

CREATIVE LAND TRUST

England & Wales · Charity number 1182876

Details

Status Registered

Legal form Charitable company

Company number [11367824](#)

Registered 2019-04-09

Register [View on the Charity Commission register](#)

Contact

Address 110 Golden Lane
London
EC1Y 0TG

Phone 000000000

Email info@creativelandtrust.org

Website creativelandtrust.org

Activities

Objects: TO PROMOTE ARTS, CRAFTS AND CRAFTSMANSHIP FOR THE PUBLIC BENEFIT, IN PARTICULAR, BUT NOT EXCLUSIVELY, BY PROVIDING OR FACILITATING ACCESS TO AFFORDABLE WORKSPACE FOR THE PRODUCTION OF ARTS AND CRAFTS TO THOSE IN NEED.

Activities: Purchasing and leasing property, to promote arts, crafts and craftsmanship for the public benefit, in particular, but not exclusively, by providing or facilitating access to affordable workspace for the production of arts and crafts to those in need.

Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** General Charitable Purposes, Arts/culture/heritage/science
- **Who:** Other Defined Groups

Geography

- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2025-05-31	£949,864	£789,656	£7,652,265	7
2024-05-31	£1,892,206	£849,067	£7,492,057	6
2023-05-31	£936,384	£630,904	£6,448,919	5
2022-05-31	£2,687,284	£514,028	£6,143,439	5
2021-05-31	£976,830	£2,001,965	£3,472,305	5

Trustees

Name	Role	Appointed
Andrew Martin	Chair	2024-10-03
Alexandra Katherine Notay		2019-07-23
Catherine Helen Webster		2019-07-23
Daniel Leon Silver		2022-01-20
James Richard Campbell Cooksey		2019-07-23
Malene Oddershede Bach		2020-09-10
Natalie Alexandra Pauline Carter		2019-07-23
Sue-Lin Heng		2019-07-23

CREATIVE LAND TRUST

England & Wales - Charity number 1182876

Accounts



Year Ended
31 May 2025

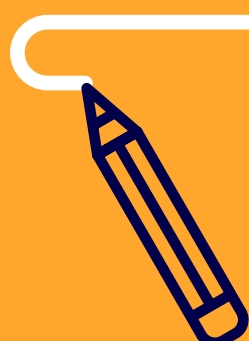
Annual Report
and Accounts



The Creative economy

The Key Numbers

£125bn



is the GVA (gross value added) contribution of the UK creative industries



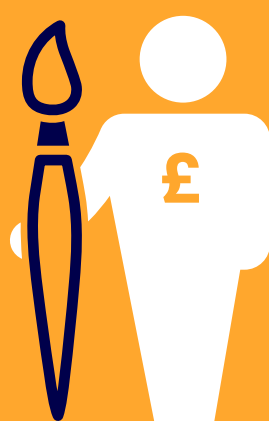
28%

of the creative industries workforce are self-employed workers, double the wider UK workforce



£46bn

The UK creative industries export £46bn of goods and services annually



1.8m

Jobs are accounted for by the UK creative industries

1 in 3

cultural production spaces forecast to be at risk in London

creativelandtrust.org

in Creative Land Trust

@ @creativelandtrust

Data source: <https://www.wearecreative.uk/champion/statistics/> & GLA data (2023)

Contents

04	Introduction
05	Introduction from Chair of Trustees
07	Trustees' Report
08	Objectives, activities and plans for the future
12	Measuring our impact
16	Climate impact and sustainability
17	Financial review
19	Structure, governance and management
20	Statement of responsibilities of the Trustees
21	Independent Auditor's report to the members of Creative Land Trust
25	Statement of Financial Activities
26	Balance Sheet
27	Statement of Cash Flow
28	Notes to the Accounts
45	Administrative and Reference Information

Introduction

Why we're here

Creative Land Trust was founded to tackle a long-standing problem for London, and indeed other global cities – to reverse the loss of long-term, affordable workspace for creatives.

London's competitiveness as a global city is built on its vibrant creative sector. The UK creative industries have a GVA (gross value added) contribution of £125bn representing almost 6% of the economy, and collectively they export £46bn of goods and services – 14% of all UK services exports. The sector creates jobs at three times the UK average and employs 1.8m people, 28% of which are self-employed. London is a cultural powerhouse, but artists and makers are being priced out.

The loss of affordable workspace, and consequent outflow of artists, presents a serious threat to the wellbeing and prosperity of a city so reliant on creativity for its success. Allied to a lack of funding for the sector where UK creative industries generate 6% of the UK's GVA but receive only 1% of research funds. This leads to a precarious future and lack of innovation. Artists are driven to more affordable markets and greater stability to the detriment of the London art market.

Creative Land Trust is working to reverse that trend. Partnering with studio providers, local government and property owners, we are striving to secure long term, affordable workspace that would otherwise be unattainable. We want to continue bringing new money and new spaces into the sector, employing our experience and expertise. We are actively seeking new partners.

We partner with studio providers, local authorities, funders and developers to create new studios and preserve existing space for the long term.

➤ Our Vision

London will always have space for artists to innovate, create, collaborate and inspire others.

➤ Our Mission

To build a portfolio of workspace that supports artists across London, delivering spaces that will be available to artists and makers for the long term and at affordable levels.

Introduction from the Chair of Trustees

Creative Land Trust is now providing affordable workspace for nearly 200 artists and creatives, and we aim to provide space for around 150 more by the end of 2027.

I am pleased to present the Creative Land Trust's Annual Report and Accounts for the year ended 31st May 2025. I was privileged to be invited to become the Chair of the Trust in October 2024 and I am grateful to Cath Webster and Alex Notay for the leadership they provided for the Charity's first five years, to establish a stable base on which Creative Land Trust can now grow.

Shortly after taking up the role as Chair, I invited Annie Clements to become our CEO. Annie became a consultant to Creative Land Trust in June 2023 and had assumed the Interim CEO role when Gordon Seabright left in June 2024. Annie brings a wealth of experience and has settled well into her role.

In the last year, we have acquired our second virtual freehold property securing workspace for artists and creatives at Friary Park in Acton – a Mount Anvil development in partnership with Peabody Trust. This will open in 2026.

We are pressing ahead with our plans for the renovation at the North Block of Alice Billing House in Stratford in partnership with the London Borough of Newham, thanks to funding from the National Lottery Heritage Fund and others, including Garfield Weston and the Architectural Heritage Fund.

Now that we have a portfolio of varied properties, it is time to revisit our fundraising strategy to determine how we can best deliver more long-term affordable space.

While we have been successful in raising grants to rescue Alice Billing House from the Heritage at Risk list, we have an ongoing need to secure funding for our ongoing operations as well as to increase our portfolio of permanent affordable workspace for artists and creatives.

We are always keen to meet with new investors, philanthropists and developers to discuss how we can work together to benefit social returns by providing space for culture and creativity across London.

Alongside the delivery of affordable workspace for artists and creatives, we are also actively involved in developing new policy to support the delivery of more affordable workspace and, in particular, we are looking to embed a base level of fitout in new buildings where affordable workspace is provided as part of planning obligations. Dubbed 'Cat Art' this level of fitout is proposed to be included in viability analysis informing S106 negotiations for new developments and is intended to make the delivery of affordable workspace affordable for the providers. As the grant funding market becomes ever-more competitive it is not always possible for studio providers to secure the funding necessary to take a new building from shell and core finish to the point at which it can be partitioned into studios for occupation by artists and creatives.

Introduction from the Chair of Trustees

Continued...

I would like to thank my fellow Trustees who have welcomed and supported my introduction to the Trust; and I would like to thank our Artist Ambassadors and our staff for all the hard work in the last year.

I would also like to recognise the contribution of Candida Gertler, Alice Millest and Krupa Thakrar who have stepped down as Trustees. They have been instrumental in the success to date of Creative Land Trust.

Finally, I would like to recognise the ongoing support of our founding partners and funders; Mayor of London, Arts Council England, Bloomberg Philanthropies and Outset Contemporary Art Fund who have enabled the Trust to grow into an operating entity.

Andy Martin
Chair of Trustees



The work of Creative Land Trust is so important for London's future – creatives need inspiring places to work, and our city needs the presence of artists and makers to continue being vibrant and culturally rich.

Yinka Shonibare, CBE Artist Ambassador, Creative Land Trust

Trustees' Report

The Trustees present their report and the audited financial statements for the year ended 31st May 2025.

Reference and administrative information set out on page 45 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.



Wallis Road Studios. Photograph: Sylvie Belbouab

Trustees' Report

Objectives, activities and plans for the future

The charity's objects are:

To promote arts, crafts and craftsmanship for the public benefit, in particular, but not exclusively, by providing or facilitating access to affordable workspace for the production of arts and crafts to those in need.

Activities, achievements and performance

Our original strategy set out how the Charity was to be established to achieve its objectives and to 2025, that strategy achieved a base upon which we can continue to grow and increase our provision of affordable workspace with a view to becoming self-sustaining from property income in due course.

1. Building our portfolio

We have acquired freehold or long-leasehold properties operated by experienced studio providers in order to safeguard affordability and long-term stability for London's creative practitioners. Through achieving good pricing, seizing innovative opportunities and fundraising success we have secured space for nearly 200 artists and creatives to date, and we have agreed terms to accommodate 150 more.

During 2023-24 we completed renovation works at the South Block of Alice Billing House, having split delivery of this complex project into two phases to allow us to activate part of the property as soon as possible. Having successfully raised £3.8m we are now beginning the delivery phase of the North Block. This block features a Grade II listed fire-hose drying tower. The project is anticipated to be completed and ready for occupation by artists in 2027. It is being brought forward in partnership with the London Borough of Newham and will provide new community outreach opportunities upon completion.

Summary of our properties to date:

	Description	Tenure	Lettable area (sq. ft.)	Status	Value	Tenants	Number of Artists / Makers supported	Gross rental income to CLT
Wallis Road Studios	Newbuild residential in Hackney Wick	999 year lease	33,000	Completed and occupied	£5.2m	Cell Projects, Mainyard Studios	150	£162k p.a.
Alice Billing House (South block)	Heritage property in central Stratford	25 year lease from LB Newham	3,000	Completed and occupied	£1.1m	Grow Studios	28	£21k p.a
Friary Park	Newbuild residential in North Acton	996 year lease	4,600	Currently being fitted out for occupation in 2026	£0.5m	TBC	Estimated – 20-30	Not yet ready for occupation
Alice Billing House (North block)	Heritage property in central Stratford	25 year lease from LB Newham	3,000	CLT has an agreement for lease	n/a	Not yet in occupation. Refurbishment ongoing	Estimated – 30	Not yet ready for occupation

Trustees' Report

We are also continuing to work closely with Dominus to secure the ground floor of their development at Holborn Viaduct, and we will let and open Friary Park, Acton in 2026.

We continue to consider other property opportunities elsewhere in London where we are looking to work in partnership with property owners. We will also consider management agreements with Studio Providers where CLT will bear operational cost and void risk in return for a greater share of the rent paid by artists and creatives.

2, Managing the portfolio

We continue to remain in close and regular contact with the Studio Providers that operate our existing properties. Wallis Road is operated by Mainyard Studios and Cell Projects and has been fully occupied since 2023. Each operator provides a different environment for the occupying artists and supports different practices, including painters, sculptors, photographers, installation artists, fashion designers, textile designers, ceramicists, wig makers, screen printers, set designers, perfumiers, musicians and recording artists in the various studio types.

Alice Billing House South block is operated by Grow Studios, which has implemented a very successful programme of outreach in Newham, which has seen local people engaged in, amongst other things, the production of a hand stitched supper cloth now proudly displayed in the entrance hall to the building.



3. Achieving financial sustainability

Our aim remains to achieve a sustainable model where our properties fund themselves and our operating costs, and we can build a small reserve.

We assess all potential properties against financial benchmarks to ensure that the end rental cost to the artists will be affordable, while generating sufficient return to cover committed financing and central costs.

We also model contingency plans so that if we are unsuccessful in raising future growth funding (either repayable or philanthropic), we can keep the existing properties running as a going concern.

Photograph: Monika Szolle Photography

Trustees' Report

During the last year we were delighted to receive a further £250,000 of unrestricted funding from Bloomberg Philanthropies to support our ongoing operations. This follows on from funding of £250,000 provided to us by Bloomberg Philanthropies in the year ended 31 May 2024. We are now focussed on raising money for future operations and capital works.

In March 2025 the National Lottery Heritage Fund confirmed it would provide £2.9m of funding to support further re-building and refurbishment works at Alice Billing House, Stratford. An additional £0.9m in match funding from other sources was secured to support this project.

We have so far added over £5.6m of additional financing to our original £7.5m seed funding. (This does not include the £1.6m that we were awarded to distribute to studio providers as part of the Creative Workspace Resilience Fund in 2020).

4. Policy and campaigning work

Creative spaces and communities have been shown to have wide reaching economic and social value, helping to regenerate areas by stimulating local business growth, attracting inward investment and supporting infrastructure development.

We want to ensure that this value is recognised, and that the artists that add this value gain long term security. We aim to provide evidence to developers and local authorities about the value of secure and affordable creative space so that it can be built into future planning opportunities.

We continue to participate in the drafting of regional and local planning policy that embeds the delivery of affordable workspace, and we are working with the GLA to promote to local authorities a straightforward clause that can be integrated into planning agreements. In addition, we have developed a base level of fitout ('Cat Art') that we consider should be delivered by developers obliged to provide affordable workspace through planning agreements on new developments. Currently affordable workspace is often provided to shell and core finish and necessitates significant additional expense by studio providers to bring it into occupation. This additional expense is ultimately repaid through higher rents charged to artists and creatives.

Our work continues with studio providers and other creative industries providing input into policies and initiatives and collaborating to achieve our wider goals.

Examples of this include:

- We provide organisational and other advice to arts organisations who are trying to secure properties.
- We host tours of our existing buildings in partnership with the studio providers to help prospective new partners understand creative workspace and the benefits of providing it.
- We have spoken at various industry events and represented the creative sector at government led roundtables as new policy is formed.
- We have shared our experiences and expertise as other cities, both in the UK and internationally, look to provide more affordable workspace.

Trustees' Report

Strategy review

It has now been six years since we incorporated and began our mission. Our original vision assumed that we could leverage our income producing properties to provide monies for additional acquisitions and the delivery of further affordable workspace. While we have achieved much since 2019, our original plan to go from nothing to a fully self-sufficient £40m property portfolio within five years could not have anticipated the number of world-changing events since 2019. In particular, since our original strategy was set, inflation and interest rates have soared, and the affordable rents paid by artists and creatives leaves insufficient margin to afford repayable finance of any kind.

However, we have created good foundations. From our original seed funding we have secured properties in three London boroughs and announced a fourth. We also have a pipeline of potential opportunities.

We have shown that we can bring both a new build mixed-use development and a historic unused property into new creative uses. We have been successful in raising funds from grant-making organisations.

Fundraising is challenging but remains a constant obligation for the charity both for revenue funding and also capital. Bringing properties from opportunities to fully functioning artist studios takes time making it even more challenging to secure finance. These factors have also impacted the organisations and individuals whom we seek to support.

We have reviewed our strategy for the next 5-10 years and deduced that the critical mass of affordable workspace in one building is no less than 30,000 sq ft. Affordability for artists is also not just a rate per square foot and the size of a studio, its amenities and location have a bearing on affordability. In addition, different art practices can afford different levels of rent and our target in the future is to mix different practices in one building so that the higher rents subsidise the lowest affordable levels of rent for those practices most in need. In this way, we intend to develop a sustainable business that will generate sufficient income to cover our operational costs and negate the need for revenue fundraising.

Main activities undertaken to further the charity's purposes for the public benefit

Creative Land Trust exists to support the arts and creative sector as a whole.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set.

Trustees' Report

Measuring our impact

The activities listed in the “Achievements, activities and performance” section above describe some of our progress this year. However, we are mindful that these are mostly outputs rather than wider social outcomes.

We look to measure our impact against the headings in our Social Impact Statement (published on our [website](#)).

Financial stability

Intention: We expect that studio providers and artists will be able to grow and develop their businesses as a result of having secure and affordable workspace.

Impact so far: This is our third year of collecting data. We survey artists when they first occupy a property and also annually.

Some data highlights so far;

- 93% of respondents to our 2024 survey confirmed that having the space was important to sustaining their creative development

Further, starter data was collected during the period for all new tenants at Alice Billing House, which opened in early 2024 with:

- 62% citing they previously based their practice from home and 38% from another studio
- 100% responded that they were able to take space because it is affordable with 41% also citing its long-term nature.

We also ensure that our business practices support financial stability; for example, by working with artists and SMEs and ensuring they are paid fairly and promptly. During 2024-25 our average payment time was 13 days (2023-24: 11 days), and we paid 95% of invoices within 30 days. (2023-24: 97%)

We are also an accredited London Living Wage employer and are recognised by the Mayor of London’s Microbusiness Good Work Standard.

Finally, through our activities we are supporting three studio providers with long term lease agreements at affordable rents.

Inspirational Environments

Intention: We want our spaces to enhance a local sense of place, be a positive addition to cultural infrastructure and inspire users and passers-by.

Impact so far: We surveyed our artist tenants during the year about a number of factors including their views on the building.

- 85% of respondents agreed or strongly agreed that the community of creative people was a supportive environment.
- 78% agreed that engagement with communities had extended during the tenancy.
- 89% believed that the spaces are well-suited to creative needs.
- Of the new starters, 86% agreed that being part of a creative community was important to them.

We continue to consider how best to measure the impact of artist space on the local communities. Our Studio Provider partner, Grow Studios at Alice Billing House South Block has implemented an extensive programme of community outreach, often coinciding with national and local cultural and heritage events such as Black History Month. They have also included artist residencies, workshops and other activities, including the production

Trustees' Report

of a supper cloth. The production of the supper cloth extended into the local community environment and brought together 314 participants over a seven month period. On evaluating the programme, Grow Studios has recorded the need for this work, for artists, our partners and for the local community.

Some of the feedback is included here:



I would work with Alice Billing House again and encourage other artists to participate in the programme because this type of programme is invaluable to other artists, especially from marginalised communities who do not apply for experiences, such as a local residency. I felt supported during the residency and the staff were accommodating and welcoming.

Marilyn J Fontaine, Artist

Thank you for holding the workshops. They're good for doing things with my family and community, and great for my mental health.

Ray, Participant

We felt trusted to bring our ideas forward – not just deliver someone else's plan.

Community Partner



Sustainability

Intention: Net Zero by 2025

Impact so far: See the Climate Impact and Sustainability section of this report.

Accessibility

Intention: We want to create accessible spaces, both physically and socially, which reflect the communities they serve. We will monitor this in partnership with our tenants.

Impact so far: We request that priority is given to local artists in need of affordable space.

- Of the new starters at our Alice Billing Houses site, 79% travel to the studios from within the borough or a neighbouring one.
- 22% identify as ethnic minority
- 48% respondents were female
- 22% came from an economically disadvantaged background
- 78% had an education to a level of Higher Education
- Of our new starters, 17% consider themselves disabled.

We design spaces to ensure physical accessibility that meets all needs. Our occupied buildings meet "Approved Document M" requirements, the standard for accessible buildings.

We will continue to monitor statistics and consider the further steps we can take to make our spaces available and accessible to all.

Trustees' Report

Alice Billings House
Supper cloth community project



Photographs: Monika Szolle Photography

Trustees' Report

Systemic change

Intention: We are seeking to;

- Build a sustainable and replicable model for ownership of affordable workspace, and to
- Convince key players to place more value on creative space than the purely financial.

Impact so far: We continue to meet frequently with property owners, developers and local planning authorities and now run monthly tours around our sites to show what can be achieved in mixed use developments and heritage properties. Our expertise is often sought about how best to include creative space in future developments.

In addition to the draft wording for planning obligations, developed in consultation with representatives from the property sector, local authorities and studio providers, we have also identified a base level of fitout beyond shell and core that we consider should form the minimum specification that developers of new properties will provide to fulfil affordable workspace planning obligations. Cat Art, as we have named it, is now supported by the GLA and we are working with officers to embed the requirement in the next London Plan. It is our intention to promote this specification to London Boroughs as new Local Plans are developed so that the delivery of this level of fitout can be properly accounted for in viability analysis informing planning obligations for new permissions.

We continue to participate in the development of regional and local planning policy with the GLA and London Boroughs to agree the parameters for the delivery of affordable workspace.

Elsewhere, representatives from other cities, both within the UK and overseas, have sought our expertise as they look to develop new policy, create their own creative land trusts and deliver more affordable workspace for the creative sector. In May we were invited to the inaugural Creative Land Trust Summit funded by the Kenneth Rainin Foundation and promoted by the World Cities Culture Forum. Seventy-five representatives from around the world met to collaborate and agree parameters for supporting and retaining the creative sector in their cities to ensure a pipeline of new talent can continue to flow into theatres, art galleries, music venues, museums and performance spaces.

Trustees' Report

Climate Impact and Sustainability

In September 2020 Creative Land Trust declared a climate emergency and adopted a sustainability policy and action plan.

In April 2025, thanks to funding from the City Bridge Foundation, 3 Acorns Consultancy carried out an Eco-Audit on our organisation and premises. This involved an assessment of our current environmental performance, noting existing good practices and recommending improvement. We are in the process of implementing the recommendations where we can. For example, we have implemented a green tariff electricity supply at Friary Park and hope to introduce similar measures at all our properties in partnership with our Studio Providers to ensure our buildings are as sustainable as possible.

Our business processes are paperless. We are committed to active travel, with employees walking or cycling wherever possible and using public transport where it is not.

Trustees' Report

Financial Review**Key financial performance indicators**

During the year we received income of £949,864 (prior year £1,892,206). We received £252,812 to complete the development stage of Alice Billing North Block and a further £181,975 was received as we commenced the North Block renovation project. We were also delighted to receive £250,000 of unrestricted funding from Bloomberg Philanthropies. The remainder of our income came from our property portfolio and bank interest.

We had expenditure of £789,656 (prior year £849,067), which includes £274,951 of legal and professional costs compared to £337,901 in 2024. £180,491 of this relates to works at Alice Billing.

The surplus for the year ended 31 May 2025 was £160,208 compared to a surplus of £1,043,139 in the year ended 31 May 2024. The 2024 surplus was due to income towards capital purchases and works being accounted for within income in the SOFA, but the capital purchase itself being recognised as an asset. Trustees have designated an asset reserve to reflect the value of our capital properties (and loans used against them).

In the year to 31 May 2025 capital additions totalled £449,087 the majority of which relates to the acquisition of the 996-year lease at Friary Park, Acton. This has been capitalised as a virtual freehold.

Going concern

The Trustees have reviewed our management accounts, budgets and the cash flow forecast to determine whether the charity has adequate resources to continue. The cash flow forecast takes a prudent view of the future, including all known commitments but excluding potential sources of income. The financial information including the cash flow is reviewed at least every quarter and whenever a major decision is to be taken to ensure that the charity does not over commit its resources.

As a result of these reviews, the Trustees have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, we continue to adopt the going concern basis in preparing the financial statements.

Reserves Policy

One of our overarching aims is to provide financial stability to the sector. This means ensuring that we do not enter into commitments that we cannot fund, as noted above, and also that we have sufficient reserves to fund day-to-day operations on a much reduced basis should it be decided that the organisation should not continue. For this reason, the charity aims to have at least three months' running costs in reserve plus some additional contingencies to cover redundancies and legal fees. This means a target reserve level of approximately £240,000.

The charity currently has free reserves of £421,372 (31 May 2024 £259,928). This is higher than the target level of reserves, but Creative Land Trust operations are long term in nature so the target reserve level may be exceeded in any individual year.

Trustees' Report

Principal risks and uncertainties

The charity maintains a risk register which is reviewed by Trustees every quarter. The main risks to our business (and mitigations) are as follows:

Increased risk in securing future funding

The cost of living crisis and high interest rates make it more challenging for us to raise money both from donations and from potential investors. We plan to mitigate this by reallocating our resources towards fundraising and investigating new sources of financing.

Unable to purchase enough properties to become self-sufficient

To become self-sufficient we had targeted a larger property portfolio (approx. £40m) in our original strategy which would support our operations through rental income. Without further funding we cannot do this and therefore need to find other ways to become self-sufficient. Mitigation is to look at other ways to secure studio space and to become self-sufficient financially.

Fundraising

We are signed up to the Code of Fundraising Practice and have internal policies around donation acceptance. We do not use third-party fundraisers.

Our fundraising strategy is focused on institutions, major donors, and corporate partners. We have received no complaints about our fundraising activity.

We are currently actively engaged in raising revenue funding to support our future operations.

Trustees' Report

Structure, governance and management

Constitution

The charity is registered as a charitable company limited by guarantee (charity number 1182876) and was set up by a Memorandum and Articles of Association on 25 March 2019. The Articles of Association were subsequently amended on 30th September 2021.

Method of appointment or election of Trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. Other board members are recruited through an open recruitment process and Trustee vacancies are posted on our website.

Trustees are provided with an induction pack, and we aim to run a trustee training session at least once a year.

Organisational structure and decision making

The Board of Trustees governs the charity. The Board meets at least four times a year.

The Board has two sub-committees, set up to consider issues in detail. These are;

- Finance, Audit and Risk Committee
- Property Strategy and Funding Committee

The organisation is run by a Chief Executive. A small executive team makes day-to-day operational decisions, within a scheme of delegation from the Board.

Executive pay is governed by a remuneration policy, which, among other things, sets out that pay will be reviewed annually and that the Trustees are responsible for reviewing pay levels.

