

# COCKPIT

## REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2023



# COCKPIT

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Contents	Page
Reference and administrative information	1
Trustees' report	2
Independent auditor's report	20
Statement of financial activities	23
Balance sheet	24
Statement of cash flows	25
Notes to the financial statements	26

**COCKPIT ARTS**  
**REFERENCE AND ADMINISTRATIVE INFORMATION**  
**FOR THE PERIOD ENDED 31 MARCH 2023**

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<b>Status</b>	The organisation is a charitable company limited by guarantee, incorporated on 19 March 1993 and registered as a charity on 2 December 1993 in England and Wales.	
<b>Governing document</b>	The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association. The original memorandum and articles of association were replaced by special resolution on 10 December 2009 by new articles of association. The articles of association were amended by special resolutions on 3 April 2019, on 16 Sep 2021 and on 22 Apr 2022.	
<b>Company number</b>	2801969	
<b>Charity number</b>	1029643	
<b>Registered office and operational addresses</b>	Cockpit Yard Northington Street London WC1N 2NP	18-22 Creekside Deptford London SE8 3DZ
<b>Trustees</b>	Davina Mallinckrodt, (Chair) Pablo Lloyd (Deputy Chair) Bill Amberg Nishita Dewan Samuel Fry (Resigned September 2022) Lee Gage Patricia Godfrey Clarissa Hulse David Moore Mehul Nathwani Ben O'Neill (Resigned July 2023) Sarah Samuel Alistair Scott (Resigned November 2022)	
<b>Key management personnel</b>	Annie Warburton, Chief Executive Hugo Godfrey, Financial Controller Fabienne O'Neill, Head of Operations David Crump, Head of Business Incubation Sandie Mattioli, Head of Development	
<b>Bank</b>	NatWest Bank Plc PO Box 159, 332 High Holborn, London WC1V 7PS	
<b>Solicitors</b>	Russell Cooke 2 Putney Hill, London SW15 6AB.	
<b>Auditors</b>	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG	

COCKPIT ARTS  
TRUSTEES' REPORT  
FOR THE PERIOD ENDED 31 MARCH 2023

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**COCKPIT TRUSTEES' REPORT 1 April 2022 - 31 March 2023**

**ABOUT COCKPIT – Making a better world**

Cockpit is a centre of excellence in contemporary craft. Bridging the gap between talent and opportunity, we equip emerging makers to succeed, creatively and commercially. Through funded workspace, training and careers support, we open pathways for new talent to grow thriving careers. Spanning every type of craft, Cockpit makers are united by their extraordinary skill and imagination.

For over 30 years, Cockpit has nurtured and supported craftspeople at the fragile early stages of their careers. Established in 1986, we are the UK's largest, most diverse cluster of makers and the country's only craft business incubator. In 2023, we were recognised, for the fifth consecutive year, as one of the UK's 100 top-performing social enterprises on the NatWest Pioneers Post SE100 index 2023.

Home to a community of 166 makers, practicing over 20 different crafts – from ceramics to fine jewellery, handweaving to bespoke tailoring – we equip talented people with the tools to succeed: specialist studio space and equipment, in-house business coaching and public showcases. We work with hundreds more makers through careers programmes, outreach, training and consultancy in the UK and internationally.

Creativity, innovation and business success are fuelled by diversity. At Cockpit we foster an inclusive, ambitious culture where all aspects of diversity are seen as fundamental to creative achievement. Recognising that talent is everywhere but opportunity is not, over three decades our mission has been to break down and overcome the economic and social barriers standing in the way of creative success.

Each year we support 40 emerging practitioners with awards and bursaries, offering free studio space for 12 months, professional development and training, and introductions to buyers and curators. Funded by City of London Livery Companies, trusts and foundations, individual donors and corporate sponsors, these sought-after places provide a grounding for artistic success. Many artists, makers and designers who started out at Cockpit now enjoy a global reputation as leaders in their field.

Cockpit is a destination for collectors, curators, stylists and interior designers to spot new talent. We bring craftspeople's work to public audiences through showcases and events, run community outreach programmes, and offer bespoke programmes for schools, colleges and special interest groups.

As a social enterprise, we typically generate 80% of our income through earned revenue, and raise the rest from patrons, trusts and foundations, and sponsors. Our annual impact report, *The Cockpit Effect*, consistently demonstrates above average economic and business outcomes for Cockpit makers, accompanied by rich social and cultural impact. In 2022-3, we provided 2452 hours of support to 276 makers, generating a more than 300% return on investment for the creative economy.

A voice for making in all its forms, Cockpit stands for the transformative power of craft to shape a better world. Craft brings ideas into reality, transforming raw materials into dazzling creations. We like to think we shape things for the better in just the same way: with skill, care and imagination.

**COCKPIT ARTS  
TRUSTEES' REPORT  
FOR THE PERIOD ENDED 31 MARCH 2023**

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## **OBJECTIVES AND ACTIVITIES**

### **Aims**

In accordance with our charitable objects, Cockpit's aims are to:

- Equip talented craftspeople with the space, training and support to start and grow thriving businesses and artistic practices.
- Promote craft careers, training and education to protect the future of craft skills and open pathways for talent into professional practice.
- Celebrate and present contemporary craft and design to public audiences through exhibitions, publications, broadcasts and live events.

### **Objectives**

In meeting these aims, our objectives are to:

- Provide subsidised specialist studio space and/or equipment to craftspeople who would otherwise be unable to afford it.
- Offer creative, professional and business development coaching and training to enable makers to set up and build successful practices and independent businesses.
- Reach and recruit makers from all backgrounds, dissolving any barriers to accessing our services.
- Design and host education and careers programmes to generate opportunities for children and young people to discover and develop craft skills.
- Open Cockpit to specialist and public audiences as a place for discovering and learning about buying, collecting, commissioning and experiencing contemporary craft.
- Monitor and evaluate the social, cultural and economic impact of our work and disseminate and share our findings with supporters and peers.
- Operate as a sustainable, well-run and well-governed social enterprise, reinvesting any surpluses into delivering our charitable objects and social mission.

### **Public Benefit**

Cockpit pays due regard to the Charity Commission's public benefit guidance when reviewing our aims and objectives and in planning and making decisions on our future activities. This commitment to public benefit is embedded in the charity's aims and objectives and is evidenced in our activities, including education and learning, community programmes, public showcases, and our commitments to overcoming economic and social inequities in sustaining craft skills for the future.

COCKPIT ARTS  
TRUSTEES' REPORT  
FOR THE PERIOD ENDED 31 MARCH 2023

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## Activities April 2022 – March 2023

### Overview

In 2022-23, Cockpit grew our maker community to a record 166 businesses. Of these, 40 makers were supported by bursaries or Awards. In total, makers received 2,452 hours of business and professional development support from our in-house team of specialists, an 19% increase compared to the previous 12 months. We continued to expand delivery UK-wide through partnerships, supporting 276 makers in total, up 22% from last year.

During the year, we radically expanded our youth, careers and community programmes, reaching 1,500 in-person participants, including through delivery as partner in Lewisham's year as London Borough of Culture.

Having secured capital funding to improve and extend our Deptford studios, capital works began in late 2022. This £3.24 million project will deliver additional studios, a new for-purpose wood hub, a welcoming new visitor entrance, a craft garden, and learning centre. The principal supporters and partners are STRIDE – Corporation of London, the Mayor of London's Good Growth Fund, and London Borough of Lewisham. Designed by Cooke Fawcett Architects, with landscaping by Sebastian Cox Ltd., the project will complete in autumn 2023.

After making considerable investment in organisational development in 2020-22, this year was one of consolidation. We updated all policies and procedures and continued to expand our use of digital tools to improve efficiency. We developed and implemented a comprehensive new communications and marketing strategy, aimed at growing our profile and attracting larger, more diverse audiences for our work. Having set up a new committee structure in 2022, this year we began a review process, using the Governance Code.

We reaffirmed our active commitment to equity, diversity and inclusion. On the strength of our work in this area, we were commissioned to deliver a national pilot project to broaden entry routes and improve prospects for new entrants into craft. Along with improving the environmental sustainability of our practices, equity, diversity and inclusion remains an underpinning theme running through all aspects of our work.

### Maker Support

Our mission is to overcome the financial and practical barriers standing in the way of creative success. In the face of rising inflation this year our bursaries and Awards have never been more vital, especially for those in the fragile early stages of their career. Cockpit directly subsidises these bursaries. We receive additional funding from City of London Livery Companies, trusts, foundations, individual donors and corporate partners, without whose generous support we could not offer these opportunities.

During the year, we supported 40 practitioners with bursaries and awards. These provide free or heavily subsidised studio space for 12 months, professional development and training, one-to-one coaching, and introductions to buyers and curators. Some, including the Clothworkers' Award and Leathersellers' Award, offer multi-year support, as well as studio equipment, to provide as strong a ground as possible for creative and commercial success.

