

Company Number: 3031923
Charity Number: 1046958

BOW ARTS TRUST
(A Company Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2014

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COMPANIES HOUSE

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
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TRUSTEES AND ADVISERS

Trustees and Directors

M. Blundell (to 12th September 2013)
M. Coles
S. Elson
M.J. Faull
E. Hall
J. Kilburn
R. Madan
J.A. Middleton
N. Smales
M. Ullah (appointed 27th November 2013)
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

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 2014. 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 2014) 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 to provide flexibility. 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 14 members of staff, 11 working full-time and 3 part-time. 2013/14 saw changes in personnel in one of the Education and Learning Officer's, and a new part-time position was created, Senior Property Assistant. Temporary appointments were also made to provide maternity cover for the Gallery Director and Finance Administrator. Five paid interns were recruited on fixed term contracts.

CORE SERVICES DEPARTMENT

The most significant development this year was the project at 181 and 183 Bow Road. Further to a capital grant award of £320,000 from Arts Council England, and drawing on some of our reserves, we completed a programme of refurbishment works comprising: a new studio roof, gallery improvements, larger office space and enhanced courtyard area. In January 2014, all staff co-located to the new Bow Road headquarters. Going forward, the works will contribute further to the organisation's sustainability and resilience.

We are starting to embed sustainability across our working practices and, with on-going support and encouragement from Julie's Bicycle, we continue to measure the carbon footprint at Bow Road. This year, the focus of our Equality and Diversity planning has been through advice and guidance provided by leading disability arts organisation, Shape, who exhibited in the Gallery in 2013.

2013/14 saw a significant increase in our on-line presence and digital audiences. Our aim to provide greater access to the arts via digital media is backed by three websites, two Twitter accounts, Facebook and a Tumblr blog. In the past year, the Bow Arts website has increased to 280,000 page views annually, and the Bow Arts Twitter account has increased to over 30,000 followers.

PROPERTY

Studio provision:

Bow Arts manages four main studio sites: Bow Road Studios (E3 2SJ), P1 Studios (E3 2FX), SE1 Studios (SE1 5SF) and, since October 2013, Stratford Studios (E15 4QZ). The portfolio consists of a total of 120,000 sq ft of studio provision for over 350 artists. The main Bow Road site, not only provides artists' studios but also a public gallery and café, it is the administrative headquarters of the Trust. Occupancy levels across all studios were in excess of 98% for the year with a 20% turnover.

Residential / Live Work scheme:

In partnership with local registered social landlord, Poplar HARCA, Bow Arts continues to provide artists with ex-local authority flats in Poplar, Tower Hamlets, to use as affordable Live Work Space. A new SLA agreement was signed with Poplar HARCA to secure properties as further developments take place in the south east of the borough. Our short-life Live Work flats in Bow and Poplar were extended to 31st March 2014 (and beyond).

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REPORT OF THE TRUSTEES
- continued

EDUCATION & LEARNING

The table below provides an overview of the work of the Education team over the 2013-14 financial year. The Education programme in numbers (year on year comparison):

Education programme in numbers:

	April 2013 – March 2014	April 2012 – March 2013	April 2011 – March 2012
School Clients	67	57	43
Projects Contracted	170	111	61
Artist-led Sessions Delivered	1,434	1,281	607
Opportunities for Participation	38,331	32,538	9,660
Individual Participants	8,710	7,380 (Revised)	Not collected
Education – Schools Income Contracted	£246,663	£167,647	c. £90,000
Education Audiences	2,722	5,151	1,620
Artist Contracts	206	171	92
Young People gaining Arts Award Qualifications	81 (with further 140 to be moderated)	31	35

The consortia model of working with clusters of schools has continued in 2013/14 with the Manor Park Federation (8 schools) in Newham and the Isle of Dogs Consortia in Tower Hamlets (9 schools), and a new consortium planned with a partnership of schools in Poplar.

NUNNERY GALLERY

Nunnery visitor numbers: the total number of visitors has remained stable at 3,000 per annum over 12 months in 2012/13, and over 9 months in 2013/14 when the Gallery and Cafe were closed for 3 months during the refurbishment works. The works included a new heating system, new entrance doors, gallery lighting improvements and the creation of a reception and retail space within the gallery.