Trustees' Report

Statement of responsibilities of the Trustees

The Trustees (who are also directors of Creative Land Trust for the purposes of company law) are responsible for preparing the Trustees' annual 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 which give a true and fair view of the state of affairs of the charitable company and of the incoming resources 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 then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate 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.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware, and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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 Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

The Trustees' report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

The Trustees' annual report has been approved by the Trustees on 29 January 2026 and signed on their behalf by:

A. Martin

Trustee and Chair

Independent Auditor's Report to members of Creative Land Trust

Opinion

We have audited the financial statements of Creative Land Trust (the 'charitable company') for the year ended 31 May 2025 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 May 2025 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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 charitable company 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 Creative Land Trust'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 other information comprises the information included in the Trustees' annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual 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. 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 course of 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 this gives rise to a material

Independent Auditor's Report

misstatement in the financial statements themselves. 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' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' annual 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, or returns adequate for our audit have not been received from branches not visited by us; or
- The 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 directors 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' annual report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities set out in the Trustees' annual report, 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.

Independent Auditor's Report

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

We enquired of management and the France, Audit and Risk committee, which included obtaining and reviewing supporting documentation, concerning the Trust's policies and procedures relating to:

- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
 - We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the Trust operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the Trust from our professional and sector experience
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Independent Auditor's Report

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 is available on the Financial Reporting Council's website at: 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.

Jonathan Coyle
Senior Statutory Auditor
for and on behalf of

Sayer Vincent LLP,
Statutory Auditor
110 Golden Lane,
London, EC1Y 0TG

24 February 2026

Statement of Financial Activities

(Incorporating the Income and Expenditure account)

Year ended 31 May 2025

		Restricted Funds	Designated Funds	Unrestricted Funds	Total Funds	Total Funds
		2025	2025	2025	2025	2024
		£	£	£	£	£
	Note					
Income From						
Donations	2	-	-	250,000	250,000	300,000
Interest received		27,637	-	9,495	37,132	42,116
Charitable activities	3	402,812	-	259,920	662,732	1,550,090
Total Income		430,449	-	519,415	949,864	1,892,206
Expenditure on						
Raising Funds		18,948	-	71,338	90,286	187,041
Charitable Activities		325,784	86,953	286,633	699,370	662,026
Total Expenditure	4	344,732	86,953	357,971	789,656	849,067
Net Income / (expenditure) for the year		85,717	(86,953)	161,444	160,208	1,043,139
Transfers between funds	9	(391,566)	391,566	-	-	-
Net movement in Funds		(305,849)	304,613	161,444	160,208	1,043,139
Reconciliation of Funds						
Total Funds Brought Forward		1,198,501	6,033,628	259,928	7,492,057	6,448,918
Total Funds carried forward		892,652	6,338,241	421,372	7,652,265	7,492,057

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

Movements in funds are disclosed in note 9 to the financial statements.

Balance Sheet

As at 31 May 2025

		2025	2024
		£	£
	Note		
Fixed Assets			
Tangible Fixed Assets	6	6,850,307	6,488,173
		<u>6,850,307</u>	<u>6,488,173</u>
Current Assets			
Debtors	7	81,735	45,231
Short term deposits		255,000	255,000
Cash at bank and in hand		<u>1,159,692</u>	<u>1,487,920</u>
		1,496,427	1,788,151
Creditors: Amounts falling due within one year	8	<u>(213,968)</u>	<u>(192,372)</u>
Net current assets		1,282,459	1,595,779
Total assets less current liabilities		<u>8,132,766</u>	<u>8,083,952</u>
Creditors: amounts falling due in more than one year	8	(480,501)	(591,895)
Total Net Assets		<u>7,652,265</u>	<u>7,492,057</u>
Charity Funds			
Restricted Funds	9	892,652	1,198,501
Unrestricted Funds:			
Designated funds	9	6,338,241	6,033,628
General Funds	9	<u>421,372</u>	<u>259,928</u>
		<u>7,652,265</u>	<u>7,492,057</u>

Approved by the Trustees on: 29 January 2026
and signed on their behalf by:

A Martin

Trustee and Chair:

Registered Company No: 11367824

Statement of Cash Flow

Year ended 31 May 2025

		2025	2024
		£	£
	Note		
Cash flows from operating activities			
Net income for the reporting period		160,208	1,043,139
Depreciation	6	86,953	59,420
Interest received		(37,132)	(42,116)
Decrease / (increase) in debtors	7	(36,504)	69,242
Increase / (decrease) in creditors	8	18,308	35,330
Net cash flows provided by operating activities		191,833	1,165,015
Cash flows from investing activities			
Purchase of fixed assets	6	(449,087)	(908,256)
Interest received		37,132	42,116
Loan repayment		(108,106)	-
Net cash used in investing activities		(520,061)	(866,140)
Change in cash and cash equivalents in year		(328,228)	298,875
Cash and cash equivalents at the start of the year		1,742,920	1,444,045
Cash and cash equivalents at the end of the year		1,414,692	1,742,920
Analysis of cash and cash equivalents and of net debt			
	At 1 June 2024	Cash flows	At 31 May 2025
Cash at bank and in hand	1,487,920	(328,228)	1,159,692
Short term deposits	255,000	-	255,000
Total cash and cash equivalents	1,742,920	(328,228)	1,414,692
Loans falling due within one year	(108,105)	(3,288)	(111,393)
Loans falling due after more than one year	(591,895)	111,394	(480,501)
Cash and cash equivalents less net debt	1,042,920	(220,122)	822,798

Notes to the accounts

1. Accounting Policies

a) Statutory information

Creative Land Trust is a charitable company limited by guarantee and is incorporated in England.

The registered office address is:

110 Golden Lane,
London
EC1Y 0TG

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the Trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The approach to the going concern assessment has been explained in the Trustees' Annual Report.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Rental income is recognised when it is due from the tenants.

Notes to the Accounts

1. Accounting Policies

Continued...

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

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. Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes. Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose. This includes bid-writing and other efforts to secure grants, and also activities relating to securing repayable finance.

Expenditure on charitable activities includes the costs of managing property and undertaking policy and campaign work to further the purposes of the charity.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. The cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on the proportion of direct expenses attributable to those activities.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Operating leases

Rental charges are charged on a straight-line basis over the term of the lease.

Rent receivable is credited on a straight-line basis over the term of the lease.

k) Tangible fixed assets

Expenditure on properties is recognised as an asset at the point where we are legally committed to purchase the property and if there are no outstanding conditions. Prior to this, deposit and associated acquisition costs are recognised as an asset under construction in the balance sheet and is not depreciated until the asset is brought into use.

Properties are treated as tangible fixed assets, not investment properties, as they are held in order to pursue our charitable objects.

Land and buildings are revalued on a regular basis and gains and losses on revaluation are recognised in the Statement of Financial Activities and in a revaluation reserve in the Balance Sheet.

Notes to the Accounts

1. Accounting Policies Continued...

Items of equipment are capitalised where the purchase price exceeds £1,000 and where the economic benefit will last for more than one year.

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. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

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:

Leasehold Improvements	Over the remaining life of the lease
Computer Equipment	3 years
Plant and Machinery	10–20 years

l) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

n) Short term deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

p) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

q) Pensions

The charity operates one defined contribution scheme and makes contributions to another. The pension charge represents the amounts payable by the charity to the schemes in respect of the year. The assets of the schemes are held separately from those of the charity in independently administered funds.

Notes to the Accounts

2. Income from donations

	Restricted Funds	Unrestricted Funds	Total
	2025	2025	2025
	£	£	£
Grants From			
Bloomberg Philanthropies	-	250,000	250,000
Total Funds	-	250,000	250,000

Prior Year

	Restricted Funds	Unrestricted Funds	Total
	2024	2024	2024
	£	£	£
Grants From			
Greater London Authority	50,000	-	50,000
Bloomberg Philanthropies	-	250,000	250,000
Total Funds	50,000	250,000	300,000

Notes to the Accounts

3. Income from charitable activities

	Restricted Funds	Unrestricted Funds	Total
	2025	2025	2025
	£	£	£
Rental income	-	182,770	182,770
Recharged Service Charges	-	45,175	45,175
Contractual income	-	31,975	31,975
National Lottery Heritage Fund	252,812	-	252,812
Garfield Weston	150,000	-	150,000
Total Income from charitable activities	402,812	259,920	662,732

All income relates to "building our portfolio" activity.
Contractual income relates to building works at Alice Billing House.

In February 2025 City Bridge Foundation confirmed that Creative Land Trust had been awarded a free Eco-audit. 3 Acorns Consultancy were paid £6,400 by City Bridge Foundation to complete the audit. (2024 nil). This amount is not recorded in the Financial Statements of Creative Land Trust.

Prior Year

	Restricted Funds	Unrestricted Funds	Total
	2024	2024	2024
	£	£	£
Rental income	-	165,430	165,430
Recharged Service Charges	-	43,913	43,913
Contractual income	-	918,350	918,350
Architectural Heritage Fund	116,880	-	116,880
National Lottery Heritage Fund	182,796	-	182,796
Greater London Authority	105,869	-	105,869
Other grants	16,852	-	16,852
Total Income from charitable activities	422,397	1,127,693	1,550,090

Notes to the Accounts

4a. Analysis of Expenditure – Current Year

		Charitable Activities						
	Raising Funds	Building our Portfolio	Policy and Campaign	Creative Workspace Resilience Fund	Support Costs	Governance Costs	2025 Total	2024 Total
	£	£	£	£	£	£	£	
Salary Costs (Note 5)	69,211	140,483	12,800	-	56,089	53,063	331,646	364,882
Property Running Costs	-	55,730	-	-	-	-	55,730	40,672
Financing	-	19,522	-	-	-	-	19,522	21,000
Professional fees	-	194,065	816	-	23,537	15,600	234,018	299,081
Legal fees	-	40,933	-	-	-	-	40,933	38,820
Depreciation	-	86,953	-	-	-	-	86,953	59,420
Other	2,151	1,106	-	474	17,123	-	20,854	25,191
	71,362	538,792	13,616	474	96,749	68,663	789,656	849,067
Allocation of Support Costs	11,069	83,569	2,111	-	(96,749)	-	-	-
Allocation of Governance Costs	7,855	59,309	1,499	-	-	(68,663)	-	-
Total Expenditure 2025	90,286	681,670	17,226	474	-	-	789,656	
Total Expenditure 2024	187,041	645,112	16,473	441	-	-		849,067

Notes to the Accounts

4b. Analysis of Expenditure – Prior Year

		Charitable Activities					
	Raising Funds	Building our Portfolio	Policy and Campaign	Creative Workspace Resilience Fund	Support Costs	Governance Costs	
							2024 Total
	£	£	£	£	£	£	£
Salary Costs (Note 5)	136,151	95,750	12,992	-	61,169	58,820	364,882
Property Running Costs	-	40,672	-	-	-	-	40,672
Financing	-	21,000	-	-	-	-	21,000
Professional fees	-	259,266	-	-	24,935	14,880	299,081
Legal fees	-	35,220	-	-	3,600	-	38,820
Depreciation	-	59,420	-	-	-	-	59,420
Other	12,250	514	79	441	11,691	217	25,192
	148,401	511,842	13,071	441	101,395	73,917	849,067
Allocation of Support Costs	22,349	77,079	1,967	-	(101,395)	-	-
Allocation of Governance Costs	16,291	56,191	1,435	-	-	(73,917)	-
Total Expenditure 2024	187,041	645,112	16,473	441	-	-	849,067

Notes to the Accounts

4c. Net expenditure / (income) for the year

This is stated after charging / (crediting):

	2025	2024
	£	£
Depreciation	86,953	59,420
Operating lease rent receivable (property)	(182,770)	(165,430)
Operating lease rent payable (property)	10,555	-
Auditor's Remuneration:		
Audit fee	13,000	12,400
Other services	-	635

Notes to the Accounts

**5. Staff costs and numbers,
and trustee remuneration**

	2025 £	2024 £
Wages and Salaries	295,956	322,626
National Insurance Costs	27,207	32,621
Pension Contributions	8,483	9,635
Total Staff costs	331,646	364,882

The average number of people employed by the charity during the year was as follows:

	2025	2024
Total	7.3	5.8

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2025	2024
£120,000–£129,999	–	1
£70,000–£79,999	2	–
£60,000–£69,999	1	2

The charity considers its key management personnel to be the Chief Executive and the Trustees. In June 2024 a new Chief Executive was appointed, initially on an interim basis with the role being made permanent in January 2025. The total employment benefits of the Chief Executive in the year in both interim and permanent roles, including National Insurance and pension were £80,611 (2024: £138,905).

The charity Trustees were neither paid nor received any other benefits from employment with the charity in the year (2024: £nil). No charity trustee received payment for professional or other services supplied to the charity (2024: £nil).

There were no Trustees' expenses in this financial year (2024: £nil).

Notes to the Accounts

6. Tangible Fixed Assets

	Buildings (Virtual freeholds)	Leasehold Improvements	Assets under construction	Plant and Machinery	Computer Equipment	Total
	£	£	£	£	£	£
Cost/Valuation						
Brought forward as at 1 June 2024	4,663,328	1,744,698	95,452	53,596	1,200	6,558,274
Additions in year	-	11,632	437,455	-	-	449,087
Revaluations in year	-	-	-	-	-	-
Disposals in year	-	-	-	-	-	-
Transfers in year	452,018	-	(452,018)	-	-	-
As at 31 May 2025	5,115,346	1,756,330	80,889	53,596	1,200	7,007,361
Depreciation						
Brought forward as at 1 June 2024	-	62,417	-	6,484	1,200	70,101
Charge in year	-	82,019	-	4,934	-	86,953
Disposals in year	-	-	-	-	-	-
As at 31 May 2025	-	144,436	-	11,418	1,200	157,054
Net Book Value						
As at 31 May 2025	5,115,346	1,611,894	80,889	42,178	-	6,850,307
As at 31 May 2024	4,663,328	1,682,281	95,452	47,112	-	6,488,173

All of the above assets are used for charitable purposes.

Buildings are on 999 and 996 year leases.

The historic cost of Buildings is £4,590,346 and the depreciated cost would be £4,340,540 if depreciated over 50 years.

Notes to the Accounts

7. Debtors

	2025	2024
	£	£
Due within one year		
Prepayments	843	2,575
Accrued income	80,892	42,656
Total debtors	81,735	45,231

8. Creditors

	2025	2024
	£	£
Due within one year		
Trade creditors	47,350	31,147
Other creditors	1,057	18,407
VAT creditor	1,195	25,053
Accruals	52,973	9,660
Loan	111,393	108,105
Total Creditors due within one year	213,968	192,372
Due in more than one year		
Long term loan	480,501	591,895
	480,501	591,895

The long term loan represents financing from Figurative's Arts and Culture Impact Fund. The loan is for a period of 8 years at a fixed interest rate of 3%. Capital repayments began in June 2024 and will complete in May 2030. It is secured on Block A of Wallis Road.

	2025	2024
	£	£
Repayments due within 1-5 years	480,501	452,553
Repayments due in more than 5 years	-	139,342
	480,501	591,895

Notes to the Accounts

9a. Movement in Funds (Current year)

	Balance at 1 Jun 2024	Income	Expenditure	Transfers	Balance at 31 May 2025
	£	£	£	£	£
Unrestricted Funds					
General Funds	259,928	519,415	(357,971)	-	421,372
Designated Funds					
Fixed assets – Historic Cost	5,403,813	-	(86,953)	437,455	5,754,315
Fixed assets – Revaluation Reserve	497,878	-	-	-	497,878
Alice Billing House – future phases	131,937	-	-	(45,889)	86,048
Total Designated	6,033,628	-	(86,953)	391,566	6,338,241
Restricted Funds					
Main Programme Funding	1,193,610	27,637	(95,988)	(373,626)	751,633
Creative Workspace Resilience Fund	1,480	-	(474)	-	1,006
GLA – other grants	3,411	-	-	(3,411)	-
National Lottery Heritage Fund	-	252,812	(244,903)	(7,909)	-
Garfield Weston Foundation	-	150,000	(3,367)	(6,620)	140,013
Total Restricted Funds	1,198,501	430,449	(344,732)	(391,566)	892,652
Total Funds	7,492,057	949,864	(789,656)	-	7,652,265

Purpose of restricted funds:

Main Programme Funding – seed funding granted to acquire buildings and support the operations of Creative Land Trust before it becomes self-sufficient.

Creative Workspace Resilience Fund – fund to provide financial support for studio providers experiencing financial difficulties due to COVID-19. Residual expenditure is to store and retrieve reporting data.

GLA Other grants – High Streets for All scheme.

National Lottery Heritage Fund – funding for development stage of Alice Billing North Block.

Garfield Weston Foundation – funding towards restoring Alice Billing House.

Purpose of designated funds

Funds are designated to match the value of assets less outstanding liability on loans funding those assets. There is also a designated fund to allocate income received for future phases of the Alice Billing project.

Transfers

Transfers into designated funds represent the purchase of assets. Where the transfer is from restricted funds, these assets were funded by grant funding, and at that point the terms of any restrictions are deemed to have been discharged. Transfers out of unrestricted funds into restricted represent CLT matched funding towards a project.

Notes to the Accounts

9b. Movement in funds (prior year)

	Balance at 1 Jun 2023	Income	Expenditure	Transfers	Balance at 31 May 2024
	£	£	£	£	£
Unrestricted Funds					
General Funds	88,631	1,383,325	(405,330)	(806,698)	259,928
Designated Funds					
Fixed assets – Historic Cost	4,554,978	–	(59,420)	908,255	5,403,813
Fixed assets – Revaluation Reserve	497,878	–	–	–	497,878
Alice Billing House – future phases	–	–	–	131,937	131,937
Total Designated	5,052,856	–	(59,420)	1,040,192	6,033,628
Restricted Funds					
Main Programme Funding	1,279,968	86,484	(103,016)	(69,826)	1,193,610
Creative Workspace					
Resilience Fund	1,920	–	(440)	–	1,480
GLA – other grants	25,543	105,869	(78,001)	(50,000)	3,411
National Lottery Heritage Fund	–	182,796	(202,860)	20,064	–
LLDC	–	16,852	–	(16,852)	–
Architectural Heritage Fund	–	116,880	–	(116,880)	–
Total Restricted Funds	1,307,431	508,881	(384,317)	(233,494)	1,198,501
Total Funds	6,448,918	1,892,206	(849,067)	–	7,492,057

Purpose of restricted funds:

Architectural Heritage Fund – project funding towards restoring Alice Billing House.

LLDC – funding to support the delivery of public realm enhancements at Alice Billing House.

Notes to the Accounts

10. Analysis of net assets between funds**Current year:**

	Restricted	Designated	Unrestricted	Total
	2025	2025	2025	2025
	£	£	£	£
Tangible Fixed Assets	-	6,850,307	-	6,850,307
Current Assets	989,008	86,047	421,372	1,496,427
Current liabilities	(96,356)	(117,612)	-	(213,968)
Long term liabilities	-	(480,501)	-	(480,501)
Total	892,652	6,338,241	421,372	7,652,265

Prior year:

	Restricted	Designated	Unrestricted	Total
	2024	2024	2024	2024
	£	£	£	£
Tangible Fixed Assets	-	6,488,173	-	6,488,173
Current Assets	1,390,873	131,937	265,341	1,788,151
Current liabilities	(192,372)	-	-	(192,372)
Long term liabilities	-	(586,482)	(5,413)	(591,895)
Total	1,198,501	6,033,628	259,928	7,492,057

Notes to the Accounts

11. Prior Year Statement of Financial Activities

	Restricted Funds	Designated Funds	Unrestricted Funds	Total Funds
	2024	2024	2024	2024
	£	£	£	£
Income From				
Donations	50,000	–	250,000	300,000
Investment income	36,484	–	5,632	42,116
Charitable activities	422,397	–	1,127,693	1,550,090
Total Income	508,881	–	1,383,325	1,892,206
Expenditure on				
Raising Funds	39,929	–	147,112	187,041
Charitable Activities	344,388	59,420	258,218	662,026
Total Expenditure	384,317	59,420	405,330	849,067
Net Income / (Expenditure) for the year	124,564	(59,420)	977,995	1,043,139
Transfers between funds	(233,494)	1,040,192	(806,698)	–
Net movement in Funds	(108,930)	980,772	171,297	1,043,139
Reconciliation of Funds				
Total Funds Brought Forward	1,307,431	5,052,856	88,631	6,448,918
Total Funds carried forward	1,198,501	6,033,628	259,928	7,492,057

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

Notes to the Accounts

12. Operating lease commitments
receivable as a lessor

Amounts receivable under non-cancellable operating leases
are as follows for each of the following periods:

	2025	2024
	£	£
Less than one year	184,597	184,597
One to five years	193,343	377,940
	377,940	562,537

13. Operating lease commitments

Amounts payable under non-cancellable operating leases
are as follows for each of the following periods:

	2025	2024
	£	£
Less than one year	10,122	10,122
One to five years	40,488	40,488
More than five years	192,318	202,440
	242,928	253,050

Notes to the Accounts

14. Related party transactions

There were no related party transactions during the year. There are no donations in either period from related parties which are outside the normal course of business and no restricted donations from related parties.

15. Taxation

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

16. Capital commitments

There were no capital commitments at the balance sheet date.

17. Legal position of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

Administrative and Reference Information

Company number 11367824
Country of incorporation United Kingdom
Charity number 1182876
Country of registration England & Wales
Registered office: 110 Golden Lane
London
EC1Y 0TG

Please note: the best way to contact us is to email info@creativelandtrust.org

Trustees:
(all in place during the year and up to the date of this report unless otherwise stated)
Andy Martin *(from 3rd October 2024 Chair)*
Catherine Webster *(Co-Chair to 3rd October 2024)*
Alex Notay *(Co-Chair to 3rd October 2024)*
Malene Oddershede Bach
Natalie Carter
James Cooksey
Candida Gertler OBE *(to 1st December 2024)*
Sue-Lin Heng
Alice Millett *(to 27th March 2025)*
Daniel Silver
Krupa Thakrar *(to 23rd September 2025)*

Artist Ambassadors:
Emmanuel Unaji
Yinka Shonibare CBE
Haroon Mirza
Florence Peake

Key management:
Annie Clements, Chief Executive Officer

Bankers:
The Co-operative Bank
P.O. Box 101,
1 Balloon Street,
Manchester
M60 4EP
Auditor:
Sayer Vincent LLP
Chartered Accountant and Statutory Auditor
110 Golden Lane
London
EC1Y 0TG

Solicitors:
Bates, Wells and Braithwaite London LLP
10 Queen St Pl,
London
EC4R 1BE

Russell Cooke LLP
8 Bedford Row,
London
WC1R 4BX

Dechert LLP
160 Queen Victoria St,
London
EC4V 4QQ



Studios are to artists what laboratories are to scientists, music rooms are to musicians and factories are to industrialists – without them cultural production simply cannot be pursued.

If London is to survive as a creative capital, if the art schools that produced three generations of ground-breaking artists' work are going to continue as places of innovation then we have to provide sustainable working spaces for artists at all stages of their careers.

Those artists best placed to maintain a vibrant cultural life in this city are now seeking working spaces and opportunities in Berlin, Barcelona and Brussels as well as leaving for Margate, Bristol and Brighton.

We must do what we can to stem this receding tide of talent and potential. Creative Land Trust can begin to help us find it once more.

Sir Antony Gormley, OBE

Supporter of Creative Land Trust



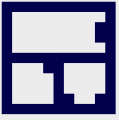
**Creative
Land Trust**

Making Space for Art

CREATIVE LAND TRUST

England & Wales - Charity number 1182876

Accounts



Year ended
31 May 2024

Annual Report and Accounts





Studios are to artists what laboratories are to scientists, music rooms are to musicians and factories are to industrialists – without them cultural production simply cannot be pursued.

If London is to survive as a creative capital, if the art schools that produced three generations of ground-breaking artists' work are going to continue as places of innovation then we have to provide sustainable working spaces for artists at all stages of their careers.

Those artists best placed to maintain a vibrant cultural life in this city are now seeking working spaces and opportunities in Berlin, Barcelona and Brussels as well as leaving for Margate, Bristol and Brighton.

We must do what we can to stem this receding tide of talent and potential. Creative Land Trust can begin to help us find it once more.

Sir Antony Gormley, OBE

Supporter of Creative Land Trust

creativelandtrust.org

 Creative Land Trust

 @creativelandtrust

Introduction

Why we're here

Creative Land Trust was founded to tackle a long-standing problem for London, and indeed other global cities – to reverse the loss of long-term, affordable workspace for creatives.

London's competitiveness as a global city is built on its vibrant creative sector. Our creative industries have a GVA contribution of £152bn a year nationally, representing almost 6% of the economy. The sector creates jobs at three times the UK average. London is a cultural powerhouse, but its very success is pricing artists and makers out of our city.

The loss of affordable workspace, and consequent outflow of artists, presents a serious threat to the wellbeing and prosperity of a city so reliant on creativity for its success. According to (pre-COVID) research conducted for the Mayor of London, 24% of sites containing artists' workspaces were at risk of closure.

Artists are unable to focus their time on their practice due to the instability inherent in relying on temporary workspace, and expert studio providers are displaced from their locations despite years of building social capital. London's many excellent artists face growing difficulty in securing even "meanwhile" space.

Creative Land Trust is seeking to build a new financial and operating model to secure long term, affordable workspace that would otherwise be unattainable. We want to bring new money and new spaces into the sector, whether this is through acquiring virtual freeholds in new buildings or bringing heritage assets back into life as studios.

We partner with studio providers, local authorities, funders and developers to bring together opportunities to create or preserve studio space in the long term.

Our Vision

London will always have space for artists to create, collaborate and inspire others.

Our Mission

To build a portfolio that supports more than 1,000 artists across London: spaces that will be available to artists and makers over the long term and at affordable levels.

Introduction from co-chairs

With completion and letting of Alice Billing House (South Block), we now have a second fully occupied property and our third partnership with a studio provider.

The works were completed within our planned timescale and under budget, allowing occupation in early spring 2024. We're really grateful to London Borough of Newham, Architectural Heritage Fund, Greater London Authority and LLDC (London Legacy Development Corporation) for support for this project.