*"The Award is without a doubt the only reason I am able to continue my work as a woven textile designer and artist. I would not be able to afford a loom of my own, let alone the space and business support. By basing myself in a space with other business owners I am able to learn and grow from their advice and support."* Lara Pain, Clothworkers' Awardee

COCKPIT ARTS  
TRUSTEES' REPORT  
FOR THE PERIOD ENDED 31 MARCH 2023

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We welcomed 22 new studio holders during the period. This brought us to our highest ever number of studio holders: 166 practitioners and maker businesses are now based at Cockpit. Demand for studio space continued at a high level. There were more than 7 applicants for every place offered, with a total of 166 applications received during the year.

*"Having a studio space at Cockpit has been incredible for my artistic progress and professional business development. Having my own space to do work has been hugely inspiring and liberating. I have also become much more confident in my practice over the last year.*

*Since being at Cockpit my business has grown greatly [...]. Being in such a creative environment gave me a much more professional approach to what I was doing and elevated it from being a student project to being a recognised craftsperson."* Lulu Harrison, glass maker

Through our expanded business incubation programme for makers UK-wide, we supported a total of 276 makers in the period. This is a 22% increase from the 227 supported in the previous 12 months.

### Business Support Delivery

During the 12 months to March 2023, our business incubation team delivered 93 training workshops and 541 one-to-one coaching sessions. This was an increase of 19% compared with the previous 12 months and represents a total of 2,452 hours of business support.

All makers have access to a year-round programme of professional development and business development training, accompanied by one-to-one specialist coaching. This year, in addition to Make It Count, our standard business incubation programme for awardees and new studio holders, our team developed and introduced an advanced programme, Step It Up, for established makers.

*"From the offset, my mindset changed completely being at Cockpit. The initial series of Make It Count workshops taught me not only new ways to marry my craft with a strategic business plan, but to take skills I already had and focus them to achieve results.*

*Being at Cockpit has opened doors that may otherwise have taken longer to open. It has given credibility to my work that is priceless. Not just from being at Cockpit but also because I work alongside some of the most creative, bright minds in the craft world."* Carl Fox, marquetry artist.

Beyond our core, in-house programmes, we reached makers based outside our studios in London and UK-wide, through partnerships with QEST, Craft Scotland, Yorkshire Artspace, University of the Arts London, and the British Council.

*"This Award has been a huge help to my development in so many ways. It has helped me learn networking skills, accounting, time management, how to set realistic goals, even just small things like how to work in a shared environment or workshop safety measures. This experience has pushed me to a place where I'm so much more confident in my practice and that has been massive for me because I really needed help with that when I first got here."* Lilly Eris, stained glass artist

COCKPIT ARTS  
TRUSTEES' REPORT  
FOR THE PERIOD ENDED 31 MARCH 2023

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## Youth, Careers and Community Programmes

Our youth and careers programme aims to open up a broader range of routes into the creative industries and attract a larger and more diverse intake of talent. Our community programmes bring the joy of craft to wider audiences, including families, local people, and community groups.

This year, we reached 1,450 children, young people and community participants through careers days, school and university visits to our studios, a partnership with Arts 4 Dementia, workshops to develop the new public artwork for Cockpit Deptford, and London Borough of Culture 2022.

Cockpit hosted the final Creative Challenge for Lewisham's London Borough of Culture programme 2022. Over 200 participants took part in 11 creative workshops, and our activities reached a further 11,000 participants online. The project culminated in an installation created by artists Annika Cox and Alice Burnhope. Both artists are neurodivergent and the final installation, 'Murmuration', was created with neurodivergent audiences and participants in mind, achieved through changes to the lighting, inclusion of braille, wearable art pieces and soundscapes.

Also in Lewisham, we hosted a further ten community and schools workshops in print, weaving, marbling and drawing to contribute to artist Amber Khokhar's final design for the *Head, Heart, Hand* mural at Cockpit Deptford.

*"I work to support access for those living with dementia. Usually with these types of workshops the members with dementia tend to be quite disengaged. However, with the workshops today they really got stuck in, they understood what to do and really enjoyed it. They were intrigued by the process and genuinely proud of the work they produced. There are very few activities I've seen that've garnered such enthusiasm from our members."* – Attendee, Public Art Workshop

In Bloomsbury, we ran open access workshops during our open studios events with local partners Knots Arts, Holborn Community Association Make and Mend, Kids Club for the Tybald and Bourne Estates. During the year, we also delivered a series workshops for individuals with dementia and their carers, in partnership with Arts 4 Dementia.

We were invited to join a consortium to deliver the next two years of *Discover! Creative Careers*, the national careers initiative for the creative industries, backed by the Department for Culture, Media and Sport. Planning began in autumn 2022 and delivery continues to 2024. *Discover!* produces careers materials for young people and their teachers, parents and guardians, and offers workshops, talks and careers visits to highlight the career opportunities in craft, making and design.

We welcomed three new makers onto our youth-focused business start-up programme, *Make It*, targeted at makers aged 25 or under who are currently unemployed or underemployed.

*"The Award has given me the opportunity to progress my creative practice post university and reach new audiences. More specifically, through the Award and its credibility, it's opened up major career opportunities that have accelerated my career from a 2020 graduate to an emerging installation artist."*

*"I'm incredibly grateful to Cockpit and the 'Make It' Award, it has transformed my creative prospects. Thank you for enabling young creatives to seek out their dreams and be the support we so desperately need."* Alice Burnhope, textile artist



**COCKPIT ARTS  
TRUSTEES' REPORT  
FOR THE PERIOD ENDED 31 MARCH 2023**

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Within our team, we hosted work placements from Inspire Lewisham, London Borough of Camden (Kickstart-equivalent programme), Goldsmiths University, and Westminster Kingsway College. We have been able to offer continued employment to two people on placements.

#### **Live Events**

Following cancelled events during the pandemic, we were delighted to welcome record numbers of visitors to our Open Studios events, winter 2022. We developed a fresh marketing and communications plan, focused on building new public audiences, including through building press coverage, improving our digital presence, and partnerships with organisations and bodies such as London Craft Week and London Design Festival.

#### **Research and Policy**

We continued to foster a range of local and national partnerships with cultural, education and enterprise organisations.

We contributed to development of creative industries policy through membership of sector bodies, including Social Enterprise UK, Craft UK, the Kings Cross Knowledge Quarter, the Creative Industries Policy and Evidence Centre (where we are an appointed industry champion) and Creative UK, where our CEO is a member of the UK Council.

We worked with The Clothworkers' Company and De Montfort University to inform the scoping, feasibility and development of a new graduate incubator in Leicester, specialising in innovation and digital textiles.

#### **Property**

##### *Bloomsbury*

Cockpit has been based at Cockpit Yard, Bloomsbury for 37 years, since 1986. The charity takes its name from the yard that is our original home. We are in negotiations with our landlord, London Borough of Camden, and are seeking to secure a 15-year lease at Cockpit Yard. Negotiations are set to complete in September 2023.

##### *Deptford*

Enabling works for the expansion and refurbishment of Cockpit's Deptford Studios began in autumn 2022, with the main contractor starting on site in January 2023. The project is on track to complete in September 2023 with a grand re-opening in December.

The £3.24 million capital project is designed by Cooke Fawcett Architects with landscaping by Sebastian Cox Ltd., new public artwork by Amber Khokhar. It is project managed by New Stages Ltd.

Principal funders are STRIDE (Corporation of London), the Mayor of London's Good Growth Fund, and London Borough of Lewisham. We have also received significant funding from Garfield Weston Foundation, Foyle Foundation, City Bridge Trust, and Cockayne – Grants for the Arts. Other funders are Thames Water, The Turners' Company, Mila Charitable Foundation, The Leathersellers' Company, The Clothworkers' Company, The Drapers' Company and The Haberdashers' Company.

The project is the realisation of a long-term, strategic goal to invest in our Deptford property to improve our asset and unlock unused space to maximise the social and cultural value it delivers.

We are creating a thriving hub for craft in the heart of the Creative Enterprise Zone with additional affordable studios, a for-purpose wood-working hub, craft garden, foyer and café, and new learning centre. It will enable Cockpit to support more makers, improving access, enable us to open to the public year-round, and offer a rich community programme of workshops, events, and education.

COCKPIT ARTS  
TRUSTEES' REPORT  
FOR THE PERIOD ENDED 31 MARCH 2023

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## PERFORMANCE AND IMPACT

The impact of our work saw us recognised for the fifth consecutive year as one of the 100 top-performing UK social enterprises, listed on the NatWest SE100 Index 2023.

We were finalists in four categories at the UK Social Enterprise Awards 2022: Prove It: Social Impact Award, Social Enterprise Team of the Year, and Education, Training & Jobs Social Enterprise Award; our CEO was a finalist for the Women in Social Enterprise Award.

### Monitoring and Evaluation

We monitor and evaluate our economic, social and cultural impact, presenting results in an annual impact report *The Cockpit Effect*, published online and disseminated to supporters, partners and beneficiaries.

