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Company Number 3031923
Charity Number 1046958

BOW ARTS TRUST
(A Company Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2013

RPG CROUCH CHAPMAN LLP
Chartered Accountants
62 Wilson Street
London EC2A 2BU



BOW ARTS TRUST
(A Company Limited by Guarantee)

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BOW ARTS TRUST
(A Company Limited by Guarantee)

TRUSTEES AND ADVISERS

Trustees and Directors

M Blundell
M Coles
S Elson
M J Faull
E Hall
J Kilburn
R Madan
J A Middleton
N Smales
J M Winskill

Secretary and Chief Executive

M Baettig

Principal and Registered Office

183 Bow Road
London E3 2SJ

Auditors

RPG Crouch Chapman LLP
62 Wilson Street
London EC2A 2BU

Bankers

National Westminster Bank Plc
East London Customer Service Centre
P O Box 3653
54 Marsh Wall
London E14 9XL

Investec Bank (UK) Limited
2 Gresham Street
London EC2V 7QP

Charity Bank Ltd
194 High Street
Tonbridge
Kent TN9 1BE

Virgin Money
Jubilee House
Gosforth
Newcastle Upon Tyne NE3 4XS

Company Number

3031923

Charity Number

1046958

REPORT OF THE TRUSTEES

Introduction

The trustees, who are also directors of the charitable company, present their report for the year ended 31st March 2013. In presenting this report, the trustees have complied with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP, 2005), the Companies Act (2006) and applicable United Kingdom Accounting and Financial Reporting Standards.

Reference and Administrative Information

Bow Arts Trust ('Bow Arts') was founded by Marcel Baettig in 1995. The trustees (listed on p 1) delegate the day to day management of Bow Arts to Marcel Baettig as Chief Executive and senior officer. The Board is responsible for setting strategies and policies with the Chief Executive.

STRUCTURE, GOVERNANCE & MANAGEMENT

Organisational Structure

Bow Arts is registered with the Charity Commission and is also a Company Limited by Guarantee. Bow Arts is established under a Deed of Trust dated 6th June 1995 and Memorandum & Articles of Association dated 6th March 1995, as amended by a Deed of Amendment dated 13th January 2006.

During this accounting period (year ending 31st March 2013) the Directors were the sole members of the company. All members are granted one vote per company resolution including the election/re-election of Directors to the Board at the AGM. The Board devolves certain responsibilities to the Core Services Committee which meets quarterly, between four and six weeks before each board meeting.

Governance

The governing body of the company is the board of trustees, which currently has a maximum of ten members. The board has agreed to increase this number to twelve members. The method of the recruitment and appointment of trustees is through co-option during the year and then election at an AGM of the company by the members. New trustees are recruited according to the skills needed for a balanced Board, by agreement with the existing members. All newly appointed trustees must sign a Code of Conduct and agree to the Conflict of Interest Policy. The trustees elect a Chair, Vice-Chair and Treasurer (in the role of Chair of the Core Services Committee) annually following the AGM.

The trustees have considered the Charity Commission's general guidance on public benefit in relation to the objects of the charity. This report sets out those objectives and describes how they have been met in the current year.

OBJECTIVES & ACTIVITIES

Objectives

Bow Arts' Charitable Objectives are

- 1 *The provision and maintenance of an art gallery for exhibition to the public of modern fine art, design and applied art and of work done by students and emerging artists,*
- 2 *The promotion and encouragement of the education of the public in the arts, both in the art gallery and elsewhere, and*
- 3 *The relief of poverty amongst emerging artists by the provision of studio space in which they may create art*

BOW ARTS TRUST
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REPORT OF THE TRUSTEES
- continued

Mission Statement

The purpose of Bow Arts is to support community renewal in East London by delivering arts and creative services through a financially sustainable business model

Both the charitable objectives and mission of Bow Arts are met through the delivery of services by three distinct departments (Property, Education & Learning and the Nunnery Gallery), supported operationally by the Core Services Department. They each present their activity report for the year

STAFFING

Bow Arts has 12 members of staff, 9 working full-time and 3 part-time. 2012/13 saw changes in personnel in the following positions: Business Manager, Education Assistant and Property Assistant. Temporary appointments were also made to provide maternity cover for the Finance Administrator and second Property Assistant.