The project also launched two inclusive culture-led regeneration programmes in Stratford High Street, the Local Social Workbook and Alice Billing Connects programmes, offering more opportunities for creativity for local people in Stratford to engage with the arts in the run up to official launch. It was an incredibly proud moment for the entire Board of Trustees to attend the celebration event and hear the Mayor of Newham and some of our artist tenants praise so effusively the commitment and contributions of our fantastic Executive team

We are now pressing ahead with our ambitious plans for the North Block, thanks to initial funding from the National Lottery Heritage Fund.

Having secured our third property last year (at Friary Park in North Acton with partners at Mount Anvil), we can now announce a fourth property at Holborn Viaduct with partners Dominus. Our Property Committee have remained diligent, focussed on our long-term mission and generous with their time in supporting these complex and diverse acquisitions. Our thanks to Sue-Lin Heng who ably chairs the Property Committee

Despite the ongoing challenges of the economic environment, we have been successful in raising grants against heritage properties but the Board are conscious of the need to find other ways to fund ongoing acquisitions and operations and ensure secure financial footing for the long term. Our Finance, Audit and Risk Committee continue to analyse all financial proposals and operating budgets in detail and we thank them for their diligence and commitment to good governance of the Trust.

Now that we have a portfolio of varied properties, our Development committee have proactively been revisiting our fundraising strategy to determine how we can best deliver long term affordable space utilising a mix of funding sources. We are so grateful to Alice Millest, as chair of the Development Committee, for giving us the benefit of her specialist impact investing expertise.

The CLT team are always keen to meet with new investors, philanthropists and developers to discuss our innovative blend of funding and opportunities to work with us to generate financial and social returns by providing space for culture and creativity across London.

We want to thank our fellow trustees, Artist Ambassadors and staff for all the hard work in the last year. In particular we want to offer our sincerest thanks to Gordon Seabright, our outgoing CEO, who has led the team through our start-up phase, dealing calmly with a series of unexpected challenges such as COVID and inflation and being a consistent champion of the creative industries and London's artist communities. We welcome Annie Clements as interim CEO and thank her and the team for a seamless transition in a very busy period.

Introduction from co-chairs

Continued...

We would like to recognise the contribution of three Trustees who have stepped down since our last annual report; Philip Bier, whose experience as both an artist and a landlord made his input particularly valuable to Property Committee and Board meetings; Michael Davis, who was the original chair of the Property Committee and brought great property expertise, and Pav Sharma, who was the original chair of the Development Committee and gave us insights into the investment universe

After five eventful years as Co-Chairs of the Trust we are deeply proud of all that has already been achieved and the significant innovations the Trust has pioneered that are being replicated as far away as Sydney! Having moved the Trust from idea through proof of concept and into operation it is time for new leadership for the next chapter of growth. Therefore we are stepping back as co-chairs (but remaining as Trustees) and welcoming Andy Martin, who joins Creative Land Trust after a lengthy and distinguished career in property, including as Senior Partner of Chartered Surveyors, Strutt & Parker and as UK CEO of international multi-disciplinary property advisers, BNP Paribas Real Estate. We hope that Andy will find the role as rewarding as we have and wish him and the team every success in continuing to Make Space for Art across London.

Finally, we would like to express our thanks for the ongoing support of our founding partners and funders, Mayor of London, Arts Council England, Bloomberg Philanthropies and Outset Contemporary Art Fund who have enabled the Trust to grow beyond its initial concept phase and into an operating entity.

Alexandra Notay and Catherine Webster
Co-chairs

Trustees' report

The Trustees present their report and the audited financial statements for the year ended 31st May 2024.

Administrative and reference information set out on page 44 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.



Wallis Road Studios. Photograph: Sylvie Belbouab

Objectives, activities and plans for the future

The charity's objects are:

To promote arts, crafts and craftsmanship for the public benefit, in particular, but not exclusively, by providing or facilitating access to affordable workspace for the production of arts and crafts to those in need.

Activities, achievements and performance

Our current 2021-25 strategy (available on our website) sets out how we will achieve our objectives.

This is broken into four primary workstreams:

1. Building our portfolio

We acquire freehold or long-leasehold properties that will be operated by workspace providers. We aim to safeguard affordability and long-term stability for London's creative practitioners. Through achieving good pricing, seizing innovative opportunities and fundraising success (see below) we have secured three properties to date and have announced a fourth.

During 2023-24 we completed works at the South Block at Alice Billings House, having split delivery of this complex project into two phases to allow us to activate part of the property as soon as possible. We have now begun the development stage work on the North Block.

We also announced a new partnership with Dominus to occupy the ground floor of their development at Holborn Viaduct.

Summary of our properties to date:

	Description	Tenure	Lettable area (sq. ft.)	Status	Value	Tenants	Number of Artists / Makers supported	Gross rental income to CLT
Wallis Road Studios	Newbuild residential in Hackney Wick	999 year lease	30,000	Completed and occupied	£4.5m	Cell Studios, Mainyard Studios	150	£162k p.a.
Alice Billings House (South block)	Heritage property in central Stratford	25 year lease	3,000	Completed and occupied	£1.2m	Grow Studios	28	£21k p.a.
Friary Park	Newbuild residential in North Acton	999 year lease	4,600	Will complete autumn 2024	n/a	Not yet in occupation	Estimated – 20-30	Not yet ready for occupation
Alice Billings House (North block)	Heritage property in central Stratford	25 year lease	3,000	CLT have agreement for lease and raising further funding to develop	n/a	Not yet in occupation	Estimated – 30	Not yet ready for occupation
Holborn Viaduct	Newbuild mixed use space	40 year lease	9,000	Heads of Terms	n/a	Not yet in occupation	Estimated – 50	Not yet ready for occupation

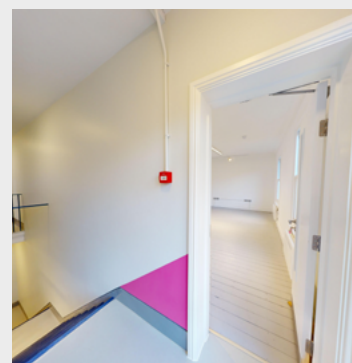
Alice Billings House Opening day



Photographs: Monika Szolle



Photograph: Andrew Baker and The National Lottery Heritage Fund



Photographs: Before and after – Creative Land Trust

As well as these projects, we continue to develop a healthy pipeline of other property opportunities which are geographically diverse and range from industrial heritage buildings to brand new development

2. Managing the portfolio

We completed the works at the South Block of Alice Billing on time and under budget, and welcomed the first artists there in February 2024. All of the studios are now occupied.

Wallis Road is fully occupied and has been for most of its first full year of operation. There is space for up to 150 artists and makers, and tenants are made up of painters, sculptors, photographers, installation artists, fashion designers, textile designers, ceramicists, wig makers, screen printers, set designers, perfumiers, musicians and recording artists.

Feedback from the artists so far has been extremely positive – see “measuring our impact” below for more information on this.

We have also begun the tender process for finding a partner for Friary Park, which will open in early 2025.

3. Achieving financial sustainability

Our aim is to achieve a sustainable model, that is where our properties fund themselves and our operating costs and we can build a small reserve.

We assess all potential properties against financial benchmarks to ensure that the end rental cost to the artist will be affordable, while generating sufficient return to cover financing and central costs.

We also model contingency plans so that if we are unsuccessful in raising future growth funding (either repayable or philanthropic), we can keep the existing properties running as a going concern.

During the last year we were delighted to be awarded £250,000 unrestricted funding from Bloomberg Philanthropies (with a further £250,000 receivable in autumn 2024) to support our ongoing operations so that we can focus on raising money for capital acquisitions and works.

We were also awarded further money to support the Alice Billing House project, primarily from the National Lottery Heritage Fund, who have granted up to £467,000 for the development stage of the (listed) North Block project.

In total, we have so far added over £3m of additional financing to our original £7.5m seed funding. (This does not include the £1.6m that we were awarded to distribute to studio providers as part of the Creative Workspace Resilience Fund in 2020).

4. Policy and campaigning work

Creative spaces and communities have been shown to have a wider economic and social value, helping to regenerate areas by stimulating local business growth, attracting inward investment and infrastructure development.

We want to ensure that this value is recognised, and that the artists that add this value gain long term security. We aim to provide evidence to developers and local authorities about the value of secure and affordable creative space so that it can be built into future planning opportunities.



I became involved in with the CLT for the simple reason that it's imperative for the cultural wellbeing of our capital to accommodate and support artists. Art is at the very core of creativity and without it we are stale. London and the UK is quickly becoming inhospitable for creative practices, which needs to be thoroughly addressed immediately.

Haroon Mirza, Artist Ambassador
Creative Land Trust

We participate in the drafting of Local Planning policy that embeds the delivery of affordable workspace, and we have worked with the industry as a whole to draft a straightforward clause that can be integrated into planning agreements.

We also work with studio providers and other creative industries to provide input into policies and initiatives and to collaborate to achieve our wider goals.

Some examples of this;

- We have contributed to the GLA's Workspace Advisory Group.
- We have provided financial and other advice to arts organisations who are trying to secure properties.
- We have shown various developers and public sector bodies around Wallis Road and Alice Billing House to help them understand creative workspace and the benefits of providing it.
- We have spoken at various industry events, reaching new audiences, to make the case for long term affordable creative workspace provision.
- We have engaged with several statutory and private funders to demonstrate the benefits to local councils and their communities, the economic potential of supporting creative space development.
- We are frequently approached by developers, councils and colleagues outside London for advice on creative workspace.
- We have discussed the potential for other cities (UK and Internationally) to replicate a Creative Land Trust model and shared our learnings from start up in this regard.

Strategy review

It has now been five years since we incorporated and began our mission. While we have achieved a lot in this time, our original plan to go from nothing to a fully self-sufficient £40m property portfolio within five years now seems rather ambitious, particularly given the number of world-changing events since 2019.

We have created good foundations. From our original seed funding we have secured three properties and announced a fourth. And we have a large pipeline of potential opportunities.

We've shown that we can bring both a new build mixed-use development and a historic unused property into new creative uses.

We've been successful in raising funds from grant-making organisations and have developed an innovative revenue sharing approach for individuals and institutions to support us.

However, other fundraising has been challenging, and we have learned that bringing properties from opportunities to fully functioning artist studios takes time. Since our original strategy was set, inflation and interest rates have soared, making it even more challenging to secure finance. These factors have also impacted on the organisations and individuals whom we seek to support.

We are currently in the process of reviewing our strategy and planning for the next five years which will focus on how we scale up from this position.



I am so happy in this space. It's the first space I have been able to afford on my own and it has given me a lot more confidence in my business and I am now beginning to see how I can increase my business..

Tenant survey respondent

Main activities undertaken to further the charity's purposes for the public benefit

Creative Land Trust exists to support the arts and creative sector as a whole.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Measuring our impact

The activities listed in the “Achievements, activities and performance” section above describe some of our progress this year. However, we are mindful that these are mostly outputs rather than wider social outcomes.

During the year, we developed and put in place an evaluation framework to measure impact and we have started to collect data within it.

We look to measure our impact against the headings in our Social Impact Statement (published on our [website](#)).

Financial stability

Intention: We expect that studio providers and artists will be able to grow and develop their businesses as a result of having secure and affordable workspace.

Impact so far: This is our second year of collecting data. We survey artists when they start at a property and also annually.

Some data highlights so far;

- 93% of respondents to our 2024 starter forms cited “affordability” as the reason for taking space in our properties
- 86% needed more space to develop their practice or to improve their working conditions
- over 90% of respondents agreed or strongly agreed that their space was affordable.

We also ensure that our business practices support financial stability; for example by working with artists and SMEs and ensuring they are paid fairly and promptly. During 2023-24 our average payment time was 11 days (2022-23: 11 days), and we paid 97% of invoices within 30 days. (2022-23: 95%)

We are also an accredited London Living Wage employer and are recognised by the Mayor of London’s Microbusiness Good Work Standard.

Finally, through our activities we are supporting three studio providers with long term lease agreements at affordable rents.

Inspirational Environments

Intention: We want our spaces to enhance a local sense of place, be a positive addition to cultural infrastructure and inspire users and passers by.

Impact so far: We surveyed our artist tenants during the year about a number of factors including their views on the building.

87% of respondents agreed or strongly agreed that “being in this community of creative people is supportive” and that “The spaces and services are well designed for my needs”. 78% agreed or strongly agreed that “My engagement with communities has extended during this tenancy”. 95% of new starters considered that being part of a creative community was important to them.

In future we will also consider how we can measure the impact of artist space on the local communities. We ran the “Alice Billing Connects” programme with our partners, Hive Curates, which has been taking place in Stratford. This has involved school visits, story telling and community workshops amongst other activities. The work will continue with Grow Studios, our new tenants, and we hope to be able to evaluate the impact on artists and on the community from this engagement programme.

Sustainability

Intention: Net Zero by 2025

Impact so far: See the Carbon Reporting section of this report.

Accessibility

Intention: We want to create accessible spaces, both physically and socially, which reflect the communities they serve. We will monitor this in partnership with our tenants.

Impact so far: Last year we reported that at 68% of Wallis Road tenants lived within three miles of the studios. 63% of tenants at Alice Billing House live in the London Borough of Newham (against an initial target of 50%).

From our first artists' survey, 27% of respondents identified with an ethnic minority grouping, and 50% were female. 13% identified as coming from an economically disadvantaged background, but the vast majority were educated to at least Higher Education level. 13% identified as living with a disability or long term health condition.

We also design spaces to ensure physical accessibility that meets all needs. Our two occupied buildings meet "Approved Document M" requirements, the standard for accessible buildings.

We will continue to monitor statistics and consider what further steps we can take to make our spaces available and accessible to all.

Systemic change

Intention: We are seeking to;

- Build a sustainable and replicable model for ownership of affordable workspace and
- Convince key players to place more value on creative space than the purely financial.

Impact so far: We continue to meet frequently with property owners, developers and local planning authorities and now run monthly tours around Wallis Road to show what can be achieved in mixed use developments. This has led to many conversations about including creative space in future developments.

During the year we have been working on a project with representatives from the property sector, local authorities and studio providers to agree draft wording for planning obligations to deliver affordable workspace. In addition, we participate in the development of local planning policy with the London Boroughs to agree the parameters for the delivery of affordable workspace. Representatives from other cities have been in contact with us to find out more about the project and take similar steps.

The City of Sydney has recently announced that it will also be founding a Creative Land Trust based on our model.

Carbon Reporting and Sustainability

In September 2020 Creative Land Trust declared a climate emergency and adopted a sustainability policy and action plan. We review this regularly. As part of this we measure and report our carbon emissions even though it is not required for an organisation of our size.

Carbon Reporting

We have voluntarily adopted the Greenhouse Gas Protocol for measuring and reporting our carbon emissions, including scope 3 emissions where we can measure them.

	YE May 2024	YE May 2023
	CO ₂ e	CO ₂ e
Travel	0.22	0.33
Purchased Goods	0.44	0.54
Computer Usage	0.16	0.17
	0.83	1.04

The figures above are gross, that is before any offsets are considered. We have been using a carbon budget for the year and used less than budgeted.

We actively seek information about the green credentials of all our potential partners, and we include questions about sustainability and carbon footprints in our procurement exercises.

All of our business processes are paperless. We are committed to active travel, with employees walking or cycling wherever possible and using public transport where it is not. If we were to have travelled by car instead of public transport for all our journeys this year then this would have added over a tonne of carbon emissions.

We were also able to use funding from the Arts and Culture Impact Fund (formerly part of NESTA) to help our tenants at Wallis Road fit out to a higher standard, achieving BREEAM Very Good. For the Alice Billing project, we have specified materials and processes that improve energy efficiency.

At present tenant emissions are not included in the above reporting. However we will be looking to measure these and work with tenants to ensure our buildings are as sustainable as possible.

We have included environmental questions in our surveys. From this, we know that 96% of survey respondents reach the studios by walking, cycling or public transport. 95% report that they recycle products arising from their practice. There are also initiatives in place on site to swap and share materials.

Financial review

Key financial performance indicators

During the year we received income of £1,892,000 (prior year £936,000). In total £1,052,000 was income received for (and spent) on building works at Alice Billing South Block, and a further £235,000 was received towards the development stage of Alice Billing North Block. We were also delighted to received £250,000 of new unrestricted funding from Bloomberg Philanthropies. The remainder of our income came from our growing property portfolio and the last payments from our original seed funding.

We had expenditure of £849,000 (prior year £631,000), which includes £299,000 of professional costs compared to £123,000 last year. £260,000 of this relates to works at Alice Billing – not just property related but also activities undertaken as part of the GLA funded High Streets For All initiative.

Not included in expenditure in the Statement of Financial Activities are capital additions of £908,000, the vast majority of which relates to the building works at Alice Billing which has been capitalised as a leasehold improvement.

The surplus of £1,043,000 in 2023–24 predominantly reflects the fact that grant income towards capital purchases and works is accounted for within income in the SOFA, but the capital purchase itself is accounted for as an asset. To clarify this in our reporting, the Trustees have designated an asset reserve to reflect the value of our capital properties (and loans used against them).

Going concern

The Trustees have reviewed our five year financial plan and also a more detailed cashflow forecast for 2 years from the balance sheet date to determine whether the charity has adequate resources to continue. The cashflow forecast takes a prudent view of the future, including all known commitments but excluding potential sources of income. The five year plan and two year cash flow is reviewed at least every quarter and whenever a major decision is to be taken to ensure that the charity does not over commit its resources.

As a result of these reviews, the Trustees have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, we continue to adopt the going concern basis in preparing the financial statements.

Reserves Policy

One of our overarching aims is to provide financial stability to the sector. This means ensuring that we do not enter into commitments that we cannot fund, as noted above, and also that we have sufficient reserves to day-to-day operations on a much reduced basis should it be decided that the organisation should not continue. For this reason, the charity aims to have at least three months' running costs in reserve plus some additional contingencies to cover redundancies and legal fees. This means a target reserve level of approximately £240,000.

The charity currently has free reserves of £260,000, up from £89,000 at the start of the year.

Principal risks and uncertainties

The charity maintains a risk register which is reviewed by Trustees every quarter. The main risks to our business (and mitigations) are as follows:

Increased risk in securing future funding

The cost of living crisis and high interest rates make it more challenging for us to raise money both from donations and from potential investors. We plan to mitigate this by reallocating our resources towards fundraising and investigating new sources of financing.

Unable to purchase enough properties to become self-sufficient

To become self-sufficient we had targeted a larger property portfolio (approx. £40m) in our original strategy which would support our operations through rental income. Without further funding we cannot do this and therefore need to find other ways to become self-sufficient. Mitigation is to look at other ways to secure studio space and to become self-sufficient financially.

Fundraising

We are signed up to the Code of Fundraising Practice and have internal policies around donation acceptance. We do not use third-party fundraisers.

Our fundraising strategy is focused on institutions, major donors, corporate partners and legacies. We have received no complaints about our fundraising activity.



We've been here for nearly two years now and we're starting to employ people... my business is going from strength to strength. Having a space like this allows us to do more events for the community and more development activity for the next generation of screenprinters – it breeds a very healthy spirit of collaboration.

Ricky Byrne, Mesh & Blade

Structure, governance and management

Constitution

The charity is registered as a charitable company limited by guarantee (charity number 1182876) and was set up by a Memorandum and Articles of Association on 25 March 2019. The Articles of Association were subsequently amended on 30th September 2021.

Method of appointment or election of Trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. Other board members are recruited through an open recruitment process and Trustee vacancies are posted on our website.

Trustees are provided with an induction pack, and we aim to run a trustee training session at least once a year.

Organisational structure and decision making

The Board of Trustees governs the charity. The Board meets at least four times a year.

The Board has three sub-committees, set up to consider issues in detail. These are;

- Finance, Audit and Risk Committee
- Property Committee
- Development Committee

The organisation is run by a Chief Executive. A small executive team makes day-to-day operational decisions, within a scheme of delegation from the Board.

Executive pay is governed by a remuneration policy, which, among other things, sets out that pay will be reviewed annually and that the Trustees are responsible for reviewing pay levels.

Statement of responsibilities of the Trustees

The Trustees (who are also directors of Creative Land Trust for the purposes of company law) are responsible for preparing the Trustees' annual 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 which give a true and fair view of the state of affairs of the charitable company and of the incoming resources 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 then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate 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.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware, and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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 trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

The Trustees' report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

The Trustees' annual report has been approved by the Trustees on 3rd October 2024 and signed on their behalf by:

A. Notay

Trustee and Co-chair

Independent Auditor's Report to members of Creative Land Trust

Opinion

We have audited the financial statements of Creative Land Trust (the 'charitable company') for the year ended 31 May 2024 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 May 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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 charitable company 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 Creative Land Trust'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 other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual 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. 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 course of 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 this gives rise to a material

misstatement in the financial statements themselves. 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' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual 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, or returns adequate for our audit have not been received from branches not visited by us; or
- The 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 directors 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' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

We enquired of management and the finance, audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the Trust's policies and procedures relating to:

- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
 - We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the Trust operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the Trust from our professional and sector experience
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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 is available on the Financial Reporting Council's website at: 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.

Date: 18 October 2024

Fleur Holden

Senior Statutory Auditor
for and on behalf of

Sayer Vincent LLP,
Statutory Auditor
110 Golden Lane,
London, EC1Y 0TG

Statement of Financial Activities

(incorporating the Income and Expenditure account)

Year ended 31 May 2024

		Restricted Funds	Designated Funds	Unrestricted Funds	Total Funds	Total Funds
		2024	2024	2024	2024	2023
		£	£	£	£	£
Note						
Income From						
Donations	2	50,000	–	250,000	300,000	637,797
Investment income		36,484	–	5,632	42,116	21,687
Charitable activities	4	422,397	–	1,127,693	1,550,090	276,900
Total Income		508,881	–	1,383,324	1,892,206	936,384
Expenditure on						
Raising Funds		39,929	–	147,112	187,041	159,019
Charitable Activities		344,388	59,420	258,218	662,026	471,885
Total Expenditure	5a	384,318	59,420	405,330	849,067	630,904
Net Income / (expenditure) for the year		124,563	(59,420)	977,995	1,043,139	305,480
Transfers between funds	10	(233,494)	1,040,192	(806,698)	–	–
Net movement in Funds		(108,931)	980,772	171,297	1,043,139	305,480
Reconciliation of Funds						
Total Funds Brought Forward		1,307,432	5,052,856	88,631	6,448,919	6,143,439
Total Funds carried forward		1,198,501	6,033,628	259,928	7,492,057	6,448,919

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

Movements in funds are disclosed in note 10 to the financial statements.

Balance Sheet

As at 31 May 2024

		2024	2023
		£	£
	Note		
Fixed Assets			
Tangible Fixed Assets	7	6,488,173	5,639,338
		<u>6,488,173</u>	<u>5,639,338</u>
Current Assets			
Debtors	8	45,231	114,473
Short term deposits		255,000	85,000
Cash at bank and in hand		<u>1,487,920</u>	<u>1,359,045</u>
		1,788,151	1,558,518
Creditors: Amounts falling due within one year	9	<u>(192,372)</u>	<u>(48,937)</u>
Net current assets		1,595,779	1,509,581
Total assets less current liabilities		<u>8,083,952</u>	<u>7,148,919</u>
Creditors: amounts falling due in more than one year	9	(591,895)	(700,000)
Total Net Assets		<u>7,492,057</u>	<u>6,448,919</u>
Charity Funds			
Restricted Funds	10	1,198,501	1,307,432
Designated funds:	10	6,033,628	5,052,856
General Funds	10	<u>259,928</u>	<u>88,631</u>
		<u>7,492,057</u>	<u>6,448,919</u>

Approved by the trustees on: 3rd October 2024

and signed on their behalf by

A Notay

Trustee and Co-Chair:

Registered Company No: 11367824

Statement of Cash flows

Year ended 31 May 2024

		2024	2023
		£	£
	Note		
Cash flows from operating activities			
Net income for the reporting period		1,043,139	305,480
Depreciation	7	59,420	9,847
Interest earned		(42,116)	(21,687)
Decrease / (increase) in debtors	8	69,242	(44,474)
Increase / (decrease) in creditors	9	35,330	(68,988)
Net cash flows provided by operating activities		1,165,015	180,178
Cash flows from investing activities			
Purchase of fixed assets	7	(908,256)	(878,326)
Interest received		42,116	21,687
Net cash used in investing activities		(866,140)	(856,639)
Change in cash and cash equivalents in year		298,875	(676,461)
Cash and cash equivalents at the start of the year		1,444,045	2,120,506
Cash and cash equivalents at the end of the year		1,742,920	1,444,045

Analysis of cash and cash equivalents and of net debt

	At 1 June 2023	Cashflows	At 31 May 2024
Cash at bank and in hand	1,359,045	128,875	1,487,920
Short term deposits	85,000	170,000	255,000
Total cash and cash equivalents	1,444,045	298,875	1,742,920
Loans falling due within one year	-	(108,105)	(108,105)
Loans falling due after more than one year	(700,000)	108,105	(591,895)
Cash and cash equivalents less net debt	744,045	298,875	1,042,920

Notes to the accounts

1. Accounting Policies

a) Statutory information

Creative Land Trust is a charitable company limited by guarantee and is incorporated in England.

The registered office address is:

110 Golden Lane,
London
EC1Y 0TG

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The approach to the going concern assessment has been explained in the Trustees' annual report.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Rental income is recognised when it is due from the tenants.

1. Accounting Policies

Continued...

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund Accounting

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. Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes. Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose. This includes bid-writing and other efforts to secure grants, and also activities relating to securing repayable finance.
- Expenditure on charitable activities includes the costs of managing property and undertaking policy and campaign work to further the purposes of the charity.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. The cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on the proportion of direct expenses attributable to those activities.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Operating leases

Rental charges are charged on a straight-line basis over the term of the lease.

Rent receivable is credited on a straight-line basis over the term of the lease.

k) Tangible Fixed assets

Expenditure on properties is recognised as an asset at the point where we are legally committed to purchase the property and if there are no outstanding conditions. Prior to this, deposit and associated acquisition costs are recognised as an asset under construction in the balance sheet and is not depreciated until the asset is brought into use.

