership with our diverse network of member galleries, we are helping to build the UK market for contemporary art and craft by engaging new audiences, broadening the customer base and generating incremental sales revenues for the benefit of the sector as a whole.

53%

of customers bought art from a gallery in the town/county where they are based

23%

of customers aged under 35

23%

of customers earning less than £25k a year

What are our plans for Own Art?

In April 2018, Creative United relaunched Own Art as a paid for membership body.

For an annual subscription which works out as £20 a month plus VAT, galleries can enjoy a range of enhanced benefits and services to support their businesses. These changes have allowed us to invest more resources into supporting galleries and the artists they represent, plus ensuring the long-term sustainability of the scheme.

Going forward, we are looking to strengthen Own Art as the UK's largest membership body for the contemporary art and craft sector by proactively engaging with more organisations and partners nationwide that support our mission and vision.

Own Art aims to broaden and diversify its customer base and network across the UK, encouraging applications from organisations that support the work of artists from diverse backgrounds and targeting areas of low engagement to ensure the scheme continues to be accessible to as many people as possible.

Sakiti by Saroj Patel. Photo courtesy Monoprixx

In 2



Key figures for 2017/2018

5,152 loans

Loans worth

£4,934,465

Average loan value

£958

300 member galleries

89% of galleries agree or strongly agree that Own Art is important to their business

40% of customers have used the scheme more than once

2017/18

we welcomed a number of new galleries to the programme, each helping us to reach new audiences, including:

De La Warr Pavilion
National Open Art
National Portrait Gallery
New Contemporaries
Outside In
Turner Contemporary

“We love the Own Art scheme, and champion it verbally at every opportunity. The scheme is a huge part of how we continue to do what we do, and impacts massively in terms of helping our gallery create access to what we do. This difference is felt all across the client base, by young and established artists and of course our gallery itself.”

Gallerina, Darlington

Find out more: www.ownart.org.uk



Take it away

Take it away provides interest-free loans to individuals for the purchase of musical instruments, equipment, tuition and software.



**Take it
away**

“The Take it away scheme enabled me to purchase this piano for my daughter which just wouldn’t have been possible. I am delighted that she is having so much enjoyment playing her piano and is hoping to do her grade two in the next few weeks.”

Sarah Bradfield

How does Take it away help people engage with music?

Since its launch in 2007, Take it away has assisted approximately 90,000 people to access musical instruments worth more than £64 million.

Our services are designed to make learning, playing and participating in music more affordable and open to everyone. Together with our partners, we look to enable and inspire a life-long love of music, ensuring that musicianship is a key skill for life that everyone has the opportunity to develop.

99%

**of customers would use
Take it away again**

Take it away helps spread the cost of buying any musical instrument, equipment, software and tuition from one of the 141 participating music shops across England and Northern Ireland.

The scheme provides an essential service for young people where the upfront cost of purchasing an instrument is a barrier, and for parents and guardians wanting to support their child’s interest in learning music.

87%

**of customers
would actively
promote the
scheme to a
friend**

60%

**of loans went
to support
children under
the age of 18**

52%

**of customers
earn less than
£25k a year**

What is Take it away's impact on the local creative economy?

Whilst increasing access to buying musical instruments and equipment, Take it away also supports specialist music shops to remain an essential part of local music services across the country.

When a music shop joins the Take it away scheme, they become a key part of the music education provision in their region within a nationwide network of retailers.

Most participating retailers are owner-managed enterprises that provide significant value to their local community.

Their shops are trusted places where young people and parents can get advice, connect with other musicians in the area, find information about local music teachers and affordable rehearsal spaces.

Being part of the Take it away network allows us to support high street retailers to continue providing these essential services.

