

Registered number: 03031923
Charity number: 1046958

BOW ARTS TRUST

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

RPG Crouch Chapman LLP
Chartered Accountants & Statutory Auditor
14-16 Dowgate Hill
London
EC4R 2SU

BOW ARTS TRUST
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the charity, its Trustees and advisers	1
Trustees' report	2 - 9
Trustees' responsibilities statement	10
Independent auditors' report on the financial statements	11 - 14
Consolidated statement of financial activities	15
Consolidated balance sheet	16 - 17
Charity balance sheet	18 - 19
Consolidated statement of cash flows	20
Charity statement of cash flows	21
Notes to the financial statements	22 - 45

BOW ARTS TRUST
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2022**

Trustees	M Coles, Chair E Marshall R Madan Dr M Owens N Smales B Smith C Smith C Swift S Pallister
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 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 2022

The Trustees present their annual report together with the audited financial statements of the Bow Arts Trust for the 1 April 2021 to 31 March 2022. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable 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 (FRS102) (effective 1 January 2019).

Since the group and the charity qualify as small under section 383 of the Companies Act 2006, the Group strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and 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.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. 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 four distinct departments; Creative Workspace, Learning, Arts & Events and Enterprise & Placemaking, supported operationally by the Core Services Department.

c. Activities undertaken to achieve objectives

CREATIVE WORKSPACE

The Trust's principal funding continues to be earned through licence fees from artists for the provision of creative workspace and rents receivable for Live/Work spaces. In 2021-22 Bow Arts was also successful in securing additional grant support of £344,894 from the Arts Council Cultural Recovery Fund which helped to bridge the gap in departmental costs to support the return of the full staff team from furlough, covered the costs of increased studio voids across the portfolio avoiding the need for licence fee or rental increases, and underwrote our budgeted reserves position.

BOW ARTS TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Objectives and activities (continued)

During the year ending 31 March 2022, Bow Arts Trust took on a new studio site, Durham Street studios in Vauxhall, and completed the fit out, and began letting, our second studio site in Barking, Riverside Mills. We now provide a total of 449 affordable studios and live/work flats across the portfolio. The portfolio consists of Bow Road (across two buildings), P1, Stratford, Old Manor Park Library, Leigate, Catford DEK, Canada Street, IceHouse Court, Royal Albert Wharf, Lakeside Centre, Thamesmead Flats, Leyton, Riverside Mill and Durham Street Studios. These sites are all occupied on a leasehold basis.

During the year, we were also successful in a bid for further studio and commercial space at Three Waters, Bow. This will be Bow Arts' first property purchase – 26,000 sq ft on a 999-year lease, giving us:

- a home in perpetuity in Bow and our home borough of Tower Hamlets
- long term, affordable studio space for ca. 100 artists
- a permanent presence in the neighbourhood location of our longest established learning programmes and the schools in the local Poplar Consortium, embedding our cultural and learning programmes into the fabric of the local community

The purchase of Three Waters was made possible by careful financial management over many years, building our Resilience Fund to achieve our goal of purchasing a longer-term interest in buildings. This will bring security both to Bow Arts and to our studio artists, protecting us from the insecurities of short leases, landlord rents and public funding cuts which continue to affect the supply of empty buildings for affordable creative workspace.

EDUCATION & LEARNING

Bow Arts Learning team works closely with schools to develop bespoke programmes that support the delivery of schools' development plans. The resulting programmes enhance the confidence, skills and qualifications of children and young people, creating pathways into creative industries employment. Workshops are bespoke, which has enabled a flexible approach to fit the ways in which partner schools have been operating during the pandemic. During the pandemic we developed a blended learning approach offering pre-recorded video and virtual meetings but were able to return almost entirely to in-person workshops in 21-22.

2021-22 was somewhat of a recovery year for the Learning programme, with levels of activity growing over the course of the year back up to pre-pandemic levels by Quarter 4. We worked with 71 school clients (41 in 20-21), contracted 124 projects (42 in 20-21) and delivered 1,558 artist-led sessions (172 in 20-21).