Properties are treated as tangible fixed assets, not investment properties, as they are held in order to pursue our charitable objects.

Land and buildings are revalued on a regular basis and gains and losses on revaluation are recognised in the Statement of Financial Activities and in a revaluation reserve in the Balance Sheet.

1. Accounting Policies

Continued...

Items of equipment are capitalised where the purchase price exceeds £1,000 and where the economic benefit will last for more than one year.

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. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

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:

Leasehold Improvements	Over the remaining life of the lease
Computer Equipment	3 years
Plant and Machinery	10-20 years

l) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

n) Short term deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

p) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

q) Pensions

The charity operates one defined contribution scheme and makes contributions to another. The pension charge represents the amounts payable by the charity to the schemes in respect of the year. The assets of the schemes are held separately from those of the charity in independently administered funds.

2. Income from donations

	Restricted Funds	Unrestricted Funds	Total
	2024	2024	2024
	£	£	£
Grants From			
Greater London Authority	50,000	-	50,000
Bloomberg Philanthropies	-	250,000	250,000
Total Funds	50,000	250,000	300,000

Prior Year

	Restricted Funds	Unrestricted Funds	Total
	2023	2023	2023
	£	£	£
Donations	-	1,000	1,000
Grants From			
Arts Council England	146,625	-	146,625
Greater London Authority	490,172	-	490,172
Total Funds	636,797	1,000	637,797

3. Income from investments

	Restricted Funds	Unrestricted Funds	Total
	2024	2024	2024
	£	£	£
Investment income	36,484	5,632	42,116
Total Funds	36,484	5,632	42,116

Prior Year

	Restricted Funds	Unrestricted Funds	Total
	2023	2023	2023
	£	£	£
Investment income	21,074	614	21,687
Total Funds	21,074	614	21,687

4. Income from charitable activities

	Restricted Funds	Unrestricted Funds	Total
	2024	2024	2024
	£	£	£
Rental income	-	165,430	165,430
Recharged Service Charges	-	43,913	43,913
Contractual income	-	918,350	918,350
Architectural Heritage Fund	116,880	-	116,880
National Lottery Heritage Fund	182,796	-	182,796
Greater London Authority	105,869	-	105,869
Other grants	16,852	-	16,852
Total Income from charitable activities	422,397	1,127,693	1,550,090

All income relates to "building our portfolio" activity.
Contractual income relates to building works at Alice Billing House.

Prior Year

	Restricted Funds	Unrestricted Funds	Total
	2023	2023	2023
	£	£	£
Rental income	-	92,651	92,651
Recharged Service Charges	-	43,913	43,913
Contractual income	-	22,500	22,500
Greater London Authority	65,131	-	65,131
Architectural Heritage Fund	27,705	-	27,705
Transport for London	25,000	-	25,000
Total Income from charitable activities	117,837	159,064	276,900

5a. Analysis of Expenditure – Current Year

	Raising Funds	Charitable Activities			Support Costs	Governance Costs	2024 Total	2023 Total
		Building our Portfolio	Policy and Campaign	Creative Workspace Resilience Fund				
	£	£	£	£	£	£	£	
Salary Costs (Note 6)	136,151	95,750	12,992	-	61,168	58,820	364,882	364,114
Property Running Costs	-	40,672	-	-	-	-	40,672	50,981
Financing	-	21,000	-	-	-	-	21,000	21,345
Professional fees	-	259,266	-	-	24,935	14,880	299,081	122,990
Legal fees	-	35,220	-	-	3,600	-	38,820	10,347
Depreciation	-	59,420	-	-	-	-	59,420	9,847
Other	12,251	514	78	441	11,691	217	25,191	51,280
	148,401	511,842	13,071	441	101,395	73,917	849,067	630,904
Allocation of Support Costs	22,348	77,078	1,968	-	(101,395)	-	-	-
Allocation of Governance Costs	16,292	56,191	1,435	-	-	(73,917)	-	-
Total Expenditure 2023	187,041	645,112	16,473	441	-	-	849,067	
Total Expenditure 2022	159,019	441,884	29,583	418	-	-		630,904

5b. Analysis of Expenditure – Prior Year

	Raising Funds	Charitable Activities			Support Costs	Governance Costs	2023 Total
		Building our Portfolio	Policy and Campaign	Creative Workspace Resilience Fund			
	£	£	£	£	£	£	£
Salary Costs (Note 6)	105,802	134,158	10,147	-	75,245	38,762	364,114
Property Running Costs	-	50,981	-	-	-	-	50,981
Financing	-	21,345	-	-	-	-	21,345
Professional fees	98	95,558	11,425	-	1,989	13,920	122,990
Legal fees	-	10,347	-	-	-	-	10,347
Depreciation	-	9,847	-	-	-	-	9,847
Other	10,389	910	62	418	38,920	582	51,280
	116,289	323,146	21,634	418	116,154	53,264	630,904
Allocation of Support Costs	29,296	81,408	5,450	-	(116,154)	-	-
Allocation of Governance Costs	13,434	37,331	2,499	-	-	(53,264)	-
Total Expenditure 2023	159,019	441,884	29,583	418	-	-	630,904

5c. Net expenditure / (income) for the year

This is stated after charging / (crediting):

	2024	2023
	£	£
Depreciation	59,420	9,847
Operating lease rentals receivable – property	(165,430)	(92,651)
Auditor's Remuneration:		
Audit fee	12,400	11,600
Other services	635	1,700

6. Staff costs and numbers, and trustee remuneration

	2024 £	2023 £
Wages and Salaries	322,627	320,106
National Insurance Costs	32,621	34,538
Pension Contributions	9,635	9,470
Total Staff costs	364,882	364,114

Pension contributions totalling £904 were payable and are included in creditors at year end (2023: £905).

The average number of people employed by the charity during the year was as follows:

	2024	2023
Total	5.8	5.0

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2024	2023
£120,000–£129,999	1	1
£60,000–£69,999	2	1

The charity considers its key management personnel to be the Chief Executive and the Trustees. The total employment benefits of the Chief Executive including employer's National Insurance and pension were £138,905 (2023: £139,482).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2023: £nil). No charity trustee received payment for professional or other services supplied to the charity (2023: £nil).

There were no trustees' expenses in this financial year (2023: £48 for one member for meeting expenses).

7. Tangible Fixed Assets

	Buildings (Virtual freeholds)	Leasehold Improvements	Assets under construction	Plant and Machinery	Computer Equipment	Total
	£	£	£	£	£	£
Cost/Valuation						
Brought forward as at 1 Jun 2023	4,663,328	533,247	398,647	53,596	1,200	5,650,018
Additions in year	-	185,836	722,420	-	-	908,256
Transfers in year	-	1,025,614	(1,025,614)	-	-	-
As at 31 May 2024	4,663,328	1,744,698	95,452	53,596	1,200	6,558,274
Depreciation						
Brought forward as at 1 Jun 2023	-	7,932	-	1,549	1,200	10,680
Charge in year	-	54,485	-	4,935	-	59,420
As at 31 May 2024	-	62,417	-	6,483	1,200	70,100
Net Book Value						
As at 31 May 2024	4,663,328	1,682,281	95,452	47,112	-	6,488,174
As at 31 May 2023	4,663,328	525,315	398,647	52,047	-	5,639,338

All of the above assets are used for charitable purposes.

Buildings are on a 999 year lease.

The historic cost of Buildings is £4,138,328 and the depreciated cost would be £3,972,795 if depreciated over 50 years.

8. Debtors

	2024	2023
	£	£
Due within one year		
Trade debtors	-	27,060
Prepayments	2,575	3,300
Accrued income	42,656	84,113
Total debtors	45,231	114,473

9. Creditors

	2024	2023
	£	£
Creditors due within one year		
Trade creditors	31,146	26,991
Other creditors	18,407	919
VAT creditor	25,053	14,027
Accruals	9,660	7,000
Loan	108,105	-
Total Creditors due within one year	192,372	48,937
Creditors due in more than one year		
Long term loan	591,895	700,000
	591,895	700,000

The long term loan represents financing from NESTA's Arts and Culture Impact Fund. The loan is for a period of 8 years at a fixed interest rate of 3%. Capital repayments will begin in June 2024 and will complete in May 2030. It is secured on Block A of Wallis Road.

	2024	2023
	£	£
Repayments due within 1-5 years	452,553	452,553
Repayments due in more than 5 years	139,341	247,447
	591,895	700,000

10a. Movement in Funds (Current year)

	Balance at 1 Jun 2023	Income	Expenditure	Transfers	Balance at 31 May 2024
	£	£	£		£
Unrestricted Funds					
General Funds	88,631	1,383,324	(405,330)	(806,698)	259,928
Designated Funds					
Fixed assets – Historic Cost	4,554,978	–	(59,420)	908,255	5,403,813
Fixed assets – Revaluation Reserve	497,878	–	–	–	497,878
Alice Billing future phases	–	–	–	131,936	131,936
Total Designated	5,052,856	–	(59,420)	1,040,192	6,033,628
Restricted Funds					
Main Programme Funding	1,279,968	86,484	(103,017)	(69,826)	1,193,610
Creative Workspace Resilience Fund	1,920	–	(441)	–	1,480
GLA – other grants	25,543	105,869	(78,001)	(50,000)	3,411
National Lottery	–	182,796	(202,860)	20,064	–
LLDC	–	16,852	–	(16,852)	–
Architectural Heritage Fund	–	116,880	–	(116,880)	–
Total Restricted	1,307,431	508,881	(384,318)	(233,494)	1,198,501
Total Funds	6,448,918	1,892,206	(849,067)	–	7,492,057

Purpose of restricted funds:

Main Programme Funding: Seed funding granted to acquire buildings and support the operations of Creative Land Trust before it becomes self-sufficient.

Creative Workspace Resilience Fund – fund to provide financial support for studio providers experiencing financial difficulties due to COVID-19. Residual expenditure is to store and retrieve reporting data.

Architectural Heritage Fund: Project funding towards restoring Alice Billing.

GLA Other grants – High Streets for All scheme.

National Lottery – Funding for development stage of Alice Billing North Block.

LLDC – Funding to support the delivery of public realm enhancements at Alice Billing House.

Purpose of designated funds

Funds are designated to match the value of assets less outstanding liability on loans funding those assets. There is also a designated fund to allocate income received for future phases of the Alice Billing project.

Transfers

Transfers into designated funds represent the purchase of assets. Where the transfer is from restricted funds, these assets were funded by grant funding, and at that point the terms of any restrictions are deemed to have been discharged. Transfers out of unrestricted funds into restricted represent CLT matched funding towards a project.

10b. Movement in funds (prior year)

	Balance at 1 Jun 2022	Income	Expenditure	Transfers	Balance at 31 May 2023
	£	£	£		£
Unrestricted Funds					
General Funds	15,097	160,677	(87,143)	-	88,631
Designated Funds					
Fixed assets – Historic Cost	4,272,981	-	(9,847)	291,844	4,554,978
Fixed assets – Revaluation Reserve	497,878	-	-	-	497,878
Total Designated	4,770,859	-	(9,847)	291,844	5,052,856
Restricted Funds					
Main Programme Funding	1,253,255	657,870	(439,198)	(191,959)	1,279,968
Creative Workspace Resilience Fund	2,337	-	(417)	-	1,920
GLA – other grants	29,594	65,132	(69,183)	-	25,543
TfL Feasibility	-	25,000	(25,115)	115	-
Architectural Heritage Fund	72,295	27,705	-	(100,000)	-
Total Restricted	1,357,482	775,707	(533,914)	(291,844)	1,307,431
Total Funds	6,143,438	936,384	(630,904)	-	6,448,919

11. Analysis of net assets between funds

Current year:

	Restricted	Designated	Unrestricted	Total
	2024	2024	2024	2024
	£	£	£	£
Tangible Fixed Assets	-	6,488,173	-	6,488,173
Current Assets	1,390,874	131,936	265,341	1,788,151
Current liabilities	(192,372)	-	-	(192,372)
Long term liabilities	-	(586,482)	(5,413)	(591,895)
Total	1,198,502	6,033,627	259,928	7,492,058

Prior year:

	Restricted	Designated	Unrestricted	Total
	2023	2023	2023	2023
	£	£	£	£
Tangible Fixed Assets	-	5,639,338	-	5,639,338
Current Assets	1,282,835	-	275,683	1,558,518
Current liabilities	(48,937)	-	-	(48,937)
Long term liabilities	-	(586,482)	(113,518)	(700,000)
Total	1,233,899	5,052,856	162,165	6,448,919

12. Prior Year Statement of Financial Activities

	Restricted Funds	Designated Funds	Unrestricted Funds	Total Funds
	2023	2023	2023	2023
	£	£	£	£
Income From				
Donations	636,797	–	1,000	637,797
Investment income	21,074	–	613	21,687
Charitable activities	117,837	–	159,064	276,900
Other trading income	–	–	–	–
Total Income	775,707	–	160,677	936,384
Expenditure on				
Raising Funds	159,019	–	–	159,019
Charitable Activities	374,895	9,847	87,143	471,885
Total Expenditure	533,914	9,847	87,143	630,904
Net Income / (Expenditure) for the year	241,793	(9,847)	73,534	305,480
Transfers between funds	(291,844)	291,844	–	–
Net movement in Funds	(50,051)	281,997	73,534	305,480
Reconciliation of Funds				
Total Funds Brought Forward	1,357,483	4,770,859	15,097	6,143,439
Total Funds carried forward	1,307,432	5,052,856	88,631	6,448,919

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

13. Operating lease commitments receivable as a lessor

Amounts receivable under non-cancellable operating leases are as follows for each of the following periods:

	2024	2023
	£	£
Less than one year	184,597	162,666
One to five years	377,940	459,551
	562,537	622,217

14. Operating lease commitments

Amounts payable under non-cancellable operating leases are as follows for each of the following periods:

	2024	2023
	£	£
Less than one year	10,122	-
One to five years	40,488	-
More than five years	202,440	-
	253,050	-

15. Related Party Transactions

There were no related party transactions during the year. There are no donations in either period from related parties which are outside the normal course of business and no restricted donations from related parties.

16. Taxation

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

17. Capital Commitments

There were no capital commitments at the balance sheet date.

18. Legal position of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

Administrative and Reference Information

Company number	11367824
Country of incorporation	United Kingdom
Charity number	1182876
Country of registration	England & Wales
Registered office:	110 Golden Lane London EC1Y 0TG

Please note: the best way to contact us is to email info@creativelandtrust.org

Trustees:

(all in place during the year and up to the date of this report unless otherwise stated)

Catherine Webster (Co-Chair to 3rd October 2024)

Alex Notay (Co-Chair to 3rd October 2024)

Andy Martin (from 3rd October 2024)

Malene Oddershede Bach

Philip Bier (to 1st December 2023)

Natalie Carter

James Cooksey

Michael Davis (to 25th January 2024)

Candida Gertler OBE

Sue-Lin Heng

Alice Millett

Pawan Sharma (to 1st January 2024)

Krupa Thakrar

Daniel Silver

Artist Ambassadors:

Emmanuel Unaji

Yinka Shonibare CBE

Haroon Mirza

Florence Peake

Key management:

Gordon Seabright, Chief Executive Officer

Bankers:

The Co-operative Bank

P.O. Box 101,
1 Balloon Street,
Manchester
M60 4EP

Auditor:

Sayer Vincent LLP

Chartered Accountant and Statutory Auditor
110 Golden Lane
London
EC1Y 0TG

Solicitors:

Bates, Wells and Braithwaite London LLP

10 Queen St Pl,
London
EC4R 1BE

Burges Salmon LLP

One Glass Wharf,
Bristol,
BS2 0ZX

Russell Cooke LLP

8 Bedford Row,
London
WC1R 4BX

Dechert LLP

160 Queen Victoria St,
London
EC4V 4QQ

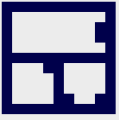
creativelandtrust.org

in Creative Land Trust  @creativelandtrust

CREATIVE LAND TRUST

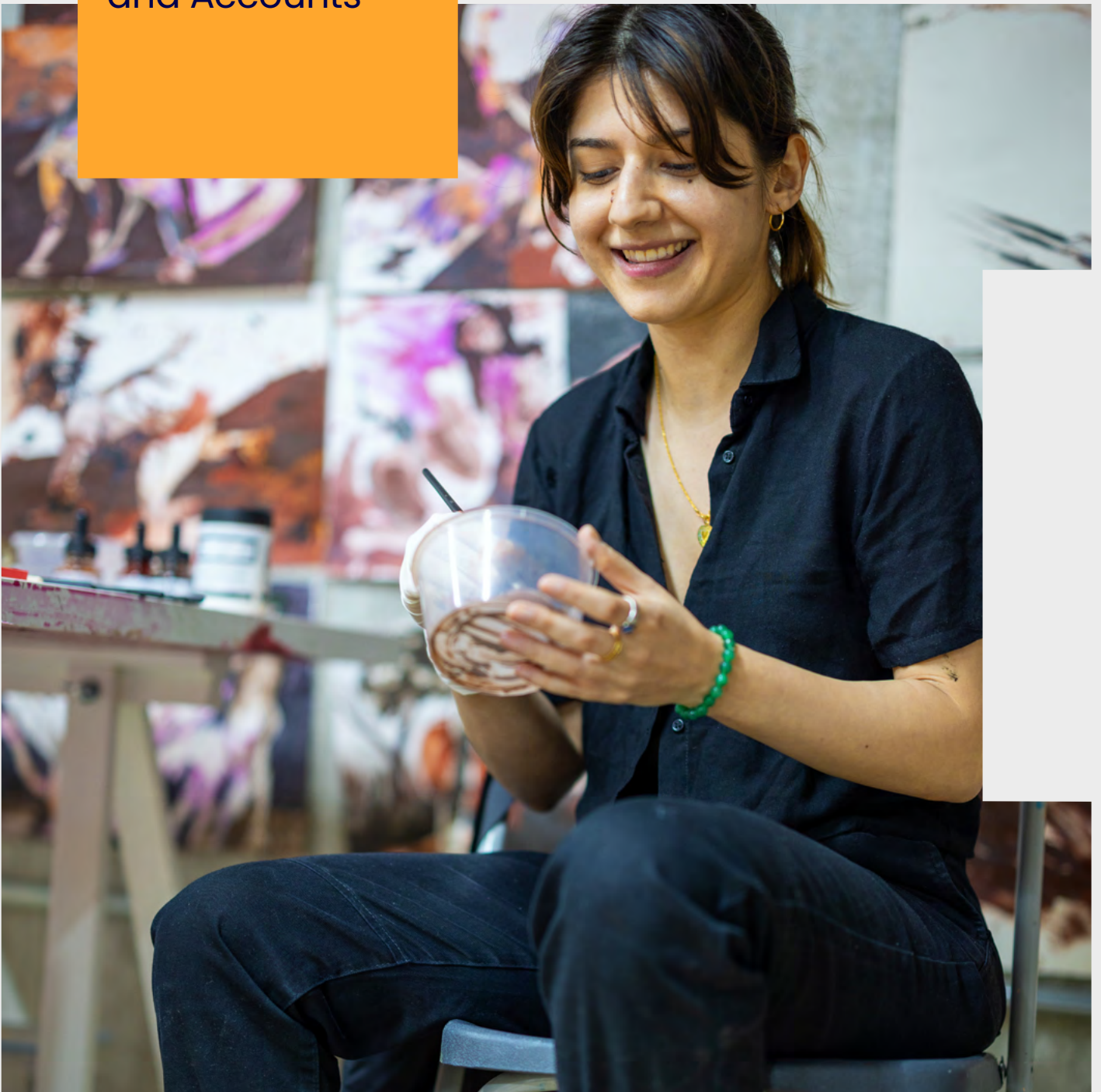
England & Wales - Charity number 1182876

Accounts



Year ended
31 May 2023

Annual Report and Accounts





Studios are to artists what laboratories are to scientists, music rooms are to musicians and factories are to industrialists – without them cultural production simply cannot be pursued.

If London is to survive as a creative capital, if the art schools that produced three generations of ground-breaking artists' work are going to continue as places of innovation then we have to provide sustainable working spaces for artists at all stages of their careers.

Those artists best placed to maintain a vibrant cultural life in this city are now seeking working spaces and opportunities in Berlin, Barcelona and Brussels as well as leaving for Margate, Bristol and Brighton.

We must do what we can to stem this receding tide of talent and potential. Creative Land Trust can begin to help us find it once more.

Sir Antony Gormley, OBE

Supporter of Creative Land Trust

creativelandtrust.org

 Creative Land Trust

 @creativelandtrust

 @CreativeLandT

Introduction

Why we're here

Creative Land Trust was founded to tackle a long-standing problem for London, and indeed other global cities – to reverse the loss of long-term, affordable workspace for creatives.

London's competitiveness as a global city is built on its vibrant creative sector. Our creative industries generate more than £52bn each year. One in six of the UK's new jobs are in this sector. London is a cultural powerhouse, but its very success is pricing artists and makers out of our city.

The loss of affordable workspace, and consequent outflow of artists, presents a serious threat to the wellbeing and prosperity of a city so reliant on creativity for its success. According to (pre-COVID) research conducted for the Mayor of London, 24% of sites containing artists' workspaces were at risk of closure.

Artists are unable to focus their time on their practice due to the instability inherent in relying on temporary workspace, and expert studio providers are displaced from their locations despite years of building social capital. London's many excellent artists face growing difficulty in securing even "meanwhile" space.

Creative Land Trust is seeking to build a new financial and operating model to secure long term, affordable workspace that would otherwise be unattainable.

Our Vision

London will always have space for artists to create, collaborate and inspire others.

Our Mission

To build a portfolio that supports more than 1,000 artists across London: spaces that will be available to artists and makers over the long term and at affordable levels.

Introduction from co-chairs

We are pleased to present the Creative Land Trust's Annual Report and Accounts for the year ended 31st May 2023.

The turbulent economic conditions, cost of living and energy crises through the past year have made the operating environment even more challenging for the creative communities our Trust was founded to support. However, Creative Land Trust have made significant progress on delivering our mission through 2022-23.

A definite highlight was the occupation and formal launch of our first studios at Wallis Road in Hackney Wick at the end of December 2022. The studios are aimed at a range of artistic practices including painting, sculpture, moving image, performance and photography and represent a vital step in providing affordable workspace for creatives in the capital. A lively celebration event in March 2023 heard from our Artist Ambassadors Adelaide Damoah and Haroon Mirza as well as Deputy Mayor for Culture and Creative Industries, Justine Simons OBE and Sir Nick Serota, Chair of Arts Council England, all championing the purpose and impact of the Trust.

Having acquired our second property, the Grade II listed Alice Billings House in Stratford, we have continued to work with the London Borough of Newham to give this historic building a new lease of life as a major creative hub and, despite escalating costs and challenging market conditions, fit-out works have begun on schedule in 2023. An open tender competition was also run to appoint a studio operating partner.

The Exec team, working with the Trustees on our Property Committee, are progressing two further acquisitions, which will enable the Trust to have stable platform of studios in operation across London. The first has been announced, and during 2024 we will open affordable workspace for artists in a new building at Friary Park in North Acton, working with our partners Mount Anvil. We are also exploring a range of ownership options to help accelerate the delivery of our mission of a London-wide portfolio supporting more than 1,000 artists. We remain keen to collaborate with developers through our paid advisory work around incorporating successful ground-floor creative uses into early-stage planning applications, as well as in longer-term partnerships and lease arrangements.

The Development Committee have made significant progress in finessing our pioneering financial model now we have the critical 'proof of concept' of an income-producing studio in operation. This innovation in targeting social impact investors is an exciting challenge despite the difficult market conditions and intensely competitive environment for broader philanthropic donations and grant funding. We are keen to meet with investors and philanthropists to discuss our innovative blend of funding and opportunities to work with us to generate financial and social returns by providing space for culture and creativity across London.

Our Finance, Audit and Risk Committee have balanced the need for investing in growth and innovation with managing costs appropriately to preserve our cash reserves and have a sustainable, long-term financial position.

Introduction from co-chairs

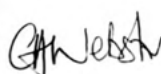
Continued...

We are enormously grateful to our Board of Trustees and Artist Ambassadors who each give their time, expertise and insights freely and extensively through the year to support the broad range of activities of the Trust across the property, arts and financial sectors. In particular, we would like to recognise the contribution of two Trustees who have stepped down in 2023; John Lewis, whose input to Property Committee has been particularly impactful, and Haroon Mirza, who remains a valued Artist Ambassador.

We are also thankful for the ongoing support of our founding partners and funders, Mayor of London, Arts Council England, Bloomberg Philanthropies and Outset Contemporary Art Fund who have enabled the Trust to grow beyond its initial concept phase and into an operating entity.

Our priority for the coming year is to raise further funding to allow us to accelerate the delivery of our studios into operation as we demonstrate the impact of a growing portfolio of buildings in reversing the global trend of artists being priced out of major creative hubs.

To keep in touch with what we're doing, please visit our website and sign up for our newsletter – we really appreciate your support.



Alexandra Notay and Catherine Webster
Co-chairs

Trustees' report

The Trustees present their report and the audited financial statements for the year ended 31st May 2023.

Reference and administrative information set out on page 44 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.



At our launch event at Wallis Road: From left to right – Haroon Mirza, Adelaide Damoah, Justine Simons (Greater London Authority), Gordon Seabright, Alexandra Notay, Sir Nicholas Serota (Arts Council England). Photograph: Dafydd Jones

Objectives, activities and plans for the future

The charity's objects are:

To promote arts, crafts and craftsmanship for the public benefit, in particular, but not exclusively, by providing or facilitating access to affordable workspace for the production of arts and crafts to those in need.

Activities, achievements and performance

Our current 2021-25 strategy (available on our website) sets out how we will achieve our objectives.