87%

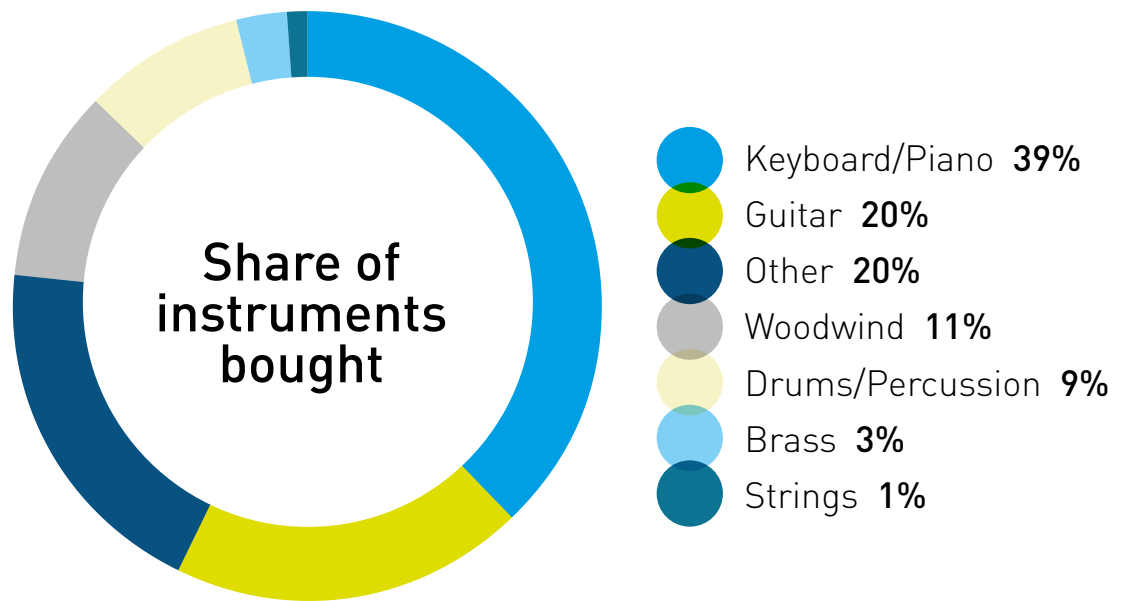
of retailers agree the scheme is important to their business

What are our plans for Take it away?

2017/18 was the 10th anniversary year of the Take it away scheme. This milestone has coincided with the announcement of a partnership with Omni Capital Retail Finance as the new credit provider for the scheme for the next four years.

Going forward, we aim to continue increasing the diversity of our network and undertake bespoke development work to proactively target any gaps in provision. Our goal is to ensure our network of retailers cover areas of low arts engagement, is strongly linked with their local music education hubs and meets the needs of musicians from diverse cultural backgrounds across both classical and contemporary genres.

Key figures for 2017/2018



Average loan value

£982

Loans worth

£2,311,672

2,354 loans

49%

increase
in loan value
since the launch
of the scheme

40%

of loans supported
young adults
buying a musical
instrument for
themselves

“It is an important scheme supporting young musicians at a time when funding for performing arts is under huge pressure from cuts to education. Keep up the good work and do what you can to encourage schools to promote music education as a platform for learning a wide range of other, transferable skills.”

**Hollywood Music Shop Ltd.
Milton Keynes**

Find out more:
www.takeitaway.org.uk



Access to music

The Take it away consortium: improving access to music making

Over the past 10 years, the Take it away scheme has helped more than 90,000 people to start or continue their music education by giving them access to a musical instrument. But how well have we been serving the needs of disabled musicians?

In March 2018, we were delighted to announce our plans to extend the scope of the Take it away scheme to ensure

that disabled people are given the same opportunities to access and enjoy music making through the provision of musical instruments and new music technologies.

Brought together by Creative United, the Take it away Consortium is made up of leading music organisations The OHMI Trust, Drake Music, OpenUp Music and Youth Music.

Together, the Consortium will work to achieve the following key objectives:

- 01** Improve our collective understanding of the potential demand for adapted and specialist musical instruments for use by aspiring and professional musicians of all kinds and in particular disabled children and adults across the UK.
- 02** Enable existing and prototype adaptations to be taken further into small-scale batch production for wider distribution and use.
- 03** Enable the development of new and bespoke accessible musical instruments to meet the needs of an individual, and the documentation and sharing of designs in the open source model.
- 04** Explore ways in which we can develop and train a workforce that has the knowledge and skills to introduce and demonstrate adaptive instruments located in centres of music retail excellence around the UK.
- 05** Provide financial assistance to families and individuals that need access to these types of instruments by providing a combination of grants and loans to ensure equitable access for all.
- 06** Raise the profile of music making by disabled children and adults, increasing awareness of the opportunities and sources of support available to enable more people to access music.

Our aim is to move towards a position where both adapted and new musical instruments are as accessible as any others – broadening the definition of musical instruments and making sure musicianship (in whatever form it takes) is truly accessible to all.

As a first step, we will be launching a major research project in 2018 which aims to capture a detailed picture of the experiences of disabled people regarding music making. The findings will be made publicly available on the Creative United website and shared with educators, funders, and policymakers across the UK to inform the planning of future projects and investment.

For further details see www.takeitaway.org.uk/accesstomusicsurvey



Business Support

Over the past year we have been involved in two major business support initiatives for the creative and cultural sectors: Prosper, for the arts, museums and libraries in England; and Fash-Tech Emerging Futures, for London-based fashion and fash-tech businesses.