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REPORT OF THE TRUSTEES
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Gallery Exhibitions 2013-14	From	To
Geometric Figuring		
Artist Ben Washington	08/03/2013	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		
In progress: Works from the Studio	02/08/2013	15/09/2014
Artist Alexis Harding		
Shape Open 2013	04/10/2013	20/10/2013
Various artists		
Another Country	23/01/2014	6/04/2014
With artists Matthew Krishanu and Cara Nahaul		

The Open, 2013 Open studios was a great success attracting large visitor numbers and was hosted over two weekends at Bow Road (June) and Bermondsey (September), the Open exhibition showcased around 20 artists in the Bermondsey Project Space and was curated by Cullinan Richards. This was also the first year of the Bow Arts Prize which gives the winning artist - Clare Mitten - a bursary award, studio space for a year and an end of residency exhibition.

A series of artist talks, local walking tours and curated studio visits complement our exhibition programme. Over the year we continued our programme of Artist Continuing Professional Development sessions in the form of peer crits hosted by Engine ChatChat.

Public Arts Consultancy continues to grow raising revenue and profile for the gallery programme:

- Poplar HARCA, public art commission – Gary Drostle Willis Street Commission completed
- Willmott Dixon Regeneration – artist commissioned works were exhibited in the marketing suite as part of the Aberfeldy Village housing development.

FINANCIAL REVIEW

Bow Arts achieved a surplus of £230,786 in 2012/13 and has continued this trend into 2013/14 in line with its commitment to secure a reserves base and resilience fund. A surplus of £270,413 was achieved this year. The Trust agreed to use some of this surplus to contribute towards the total costs of the refurbishment works at Bow Road an exceptional item in 2013/14. The net position gives an overall surplus of £95,990.

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.

REPORT OF THE TRUSTEES
- continued

Reserves Policy

Bow Arts policy is to maintain a working reserve between £150,000 (this equates to a minimum of 2 months of a primary loss of income) and £385,000 (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.

At the year end the total reserves stood at £801,175, an increase of 14% on the previous year. Of this amount, Unrestricted Funds were £801,175, made up of £301,175 (General Funds) and £500,000 (Resilience Fund).

As at 31st March 2014, 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 previously advised on the lease renewal at 181 and 183 Bow Road
- Jonathan Winskill (Apex Law LLP) provided legal services advice on the lease at Essex House, Stratford
- Delvendahl Martin Architects, working with cost management consultants Davis Langdon (now part of AECOM), were key appointments for the main building contract for the refurbishment works at Bow Road.
- Management consultant, Michael Owens, was engaged to support property and strategic developments
- Human resources consultant, Gareth Roberts, was engaged to undertake an independent review of the staff reward scheme (salary and benefits); the recommendations were implemented from 1st April 2014

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REPORT OF THE TRUSTEES
- continued

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 2013.

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



30 SEP 2014

BOW ARTS TRUST
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
YEAR ENDED 31ST MARCH 2014

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 2014

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 2014 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 Chapter 3 of Part 16 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 2014 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

62 Wilson Street
London EC2A 2BU

16 October 2014

Nicholas Heath MA ACA
(Senior Statutory Auditor)
for and on behalf of
RPG CROUCH CHAPMAN LLP
Chartered Accountants
Statutory Auditors

BOW ARTS TRUST
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STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31ST MARCH 2014

INCOME AND EXPENDITURE ACCOUNT

		Unrestricted Funds			Total	Total
		General	Designated	Restricted	Funds	Funds
		Fund	Fund	Funds	2014	2013
	Notes	£	£	£	£	£
Incoming Resources						
Incoming Resources from Generated Funds						
Voluntary Income						
Donations		309,724	-	68,207	377,931	369,050
Gift Aid		56,298	-	-	56,298	56,273
Investment Income		10,759	-	-	10,759	4,910
		<u>376,781</u>	<u>-</u>	<u>68,207</u>	<u>444,988</u>	<u>430,233</u>
Incoming Resources from Charitable Activities						
Licence Fees & Rents Receivable		796,652	-	-	796,652	829,038
Education Income		203,923	-	-	203,923	219,525
Gallery Income		29,929	-	-	29,929	86,795
Other Income		<u>30,180</u>	<u>-</u>	<u>-</u>	<u>30,180</u>	<u>6,842</u>
Total Recurring Income		<u>1,437,465</u>	<u>-</u>	<u>68,207</u>	<u>1,505,672</u>	<u>1,572,433</u>
Resources Expended						
Charitable Activities	2	1,080,940	18,000	68,207	1,167,157	1,278,491
Governance Costs	4	68,112	-	-	68,112	63,156
Total Recurring Resources Expended		<u>1,149,052</u>	<u>18,000</u>	<u>68,207</u>	<u>1,235,269</u>	<u>1,341,647</u>
Net Incoming/(Outgoing) Resources						
Before exceptional item		<u>288,413</u>	<u>(18,000)</u>	<u>-</u>	<u>270,413</u>	<u>230,786</u>
Exceptional item: Bow Road Project						
Donations		-	-	323,575	323,575	-
Gift Aid		721	-	-	721	-
Total Exceptional Income		<u>721</u>	<u>-</u>	<u>323,575</u>	<u>324,296</u>	<u>-</u>
Charitable Expenditure						
Charitable Activities - Bow Road Project		<u>175,144</u>	<u>-</u>	<u>323,575</u>	<u>498,719</u>	<u>-</u>
Net Exceptional Expenditure		<u>(174,423)</u>	<u>-</u>	<u>-</u>	<u>(174,423)</u>	<u>-</u>
Net movement in funds being net income/expenditure for the year		<u>113,990</u>	<u>(18,000)</u>	<u>-</u>	<u>95,990</u>	<u>230,786</u>
Funds at beginning of year		<u>687,185</u>	<u>18,000</u>	<u>-</u>	<u>705,185</u>	<u>474,399</u>
Funds carried forward at end of year		<u>801,175</u>	<u>-</u>	<u>-</u>	<u>801,175</u>	<u>705,185</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.