This is broken into four primary workstreams:

1. Building our portfolio

We acquire freehold or long-leasehold properties that will be operated by workspace providers. We aim to safeguard affordability and long-term stability for London's creative practitioners. Through achieving good pricing, seizing innovative opportunities and fundraising success (see below) we have secured three properties to date and are working on further acquisitions and partnerships.

During 2022-23 we added to our existing portfolio of Wallis Road and Alice Billings House when we exchanged contracts for 4,600 square feet of space on the ground and mezzanine levels at The Verdean (Friary Park) in North Acton, Ealing. The space will provide for up to 30 individual occupants and will be our first building in West London.

In 2022 we helped to fund the fit out at Wallis Road (Hackney Wick) with support from the NESTA Arts and Culture Impact Fund. Wallis Road is a new build residential building in Hackney Wick; we have a 999-year lease for the ground and lower ground floors, providing approximately 30,000 square feet of lettable space.

During 2022-23 we also began preliminary work at Alice Billings House, a Grade 2 listed building in the centre of Stratford. Backed by funding from the Architectural Heritage Fund, the London Borough of Newham and the Greater London Authority, we have agreed a 25 year lease and will bring this empty property back to life, providing 6,000 square feet of workspace for up to 50 artists during 2023-24.

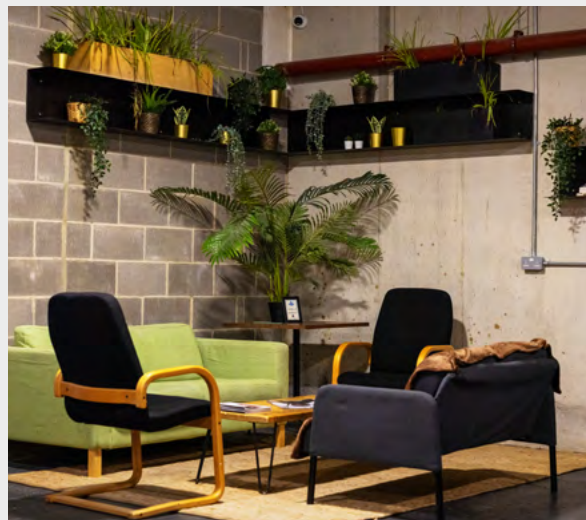
As well as these projects, we continue to develop a healthy pipeline of other property opportunities which are geographically diverse and range from industrial heritage buildings to brand new development sites. However, we will need to raise further funding to secure any new properties.

Main activities undertaken to further the charity's purposes for the public benefit

Creative Land Trust exists to support the arts and creative sector as a whole.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Wallis Road Studios Opened 2022



Photographs: Sylvie Belbouab and Dafydd Jones (top left only)

Summary of our properties to date:

	Wallis Road Studios	Alice Billings House	Friary Park
Description	Newbuild residential in Hackney Wick	Heritage property in central Stratford	Newbuild residential in North Acton
Tenure	999 year lease	25 year lease	999 year lease
Lettable area (sq. ft.)	30,000	6,000	4,600
Status	Completed and occupied	CLT currently carrying out capital works	Building handover expected 2024
Tenants	Cell Studios, Mainyard Studios	tbc	tbc
Number of Artists / Makers supported	150	Estimated - 50	Estimated - 30

2. Managing the portfolio

We welcomed the first artists to Wallis Road in December 2022. Most of the units were let prior to completion of the fit out works demonstrating the amount of demand.

Wallis Road is now at 100% occupancy. There is space for up to 150 artists and makers, and tenants are made up of painters, sculptors, photographers, installation artists, fashion designers, textile designers, ceramicists, wig makers, screen printers, set designers, perfumiers, musicians and recording artists.

Feedback from the artists so far has been extremely positive and we will be conducting further surveys and case studies this year.

We also began the tender process for finding a partner for Alice Billings House.



I got very, very lucky with this space. It's most definitely my favourite studio space of those I've ever had. Creative Land Trust has created spaces like this specifically for the artist community to make sure that we continue to have our practice and stay in London.

Lindsay Mapes, Visual Artist,
Wallis Road Studios

3. Achieving financial sustainability

Our aim is to achieve a sustainable model, that is where our properties fund themselves and our operating costs and we can build a small reserve.

We will finance acquisitions with a blend of repayable and philanthropic finance.

We assess all potential properties against financial benchmarks to ensure that the end rental cost to the artist will be affordable, while generating sufficient return to cover financing and central costs. We expect to make net losses while we are building the portfolio to reach our goal of space for 1,000 artists, as we are staffed for the growth phase to reach that scale.

We also model contingency plans so that if we are unsuccessful in raising future growth funding (either repayable or philanthropic), we can keep the existing properties running as a going concern.

During the last year we were awarded further grant money to support the Alice Billings House project. We have also advanced conversations with a number of social investors during the year.

In total, we have so far added over £2m of additional financing to our original £7.5m seed funding. (This does not include the £1.6m that we were awarded to distribute to studio providers as part of the Creative Workspace Resilience Fund in 2020).

4. Policy and campaigning work

Creative spaces and communities have been shown to have a wider economic and social value, helping to regenerate areas by stimulating local business growth, attracting inward investment and infrastructure development including housing.

We want to ensure that this value is recognised, and that the artists that add this value gain long term security. We aim to provide evidence to developers and local authorities about the value of secure and affordable creative space so that it can be built into future planning opportunities.

We also work with studio providers and other creative industries to provide input into policies and initiatives and to collaborate to achieve our wider goals.

Some examples of this;

- We have a representative on the GLA's Workspace Advisory Group.
- We contributed to the Arts Green Book (to produce sustainability guidelines for cultural spaces).
- We have provided financial and other advice to arts organisations who are trying to secure properties.
- We have shown various developers and public sector bodies around Wallis Road, helping them understand creative workspace and the benefits of providing it.
- We are frequently approached by developers, councils and colleagues outside London for advice on creative workspace.

Measuring our impact

The activities listed previously describe some of our progress this year; however, we are mindful that these are mostly outputs rather than wider social outcomes.

During the year, we developed and put in place an evaluation framework to measure impact and we have started to collect data within it.

We look to measure our impact against the headings in our Social Impact Statement (published on our [website](#)).

Financial stability

Intention: We expect that studio providers and artists will be able to grow and develop their businesses as a result of having secure and affordable workspace.

Impact so far: this needs to be measured over a longer period of time but initial data from surveys tells us that:

- 72% of respondents said one of the reasons for taking the space was that they needed more space to develop their practice
- 72% respondents said one of the reasons for the space was it was longer term
- over 90% of respondents agreed or strongly agreed that their space was affordable.

We also ensure that our business practices support financial stability; for example by working with artists and SMEs and ensuring they are paid fairly and promptly. During 2022-23 our average payment time was 11 days (2021-22: 14 days), and we paid 95% of invoices within 30 days. (2021-22: 88%)

We are also an accredited London Living Wage employer and during 2022-23 were recognised by the Mayor of London's Microbusiness Good Work Standard.

Inspirational Environments

Intention: We want our spaces to enhance a local sense of place, be a positive addition to cultural infrastructure and inspire users and passers by.

Impact so far: We will look to measure this via artist survey and/or case studies and (in later years) through community base assessment.

In the meantime, we look for ways to build links between our properties and the communities in which they are located. Following the initial Paint the Change community art project last year we have received further funding from the GLA's High Streets for All Fund to promote cultural activities in Stratford High Street, linked with Alice Billings House. We will be working with our partners to assess engagement with the programmes.

Alice Billings Connect – Cultural programme in Stratford

Launch event



Photographs: Monika Sorelle

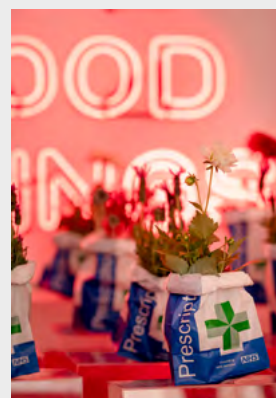


Alice Billings Connect – Cultural programme in Stratford

Moving exhibition by Artist Eve De Haan



Photographs: Monika Sorelle



Sustainability

Intention: Net Zero by 2025

Impact so far: See the Carbon Reporting section of this report.

Accessibility

Intention: We want to create accessible spaces, both physically and socially, which reflect the communities they serve. We will monitor this in partnership with our tenants.

Impact so far: We will be collecting demographic data directly from artists later in 2023. From initial survey data we know that the vast majority of tenants are from London, mostly from East or North London postcodes, and 68% live within 3 miles of the studios.

We also design spaces to ensure physical accessibility that meets all needs. Our first two buildings meet "Approved Document M" requirements, the standard for accessible buildings.

Systemic change

Intention: We are seeking to;

- Build a sustainable and replicable model for ownership of affordable workspace and
- Convince key players to place more value on creative space than the purely financial.

Impact so far: Our activities have promoted both these intentions. We have been successful in unlocking new sources of finance and attracting interest in our financial model, which we hope will provide new sources of funds to grow the portfolio.

As a result of our work, we have reached new audiences – for example, we recently gave a presentation to a team from a government department, who had not previously considered the role of creative workspace in mixed use developments. And we are working with an investment manager who had never previously considered creative workspace as an investment class before talking to us.

We continue to meet frequently with property owners, developers and local planning authorities.

Members of our team are increasingly invited to speak at real estate and other events to promote the benefits of creative workspace, such as Homes 2023 and Henley Business School/Reading Real Estate Foundation helping us to reach new and impactful audiences.



CLT's visionary approach to affordable creative spaces resonates deeply with me. Their commitment acknowledges the indispensable role artists play in shaping the cultural landscape of cities like London and beyond. The romanticized notion of artists toiling away in precarious conditions is not a sustainable reality. True innovation thrives when artists are offered continuity, safety, and comfort within their creative havens..

Adelaide Damoah, Artist Ambassador,
Creative Land Trust

Carbon Reporting and Sustainability

In September 2020 Creative Land Trust declared a climate emergency and adopted a sustainability policy and action plan. We review this annually. As part of this we measure and report our carbon emissions even though it is not required for an organisation of our size.

Carbon Reporting

We have voluntarily adopted the Greenhouse Gas Protocol for measuring and reporting our carbon emissions, including scope 3 emissions where we can measure them.

During the year ended 31st May 2023 we reviewed our methodology, identifying further scope 3 emissions and some more up to date ways to measure some emissions.

	YE May 2023	YE May 2022
	CO₂e	CO₂e
Travel	0.33	0.18
Purchased Goods	0.54	0.37
Computer Usage	0.17	0.17
	1.04	0.72

The figures above are gross, that is before any offsets are considered. The increase year on year reflects the fact that our activities have increased during YE May 2023 and are likely to increase again in the future. However, it is still a very small figure absolutely and relatively. To ensure that carbon emissions continue to stay low, we have set a carbon budget for the future.

We actively seek information about the green credentials of all our potential partners, and we include questions about sustainability and carbon footprints in our procurement exercises.

All of our business processes are paperless. We are committed to active travel, with employees walking or cycling wherever possible and using public transport where not.

We were also able to use funding from NESTA to help our tenants at Wallis Road fit out to a higher standard, achieving BREEAM Very Good. For the Alice Billings project, we are specifying materials and processes that improve energy efficiency.

At present tenant emissions are not included in the above reporting as activities have only just begun, however we will be looking to measure these and work with tenants to ensure our buildings are as sustainable as possible.

Initial surveys show that 96% of survey respondents get to the studios by walking, cycling or public transport.

Financial Review

Key financial performance indicators

During the year we received income of £936,000 (prior year £2,687,000). This was predominantly grant income that had already been awarded to us, including £556,000 from GLA. However, we also began to receive rental income for the first time, shown as part of “income from charitable activities”.

We had expenditure of £631,000 (prior year £514,000), which includes £72,000 of property and financing costs for the first time. With these items taken out, our expenditure has been fairly consistent with previous years.

Not included in expenditure in the Statement of Financial Activities are capital additions of £878,000, which includes £586,000 of fit out support at Wallis Road, as well as professional fees and preliminary works for Alice Billings House and Friary Park.

The surplus of £305,000 in 2022-23 predominantly reflects the fact that grant income towards capital purchases is accounted for within income in the SOFA, but the capital purchase itself is accounted for as an asset. To clarify this in our reporting, the Trustees have designated an asset reserve to reflect the value of our capital properties (and loans used against them)

We have a net cash outflow of £676,000 because of our ongoing capital investments.

Going concern

The Trustees have reviewed our five year financial plan and also a more detailed cashflow forecast for the next 18 months to determine whether the charity has adequate resources to continue. The cashflow forecast takes a prudent view of the future, including all known commitments but excluding potential sources of income. The five year plan and 18 month cash flow is reviewed at least every quarter and whenever a major decision is to be taken to ensure that the charity does not over commit its resources.

As a result of these reviews, the Trustees have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, we continue to adopt the going concern basis in preparing the financial statements.

Reserves Policy

One of our overarching aims is to provide financial stability to the sector. This means ensuring that we do not enter into commitments that we cannot fund, as noted above, and also that we have sufficient reserves to day-to-day operations on a much reduced basis should it be decided that the organisation should not continue. For this reason, the charity aims to have at least three months’ running costs in reserve plus some additional contingencies. This means a target reserve level of approximately £240,000.

The charity currently has free reserves of £89,000, up from £15,000 at the start of the year. We are not yet at our target – however, this does not impact on our assessment of going concern because we are also able to use some of our restricted funding to run our organisation during this start up phase of our activity. However, over time, we would expect to hold our target level of reserves in unrestricted funds as rental income increases.

Principal risks and uncertainties

The charity maintains a risk register which is reviewed by Trustees every quarter. The main risks to our business (and mitigations) are as follows:

Increased risk in securing future funding

The cost of living crisis and high interest rates make it more challenging for us to raise money both from donations and from potential investors. We plan to mitigate this by reallocating our resources towards fundraising and investigating new sources of financing.

Increased risk to financial stability of studio providers

As reported last year, Covid has continued to bring further pressures on existing reserves, and we altered our business plan to anticipate providing support with fit-out costs. The increase in energy costs presents a further challenge and our mitigation will be to explore on-site generation options wherever possible.

Increased fit out costs

Building materials and labour costs have increased significantly in the last year and are expected to remain high, at least in the short term. Our mitigation is to assume higher costs for fit out and be cautious about committing funding to new projects to ensure we have sufficient funds to complete our current ones.

Fundraising

We are signed up to the Code of Fundraising Practice and have internal policies around donation acceptance. We do not use third-party fundraisers.

Our fundraising strategy is focused on major donors, corporate partners and legacies. We have received no complaints about our fundraising activity.

Structure, governance and management

Constitution

The charity is registered as a charitable company limited by guarantee (charity number 1182876) and was set up by a Memorandum and Articles of Association on 25 March 2019. The Articles of Association have subsequently been amended on 30th September 2021.

Method of appointment or election of Trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. We have two Artist Trustees at any time. Other board members are recruited through an open recruitment process and Trustee vacancies are posted on our website.

Trustees are provided with an induction pack, and we aim to run a trustee training session at least once a year.

Organisational structure and decision making

The Board of Trustees governs the charity. The Board meets at least four times a year.

The Board has three sub-committees, set up to consider issues in detail. These are;

- Finance, Audit and Risk Committee
- Property Committee
- Development Committee

The organisation is run by a Chief Executive and four other permanent members of staff. This executive team makes day-to-day operational decisions, within a scheme of delegation from the Board.

Executive pay is governed by a remuneration policy, which, among other things, sets out that pay will be reviewed annually and that the Trustees are responsible for reviewing pay levels.

Statement of responsibilities of the Trustees

The Trustees (who are also directors of Creative Land Trust for the purposes of company law) are responsible for preparing the Trustees' annual 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 which give a true and fair view of the state of affairs of the charitable company and of the incoming resources 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 then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate 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.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware, and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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 trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

The Trustees' report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

The Trustees' annual report has been approved by the Trustees on 5th October 2023 and signed on their behalf by:

Alexandra Notay
Trustee and Co-chair

Independent Auditor's Report to members of Creative Land Trust

Opinion

We have audited the financial statements of Creative Land Trust (the 'charitable company') for the year ended 31 May 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 May 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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 charitable company 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 Creative Land Trust'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 other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual 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. 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 course of 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 this gives rise to a material

misstatement in the financial statements themselves. 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' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual 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, or returns adequate for our audit have not been received from branches not visited by us; or
- The 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 directors 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' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

We enquired of management and the finance, audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the Trust's policies and procedures relating to:

- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
 - We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the Trust operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the Trust from our professional and sector experience
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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 is available on the Financial Reporting Council's website at: 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.

Fleur Holden

Date: 16 October 2023
Senior Statutory Auditor
for and on behalf of

Sayer Vincent LLP,
Statutory Auditor
Invicta House,
108-114 Golden Lane,
London, EC1Y 0TL

Statement of Financial Activities

(incorporating the Income and Expenditure account)

Year ended 31 May 2023

			Restricted Funds	Designated Funds	Unrestricted Funds	Total Funds	Total Funds
			2023	2023	2023	2023	2022
			£	£	£	£	£
	Note						
Income From							
Donations	2		754,633	-	1,000	755,633	2,678,040
Investment income			21,074	-	613	21,687	2,244
Charitable activities	3		-	-	159,064	159,064	-
Other trading income			-	-	-	-	7,000
Total Income			775,707	-	160,677	936,384	2,687,284
Expenditure on							
Raising Funds			159,019	-	-	159,019	153,477
Charitable Activities			374,895	9,847	87,143	471,885	360,551
Total Expenditure			533,914	9,847	87,143	630,904	514,028
Net Income / (expenditure) for the year			241,793	(9,847)	73,534	305,480	2,173,256
Transfers between funds	10		(291,844)	291,844	-	-	-
Net income / (expenditure) before other recognised gains and losses			(50,051)	281,997	73,534	305,480	2,173,256
Gains on revaluation of fixed assets			-	-	-	-	497,878
Net movement in Funds			(50,051)	281,997	73,534	305,480	2,671,134
Reconciliation of Funds							
Total Funds Brought Forward			1,357,483	4,770,859	15,097	6,143,439	3,472,305
Total Funds carried forward			1,307,432	5,052,856	88,631	6,448,919	6,143,439

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 10 to the financial statements.

Balance Sheet

As at 31 May 2023

		2023 £	2022 £
	Note		
Fixed Assets			
Tangible Fixed Assets	7	5,639,338	4,770,859
		<u>5,639,338</u>	<u>4,770,859</u>
Current Assets			
Debtors	8	114,473	69,999
Short term deposits		85,000	-
Cash at bank and in hand		1,359,045	2,120,506
		<u>1,558,518</u>	<u>2,190,505</u>
Creditors: Amounts falling due within one year	9	(48,937)	(117,924)
Net current assets		1,509,581	2,072,580
Total assets less current liabilities		7,148,919	6,843,439
		<u>7,148,919</u>	<u>6,843,439</u>
Creditors: amounts falling due in more than one year	9	(700,000)	(700,000)
Total Net Assets		6,448,919	6,143,439
		<u>6,448,919</u>	<u>6,143,439</u>
Charity Funds			
Restricted Funds	10	1,307,432	1,357,483
Designated funds:	10	5,052,856	4,770,859
General Funds	10	88,631	15,097
		<u>6,448,919</u>	<u>6,143,439</u>

Approved by the trustees on: 5th October 2023

and signed on their behalf by

A Notay

Trustee and Co-chair:

Registered Company No: 11367824

Statement of Cash flows

Year ended 31 May 2023

		2023	2022
		£	£
	Note		
Cash flows from operating activities			
Net income for the reporting period		305,480	2,173,256
Depreciation	7	9,847	400
Interest earned		(21,687)	(2,244)
Increase in debtors	8	(44,474)	(47,030)
(Decrease) / increase in creditors	9	(68,988)	49,267
Net cash flows provided by operating activities		180,178	2,173,649
Cash flows from investing activities			
Purchase of fixed assets	7	(878,326)	(3,833,554)
Interest received		21,687	2,244
Net cash used in investing activities		(856,639)	(3,831,310)
Cashflows from financing activities			
New borrowing		-	700,000
Net cash provided by financing activities		-	700,000
Change in cash and cash equivalents in year		(676,461)	(957,661)
Cash and cash equivalents at the start of the year		2,120,506	3,078,167
Cash and cash equivalents at the end of the year		1,444,045	2,120,506
Analysis of cash and cash equivalents and of net debt			
	At 1 June 2022	Cashflows	At 1 May 2023
Cash at bank and in hand	2,120,506	(761,461)	1,359,045
Short term deposits	-	85,000	85,000
Total cash and cash equivalents	2,120,506	(676,461)	1,444,045
Loans falling due within one year	-	-	-
Loans falling due after more than one year	(700,000)	-	(700,000)
Cash and cash equivalents less net debt	1,420,506	(676,461)	(744,045)

Notes to the accounts

1. Accounting Policies

a) Statutory information

Creative Land Trust is a charitable company limited by guarantee and is incorporated in England.

The registered office address is:

Invicta House,
108-114 Golden Lane,
London
EC1Y 0TL

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The approach to the going concern assessment has been explained in the Trustees' annual report.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Rental income is recognised when it is due from the tenants.

1. Accounting Policies

Continued...

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund Accounting

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. Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes. Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose. This includes bid-writing and other efforts to secure grants, and also activities relating to securing repayable finance.
- Expenditure on charitable activities includes the costs of managing property and undertaking policy and campaign work to further the purposes of the charity.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. The cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on the proportion of direct expenses attributable to those activities.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Operating leases (as a lessee)

Rental charges are charged on a straight-line basis over the term of the lease.

k) Tangible Fixed assets

Expenditure on properties is recognised as an asset at the point where we are legally committed to purchase the property and if there are no outstanding conditions. Prior to this, deposit and associated acquisition costs are recognised as an asset under construction in the balance sheet and is not depreciated until the asset is brought into use.

Properties are treated as tangible fixed assets, not investment properties, as they are held in order to pursue our charitable objects.

Land and buildings are revalued on a regular basis and gains and losses on revaluation are recognised in the Statement of Financial Activities and in a revaluation reserve in the Balance Sheet.

1. Accounting Policies

Continued...

Items of equipment are capitalised where the purchase price exceeds £1,000 and where the economic benefit will last for more than one year.

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. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

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:

Leasehold Improvements	Over the remaining life of the lease
Computer Equipment	3 years
Plant and Machinery	10-20 years

l) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

n) Short term deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

p) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

q) Pensions

The charity operates one defined contribution scheme and makes contributions to another. The pension charge represents the amounts payable by the charity to the schemes in respect of the year. The assets of the schemes are held separately from those of the charity in independently administered funds.

2. Income from donations

	Restricted Funds	Unrestricted Funds	Total
	2023	2023	2023
	£	£	£
Donations	-	1,000	1,000
Grants From			
Arts Council England	146,625	-	146,625
Greater London Authority	555,303	-	555,303
Architectural Heritage Fund	27,705	-	27,705
Transport for London	25,000	-	25,000
Total Funds	754,633	1,000	755,633

Prior Year

	Restricted Funds	Unrestricted Funds	Total
	2022	2022	2022
	£	£	£
Donations	10,110	-	1,000
Grants From			
Arts Council England	1,435,250	-	1,435,250
Greater London Authority	1,153,031	-	1,153,031
Architectural Heritage Fund	79,649	-	79,649
Total Funds	2,678,040	-	2,678,040

GLA (Main programme), Arts Council England and Bloomberg Philanthropies funding makes up the original seed funding for Creative Land Trust.

3. Income from charitable activities

	Unrestricted Funds	Total
	2023	2023
	£	£
Rental income	92,651	92,651
Recharged Service Charges	43,913	43,913
Building Works	22,500	22,500
Total Income from charitable activities	159,064	159,064

There was no income from charitable activities in the previous year.
All income relates to "building our portfolio" activity.

4a. Analysis of Expenditure – Current Year

	Raising Funds	Charitable Activities			Support Costs	Governance Costs	2023 Total	2022 Total
	£	Building our Portfolio	Policy and Campaign	Creative Workspace Resilience Fund	£	£	£	
Salary Costs (Note 6)	105,802	134,158	10,147	-	75,245	38,762	364,114	352,227
Property Running Costs	-	50,981	-	-	-	-	50,981	-
Financing	-	21,345	-	-	-	-	21,345	-
Legal and professional fees	98	105,905	11,425	-	1,989	13,920	133,337	114,881
Other	10,389	10,757	62	418	38,920	582	61,127	46,919
	116,289	323,146	21,634	418	116,154	53,264	630,904	514,028
Allocation of Support Costs	29,296	81,408	5,450	-	(116,154)	-	-	-
Allocation of Governance Costs	13,434	37,331	2,499	-	-	(53,264)	-	-
Total Expenditure 2023	159,019	441,885	29,583	418	-	-	630,904	
Total Expenditure 2022	153,477	319,666	40,390	495	-	-		514,028

4b. Analysis of Expenditure – Prior Year

	Raising Funds	Charitable Activities			Support Costs	Governance Costs	2022 Total
	£	Building our Portfolio	Policy and Campaign	Creative Workspace Resilience Fund	£	£	£
Salary Costs	88,295	133,394	8,275	112	83,914	38,238	352,227
Legal and professional fees	9,901	69,804	19,786	-	3,270	12,120	114,881
Other	8,832	19,724	105	383	14,972	2,904	46,919
	107,028	222,922	28,166	495	102,156	53,262	514,028
Allocation of Support Costs	30,531	63,590	8,035	-	(102,156)	-	-
Allocation of Governance Costs	15,918	33,154	4,189	-	-	(53,262)	-
Total Expenditure 2022	153,477	319,666	40,390	495	-	-	514,028

5. Net expenditure for the year

This is stated after charging:

	2023	2022
	£	£
Depreciation	9,847	400
Auditor's Remuneration:		
Audit fee	11,600	10,100
Other services	1,700	1,825

6. Staff costs and numbers, and trustee remuneration

	2023 £	2022 £
Wages and Salaries	320,106	306,385
National Insurance Costs	34,538	36,692
Pension Contributions	9,470	9,150
Total Staff costs	364,114	352,227

The average number of people employed by the charity during the year was as follows:

	2023	2022
Total	5.0	5.0

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2023	2022
£120,000–£129,999	1	1
£60,000–£69,999	1	–

The charity considers its key management personnel to be the Chief Executive and the Trustees. The total employment benefits of the Chief Executive including National Insurance and pension were £139,482 (2022: £139,165).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £48 (2022: £nil) incurred by one (2022: zero) member relating to meeting expenses.