Despite the challenges of the past two years, core consortia and school relationships have been maintained with our four key consortia projects continuing in 21-22 and secured for 22-23 (covering Tower Hamlets, Barking & Dagenham, Newham and Lewisham). We also secured a new Thamesmead consortium of schools in LB Greenwich and Bexley. We continue to deepen our relationship with the Paul Hamlyn Foundation, securing a grant award of £130,000 from their social justice and creative arts learning in school's fund. The project which started in Autumn 2021 and will run for two years was developed in response to the social injustices highlighted by recent global events. Over the two-year period, we will work in collaboration with schools and artists to explore current issues and barriers that children and young people face, producing arts-based projects that respond to the specific needs of the students, helping them to engage with and address social justice issues.

BOW ARTS TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Objectives and activities (continued)

Other key partnerships for the year included the new Local Cultural Education Partnership for Bexley, which saw two Bow Arts artist educators work with young people in Bexley to develop their drawing skills whilst raising awareness of the cultural offer in the local area and collaboration with the Enfield Town School partnership began, exploring 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.

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.

The gallery hosted three exhibitions within 21-22 alongside a number of shorter private hires:

Is there space for empathy? by Enni Kukka Tuomala: A previous Bow Arts artist in residence, Enni has a vision to transform empathy from an individual feeling to a collective and radical power. Her show creates a multi-sensory experience of empathy, together with a film which asks questions about the distances between us.

Explosion of Words by Hannes Schüpbach & Stephen Watts: a cinematic photo installation, extending over 24 metres of the Nunnery Gallery's gothic walls, celebrating the power of language. The exhibition is the culmination of Swiss artist Hannes Schüpbach's response to the lived spaces of east London-based poet and language activist Stephen Watts, who works between extensive research on poetry and his own contributions as a poet and co-translator from many languages

2021 Bow Open - Aboutface: regroup, reorganise, reimagine: artist, curator and gal-dem founding member, Leyla Reynolds selected 24 artists for our annual Bow Open Show. The exhibition provided a powerful commentary of many of the overarching political themes of the year – gender identity, the environment, the pandemic, decolonisation and digital overload.

The Nunnery Café also had a changing series of exhibitions showcasing the works of Bow Arts studio and learning artists, providing additional ways for our artists to promote themselves and sell works.

Alongside the exhibition programme, in October 2021 the Arts and Events team began a pilot family event series, Bow Families, offering free creative workshops run by local artist educators. Bow Families addresses the need for participatory, hands-on creative activity for local families whose children had missed opportunities to develop these skills through the pandemic. Bow Families workshops are run alongside the Nunnery Gallery's exhibitions, drawing on show content for inspiration.

The year also saw the return of the East London Art Prize (formally the East London painting prize) which will run over the next two years. The prize, sponsored by Minerva, will celebrate and promote the incredible talent and diversity of art made in the cultural hive of east London.

ENTERPRISE & PLACEMAKING

The Enterprise & Placemaking department has taken on the role of workspace development, working with partners to find new opportunities for Bow Arts to embed creative practice within new property developments and ensure we maintain a consistent pipeline of opportunities.

BOW ARTS TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Objectives and activities (continued)

The team also manage a programme of creative activity from our hub sites in Royal Albert Wharf and Thamesmead, growing cultural communities and reinvesting funds from artists donations and partner support to provide a wide range of support and creative opportunities to creatives and locals alike.

In Thamesmead, at our Lakeside Centre studios, we were part of the Estuary Festival, started a 12-bed gardening club, an affordable photography darkroom have moved in and a series of artist led projects continue to grow. Thamesmead Texas, a nomadic artist run initiative have set up to unite the community of artists in and around Thamesmead, organising public exhibitions and events. They have also built the Thamesmead Traveling Cinema in the courtyard at Lakeside Centre, running hugely successful monthly film nights and with support from Bow Arts have started a training programme for aspiring film makers and event planners.

At RAW, through our award winning placemaking program, we have brought significant activity and enterprise, facilitating a creative hub and enabling a programme of arts, workshops and events as well as introducing a great café, chocolate factory, restaurant and free gallery.