CORE SERVICES DEPARTMENT

We have fully adopted the new Chart of Accounts put in place last year, and are developing improved systems for financial reporting and monitoring considered at senior management team, sub-committee and board meetings. Further to our PQASSO award, we are committed to better understanding the outcomes and impacts of our work and have developed an evaluation framework which has established a formal mechanism for data collection.

The year saw significant progress in our aim to become a more sustainable organisation. The cross-organisation working group, the Green Team, proved to be an effective vehicle for change across all departments and the Action Plan provided a strong base from which to manage and target our efforts. The carbon footprint of one of our buildings was established with on-going support and encouragement from Julie's Bicycle. The Green Blog was established to map our journey and provide a learning tool for others. In a similar fashion, we have begun to focus on Equality and Diversity.

2012/13 saw an increase in our on-line presence. Our aim to provide greater access to the arts via digital media was backed by three websites, two Twitter accounts, Facebook, a Tumblr blog and Flickr. In the past year, the Bow Arts website has had over a quarter of a million page views and the Bow Arts Twitter account has increased from 2,000 to 18,000 followers.

We successfully fundraised for grants to support our education work with schools, our community heritage programming in the gallery and our organisational resilience. Significantly we were awarded a £320,000 grant from Arts Council England for capital improvement works at 181-183 Bow Road that will see all staff co-located at our flagship site in early 2014.

PROPERTY

Studio provision

Bow Arts manages four main studio sites: Bow Road Studios (E3 2SJ), P1 Studios (E3 2FX), SE1 Studios (SE1 5SF) and most recently Essex House (E15 4QZ). The portfolio consists of a total of over 60,000 sq ft of studio provision for around 320 artists. The main Bow Road site, not only provides artists' studios but also a public gallery and café and is the administrative centre of the Trust's education department. Occupancy levels across all studios were in excess of 98% for the year with a 20% turnover.

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REPORT OF THE TRUSTEES
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Residential / Live Work scheme

In partnership with local Housing Charity Poplar HARCA, Bow Arts continues to provide artists with ex-local authority flats in Poplar, Tower Hamlets, to use as affordable Live Work Space. In line with the expected development plans phase one of this scheme came to an end with 25 flats occupied by artists on the Leopold Estate being decanted thus reducing our current provision to 58 flats. The next phase of development will see more property become available in the south east of the borough and a new SLA agreement has now been signed with Poplar HARCA to this end.

Other developments

£100,000 was secured via the Greater London Authority (through the London Borough of Tower Hamlets), Bow Arts and through a rent free period attached to the lease renewal of Bow Road. This funding was secured to make substantive improvements and repairs to the external fabric and look of the site. This included café fit-out, step-free access to the gallery, covered events area main courtyard, roof replacement to Block D 181 Bow Road. The roof replacement works were completed by June 2013 but all other works were completed within the financial year. Further phase 2 works, supported by an Arts Council small capital grant, are planned for the site in 2013/14.

EDUCATION & LEARNING

The table below provides an overview of the work of the Education team over the 2012-13 financial year. The Education programme in numbers (year on year comparison)

	Apr2012 – Mar2013	PREVIOUS YEAR Apr2011 – Mar2012
School Clients	57	43
Projects Delivered	111	61
Artist-led Sessions	1,281	607
Opportunities for Participation	32,538	9,660
Individual Participants	14,367	Not collected
Education – Schools income	£167,647	£90,000
Education Audiences	5,151	1,620
Contracts of Employment Offered	171	92
Young People gaining Arts Awards Qualifications	31	35

There has been a 32% increase in school clients over the year, though there has been a much larger increase in the amount of project work clients commissioned. The actual delivery of projects and opportunities has increased by over 80%. This is as a direct result of three main factors: the increase at officer level in staffing, the marketing and production of educational packages and due to the development of our Consortia model for clusters of schools, these currently include the Manor Park Federation (8 schools) in Newham and the Isle of Dogs Consortia in Tower Hamlets (9 schools).