7. Tangible Fixed Assets

	Buildings (Long Leaseholds)	Leasehold Improvements	Assets under construction	Plant and Machinery	Computer Equipment	Total
	£	£	£	£	£	£
Cost/Valuation						
Brought forward as at 1 Jun 2022	4,650,000	-	120,492	-	1,200	4,771,692
Additions in year	13,328	533,247	278,155	53,596	-	878,326
As at 31 May 2023	4,663,328	533,247	398,647	53,596	1,200	5,650,018
Depreciation						
Brought forward as at 1 Jun 2022	-	-	-	-	833	833
Charge in year	-	7,932	-	1,549	367	9,847
As at 31 May 2023	-	7,932	-	1,549	1,200	10,680
Net Book Value						
As at 31 May 2023	4,663,328	525,315	398,647	52,047	-	5,639,338
As at 31 May 2022	4,650,000	-	120,492	-	367	4,770,859

All of the above assets are used for charitable purposes.

Buildings are on a 999 year lease.

The historic cost of Buildings is £4,138,328.

8. Debtors

	2023	2022
	£	£
Due within one year		
Trade debtors	27,060	-
VAT Debtor	-	500
Prepayments	3,300	5,383
Accrued income	84,113	64,116
Total debtors	114,473	69,999

9. VAT Creditor

	2023	2022
	£	£
Creditors due within one year		
Trade creditors	26,991	108,939
Other creditors	919	905
VAT creditor	14,027	-
Accruals	7,000	8,080
Total Creditors due within one year	48,937	117,924
Creditors due in more than one year		
Long term loan	700,000	700,000
	700,000	700,000

The long term loan represents financing from NESTA's Arts and Culture Impact Fund. The loan is for a period of 8 years at a fixed interest rate of 3%. Capital repayments will begin in June 2024. It is secured on Block A of Wallis Road.

	2023	2022
	£	£
Repayments due within 1-5 years	452,553	334,280
Repayments due in more than 5 years	247,447	365,720
	700,000	700,000

10a. Movement in Funds (Current year)

	Balance at 1 Jun 2022	Income	Expenditure	Transfers	Revaluation	Balance at 31 May 2023
	£	£	£			£
Unrestricted Funds						
General Funds	15,097	160,677	(87,143)	-	-	88,631
Designated Funds						
Historic Cost	4,272,981	-	(9,847)	291,844	-	4,554,978
Revaluation Reserve	497,878	-	-	-	-	497,878
Total Designated	4,770,859	-	(9,847)	291,844	-	5,052,856
Restricted Funds						
Main Programme Funding	1,253,255	657,870	(439,198)	(191,959)	-	1,279,968
Creative Workspace Resilience Fund	2,337	-	(417)	-	-	1,920
GLA – other grants	29,594	65,132	(69,183)	-	-	25,543
TfL Feasibility	-	25,000	(25,115)	115	-	-
Architectural Heritage Fund	72,295	27,705	-	(100,000)	-	-
Total Restricted	1,357,483	775,707	(533,914)	(291,844)	-	1,307,432
Total Funds	6,143,439	936,384	(630,904)	-	-	6,448,919

Purpose of restricted funds:

Main Programme Funding: Seed funding granted to acquire buildings and support the operations of Creative Land Trust before it becomes self-sufficient.

Creative Workspace Resilience Fund – fund to provide financial support for studio providers experiencing financial difficulties due to COVID-19. Residual expenditure is to store and retrieve reporting data.

Architectural Heritage Fund: Project funding towards restoring a heritage building.

GLA Other grants – High Streets for All and money towards a feasibility study.

TfL feasibility – grant to carry out feasibility work at a potential site.

Purpose of designated funds

Funds are designated to match the value of assets less outstanding liability on loans funding those assets.

Transfers out of restricted funds and into designated funds represent the purchase of assets with grant funding.

10b. Movement in funds (prior year)

	Balance at 31 May 2021	Income	Expenditure	Transfers	Revaluation	Balance at 31 May 2022
	£	£	£			£
Unrestricted Funds						
General Funds	13,770	7,013	(5,686)	-	-	15,097
Designated Funds						
Historic Cost	-	-	-	4,272,981	-	4,272,981
Revaluation Reserve	-	-	-	-	497,878	497,878
Total Designated	-	-	-	4,272,981	497,878	4,770,859
Restricted Funds						
Main Programme Funding	3,455,703	2,566,622	(496,088)	(4,272,981)	-	1,253,255
Creative Workspace Resilience Fund	2,832	-	(495)	-	-	2,337
GLA - other grants	-	34,000	(4,406)	-	-	29,594
Architectural Heritage Fund	-	79,649	(7,354)	-	-	72,295
Total Restricted	3,458,535	2,680,271	(508,342)	(4,272,981)	-	1,357,483
Total Funds	3,472,305	2,687,284	(514,028)	-	497,878	6,143,439

11. Analysis of net assets between funds

Current year:

	Restricted	Designated	Unrestricted	Total
	2023	2023	2023	2023
	£	£	£	£
Tangible Fixed Assets	-	5,639,338	-	5,639,338
Current Assets	1,356,369	-	202,149	1,558,518
Current liabilities	(48,937)	-	-	(48,937)
Long term liabilities	-	(586,482)	(113,518)	(700,000)
Total	1,307,432	5,052,856	88,631	6,448,919

Prior year:

	Restricted	Designated	Unrestricted	Total
	2022	2022	2022	2022
	£	£	£	£
Tangible Fixed Assets	-	4,770,859	-	4,770,859
Current Assets	1,475,408	-	715,097	2,190,505
Current liabilities	(117,924)	-	-	(117,924)
Long term liabilities	-	-	(700,000)	(700,000)
Total	1,357,483	4,770,859	15,097	6,143,439

12. Prior Year Statement of Financial Activities

	Restricted Funds	Designated Funds	General Funds	Total Funds
	2022	2022	2022	2022
	£	£	£	£
Income From				
Donations and Legacies	2,678,040	-	-	2,678,040
Investment income	2,231	-	13	2,244
Other trading income	-	-	7,000	7,000
Total Income	2,680,271	-	7,013	2,687,284
Expenditure on				
Raising Funds	153,477	-	-	153,477
Charitable Activities	354,865	-	5,686	360,551
Total Expenditure	508,342	-	5,686	514,028
Net Income for the year	2,171,929	-	1,327	2,173,256
Transfers between funds	(4,272,981)	4,272,981	-	-
Net income / (expenditure) before other recognised gains and losses	(2,101,052)	4,272,981	1,327	2,173,256
Gains on revaluation of fixed assets	-	497,878	-	497,878
Net movement in Funds	(2,101,052)	4,770,859	1,327	2,671,134
Reconciliation of Funds				
Total Funds Brought Forward	3,458,535	-	13,770	3,472,305
Total Funds carried forward	1,357,483	4,770,859	15,097	6,143,439

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

13. Operating lease commitments receivable as a lessor

Amounts receivable under non-cancellable operating leases are as follows for each of the following periods:

	2023	2022
	£	£
Less than one year	162,666	86,269
One to five years	459,551	622,217
	622,217	708,486

Lease amounts are calculated up to the first break clause.

14. Related Party Transactions

During the year we contracted Outset Contemporary Arts to organise an event for us, paying a fee of £10,000 on an arm's length basis to cover staff time and other costs. Candida Gertler is one of our trustees and is also a co-founder and director of Outset Contemporary Arts. Candida Gertler was not involved in the decision to use Outset, which was taken after reviewing other options to determine value for money.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

15. Taxation

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

16. Capital Commitments

There were no capital commitments at the balance sheet date.

17. Legal position of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

Administrative and Reference Information

Company number	11367824
Country of incorporation	United Kingdom
Charity number	1182876
Country of registration	England & Wales
Registered office:	Invicta House 108-114 Golden Lane London EC1Y 0TL

Please note: the best way to contact us is to email info@creativelandtrust.org

Trustees

(all in place during the year and up to the date of this report unless otherwise stated)

Catherine Webster (Co-Chair)
Alex Notay (Co-Chair)
Malene Oddershede Bach
Philip Bier
Natalie Carter
James Cooksey
Michael Davis
Candida Gertler OBE
Sue-Lin Heng
John Lewis (resigned 5th July 2023)
Alice Millett
Pawan Sharma
Krupa Thakrar
Daniel Silver
Haroon Mirza (from 7th July 2022,
resigned 30th July 2023)

Artist Ambassadors:

Emmanuel Unaji
Adelaide Damoah
Yinka Shonibare CBE

Key management:

Gordon Seabright, Chief Executive Officer

Bankers:

The Co-operative Bank

P.O. Box 101,
1 Balloon Street,
Manchester
M60 4EP

Auditor:

Sayer Vincent LLP

Chartered Accountant and Statutory Auditor
Invicta House
108-114 Golden Lane
London
EC1Y 0TL

Solicitors

Burges Salmon LLP

One Glass Wharf,
Bristol,
BS2 0ZX

Russell Cooke LLP

8 Bedford Row,
London
WC1R 4BX

Dechert LLP

160 Queen Victoria St,
London
EC4V 4QQ

Bates, Wells and Braithwaite London LLP

10 Queen St Pl,
London
EC4R 1BE

CREATIVE LAND TRUST

England & Wales - Charity number 1182876

Accounts



**Year ended
31 May 2022**

Annual Report and Accounts

creativelandtrust.org

Twitter [@CreativeLandT](https://twitter.com/CreativeLandT)

Facebook [@creativelandtrust](https://facebook.com/creativelandtrust)

LinkedIn [Creative Land Trust](https://linkedin.com/company/creative-land-trust)

Instagram [@creativelandtrust](https://instagram.com/creativelandtrust)

Introduction

Why we're here

Creative Land Trust was founded to tackle a long-standing problem for London, and indeed other global cities.

London's competitiveness as a global city is built on its vibrant creative sector. Our creative industries generate more than £52bn each year. One in six of the UK's new jobs are in this sector. London is a cultural powerhouse, but its very success is pricing artists and makers out of our city.

The loss of affordable workspace, and consequent outflow of artists, presents a serious threat to the wellbeing and prosperity of a city so reliant on creativity for its success. According to (pre-COVID) research conducted for the Mayor of London, 24% of sites containing artists' workspaces were at risk of closure.

Artists are unable to focus their time on their practice due to the instability inherent in relying on temporary workspace, and expert studio providers are displaced from their locations despite years of building social capital. London's many excellent artists face growing difficulty in securing even "meanwhile" space.

Creative Land Trust is building a new financial and operating model to secure long term, affordable workspace that would otherwise be unattainable.

Our Vision

London will always have space for artists to create, collaborate and inspire others.

Our Mission

Over five years we will secure 1,000 studio spaces that otherwise wouldn't exist, and make them available for studio providers to rent to artists and makers. Working across London we'll prove that we've created a sustainable and replicable model, ready to expand in the city and nationwide. And we'll play our part in London's post-COVID-19 recovery, helping to rebuild a vibrant creative city.

Introduction from co-chairs

We are pleased to present Creative Land Trust's Annual Report and Accounts for the year ended 31 May 2022.

In a year of continued turmoil and challenge for everyone, but especially for the creative industries, the Trust has again achieved several key milestones. The acquisition of the Trust's first property was completed, and work began to bring it into use by artists. A second property was secured, an historic building in the heart of Newham called Alice Billings House. A major research paper was launched: 'Creative Places Creating Value' outlined the financial attractiveness and viability of professionally managed creative spaces in residential developments. Finally, a new source of funding was secured through a loan from Nesta (which takes the Trust to over £10m raised since inception).

Creative Land Trust's executive team has been working very hard on getting the new spaces ready for occupation. Wallis Road, in Hackney Wick, will be occupied before the end of the calendar year and we await confirmation of the fitout plans for Alice Billings House in order to proceed there. The team has also continued to find exciting new opportunities to grow the platform from the c200 studios already secured, with prospects at other locations around the south, west and centre of London to complement those already secured in the east. Our thanks go to all the executive team for their continued dedication and hard work over the last year.

Our board of Trustees and Artist Ambassadors has continued to be engaged and committed throughout the year and provide the Trust with fantastic insights and specialist knowledge alongside strong governance and oversight. We are very grateful to all of them.

We would also like to thank our founding partners and funders Mayor of London, Arts Council England, Bloomberg Philanthropies and Outset Contemporary Art Fund who have maintained consistent support both as observers to the Board and in our day-to-day activities.

Once again and to continue #makingspaceforart, we will be focusing in the coming year on our strategies for raising additional funds to buy buildings and make more long term, affordable workspace available for London's creative community. To keep in touch with what we're doing, please visit our website and sign up for our newsletter – we really appreciate your support.

Alexandra Notay and Catherine Webster – co-chairs.

Trustees' Report

The Trustees present their report and the audited financial statements for the year ended 31 May 2022.

Reference and administrative information set out on page 37 and 38 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives, activities and plans for the future

The charity's objects are:

To promote arts, crafts and craftsmanship for the public benefit, in particular, but not exclusively, by providing or facilitating access to affordable workspace for the production of arts and crafts to those in need.

Activities, achievements and performance

Our strategy (available on our website) sets out how we will achieve our objectives. This is broken into five workstreams.

Building our portfolio

We acquire freehold or long-leasehold properties that will be leased to workspace providers, thereby safeguarding affordability and long-term stability for London's creative practitioners. Our plan was to begin with 2-3 properties, enough to build up a track record of effective management, and then look to expand to 10-15 properties in years 3-5 of this strategy.

We are currently in year 2 of our plan. During 2021-22 we have secured two properties with a third acquisition planned. Wallis Road (formerly known as Stone Studios) is a new build residential building in Hackney Wick; we now have a 999-year lease for the ground and lower ground floors. This will provide approximately 30,000 square feet of lettable space.

We also signed Heads of Terms with the London Borough of Newham to take on Alice Billings House, a Grade 2 listed building in the centre of Stratford. Backed by funding from the Architectural Heritage Fund and the London Borough of Newham, we will take on a 25 year full-repairing lease and bring this empty property back to life. We have also obtained funding from the GLA's High Streets for All scheme to commission a public art project which will create a sense of interest, intrigue, engagement, and excitement to animate Stratford High Street.

As well as these projects, we continue to develop a healthy pipeline of other property opportunities which are geographically diverse and range from industrial heritage buildings to brand new development sites.

Our focus for the next year will be on activating and managing our existing sites and raising funds for future purchases.

Managing the portfolio

We use an open tender process to select expert studio providers and offer them affordable and secure lease terms. During 2021-22 we entered into leases with Cell Studios and Mainyard Studios for separate blocks within Wallis Road. We have also begun the tender process for finding a partner for Alice Billings House.

We have developed lease agreements and KPIs that will enable us to offer affordable, long term and flexible space while also ensuring that we can monitor our impact.

During the year we also decided to offer financial support to our Wallis Road tenants by contributing directly to fit-out costs. This reflects a change to our original strategy and recognises that COVID-19, rising energy prices and general inflation have made it more challenging to create suitable workspaces.

Achieving financial sustainability

Our aim is to achieve a sustainable model. We will finance acquisitions with a blend of repayable and philanthropic finance. We assess all potential properties against financial benchmarks to ensure that the end rental cost to the artist will be affordable, while generating sufficient return to cover financing and operational costs. We expect to make net losses while we are building the portfolio but aim to break even when we have a portfolio of 10-15 properties.

During the last year we exceeded our targets for external fundraising. We were awarded two further grants from the Architectural Heritage Fund for work on Alice Billings House, and secured commitments from the London Borough of Newham to co-fund the project. We have also been successful in obtaining grant money to work on feasibility studies for future projects.

We also secured our first impact loan. In May 22 we drew down £700,000 from NESTA's Arts and Culture Impact Fund. This will be used primarily to finance fit out costs at Wallis Road in the next financial year.

In total, we have managed to add £2m of additional financing to our original £7.5m seed funding.

Policy and campaigning work

Creative spaces and communities have been shown to have a wider economic and social value, helping to regenerate areas by stimulating local business growth, attracting inward investment and infrastructure development including housing.

We want to ensure that this value is recognised, and that the artists that add this value gain long term security. We aim to provide evidence to developers and local authorities about the value of secure and affordable creative space so that it can be built into future planning opportunities.

During 2021-22 we published original quantitative research that explores the financial link between creative space and property prices. Commissioned in partnership with Get Living and Creative Estuary, the report "Creative Spaces Create Value" (available on our website) has started conversations with developers and has been quoted in a number of places, including as far away as Australia.

We have also continued to work with King's College London on a study of the social and cultural value of creative workspace within communities, using our first location as a key case study.

Finally, we work with studio providers and other creative industries to provide input into policies and initiatives and to collaborate to achieve our wider goals. For example, we recently contributed to a project to produce sustainability guidelines for cultural spaces, and we have provided advice to arts organisations who are trying to secure properties.

Other activities

In addition, we may take on other work that furthers our charitable objects. We have completed some consultancy work (recorded as "other income") with developers looking to include affordable workspace in new projects. We consider that this furthers our charitable objects as it may lead to opportunities for us; however, we charge in order to cover our costs and safeguard our resources.

Members of our team are increasingly asked to appear on panels; we do this for free if it is for a charitable organisation or is an opportunity to promote the sector more widely.

We also make introductions between studio providers and promote opportunities throughout the sector.

Main activities undertaken to further the charity's purposes for the public benefit

Creative Land Trust exists to support the arts and creative sector as a whole.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Measuring our impact

The activities listed above describe some of our progress this year; however, we are mindful that these are mostly outputs rather than wider social outcomes.

During the year, we have started to determine how we will measure and collect impact data, to support the social outcomes that we have identified.

Financial stability

We expect that studio providers and artists will be able to grow and develop their businesses as a result of having secure and affordable workspace. We will be collecting data about tenancies and business supported once our buildings are activated.

Internally we can also ensure that our business practices support financial stability; for example working with artists and SMEs and ensuring they are paid fairly and promptly. During 2021-22 our average payment time was 14 days, and we paid 88% of invoices within 30 days.

We also become an accredited London Living Wage employer during the year.

Inspirational Environments

We want our spaces to enhance a local sense of place, be a positive addition to cultural infrastructure and inspire users and passers by. When our spaces are activated, we will look to measure user satisfaction and use this to inform future spaces.

We are also looking for ways to build links between our properties and the communities in which they are located. For example, we recently held an "Open Call" for artists to fund a public art project around Alice Billings House. We appointed Paint The Change to run a series of community workshops that will deliver a number of portraits of local people as part of a wider campaign to reimagine Stratford High Street.

Sustainability

We have embedded environmental sustainability into our operations and will incorporate green KPIs with our lease agreement. See Carbon Reporting and Sustainability for more details about what we have already done.

Accessibility

We want to create accessible spaces, both physically and socially. We will do this through our diversity and inclusion policy, both for resident artists and by opening up opportunities for art to local communities. We will monitor this in partnership with our tenants.

We will also design spaces to ensure physical accessibility that meets all needs. Our first two buildings meet "Approved Document M" requirements, the standard for accessible building.

Systemic change

If we are successful then we will have;

- Built a sustainable and replicable model for ownership of affordable workspace and
- Convinced key players to place more value on creative space.

Our activities this year have promoted both these intentions. As noted above, we have been successful in unlocking new sources of finance and attracting interest in our financial model. And thanks to our research work, networking and publicity, members of our team are increasingly invited to speak at real estate and other events to promote the benefits of creative workspace.

Carbon Reporting and Sustainability

In September 2020 Creative Land Trust declared a climate emergency and adopted a sustainability policy and action plan. We reviewed and updated this in March 22 and will continue to review it each year.

The key steps identified were;

- Incorporate green clauses and practices into our leases, from measuring energy use to encouraging active travel;
- Start measuring and reporting carbon emissions even though it is not required for an organisation of our size;
- Incorporate sustainability principles into all key decisions, for example procurement and banking.

Carbon Reporting

We are voluntarily adopting the Greenhouse Gas Protocol for measuring and reporting our carbon emissions.

As we have no office or vehicles, we have no scope 1 or 2 emissions as an organisation, so we have looked at our scope 3 emissions in as much detail as possible.

For the year ended 31 May 2022, we have calculated our carbon impact as 0.418 tonnes, the equivalent of driving about 2,015km in an average car.

Included in the figures above are emissions from business travel, goods that we have bought, and an estimate of the impact of our computer use.

It should be noted that the impact from business travel is lower than might be expected, due to various lockdowns in place during the year, and it is likely that this will increase in the next year. On the other hand, we have also taken business decisions that will keep our footprint low, such as sourcing second-hand goods, and deciding not to have an office. All of our business processes are paperless. We are committed to active travel, with employees walking or cycling wherever possible and using public transport where not.

Our leased buildings

In standard GGP reporting, emissions from tenants are not considered to be part of the organisational footprint. However, we recognise that as landlords we can influence (negatively or positively) the footprint of the building and we will work with all our tenants to measure and reduce this once they have completed their fit out.

We are also able to use funding from NESTA to help our tenants at Wallis Road fit out to a higher standard. For the Alice Billings project, we are specifying materials and processes that will lead to a lower carbon footprint for that building.

Financial Review

Key financial performance indicators

During the year we received income of £2,687,000 (prior year £977,000). This was predominantly grant income that had already been awarded to us, including £1,119,000 from GLA and £1,280,000 from ACE for completing the purchase of Wallis Road. We had expenditure of £514,000 (prior year £2,002,000, which included £1.5m of grants awarded under the Creative Workspace Resilience Fund programme)

Not included in expenditure are capital additions of £3,834,000.

The surplus of £2,173,000 in 2021-22 predominantly reflects the fact that grant income towards capital purchases is accounted for within income in the SOFA, but the capital purchase itself is accounted for as an asset. To clarify this in our reporting, the Trustees have designated an asset reserve to reflect the value of our capital properties.

With our first acquisitions complete, we began to focus more on fundraising, which explains the increase in "Raising Funds" expenditure from £8,000 in 2020-21 to £153,000 in 2021-22. This line covers all activities (predominantly staff time) relating to acquiring more funds, including bid writing and applications for repayable finance.

At the year end, our cash and current assets position is strong as we drew down the loan of £700,000 from the NESTA Arts and Culture Impact Fund just before year end. This will be spent predominantly on fit out costs at Wallis Road. During the year we recognised and revalued our first property assets on the balance sheet.

Going concern

The Trustees have reviewed our five year financial plan and also a more detailed cashflow forecast for the next 18 months to determine whether the charity has adequate resources to continue. The cashflow forecast takes a prudent view of the future, including all known commitments but excluding potential sources of income. The five year plan and 18 month cash flow is reviewed at least every quarter and whenever a major decision is to be taken to ensure that the charity does not over commit its resources.

As a result of these reviews, the Trustees have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, we continue to adopt the going concern basis in preparing the financial statements.

Reserves Policy

One of our overarching aims is to provide financial stability to the creative workspace sector. This means ensuring that we do not enter into commitments that we cannot fund, as noted above, and also that we have sufficient reserves to fund an orderly wind up should it be decided that the organisation should not continue. For this reason, the charity aims to have at least three months' running costs in reserve plus additional winding up costs. This means a target reserve level of approximately £240,000.

The charity currently has free reserves of £15,000. The low level of reserves is due to the fact that we are currently funded by start-up grants and all of our activities are funded by restricted reserves. However, over time, we would expect to hold our target level of reserves in unrestricted funds.

Principal risks and uncertainties

The charity maintains a risk register which is reviewed by Trustees every quarter. The main risks to our business (and mitigations) are as follows:

Increased risk to financial stability of studio providers

As reported last year, Covid has continued to bring further pressures on existing reserves, and we altered our business plan to anticipate providing support with fit-out costs. The increase in energy costs presents a further challenge and our mitigation will be to explore on-site generation options wherever possible.

Increased fit out costs

Building materials and labour costs have increased significantly in the last year and are expected to remain high, at least in the short term. Our mitigation is to assume higher costs for fit out and be cautious about committing funding to new projects to ensure we have sufficient funds to complete our current ones.

Fundraising

While most of our focus this year has been on raising repayable finance we have started to prepare for more philanthropic fundraising in future years.

During the year we signed up to the Code of Fundraising Practice and have created new internal policies around donation acceptance. We did not solicit or receive any donations from members of the public during the year, and we have had no complaints about our fundraising activity.

We do not use third-party fundraisers.

Structure, governance and management

Constitution

The charity is registered as a charitable company limited by guarantee (charity number 1182876) and was set up by a Memorandum and Articles of Association on 25 March 2019. The Articles of Association have subsequently been amended on 30th September 2021.

Method of appointment or election of Trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. We have two Artist Trustees at any time. Other board members are recruited through an open recruitment process and Trustee vacancies are posted on our website.

Trustees are provided with an induction pack, and we aim to run a trustee training session at least once a year.

Organisational structure and decision making

The Board of Trustees governs the charity. The Board meets at least four times a year. The Board has three sub-committees, set up to consider issues in detail. These are;

- Finance, Audit and Risk Committee
- Property Committee
- Development Committee

The organisation is run by a Chief Executive and four permanent members of staff. This executive team makes day-to-day operational decisions, within a scheme of delegation from the Board.

Executive pay is governed by a remuneration policy, which, among other things, sets out that pay will be reviewed annually and that the Trustees are responsible for reviewing pay levels.