CORE SERVICES

Core services support the financial and administrative work of the trust and manage Governance on behalf of the Board of Trustees. The department continued to develop new IT systems in 21-22, streamlining financial processes, and providing digital storage of documents in a bid to move to a paperless office.

Marketing has continued to drive the overhaul of our websites: www.bowarts.org, and www.artiststudiofinder.org, and are developing an artist opportunities newsletter to replace www.londonsartistquarter.org whilst giving Bow Arts' a new look with updated branding. The new websites and branding are due to go live in 2022-23.

Achievements and performance

a. Investment policy

Our current investment policy is to hold funds in liquid form in short notice deposit accounts for easy access. For free reserves in excess of £0.5m the board will now also consider investment opportunities around income bearing, high liquidity and low risk portfolio options.

Financial review

a. 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.

BOW ARTS TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

b. Reserves policy

Total consolidated funds held at year end are £2,671,725 (2021: £2,030,295) which includes £200,741 (2021: £225,323) of restricted funds including: £14,459 Arts Council NPO funds; £64,260 of educational projects carried forward, £84,708 Paul Hamlyn Foundation towards education activities and £35,232 Arts Chest donations to fund community activity in Thamesmead.

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.

c. 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.

Structure, governance and management

a. 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.

b. Methods of appointment or election 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.

c. Organisational structure and decision-making policies

During this accounting period (year ending 31st March 2022) 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 TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management (continued)

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.

d. Policies adopted for the induction and training of Trustees

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.

e. Pay policy for key management personnel

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.

f. Staffing

The Bow Arts Head Office opened back up to all staff from September 2021, with the majority of staff moving to hybrid working between home and the office. Staff from the Learning, Arts and Events and Core Services teams remained on part time furlough at the start of the year while schools and the Nunnery Gallery were impacted by covid restrictions. A total grant of £13,217 furlough support was received in 21-22. The furlough grant throughout the pandemic as well as emergency support from Arts Council England enabled Bow arts to retain all staff with no redundancies.

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).

g. Risk management

The Trustees have assessed the major risks to which the charity and the group and the charity are 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.

BOW ARTS TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management (continued)

h. Changes to the governing document

During the year 2021-22, the Board of Trustees have reviewed the governing documents of Bow Arts Trust and agreed a number of updates. We have updated our mission statement to 'we create inspirational environments where artists and communities interact, learn and develop' and agreed to a modernised version of the memorandum and articles of association.

The Board have also agreed in 2022-23 to review and update Bow Arts Trust's charitable objects to better reflect the development and breadth of work carried out by the Trust since our inception in 1995, including a greater focus on arts education in a range of settings as well as broadening our offer to emerging artists to include affordable residential accommodation in addition to affordable workspace.

These changes will be submitted to the Charity Commission in 22-23.

Plans for future periods

Planning is underway for the handover of Three Waters, expected in July 2022 (see Creative Workspace), following which we will undergo an internal fit out, separating the space into individual studio units. We expect to start letting studios from late Autumn 2022.

In addition to Three Waters, we are developing projects in Tower Hamlets - Cherry Tree School, 28 studios due to open in August 2022, and Camden - Stanhope Street, 39 studios initially with the possibility to extend, due to handover in July 2022 and are in discussions with Notting Hill Genesis about the potential to be involved in 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.

Members' liability

The Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

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.

The charity does not send any unsolicited correspondence to the public and will only contact previous donors or beneficiaries with their permission. These individuals are always given the option to opt out of any newsletters, e-mails or other correspondence and they will be unsubscribed from the charities mailing list.

The charity has not received any complaints about its fundraising activities and practices

BOW ARTS TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, RPG Crouch Chapman, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



.....
M Coles

Date: 28/09/22

BOW ARTS TRUST
(A company limited by guarantee)

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2022**

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 year. 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.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Approved by order of the members of the board of Trustees and signed on its behalf by:



.....
M Coles

Date:

28/05/22

BOW ARTS TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' 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 2022 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 2022 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.

BOW ARTS TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BOW ARTS TRUST (CONTINUED)

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.

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 and regulations.

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.

BOW ARTS TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BOW ARTS TRUST (CONTINUED)

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.

