

Registered number: 03031923
Charity number: 1046958

BOW ARTS TRUST
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

RPG Crouch Chapman LLP
Chartered Accountants & Statutory Auditors
5th Floor
14-16 Dowgate Hill
London
EC4R 2SU

BOW ARTS TRUST

CONTENTS

	Page
Reference and administrative details of the charity, its Trustees and advisers	1
Trustees' report	2 - 7
Independent auditors' report on the financial statements	8 - 11
Consolidated statement of financial activities	12
Consolidated balance sheet	13
Charity balance sheet	14
Consolidated statement of cash flows	15
Charity statement of cash flows	16
Notes to the financial statements	17 - 32

BOW ARTS TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2021

Trustees	M Coles, Chair E Hall R Madan H Motani (resigned 10 March 2021) N Smales B Smith C Smith C Swift S Pallister Dr M Owens (appointed 10 March 2021)
Company registered number	03031923
Charity registered number	1046958
Registered office	183 Bow Road London E3 2SJ
Company secretary	M Baettig
Chief executive officer	M Baettig
Independent auditors	RPG Crouch Chapman LLP 5th Floor 14-16 Dowgate Hill London EC4R 2SU
Bankers	National Westminster Bank Plc 161 Bow Road London E3 2SG Lloyds Bank Plc PO Box 1000 BX1 1LT Aldermore Bank 1st Floor, Block B Western House Lynch Wood Peterborough PE2 6FZ

BOW ARTS TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their annual report together with the audited financial statements for the year 1 April 2020 to 31 March 2021. The Trustees confirm that the annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin (effective 1 January 2015).

Since the charity and the group qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and Activities

OBJECTIVES

Bow Arts Trust's charitable objectives are:

- The relief of poverty amongst emerging artists by the provision of affordable accommodation in which they may create art;
- The promotion and encouragement of the education of the public in the arts, both in the art gallery and elsewhere; and
- 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.

MISSION STATEMENT

The purpose of Bow Arts Trust 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 Trust are met through the delivery of services by three distinct departments (Creative Workspace, Education & Learning and Gallery & Events), supported operationally by the Core Services Department.

In formulating the charity's plans and objectives for the period, the trustees and management have taken in to account the Charities Commission guidance on public benefit. Each of the sections that follow includes a summary of performance and achievements for the year, incorporating impacts and activities undertaken to further public benefit.

CREATIVE WORKSPACE

During the year ending 31 March 2021, Bow Arts Trust completed the fit out of Leyton Studios and Riverside Mill in Barking increasing its portfolio of artist studios by a further 29 studios; a total of 430 affordable studios and live/work accommodation now provided across the portfolio. The portfolio consists of Bow Road Studios (across two buildings), P1 Studios, Stratford Studios, Old Manor Park Library, Leegate Studios, Catford DEK, Canada Street Studios, IceHouse Court Studios, Royal Albert Wharf, Lakeside Centre, Thamesmead Flats, Leyton Studios and Riverside Mill Studios. These sites are all occupied on a leasehold basis.

Thamesmead Lakeside Centre, which provides 38 affordable artists' studios leased to Bow Arts Trust, two residency flats, a community nursery, café and training kitchen facility is now fully operational with YMCA taking on both the Nursery and café/kitchen spaces. Due to C-19 the planned official launch event for Lakeside Centre will be delayed until September 2021.

BOW ARTS TRUST
(A company limited by guarantee)

The Thamesmead Tethered Housing Scheme is now established and currently provides 63 individuals meanwhile accommodation at affordable rates across 35 flats.

New IT systems were introduced in 20-21 including significant investment in a workspace management platform to improve onboarding and billing of artists, tracking and management of debt, monitoring of studio vacancies and accurate real-time reporting.

The Trust's principal funding is received through licence fees from artists for the provision of creative workspace and rents receivable for Live/Work spaces. Despite fees being at subsidised levels, the Board were aware that many artists would be likely to lose significant income for the year due to C-19. In order to support artists to retain their studios, Bow Arts offered studio and residential artists a 3-month rent holiday from the 1st April 2020, suspension of Quarter 1 utilities charges and undischarged rent arrears from January 2020. 80 artists took up the option of a 3-month rent holiday. During the year, external funding was sought via Government grants and Bow Arts was able to secure additional funding of £86,000 from Arts Council England and £89,320 from the Creative Land Trust Emergency Support Fund. These funds have been used to support artists by underwriting their debt as well as covering the costs against studio voids and thus avoiding the need for licence fee or rental increases to cover the costs of empty studios.

EDUCATION & LEARNING

Bow Arts Learning team works closely with schools to develop bespoke programmes that support the delivery of schools' development plans. The resulting education programmes enhance the confidence, skills and qualifications of children and young people, creating pathways into creative industries employment.

