

ABILITY BOW
(A company limited by guarantee)

**DIRECTORS' AND TRUSTEES' REPORT
AND ACCOUNTS**

FOR THE YEAR ENDED 31ST MARCH 2014



Company No: 05800086
Charity No: 1115595

ABILITY BOW
(A company limited by guarantee)
REPORT AND ACCOUNTS

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LEGAL AND ADMINISTRATIVE DETAILS

Directors/Trustees	S Lanigan	- Chair	(App't 26/09/13)
	K Dee	- Treasurer	(App't 26/09/13)
	N Morris		
	O Jelf		
	S Robarts		
	G W Brown		
	C Grosvenor		
	N Newton-Sawyer		
	S Currie		
H Aneja			

Secretary	V Kent
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Senior Management Team	V Kent – Executive Officer
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Company Number	05800086
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Charity Number	1115595
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Registered Office	St. Paul's Church St. Stephen's Road London E3 5JL
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Independent Examiner	David Terry FCA Ramon Lee & Partners Kemp House 152/160 City Road London EC1V 2DW
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Bankers	The Co-operative Bank PO Box 250 Skelmersdale WN8 6WT
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ABILITY BOW
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DIRECTORS' AND TRUSTEES' REPORT
FOR THE YEAR ENDED 31ST MARCH 2014

The Trustees, who are Directors for the purposes of company law, are pleased to present their report including the financial statements of the charity for the financial year to 31st March 2014.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's governing document, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in March 2005.

Structure, Governance and Management

Governing Document

Ability Bow is registered as a company limited by guarantee and not having share capital. Its operations are governed by its memorandum and articles of association (M&AA).

The company was incorporated on 28th April 2006 and registered as a charity on 26th July 2006. The charity registration number is 1115595 and the company registration number is 05800086.

Appointment of Trustees

As set out in the Articles of Association, the Chair of the Trustees is nominated by Ability Bow. The Directors of the organisation are also the charity Trustees for the purposes of charity law.

The Board of Trustees have power to appoint additional Trustees as it considers fit to do so. The Trustees have no beneficial interest in the company other than as members. The Trustees are also the Directors of the company.

Organisational Structure

The company is organised so that the Trustees meet regularly to manage its affairs. The Trustees are members from a variety of backgrounds with relevant professional experience.

Related Parties

The charity has relationships with related parties and other charities and organisations with which it co-operates in pursuit of its charitable objectives.

Public Benefit statement

The Trustees consider that they have complied with Section 17 of the Charities Act 2011 with regard to the guidance on public benefit published by the Charity Commission.

Objectives and activities

The object, for which the charity was established, as stated in the Memorandum and Articles of Association, is:

- a. The promotion of health through the pursuit of healthy recreation;
- b. The provision of a gym and fitness classes that are open to everyone, particularly people on low incomes, people with disabilities and those who would not otherwise use or have access to a gym.

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DIRECTORS' AND TRUSTEES' REPORT (Cont/d)
FOR THE YEAR ENDED 31ST MARCH 2014

Achievements and performance

The impact of the changes to the commissioning structure and reduced statutory income continued to be felt by Ability Bow this year, reflected in our reduced income which was down by 12% on the previous year. However, the entire team of volunteers and paid staff continued to work exceptionally hard and sustained a very high level of activity. Our services supported a greater number of people than ever and we introduced specialist new groups for people with diabetes, heart disease and at risk of falls.

We also worked hard at building up positive relationships with commissioners involved in the new structures and achieved significant developments in how we collect information about the impact of our services. We are now better placed to report on the ways in which our services enable people to make less use of statutory health services such as physiotherapy, GP and hospital visits and the use of medication. The more we are able to demonstrate the benefits of our services, the stronger we will be in gaining contracts from commissioners in the future.

Key achievements for the year are:

We supported 520 disabled people during the year.

We provided focused exercise support for the following groups:

- Stroke patients
- People with Multiple Sclerosis
- People with Diabetes
- People with heart conditions
- People with mental ill health
- People at risk of falls
- Residents of Tower Hamlets and Hackney who have a disability or a long-term health condition
- Women preferring to exercise in a women-only environment

Future developments

The strategic focus for the year 2014-15 is:

- To secure contract income from the new health and social care structures in Tower Hamlets and Hackney
- To further diversify funding sources by securing income from a variety of Charitable Trusts and fundraising events
- To participate in tendering opportunities and achieve successful outcomes.