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.

BOW ARTS TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BOW ARTS TRUST (CONTINUED)

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.

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
5th Floor
14-16 Dowgate Hill
London
EC4R 2SU

Date:

23/9/2022

BOW ARTS TRUST
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	4	759,875	206,325	966,200	875,254
Charitable activities:					
License fees, service charges and rents receivable		1,304,337	-	1,304,337	1,028,407
Education income		206,383	-	206,383	31,419
Gallery income		19,306	-	19,306	28,940
Other income	5	10,443	-	10,443	-
Enterprise and placemaking		51,151	-	51,151	4,363
Other trading activities	6	208,392	-	208,392	136,751
Investments	7	12,662	-	12,662	12,224
Total income		2,572,549	206,325	2,778,874	2,117,358
Expenditure on:					
Charitable activities	8	1,675,462	232,896	1,908,358	1,641,142
Other expenditure (non-charitable)		229,086	-	229,086	96,565
Total expenditure		1,904,548	232,896	2,137,444	1,737,707
Net income/(expenditure)		668,001	(26,571)	641,430	379,651
Transfers between funds	19	(1,989)	1,989	-	-
Net movement in funds		666,012	(24,582)	641,430	379,651
Reconciliation of funds:					
Total funds brought forward		1,804,972	225,323	2,030,295	1,650,644
Net movement in funds (as restated)		666,012	(24,582)	641,430	379,651
Total funds carried forward		2,470,984	200,741	2,671,725	2,030,295

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

The notes on pages 22 to 45 form part of these financial statements.

BOW ARTS TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 03031923

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	738,852	436,340
		<u>738,852</u>	<u>436,340</u>
Current assets			
Debtors: amounts falling due within one year	16	871,806	701,332
Cash at bank and in hand		2,824,390	2,201,706
		<u>3,696,196</u>	<u>2,903,038</u>
Creditors: amounts falling due within one year	17	(1,150,374)	(966,788)
Net current assets		<u>2,545,822</u>	<u>1,936,250</u>
Total assets less current liabilities		<u>3,284,674</u>	<u>2,372,590</u>
Creditors: amounts falling due after more than one year	18	(612,949)	(342,295)
Total net assets		<u><u>2,671,725</u></u>	<u><u>2,030,295</u></u>
Charity funds			
Restricted funds	19	200,741	225,323
Unrestricted funds	19	2,470,984	1,804,972
Total funds		<u><u>2,671,725</u></u>	<u><u>2,030,295</u></u>

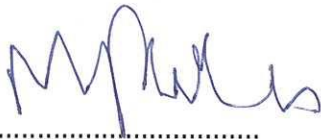
BOW ARTS TRUST
(A company limited by guarantee)

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

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 and signed on their behalf by:

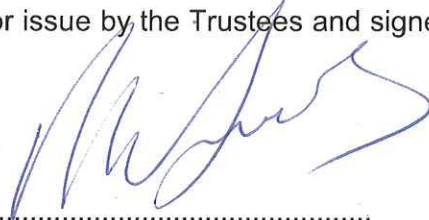


.....
M Coles

Trustee

Date:

28/09/22



.....
N Smales

Trustee

The notes on pages 22 to 45 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 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	254,128	12,461
Investments	15	1	1
		<u>254,129</u>	<u>12,462</u>
Current assets			
Debtors: amounts falling due after more than one year	16	332,757	414,330
Debtors: amounts falling due within one year	16	1,049,908	707,521
Cash at bank and in hand		2,677,853	2,137,126
		<u>4,060,518</u>	<u>3,258,977</u>
Creditors: amounts falling due within one year	17	(1,031,953)	(854,613)
Net current assets		<u>3,028,565</u>	<u>2,404,364</u>
Total assets less current liabilities		<u>3,282,694</u>	<u>2,416,826</u>
Creditors: amounts falling due after more than one year	18	(612,949)	(342,295)
Total net assets		<u><u>2,669,745</u></u>	<u><u>2,074,531</u></u>
Charity funds			
Restricted funds	19	200,741	225,323
Unrestricted funds	19	2,469,004	1,849,208
Total funds		<u><u>2,669,745</u></u>	<u><u>2,074,531</u></u>

The charity's net movement in funds for the year was £595,214 (2021 - £344,044).