In March 2020 all schools projects were suspended in line with C-19 advice with the vast majority of projects being suspended until schools were able to accommodate outside teaching support and artists were confident returning to classroom environments.

The year was somewhat disjointed with regular school openings and closures, but the Learning team successfully delivered 42 projects in 20-21 and found ways to adapt to ensure continued support to schools. Workshops are bespoke, which has enabled a flexible approach to fit the ways in which partner schools have been operating during the pandemic. A blended learning approach was adopted using pre-recorded video, virtual meetings and in-person workshops.

Despite the challenges, core consortia and school relationships have been maintained with four key consortia projects confirmed for 21-22 alongside a deepened relationship with the Paul Hamlyn Foundation, who have extended the scope and financial support for the Consortium Project by a further year. This grant also supports a new dedicated post. Paul Hamlyn additionally provided £20,000 Emergency Support Grant which enabled the Learning team to come off full-time furlough and maintain contact with clients and artists. During this time, the team were able to build on relationships and apply for additional funding for future projects; they secured a new Paul Hamlyn Foundation grant of £130,000 to research the impact of C-19 on schools including ways of supporting routes back to the creative curriculum over two years, formed a new partnership with the Odyssey Trust which will support the setup of a new Local Cultural Education Partnership for Bexley and formed a collaboration with the Enfield Town School partnership to explore the types of learning that help teachers and school leaders develop and grow using a blended approach to arts-based continuing professional development and learning (CPDL) with 10 schools.

BOW ARTS TRUST
(A company limited by guarantee)

GALLERY & EVENTS

The Nunnery Gallery provides a year-round programme of free exhibitions and events for local and wider communities celebrating local heritage and championing emerging artists across all artforms. Due to C-19 restrictions, the gallery was closed for the majority of the year, however, the team were able to secure additional funding from the National Lottery Emergency Fund to support the reopening of the gallery and café in line with government guidelines, including wayfinding signage, outdoor heating, seating and cover for the Nunnery Café and additional support to the staff team including provision of remote working technology and online events training.

The majority of the planned exhibition and events programme for 20-21 was cancelled, however Visions in the Nunnery, Bow Arts' renowned biennial exhibition of moving image, digital and performance art, presented work from 15 countries selected from a worldwide open call. The gallery was able to open physically for the first 2 of 3 programmes. In response to the pandemic, for the first time the exhibition was also presented online.

The gallery's café closed in March 2020 and reopened for takeaway service in September 2020, with intermittent closures as dictated by C-19 tier changes. Despite the challenges, custom remained steady with a good local trade and repeat customers during open periods allowing the gallery and Bow Arts to maintain a physical presence and connection to the local community.

CORE SERVICES

Core services continued to support the financial and administrative work of the trust and manage Governance on behalf of the Board of Trustees. The department continued to progress with a comprehensive overhaul of IT systems and office management. New systems and infrastructure have been introduced throughout the year, supporting the staff team to work efficiently from home. New systems have also streamlined financial processes and provided digital storage of documents in a bid to move to a paperless office, while video conferencing has proved vital in keeping staff connected throughout the year.

Marketing has continued to drive the overhaul of our three websites: www.bowarts.org, www.londonsartistquarter.org and www.artiststudiofinder.org with staff consultation and initial planning complete. The new websites are due to go live in 2021-22.

Financial review

GOING CONCERN

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operations for the foreseeable future. The recovery of churn and void rates for studios pose the greatest risk with potential impact on reserves. The position continues to be monitored.

For this reason, Bow Arts Trust continues to adopt the going concern basis in preparing its financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

PRINCIPAL FUNDING

The main income streams in the year continued to be licence fees from artists for the provision of creative workspace and rents receivable for Live/Work spaces.

RESERVES POLICY

Total consolidated funds held at year end are £2,030,295 including £225,323 restricted funds including: £3,168 Arts Council NPO funds; £86,151 of educational projects carried forward, £100,530 Paul Hamlyn Foundation towards education activities.

BOW ARTS TRUST

(A company limited by guarantee)

Bow Arts Trust's policy, in line with best practice, is to maintain a working reserve of between 2 months and 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 order to accumulate sufficient funds to support the purchase or development of a longer-term interest in buildings (potentially as permanent affordable workspace or Live/Work space for artists) the Trustees have established a designated fund ('Resilience Fund') with a nominal target of £5m.

INVESTMENT POLICY

Our current investment policy is to hold funds in liquid form in short notice deposit accounts for easy access.

Structure, Governance and Management

CONSTITUTION

Bow Arts Trust was founded by Marcel Baettig in 1995. Bow Arts Trust is registered with the Charity Commission (registered charity number 1046958) and is also a Company Limited by Guarantee (company number 3031923). Bow Arts Trust is established under a Deed of Trust dated 6 June 1995 and Memorandum & Articles of Association dated 6th March 1995, as amended by a Deed of Amendment dated 13th January 2006 and a Special Resolution in December 2017.