Financial review

The Statement of Financial Activities showed net surplus of £4,080 (2013 - surplus £13,132) for the year and reserves stand at £23,970 (2013 - £19,890).

Investment powers and policy

The Trust Deed authorises the Trustees to make and hold investments using the general funds of the charity. The Trustees have the power to invest in any way that they see fit.

Reserves policy

The Trustees have adopted a reserves policy through which we will aim to build and maintain a level of reserves equivalent to up to 3 months running costs. It is not expected to reach this level in year one of operation but over a longer period of time.

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DIRECTORS' AND TRUSTEES' REPORT (Cont/d)
FOR THE YEAR ENDED 31ST MARCH 2014

Charitable and political donations

During the year the company made no political or charitable donations.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

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

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

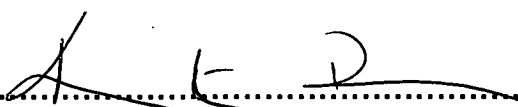
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures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

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

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

APPROVED BY THE BOARD OF TRUSTEES AND SIGNED ON ITS BEHALF BY:

.....  **S Lanigan - Chair**

.....  **K Dee - Treasurer**

11th AUGUST 2014

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF

ABILITY BOW

(A company limited by guarantee)

I report on the accounts of the charitable company for the year ended 31st March 2014 which are set on pages 7 to 13.

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.


Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



**DAVID TERRY FCA
RAMON LEE & PARTNERS
CHARTERED ACCOUNTANT**

**KEMP HOUSE
152/160 CITY ROAD
LONDON EC1V 2DW**

11th AUGUST 2014

ABILITY BOW
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STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2014
SUMMARY INCOME AND EXPENDITURE ACCOUNT

	<u>Notes</u>	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>2014</u> £	<u>2013</u> £
Incoming resources					
Incoming resources from generated funds:					
Voluntary income:					
Donations and grants	2	8,810	23,443	32,253	14,625
<i>Activities for generating funds:</i>					
Fundraising events		47,722	-	47,722	68,626
Other income		4,522	-	4,522	1,095
Incoming resources from charitable activities:					
Sessional income		32,543	-	32,543	34,508
Donations and grants	3	13,748	114,032	127,780	156,542
Total incoming resources		<u>107,345</u>	<u>137,475</u>	<u>244,820</u>	<u>275,396</u>
Resources expended					
Costs of generating voluntary income	4	28,975	-	28,975	32,942
Charitable activities	4	81,542	127,281	208,823	226,566
Governance costs	4	2,942	-	2,942	2,756
TOTAL RESOURCES EXPENDED		<u>113,459</u>	<u>127,281</u>	<u>240,740</u>	<u>262,264</u>
NET MOVEMENT IN FUNDS		(6,114)	10,194	4,080	13,132
<i>Reconciliation of funds</i>					
Total funds, brought forward		19,890	-	19,890	6,758
Total funds, carried forward		<u>13,776</u>	<u>10,194</u>	<u>23,970</u>	<u>19,890</u>

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the above two financial periods.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the above movement in funds for the above two financial years.

The notes on page 9 to 13 form part of these accounts.

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BALANCE SHEET AS AT 31ST MARCH 2014

	<u>Notes</u>	<u>2014</u>	<u>2013</u>
		£	£
FIXED ASSETS			
Tangible fixed assets	8	2,134	4,937
CURRENT ASSETS			
Debtors	9	31,982	974
Cash at bank and in hand		70	20,639
		<u>32,052</u>	<u>21,613</u>
CREDITORS: amounts falling due within one year	10	<u>10,216</u>	<u>6,660</u>
NET CURRENT ASSETS (LIABILITIES)		21,836	14,953
NET ASSETS		<u>23,970</u>	<u>19,890</u>
Represented by:			
Funds and reserves:			
Unrestricted fund:			
- general funds	11	13,776	19,890
Restricted funds	11	10,194	-
TOTAL FUNDS		<u>23,970</u>	<u>19,890</u>

For the financial year ended 31st March 2014 the company was entitled to exemption from audit under section 477 Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The directors acknowledged their responsibilities for ensuring that the company keeps accounting records which comply with Section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of Section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as is applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standards for Smaller Entities (effective April 2008).