BOW ARTS TRUST
(A company limited by guarantee)

CHARITY STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2022

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.

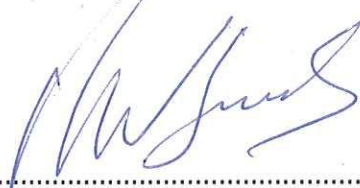
The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....
M Coles
Trustee

Date:

25/09/22



.....
N Smales
Trustee

The notes on pages 22 to 45 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 2022**

	2022 £	2021 £
Cash flows from operating activities		
Net cash provided by operating activities	928,457	395,416
	<hr/>	<hr/>
Cash flows from investing activities		
Dividends, interests and rents from investments	12,662	12,224
Purchase of tangible fixed assets	(318,436)	(84,145)
	<hr/>	<hr/>
Net cash used in investing activities	(305,774)	(71,921)
	<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	622,683	323,495
Cash and cash equivalents at the beginning of the year	2,201,708	1,878,213
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	<u>2,824,391</u>	<u>2,201,708</u>

The notes on pages 22 to 45 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 2022**

	2022 £	2021 £
Cash flows from operating activities		
Net cash provided by operating activities	774,422	399,391
Cash flows from investing activities		
Dividends, interests and rents from investments	12,662	12,224
Purchase of tangible assets	(246,358)	(5,197)
Net cash (used in)/provided by investing activities	(233,696)	7,027
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	540,726	406,418
Cash and cash equivalents at the beginning of the year	2,137,128	1,730,710
Cash and cash equivalents at the end of the year	<u>2,677,854</u>	<u>2,137,128</u>

The notes on pages 22 to 45 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 2022**

1. General information

The charity is a private company limited by guarantee registered in England & Wales. Its registered office address is 183 Bow Road, London, E3 2SJ, its company number is 03031923 and its charity number is 1046958.

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 (company number 10072462), 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.

2. 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 2019), 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.

The Trustees confirm their explicit and unreserved compliance with the above regulations and legislation.

Basis of consolidation

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

BOW ARTS TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

The income and expenditure account for the year dealt with in the accounts of the charity was a surplus of £595,214 (2021: £344,044).

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.

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.

Other income is recognised in the period in which it is receivable.

Turnover

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

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 raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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.

Support costs

Support costs represent actual core costs incurred by charity.

BOW ARTS TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)

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.

Assets in the course of construction are included at costs incurred to date. Depreciation on these assets is not charged until they are brought into use.

At each reporting date the charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated statement of financial activities.

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.

BOW ARTS TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

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.

Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

Pensions

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

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.

BOW ARTS TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

Fund accounting (continued)

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.

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.

3. 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, however, they are of the opinion that the the following accounting estimates themselves are significant to the accounts:

Accruals

Accrued expenditure is based on prior periods' invoices or experience.

Depreciation

Provision is made for the annual write down in value of fixed assets. Estimated useful lives are based on industry knowledge and experience.

Deferral of income

Amounts deferred are based on experience and likely compliance with the requirements set by grant providers for multi-year contracts.

BOW ARTS TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

4. Income from grants and donations

	Un- restricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Grants and donations	759,875	206,325	966,200	875,254
Total 2021	584,256	290,998	875,254	

5. Other income

	Un- restricted funds 2022 £	Total funds 2022 £
Admin fees	3,930	3,930
Key costs	247	247
Nunnery Cafe rent	1,300	1,300
Management fees	3,000	3,000
Miscellaneous	1,966	1,966
	10,443	10,443

There was no other income in the year ended 31 March 2021.