Co-No. 3031923

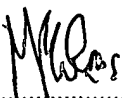
BOW ARTS TRUST
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BALANCE SHEET
31ST MARCH 2014

	Notes	2014 £	2013 £
Fixed Assets			
Tangible Fixed Assets	7	70,588	39,654
Current Assets			
Debtors	8	178,339	145,752
Cash at bank and in hand		1,049,850	773,624
		<u>1,228,189</u>	<u>919,376</u>
Creditors			
Amounts due within one year	9	(497,602)	(253,845)
		<u>730,587</u>	<u>665,531</u>
Net Current Assets			
		730,587	665,531
Creditors amounts due after one year	9	-	-
		<u>-</u>	<u>-</u>
Net assets		<u>801,175</u>	<u>705,185</u>
Funds			
Restricted Funds	10	-	-
Unrestricted Funds			
General Funds		301,175	261,221
Designated Funds	11	-	18,000
Resilience Fund	12	500,000	425,964
		<u>801,175</u>	<u>705,185</u>
Total Funds	13	<u>801,175</u>	<u>705,185</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 **30 SEP 2014**
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 2014

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.

Fixed Assets and Depreciation

Tangible fixed assets are capitalised where the Trust has effective ownership of the assets or where it can expect to earn a future 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 and 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

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 and assumed to be of no value at the end of the 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 2014 £	Total 2013 £
Provision of Creative Workspace	1,077,481	149,699	1,227,180	838,371
Education Projects	273,095	50,110	323,205	320,376
Gallery Programmes & Events	90,289	25,192	115,481	119,744
	<u>1,440,865</u>	<u>225,001</u>	<u>1,665,866</u>	<u>1,278,491</u>

3. SUPPORT COSTS

	Property £	Education £	Gallery £	Governance £	Total 2014 £	Total 2013 £
Staff Costs	81,327	36,146	18,073	45,182	180,728	157,819
Depreciation	34,817	350	312	359	35,838	33,815
Office & Marketing Costs	33,555	13,614	6,807	14,093	68,069	59,066
	<u>149,699</u>	<u>50,110</u>	<u>25,192</u>	<u>59,634</u>	<u>284,635</u>	<u>250,700</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	2014 £	2013 £
Auditors remuneration		
-Accounting Services	1,600	1,600
-Audit	5,400	4,400
Bank Charges	707	1,824
Trustee Costs	771	856
Support Costs	59,634	54,476
	<u>68,112</u>	<u>63,156</u>

Trustees expenses amounting to £771 were incurred during the year (2013: £856).

5. NET OUTGOING RESOURCES	2014 £	2013 £
This is stated after charging:		
Operating lease rentals – premises	148,766	165,140
Depreciation of tangible fixed assets	35,838	33,815
	<u>184,604</u>	<u>198,955</u>

6. EMPLOYEES	2014 £	2013 £
Staff Costs:		
Wages, Salaries	364,531	330,054
PAYE & National Insurance costs	35,283	34,281
Training & Other Costs	5,131	7,319
	<u>404,945</u>	<u>371,654</u>

The average number of employees, analysed by function, was:	Number	Number
Direct Charitable Activities	11	9
Administration	3	3
	<u>14</u>	<u>12</u>

