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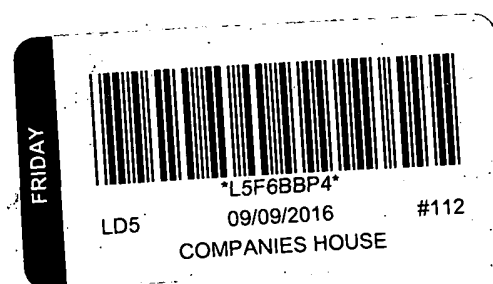
REGISTERED NUMBER: 3031923

Charity number: 1046958

BOW ARTS TRUST
(A Company Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2016

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)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2016

Trustees	M Coles, Chair S Elson M J Faull E Hall R Madan H Motani T Rhodes-Taylor N Smales B D Smith M Ullah J M Winskill
Company registered number	3031923
Charity registered number	1046958
Principal and Registered Office	183 Bow Road London E3 2SJ
Company Secretary & Chief Executive	M Baettig
Independent auditors	RPG Crouch Chapman LLP Chartered Accountants Statutory Auditors 62 Wilson Street London EC2A 2BU
Bankers	National Westminster Bank Plc PO Box 3243 161 Bow Road London E3 2SG Lloyds Bank Plc Threadneedle Street PO Box 1000 BX1 1LT

BOW ARTS TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2016

INTRODUCTION

The trustees, who are also directors of the charitable company, present their report for the year ended 31st March 2016. In presenting this report, the trustees have complied with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2015), the Companies Act (2006) and the Financial Reporting Standard for Smaller Entities (effective 1 January 2015).

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 2016) the trustees were the sole members of the company. All members are granted one vote per company resolution including the election/re-election of trustees 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 twelve members. The method of 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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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

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 16 members of staff, 13 working full-time and 3 part-time. 2015/16 saw the following changes in personnel: three Studio Assistants (one being a new post), one of the Education Project Managers, General Manager (new post created and filled), Gallery Manager (providing maternity cover for the Gallery Director) and Gallery Business Development Assistant. The day-to-day gallery and events programme is supported through a rolling volunteer programme and graduate student work placements. In 2015/16, Bow Arts became an accredited London Living Wage employer, and a staff pay and benefits review was completed with changes coming into effect from April 2016.

CORE SERVICES DEPARTMENT

2015 marked the twentieth anniversary of Bow Arts which presented opportunities to further raise the Trust's profile. During the year studios were opened at 4 new locations and significant progress was made on a further 4-5 sites due to come on stream in 2016/17. Bow Arts forged ahead with new strategic partnerships - with private developers, local authorities, housing associations and charities – to deliver affordable studios and creative workspaces for artists, designers and makers in London. In 2015/16, Memorandum of Understanding were signed with Create and London Small Business Centre. As a National Portfolio Organisation, Bow Arts continues to receive funding and endorsement from Arts Council England. Bow Arts was selected as one of the first recipients of loan finance through the Arts Impact Fund, a new type of social investment for the arts sector.

PROPERTY

Studio provision:

In 2015/16 Bow Arts managed 8 studio sites: Bow Road Studios (two buildings, E3 2SJ), P1 Studios (E3 2FX), Stratford Studios (E15 4QZ), Rum Factory Studios (E1 2BD), St Katharine's Precinct ArtSpace (E14 8DS), Manor Park Library Studios (E12 5JY) and Aberfeldy Street Studios (E14 0NU), all on a leasehold basis. Four of these sites were newly opened during the year. The property portfolio consisted of a total of 116,600 gross sqft, providing 96,800 net square feet of studio and live work accommodation for 420 artists. Occupancy levels across all studios were at least 98.5% for the year (after the initial phased occupancy of new sites at the initial start-up stage) with an average turnover of 18%. During the year, Bow Arts acquired two further sites in the London boroughs of Barking & Dagenham and Lewisham, with works ongoing during the year to provide a further 15,300 gross sqft, providing 12,100 sqft of creative workspaces, due to open in 2016.