APPOINTMENT OF TRUSTEES

As set out in the Memorandum and Articles, 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.

TRUSTEE TRAINING AND INDUCTION

New Trustees undergo induction to the organisation by the Chair of the Board and the Chief Executive during which they have the opportunity to meet members of staff and to visit sites and projects under Bow Arts Trust's management. In addition, they are asked to attend meetings of the Board as observers. All newly appointed Trustees are given a Trustee Induction Pack and must sign a Trustee Code of Conduct and agree to the Trustee Conflict of Interest Policy. Trustees are offered access to training to support them in their roles.

STAFFING

On March 20th 2020, the Bow Arts Head Office closed following Government guidance. Staff began working from home from this date and largely remain working from home at year end although C-19 safety provisions have been implemented to enable office working to resume. Due to the closure of the Nunnery Gallery and Schools and Education settings with whom Bow Arts work, the majority of the Core, Arts and Events and Learning staff teams were placed on furlough from May 2020, with working days increasing over the year as demand for services increased. Creative Workspace staff have largely continued to work throughout the year to maintain the provision of services to studio and live work artists. A total grant of £195,982 furlough support was received in 20-21 enabling Bow Arts to retain all staff with no redundancies. Home working was supported by the provision of technology to all staff alongside the introduction of new remote working systems and video conferencing.

The Bow Arts group has 21 members of staff. Bow Arts Trust is an accredited London Living Wage employer. The gallery and events programme continues to be supported by the Shared Training and Employment Programme (STEP).

BOW ARTS TRUST
(A company limited by guarantee)

SENIOR STAFF PAY

The salaries of senior management are reviewed annually by the Trustees through the Remuneration Committee. Salary levels are benchmarked using charity, arts and public sector management comparators.

ORGANISATIONAL STRUCTURE AND DECISION MAKING

During this accounting period (year ending 31st March 2021) 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 and AGM. The Board devolves certain responsibilities to the Core Services Committee which meets quarterly, approximately 4 weeks before each board meeting and the Remuneration Committee which meets bi-annually.

The governing body of the company is the Board of Trustees which currently has nine members and a maximum of fourteen members. The Trustees (listed on page 1) delegate the day-to-day management of Bow Arts Trust to the Chief Executive. The Board is responsible for setting strategies and policies with the Chief Executive.

Bow Arts Trading Ltd is a subsidiary of Bow Arts. The trading company was established in 2016 to deliver activity that (1) contributes to Bow Arts' charitable objectives, and (2) raises funds for the charity.

RISK MANAGEMENT

The Trustees have assessed the major risks to which the charity and the group is exposed, in particular those related to the operations and finances of the charity and the group, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks including the potential lack of availability of suitable property to expand or replace studios in the portfolio; early breaks in existing leasehold property; flood, fire or similar causing temporary destruction of part of the portfolio.

Measures put in place to strengthen systems and mitigate risk include:

- Senior management team meetings are held at least monthly
- Board and Core Services Committee meetings are held at least quarterly
- Additional sub-committees and advisory groups have been established to provide 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.

Plans for future periods

FUTURE DEVELOPMENTS

The increase in property values in London alongside public funding cuts continues to adversely affect the supply of empty buildings for affordable creative workspace; the length of leases; landlord rents and business rates. In response, Bow Arts Trust has continued to broaden its search for suitable properties across London and beyond, with a range of partners and agencies engaged in housing developments, regeneration and place-making.

Bow Arts are working on a new development of studios with Greystar in Greenford and tendering to manage the new development phases at Royal Albert Wharf.

In 2021 a tender was submitted and won to be the Commercial Consultants for Notting Hill Genesis on their tender for 250 homes and 25,000 square feet of commercial space in Hackney Wick. Part of the commercial strategy tendered include the leasehold purchase of the 'affordable space' by Bow Arts for long term cultural use.

BOW ARTS TRUST
(A company limited by guarantee)

FUNDRAISING PRACTICES

Bow Arts Trust raises additional funds to support its charitable work primarily through donations from artists, patrons and visitors. As is best practice any complainants would be referred to the Fundraising Regulator.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of the charity for the purposes of company law) are responsible for preparing the Trustees' 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. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the charity and of their incoming resources and application of resources, including their 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the charity 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 Group and the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees on 8/12/2021
and signed on its behalf by:



M Coles (Chair)

BOW ARTS TRUST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BOW ARTS TRUST

Opinion

We have audited the financial statements of Bow Arts Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows, the Charity Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2021 and of the Group's 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 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

In our evaluation of the trustees' conclusions, we considered the risks associated with the charity's business model, including the effects arising from macro-economic uncertainties such as COVID-19 and analysed how those risks might affect the charity's financial resources or ability to continue operations over the period of twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects. However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the charity will continue in operation.