BOW ARTS TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

6. Income from trading activities

Income from non charitable trading activities

	Un- restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Place making income	32,723	32,723	13,500
Fees receivable	29,488	29,488	-
Service charge receivable	16,018	16,018	-
Project Income	3,815	3,815	10,248
Cafe income	86,005	86,005	26,129
Management fees	40,000	40,000	52,350
Space hire income	5	5	-
Other income	338	338	34,524
	<u>208,392</u>	<u>208,392</u>	<u>136,751</u>
Total 2021	<u>136,751</u>	<u>136,751</u>	

7. Investment income

	Un- restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank and other interest receivable	12,662	12,662	12,224
Total 2022	<u>12,662</u>	<u>12,662</u>	<u>12,224</u>
Total 2021	<u>12,224</u>	<u>12,224</u>	

BOW ARTS TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

8. Analysis of expenditure on charitable activities

Summary by fund type

	Un- restricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Expenditure on charitable activities	1,675,462	232,896	1,908,358	1,641,142
Total 2022	<u>1,675,462</u>	<u>232,896</u>	<u>1,908,358</u>	<u>1,641,142</u>
Total 2021	<u>1,416,344</u>	<u>224,798</u>	<u>1,641,142</u>	

9. Analysis of expenditure on charitable activities

	Direct Costs 2022 £	Support Costs 2022 £	Total funds 2022 £	Total funds 2021 £
Provision of Creative Workspace	885,466	197,065	1,082,531	1,137,098
Education Projects	384,111	85,486	469,597	270,292
Gallery Programme & Events	121,572	27,056	148,628	164,299
Enterprise & Placemaking	91,639	20,420	112,059	-
Governance	-	95,543	95,543	69,453
	<u>1,482,788</u>	<u>425,570</u>	<u>1,908,358</u>	<u>1,641,142</u>
Total 2021	<u>1,273,146</u>	<u>367,995</u>	<u>1,641,141</u>	

Included in Provision of Creative Workspace is an exceptional bad debt write off of £Nil (2021: £80,995) 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 2022

10. Support costs

	Property	Education	Gallery	Enterprise & Place- making	Governance	Total	Total
	£	£	£	£	£	£	£
	2022	2022	2022	2022	2022	2022	2021
Staff Costs	147,502	63,985	20,251	15,284	71,514	318,536	305,083
Office Overheads	25,227	10,943	3,464	2,614	12,231	54,479	50,094
Marketing	8,443	3,663	1,160	875	4,093	18,234	4,383
Professional fees and charges	15,893	6,895	2,182	1,646	7,705	34,321	8,435
Total	197,065	85,486	27,057	20,419	95,543	425,570	367,995

BOW ARTS TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

Support costs (prior year)

	Property 2021	Education 2021	Gallery 2021	Enterprise & Place- making 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
	207,103	44,431	27,700	-	88,761	367,995	307,696

BOW ARTS TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

11. Auditors' remuneration

	2022 £	2021 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts	6,500	6,250
Fees payable to the charity's auditor in respect of: The auditing of accounts of subsidiaries of the charity	4,850	4,175
	<u> </u>	<u> </u>

12. Staff costs

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Wages and salaries	583,198	525,005	583,198	525,005
Social security costs	49,272	50,382	49,272	50,382
Pension costs	91,601	104,316	91,601	104,316
	<u>724,071</u>	<u>679,703</u>	<u>724,071</u>	<u>679,703</u>

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

	Group 2022 No.	Group 2021 No.
Total employees	21	21
	<u> </u>	<u> </u>

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

	Group 2022 No.	Group 2021 No.
In the band £80,001 - £90,000	1	1

Key management comprises the Chief Executive Officer, who is also a director in Bow Arts Trading Limited, and five (2021: six) 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 £324,036 (2021: £298,973).

BOW ARTS TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

13. Trustees' remuneration and expenses

During the year, one or more Trustees has been paid remuneration or has received other benefits from services provided to the charity. The value of Trustees' remuneration and other benefits was as follows:

		2022 £	2021 £
Dr M Owens	Consultancy Services	19,200	-
N Smales	Consultancy Services	2,000	-

The services were provided through Michael Owens Associates Ltd and NS Consultancy, entities owned/ fully controlled by Dr M Owens and N Smales respectively. In 2022, NS Consultancy provided services to the charity's subsidiary, Bow Arts Trading Limited of £Nil (2021: £1,000).

During the year ended 31 March 2022, no Trustee expenses have been incurred (2021 - £NIL).