BOW ARTS TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

Residential / Live Work scheme:

In partnership with local registered social landlord, Poplar HARCA, Bow Arts continued to provide artists with ex-local authority flats in Tower Hamlets to use as affordable Live Work space. Our short-life Live Work flats in Bow and Poplar were extended beyond March 2016.

The main Bow Road site not only provides artists' studios but also a public gallery and café, it is also the administrative headquarters of the Trust.

EDUCATION & LEARNING

The table below provides an overview of the work of the Education team over the 2015/16 financial year.

Education programme in numbers:

	April 2015 – March 2016	April 2014 – March 2015	April 2013 – March 2014
School Clients	91	75	67
Projects Contracted	241	218	170
Artist-led Sessions Delivered	1,949	1,530	1,434
Opportunities for Participation	53,206	39,689	38,331
Individual Participants	10,719	9,802	8,710
Education – Schools Income Contracted	£369,717	£288,708	£221,115 (revised)
Education Audiences	21,818	7,286	5,221 (revised)
Artist Contracts	293	209	206
Young People gaining Arts Award Qualifications	210	266	81 (with a further 140 to be moderated)

In 2015/16 Bow Arts worked with a total of 91 schools across 14 London boroughs. We continue to work with individual schools, and with clusters of schools through a consortia model. During the year work was ongoing with three consortium of schools in Stratford, the Isle of Dogs and Poplar. A new consortium was established with a group of schools in Whitechapel. We continue to offer artist-led professional development sessions for teachers. Our work in schools provides employment opportunities for artists. Bow Arts was awarded funding through TANDEM Europe to develop and deliver a collaborative schools project with an arts organisation based in Holland.

BOW ARTS TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

THE NUNNERY GALLERY

In 2015/16, visitor numbers to the Nunnery Gallery exceeded 6,000, including over 2,000 visitors to the annual Open Studios.

EXHIBITION PROGRAMME 2015/16	From	To
Magic Mirror Artists Claude Cahun & Sarah Pucill	17/04/2015	14/06/2015
Structure Texture Future: Bow Open Show 2015 Various Artists	19/06/2015	05/07/2015
Correspondances Pierrick Mouton & Sister Germaine	17/07/2015	27/09/2015
Alphabet Soup Artist Willem Weismann	02/10/2015	20/12/2015
Plastics Vanitas Artist Mariele Neudecker	15/01/2016	27/03/2016
Café Exhibitions:		
Significant Objects, Jim McKeever	06/07/2015	27/09/2015
Alphabet Salad, Bow Arts Education Project	16/10/2015	16/11/2015
20 Prints for 20 Years, various artists	08/12/2015	29/02/2016

The Open Studios took place at Bow Road over a weekend in June featuring the Open Show guest curated by Dr Shahidha Bari (Queen Mary University London) and showcasing the work of 15 Bow Arts artists. This was also the second year of the East London Painting Prize, delivered in partnership with the Foundation for Future London (formerly The Legacy List), which gave the winning artist – Willem Weismann - a £10,000 prize and a solo exhibition at the Nunnery Gallery.

A series of artist talks, debates and film screenings complement our exhibition programme. In 2015, we opened a new project space at the Rum Factory Studios for short term projects and artists' exhibitions. We have developed our offer of Continuing Professional Development for artists beyond the series of peer critique sessions - in 2015/16 we launched the Bow Skills programme devised and delivered with artists.

In 2015/16 Bow Arts launched '20 Prints for 20 Years' to complement the general sale of art work through the main exhibitions programme. A further source of income generation for the gallery programme are public arts consultancy commissions together with a growing number of venue hires in the gallery, courtyard and office spaces.

BOW ARTS TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

FINANCIAL REVIEW

Bow Arts achieved a surplus of £285,741 in 2015/16.

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 £187,000 (this equates to a minimum of 2 months of a primary loss of income) and £519,000 (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. In addition, the Trust is building a resilience fund which, at the year end, stands at £1m to underpin its longer term charitable aims, more details of which are given in Note 10.