Other significant results have included George Green's School GCSE Art results 2011/12 rose from 63% to 90% A*-C after working with Bow Arts. The results of this year's GCSE's will be published over the summer.

REPORT OF THE TRUSTEES
- continued

THE NUNNERY

Nunnery visitor numbers throughout 2012/13 have averaged 150 per week as opposed to 30 per week in 2011/12, 70% of these visitors have an East London postcode. There are several contributing factors to this success: firstly the new programme that has been designed to draw in a wider audience, secondly the extended gallery hours and finally the development of the new Carmelite Café that is now operating onsite which not only provides a greater focus for visitors but also creates regular income for the gallery programme. The café offer and the exhibition programme combined are having a significant impact on our local connectivity to add to our wider existing audience base.

Gallery Programme 2012-13	From	To
Madge Gill Retrospective: 1,2 & 3		
Show 1 with artist Sarah Carne	15/06/2012	16/08/2012
Show 2 with artist Jack Hutchinson	24/08/2012	01/11/2012
Show 3 with artist Paul Johnson	15/11/2012	26/01/2013
Geometric Figuring: Ben Washington	08/02/2013	09/05/2013
Made in Bow: Bow Porcelain	16/05/2013	29/07/2013
With artists in residence: Mathew Weir, Lizzie Cannon and Felicity Hammond		

The Open, 2012 Open studios was a great success attracting large visitor numbers and was hosted over two weekends between Bow Road and Bermondsey, the Open exhibition showcased over 70 artists in the Bermondsey Project Space and was jointly curated by Bob and Roberta Smith, Skye Sherwin and Emily Faure.

Alongside, and to complement our new exhibition programme, we have developed a lively series of artist talks, performance events and local walking tours all of which were well attended. Over the year we also developed a new series of Artist Continuing Professional Development sessions in the form of peer crits hosted by Engine ChatChat.

Public Arts Consultancy continues to grow raising revenues for the gallery programme.

- Poplar HARCA, public art commission – Gary Drostle Willis Street Commission
- Strand East (LandProp's development) curated Print Exhibition about the history of the site, working with artist Hilary Powell
- Madge Gill, Orleans House, Richmond – essay for the catalogue

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REPORT OF THE TRUSTEES
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FINANCIAL REVIEW

Bow Arts achieved a surplus of £179,871 in 2011/12 and has continued this trend into 2012/13 in line with its commitment to secure a reserves base and resilience fund. A surplus of £230,786 was achieved this year.

The main income stream in the year continued to be licence fees and rents receivable from artists for the provision of studios and Live/Work spaces. We renew studio licence fees and Live Work rents annually in line with our budget setting.

Reserves Policy

Bow Arts policy is to maintain a working reserve between £135,000 (this equates to a minimum of 2 months of a primary loss of income) and £355,000 (this equates to 4 months of gross expenditure) as General Funds - within Unrestricted Funds - in order to provide a cushion against unanticipated reductions in income or increases in expenditure.

Last year a Resilience Fund was established comprising amounts set aside from charitable activities which will enable Bow Arts to strengthen the Trust's capital assets, in particular through investment in property, to further the charitable objects of the Trust. In 2012/13 an additional allocation of £250,000 was contributed to the Resilience Fund.

At the year end the total reserves stood at £705,185, an increase of 48% on the previous year. Of this amount, Unrestricted Funds were £705,185, made up of £261,221 (General Funds), £18,000 (Designated Funds for Bow Road Capital Development Project) and £425,964 (Resilience Fund).

As at 31st March 2013, there were no Restricted Funds.