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

	2014 £	2013 £
£60,000 - £69,999	-	1
£70,000 - £79,499	1	-
	<u>1</u>	<u>1</u>

BOW ARTS TRUST
(A Company Limited by Guarantee)

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 2013	17,649	153,365	94,101	54,919	320,034
Additions	-	41,826	-	24,946	66,772
Disposals	(17,649)	-	-	-	(17,649)
	<u>-</u>	<u>195,191</u>	<u>94,101</u>	<u>79,865</u>	<u>369,157</u>
At 31 st March 2014	-	195,191	94,101	79,865	369,157
DEPRECIATION					
At 1 st April 2013	17,649	113,925	94,101	54,705	280,380
Charge for year	-	34,817	-	1,021	35,838
Depreciation on disposals	(17,649)	-	-	-	(17,649)
	<u>-</u>	<u>148,742</u>	<u>94,101</u>	<u>55,726</u>	<u>298,569</u>
At 31 st March 2014	-	148,742	94,101	55,726	298,569
NET BOOK VALUE					
At 31 st March 2014	-	46,449	-	24,139	70,588
	<u>-</u>	<u>46,449</u>	<u>-</u>	<u>24,139</u>	<u>70,588</u>
At 31 st March 2013	-	39,440	-	214	39,654
	<u>-</u>	<u>39,440</u>	<u>-</u>	<u>214</u>	<u>39,654</u>

8. DEBTORS

	2014 £	2013 £
Licence Fees & Rents Receivable	10,984	4,199
Education Income Receivable	9,645	45,120
Gallery Income Receivable	15,305	-
Other Income receivable	11,400	-
Other Debtors (Gift Aid)	55,959	56,526
Prepayments and Accrued Income	75,046	39,907
	<u>178,339</u>	<u>145,752</u>

9. CREDITORS

	2014 £	2013 £
Amounts falling due within one year:		
Trade Creditors	152,415	36,878
Members' Deposits	102,843	83,554
Accruals and Deferred Income	242,344	133,413
	<u>497,602</u>	<u>253,845</u>

BOW ARTS TRUST
(A Company Limited by Guarantee)

NOTES TO THE ACCOUNTS
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9. CREDITORS	2014 £	2013 £
Amounts falling due after more than one year:		
Bank loan	-	-
	<u> </u>	<u> </u>

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 2013.

10. 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 2013 £	Incoming resources £	Outgoing resources £	Transfers between funds £	Balance 31 March 2014 £
Poplar HARCA SLA Projects	-	8,250	(8,250)	-	-
East Thames SLA Projects	-	13,445	(13,445)	-	-
Arts Council Capital Grant	-	320,000	(320,000)	-	-
Arts Council NPO Grant	-	50,087	(50,087)	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	-	391,782	(391,782)	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

11. DESIGNATED FUNDS

	Balance 1 April 2013 £	Incoming resources £	Outgoing resources £	Transfers between funds £	Balance 31 March 2014 £
Contribution to repairs	18,000	-	(18,000)	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

BOW ARTS TRUST
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NOTES TO THE ACCOUNTS
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12. RESILIENCE FUND	2014 £	2013 £
Fund brought forward	425,964	175,964
Allocation in year	74,036	250,000
	<u>500,000</u>	<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. 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.

An increase in the Resilience Fund of £74,036 has been made this year as approved by the Board of Trustees and in line with its policy on the Resilience Fund.

13. ANALYSIS OF TOTAL FUNDS	Tangible Fixed Assets £	Other Assets £	Total £
Restricted Funds	-	-	-
Unrestricted funds			
- General	70,588	230,587	301,175
- Designated	-	-	-
- Resilience	-	500,000	500,000
	<u>70,588</u>	<u>730,587</u>	<u>801,175</u>

14. MOVEMENT OF FUNDS	Unrestricted Funds £	Restricted Funds £	Total £
Balance brought forward	705,185	-	705,185
Surplus/(Deficit) for the year	95,990	-	95,990
	<u>801,175</u>	<u>-</u>	<u>801,175</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:

	2014	2013
	£	£
Land and Buildings		
On leases expiring:		
within one year	12,000	12,000
in more than five years	138,453	128,900
	<u>150,453</u>	<u>140,900</u>

16. RELATED PARTY TRANSACTIONS

E. Hall is a member of the Poplar HARCA Audit and Risk Committee during the financial year. Bow Arts paid Poplar HARCA a total of £224,149 (2013: £329,886) in rent/service charges for flats managed under the Live/Work Scheme.

During the year, a total of £1,291 (2013: £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.