Organisation-wide key performance indicators (KPIs) are set at the beginning of each financial year. Each target is set in relation to a benchmark and is owned by a named member of the team. KPIs are monitored quarterly and reported to the Board of Trustees.

Our annual Partnership Reviews with beneficiaries involve in-depth, one-to-one sessions that monitor key indicators. We complement quantitative data with qualitative analysis and beneficiary case studies, including detailed six- and 12-monthly reports on Awardees and Bursary-holders, disseminated to funders. These in-depth reports are complemented by surveys that deliver just-in-time data enabling us to enable us to be truly user-centred, understanding what works and adapting to meet beneficiary needs.

### Impact

Cockpit delivers public benefit through education, training and employment support, as well as through introducing contemporary craft to public audiences through showcases and events.

We are home to 166 independent creative businesses. Of those, 19% are on sponsored places, supported by awards and bursaries providing studio space, business coaching and, in some cases, equipment for one to three years. Makers at Cockpit practice 21 different craft disciplines, with concentrations currently in jewellery (30%), textiles (14%) and ceramics (10%).

*"Cockpit has helped me overcome challenges by providing studio space and taking huge financial pressure off my shoulders.... [It] means the chance of earning a decent living from my work."* Dalia James, weaver.

In *Spaces for Growth*, the 2023 Cockpit Effect report, analysis shows that total annual sales for Cockpit makers yielded £7.6 million. Makers' turnover increased by 12% year-on-year and average profits were up by 4%, with a total Gross Value Added (GVA) of £3.7m. This is a social and financial return on investment multiplier of 3.7, meaning that every £1 invested in Cockpit yields more than £3 for the creative economy.

With our support, our makers stepped up their digital reach during the year: online sales contributed to 34% of their turnover. Exports for Cockpit makers remain robust, despite the continuing challenges to exporting ensuing from Britain's exit from the European Union: 56% of Cockpit businesses exported during the year, generating revenues for those makers of £628,000. Top export regions remain Europe (a market for 62% of exporting makers – down from 84% last year) and North America (51% of exporting makers – down from 68%).

Despite the compound challenges of the cost-of-living crisis, post-pandemic recovery, and exports being hit by increased bureaucracy, our research shows that Cockpit's maker community remained resilient through the

COCKPIT ARTS  
TRUSTEES' REPORT  
FOR THE PERIOD ENDED 31 MARCH 2023

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year. The healthy financial performance was a result of makers' resilience and adaptability, as well as the support they receive from Cockpit through affordable workspace, and continual professional and business development.

*"I have had the most excellent training and advice from the business coaches [...] It's made everything possible. I doubt I would have achieved a tenth of the things I've achieved were it not for Cockpit and The Worshipful Company. [Being at Cockpit has] made a HUGE difference!*

*Amazing, Amazing, Amazing!!! All of it - from start to finish. I'm so very grateful to everyone. I'm blown away by the kindness and unwavering support. You really do want us creatives to shine our brightest and you do everything within your power to lift us up."* Lisa Atkin, basketmaker

### Equity, Diversity and Inclusion

Cockpit is committed to inclusion, diversity and equity in all our activities, recognising that creativity and innovation are fuelled by diversity. We foster an inclusive culture where all aspects of diversity are celebrated and seen as key to success and flourishing.

With active policies in place to overcome barriers to participation, Cockpit's community is diverse, compared to the wider craft sector. As a result of our work in this area, 23% of Cockpit makers are from a Global Majority background, compared to 4% in craft as a whole (Crafts Council, 2016 – the most recent available data).

We are committed to tackling systemic injustices in order to cultivate an even more diverse community – makers, team, Board, and partners – creating an environment where anyone, from any background, can develop their talents, do their best work and realise their full potential.

During 2022-23, Cockpit reaffirmed its existing commitment to Equity, Diversity and Inclusion (EDI). We aim to:

- Open up access to starting a successful professional career in craft to everyone with talent
- Actively address structural barriers, including systemic racism, inequality of access to education and training, and socio-economic barriers
- Promote and celebrate the diversity of the community of makers at Cockpit
- Continually deepen our learning and evolve our understanding of diversity and inclusion
- Build a more diverse, inclusive and cohesive community: makers, team, Trustees, partners

Our EDI policy is comprehensive, going well beyond our legal duties. It addresses all protected characteristics, with a focus on addressing structural inequities relating to race, disability and socio-economic background.

To achieve these aims, a detailed delivery plan sets out 30 specific objectives covering all areas of our activities: awards and applications, communications, buildings, training, outreach, HR, and governance. These objectives have named owners and every team member has an EDI objective in their annual workplan. We review progress against objectives quarterly.

On the strength of our work in EDI, City & Guilds Foundation commissioned us in 2022 to research and deliver a pilot project on equity, diversity and inclusion in the UK craft workforce. Following an initial phase of evidence gathering, we worked in depth with five small craft businesses around the UK on their organisational culture and practices. The success of the pilot led to development of a proposal for a multi-year project to support a step change in EDI, in particular for new entrants.

All Cockpit studio bursaries and awards are designed to removing barriers to starting up in practice, especially socio-economic barriers. In addition, we have several awards that tackle other structural inequities. This year,

COCKPIT ARTS  
TRUSTEES' REPORT  
FOR THE PERIOD ENDED 31 MARCH 2023

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we continued to support two makers on the New Craft Award, aimed at individuals from backgrounds currently underrepresented in craft. This award is informed and guided by a ten-strong group of ambassadors from Global Majority backgrounds. This year, we secured funding for, and developed, the Bagri Award to address the underrepresentation of makers from Asian backgrounds. Two Cockpit makers, both former Awardees, made and raffled a unique, handmade knife to raise funds for another new award, the Grant-Turnstone Award, aimed at female practitioners practicing in traditionally male-dominated craft fields.

*"The Cockpit community is a wonderful creative hub that I'm lucky to be a part of. As a former Cockpit awardee, I can honestly say that the award has helped my practice thrive and become a sustainable business in an industry where there are too few Asian makers." Majeda Clarke, textile artist.*

Equity, Diversity and Inclusion work is led by the Head of Operations and CEO and is overseen by the People Committee of the Board of Trustees. As with all our activities and governance, we review and are guided by the Charity Governance Code.

## Environment

With its roots in materials and provenance, craft practice makes a distinctive contribution towards environmental sustainability. Many Cockpit makers have been in the vanguard of adopting circular economy principles and zero waste techniques, and championing the use of recycled, renewable and non-extractive materials. These includes strategies such as using recycled and Fairtrade precious metals, wood from sustainable sources, natural dyes, and deadstock waste from the fashion and textiles industries.

We set an annual environmental strategy and action plan, the aims of which are to:

1. Reach net zero emissions from all our operations by 2030
2. Maximise the energy efficiency of our buildings
3. Minimise the generation of waste and maximise reuse and recycling
4. Provide training and knowledge exchange for makers on environmental responsibility
5. Be a voice and champion for craft's contribution to environmental responsibility

Detailed objectives to deliver these aims are set in the following areas: buildings, operations, training, behaviour, procurement, advocacy. Progress against these objectives are monitored annually.

For the past four years, staff have completed an annual carbon footprint calculator, with a new advanced and more comprehensive tool adopted in 2023. This is now being extended to the community of makers. Over the four calendar years 2019 – 2022, average (mean) staff carbon footprint fell by 37%. In addition, the Deptford redevelopment has afforded an opportunity to improve areas of our building's environmental performance, including through installation of air source heat pumps.

COCKPIT ARTS  
TRUSTEES' REPORT  
FOR THE PERIOD ENDED 31 MARCH 2023

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## Financial Resilience and Fundraising Performance

Through careful financial management, cost control and good fundraising performance, we sustained the charity's resilience, ending the year with a small surplus. We achieved this result whilst maintaining delivery, growing our offer in some areas, and producing strong impact. We have a positive cash flow for 24 months and reserves are above our target of three months' unrestricted expenditure.

On expenditure, we continued careful cost control, keeping close watch on inflation. Having fixed energy rates with our provider for three years in 2021, we were somewhat cushioned from the direct impact of hikes in energy prices ensuing from the war in Ukraine. Conscious of the impact of inflation on our beneficiaries, we kept licence fee increases significantly (50%) below inflation.

On fundraising, this year we developed a new, four-year Development Strategy 2023-27 to support Cockpit to achieve its ambitions and grow activity and impact. The strategy sets out how we plan to grow multi-year funding to above 73%, increase unrestricted funding taking a full cost recovery approach, and draw on the talents of the full team and Trustees to deliver our fundraising activities across trusts and foundations, individual donors and patrons, and corporate philanthropic partners. We are registered with the Fundraising Regulator and abide by the Regulator's Code of Conduct.

We achieved 103% of the fundraising target set at the beginning of the period. Implementing a strategy focused on long-term, multi-year and unrestricted funding, by the end of the current period we had secured 38% of our target for 2023-4. We achieved this during a period in which all funders reported unprecedented levels of demand for support.