These accounts were approved by the Board of Trustees on 11th August 2014 and were signed on its behalf by:

.....  **S Lanigan - Chair**

.....  **K Dee - Treasurer**

Company Registration No: 05800086

The notes on page 9 to 13 form part of these accounts.

ABILITY BOW
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NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2014

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year.

1.1 Basis of accounting

The financial statements are prepared under the historical cost convention and are in accordance with the Companies Act 2006 and the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005.

1.2 Fund accounting

- (a) Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.
- (b) Restricted funds are subjected to restrictions on the expenditure imposed by the donor.

1.3 Incoming resources

All incoming resources are included in the statement of financial activities when the Charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to categories of income:

- (a) Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- (b) Investment income is included when receivable.
- (c) Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

1.4 Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT, which cannot be recovered, and is reported as part of the expenditure to which it relates:

- a) Costs of generating funds are those cost incurred in attracting voluntary income.
- b) Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- c) Governance costs includes those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly. Others are apportioned on an appropriate basis, e.g. staff time or estimated usage.

1.5 Tangible Fixed Assets And Depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Equipment	- 20% on cost
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1.6 Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the charity qualifies as a small company.

ABILITY BOW
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NOTES TO THE ACCOUNTS (Cont/d)
FOR THE YEAR ENDED 31ST MARCH 2014

2. VOLUNTARY INCOME

	<u>Unrestricted</u>	<u>Restricted</u>	<u>2014</u>	<u>2013</u>
	£	£	£	£
Action for Bow	-	1,792	1,792	-
Aeorema	480	-	480	-
Charities Trust - payroll giving	-	-	-	1,000
Coutts Charitable Trust	-	-	-	500
DAC Beachcroft LLP	-	-	-	500
The Hospital Saturday Fund	-	-	-	1,000
The Labour Party	-	-	-	125
London Catalyst	-	-	-	6,500
McKinsey & Company	1,189	-	1,189	-
Merchant Taylors's Company	-	4,000	4,000	-
Nationwide	100	-	100	-
The Sobell Foundation	5,000	-	5,000	5,000
Sport England	-	9,250	9,250	-
Trusthouse	-	4,000	4,000	-
UBS	1,000	-	1,000	-
Wakefield Tetley	-	4,401	4,401	-
General donations	1,041	-	1,041	-
TOTAL	8,810	23,443	32,253	14,625

3. DONATIONS AND GRANTS

	<u>Unrestricted</u>	<u>Restricted</u>	<u>2014</u>	<u>2013</u>
	£	£	£	£
29th May 1961 Charitable Trust	-	4,000	4,000	4,000
Big Lottery Fund - Awards for All	-	-	-	9,790
City & Hackney NHS	13,748	-	13,748	13,748
Community Development Foundation	-	2,250	2,250	2,420
Lloyds TSB	-	13,088	13,088	-
LBTH - mainstream	-	2,500	2,500	-
M & G	-	7,194	7,194	-
Shoreditch Community	-	-	-	234
The City Bridge Trust	-	31,600	31,600	27,600
The Goldsmiths' Company	-	-	-	3,000
The Sir Jules Thorn Trust	-	-	-	500
The Woodlands Trust	-	-	-	3,000
Tower Hamlets NHS	-	53,400	53,400	67,250
Tower Hamlets PCT (NHS NELC)	-	-	-	25,000
TOTAL	13,748	114,032	127,780	156,542

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NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2014

4. RESOURCES EXPENDED

	<u>Basis of allocation</u>	<u>Voluntary Income</u> £	<u>Gym</u> £	<u>Governance</u> £	<u>2014</u> £	<u>2013</u> £
Costs directly allocated to activities						
Staff costs	Direct	10,171	141,233	1,017	152,421	154,435
Redundancy	Direct	-	-	-	-	1,935
Staff uniforms	Direct	-	-	-	-	119
Training	Direct	-	305	-	305	926
Consumables	Direct	14	391	17	422	329
Advertising	Direct	-	470	-	470	703
Insurance	Direct	-	3,596	-	3,596	3,413
Professional expenses	Direct	3,438	600	108	4,146	6,375
Event costs	Direct	15,352	-	-	15,352	16,450
Independent Examiner's fee	Direct	-	-	1,800	1,800	1,680
Support costs allocated to activities						
Office and administration staff	Staff time	-	25,801	-	25,801	28,101
Redundancy	Staff time	-	-	-	-	1,935
Premises	Usage	-	28,505	-	28,505	36,420
Communication costs	Usage	-	2,034	-	2,034	3,323
Professional expenses	Usage	-	-	-	-	2,088
Memberships and subscriptions	Usage	-	257	-	257	245
Depreciation	Usage	-	2,803	-	2,803	3,411
Other	Transactions	-	2,828	-	2,828	376
		<u>28,975</u>	<u>208,823</u>	<u>2,942</u>	<u>240,740</u>	<u>262,264</u>