Statement of responsibilities of the Trustees

Statement of responsibilities of the Trustees

The Trustees (who are also directors of Creative Land Trust for the purposes of company law) are responsible for preparing the Trustees' annual 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 which give a true and fair view of the state of affairs of the charitable company and of the incoming resources 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 then apply them consistently;

- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate 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.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware, and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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 Trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

The Trustees' report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime. The Trustees' annual report has been approved by the Trustees on 6th October 2022 and signed on their behalf by :

Alexandra Notay

Independent Auditor's Report to members of Creative Land Trust

Opinion

We have audited the financial statements of Creative Land Trust (the 'charitable company') for the year ended 31 May 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 May 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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 charitable company 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 Creative Land Trust'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 other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual 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, or returns adequate for our audit have not been received from branches not visited by us; or
- The 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 directors 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' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

We enquired of management and the finance, audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the Trust's policies and procedures relating to:

- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
 - We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the Trust operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the Trust from our professional and sector experience
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course

of business.

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 is available on the Financial Reporting Council's website at: 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.

Fleur Holden (Senior Statutory Auditor)

14 October 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Statement of Financial Accounts (incorporating the Income and Expenditure account)

Year ended 31 May 2022

		Restricted Funds	Designated Funds	General Funds	Total Funds	Total Funds
		2022	2022	2022	2022	2021
		£	£	£	£	£
Income From Note						
Donations and Legacies	2	2,678,040	-	-	2,678,040	973,030
Investment income	3	2,231	-	13	2,244	3,800
Other trading income		-	-	7,000	7,000	-
Total Income		2,680,271	-	7,013	2,687,284	976,830
Expenditure on						
Raising Funds	4	153,477	-	-	153,477	8,268
Charitable Activities	4	354,866	-	5,686	360,551	1,993,697
Total Expenditure		508,342	-	5,686	514,028	2,001,965
Net Income/(expenditure) for the year		2,171,929	-	1,327	2,173,256	(1,025,135)
Transfers between funds		(4,272,981)	4,272,981	-	-	-
Net income / (expenditure) before other recognised gains and losses		(2,101,052)	4,272,981	1,327	2,173,256	(1,025,135)
Gains on revaluation of fixed assets		-	497,878	-	497,878	-
Net movement in Funds		(2,101,052)	4,770,859	1,327	2,671,134	(1,025,135)
Reconciliation of Funds						
Total Funds Brought Forward		3,458,535	-	13,770	3,472,305	4,497,440
Total Funds carried forward		1,357,483	4,770,859	15,097	6,143,439	3,472,305

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 11 to the financial statements.

Balance Sheet

As at 31 May 2022

		2022	2021
		£	£
	Note		
Fixed Assets			
Tangible Fixed Assets	8	4,770,859	439,826
		<u>4,770,859</u>	<u>439,826</u>
Current Assets			
Debtors	9	69,999	22,969
Cash at bank and in hand		<u>2,120,506</u>	<u>3,078,167</u>
		2,190,505	3,101,136
Creditors: Amounts falling due within one year	10	(117,924)	(68,657)
Net current assets		<u>2,072,580</u>	<u>3,032,479</u>
Creditors: amounts falling due in more than one year	10	(700,000)	-
Total Net Assets		<u>6,143,439</u>	<u>3,472,305</u>
Charity Funds			
Restricted Funds	11	1,357,483	3,458,535
Designated funds:	11	4,770,859	-
General Funds	11	<u>15,097</u>	<u>13,770</u>
		<u>6,143,439</u>	<u>3,472,305</u>

Approved by the trustees on: 6th October 2022
and signed on their behalf by A Notay,
Trustee and Co-chair:

Registered Company No: 11367824

Statement of cashflows

Year ended 31 May 2022

		2022	2021
		£	£
	Note		
Cash flows from operating activities			
Net income / (expenditure) for the reporting period		2,173,256	(1,025,135)
Depreciation	6	400	400
Interest earned	3	(2,244)	(16)
(Increase) / decrease in debtors	9	(47,030)	1,826,015
Increase in creditors	10	49,267	50,247
Net cash flows provided by operating activities		2,173,649	851,511
Cash flows from investing activities			
Purchase of fixed assets	8	(3,833,554)	(439,059)
Interest received	3	2,244	16
Net cash provided by used in investing activities		(3,831,310)	(439,043)
Cashflows from financing activities			
New borrowing		700,000	-
Net cash provided by financing activities		700,000	-
Change in cash and cash equivalents in year		(957,661)	412,468
Cash and cash equivalents at the start of the year		3,078,167	2,665,699
Cash and cash equivalents at the end of the year		2,120,506	3,078,167

1. Accounting Policies

a) Statutory information

Creative Land Trust is a charitable company limited by guarantee and is incorporated in England. The registered office address is Invicta House, 108-114 Golden Lane, London EC1Y 0TL

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The impact of COVID-19 has been included in the charity's planning for the future and the going concern assumption takes this into consideration. The approach to the going concern assessment has been explained in the Trustees' annual report.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

1. Accounting Policies Continued

g) Fund Accounting

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. Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose. This includes bid-writing and other efforts to secure grants, and also activities relating to securing repayable finance.
- Expenditure on charitable activities includes the costs of acquiring and managing property and undertaking policy and campaign work to further the purposes of the charity.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. The cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on the proportion of direct expenses attributable to those activities.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Operating leases

Rental charges are charged on a straight-line basis over the term of the lease.

1. Accounting Policies Continued

l) Tangible Fixed assets

Expenditure on properties is recognised as an asset at the point where we are legally committed to purchase the property and if there are no outstanding conditions. Prior to this, deposit and associated acquisition costs are recognised as an asset under construction in the balance sheet and is not depreciated until the asset is brought into use.

Properties are treated as tangible fixed assets, not investment properties, as they are held in order to pursue our charitable objects.

Land and buildings are revalued on a regular basis and gains and losses on revaluation are recognised in the Statement of Financial Activities and in a revaluation reserve in the Balance Sheet.

Items of equipment are capitalised where the purchase price exceeds £1,000 and where the economic benefit will last for more than one year.

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. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

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:

Leasehold Improvements	Over the remaining life of the lease
Computer Equipment	3 years

m) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

p) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

q) Pensions

The charity operates one defined contribution scheme and makes contributions to another. The pension charge represents the amounts payable by the charity to the schemes in respect of the year. The assets of the schemes are held separately from those of the charity in independently administered funds.

2. Income from donations

	Restricted Funds	Unrestricted Funds	Total
	2022	2022	2022
	£	£	£
Donations	10,110	-	10,110
Grants From			
Arts Council England	1,435,250	-	1,435,250
Greater London Authority	1,153,031	-	1,153,031
Architectural Heritage Fund	79,649	-	79,649
Total Funds	2,678,040	-	2,678,040
Prior Year			
	Restricted Funds	Unrestricted Funds	Total
	2021	2021	2021
	£	£	£
Grants From			
Arts Council England	155,250	-	155,250
Bloomberg Philanthropies	550,134	-	550,134
Greater London Authority	250,000	-	250,000
Architectural Heritage Fund	7,646	-	7,646
Total Funds	973,030	-	973,030

GLA (Main programme), Arts Council England and Bloomberg Philanthropies funding makes up the original seed funding for Creative Land Trust.

3. Income from investments

	Restricted Funds	Unrestricted Funds	Total
	2022	2022	2022
	£	£	£
Investment income	2,231	13	2,244
Total Funds	2,231	13	2,244

Prior Year:

	Restricted Funds	Unrestricted Funds	Total
	2021	2021	2021
	£	£	£
Investment income	3,784	16	3,800
Total Funds	3,784	16	3,800

4a. Analysis of Expenditure – Current Year

	Raising Funds	Building our Portfolio	Charitable Activities		Support Costs	Governance Costs	2022 Total	2021 Total
	£	£	Policy and Campaign	Creative Workspace Resilience Fund	£	£	£	
Salary Costs	88,295	133,394	8,275	112	83,914	38,238	352,227	316,219
Grant expenses	-	-	-	-	-	-	-	1,536,314
Consulting	1,600	-	-	-	-	-	1,600	47,622
Legal and professional fees	8,301	69,804	19,786	-	3,270	12,120	113,281	59,632
Other	8,832	19,724	105	383	14,972	2,904	46,919	42,178
	107,028	222,922	28,166	495	102,156	53,262	514,028	2,001,965
Allocation of Support Costs	30,531	63,590	8,035	-	(102,156)	-	-	-
Allocation of Governance Costs	15,918	33,154	4,189	-	-	(53,262)	-	-
Total Expenditure 2022	153,477	319,666	40,390	495	-	-	514,028	
Total Expenditure 2021	8,268	365,975	46,095	1,581,627	-	-		2,001,965

4b. Analysis of Expenditure – Prior Year

	Raising Funds	Building our Portfolio	Charitable Activities Policy and Campaign	Creative Workspace Resilience Fund	Support Costs	Governance Costs	
	£	£	£	£	£	£	£
Salary Costs	3,866	157,582	2,481	18,343	103,703	30,244	316,219
Grant expenses	-	-	-	1,536,314	-	-	1,536,314
Consulting	-	7,800	-	26,290	13,532	-	47,622
Legal and professional fees	-	9,702	19,568	-	18,842	11,520	59,632
Other	90	15	5	680	41,358	30	42,178
	3,956	175,099	22,054	1,581,627	177,435	41,794	2,001,965
Allocation of Support Costs	3,490	154,487	19,458	-	(177,435)	-	-
Allocation of Governance Costs	822	36,389	4,583	-	-	(41,794)	-
Total Expenditure 2021	8,268	365,975	46,095	1,581,627	-	-	2,001,965

5. Grant Making activities

There were no grant-making activities in the current year.

	Prior Year		
	Grants to institutions	Support Costs	Total
	2021 £	2021 £	2021 £
Creative Workspace Resilience Fund	1,536,314	45,313	1,581,627
Total Funds	1,536,314	45,313	1,581,627

The following institutions received material grants (£30,000 or more) through the Creative Workspace Resilience Fund:

	£
SPACE studios	127,600
ACAVA	102,928
ACME	95,700
Bow Arts	89,320
Artists Studio Company	63,800
Cell Project Space	38,280
Cockpit Arts	35,995
V22 London Ltd	31,900

Grants were awarded to 83 recipients and ranged from £2,000 to £127,600. The average award was £18,500.

6. Net expenditure for the year

This is stated after charging:

	2022	2021
	£	£
Depreciation	400	400
Auditor Remuneration:		
Audit fee	10,100	9,600
Other services	1,825	3,415

7. Staff costs and numbers, and trustee remuneration

	2022	2021
	£	£
Wages and Salaries	306,385	276,483
National Insurance Costs	36,693	32,087
Pension Contributions	9,150	7,649
Total Staff costs	352,228	316,219

Contributions totalling £905 were payable and are included in creditors at year end (2020: £nil).

The average number of people employed by the charity during the year was as follows:

	2022	2021
Total	5.0	5.0

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2022	2021
£120,000–£129,999	1	1

The charity considers its key management personnel to be the Chief Executive and the Trustees. The total employment benefits of the Chief Executive were £139,165 (2021: £138,946).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

No trustees claimed any expenses during this or the previous financial year.

8. Tangible Fixed Assets

	Buildings	Assets Under Construction	Computer Equipment	Total
	£	£	£	£
Cost/Valuation				
Brought forward as at 1 Jun 2021	-	439,059	1,200	440,259
Additions in year	-	3,833,555	-	3,833,555
Revaluations in year	497,878	-	-	497,878
Transfers in year	4,152,122	(4,152,122)	-	-
As at 31 May 2022	4,650,000	120,492	1,200	4,771,692
Depreciation				
Brought forward as at 1 Jun 2021	-	-	433	433
Charge in year	-	-	400	400
As at 31 May 2022	-	-	833	833
Net Book Value				
As at 31 May 2022	4,650,000	120,492	367	4,770,859
As at 31 May 2022	-	439,059	767	439,826

All of the above assets are used for charitable purposes.

9. Debtors

	2022	2021
	£	£
Due within one year		
VAT Debtor	500	5,173
Prepayments	5,383	151
Accrued income	64,116	17,645
Total debtors	69,999	22,969

10. Creditors

	2022	2021
	£	£
Creditors due within one year		
Trade creditors	108,939	10,207
Other creditors	905	1,066
Accruals	8,080	57,384
Total Creditors due within one year	117,924	68,657
Creditors due in more than one year		
Long term loan	700,000	-
	700,000	-

The long term loan represents financing from NESTA's Arts and Culture Impact Fund.

The loan is for a period of 8 years at an interest rate of 3% with a 2 year capital repayment holiday.

Repayments due within 1-5 years:	334,280
Repayments due in more than 5 years	365,720
	700,000

11a. Movement in Funds (Current year)

		Income	Expenditure	Transfers	Revaluation	Balance at 31 May 2022
	£	£	£			£
Unrestricted Funds						
General Funds	13,770	7,013	(5,686)	-	-	15,097
Designated Funds						
Historic Cost	-	-	-	4,272,981	-	4,272,981
Revaluation Reserve	-	-	-	-	497,878	497,878
Restricted Funds						
Main Programme Funding	3,455,703	2,566,622	(496,088)	(4,272,981)	-	1,253,255
Creative Workspace Resilience Fund	2,832	-	(495)	-	-	2,337
GLA – other small grants	-	34,000	(4,406)	-	-	29,594
Architectural Heritage Fund	-	79,649	(7,354)	-	-	72,295
Total Funds	3,472,305	2,687,284	(514,028)	-	497,878	6,143,439

Purpose of restricted funds:

Main Programme Funding: Seed funding granted to acquire buildings and support the operations of Creative Land Trust before it becomes self-sufficient.

Creative Workspace Resilience Fund – fund to provide financial support for studio providers experiencing financial difficulties due to COVID-19.

Architectural Heritage Fund: Project funding to assess viability of restoring a heritage building.
GLA – other small grants – these relate to feasibility studies.

11b. Movement in funds (prior year)

	Balance at 1 Jun 2020	Income	Expenditure	Balance at 31 May 2021
	£	£	£	£
Unrestricted Funds				
General Funds	13,855	16	(101)	13,770
Restricted Funds				
Main Programme Funding	3,149,126	719,168	(412,591)	3,455,703
Creative Workspace Resilience Fund	1,334,459	250,000	(1,581,627)	2,832
Architectural Heritage Fund	-	7,646	(7,646)	-
Total Funds	4,497,440	976,830	(2,001,965)	3,472,305

12. Analysis of net assets between funds

Current year:

	Restricted	Designated	Unrestricted	Total
	2022	2022	2022	2022
	£	£	£	£
Tangible Fixed Assets	-	4,770,859	-	4,770,859
Current Assets	1,475,408	-	715,097	2,190,505
Current liabilities	(117,924)	-	-	(117,924)
Long term liabilities	-	-	(700,000)	(700,000)
Total	1,357,483	4,770,859	15,097	6,143,439

Prior year:

	Restricted	Designated	Unrestricted	Total
	2021	2021	2021	2021
	£	£	£	£
Tangible Fixed Assets	439,826	-	-	439,826
Current Assets	3,087,366	-	13,770	3,101,136
Current liabilities	(68,657)	-	-	(68,657)
Total	3,458,535	-	13,770	3,472,305

13. Prior Year Statement of Financial Activities

	Restricted Funds	Unrestricted Funds	Total Funds
	2021	2021	2021
	£	£	£
Income From			
Donations and Legacies	973,030	–	973,030
Investment income	3,784	16	3,800
Total Income	976,814	16	976,830
Expenditure on			
Raising Funds	8,268	–	8,268
Charitable Activities	1,993,596	101	1,993,697
Total Expenditure	2,001,864	101	2,001,965
Net Movement in Funds	(1,025,050)	(85)	(1,025,135)
Reconciliation of Funds			
Total Funds Brought Forward	4,483,585	13,855	4,497,440
Net movement in Funds	(1,025,050)	(85)	(1,025,135)
Total Funds carried forward	3,458,535	13,770	3,472,305

14. Operating lease commitments receivable as a lessor

Amounts receivable under non-cancellable operating leases are as follows for each of the following periods:

	2022	2021
	£	£
Less than one year	86,269	-
One to five years	622,217	-
More than five years	-	-
Total	708,486	-

15. Related Party Transactions

There are no related party transactions or balances to disclose for this financial year.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

16. Taxation

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

17. Capital Commitments

There were no capital commitments at the balance sheet date.

18. Legal position of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

Administrative and Reference Information

Company Number	11367824
Country Incorporation	United Kingdom
Charity number	1182876
Country of registration	England & Wales
Registered office:	Invicta House 108-114 Golden Lane LONDON EC1Y 0TL

[Please note that we do not have a physical office. The best way to contact us is to email admin@creativelandtrust.org]

Trustees (all in place during the year and up to the date of this report)

Catherine Webster (Co-Chair)	Sue-Lin Heng
Alex Notay (Co-Chair)	John Lewis
Malene Oddershede Bach	Alice Millest
Philip Bier	Pawan Sharma
Natalie Carter	Krupa Thakrar
James Cooksey	Haroon Mirza (from 7th July 2022)
Michael Davis	Emmanuel Unaji (to 20th January 2022)
Candida Gertler OBE	Daniel Silver (from 20th January 2022)

Artist Ambassadors:	Haroon Mirza Emmanuel Unaji Yinka Shonibare CBE
Key management:	Gordon Seabright, Chief Executive Officer
Bankers:	The Co-operative Bank P.O. Box 101, 1 Balloon Street, Manchester M60 4EP
Auditors:	Sayer Vincent LLP Chartered Accountants and Statutory Auditor Invicta House 108-114 Golden Lane
Solicitors	Burges Salmon LLP One Glass Wharf, Bristol, BS2 0ZX Russell Cooke LLP 8 Bedford Row, London WC1R 4BX Dechert LLP 160 Queen Victoria St, London EC4V 4QQ Bates, Wells and Braithwaite London LLP 10 Queen St Pl, London EC4R 1BE



Making Space for Art

CREATIVE LAND TRUST

England & Wales - Charity number 1182876

Accounts



**Year ended
31 May 2021**

Annual Report and Accounts

creativelandtrust.org
Twitter @CreativeLandT
Facebook@creativelandtrust
LinkedIn Creative Land Trust
Instagram @creativelandtrust

We are supported by

MAYOR OF LONDON



Supported using public funding by
**ARTS COUNCIL
ENGLAND**

**Bloomberg
Philanthropies**

outset.

Why we're here

Creative Land Trust was founded to tackle a long-standing problem for London, and indeed other global cities.

London's competitiveness as a global city is built on its vibrant creative sector. Pre-pandemic, our creative industries generated more than £52bn each year. Over 2 million jobs are in the creative industries with growth four times the rate of the UK economy as a whole. London is a cultural powerhouse – but its very success is pricing artists and makers out of our city. According to recent research, 17% of London studios are at risk of closure by 2023.

The loss of affordable workspace, and consequent outflow of artists and makers, presents a serious threat to the wellbeing and prosperity of a city so reliant on creativity for its success.

Artists are unable to focus their time on their practice due to the instability inherent in relying on temporary workspace, and expert studio providers are displaced from their locations despite years of building social capital. London's many excellent artists face growing difficulty in securing even "meanwhile" space.

Creative Land Trust is building a new financial and operating model to secure long term, affordable workspace that would otherwise be unattainable.

Our Vision

London will always have space for artists to create, collaborate and inspire others.

Our Mission

Over five years we will secure 1,000 studio spaces that otherwise wouldn't exist, and make them available for studio providers to rent to artists and makers. Working across London we'll prove that we've created a sustainable and replicable model, ready to expand in the city and nationwide. And we'll play our part in London's post-COVID-19 recovery, helping to rebuild a vibrant creative city.

Introduction from co-chairs

We are pleased to present Creative Land Trust's Annual Report and Accounts for the year ended 31st May 2021. In a year of extreme turmoil and challenge for everyone, but especially for the creative industries, the Trust has achieved several key milestones – the acquisition of its first property, the development of an active pipeline of opportunities, and the appointment of our first studio provider.

In April 2020 we were thrilled to appoint Gordon Seabright who joined us after five-and-a-half years' leading the world-renowned Eden Project. Gordon's expertise and enthusiasm has proved inordinately valuable in taking on the embryonic structure so carefully shepherded into existence by Interim CEO Sara Turnbull and successfully hitting all the targets set by our ambitious Board. We wish to thank both Sara and Gordon for their passion, pragmatism and collaborative approach that has given the Trust such strong foundations.

Having recruited a small and dedicated executive team working entirely remotely we were able to respond swiftly in summer 2020 to support the Greater London Authority's COVID-19 response by delivering the Mayor's Culture at Risk Business Support Fund. This £1.6m fund, which included an investment from another of our founding partners, Bloomberg Philanthropies, benefitted 83 artist studios across 18 London boroughs, supporting more than 11,500 creatives impacted by the pandemic. The smooth, swift and robust process of distributing these critical funds demonstrated how the Trust could add value beyond its core objects and we were delighted to receive excellent feedback from applicants, recipients and colleagues at the GLA.

In September 2020 we appointed our first two artist trustees to the Board; their insight and guidance has proved invaluable. Every single Trustee has demonstrated deep commitment, engagement and impact despite the wider pressures of life and work through the pandemic and we are enormously grateful to each of them.



Alexandra Notay, Co-Chair
PfP Capital, Placemaking and Investment Director



Catherine Webster, Co-Chair
Quintain, Executive Director for Strategy & Investment

As we target significant further fundraising we would also like thank our visionary founding partners and funders at the GLA, Arts Council England, Bloomberg Philanthropies and Outset Contemporary Art Fund who have maintained consistent support both as observers to the Board and in our day-to-day activities.

Throughout the year the team developed a significant pipeline of potential opportunities for acquisition and the Property Committee have honed our process of appraisal and review. In March 2021 we successfully purchased our first building, Stone Studios in Hackney Wick. Despite the inevitable delays caused by COVID-19 we have announced our first tenant, and look forward to moving into the operational phase of running affordable studios for London's artists.

We are currently working on some fantastic further opportunities to be delivered in partnership with local authorities and developers. In order to continue Making Space for Art, we will be focussing more in the coming year on developing these relationships and raising funds to bring more studios into action.

To keep in touch with what we're doing, please visit our website and sign up for our newsletter – we really appreciate your support.

Alexandra Notay and Catherine Webster – co-chairs.

Trustees' Report

The Trustees present their report and the audited financial statements for the year ended 31st May 2021.

Reference and administrative information set out on page 47 – 48 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives, activities and plans for the future

The charity's objects are:

To promote arts, crafts and craftsmanship for the public benefit, in particular, but not exclusively, by providing or facilitating access to affordable workspace for the production of arts and crafts to those in need.

Activities for achieving objectives

Our strategy (available on our website) sets out how we will achieve our objectives. This is broken into five workstreams.

Building our portfolio

We will acquire freehold or long-leasehold properties that will be leased to workspace providers, thereby safeguarding affordability and long-term stability for London's creative practitioners.

We will also acquire buildings through strategic partnership, and through asset transfer agreements with public sector organisations.

We will start with 2-3 properties, enough to build up a track record of effective management, and then look to expand to 10-15 properties in years 3-5 of this strategy.

Managing the portfolio

We will use an open tender process to select expert studio providers and offer them affordable and secure lease terms. As long as providers meet their Key Performance Indicators (KPIs), we would expect to renew the lease, thus offering financial stability to studio providers and the artists working there.

Our KPIs are designed to report on the social impact of creative workspace, including financial stability of artists using them, environmental and accessibility factors, and the contribution made towards more creative neighbourhoods.

Each of our buildings will be clearly branded and will maintain high standards of fit out, environmental performance and operation.

Achieving financial sustainability

We want to achieve a sustainable model. We will only acquire properties that meet our financial benchmarks; that is, where we know the end rental cost to the artist will be affordable, while generating sufficient return to cover financing and operational costs.

We'll generate further funds to purchase or otherwise acquire more properties. This funding will come from: grants from trusts and foundations, donations from philanthropists, and investment from impact investors.

We expect to make net losses while we are building the portfolio but will break even by the end of 2024.

Policy and campaigning work

Creative spaces and communities have been shown to have a wider economic and social value, helping to regenerate areas by stimulating local business growth, attracting inward investment and infrastructure development including housing.

We want to ensure that this value is recognised, and that the artists that add this value gain long term security. We will do this through a campaign of research and advocacy.

Ultimately we want to get to a point where developers and local authorities appreciate the value of secure and affordable creative space to the extent that this is built into planning opportunities.

Other activities

In addition, we may take on other work that furthers our charitable objects. For example, during 20-21 we administered the Creative Workspace Recovery Fund, targeting emergency funding at studio providers to help them through the Coronavirus crisis. While this activity is not expected to repeat, we continue to be open to other opportunities to benefit the sector.

Main activities undertaken to further the charity's purposes for the public benefit

Creative Land Trust exists to support the arts and creative sector as a whole.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

See "Measuring our impact" below for the ways in which our activities benefit the public.

Achievements and performance

Building our portfolio

Although our planned programme has suffered a few delays because of the COVID-19 crisis, we exchanged contracts on our first property – Stone Studios in Hackney Wick. The 33,000sf ground and lower ground floor space will provide long-term, genuinely affordable studios and ensure that artists can continue to flourish in one of the capital's creative hotspots. Following exchange, we entered into a 999-year lease in August 2021 for "Block A" and will complete on the second part of the building later this autumn.

We have also developed a healthy pipeline of other property opportunities which are geographically diverse and range from industrial heritage buildings to brand new development sites.

Managing our portfolio

We appointed Cell Studios & Projects to run the affordable workspace at Block A, Stone Studios. Cell Studios operated the workspace on this site before its redevelopment, and we are delighted that they will be continuing their long relationship with the creative heritage of Hackney Wick.

We have begun the process of tendering the remaining space at Stone Studios.

We now have draft lease agreements and KPIs that will enable us to offer affordable, long term and flexible space while also ensuring that we can monitor our social impact.