Risk Management

The trustees confirm that they have identified and assessed the major risks to which the organisation is exposed, and have established systems of support to mitigate these risks. In addition to internal processes, which provide careful 'checks and balances' on a daily, monthly, and annual basis, external support measures put in place by the trustees to strengthen systems and mitigate risk include:

- Trustee meetings are held at least quarterly
- Core Services Committee meetings are held at least quarterly
- Additional sub-committees have been established to offer specific trustee support to individual areas of strategic development
- Kinney Green act as the Trust's surveyors and advise on rent reviews and lease renewal
- Stone King Solicitors act and advise on Charity Law and governance
- Pinsent Masons Solicitors advised on the lease renewal at 181 and 183 Bow Road
- Jonathan Winskill (Apex Law LLP) provided legal services advice
- Architects Delvendahl Martin, working with cost management consultants Davis Langdon, were appointed to complete a RIBA Stage D Report on the Bow Road Capital Development Project for the submission to the Arts Council England Small Capital Grants Programme
- Independent fundraising consultants, Sandy Weiland and Declan Baharini, were engaged to provide additional capacity for grant funding applications to trusts and foundations
- Management consultant, Michael Owens, was engaged to support property and strategic developments

BOW ARTS TRUST
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REPORT OF THE TRUSTEES
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Disclosure of Information to Auditors

The trustees who held office at the date of approval of this report confirm that, so far as they are individually aware, there is no relevant audit information of which the Charity's auditors are unaware, and each trustee has taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information

Auditors

The re-appointment of the auditors, Messrs RPG Crouch Chapman LLP, was agreed at the Annual General Meeting in September 2012

Small Companies Exemption

The above report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

BY ORDER OF THE TRUSTEES


M. COLES
CHAIR

11 SEP 2013

BOW ARTS TRUST
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
YEAR ENDED 31ST MARCH 2013

Company and Charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing 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 judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The trustees are responsible for keeping proper accounting records which 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.

REPORT OF THE AUDITORS
YEAR ENDED 31ST MARCH 2013

Independent Auditors' Report to the members of Bow Arts Trust

We have audited the financial statements of Bow Arts Trust for the year ended 31st March 2013 on pages 11 to 19. These financial statements have been prepared under the accounting policies set out on pages 13 and 14.

This report is made solely to the company's members, as a body, in accordance with S 495 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' 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 company and the company's members as a body, for our audit work, for this report or for the opinions we have formed.

Respective Responsibilities of Directors' and Auditor

The responsibilities of the trustees, who are also the directors of Bow Arts Trust for the preparation of the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and statutory requirements and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2013 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, and
- have been prepared in accordance with the requirements of the Companies Act 2006

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REPORT OF THE AUDITORS
- continued

Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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 trustees were not entitled to prepare the financial statements in accordance with small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report

N. H. Heath

Nicholas Heath MA ACA
(Senior Statutory Auditor)

62 Wilson Street
London EC2A 2BU

11th September 2013

for and on behalf of
RPG CROUCH CHAPMAN LLP
Chartered Accountants
Statutory Auditors

BOW ARTS TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31ST MARCH 2013

INCOME AND EXPENDITURE ACCOUNT

	Unrestricted Funds			Total	Total
	General	Designated	Restricted	Funds	Funds
	Fund	Fund	Funds	2013	2012
Notes	£	£	£	£	£
Incoming Resources					
Incoming Resources from Generated Funds					
Voluntary Income					
Donations	290,023	30,000	49,027	369,050	286,537
Gift Aid	56,273	-	-	56,273	50,764
Investment Income	4,910	-	-	4,910	2,639
	<u>351,206</u>	<u>30,000</u>	<u>49,027</u>	<u>430,233</u>	<u>339,940</u>
Incoming Resources from Charitable Activities					
Licence Fees & Rents Receivable	829,038	-	-	829,038	748,886
Education Income	169,525	-	50,000	219,525	100,363
Gallery Income	29,876	-	56,919	86,795	57,098
Other Income	<u>2,813</u>	<u>-</u>	<u>4,029</u>	<u>6,842</u>	<u>1,278</u>
Total Incoming Resources	<u>1,382,458</u>	<u>30,000</u>	<u>159,975</u>	<u>1,572,433</u>	<u>1,247,564</u>
Resources Expended					
Charitable Activities	2 1,075,005	12,000	191,486	1,278,491	1,015,098
Governance Costs	4 63,156	-	-	63,156	52,597
Total Resources Expended	<u>1,138,161</u>	<u>12,000</u>	<u>191,486</u>	<u>1,341,647</u>	<u>1,067,695</u>
Net Incoming/(Outgoing)					
Resources before Transfer	244,297	18,000	(31,511)	230,786	179,871
Transfer between Funds	10 -	-	-	-	-
Net movement in funds being net income/expenditure for the year	<u>244,297</u>	<u>18,000</u>	<u>(31,511)</u>	<u>230,786</u>	<u>179,871</u>
Funds at beginning of year	442,888	-	31,511	474,399	294,528
Funds carried forward at end of year	<u>687,185</u>	<u>18,000</u>	<u>-</u>	<u>705,185</u>	<u>474,399</u>