The Arts Council England-funded Prosper business support and action research programme was designed with needs of creative and cultural businesses and organisations at its heart.

Its aims were to strengthen organisational resilience by offering business advice on key development areas such as enterprise, innovation and income diversification to the arts, museums and libraries.

The programme also researched the current provision of business support for creative and cultural organisations and shared this with the sector.

In developing the programme, we convened a high-profile group of co-funders and delivery partners to

ensure optimum reach and visibility. These are:

- A national network of creative and cultural specialist business advisors
- Match funders- Access – the Foundation for Social Investment, Creative Scotland, Esmée Fairbairn Foundation, Calouste Gulbenkian Foundation and Heritage Lottery Fund
- Delivery partners (and co-funders) – the Centre for Business in Society at Coventry University and the Arts Marketing Association

We also broke with convention when designing how the support would be experienced. Rather than simply offering 12 hours of support, we created a process whereby organisations would be provided with 12 'credits' which they could 'spend' on a choice of business support options including 1:1 advice, masterclasses, workshops and webinars.

Engaging with the diversity of the sector

416 registrations of interest received in April and May 2017

2/3 of applicants had not used business support before, proving we successfully accessed latent demand

70 selected participants representing a range of sectors and business types – from design to dance and local authority services to sole traders

80% of cohort based outside of London

Delivering the programme

Working with our network of specialist business advisors, in the nine months between July 2017 and March 2018, we delivered 652 hours of direct support in the form of face-to-face sessions, and 63 hours of group learning events (masterclasses, workshops and online webinars).

With delivery partner the Arts Marketing Association we produced 58 pieces of digital business support content such as toolkits, case studies and 'how to' guides.

We calculated that, in order to deliver the Prosper business support programme, our advisors and business support team travelled around 25,700 miles. Organisations had 1:1 support on

site, and masterclasses, workshops and meetups were distributed in London, Sheffield, Bristol, Huddersfield, Oxford, Cambridge, Newcastle, Barnsley, Derby, Stoke on Trent and Taunton.

87% of all available credits used and minimal client drop out

The Outcomes

Surveying the cohort revealed that they found 1:1 support the most effective with their business development needs, with 86% finding it useful or extremely useful.

What effect did the support have on them and their businesses?

From the data we discovered there has been a strong increase in confidence across business development approaches:

- > 64% increased their confidence in business planning and development
- > 62% felt their business plan became stronger or more robust
- > 60% improved their understanding of their organisation's commercial/income generating potential
- > 82% of cohort stated they would invest in business support again
- > 95% said they'd recommend the programme to a peer



Read the full report at
[www.creativeunited.org.uk/
 programme/prosper](http://www.creativeunited.org.uk/programme/prosper)

Fash-Tech Emerging Futures

We were delighted to partner with London's Centre for Fashion Enterprise/University of the Arts to deliver the Strategic Financial and Business Planning Consultancy for their Fash-Tech Emerging Future (FTEF) programme, funded by the European Regional Development Fund.

Since May 2017, and with a small team selected from our network of business advisors, we have been delivering specialist advice on business planning and cashflow forecasting for fashion and fash-tech enterprises in London, from start-ups to established brands. We also developed content for Building Brand Equity – a sister programme to FTEF.

What's next?

Premises Ready

Premises Ready is a new, pilot project partnering with the GLA/London Mayor's Office, kicking off in November 2018.

It will provide information and support to emerging creative entrepreneurs in London who are seeking to lease or buy their own cultural venue.

We will bring together venue owners and industry specialists for a symposium at London's City Hall to share their stories of securing premises, followed by in-depth workshops for those ready to take the next steps towards their own space.

In early 2019, a cohort of would-be venue owners will be offered free 1:1 support and advice.

Photo Edeline Lee, London Fashion Week, AW18, Emmi Hyypä



Building from what we know

The evaluation report written by Centre for Business in Society for the Prosper programme (published on 12 September 2018) gave three recommendations for future creative and cultural sector business support programmes:

01

Investment should be directed in tailored business support to fully access latent demand and maximise the development of a culture of enterprise, innovation and sector resilience.

02

Future business support programmes should recognise the continued evidence base for the effectiveness of sector-based business advisors.

03

To deliver effective and efficient business support the programmes and activities need to reflect the culture, values, organisational diversity and language of the sector.

With these recommendations in mind Creative United is now working with a range of partners to develop sector and regional focussed business support initiatives that aim to achieve maximum impact while meeting specialist needs.



Thank

This year has seen very significant progress for Creative United.