5. NET MOVEMENT IN FUNDS

Net movement in funds is shown after charging:

	<u>2014</u> £	<u>2013</u> £
Depreciation on tangible fixed assets	<u>2,803</u>	<u>3,411</u>

6. DIRECTORS AND EMPLOYEES

STAFF COSTS

	<u>2014</u> £	<u>2013</u> £
Salaries	112,208	135,546
National Insurance	11,239	13,434
	<u>123,447</u>	<u>148,980</u>

The average number of employees analysed by function was:

Direct project work	3	5
Administration work	1	1

No employee received remuneration in excess of £60,000 during the year. No Trustee or Director received any remuneration during the year. No Trustee received any reimbursed expenses in the year.

ABILITY BOW
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NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2014

7. TAXATION

Ability Bow is a registered charity and therefore is not liable to Income Tax or Corporation Tax on income derived from its charitable activities.

8. TANGIBLE FIXED ASSETS

		<u>2014</u> £	<u>2013</u> £
Net book value:			
Fixtures, fittings and equipment		2,134	4,937
		<u>2,134</u>	<u>4,937</u>
Movements in the period:			
Cost:			
	<u>Opening Balances</u> £	<u>Additions</u> £	<u>Disposals</u> £
	<u>Closing Balances</u> £		
Fixtures, fittings and equipment	85,245	-	-
	<u>85,245</u>	<u>-</u>	<u>-</u>
Depreciation:			
	<u>Opening Balances</u> £	<u>Charge For Period</u> £	<u>Disposals</u> £
	<u>Closing Balances</u> £		
Fixtures, fittings and equipment	80,308	2,803	-
	<u>80,308</u>	<u>2,803</u>	<u>-</u>

9. DEBTORS

	<u>2014</u> £	<u>2013</u> £
Accrued income	31,982	-
Other debtors and prepayments	-	974
	<u>31,982</u>	<u>974</u>

10. CREDITORS: Amounts falling due within one year

	<u>2014</u> £	<u>2013</u> £
Bank overdraft	726	-
Taxation and social security	3,048	3,457
Deferred income	4,362	-
Other creditors and accruals	2,080	3,203
	<u>10,216</u>	<u>6,660</u>

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NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2014

11. MOVEMENT IN FUNDS

	<u>Balance at 01.04.13</u> £	<u>Incoming Resources</u> £	<u>Outgoing Resources</u> £	<u>Balance at 31.03.14</u> £
<i>Restricted funds:</i>				
Never Too Late	-	14,193	14,193	-
Heart Ability	-	9,250	9,250	-
Keep Moving With Diabetes	-	2,250	2,250	-
Core Gym Funding	-	59,900	59,900	-
Project Development Manager	-	13,088	13,088	-
Reach Ability	-	31,600	28,600	3,000
Therapeutic bike	-	7,194	-	7,194
	<u>-</u>	<u>137,475</u>	<u>127,281</u>	<u>10,194</u>
General funds	19,890	107,345	113,459	13,776
Total funds	<u>19,890</u>	<u>244,820</u>	<u>240,740</u>	<u>23,970</u>

Purpose of restricted funds:

The above grants and donations was to "provide exercise and fitness classes for disabled people with mental health problems living in the London Borough of Tower Hamlets and Hackney".

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	<u>General Funds</u> £	<u>Restricted Funds</u> £	<u>Total</u> £
Tangible fixed assets	2,134	-	2,134
Current assets	11,642	10,194	21,836
Total net assets	<u>13,776</u>	<u>10,194</u>	<u>23,970</u>

13. LIABILITY OF MEMBERS

The charity is constituted as a company limited by guarantee and does not have a share capital divided by shares.