In this challenging fundraising context, we are especially grateful to all the funders who continued their support of our bursaries, awards and young people's programmes. This enabled us to support 40 makers during the year, of whom 20 joined Cockpit during this financial period. In total, since 2015, we have provided the equivalent of 135 years of free studio support to emerging makers. Support for our youth and community programmes enabled us to reach more than 1,500 participants during the year.

Individual donor income remained close to target, as last year. As our development strategy evolves in response to the climate, cultivating individual philanthropic giving and corporate partnerships are priorities for the coming year.

Alongside revenue fundraising, we continued our capital fundraising campaign for the Deptford development. To date, we have raised £2,757,127 towards the project (with more than 85% of this figure having being raised in previous financial periods).

The Deptford project is central to our long-term financial resilience strategy. Bringing previously unused space into operation, it will increase our capacity for earned revenue and grow our charitable impact to support more makers and radically transform our learning, education and family offer. Over the year, we have also developed strategies to further grow other revenue streams: building audiences for open studios events and implementing plans to increase tours and venue hire income through improved marketing.

COCKPIT ARTS  
TRUSTEES' REPORT  
FOR THE PERIOD ENDED 31 MARCH 2023

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## FUTURE PLANS

Our three priorities for 2023-24 are: Growing Spaces, Growing Communities and Growing Audiences.

**Growing Spaces:** Expand and improve our two studio sites to accommodate more makers and support their growth. Explore potential for a third Cockpit space.

**Growing Communities:** Extend our community and youth programmes to reach more, and more diverse, people. Enrich our offer to makers and cultivate a strong maker community at Cockpit and beyond our studios.

**Growing Audiences:** Grow and diversify digital audiences, increase visitor numbers to our events, and build Cockpit's profile as a leading national centre for contemporary craft.

We will deliver these in 2023-24 through the following actions:

### 1. Craft a long-range strategic plan

We will design a new, five-year strategic plan, consolidating and building on successes to date. We will appraise our business model, continuing to consolidate existing revenue streams and diversify into new areas of business to optimise our economic, cultural and social impact.

### 2. Empower more makers

We will expand our consultancy offer by sustaining existing partnerships and attracting new to continue to extend our services and reach a wider range of makers, at Cockpit and UK-wide.

We will develop our digital business support model to reach and support more makers UK-wide and globally with business coaching, training and professional development.

We will continue to subsidise studios and sustain our Bursaries and Awards programme, focusing on redressing the greatest structural inequities. We will attract makers working in wider range of practices, including collectible craft, experimental work, ecologically sustainable practices, and socially engaged practices.

### 3. Encourage future makers

Creation of the new learning centre at Deptford will enable us to radically step up the growth of our young people's programmes to open routes into craft careers.

In 2023-4, we will launch a new Saturday Club for Craft & Making at Deptford, as the central pillar of our youth and community programme. This will be the first Saturday Club to be hosted by working maker studios – giving young people an opportunity to learn about entrepreneurship as well as about craft, design and making.

As a formal partner in the national *Discover! Creative Careers* programme, we will continue to host immersive careers events for local school students, and offer online talks and virtual visits to reach students nation-wide.

With funding confirmed for three years, we will support six emerging makers on *Make It*, our start-up programme for makers aged under 26, continuing a programme that has already supported over 40 under- and unemployed young people into business.

**COCKPIT ARTS  
TRUSTEES' REPORT  
FOR THE PERIOD ENDED 31 MARCH 2023**

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**4. Build public audiences**

Implementing a new marketing, communications and digital strategy, we will grow audiences and bring contemporary craft to more people through a rich programme of events, talks, publications and exhibitions.

We will harness the unique opportunity of the Grand Re-opening to the public at Deptford in December 2023, and our 21<sup>st</sup> birthday in Deptford, to reach and attract larger and more diverse local and national audiences.

We will create new cultural, education and commercial partnerships and consolidate our position as a leading voice for contemporary craft, to reach new audiences and generate opportunities for makers.

**5. Measure and communicate impact**

We will continue our commitment to impact measurement – complementing rigorous quantitative data with case studies that reveal the rich stories behind our work. We will share our social, economic and artistic results through events, publications, and online.

**6. Invest in organisational development**

We will build on the organisational development programme that we initiated in 2020, with a focus this year on staff development, Board development to sustain an ambitious, healthy, happy, motivated, and well-functioning organisation. We will co-create a community social charter formally describing the culture we seek to foster.

**7. Secure long-term resilience**

We will complete our Deptford capital development project in September 2023, bringing online a new studio block, and indoor and outdoor community and public spaces, with a grand re-opening to the public in December 2023. In Bloomsbury, we will negotiate a new, long-term lease with London Borough of Camden. We will step up activity to research and secure a third studio site.

We will implement our long-term fundraising and revenue generation strategy, maintaining our strong relationships with charitable trusts and foundations. We will diversify our funding base, growing corporate social responsibility partnerships and philanthropic giving, to further strengthen Cockpit's resilience and our ability to deliver our social and cultural mission.

**COCKPIT ARTS  
TRUSTEES' REPORT  
FOR THE PERIOD ENDED 31 MARCH 2023**

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## **LEGAL STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing document**

Cockpit was established as a charitable company limited by guarantee in 1993. The company was established under a Memorandum of Association, stating the objects and powers of the charitable company, and is governed and administered in accordance with its Articles of Association.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2023 was 11 (2022: 13). The Trustees are members of the charity; this entitles them only to voting rights.

A trading arm, Cockpit Arts & Exhibitions Ltd, is a dormant limited company with no accounting transactions at present. As a result, the trading arm has not been consolidated in these financial statements.

### **Trustee recruitment, appointment and induction**

The Board of Trustees comprises individuals who are both trustees and non-executive directors of the company. Trustees serve for three years and are eligible for re-election for up to two further terms of three years each. All members of the Board serve in an individual capacity with a duty to support Cockpit rather than to act as representatives of a particular interest group.

Trustees are recruited through an open process. Vacancies are advertised widely, with an emphasis on recruiting from a diverse range of backgrounds to meet the organisation's skills and knowledge needs. Applications are shortlisted by the Nominations Committee, which comprises the Chair, two Trustees and the CEO. Following interview of shortlisted candidates, recommendations for appointment are proposed to the full Board for their consideration and approval.

During the period, two Trustees, Alistair Scott and Samuel Fry, stepped down from the Board.

On appointment, Trustees receive an induction pack comprising the governing documents, most recent annual report, recent performance reports, strategic planning documents, corporate policies, impact reports and any other relevant materials. They are also provided with up-to-date materials on charity governance, including Charity Commission guidance, the Charity Governance Code, and Cultural Governance Alliance guidance. New Trustees meet with staff to understand their roles in the organisation and are invited to attend Cockpit events. All Trustees take part in an annual Away Day as well as quarterly Board meetings. Opportunities for Trustee training are provided, including a full, annual governance briefing and update from Russell-Cooke solicitors.

The charity formally reviews and assesses its performance and conduct in relation to The Governance Code, with input from all Trustees and senior executive staff. The review is discussed annually by the Board.

### **Management and decision-making**

Trustees are responsible for making decisions on Cockpit's long-term direction and activities, and for ensuring that all Board responsibilities delegated to staff are carried out.

An annual business plan sets out how the charity's activities will deliver its aims and objectives, within the context of a longer-range, five-year strategic plan.



**COCKPIT ARTS  
TRUSTEES' REPORT  
FOR THE PERIOD ENDED 31 MARCH 2023**

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Trustee sub-committees provide detailed analysis and recommendations on specific activity areas. The committees are the Audit & Risk Committee (quarterly), Development Committee (quarterly), Finance and Business Committee (quarterly), People Committee (three times a year), Nominations Committee (meeting as required), and Property Committee (monthly). Other sub-committees and working groups are convened where required. Committee members are nominated by the Chair of the Board of Trustees and approved by the Board.

### **Executive team**

The Board appoints a Chief Executive to shape Cockpit's strategic direction and lead the organisation. The Chief Executive formally reports on progress to the full Board every quarter, as well as to Board subcommittees.

Staff remuneration is subject to an annual inflationary review, with any additional pay increase dependent on change of role scope or responsibility. Recommendations on remuneration made by the Finance & Business Committee are subject to approval by the full Board of Trustees.

We are an accredited London Living Wage Employer.

### **RISK MANAGEMENT**

The Trustees meet regularly to review the financial position and to ensure that effective management and controls are in place. The Audit and Risk Committee and the Board of Trustees each review the charity's risk register quarterly. Attending to all risk categories (strategic, operational, legal, reputational), they monitor risk status (probability, impact and proximity) and take action to manage each risk as appropriate (mitigate, transfer, accept, avoid or exploit).