We were delighted to learn that Arts Council England has awarded us the status of Sector Support Organisation, with the 4-year funding agreement that accompanies it. This new status provides the organisation with a great deal of confidence in relation to the delivery of our social agenda as a Community Interest Company, and our financial agenda with regard to increasing our new sources of unrestricted income.

This confidence has enabled us to establish a number of new initiatives,

including Prosper Business Support, and the further development of our consumer credit programmes, Own Art and Take it away, in terms of their financial models, their branding and their consumer offer.

A significant factor in the growth of Creative United is our investment in people. We have succeeded in creating a strong staff team, and as a consequence, our skill levels, experience and external relationships have all grown strongly too. This ensures that the important balance of concurrently progressing our social and economic agendas is maintained.

During the year Creative United entered into a significant new contract with



you

Omni Capital Retail Finance to provide the credit offer for our Take it away scheme. This will be stepping stone for the further material developments of the brand.

Finally, I would like to thank our highly effective and much valued Board, who offer so much more than purely governance to our Company, and whose specialist expertise has been so important in the growth in impact and profitability of Creative United.



David Gilbert, Chair

We couldn't have done this without the support of our stakeholders, partners, funders and supporters.

Own Art

- Arts Council England
- Arts Council of Northern Ireland
- Arts Marketing Association
- Brownhill Insurance Group
- Creative Scotland
- Edinburgh Art Fair
- Hitachi Capital Consumer Finance
- London Art Fair
- Manchester Art Fair / Manchester Contemporary
- Somerset House Exchange
- Sotheby's Institute of Art
- Tagsmart

Take it away

- Arts Council England
- Arts Council of Northern Ireland
- Drake Music
- Music Industries Association
- The OHMI Trust
- Omni Capital Retail Finance
- OpenUp Music
- Youth Music

Business Support

- Access – The Foundation for Social Investment
- Arts Council England
- Arts Marketing Association
- Calouste Gulbenkian Foundation
- Centre for Business in Society at Coventry University
- Centre for Fashion Enterprise
- Creative Scotland
- DCMS
- Esmée Fairbairn Foundation
- Heritage Lottery Fund

And all of our business advisors

Abbreviated

For the year ended 31 March 2018 for Creative Sector Services CIC trading as Creative United.

Directors:

H Carty Bing-Pappoe
D S Gilbert
K Hall
N D Henry
W D F McNeill
R Shah
M-A Stack

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

Balance sheet: 31 March 2018

	Notes	31.03.18 £	£	31.03.17 £	£
Fixed assets Tangible assets	4		1,889		4,262
Current assets Debtors Cash at bank	5	140,197 255,635 <u>395,832</u>		61,315 311,896 <u>373,211</u>	
Creditors Amounts falling due within one year	6	<u>151,986</u>		<u>249,732</u>	
Net current assets			<u>243,846</u>		<u>123,479</u>
Total assets less current liabilities			<u>245,735</u>		<u>127,741</u>
Reserves Income and expenditure account		<u>245,735</u>	245,735 <u>245,735</u>	<u>127,741</u>	127,741 <u>127,741</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2018 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 of Part 15 of the Companies Act 2006 relating to small companies.

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 on 11 October 2018 and were signed on its behalf by:

David Gilbert, Chair

accounts

27

Notes to the financial statements for the year ended 31 March 2018

01 Statutory information

Creative Sector Services CIC 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 opposite page.

02 Accounting policies

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" 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 equity. 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.

03 Employees and directors

The average number of employees during the year was 12 (2017 - 13).

4 Tangible fixed assets

Cost	Plant & machinery etc £
At 1 April 2017 and 31 March 2018	<u>26,217</u>
Depreciation At 1 April 2017 Charge for year	<u>21,955</u> <u>2,373</u>
At 31 March 2018	<u>24,328</u>
Net book value At 31 March 2018	<u><u>1,889</u></u>
At 31 March 2017	<u><u>4,262</u></u>

5 Debtors: Amounts falling due within one year

	31.03.18 £	31.03.17 £
Trade debtors	17,059	2,023
Other debtors	<u>123,138</u> <u>140,197</u>	<u>59,292</u> <u>61,315</u>

6 Creditors: Amounts falling due within one year

	31.03.18 £	31.03.17 £
Trade creditors	44,820	44,473
Taxation and social security	<u>44,452</u>	<u>1,558</u>
Other creditors	<u>62,714</u> <u>151,986</u>	<u>203,701</u> <u>249,732</u>



For more information about us
or any of our programmes:

Visit our website www.creativeunited.org.uk

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Email info@creativeunited.org.uk

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**ARTS COUNCIL
ENGLAND**



ALBA | CHRUTHACHAIL