The Charitable Company has no recognised gains or losses other than as stated above

All of the activities represent continuing activities of the Charitable Company

The notes on pages 13 to 19 form part of these Financial Statements

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BALANCE SHEET
31ST MARCH 2013

	Notes	£	2013 £	2012 £
Fixed Assets				
Tangible Fixed Assets	7		39,654	73,469
Current Assets				
Debtors	8	145,752		123,201
Cash at bank and in hand		773,624		548,402
		<u>919,376</u>		<u>671,603</u>
Creditors				
Amounts due within one year	9	(253,845)		(247,635)
		<u></u>		<u></u>
Net Current Assets			665,531	423,968
Creditors amounts due after one year	9		-	(23,038)
			<u></u>	<u></u>
Net assets			705,185	474,399
			<u></u>	<u></u>
Funds				
Restricted Funds	10		-	31,511
Unrestricted Funds				
General Funds			261,221	266,924
Designated Funds	11		18,000	-
Resilience Fund	12		425,964	175,964
			<u></u>	<u></u>
Total Funds	13		705,185	474,399
			<u></u>	<u></u>

The accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

Approved by the Board on **11 SEP 2013**
and signed on its behalf by


M. COLES

) CHAIR

The notes on pages 13 to 19 form part of these Financial Statements

NOTES TO THE ACCOUNTS
YEAR ENDED 31ST MARCH 2013

1 ACCOUNTING POLICIES

Basis of Preparation of Accounts

The financial statements are prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities issued in March 2005, applicable United Kingdom Accounting and Financial Reporting Standards and the Companies Act 2006

Incoming Resources

Incoming Resources are included in the Statement of Financial Activities when receivable

Investment Income

Investment income represents interest received on monies held on deposit

Resources Expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered

Expenditure which is directly attributable to specific activities has been included in these cost categories Where costs are attributable to more than one activity, they have been apportioned across the cost categories on a basis consistent with the use of those resources

Governance costs are those costs associated with constitutional and statutory requirements, and the governance arrangements of the Charity They include audit, legal and other professional fees

Operating Leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities as incurred

Depreciation

Tangible fixed assets are depreciated to write off their cost less residual value over their estimated useful lives at the following rates per annum

Leasehold property improvements	- over the length of the lease
Leasehold property	- over the length of the lease
Office and computer equipment	- 25% per annum
Live/Work improvements	- over three years
New Studios	- over the length of the lease, or period to first break clause

Live/Work flats have been made available by Poplar HARCA, a local social landlord without fixed lease terms It is anticipated that each unit will remain available for an average of 3 years and depreciation of improvements is therefore written off over this period

It is the charity's policy to capitalise fixed asset acquisitions over £5,000 Smaller items are expensed as acquired

BOW ARTS TRUST
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NOTES TO THE ACCOUNTS
- continued

1 ACCOUNTING POLICIES - continued

Designated Funds

Designated Funds comprise amounts set aside representing the depreciated cost of assets funded by capital grants and rent increases foregone and for supporting community and education projects

Resilience Fund

The Resilience Fund comprises amounts set aside from charitable activities which will enable Bow Arts to strengthen the Trust's capital assets, in particular property, to further the charitable objects of the Trust