BOW ARTS TRUST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BOW ARTS TRUST
- continued

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Capability of the audit to detect irregularities including fraud

We gained an understanding of the legal and regulatory framework applicable to the charity and the industry in which it operates and considered the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud. These included, but were not limited to, compliance with Companies Act 2006, the Charities Act 2011 and FRS102.

We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment.

We focused on laws and regulations that could give rise to a material misstatement in the financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of management;
- review of minutes of board meetings throughout the period; and
- obtaining an understanding of the control environment in monitoring compliance with laws.

There are inherent limitations in the audit procedures described above and the further removed noncompliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

BOW ARTS TRUST
(A company limited by guarantee)

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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 take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

BOW ARTS TRUST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BOW ARTS TRUST
- continued

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Jeremy Tyrrell FCA BA (Hons) (Senior statutory auditor)
for and on behalf of
RPG Crouch Chapman LLP
5th Floor
14-16 Dowgate Hill
London
EC4R 2SU

Date: 15/12/21

BOW ARTS TRUST
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	3	584,256	290,998	875,254	659,288
Charitable activities					
License fees and rents receivable		1,028,407	-	1,028,407	995,802
Education income		31,419	-	31,419	269,643
Gallery income		28,940	-	28,940	36,510
Other income		4,363	-	4,363	34,346
Other trading activities	4	136,751	-	136,751	364,119
Investments	5	12,224	-	12,224	15,134
Total income		<u>1,826,360</u>	<u>290,998</u>	<u>2,117,358</u>	<u>2,374,842</u>
Expenditure on:					
Raising funds	6	23,143	-	23,143	560,133
Charitable activities	7	1,416,343	224,798	1,641,141	1,753,227
Other expenditure		73,422	-	73,422	190,752
Total expenditure		<u>1,512,908</u>	<u>224,798</u>	<u>1,737,706</u>	<u>2,504,112</u>
Net movement in funds		<u>313,452</u>	<u>66,200</u>	<u>379,652</u>	<u>(129,270)</u>
Reconciliation of funds:					
Total funds brought forward	18	1,491,520	159,123	1,650,643	1,779,913
Net movement in funds	18	313,452	66,200	379,652	(129,270)
Total funds carried forward		<u>1,804,972</u>	<u>225,323</u>	<u>2,030,295</u>	<u>1,650,643</u>

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 17 to 32 form part of these financial statements.

BOW ARTS TRUST
(A company limited by guarantee)

Registered Number: 03031923

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2021

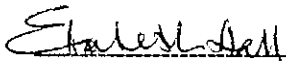
	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	436,340	363,278
		<u>436,340</u>	<u>363,278</u>
Current assets			
Debtors: amounts falling due within one year	15	701,332	554,535
Cash at bank and in hand		2,201,706	1,878,212
		<u>2,903,038</u>	<u>2,432,747</u>
Creditors: amounts falling due within one year	17	(966,788)	(803,087)
Net current assets		<u>1,936,250</u>	<u>1,629,660</u>
Total assets less current liabilities		<u>2,372,590</u>	<u>1,992,938</u>
Creditors: amounts falling due after more than one year	16	(342,295)	(342,295)
Total net assets		<u>2,030,295</u>	<u>1,650,643</u>
Charity funds			
Restricted funds	18	225,323	159,123
Unrestricted funds	18	1,804,972	1,491,520
Total funds		<u>2,030,295</u>	<u>1,650,643</u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 8/12/2021 and signed on their behalf by:


M COLES


E HALL

The notes on pages 17 to 32 form part of these financial statements.

BOW ARTS TRUST
(A company limited by guarantee)

Registered Number: 03031923

CHARITY STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

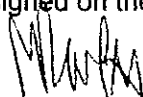
	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	12,461	15,221
Investments	14	1	1
		<hr/> 12,462	<hr/> 15,222
Current assets			
Debtors: amounts falling due after more than one year	15	414,330	335,380
Debtors: amounts falling due within one year	15	707,521	714,469
Cash at bank and in hand		2,137,128	1,730,709
		<hr/> 3,258,979	<hr/> 2,780,558
Creditors: amounts falling due within one year	17	(854,614)	(722,998)
		<hr/>	<hr/>
Net current assets		2,404,365	2,057,560
		<hr/>	<hr/>
Total assets less current liabilities		2,416,827	2,072,782
		<hr/>	<hr/>
Creditors: amounts falling due after more than one year	16	(342,295)	(342,295)
		<hr/>	<hr/>
Total net assets		<u>2,074,532</u>	<u>1,730,487</u>
Charity funds			
Restricted funds	18	225,323	159,123
Unrestricted funds	18	1,849,209	1,571,364
		<hr/>	<hr/>
Total funds		<u>2,074,532</u>	<u>1,730,487</u>

The charity's net movement in funds for the year was £344,045 (2020: £(129,264)).