BOW ARTS TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

14. Tangible fixed assets

Group

	Long-term leasehold property £	Fixtures and fittings £	Cafe Equipment £	Total £
Cost or valuation				
At 1 April 2021	462,914	29,397	15,916	508,227
Additions	318,435	-	-	318,435
Disposals	(48,584)	-	-	(48,584)
At 31 March 2022	<u>732,765</u>	<u>29,397</u>	<u>15,916</u>	<u>778,078</u>
Depreciation				
At 1 April 2021	47,008	18,512	6,367	71,887
Charge for the year	9,683	3,114	3,126	15,923
On disposals	(48,584)	-	-	(48,584)
At 31 March 2022	<u>8,107</u>	<u>21,626</u>	<u>9,493</u>	<u>39,226</u>
Net book value				
At 31 March 2022	<u>724,658</u>	<u>7,771</u>	<u>6,423</u>	<u>738,852</u>
At 31 March 2021	<u>415,906</u>	<u>10,885</u>	<u>9,549</u>	<u>436,340</u>

BOW ARTS TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

14. Tangible fixed assets (continued)

Charity

	Long-term leasehold property £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 April 2021	48,584	29,397	77,981
Additions	246,357	-	246,357
Disposals	(48,584)	-	(48,584)
At 31 March 2022	<u>246,357</u>	<u>29,397</u>	<u>275,754</u>
Depreciation			
At 1 April 2021	47,008	18,512	65,520
Charge for the year	1,576	3,114	4,690
On disposals	(48,584)	-	(48,584)
At 31 March 2022	<u>-</u>	<u>21,626</u>	<u>21,626</u>
Net book value			
At 31 March 2022	<u>246,357</u>	<u>7,771</u>	<u>254,128</u>
At 31 March 2021	<u>1,576</u>	<u>10,885</u>	<u>12,461</u>

BOW ARTS TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

15. Fixed asset investments

	Investments in subsidiary companies £
charity	
Cost or valuation	
At 1 April 2021	1
	<hr/>
At 31 March 2022	1
	<hr/> <hr/>
Net book value	
At 31 March 2022	1
	<hr/>
At 31 March 2021	1
	<hr/> <hr/>

16. Debtors

			Charity 2022 £	Charity 2021 £
Due after more than one year				
Amounts owed by group undertakings			332,757	414,330
			<hr/> <hr/>	<hr/> <hr/>
	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Due within one year				
Trade debtors	239,155	246,100	137,789	104,827
Amounts owed by group undertakings	-	-	283,267	35,274
Other debtors	56,774	22,103	55,997	21,254
Prepayments and accrued income	575,877	433,129	572,855	546,167
	<hr/>	<hr/>	<hr/>	<hr/>
	871,806	701,332	1,049,908	707,522
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

BOW ARTS TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

17. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Bank loans	58,333	-	58,333	-
Trade creditors	117,580	56,659	105,737	46,240
Arts Council Capital Grant	11,475	-	11,475	-
Other taxation and social security	18,524	16,722	-	-
Other creditors	266,030	208,028	251,115	193,117
Accruals and deferred income	678,432	685,379	605,293	615,256
	<u>1,150,374</u>	<u>966,788</u>	<u>1,031,953</u>	<u>854,613</u>

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Deferred income				
Opening balance	227,313	155,508	227,313	155,508
Received in the year	268,882	227,313	200,742	227,313
Released in the year	(227,313)	(155,508)	(227,313)	(155,508)
Closing balance	<u>268,882</u>	<u>227,313</u>	<u>200,742</u>	<u>227,313</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.

18. Creditors: Amounts falling due after more than one year

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Bank loans	291,667	-	291,667	-
Arts Council Capital Grant	321,282	342,295	321,282	342,295
	<u>612,949</u>	<u>342,295</u>	<u>612,949</u>	<u>342,295</u>

BOW ARTS TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Payable or repayable by instalments	11,667	-	11,667	-
Payable or repayable other than by instalments	275,385	-	275,385	-
	<u>287,052</u>	<u>-</u>	<u>287,052</u>	<u>-</u>

The bank loan in Notes 17 and 18 is secured by an unlimited debenture on the assets of Bow Arts Trust and is repayable over a 6 year period.