Restricted Funds

Restricted funds are subject to specific conditions by donors as to how they may be used

Taxation

As a registered charity the company is generally exempt from Corporation Tax but not from Value Added Tax (VAT) Irrecoverable VAT is included with the cost of those items to which it relates

Cash Flow

The financial statements do not include a cash flow statement because the Charity, as a small reporting entity, is exempt from the requirements to prepare such a statement under Financial Reporting Standard 1 'Cash Flow Statements'

2 CHARITABLE ACTIVITIES

	Direct Costs £	Support Costs £	Total 2013 £	Total 2012 £
Provision of Creative Workspace	707,865	130,506	838,371	685,179
Education Projects	276,599	43,777	320,376	242,622
Gallery Programmes & Events	97,803	21,941	119,744	87,297
	<u>1,082,267</u>	<u>196,224</u>	<u>1,278,491</u>	<u>1,015,098</u>

3 SUPPORT COSTS

	Property £	Education £	Gallery £	Governance £	Total 2013 £	Total 2012 £
Staff Costs	71,019	31,564	15,782	39,454	157,819	141,604
Depreciation	32,907	400	252	256	33,815	36,355
Office & Marketing Costs	26,580	11,813	5,907	14,766	59,066	28,430
	<u>130,506</u>	<u>43,777</u>	<u>21,941</u>	<u>54,476</u>	<u>250,700</u>	<u>206,389</u>

Salaries and office costs have been apportioned between charitable activities and governance costs on the basis of time spent Depreciation is directly attributable Capital works on rental properties are fully expended through the Income and Expenditure account as incurred, it is in the opinion of the trustees that no asset is created in the hands of the Trust

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NOTES TO THE ACCOUNTS
- continued

4 GOVERNANCE COSTS	2013 £	2012 £
Legal and Professional Fees	-	-
Accountancy	1,600	740
Audit	4,400	4,400
Bank Charges	1,824	2,502
Trustee Costs	856	1,488
Support Costs	54,476	43,467
	<u>63,156</u>	<u>52,597</u>

Trustees expenses amounting to £856 were incurred during the year (2012 £1,488)

5 NET OUTGOING RESOURCES	2013 £	2012 £
This is stated after charging		
Operating lease rentals – premises	165,140	146,612
Depreciation of tangible fixed assets	<u>33,815</u>	<u>36,355</u>

6 EMPLOYEES	2013 £	2012 £
Staff Costs		
Wages, Salaries	330,054	284,450
PAYE & National Insurance	34,281	25,646
Training & Other Costs	7,319	3,849
	<u>371,654</u>	<u>313,945</u>

The average number of employees, analysed by function, was	Number	Number
Direct Charitable Activities	9	8
Administration	3	3
	<u>12</u>	<u>11</u>

The number of employees whose emoluments for the year were above £60,000 was as follows

	2013 £	2012 £
£60,000 - £69,999	<u>1</u>	<u>-</u>

BOW ARTS TRUST
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NOTES TO THE ACCOUNTS
- continued

7 TANGIBLE FIXED ASSETS

	Live/Work improve- ments £	Leasehold property improve- ments £	Leasehold property £	Fixtures fittings & equipment £	Total £
COST					
At 1 st April 2012	17,649	153,365	94,101	54,919	320,034
Additions	-	-	-	-	-
At 31 st March 2013	17,649	153,365	94,101	54,919	320,034
DEPRECIATION					
At 1 st April 2012	17,649	80,617	94,101	54,198	246,565
Charge for year	-	33,308	-	507	33,815
At 31 st March 2013	17,649	113,925	94,101	54,705	280,380
NET BOOK VALUE					
At 31 st March 2013	-	39,440	-	214	39,654
At 31 st March 2012	-	72,748	-	721	73,469

8 DEBTORS

	2013 £	2012 £
Licence Fees & Rents Receivable	4,199	8,240
Education Income Receivable	45,120	20,584
Gallery Income Receivable	-	9,658
Other Debtors (Gift Aid)	56,526	50,492
Prepayments and Accrued Income	39,907	34,227
	<u>145,752</u>	<u>123,201</u>