At the year end the total reserves stood at £1,389,165, an increase of 26% on the previous year. Of this amount, Unrestricted Funds were £1,294,603, made up of £294,603 (General Funds) and £1,000,000 (Resilience Fund). As at 31st March 2016, Restricted Funds amounted to £94,563 (2015: £94,000) being a capital grant of £63,959 from Arts Council England, a grant of £23,667 from the London Borough of Barking & Dagenham and a grant of £6,937 from Aldgate & Allhallows.

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:

- Senior Management Team meetings are held at least monthly
- 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
- External specialist advice is sought where appropriate under advice from the Core Services Committee or individual trustees.

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.

BOW ARTS TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

Auditors

The re-appointment of the auditors, Messrs RPG Crouch Chapman LLP, was agreed at the Annual General Meeting in September 2015.

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.

STATEMENT OF TRUSTEES' RESPONSIBILITIES YEAR ENDED 31ST MARCH 2016

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.



.....
M Coles, Chair
6 July 2016

BOW ARTS TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BOW ARTS TRUST

We have audited the financial statements of Bow Arts Trust for the year ended 31 March 2016 set out on pages 10 to 19. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charity'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 charity'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 charity and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' responsibilities statement, the trustees (who are also the directors of the charity 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law 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 charity'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 Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 charity's affairs as at 31 March 2016 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 applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' report, incorporating the Strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

BOW ARTS TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BOW ARTS TRUST

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 the small companies regime and to take advantage of the small companies' exemption in preparing the Trustees' report.

N. H. Heath

Nicholas Heath MA ACA (Senior statutory auditor)

for and on behalf of

RPG Crouch Chapman LLP

Chartered Accountants
Statutory Auditors

62 Wilson Street
London

EC2A 2BU

Date: *15th August 2016*

BOW ARTS TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2016

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
INCOME FROM:					
Investment Income		14,904	-	14,904	12,497
Voluntary Income					
Donations		351,515	216,415	567,930	590,891
Gift Aid		33,261	-	33,261	29,251
Charitable activities:					
Licence fees & rents receivable		781,686	-	781,686	771,963
Education income		376,929	-	376,929	278,732
Gallery income		37,610	-	37,610	46,550
Other income		35,778	-	35,778	20,911
Other charitable activities		(4,439)	-	(4,439)	-
TOTAL INCOME		1,627,244	216,415	1,843,659	1,750,795
EXPENDITURE ON:					
Charitable activities	2	1,342,066	215,852	1,557,918	1,404,759
TOTAL EXPENDITURE		1,342,066	215,852	1,557,918	1,404,759
NET INCOME		285,178	563	285,741	346,036
NET MOVEMENT IN FUNDS		285,178	563	285,741	346,036
RECONCILIATION OF FUNDS:					
Total funds at 1 April 2015		1,009,424	94,000	1,103,424	757,388
TOTAL FUNDS AT 31 MARCH 2016		1,294,602	94,563	1,389,165	1,103,424

The notes on pages 12 to 19 form part of these financial statements.

BOW ARTS TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 3031923

**BALANCE SHEET
AS AT 31 MARCH 2016**

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	6		160,128		152,937
CURRENT ASSETS					
Debtors	7	295,147		213,484	
Cash at bank and in hand		1,374,755		1,134,869	
		<u>1,669,902</u>		<u>1,348,353</u>	
CREDITORS: amounts falling due within one year	8	<u>(440,865)</u>		<u>(397,866)</u>	
NET CURRENT ASSETS			<u>1,229,037</u>		<u>950,487</u>
NET ASSETS			<u>1,389,165</u>		<u>1,103,424</u>
CHARITY FUNDS					
Restricted funds			94,563		94,000
Unrestricted funds			<u>1,294,602</u>		<u>1,009,424</u>
TOTAL FUNDS			<u>1,389,165</u>		<u>1,103,424</u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the trustees on 6 July 2016 and signed on their behalf, by:


.....
M Coles, Chair

The notes on pages 12 to 19 form part of these financial statements.

BOW ARTS TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

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 for Smaller Entities published on 16 July 2014, the Financial Reporting Standard for Smaller Entities (effective January 2015) 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.