Principal risks identified in relation to the charity's finances are generating sufficient fundraising income (capital and revenue) and the risk of premises in Camden becoming unaffordable. Trustees have ensured that there are sufficient reserves to meet all the charity's immediate liabilities and to continue to do so in the short term.

Despite an increasingly competitive environment, revenue fundraising performance was strong during the period, drawing on senior executive team expertise and building on strong track record of successfully delivering programmes to meet funders' objectives. To mitigate the risk of any potential fundraising shortfall in the future, the charity has successfully diversified earned and traded income, implemented a new fundraising strategy, and actively cultivated new funding sources. The charity invested in additional fundraising resource to support our campaign to raise the final 20% of capital funds for the Deptford project, and this 20% is underwritten by a mortgage loan of £750,000 from NatWest Bank. This was subject to rigorous affordability tests before approval.

Cockpit is registered with the Fundraising Regulator and abides by the Regulator's Code of Fundraising Practice. Fundraising is carried out by the CEO and the Head of Development. During the year, the charity has received expert advice on VAT treatment of donations. We received no complaints about fundraising activity.

The charity is in regular communication with property officers at Camden Council to negotiate an affordable, longer-term lease on our Bloomsbury premises, with increased space to meet growing demand for studios. The charity is receiving advice from an external agent to support the negotiations.

This year, we reassessed cyber security risks in response to heightened cyber threats globally. All staff receive regular cyber security training and assessments, with quarterly refreshers. Additional security measures and two factor authentication have been implemented. The charity is protected by cyber insurance.

COCKPIT ARTS  
TRUSTEES' REPORT  
FOR THE PERIOD ENDED 31 MARCH 2023

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## FINANCIAL REVIEW

### Income

Total income for the period 1 April 2022 to 31 March 2023 was £2,648,938, compared with £1,904,444 in the previous 18-month period 1 October 2020 to 31 March 2022. (In 2021-22 Cockpit moved its financial year end from 30 September to 31 March, and so comparative figures are for an 18-month period). The income for the current period includes £1,432,762 in capital funds.

During the period, £85,451 was received from the European Regional Development Fund (ERDF) for the London Creative Network Programme. Managed by SPACE, with Cockpit, Four Corners and Photofusion as delivery partners, the programme funded business support provision to resident studio holders and external makers. The first edition of the programme began in January 2016. After three editions, the programme concluded in March 2023 with the cessation of UK eligibility for ERDF grants.

Cockpit was commissioned by QEST (the Queen Elizabeth Scholarship Trust) to deliver professional and business development programmes for QEST Scholars. We also delivered bespoke professional development programmes for the Craft Scotland, Yorkshire Artspace, the Worshipful Company of Basketmakers and The Basketmakers' Association. The City & Guilds Foundation commissioned Cockpit to research equity, diversity and inclusion in the UK craft workforce. Total revenue from consultancy was £49,303.

Reflecting high occupancy at both studio sites, licence fee income for the period remained buoyant. Income from venue hire, tours, and open studios events continued to recover slowly post-pandemic.

Cockpit again received generous support from charitable trusts and foundations, enabling us to offer bursaries and awards to talented craftspeople to develop their careers, and support of education programmes. We are grateful to The Arts Society, The Arts Society GLA, Broderers' Charitable Trust, The Clothworkers' Company, Curriers Company Charitable Fund, The Haberdashers' Company, Harriet's Trust, The Leathersellers' Company, London Borough of Camden, London Community Foundation, Newby Trust, Radcliffe Trust, SHA Charitable Trust, The Worshipful Company of Dyers, The Worshipful Company of Basketmakers, The Worshipful Company of Glass Sellers, The Worshipful Company of Turners, and the Trusthouse Charitable Foundation.

We are grateful to two resident makers, Holly Loftus and Daisy Tempest, for raising funds for a new specialist scholarship for emerging craftswomen, the Grant-Turnstone Award.

We thank Prue McLeod for her generous support of our business start-up programme, Make It, for makers aged 25 and under.

We are grateful to Adrian Swire Charitable Foundation and Marsh Charitable Trust for their contributions towards core costs.

We thank our corporate sponsors Clear Insurance Management Ltd. for their continued support of the Cockpit Clear Bursary, and Deutsche Bank for their contribution to the Jill Humphrey Springboard Prize.

We are also grateful to our many individual donors, our Patrons, Champions and Friends, who gave generously in support of our work.

Cockpit is registered with the Fundraising Regulator and abides by the Regulator's Code of Fundraising Practice.

**COCKPIT ARTS  
TRUSTEES' REPORT  
FOR THE PERIOD ENDED 31 MARCH 2023**

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**Expenditure**

Total expenditure in the year was £1,186,599 compared with expenditure of £1,634,972 in the 18-month period 2020-22. Funds spent on business support programmes in the 12-month period were £518,420, compared with £662,397 in the previous 18-month period.

**Movement in funds**

Net income was £1,462,339 for the period ended 31 March 2023. There is a surplus for the year on unrestricted funds of £1,415.

**RESERVES POLICY**

The charity's reserves policy is to hold free reserves equivalent to three months' running costs.

Free reserves at 31 March 2023 are £263,774 and three months of unrestricted expenditure at 31 March 2023 is £239,512.

At 31<sup>st</sup> March 2023, the charity held the following reserves:

General unrestricted funds	631,094
Restricted funds	2,668,755
	<hr/>
	3,299,853
	<hr/> <hr/>

COCKPIT ARTS  
TRUSTEES' REPORT  
FOR THE PERIOD ENDED 31 MARCH 2023

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**STATEMENT OF TRUSTEES RESPONSIBILITIES**

The trustees who served during the period were:

Davina Mallinckrodt, (Chair)  
Pablo Lloyd (Deputy Chair)  
Bill Amberg  
Nishita Dewan  
Samuel Fry (Resigned September 2022)  
Lee Gage  
Patricia Godfrey  
Clarissa Hulse  
David Moore  
Mehul Nathwani  
Ben O'Neill (Resigned July 2023)  
Sarah Samuel  
Alistair Scott (Resigned November 2022)

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

Company law requires the trustees to prepare financial statements for each financial year that give a true and fair view of the state of the affairs of the charitable company and of the income and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation.

The trustees are also responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

COCKPIT ARTS  
TRUSTEES' REPORT  
FOR THE PERIOD ENDED 31 MARCH 2023

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STATEMENT OF TRUSTEES RESPONSIBILITIES (Cont.)

So far as the trustees are aware:

- (a) there is no relevant audit information of which the Company's auditors are unaware, and
- (b) they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Approved by the trustees on 26 September 2023 and signed on their behalf by:



Davina Mallinckrodt, Chair of Trustees

**COCKPIT ARTS**  
**INDEPENDENT AUDITOR'S REPORT**  
**FOR THE PERIOD ENDED 31 MARCH 2023**

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**Independent auditor's report to the members of Cockpit Arts**

**Opinion**

We have audited the financial statements of Cockpit Arts for the period ended 31 March 2023 which comprise the Statement of Financial Activities, The Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

**COCKPIT ARTS**  
**INDEPENDENT AUDITOR'S REPORT**  
**FOR THE PERIOD ENDED 31 MARCH 2023**

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**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

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

- adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

**Responsibilities of trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement (set out on page 17-18), the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements *and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.*

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to non-compliance with the Charities Act, Companies Act and Health and Safety legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011, payroll tax and sales tax.

COCKPIT ARTS  
INDEPENDENT AUDITOR'S REPORT  
FOR THE PERIOD ENDED 31 MARCH 2023

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We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to recognising income in the incorrect financial period. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Substantive test of detail on income transactions and review of income transactions around the financial year end; and
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Siobhan Holmes (Senior Statutory Auditor)  
For and on behalf of Haysmacintyre LLP, Statutory Auditor

10 Queen Street Place  
London  
EC4R 1AG

Date: 27 September 2023



**COCKPIT ARTS**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
(Incorporating an Income and Expenditure Account)  
**FOR THE PERIOD ENDED 31 MARCH 2023**

		Year ended 31 March 2023			18 Months to 31 March
	Notes	Restricted funds £	Unrestricted Funds £	Total 2023 £	Total 2022 £
<b>Income and Expenditure</b>					
<b>Income from:</b>					
<i><b>Donations</b></i>					
Fundraising		-	25,453	25,453	40,514
Marketing and events		-	48,483	48,483	39,437
General grants	2	8,230	-	8,230	303,667
Government grants		-	-	-	22,284
<i><b>Charitable activities</b></i>					
Provision of workspace	3	-	810,353	810,353	1,015,823
Business support programmes	4	248,483	71,221	319,704	348,893
Capital project		1,432,762	-	1,432,762	133,738
<i><b>Investment income</b></i>		-	3,953	3,953	88
<b>Total income</b>		<u>1,689,475</u>	<u>959,463</u>	<u>2,648,938</u>	<u>1,904,444</u>
<b>Expenditure on:</b>					
<i><b>Raising funds</b></i>					
Fundraising		-	27,097	27,097	33,039
Marketing and events		-	85,039	85,039	118,227
<i><b>Charitable activities</b></i>					
Provision of workspace		26,497	529,546	556,043	821,309
Business support programmes		202,054	316,366	518,420	662,397
<b>Total expenditure</b>	5	<u>228,551</u>	<u>958,048</u>	<u>1,186,599</u>	<u>1,634,972</u>
<b>Net income/(expenditure) and movement in funds</b>		<u>1,460,924</u>	<u>1,415</u>	<u>1,462,339</u>	<u>269,472</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>1,207,831</u>	<u>629,683</u>	<u>1,837,514</u>	<u>1,568,042</u>
<b>Total funds carried forward</b>		<u>2,668,755</u>	<u>631,098</u>	<u>3,299,853</u>	<u>1,837,514</u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. The accompanying notes form an integral part of these financial statements.