Financial sustainability

During this financial year, we put the building blocks in place for long term financial sustainability. We have developed a series of financial appraisals to review opportunities at initial and more detailed stages, and updated our financial model to align with our strategy.

We have also been successful in our initial applications for property specific grant funding. We have been awarded a grant by the Architectural Heritage Fund to investigate the feasibility of bringing back an empty Edwardian industrial building into use as studios.

Policy and Campaign

We have commissioned two major pieces of research during the financial year. The first, in partnership with Creative Estuary and Get Living, is the first quantitative study of the impact of creative workspace on property and rental prices, and promises to be invaluable in equipping the cultural sector with evidence of its value to developers and investors. The second, in partnership with King's College London, is an essential study of the social and cultural value of creative workspace within communities, using our first location as a key case study.

Aside from research work, we have also worked with studio providers and other creative industries to provide responses to national and local policy initiatives, notably the government's proposed reform of the planning system.

Other activities – Creative Workspace Resilience Fund

During 2020-21 we had the opportunity (via the Greater London Authority) to administer the Mayor of London's Creative Workspace Resilience Fund.

The £1.6m scheme was set up and administered to get urgently needed money to studio providers quickly. 75% of the funding was distributed to studio providers within four weeks of Creative Land Trust receiving it, with all grant funds dispersed within two months.

Six months on, we sought further feedback from grant recipients about the use and impact of the funding.

Most studio providers used the funds to provide rent holidays, discounts or access to hardship funds. Funds were targeted at those in most need and benefitted artists of all ages and from a range of backgrounds.

- 83 studios across 18 boroughs have received funding, supporting nearly 11,500 creatives
- 80 per cent of organisations receiving funding are led by women, people from a BAME background, the LGBTQ+ community or people with disabilities.



Examples of our impact:

"The funding Tannery Arts received from the Mayor of London was directly passed on to us in the form of studio rent discounts during the most difficult months of the lockdown. This came as a great relief and has enabled me to keep producing work despite the financial challenges the pandemic has raised" Victor, Artist, Tannery Arts.

"For Bow Arts this support has taken the pressure off our reserves and most importantly it puts us in a better position to weather a slow phased recovery and/or the potential of a second wave." Marcel, Bow Arts.

Measuring our impact

The activities listed above describe some of our progress this year; however, we are mindful that these are mostly outputs rather than wider social outcomes.

While it is too early to measure the impact of our main programme, we have set out the key ways that we want to measure our impact going forward.

Financial stability – We expect that studio providers and artists will be able to grow and develop their businesses as a result of having secure and affordable workspace. We will be measuring our impact by looking at jobs supported directly and indirectly.

Inspirational Environments – Through inspirational creative production and the increased scale of cultural infrastructure, and the high quality design of space, these spaces will enhance a local sense of place.

Sustainability – We have embedded environmental sustainability into our operations and will incorporate green KPIs with our lease agreement. See the section "Carbon Reporting and Sustainability" below for more details about what we have already done.

Accessibility – We want to create accessible spaces, both physically and socially. We will do this through our diversity and inclusion policy, both for resident artists and by opening up opportunities for art to local communities; as well as conscious design of spaces to ensure physical accessibility that meets all needs. We will be measuring this via studio provider KPIs.

Systemic change – If we are successful then we will have;

- Built a sustainable and replicable model for ownership of affordable workspace and
- Convinced key players to place more value on creative space than the purely financial.

Other measures – We will also look at other indirect measures such as belonging and well-being. We will align our work with national and local Covid-recovery initiatives.

Carbon Reporting and Sustainability

In September 2020 Creative Land Trust declared a climate emergency and adopted a sustainability policy and action plan. The key steps identified were;

- Incorporate green clauses and practices into our leases, from measuring energy use to encouraging active travel;
- Start measuring and reporting carbon emissions even though it is not required for an organisation of our size;
- Incorporate sustainability principles into all key decisions, for example procurement and banking.

During the year we started to measure our carbon emissions in as much detail as we could (see below). We also switched to the Co-operative Bank, and selected a pension scheme that allows members to select an ethical fund and has committed to achieving a carbon-neutral default fund.

We actively seek information about the green credentials of all our potential partners, and we include questions about sustainability and carbon footprints in our procurement exercises.

On the property front, our first acquisition is in a development by Telford Homes, who have been ranked as the UK's most sustainable housebuilder by NextGeneration (an annual benchmarking exercise in the property industry). The development includes usage of a District Heating system. We are currently in the process of designing an environmentally friendly fit out.

Looking at our wider social impact, we have achieved 40% BAME and 50% female representation on our Board and aim to continue to achieve this as a minimum. We have Artist Trustees on the Board and Artist Ambassadors to ensure we are truly representative of the sector we are serving.

Carbon Reporting

We are voluntarily adopting the Greenhouse Gas Protocol for measuring and reporting our carbon emissions.

As we have no office or vehicles, we have no scope 1 or 2 emissions as an organisation, so we have looked at our scope 3 emissions in as much detail as possible.

From the period from 1st January to 31st May 2021, we have calculated our carbon impact as 0.1 tonnes, the equivalent of driving about 600km in an average car.

Included in the figures above are emissions from business travel, goods that we have bought, and an estimate of the impact of our computer use. Data is calculated using BEIS conversion factors where relevant.

It should be noted that the impact from business travel is lower than might be expected, due to the national lockdown, and as things open up and our business expands, we will probably see a higher footprint. On the other hand, we have also taken business decisions that will keep our footprint low, such as sourcing second-hand goods, and deciding not to have an office. All of our business processes are paperless. We are committed to active travel, with employees walking or cycling wherever possible.

Once we have taken possession of properties, we will attempt to monitor the carbon impact of those separately. In standard GGP reporting, emissions from tenants are not considered to be part of the organisational footprint. However, we recognise that as landlords we can influence (negatively or positively) the footprint of the building and we will work with all our tenants to measure and reduce this.

Financial Review

Key financial performance indicators

During the year we received income of £977,000 (prior year £4,929,000). This was predominantly grant income that had already been awarded to us. We had expenditure of £2,002,000 (prior year £437,000). Expenditure includes £1.5m of grants awarded under the Creative Workspace Resilience Fund (CWRF) programme, for which we received £1.3m funding at the end of the last financial year. The deficit of £1.025m in 2020-21 is therefore predominantly a timing issue between the recognition of the receipt of funds and the disbursements of the grants a few weeks later.

Outside of the CWRF, we have focused our attention on acquiring our first properties, and have spent little to date on raising funds. This is because we want to establish a track record of property management before looking for further funding. This is reflected in the breakdown of expenditure in note 5. Our total expenditure excluding CWRF was £420,000 (£390,000 in 2019-20) which is less than originally budgeted, due primarily to deciding to work remotely and with a smaller team than originally envisaged.

At the year end, our cash and current assets position is strong as we have drawn down just over half of our original seed funding but have not yet completed on our first property.

Going concern

The Trustees have reviewed our five year financial plan and also a more detailed cashflow forecast for the next 15 months to determine whether the charity has adequate resources to continue. The cashflow forecast takes a prudent view of the future, including all known commitments but excluding potential sources of income. The five year plan is reviewed at least every

quarter and whenever a major decision is to be taken to ensure that the charity does not over commit its resources.

As a result of these reviews, the Trustees have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, we continue to adopt the going concern basis in preparing the financial statements.

Reserves Policy

One of our overarching aims is to provide financial stability to the sector. This means ensuring that we do not enter into commitments that we cannot fund, as noted above, and also that we have sufficient reserves to fund an orderly wind up should it be decided that the organisation should not continue. For this reason, the charity aims to have at least three months' running costs in reserve plus additional winding up costs. This means a target reserve level of approximately £150,000.

The charity currently has free reserves of £13,770. The low level of reserves is due to the fact that we are currently funded by start-up grants and all of our activities are funded by restricted reserves. However, over time, we would expect to hold our target level of reserves in unrestricted funds.

Principal risks and uncertainties

The charity maintains a risk register which is reviewed by Trustees every quarter. The main risks to our business (and mitigations) are as follows:

Increased risk to financial stability of studio providers

We know that there were a number of financial pressures on studio providers even before the Covid crisis. Creative Land Trust was set up as one solution, to try to alleviate the pressures of ever-increasing rents and short term leases. However, we have seen the impact of Covid on studio provider reserves, and we now anticipate that we may need to provide further support on our sites than we had initially envisaged. Our mitigation is to concentrate some of our initial fundraising on fit out funding alongside further capital acquisitions.



Changes to the national planning regime reduce the availability of potential workspace

The government consultation “Planning for the Future” sets out potential sweeping changes to the planning regime, including more freedom to convert unused property into residential. This could reduce the amount of potential workspace. Our mitigation for this is to focus on local planning authorities to continue to work within their existing plans for creative zones, and more generally to make the economic and social case for investing in creative workspace.

Fundraising

We do not currently fundraise from the public. As we are still in start-up mode, we have focussed our attention this year on acquiring our first property. The small amount of fundraising activity undertaken so far has been targeted approaches to grant making and social investment organisations. We do not use third party organisations for fundraising activities.

Structure, governance and management

Constitution

The charity is registered as a charitable company limited by guarantee (charity number 1182876) and was set up by a Memorandum and Articles of Association on 25 March 2019. The Articles of Association have subsequently been amended on 6 November 2019.

The charitable objects are ‘to promote arts, crafts and craftsmanship for the public benefit, in particular, but not exclusively, by providing or facilitating access to affordable workspace for the production of arts and crafts to those in need’.

Method of appointment or election of Trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. We have two Artist Trustees at any time. Other board members are recruited through an open recruitment process and Trustee vacancies are posted on our website.

Trustees are provided with an induction pack, and we aim to run a trustee

training session at least once a year.

Organisational structure and decision making

The Board of Trustees governs the charity. The Board meets at least four times a year.

The Board has three sub-committees, set up to consider issues in detail. These are;

- Finance, Audit and Risk Committee
- Property Committee
- Development Committee

The organisation is run by a Chief Executive and four other permanent members of staff. This executive team makes day-to-day operational decisions, within a scheme of delegation from the Board.

Executive pay is governed by a remuneration policy, which, among other things, sets out that pay will be reviewed annually and that the Trustees are responsible for reviewing pay levels.

Statement of responsibilities of the Trustees

The Trustees (who are also directors of Creative Land Trust for the purposes of company law) are responsible for preparing the Trustees' annual 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 which give a true and fair view of the state of affairs of the charitable company and of the incoming resources 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 then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;

- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate 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.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware, and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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 trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

The Trustees' report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime. The Trustees' annual report has been approved by the Trustees on 30th September 2021 and signed on their behalf by:

Alexandra Notay

Independent Auditor's Report to members of Creative Land Trust

Opinion

We have audited the financial statements of Creative Land Trust (the 'charitable company') for the year ended 31 May 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 May 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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 charitable company 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 Creative Land Trust'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 other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.



Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual 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, or returns adequate for our audit have not been received from branches not visited by us; or
- The 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 directors 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' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

We enquired of management and the finance, audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the Trust's policies and procedures relating to:

- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
 - We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the Trust operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the Trust from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.

- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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 is available on the Financial Reporting Council's website at: 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.

Fleur Holden (Senior statutory auditor)

5 October 2021

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL



Statement of Financial Activities (incorporating the Income and Expenditure account)

Year ended 31 May 2021

		Restricted Funds	Unrestricted Funds	Total Funds	Total Funds
		2021	2021	2021	2020
		£	£	£	£
	Note				
Income From					
Donations	2	973,030	–	973,030	4,928,539
Investment income	3	3,784	16	3,800	214
Total Income		976,814	16	976,830	4,928,753
Expenditure on					
Raising Funds	4	8,268	–	8,268	46,018
Charitable Activities	4	1,993,596	101	1,993,697	390,746
Total Expenditure		2,001,864	101	2,001,965	436,764
Net Movement in Funds		(1,025,050)	(85)	(1,025,135)	4,491,989
Reconciliation of Funds					
Total Funds Brought Forward		4,483,585	13,855	4,497,440	5,451
Net movement in Funds	11	(1,025,050)	(85)	(1,025,135)	4,491,989
Total Funds carried forward		3,458,535	13,770	3,472,305	4,497,440

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 11 to the financial statements.

Balance Sheet

As at 31 May 2021

		2021	2020
		£	£
	Note		
Fixed Assets			
Tangible Fixed Assets	8	439,826	1,167
		439,826	1,167
Current Assets			
Debtors	9	22,969	1,848,984
Cash at bank and in hand		3,078,167	2,665,699
		3,101,136	4,514,683
Creditors: Amounts falling due within one year	10	(68,657)	(18,410)
Net current assets		3,032,479	4,496,273
Total Net Assets		3,472,305	4,497,440
Charity Funds			
Restricted Funds	11	3,458,535	4,483,585
Unrestricted Funds	11	13,770	13,855
		3,472,305	4,497,440

Approved by the trustees on: 30th September 2021

and signed on their behalf by:

Registered Company No: 11367824

A Notay, Trustee & Co-chair

Statement of Cash flows

Year ended 31 May 2021

		2021	2020
		£	£
	Note		
Cash flows from operating activities			
Net (expenditure) / income for the reporting period		(1,025,135)	4,491,989
Depreciation	6	400	33
Interest Earned	3	(16)	(214)
Decrease / (increase) in debtors	9	1,826,015	(1,822,115)
Increase / (decrease) in creditors	10	50,247	(32,814)
Net cash flows provided by operating activities		851,511	2,636,879
Cash flows from investing activities			
Purchase of fixed assets	8	(439,059)	(1,200)
Interest received	3	16	214
Net cash used in investing activities		(439,043)	(986)
Cashflows from financing activities			
Repayment of borrowing		-	(5,000)
Net cash used in financing activities		-	(5,000)
Change in cash and cash equivalents in year		412,468	2,630,893
Cash and cash equivalents at the start of the year		2,665,699	34,806
Cash and cash equivalents at the end of the year		3,078,167	2,665,699

1. Accounting Policies

a) Statutory information

Creative Land Trust is a charitable company limited by guarantee and is incorporated in England.

The registered office address is Invicta House, 108-114 Golden Lane, London EC1Y 0TL.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The impact of COVID-19 has been included in the charity's planning for the future and the going concern assumption takes this into consideration. The approach to the going concern assessment has been explained in the Trustees' annual report.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund Accounting

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. Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose. This includes bid-writing and other efforts to secure grants.
- Expenditure on charitable activities includes the costs of acquiring and managing property and undertaking policy and campaign work to further the purposes of the charity.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. The cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on the proportion of direct expenses attributable to those activities.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Operating leases

Rental charges are charged on a straight-line basis over the term of the lease.

l) Tangible Fixed assets

Expenditure on properties is recognised as an asset at the point where we are legally committed to purchase the property and if there are no outstanding conditions. Prior to this, deposit and associated acquisition costs are recognised as an asset under construction in the balance sheet and is not depreciated until the asset is brought into use.

Properties are treated as tangible fixed assets, not investment properties, as they are held in order to pursue our charitable objects.

Items of equipment are capitalised where the purchase price exceeds £1,000 and where the economic benefit will last for more than one year.

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. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

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:

Computer Equipment: 3 years

m) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

p) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

q) Pensions

The charity operates one defined contribution scheme and makes contributions to another. The pension charge represents the amounts payable by the charity to the schemes in respect of the year. The assets of the schemes are held separately from those of the charity in independently administered funds.

2. Income from donations

	Restricted Funds	Unrestricted Funds	Total
	2021	2021	2021
	£	£	£
Donations	10,000	–	10,000
Grants From			
Arts Council England	155,250	–	155,250
Bloomberg Philanthropies	550,134	–	550,134
GLA – Creative Workspace Resilience Fund	250,000	–	250,000
Architectural Heritage Fund	7,646	–	7,646
Total Funds	973,030	–	973,030

Prior Year

	Restricted Funds	Unrestricted Funds	Total
	2020	2020	2020
	£	£	£
Grants From			
GLA (Main programme)	2,340,798	25,000	2,365,798
Arts Council England	262,875	–	262,875
Bloomberg Philanthropies	949,866	–	949,866
GLA – Creative Workspace Resilience Fund	1,350,000	–	1,350,000
Total Funds	4,903,539	25,000	4,928,539

GLA (Main programme), Arts Council England and Bloomberg Philanthropies funding makes up the original seed funding for the Creative Land Trust.

3. Income from investments

	Restricted Funds	Unrestricted Funds	Total
	2021	2021	2021
	£	£	£
Investment income	3,784	16	3,800
Total Funds	3,784	16	3,800

Prior Year:

	Restricted Funds	Unrestricted Funds	Total
	2020	2020	2020
	£	£	£
Investment income	-	214	214
Total Funds	-	214	214

4a. Analysis of Expenditure – Current Year

	Raising Funds	Building our Portfolio	Policy and Campaign	Charitable Activities	Support Costs	Governance Costs	2021 Total	2020 Total
	£	£	£	Creative Workspace Resilience Fund	£	£	£	
Salary Costs	3,866	157,582	2,481	18,343	103,703	30,244	316,219	22,750
Grant expenses	-	-	-	1,536,314	-	-	1,536,314	-
Consulting	-	7,800	-	26,290	13,532	-	47,622	386,846
Legal and professional fees	-	9,702	19,568	-	18,842	11,520	59,632	13,896
Other	90	15	5	680	41,358	30	42,178	13,272
	3,956	175,099	22,054	1,581,627	177,435	41,794	2,001,965	436,764
Allocation of Support Costs	3,490	154,487	19,458	-	(177,435)	-	-	-
Allocation of Governance Costs	822	36,389	4,583	-	-	(41,794)	-	-
	8,268	365,975	46,095	1,581,627	-	-	2,001,965	
	46,018	353,565	21,640	15,541	-	-	-	436,764

4b. Analysis of Expenditure – Prior Year

	Raising Funds	Building our Portfolio	Policy and Campaign	Charitable Activities	Support Costs	Governance Costs	2020 Total
	£	£	£	Creative Workspace Resilience Fund	£	£	£
Salary Costs	-	7,202	-	6,544	7,203	1,801	22,750
Grant expenses	-	-	-	-	-	-	-
Consulting	46,018	80,984	20,640	8,910	184,235	46,059	386,846
Legal and professional fees	-	2,475	-	-	6,321	5,100	13,896
Other	-	-	1,000	87	12,185	-	13,272
	46,018	90,661	21,640	15,541	209,944	52,960	436,764
Allocation of Support Costs	-	209,944	-	-	(209,944)	-	-
Allocation of Governance Costs	-	52,960	-	-	-	(52,960)	-
Total Expenditure	46,018	353,565	21,640	15,541	-	-	436,764

5. Grant Making activities

	Grants to institutions	Support Costs	Total
	2021	2021	2021
	£	£	£
Creative Workspace Resilience Fund	1,536,314	45,313	1,581,627
Total Funds	1,536,314	45,313	1,581,627

The following institutions received material grants (£30,000 or more) through the Creative Workspace Resilience Fund:

	£
SPACE studios	127,600
ACAVA	102,928
ACME	95,700
Bow Arts	89,320
Artists Studio Company	63,800
Cell Project Space	38,280
Cockpit Arts	35,995
V22 London Ltd	31,900

Grants were awarded to 83 recipients and ranged from £2,000 to £127,600. The average award was £18,500.

	Prior Year		
	Grants to institutions	Support Costs	Total
	2020	2020	2020
	£	£	£
Creative Workspace Resilience Fund	–	15,541	15,541
Total Funds	–	15,541	15,541

6. Net expenditure for the year

This is stated after charging:

	2021 £	2020 £
Depreciation	400	33
Auditor's Remuneration:		
Audit Fee	9,600	4,250
Other services	3,415	2,913

7. Staff costs and numbers, and trustee remuneration

	2021	2020
	£	£
Wages and Salaries	276,483	20,346
National Insurance Costs	32,087	2,404
Pension Contributions	7,649	-
Total Staff costs	316,219	22,750

The average number of people employed by the charity during the year was as follows:

	2021	2020
Total	5.1	0.3

The following number of employees received salary benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2021	2020
£120,000–£129,999	1	-

The charity considers its key management personnel to be the Chief Executive and the Trustees. The total employment benefits of the Chief Executive were £138,946 (2020: £18,006).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

No trustees claimed any expenses during this or the previous financial year.

8. Tangible Fixed Assets

	Computer Equipment	Assets Under Construction	Total
	£	£	£
Cost			
Brought forward as at 1 Jun 2020	1,200	-	1,200
Additions in year	-	439,059	439,059
As at 31 May 2021	1,200	439,059	440,259
Depreciation			
Brought forward as at 1 Jun 2020	33	-	33
Charge in year	400	-	400
As at 31 May 2021	433	-	433
Net Book Value			
As at 31 May 2021	767	439,059	439,826
As at 31 May 2020	1,167	-	1,167

All of the above assets are used for charitable purposes. The asset under construction relates to acquisition costs and deposit paid for Stone Studios as at the balance sheet date.

9. Debtors

	2021	2020
	£	£
Due within one year		
Trade debtors	-	498,984
HMRC (Taxation)	5,173	-
Prepayments	151	-
Accrued income	17,645	1,350,000
Total debtors	22,969	1,848,984

10. Creditors

	2021	2020
	£	£
Due within one year		
Trade creditors	10,207	4,647
HMRC (Taxation and PAYE)	-	9,513
Other creditors	1,066	-
Accruals	57,384	4,250
Total Creditors due within one year	68,657	18,410

11a. Movement in Funds (Current year)

	Balance at 1 Jun 2020	Income	Expenditure	Balance at 31 May 2021
	£	£	£	£
Unrestricted Funds				
General Funds	13,855	16	(101)	13,770
Restricted Funds				
Main Programme Funding	3,149,126	719,168	(412,591)	3,455,703
Creative Workspace Resilience Fund	1,334,459	250,000	(1,581,627)	2,832
Architectural Heritage Fund	-	7,646	(7,646)	-
Total Funds	4,497,440	976,830	(2,001,965)	3,472,305

Purpose of restricted funds:

Main Programme Funding: Seed funding granted to acquire buildings and support the operations of Creative Land Trust before it becomes self-sufficient.

Creative Workspace Resilience Fund - fund to provide financial support for studio providers experiencing financial difficulties due to COVID-19.

Architectural Heritage Fund: Project funding to assess viability of restoring a heritage building.

11b. Movement in funds (prior year)

	Balance at 1 Jun 2019	Income	Expenditure	Balance at 31 May 2020
	£	£	£	£
Unrestricted Funds				
General Funds	5,451	25,214	(16,810)	13,855
Restricted Funds				
Main Programme Funding	-	3,553,538	(404,413)	3,149,126
Creative Workspace Resilience Fund	-	1,350,000	(15,541)	1,334,459
Total Funds	5,451	4,928,752	(436,764)	4,497,440

12. Analysis of net assets between funds (current year)

	Restricted	Unrestricted	Total
	2021	2021	2021
	£	£	£
Tangible Fixed Assets	439,826	-	439,826
Current Assets	3,087,366	13,770	3,101,136
Current liabilities	(68,657)	-	(68,657)
Total	3,458,535	13,770	3,472,305

Prior year:

	Restricted	Unrestricted	Total
	2020	2020	2020
	£	£	£
Tangible Fixed Assets	1,167	-	1,167
Current Assets	4,500,828	13,855	4,514,683
Current liabilities	(18,410)	-	(18,410)
Total	4,483,585	13,855	4,497,440

13. Statement of Financial Activities (incorporating the Income and Expenditure account)

Prior Year

	Restricted Funds	Unrestricted Funds	Total Funds
	2020	2020	2020
	£	£	£
Income From			
Donations and Legacies	4,903,539	25,000	4,928,539
Investment income	–	214	214
Total Income	4,903,539	25,214	4,928,753
Expenditure on			
Raising Funds	46,018	–	46,018
Charitable Activities	373,936	16,810	390,746
Total Expenditure	419,954	16,810	436,764
Net Movement in Funds	4,483,585	8,404	4,491,989
Reconciliation of Funds			
Total Funds Brought Forward	–	5,451	5,451
Net movement in Funds	4,483,585	8,404	4,491,989
Total Funds carried forward	4,483,585	13,855	4,497,440

14. Related Party Transactions

There are no related party transactions or balances to disclose for this financial year (2020: £5,000 was paid to C Gertler, a Trustee, to settle amounts advanced to the charity in the previous year, £nil was outstanding at year end).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

15. Taxation

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

16. Capital Commitments

At the balance sheet date, the charity had entered into an agreement to enter into a 999-year lease at a peppercorn rent on a property which was due for completion in August 2021. The deposit for this was paid before year end and has been included (together with acquisition costs) as an Asset Under Construction.

17. Legal position of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

Administrative and Reference information

Company number 11367824
Country of incorporation England & Wales

Charity number 1182876
Country of registration England & Wales

Registered office: Invicta House
108-114 Golden Lane
LONDON
EC1Y 0TL

Operational Address: Note that we do not have a physical office. The best way to contact us is to email admin@creativelandtrust.org

Trustees (all in place during the year and up to the date of this report)

Catherine Webster (Co-Chair)

Alex Notay (Co-Chair)

Malene Oddershede Bach (appointed 10th September 2020)

Philip Bier

Natalie Carter

James Cooksey

Michael Davis

Candida Gertler OBE

Sue-Lin Heng

John Lewis

Alice Millest

Pawan Sharma

Krupa Thakrar

Emmanuel Unaji (appointed 10th September 2020)

Artist Ambassadors:

Haroon Mirza
Daniel Silver
Yinka Shonibare CBE

Key management:

Gordon Seabright,
Chief Executive Officer

Bankers:

The Co-operative Bank
P.O. Box 101, 1 Balloon Street, Manchester
M60 4EP

Solicitors:

Burges Salmon LLP, One Glass Wharf,
Bristol, BS2 0ZX

Auditors:

Sayer Vincent LLP
Chartered Accountants and Statutory
Auditor, Invicta House, 108-114 Golden
Lane, LONDON, EC1Y 0TL



Making Space for Art