The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on and signed on their behalf by:



M COLES



E HALL

The notes on pages 17 to 32 form part of these financial statements.

BOW ARTS TRUST
(A company limited by guarantee)
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Cash flows from operating activities		
Net cash used in operating activities	395,416	87,960
	<hr/>	<hr/>
Cash flows from investing activities		
Dividends, interests and rents from investments	12,224	15,134
Purchase of tangible fixed assets	(84,145)	(343,995)
	<hr/>	<hr/>
Net cash used in investing activities	(71,921)	(328,861)
	<hr/>	<hr/>
Cash flows from financing activities		
	<hr/>	<hr/>
Net cash provided by financing activities	-	-
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	323,495	(240,901)
Cash and cash equivalents at the beginning of the year	1,878,213	2,119,114
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	<u>2,201,708</u>	<u>1,878,213</u>

The notes on pages 17 to 32 form part of these financial statements.

BOW ARTS TRUST
(A company limited by guarantee)
CHARITY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Cash flows from operating activities		
Net cash used in operating activities	399,391	(228,858)
	<hr/>	<hr/>
Cash flows from investing activities		
Dividends, interests and rents from investments	12,224	15,134
Purchase of tangible assets	(5,197)	(7,348)
	<hr/>	<hr/>
Net cash provided by investing activities	7,027	7,786
	<hr/>	<hr/>
Cash flows from financing activities		
	<hr/>	<hr/>
Net cash provided by financing activities	-	-
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	406,418	(221,072)
Cash and cash equivalents at the beginning of the year	1,730,710	1,951,782
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	<u>2,137,128</u>	<u>1,730,710</u>

The notes on pages 17 to 32 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 2021

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Bow Arts Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

Company status

The charity is a private company limited by guarantee registered in England & Wales. Its registered office address is 183 Bow Road, London, E3 2SJ. The members of the charity are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The principal activity of the charity remained the supply of affordable studio facilities for emerging artists, the education of the public and children in the arts and the provision of an art gallery for the exhibition of contemporary art, design and applied art.

The charity's wholly owned subsidiary, Bow Arts Trading Limited, is a private limited company with a share capital of £1. Its registered office address is 183 Bow Road, London E3 2SJ, which is also its principal place of operation. The principal activity of the company is that of property management and development.

Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Turnover

Turnover comprises revenue recognised by the group in respect of services provided during the year by the trading company, exclusive of Value Added Tax but exclusive of trade discounts.

BOW ARTS TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 - continued

1. ACCOUNTING POLICIES - continued

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

Basis of consolidation

The financial statements consolidate the accounts of Bow Arts Trust and its subsidiary undertaking, Bow Arts Trading Limited.

The charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and Expenditure account.

The income and expenditure account for the year dealt with in the accounts of the charity was a surplus of £344,045 (2020: deficit of £129,266).

Tangible fixed assets and depreciation

Tangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Long-term leasehold property	- over the length of the lease
Fixtures and fittings	- 20% reducing balance
Cafe equipment	- 20% straight line
Live/ Work improvements	- over three years

BOW ARTS TRUST
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 - continued

1. ACCOUNTING POLICIES - continued

Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

Debtors

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

Cash at bank and in hand

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

Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Going concern

As detailed in the trustees' report, the trustees are of the opinion that there are no factors which threaten the charity's and the group's going concern status.

BOW ARTS TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 - continued

1. ACCOUNTING POLICIES - continued

Pensions

The charity contributes to personal pension plans for its employees and pension contributions are included in the Statement of Financial Activities.

Operating Leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is exempt from taxation in respect of income and capital gains received within categories covered by Chapter Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The charity's trading subsidiary, Bow Arts Trading Limited, is liable to Corporation Tax and details are included in the consolidated statement of financial activity.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements. Investment income, gains and losses are allocated to the appropriate fund.

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The trustees are of the opinion that there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

BOW ARTS TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 – continued

3. INCOME FROM GRANTS, DONATIONS AND LEGACIES

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Donations				
Grants and donations - unrestricted	584,256	-	584,256	446,579
Grants and donations – restricted	-	290,998	290,998	175,079
Gift aid	-	-	-	37,630
	<u>584,256</u>	<u>290,998</u>	<u>875,254</u>	<u>659,288</u>
Total 2021	584,256	290,998	875,254	659,288
	<u>584,256</u>	<u>290,998</u>	<u>875,254</u>	<u>659,288</u>
Total 2020	484,210	175,078	659,288	
	<u>484,210</u>	<u>175,078</u>	<u>659,288</u>	