Fund accounting

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.

The Resilience Fund is being built to achieve greater financial security through investment in assets providing affordable studio facilities.

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

Income

Income is included in the Statement of Financial Activities when earned.

Investment income represents interest received on monies held on deposit.

Expenditure

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.

Cash flow

The financial statements do not include a Cash flow statement because the charitable company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective January 2015).

BOW ARTS TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets and depreciation

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

Grant funded improvements on rented properties is expensed as incurred.

Tangible fixed assets are capitalised where the Trust has effective ownership of the assets or where it can expect to earn a full return from those assets. 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 computer equipment	- 20% per annum (over 5 years)
Live/ Work improvements	- over three years
New Studios	- over the length of the lease, or period to first break clause

Operating leases

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

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.

2. CHARITABLE ACTIVITIES

	Direct Costs £	Support Costs £	2016 £	2015 £
Provision of Creative Workspace	677,320	165,523	842,843	702,018
Education Projects	418,266	69,670	487,936	440,900
Gallery Programmes & Events	121,821	33,430	155,251	189,740
Governance	-	71,888	71,888	72,101
Total	<u>1,217,407</u>	<u>340,511</u>	<u>1,557,918</u>	<u>1,404,759</u>

BOW ARTS TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

3. SUPPORT COSTS

	Property £	Education £	Gallery £	Governance £	2016 £	2015 £
Staff Costs	104,802	46,579	23,289	58,223	232,893	190,707
Depreciation	24,698	9,003	3,096	372	37,169	22,476
Office & Marketing	30,913	12,090	6,045	11,407	60,455	83,975
Other governance	5,110	1,999	999	1,886	9,994	8,354
Total	165,523	69,671	33,429	71,888	340,511	305,512

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, if it is in the opinion of the trustees that no asset is created in the hands of the Trust.

4. NET INCOME

	2016 £	2015 £
This is stated after charging:		
Operating lease rentals - premises	145,277	146,974
Depreciation of tangible fixed assets	37,169	22,476
Audit fee	5,400	5,400

5. EMPLOYEES

	2016 £	2015 £
Staff Costs:		
Wages and salaries	464,961	407,225
PAYE and National Insurance costs	41,196	39,447
Training and other costs	8,700	22,516
Total	514,857	469,188

The average number of employees, analysed by function, was:

	2016 £	2015 £
Direct Charitable Activities	12	12
Administration	4	3
Total	16	15

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

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

	2016 £	2015 £
£60,000 - £69,999	-	-
£70,000 - £79,999	1	1

Key management comprises the Chief Executive Officer and four heads of department who are responsible for managing the day-to-day affairs of the charity on behalf of the Trust. The total remuneration for the year for key management was £244,178 (2015: £238,226)

6. TANGIBLE FIXED ASSETS

	Leasehold Property Im- provements £	Leasehold property £	Fixtures, fittings and equipment £	Total £
<u>Cost</u>				
At 1 April 2015	284,735	94,101	95,146	473,982
Additions	43,984	-	376	44,360
Disposals	(54,104)	-	-	(54,104)
At 31 March 2016	274,615	94,101	95,522	464,238
<u>Depreciation</u>				
At 1 April 2015	163,677	94,101	63,267	321,045
Charge for the year	28,860	-	8,309	37,169
On disposals	(54,104)	-	-	(54,104)
At 31 March 2016	138,433	94,101	71,576	304,110
<u>Net book value</u>				
At 31 March 2016	136,182	-	23,946	160,128
At 31 March 2015	121,058	-	31,879	152,937

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

7. DEBTORS

	2016 £	2015 £
Licence Fees & Rents Receivable	23,641	3,335
Education Income Receivable	80,961	65,965
Gallery Income Receivable	6,060	-
Other Income Receivable	31,530	21,120
Other Debtors (Gift Aid)	92,623	60,386
Other Debtors (Cyclescheme)	321	-
Prepayments and Accrued Income	60,011	62,678
Total	<u>295,147</u>	<u>213,484</u>

Since the year end, HMRC have paid out gift aid claims amounting to in excess of £95,000.