9 CREDITORS

	2013 £	2012 £
Amounts falling due within one year		
Bank Loan	-	8,827
Trade Creditors	36,878	61,360
Members' Deposits	83,554	72,947
Accruals and Deferred Income	133,413	104,501
	<u>253,845</u>	<u>247,635</u>

BOW ARTS TRUST
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NOTES TO THE ACCOUNTS
- continued

9 CREDITORS	2013 £	2012 £
Amounts falling due after more than one year		
Bank loan	-	23,038

The bank loan was secured by a fixed charge over the leasehold interest in studios operated by the charity and any monies deposited in an account with the lender. The loan was discharged in the year.

10 RESTRICTED FUNDS

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes

	Balance 1 April 2012 £	Incoming resources £	Outgoing resources £	Transfers between funds £	Balance 31 March 2013 £
Poplar HARCA SLA Projects	9,960	39,027	48,987	-	-
East Thames SLA Projects	11,291	10,000	21,291	-	-
Manorfield Primary School	1,720		1,720	-	-
Legacy List Sparked Project	8,000	4,029	12,029	-	-
Arts Council NPO client	-	50,000	50,000	-	-
Tower Hamlets Arts and Music Service Project Funding	540	-	540	-	-
LBTH Capital Grant	-	56,119	56,119	-	-
HLF Grant	-	800	800	-	-
	<u>31,511</u>	<u>159,975</u>	<u>191,486</u>	<u>-</u>	<u>-</u>

11 DESIGNATED FUNDS

	Balance 1 April 2012 £	Incoming resources £	Outgoing resources £	Transfers between funds £	Balance 31 March 2013 £
Contribution to repairs	-	30,000	12,000	-	18,000

BOW ARTS TRUST
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NOTES TO THE ACCOUNTS
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12 RESILIENCE FUND	2013 £
Fund brought forward	175,964
Allocation in year	250,000
	<u>425,964</u>

The Resilience Fund was established in 2012 as a 'fighting fund' to achieve greater financial security, primarily through investment in property. An additional allocation of £250,000 was made in the year. The supply of affordable studio facilities for emerging artists is one of our three main charitable activities. It is also the charity's main income source, subsidising both our educational and cultural programme. These property assets are not owned but managed leaseholds. Moving towards a freehold model will offer greater security for the charity. To support this objective the board has created within its charitable reserves a Resilience Fund specifically for this purpose.

13 ANALYSIS OF TOTAL FUNDS	Tangible Fixed Assets £	Other Assets £	Total £
Restricted Funds	-	-	-
Unrestricted funds			
- General	39,654	221,567	261,221
- Designated	-	18,000	18,000
- Resilience	-	425,964	425,964
	<u>39,654</u>	<u>665,531</u>	<u>705,185</u>

14 MOVEMENT OF FUNDS	Unrestricted Funds £	Restricted Funds £	Total £
Balance brought forward	442,888	31,511	474,399
Surplus/(Deficit) for the year	262,297	(31,511)	230,786
Balance carried forward	<u>705,185</u>	<u>-</u>	<u>705,185</u>

BOW ARTS TRUST
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NOTES TO THE ACCOUNTS
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15 OPERATING LEASE OBLIGATIONS

The minimum lease payments to which the Charity is committed under non-cancellable operating leases for the coming year are.

	2013 £	2012 £
Land and Buildings	10,000	10,000
On leases expiring within one year in more than five years	<u>128,900</u>	<u>128,900</u>

16 RELATED PARTY TRANSACTIONS

E Hall is a member of the Poplar HARCA Finance Committee during the financial year Bow Arts paid Poplar HARCA a total of £329,886 (2012 £240,906) in rent/service charges for flats managed under the Live/Work Scheme

During the year, a total of £1,431 was paid out by the trust in respect of Trustees Indemnity cover No claims were made against this policy during the year

17 LIABILITY OF MEMBERS

The Bow Arts Trust is a company limited by guarantee and has no share capital In the event of the company being wound up, the liability of members is limited to £10