4. INCOME FROM TRADING ACTIVITIES

	Unrestricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Income from non-charitable activities			
Place making income	13,500	13,500	18,911
Project income	36,377	36,377	281,766
Management fees	52,350	52,350	40,596
Space hire income	-	-	8,195
Other income	34,524	34,524	14,650
	<u>136,751</u>	<u>136,751</u>	<u>364,118</u>
Total 2020	364,118	364,118	
	<u>364,118</u>	<u>364,118</u>	

5. INVESTMENT INCOME

	Unrestricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Bank and other interest receivable	12,224	12,224	15,134
	<u>12,224</u>	<u>12,224</u>	<u>15,134</u>
Total 2020	15,134	15,134	
	<u>15,134</u>	<u>15,134</u>	

BOW ARTS TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 – continued

6. FUNDRAISING TRADING EXPENSES

	Unrestricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
CoS – Raw Materials	23,143	23,143	560,133
	<u>23,143</u>	<u>23,143</u>	<u>560,133</u>
Total 2020	560,133	560,133	
	<u>560,133</u>	<u>560,133</u>	

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Expenditure on charitable activities	1,416,343	224,798	1,641,141	1,753,227
	<u>1,416,343</u>	<u>224,798</u>	<u>1,641,141</u>	<u>1,753,227</u>
Total 2020	1,616,854	136,373	1,753,227	
	<u>1,616,854</u>	<u>136,373</u>	<u>1,753,227</u>	

8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct Costs 2021 £	Core Support Costs 2021 £	Total Funds 2021 £	Total Funds 2020 £
Provision of Creative Workspace	974,235	162,863	1,137,098	1,025,131
Education Projects	184,127	86,165	270,292	451,312
Gallery Programmes and Events	114,784	49,515	164,299	218,712
Governance	-	69,452	69,452	58,072
	<u>1,273,146</u>	<u>367,995</u>	<u>1,641,141</u>	<u>1,753,227</u>
Total 2020	1,445,532	307,696	1,753,228	
	<u>1,445,532</u>	<u>307,696</u>	<u>1,753,228</u>	

Included in Provision of Creative Workspace is an exceptional bad debt write off of £80,995 (2020: £Nil) which represents the charity's decision to relieve the debts of artists struggling as a consequence of the COVID pandemic.

BOW ARTS TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 – continued

9. SUPPORT COST NOTE

	Property 2021 £	Education 2021 £	Gallery 2021 £	Governance 2021 £	Total 2021 £	Total 2020 £
Staff costs	171,697	36,836	22,964	73,586	305,083	241,249
Office overheads	28,192	6,048	3,771	12,083	50,094	35,628
Marketing	2,467	529	330	1,057	4,383	13,878
Professional fees and charges	4,747	1,018	635	2,035	8,435	16,941
Total 2021	207,103	44,431	27,700	88,761	367,995	307,696
Total 2020	136,176	72,046	41,402	58,072	307,696	-

10. AUDITORS' REMUNERATION

	2021 £	2020 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts	6,250	6,166
Fees payable to the charity's auditor in respect of the auditing of accounts of subsidiaries of the charity	4,175	4,125

11. STAFF COSTS

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Wages and salaries	525,005	606,094	525,005	606,094
Social security costs	50,382	53,007	50,382	53,007
Pension costs	104,316	16,386	104,316	16,386
	679,703	675,487	679,703	675,487

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

	Group 2021 Number	Group 2020 Number
Total employees	21	24

BOW ARTS TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 – continued

11. STAFF COSTS - continued

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2021 Number	Group 2020 Number
In the band £80,001 - £90,000	<u>1</u>	<u>1</u>

Key management comprises the Chief Executive Officer, who is also a director in Bow Arts Trading Limited, and six (2020: four) members of the senior management team who are responsible for managing the day-to-day affairs of the charity. The total remuneration for the year for key management was £298,973 (2020: £249,324).

12. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2020: £NIL).

During the year ended 31 March 2021, no Trustee expenses have been incurred (2020: £NIL).

13. TANGIBLE FIXED ASSETS

GROUP	Long-term Leasehold Property £	Fixtures & Fittings £	Leasehold Improve- ments £	Café Equipment £	Total £
Cost or valuation					
At 1 April 2020	48,584	47,146	335,380	15,916	447,026
Additions	-	5,196	78,950	-	84,146
Disposals	-	(22,945)	-	-	(22,945)
At 31 March 2021	<u>48,584</u>	<u>29,397</u>	<u>414,330</u>	<u>15,916</u>	<u>508,227</u>
Depreciation					
At 1 April 2020	42,054	38,455	-	3,239	83,748
Charge for the year	4,954	3,002	-	3,128	11,084
On disposals	-	(22,945)	-	-	(22,945)
At 31 March 2021	<u>47,008</u>	<u>18,512</u>	<u>-</u>	<u>6,367</u>	<u>71,887</u>
Net book value					
At 31 March 2021	<u>1,576</u>	<u>10,885</u>	<u>414,330</u>	<u>9,549</u>	<u>436,340</u>
At 31 March 2020	<u>6,530</u>	<u>8,691</u>	<u>335,380</u>	<u>12,677</u>	<u>363,278</u>