8. CREDITORS:
Amounts falling due within one year

	2016 £	2015 £
Trade creditors	76,534	112,966
Other creditors	132,620	103,366
Accruals and deferred income	231,711	181,534
	<u>440,865</u>	<u>397,866</u>

BOW ARTS TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

9. RESTRICTED FUNDS

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

	Balance 1 April 2015 £	Income £	Expenditure £	Transfers between funds £	Balance 31 March 2016 £
Arts Council Capital Grant	86,000	-	(22,041)	-	63,959
Legacy List Grant	8,000	3,000	(11,000)	-	-
Aldgate & Allhallows Grant	-	15,000	(8,063)	-	6,937
Arts Council NPO Grant	-	50,290	(50,290)	-	-
Community Fund - East Thames SLA	-	10,000	(10,000)	-	-
Community Fund - Poplar HARCA	-	9,000	(9,000)	-	-
London Borough of Barking & Dagenham Grant	-	120,000	(96,333)	-	23,667
The Prince's Trust	-	8,621	(8,621)	-	-
TANDEM Europe	-	504	(504)	-	-
Total	94,000	216,415	(215,852)	-	94,563

10. RESILIENCE FUND

	2016 £	2015 £
Fund brought forward	750,000	500,000
Allocation in the year	250,000	250,000
Total	1,000,000	750,000

The Resilience Fund was established in 2012 as a "fighting fund" to achieve greater financial security through investment in property. 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. Current 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 the Resilience Fund specifically for this purpose.

BOW ARTS TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	160,129	-	160,129	152,937
Current assets	1,575,338	94,563	1,669,901	1,348,353
Creditors due within one year	(440,865)	-	(440,865)	(397,866)
	<u>1,294,602</u>	<u>94,563</u>	<u>1,389,165</u>	<u>1,103,424</u>

12. MOVEMENT OF FUNDS

	Unrestricted Funds £	Restricted Funds £	Total £
Balance brought forward	1,009,424	94,000	1,103,424
Surplus/ (Deficit) for the year	285,178	563	285,741
Balance carried forward	<u>1,294,602</u>	<u>94,563</u>	<u>1,389,165</u>

13. OPERATING LEASE COMMITMENTS

At 31 March 2016 the charity had annual commitments under non-cancellable operating leases as follows:

	2016 £	2015 £
<u>Land and buildings</u>		
Leases expiring in more than 5 years	<u>145,277</u>	<u>138,453</u>

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14. RELATED PARTY TRANSACTIONS

E. Hall was a member of the Poplar HARCA Audit and Risk Committee during the financial year. Bow Arts paid Poplar HARCA a total of £231,971 (2015: £198,836) in rent/service charges for flats managed under the Live/Work Scheme. E. Hall is also a Member of the Court of The Royal Foundation of St. Katharine. During the year, Bow Arts paid The Royal Foundation of St. Katharine £1,077 (2015: Nil).

J. Winskill is a Consultant Solicitor with Apex Law LLP. Bow Arts paid Apex Law a total of £900 (2015: £776) for the provision of legal services advice on licence to works agreements and new leases.

Bow Arts paid M Ullah a total of £2,000 (2015: Nil) for the provision of consultancy services tendering for a new creative workspace development site.

During the year, a total of £860 (2015: £770) was paid out by the trust in respect of Trustees Indemnity cover. No claims were made against this policy during the year.

15. 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.

16. CONTINGENT LIABILITY

Bow Arts Trust has received charitable donations from artists since 2000 and has successfully claimed gift aid. In 2014 HM Revenue & Customs commenced a review of the validity of the claims. Their previous inspections did not raise concerns and the Trustees consider the claims to be valid. No provision for any potential repayment to HM Revenue and Customs has been made in these accounts.

However, since the review, in view of the absence of any closure confirmation from HMRC, the Trustees believe that a contingent liability exists. This relates to gift aid claimed and repaid amounting to £132,680 in respect of years up to 2012/13 which are subject to review.