Movements in funds are disclosed in Note 14 to the financial statements.

Full comparative figures for the year ended 30 March 2022 are shown in note 19.

# COCKPIT ARTS

## BALANCE SHEET

AT 31 MARCH 2023

Registered company number: 02801969

		2023		2022	
	Notes	£	£	£	£
FIXED ASSETS	9		2,456,105		1,414,501
CURRENT ASSETS					
Debtors	10	621,064		215,498	
Cash at bank and in hand		1,267,359		510,439	
		1,888,423		725,937	
Creditors: amounts falling due within one year	11	(703,789)		(260,563)	
NET CURRENT ASSETS			1,184,634		465,374
TOTAL ASSETS LESS CURRENT LIABILITIES			3,640,739		1,879,875
Creditors: amounts falling due after more than one year	12		(340,886)		(42,361)
NET ASSETS	13		3,299,853		1,837,514
RESERVES					
Unrestricted funds	14		631,098		629,683
Restricted funds	14		2,668,755		1,207,831
			3,299,853		1,837,514

The financial statements were approved and authorised for issue by the trustees on 26 September 2023 and signed on their behalf by:



Davina Mallinckrodt  
Chair of Trustees



Patricia Godfrey  
Trustee

The accompanying notes form an integral part of these financial statements.

**COCKPIT ARTS**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	2023 £	2022 £
CASH FLOWS FROM OPERATING ACTIVITIES	A	1,529,084	208,764
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest paid		(5,008)	(582)
Interest received		3,953	88
Cash (used in) / provided investing activities		<u>(1,055)</u>	<u>(494)</u>
(Repayment of) / increase in borrowings		301,510	(10,791)
Net cash provided by/ (used in) financing activities		<u>301,510</u>	<u>(10,791)</u>
Cash used in purchase of fixed assets		<u>(1,072,619)</u>	<u>(133,729)</u>
INCREASE/ (DECREASE) IN CASH IN THE YEAR		<u>756,920</u>	<u>63,750</u>
Cash and cash equivalents at the beginning of the year		<u>510,439</u>	<u>446,689</u>
TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		<u>1,267,359</u>	<u>510,439</u>

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT**

A.	RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES	2023 £	2022 £
	Net income/(expenditure)	1,462,339	269,472
	Depreciation charge	31,015	46,523
	(Increase)/Decrease in debtors	(405,566)	(144,097)
	Increase/(Decrease) in creditors	440,241	36,372
	Interest payable	5,008	582
	Interest received	(3,953)	(88)
	Net cash generated by operating activities	<u>1,529,084</u>	<u>208,764</u>

Analysis of the changes in net debt are disclosed in note 17 to the accounts.

COCKPIT ARTS  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2023

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**1. PRINCIPAL ACCOUNTING POLICIES**

**Basis of Preparation**

**Statement of compliance**

The financial statements for the period ended 31 March 2023 are prepared under the historical cost convention. The format of the financial statements has been presented to comply with the Companies Act 2006, FRS102 *The Financial Reporting Standard applicable in the UK and Ireland* and the Statement of Recommended Practice *Accounting and Reporting by Charities* ("SORP Second Edition 2019"). The Charity is a Public Benefit Entity as defined by FRS102.

**General information**

The Charity is a company limited by guarantee, incorporated in England and Wales (company number: 2801969) and a charity registered in England and Wales (charity number: 1029643). The Charity's registered office address is: Cockpit Yard, Northington Street, London, WC1N 2NP.

**Going concern**

The Trustees consider that there are no material uncertainties which would cast doubt on the Charity's ability to continue as a going concern. The Trustees have considered the continued impact of the cost-of-living crisis and energy costs, rent negotiation with Camden Council, demand for our services and the funding environment on the going concern basis given the likely cash flow impact on operations 12 months from the date of signing this report.

**Significant judgments and sources estimation uncertainty**

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Charity's accounting policies. The key judgements that have been applied by management relate to the depreciation of fixed assets.

The following principal accounting policies have been applied:

**Exemption from group accounts**

The financial statements present information about the charity as an individual undertaking and not about its group. The charity has a wholly owned subsidiary, Cockpit Arts and Exhibitions Limited, which is dormant and has been since incorporation (note 17). It is not considered necessary to prepare group accounts as the results of the subsidiary are immaterial to the group.

**Donations**

Donations and gifts are included in the statement of financial activities when receivable. Gifts in kind are recognised at the charity's best estimate of the cost of acquiring this gift on the open market. Volunteer time is not included in the financial statements.

COCKPIT ARTS  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE PERIOD ENDED 31 MARCH 2023

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**1. PRINCIPAL ACCOUNTING POLICIES (continued)**

**Fee income**

Fee income represents licence fees charged to designer-makers for studio rental in Bloomsbury and Deptford. This is recognised on an accruals basis. Services recharged to licencees comprise business support fees, metered electricity and office services such as photocopying and fax charges.

**Grant income**

Grants are recognised in full in the statement of financial activities in the year in which they are receivable.

Grants for the purchase of fixed assets are credited to restricted income when available. Depreciation of fixed assets purchased with such grants is charged against the restricted fund. Where a fixed asset is donated to the charity for its own use, it is treated in a similar way to a restricted grant.

Support costs comprise the costs of office administration and other central functions which enable the charity to carry out its educational activities.

**Expenditure**

Expenditure is recognised in the period in which it is incurred.

Expenditure is allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff costs, of the amount attributable to each activity.

	General Expenditure (note 4)	Support Costs
Fundraising	3%	4%
Marketing and events	6%	8%
Provision of workspaces	36%	46%
Business support programmes	33%	41%
Support costs	21%	-
Governance	1%	1%

Governance costs include compliance with constitutional and statutory requirements incurred by the charitable company.

Expenditure on raising funds relate to the costs incurred by the charitable company in raising funds for the charitable work.

COCKPIT ARTS  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE PERIOD ENDED 31 MARCH 2023

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**1. PRINCIPAL ACCOUNTING POLICIES (continued)**

**Fixed assets**

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Freehold property (excluding land)	50 years straight line
Leasehold improvements	over period of lease
Office furniture and equipment	25% per annum straight line

Items of equipment are capitalised where the purchase price exceeds £5,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

**Financial instruments**

Basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable are accounted for on the following basis:

*Cash and cash equivalents*

Cash and cash equivalents includes cash in hand, deposits held at banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within current liabilities.

*Debtors and creditors*

Debtors and creditors are measured at the transaction price less any provision for impairment. Any losses arising from impairment are recognised as expenditure.

*Bank borrowings*

Liabilities for borrowings which are subject to a market rate of interest are measured at the value of the amount advanced, less capital repayments.

**Funds**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund together with a fair allocation of management and support costs.

Unrestricted funds are donations and other income receivable or generated for the general objects of the charity.

COCKPIT ARTS  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE PERIOD ENDED 31 MARCH 2023

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1. PRINCIPAL ACCOUNTING POLICIES (continued)

**Operating leases**

Rentals payable under operating leases, where substantially all the risks and rewards of the ownership remain with the lessor, are charged to the statement of financial activities in the year in which they fall due.

**Pension**

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charity to the fund. The charity has no liability under the scheme other than for the payment of those contributions.