BOW ARTS TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 – continued

13. TANGIBLE FIXED ASSETS – continued

CHARITY	Long-term Leasehold Property £	Fixtures and Fittings £	Total £
Cost or valuation			
At 1 April 2020	48,584	47,146	95,730
Additions	-	5,196	5,196
Disposals	-	(22,945)	(22,945)
	<hr/>	<hr/>	<hr/>
At 31 March 2021	48,584	29,397	77,981
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 April 2020	42,054	38,455	80,509
Charge for the year	4,954	3,002	7,956
On disposals	-	(22,945)	(22,945)
	<hr/>	<hr/>	<hr/>
At 31 March 2021	47,008	18,512	65,520
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 March 2021	1,576	10,885	12,461
	<hr/>	<hr/>	<hr/>
At 31 March 2020	6,530	8,691	15,221
	<hr/>	<hr/>	<hr/>

14. FIXED ASSET INVESTMENTS

CHARITY	Investments in Subsidiary Companies £
Cost or valuation	
At 1 April 2020	1
	<hr/>
At 31 March 2021	1
	<hr/>
Net book value	
At 31 March 2021	1
	<hr/>
At 31 March 2020	1
	<hr/>

Principal subsidiaries:

The following was a subsidiary undertaking of the charity:

Name	Company Number	Class of Shares	Included in Holding Consolidation
Bow Arts Trading Limited	10072462	Ordinary	100% Yes

BOW ARTS TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 – continued

14. FIXED ASSET INVESTMENTS - continued

The financial results of the subsidiary for the year were:

<u>Name</u>	Income £	Expenditure £	Profit/(Loss) Surplus/ (Deficit) for the Year £	Net Assets/ (Liabilities) £
Bow Arts Trading Limited	160,753	(125,146)	35,607	(44,235)

15. DEBTORS

			Charity 2021 £	Charity 2020 £
Due after more than one year:				
Amounts owed by group undertakings			414,330	335,380
	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Due within one year:				
Trade debtors	246,100	182,115	104,826	136,585
Amounts owed by group undertakings	-	-	35,274	18,594
Other debtors	22,103	32,570	21,254	32,570
Prepayments and accrued income	433,129	339,850	546,167	526,720
	<u>701,332</u>	<u>554,535</u>	<u>707,521</u>	<u>714,469</u>

16. CREDITORS: Amounts falling due after more than one year

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Arts Council Capital Grant	342,295	342,295	342,295	342,295

BOW ARTS TRUST
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 – continued

17. CREDITORS: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Trade creditors	56,658	104,003	46,240	85,529
Other taxation and social security	16,722	9,261	-	-
Other creditors	208,029	209,148	193,118	209,040
Accruals and deferred income	685,379	480,675	615,256	428,429
	<u>966,788</u>	<u>803,087</u>	<u>854,614</u>	<u>722,998</u>
			Group 2021 £	Group 2020 £
Deferred income				
Opening balance			155,508	127,995
Received in the year			227,313	155,508
Released in the year			(155,508)	(127,995)
Closing balance			<u>227,313</u>	<u>155,508</u>

Income which straddles the year end is allocated to financial years based on the accounting period to which it relates, subject to the special requirements and targets set out by the grant providers in the underlying agreements.

BOW ARTS TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 – continued

18. STATEMENT OF FUNDS

CURRENT YEAR	Balance at 1 April 2020 £	Income £	Expenditure £	Balance at 31 March 2021 £
Unrestricted funds				
Designated funds				
Resilience fund	941,000	-	-	941,000
General funds				
General funds	550,520	1,826,360	(1,512,908)	863,972
	550,520	1,826,360	(1,512,908)	863,972
Total Unrestricted funds	1,491,520	1,826,360	(1,512,908)	1,804,972
Restricted funds				
Arts Council NPO Grant	3,168	-	-	3,168
HLF Grant (Plastics)	149	-	-	149
HLF Grant (Textiles)	-	1,277	-	1,277
Paul Hamlyn Foundation	109,231	-	(8,701)	100,530
Vauxhall New Development	-	34,048	-	34,048
Education projects carried forward	46,575	59,691	(20,115)	86,151
Furlough Grant	-	195,982	(195,982)	-
	159,123	290,998	(224,798)	225,323
Total of funds	1,650,643	2,117,358	(1,737,706)	2,030,295