**Employee benefits**

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

COCKPIT ARTS  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE PERIOD ENDED 31 MARCH 2023

2. GENERAL GRANTS	Restricted funds £	Unrestricted funds £	Total 2023 £
London Borough of Camden	8,230	-	8,230
	<u>8,230</u>	<u>-</u>	<u>8,230</u>
<i>Prior period comparative</i>			
	Restricted funds £	Unrestricted funds £	Total 18 months ended 31 March 2022 £
Arts Council England	115,197	-	115,197
Garfield Weston Foundation	127,970	-	127,970
London Borough of Lewisham	52,500	8,000	60,500
Creative Land Trust	-	-	-
	<u>295,667</u>	<u>8,000</u>	<u>303,667</u>
3. PROVISION OF WORKSPACE	Restricted funds £	Unrestricted funds £	Total 2023 £
Licence fees	-	694,920	694,920
Services recharged to licencees	-	72,178	72,178
Other rental income	-	43,255	43,255
	<u>-</u>	<u>810,353</u>	<u>810,353</u>
<i>Prior period comparative</i>			
	Restricted funds £	Unrestricted funds £	Total 18 months ended 31 March 2022 £
Licence fees	-	854,623	854,623
Services recharged to licencees	-	93,869	93,869
Other rental income	-	67,330	67,330
	<u>-</u>	<u>1,015,822</u>	<u>1,015,822</u>



COCKPIT ARTS  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE PERIOD ENDED 31 MARCH 2023

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4. BUSINESS SUPPORT PROGRAMMES

	Restricted Funds £	Unrestricted Funds £	Total 2023 £
European Regional Development Fund (ERDF)	85,451	-	85,451
Clear Insurance Management Ltd	2,500	-	2,500
The Haberdashers' Company	11,000	-	11,000
Adrian Swire Charitable Foundation	-	26,000	26,000
The Clothworkers' Foundation	22,000	-	22,000
Jill Humphrey Springboard Prize	1,000	-	1,000
The Arts Society	3,000	-	3,000
London Community Foundation	8,623	-	8,623
Prue Macleod	60,000	-	60,000
Radcliffe Trust	11,000	-	11,000
Worshipful Company of Dyers	12,000	-	12,000
Trusthouse Charitable Foundation	5,000	-	5,000
Worshipful Company of Turners	8,500	-	8,500
Harriet's Trust	1,000	-	1,000
SHA Trust	5,000	-	5,000
Broderers Charitable Trust	4,650	-	4,650
Grant Turnstone Award	7,759	-	7,759
Worshipful Company of Curriers	-	1,000	1,000
Consultancy Income and Fees Charged	-	44,211	44,211
	<u>248,483</u>	<u>71,211</u>	<u>319,694</u>

COCKPIT ARTS  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE PERIOD ENDED 31 MARCH 2023

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4. BUSINESS SUPPORT PROGRAMMES

	Restricted Funds	Unrestricted Funds	Total 2022
<i>Prior year comparative</i>	£	£	£
European Regional Development Fund (ERDF)	115,879	-	115,879
Clear Insurance Management Ltd	2,500	-	2,500
The Haberdashers' Company	10,000	-	10,000
John S Cohen Foundation	5,000	-	5,000
The Worshipful Company of Leathersellers	46,400	-	46,400
The Clothworkers' Foundation	44,334	-	44,334
Jill Humphrey Springboard Prize	1,000	-	1,000
The Arts Society	3,000	-	3,000
Newby Trust	8,000	-	8,000
Drapers Charitable Foundation	11,264	-	11,264
Radcliffe Trust	9,614	-	9,614
Worshipful Company of Basketmakers	6,000	-	6,000
Texselect	-	-	-
Worshipful Company of Turners	2,167	2,000	4,167
Worshipful Company of Needle makers	5,000	-	5,000
Harriet's Trust	7,000	-	7,000
CAPITB Trust	4,000	-	4,000
SHA Trust	5,000	-	5,000
The New Craftsmen	4,000	-	4,000
Worshipful Company of Tin Plate Workers	2,716	-	2,716
Worshipful Company of Glass Sellers	2,716	-	2,716
Worshipful Company of Curriers	-	2,000	2,000
Golonscott Foundation	-	-	-
Consultancy Income and Fees Charged	-	49,303	49,303
	<u>295,590</u>	<u>53,303</u>	<u>348,893</u>

COCKPIT ARTS  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE PERIOD ENDED 31 MARCH 2023

5. TOTAL EXPENDITURE

	Fundraising expenses £	Marketing & events £	Provision of workspace £	Business support programmes £	Support £
Staff costs (note 6)	14,306	28,611	210,144	157,362	100,139
Rent and rates	-	-	114,420	104,885	-
Repairs and maintenance	-	-	39,682	36,375	-
Utilities	-	-	21,830	20,010	-
Insurance	513	1,026	6,156	5,642	3,591
Bad debts	-	-	-	-	-
Depreciation	-	-	31,015	-	-
Legal and professional fees	398	796	4,773	4,375	2,784
Bank interest	-	-	5,008	-	-
Audit fees	-	-	-	-	-
Project expenses	-	33,973	2,349	80,986	-
General expenses	1,691	3,382	20,289	18,599	11,836
Office expenses – general	1,489	2,978	17,868	16,378	10,423
- Stationery	88	176	1,058	970	617
- Sundry admin	332	665	3,989	3,656	2,327
- Unreclaimable VAT	461	922	5,532	5,070	3,227
Carried forward	19,278	72,529	484,113	454,308	134,944

COCKPIT ARTS  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE PERIOD ENDED 31 MARCH 2023

5 TOTAL EXPENDITURE (continued)

	Fundraising expenses £	Marketing & events £	Provision of workspace £	Business support programmes £	Support £
Brought forward	19,278	72,529	484,113	454,308	134,944
Split support costs	7,819	12,510	71,930	64,112	(134,944)
	<u>27,097</u>	<u>85,039</u>	<u>556,043</u>	<u>518,420</u>	<u>-</u>
Costs split	3%	6%	36%	33%	21%
Support costs split	<u>5%</u>	<u>8%</u>	<u>46%</u>	<u>41%</u>	<u>-100%</u>

COCKPIT ARTS  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE PERIOD ENDED 31 MARCH 2023

5. TOTAL EXPENDITURE (continued)

*Prior year comparative*

	Fundraising expenses £	Marketing & events £	Provision of workspace £	Business support programmes £	Support £
Staff costs (note 6)	18,597	37,193	261,638	204,564	130,177
Rent and rates	-	-	158,162	144,982	-
Repairs and maintenance	-	-	78,750	72,188	-
Utilities	-	-	34,504	31,629	-
Insurance	764	1,527	9,162	8,398	5,345
Bad debts	-	-	(5)	-	-
Depreciation	-	-	46,523	-	-
Legal and professional fees	1,205	2,410	14,459	13,255	8,435
Bank interest	-	-	582	-	-
Audit fees	-	-	-	-	-
Project expenses	-	55,887	94,007	76,330	-
General expenses	568	1,137	6,823	6,253	3,979
Office expenses – general	1,406	2,813	16,875	15,468	9,844
- Stationery	72	144	865	793	504
- Sundry admin	300	600	3,602	3,302	2,101
- Unreclaimable VAT	787	1,573	9,438	8,651	5,506
Carried forward	23,699	103,284	735,385	585,813	165,891

COCKPIT ARTS  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE PERIOD ENDED 31 MARCH 2023

5. TOTAL EXPENDITURE (continued)

*Prior year comparative*

	Fundraising expenses £	Marketing & events £	Provision of workspace £	Business support programmes £	Support £
Brought forward	23,699	103,284	735,385	585,813	165,891
Split support costs	9,340	14,943	85,924	76,584	(165,891)
	<u>33,039</u>	<u>118,227</u>	<u>821,309</u>	<u>662,397</u>	<u>-</u>
Costs split	3%	6%	36%	33%	21%
Support costs split	<u>5%</u>	<u>8%</u>	<u>46%</u>	<u>41%</u>	<u>-100%</u>

COCKPIT ARTS  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE PERIOD ENDED 31 MARCH 2023

6. NET INCOME/(EXPENDITURE)	2023 £	2022 £
<b>This is stated after charging:</b>		
Interest payable	5,008	582
Depreciation	31,015	46,523
Trustees' indemnity insurance	1,443	1,316
Trustees' remuneration	-	-
Trustees' reimbursed expenses	-	-
Auditors' remuneration:		
- audit	15,000	13,000
- additional work	-	-
Operating lease rentals:		
- property	200,000	261,500
	<u>          </u>	<u>          </u>
<b>7. STAFF COSTS AND NUMBERS</b>	<b>2023 £</b>	<b>2022 £</b>
Staff costs were as follows:		
Salaries and wages	440,250	580,146
Employer national insurance	42,820	53,741
Pension contributions	15,967	21,784
Redundancy payments	14,392	-
Contract staff	1,902	2,697
	<u>          </u>	<u>          </u>
	515,331	658,368
	<u>          </u>	<u>          </u>

One employee earned more than £80,000 (excluding employer pension costs) during the year ended 31 March 2023 (18 months ended 31 March 2022: £110,000). These higher paid employees are accruing retirement benefits under the defined contribution scheme. Contributions during the year ended 31 March 2023 totalled £5,647 (18 months ended 31 March 2022: £7,610).

	No.	No.
The average weekly number of employees during the year was as follows:		
Fundraising and publicity	1.2	1.4
Provision of workspace	2.0	2.1
Business support programmes	2.9	2.9
Support	2.9	2.6
Management and administration	.1	.1
	<u>          </u>	<u>          </u>
(3 Full time, 9 Part time)	9.1	9.1
	<u>          </u>	<u>          </u>

No trustee received remuneration during the year (2022: Nil). No expenses were reimbursed to Trustees in the year (2022: Nil).