BOW ARTS TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 – continued

18. STATEMENT OF FUNDS

PRIOR YEAR	Balance at 1 April 2019 £	Income	Expenditure	Balance at 31 March 2020 £
Unrestricted funds				
Designated funds				
Resilience fund	1,300,000	-	(359,000)	941,000
General funds				
General funds	359,496	2,199,763	(2,008,739)	550,520
Total Unrestricted funds	1,659,496	-	(2,367,739)	1,491,520
Restricted funds				
Aberfeldy Village LLP	-	4,000	(4,000)	-
Arts Council NPO Grant	3,072	50,292	(50,196)	3,168
HLF Grant (Plastics)	5,949	19,040	(24,989)	-
HLF Grant (Textiles)	784	-	(635)	149
Paul Hamlyn Foundation	64,036	93,000	(47,806)	109,230
Vauxhall New Development	-	2,867	(2,867)	-
Education projects carried forward	46,576	5,880	(5,880)	46,576
	120,417	175,079	(136,373)	159,123
Total of funds	1,779,913	175,079	(2,504,112)	1,650,643

The Resilience Fund was established in 2012 to achieve greater financial security through facilitating the Trust to invest in property. Since then the Trustees have agreed that the Fund should be used in cases which they agree support the long term charitable objectives of the Trust and its resilience. This may include facilitating investment in property for use by the Trust in its core administrative function or to provide affordable spaces for emerging artists.

Of the total general funds, a deficit of £44,235 (2020: £79,842) is retained in a non-charitable subsidiary.

BOW ARTS TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 – continued

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

CURRENT YEAR	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
Tangible fixed assets	22,010	414,330	436,340
Current assets	2,749,751	153,288	2,903,039
Creditors due within one year	(966,788)	-	(966,788)
Creditors due in more than one year	-	(342,295)	(342,295)
Total	1,804,972	225,323	2,030,295

ANALYSIS OF NET ASSETS BETWEEN FUNDS

PRIOR YEAR	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
Tangible fixed assets	27,898	335,380	363,278
Current assets	2,266,709	166,038	2,432,747
Creditors due within one year	(803,087)	-	(803,087)
Creditors due in more than one year	-	(342,295)	(342,295)
Total	1,491,522	159,123	1,650,645

20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Net income/expenditure for the year (as per Statement of Financial Activities)	379,652	(129,270)	344,045	(129,264)
Adjustments for:				
Depreciation charges	11,084	10,007	7,956	6,768
Dividends, interests and rents from investments	(12,224)	(15,134)	(12,224)	(15,134)
Decrease/(increase) in debtors	(146,797)	(46,892)	(72,002)	(528,195)
Increase in creditors	163,701	269,249	131,616	436,969
Net cash provided by operating activities	395,416	87,960	399,391	(228,856)

BOW ARTS TRUST
(A company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 – continued

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Cash in hand	2,201,708	1,878,213	2,137,128	1,730,710
Total cash and cash equivalents	<u>2,201,708</u>	<u>1,878,213</u>	<u>2,137,128</u>	<u>1,730,710</u>

22. ANALYSIS OF CHANGES IN NET DEBT

	At 31 April 2020 £	Cash Flows £	At 31 March 2021 £
Cash at bank and in hand	1,878,212	323,493	2,201,705

23. RELATED PARTY TRANSACTIONS

During the year, £28,805 (2020: £64,964) were accrued by Bow Arts Trading Limited, the charity's trading subsidiary, in respect of staff shared with Bow Arts Trust.

During the year, Bow Arts Trust paid grants to Bow Arts Trading Limited of £73,554 (2020: £550,000), of which £49,552 (2020: £191,000) was deferred at the year end.

At 31 March 2021, Bow Arts Trading Limited owed Bow Arts Trust £414,330 (2020: £335,380) which is due over a period greater than 5 years and £35,274 (2020: £18,593) over a period of less than one year.

During the year, the charity's subsidiary, Bow Arts Trading Ltd, paid £1,000 (2020: £Nil) to NS Consultancy, an entity controlled by N Smales. N Smales is a trustee in Bow Arts Trust, the company's parent.

BOW ARTS TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 – continued

24. SUBSIDIARY

Bow Arts Trading Limited

Subsidiary name	Bow Arts Trading Limited
-----------------	--------------------------

Company registration number	10072462
-----------------------------	----------

Basis of control	Fully owned subsidiary of Bow Arts Trust
------------------	--

Equity shareholding %	100%
-----------------------	------

Total assets as at 31 March 2021	£634,732
----------------------------------	----------

Total liabilities as at 31 March 2021	£(678,967)
---------------------------------------	------------

Total equity as at 31 March 2021	£(44,235)
----------------------------------	-----------

Turnover for the year ended 31 March 2021	£160,753
---	----------

Expenses for the year ended 31 March 2021	£(125,146)
---	------------

Profit for the year ended 31 March 2021	£35,607
---	---------