The aggregate remuneration of the charity's key management personnel amounted to £282,034 for the year ended 31 March 2023 (18 months to 31 March 2022: £306,141).

COCKPIT ARTS  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE PERIOD ENDED 31 MARCH 2023

**8. TAXATION**

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

**9. TANGIBLE FIXED ASSETS**

	Property £	Leasehold Improvements £	Office Equipment £	Total £
<b>Cost</b>				
At 31 March 2022	2,049,267	140,236	93,037	2,282,540
Additions	1,072,619	-	-	1,072,619
31 March 2023	3,121,886	140,236	93,037	3,355,159
<b>Depreciation</b>				
At 31 March 2022	634,766	140,236	93,037	868,039
Charge for the year	31,015	-	-	31,015
At 31 March 2023	665,781	140,236	93,037	899,054
<b>Net Book Value</b>				
At 31 March 2023	2,456,105	-	-	2,456,105
At 30 March 2022	1,414,501	-	-	1,414,501

The charity had capital commitments at 31 March 2023 for property of £1,410,945 (2022 £nil).

**10. DEBTORS: amounts due within one year**

	2023 £	2022 £
Due from licensees	373	1,915
Due from funders	403,124	-
Prepayments and accrued income	88,532	213,438
Taxation and social security	128,890	-
Other debtors	145	145
	621,064	215,498



COCKPIT ARTS  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE PERIOD ENDED 31 MARCH 2023

11. CREDITORS: amounts due within one year	2023 £	2022 £
Bank loans	8,002	5,100
Trade creditors	485,147	61,206
Taxation and social security	12,271	10,393
Accruals and deferred income	124,646	108,489
Deposits held on behalf of licensees	68,224	70,101
Other creditors	5,499	5,274
	<u>703,789</u>	<u>260,563</u>

**DEFERRED INCOME**

Movements on deferred income balances included within accruals and deferred income above:

Balance as at 1 April 2022	4,970	12,907
Released in the year	(4,970)	(12,907)
Amounts deferred in the year	5,600	4,970
	<u>5,600</u>	<u>4,970</u>

12. CREDITORS: amounts due after more than one year	2023 £	2022 £
Bank loan	340,886	42,361
	<u>340,886</u>	<u>42,361</u>

The charity also has a loan under the Bounce Back Loan scheme. Interest is charged at 2.5% per annum with no interest charged for the first 12 months. Capital repayments are to be made in 108 equal instalments that commenced in October 2021.

The charity has a charge secured on the property at Deptford from the bank loan repaid in November 2022.

COCKPIT ARTS  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE PERIOD ENDED 31 MARCH 2023

12. CREDITORS: amounts due after more than one year (continued)

The loans are repayable as follows:

	2023 £	2022 £
Within 1 year	8,002	5,100
Between 2 – 5 years	50,121	21,709
More than 5 years	290,765	20,652
	<u>348,888</u>	<u>47,461</u>

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted Funds £	Unrestricted Funds £	Total Funds £
Tangible fixed assets	2,088,781	367,324	2,456,105
Net current assets/(liabilities)	579,974	604,660	1,184,634
Creditors: amounts falling due after more than one year	-	(340,886)	(340,886)
	<u>2,668,755</u>	<u>631,098</u>	<u>3,299,853</u>

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

*Prior year comparative:*

	Restricted Funds £	Unrestricted Funds £	Total Funds £
Tangible fixed assets	1,034,429	380,072	1,414,501
Net current assets/(liabilities)	173,402	291,972	465,374
Creditors: amounts falling due after more than one year	-	(42,361)	(42,361)
	<u>1,207,831</u>	<u>629,683</u>	<u>1,837,514</u>

COCKPIT ARTS  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE PERIOD ENDED 31 MARCH 2023

14. MOVEMENT IN FUNDS	At the start of the period £	Income £	Expenditure £	At the end of the period £
<b>Restricted funds:</b>				
Deptford capital funds	1,034,437	1,432,762	(18,267)	2,448,932
General grants	50,000	8,230	(8,230)	50,000
Business support programme	123,394	248,483	(202,054)	169,823
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total restricted funds</b>	<b>1,207,831</b>	<b>1,689,475</b>	<b>(228,551)</b>	<b>2,668,755</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Unrestricted funds:</b>				
General funds	629,683	959,463	(958,048)	631,098
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total funds</b>	<b>1,837,514</b>	<b>2,648,938</b>	<b>(1,186,599)</b>	<b>3,299,853</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

*Prior year comparative*

14. MOVEMENT IN FUNDS	At the start of the year £	Income £	Expenditure £	At the end of the year £
<b>Restricted funds:</b>				
Deptford capital funds	928,100	133,738	(27,401)	1,034,437
General grants	22,007	295,667	(267,674)	50,000
Business support programme	79,723	295,590	(251,919)	123,394
Fundraising	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total restricted funds</b>	<b>1,029,830</b>	<b>724,995</b>	<b>(546,994)</b>	<b>1,207,831</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Unrestricted funds:</b>				
General funds	538,212	1,179,449	(1,087,978)	629,683
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total funds</b>	<b>1,568,042</b>	<b>1,904,444</b>	<b>(1,634,972)</b>	<b>1,837,514</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

COCKPIT ARTS  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE PERIOD ENDED 31 MARCH 2023

**Purposes of restricted funds**

Deptford capital funds	Net book value of the Deptford property in 2003 funded by grants from London Development Agency (LDA) Cluster Fund, London Borough of Lewisham and SRB Silwood. Depreciation will be charged to this fund over 50 years.
Expansion and refurbishment of Deptford Studios	funded by grants primarily from STRIDE (Corporation of London), the Mayor of London's Good Growth Fund, and London Borough of Lewisham.
General grants	Funding received towards the running costs of Cockpit Arts during the COVID-19 pandemic.
Business support programme	Funding received towards the running costs of the business support programmes.

**15. OPERATING LEASE COMMITMENTS**

**2023**  
**£**                      **2022**  
**£**

The charity has future lease payments at the year end under operating leases for each of the following periods:

Less than one year	-	-
1 – 5 years	-	-
	<u>          </u>	<u>          </u>

The charity had a commitment under its current lease up to the date of expiry at 24 December 2020.

**16. RELATED PARTY TRANSACTIONS**

During the year Cockpit Arts had no related party transactions.

**17. ANALYSIS OF CHANGES IN NET DEBT**

	As at 1 April 2022 £	Cashflows £	Non-cash movements £	As at 31 March 2023 £
Cash at bank	510,439	756,920	-	1,267,359
Loans due within one year	(5,100)	6,133	(9,035)	(8,002)
Loans due after one year	(42,361)	(307,560)	9,035	(340,886)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total	462,978	455,493	-	918,471
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

COCKPIT ARTS  
NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE PERIOD ENDED 31 MARCH 2023

**18. SUBSIDIARY COMPANY**

Cockpit Arts has a wholly owned trading subsidiary, Cockpit Arts & Exhibitions Limited, company number 0341833. It has no assets other than its £2 share capital. The company is dormant and has not traded in 2023 or 2022. The registered office of the company is Cockpit Yard, Northington Street, London WC1N 2NP.

Pablo Lloyd became the sole director of this subsidiary company during the year. There were no inter-company transactions in 2023 or 2022.

**19. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITY**

	Notes	Restricted funds £	Unrestricted Funds £	Total 2022 £	Total 2020 £
<b>Income and Expenditure</b>					
<b>Income from:</b>					
<i>Donations</i>					
Fundraising		-	40,514	40,514	18,425
Marketing and events		-	39,437	39,437	39,455
General grants	2	295,667	8,000	303,667	92,426
Government grants		-	22,284	22,284	67,853
<i>Charitable activities</i>					
Provision of workspace	3	-	1,015,823	1,015,823	513,593
Business support programmes	4	295,590	53,303	348,893	172,349
Capital project		133,738	-	133,738	-
<i>Investment income</i>		-	88	88	585
<b>Total income</b>		<b>724,995</b>	<b>1,179,449</b>	<b>1,904,444</b>	<b>904,686</b>
<b>Expenditure on:</b>					
<i>Raising funds</i>					
Fundraising		-	33,039	33,039	21,014
Marketing and events		25,689	92,538	118,227	58,608
<i>Charitable activities</i>					
Provision of workspace		269,386	551,923	821,309	397,505
Business support programmes		251,919	410,478	662,397	361,155
<b>Total expenditure</b>	5	<b>546,994</b>	<b>1,087,978</b>	<b>1,634,972</b>	<b>838,282</b>
<b>Net income/(expenditure) and movement in funds</b>		<b>178,001</b>	<b>91,471</b>	<b>269,472</b>	<b>66,404</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		1,029,830	538,212	1,568,042	1,501,638
<b>Total funds carried forward</b>		<b>1,207,831</b>	<b>629,683</b>	<b>1,837,514</b>	<b>1,568,042</b>