The Arts Council Capital Grant is repayable over a 30 year period.

BOW ARTS TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

19. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Unrestricted funds					
Designated funds					
Resilience fund	941,000	-	-	620,000	1,561,000
General funds					
General funds	863,972	2,572,549	(1,904,548)	(621,989)	909,984
Total Unrestricted funds	1,804,972	2,572,549	(1,904,548)	(1,989)	2,470,984
Restricted funds					
Arts Council NPO Grant	3,168	10,185	(10,176)	6,832	10,009
HLF Grant (Plastics)	149	-	-	(149)	-
HLF Grant (Textiles)	1,277	-	-	(1,277)	-
Paul Hamlyn Foundation - More & Better	100,530	-	(33,690)	(2,879)	63,961
Vauxhall New Development	34,048	-	(34,048)	-	-
Education projects	86,151	83,110	(94,470)	(10,531)	64,260
Furlough Grant	-	12,547	(12,547)	-	-
Thamesmead Arts Chest	-	30,757	-	4,475	35,232
ACE NPO Bow Skills	-	2,643	(901)	2,708	4,450
HLF Emergency Funding (Covid)	-	-	(2,810)	2,810	-
East London Painting Prize (Minerva)	-	2,083	-	-	2,083
Paul Hamlyn Foundation - Social Justice Fund	-	65,000	(44,254)	-	20,746
	225,323	206,325	(232,896)	1,989	200,741
Total of funds	2,030,295	2,778,874	(2,137,444)	-	2,671,725

BOW ARTS TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

19. Statement of funds (continued)

Arts Council NPO Grant

This fund represents grant funding towards Learning projects, marketing and staff costs for a Learning Project Manager.

HLF Grant Plastics

This is grant funding towards the "Raw materials: Plastics" exhibition in the Nunnery Gallery.

HLF Grant Textiles

This is grant funding towards the "Raw materials: Textiles" exhibition in the Nunnery Gallery.

Paul Hamlyn Foundation More & Better

This is grant funding towards schools consortia programme setup and delivery.

Vauxhall New Development

These are business rates received back for Durham Street studios, Vauxhall.

Education Projects

This represents income received from education contracts paid in advance of activity.

Furlough Grant

This fund represents monies received from the government in connection with the Coronavirus Job Retention Scheme.

Thamesmead Arts Chest

These donations from the Thamesmead Flats are ring fenced within the Thamesmead Arts Chest to be spent on community projects within Thamesmead.

ACE NPO Bow Skills

This is grant funding towards Bow Skills CPD programme.

HLF Emergency Funding (Covid)

This is grant funding to implement Covid safety measure in the Nunnery Gallery and Café to enable us to re-open safely post pandemic.

East London Painting Prize

Funded by Minerva, this is a £20,000 prize fund paid in monthly instalments from January 2022.

Paul Hamlyn Foundation – Social Justice Fund

This is a grant to support social justice and creative arts learning in schools projects.

BOW ARTS TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

19. Statement of funds (continued)

Statement of funds - prior 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
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 - More & Better	109,231	-	(8,701)	100,530
Vauxhall New Development	-	34,048	-	34,048
Education projects	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

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 surplus of £1,981 (2021: deficit of £44,235) 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 2022**

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Un- restricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	260,550	478,302	738,852
Current assets	3,652,475	43,721	3,696,196
Creditors due within one year	(1,150,374)	-	(1,150,374)
Creditors due in more than one year	(291,667)	(321,282)	(612,949)
Total	<u>2,470,984</u>	<u>200,741</u>	<u>2,671,725</u>

Analysis of net assets between funds - prior year

	Un- restricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	22,010	414,330	436,340
Current assets	2,749,750	153,288	2,903,038
Creditors due within one year	(966,788)	-	(966,788)
Creditors due in more than one year	-	(342,295)	(342,295)
Total	<u>1,804,972</u>	<u>225,323</u>	<u>2,030,295</u>

BOW ARTS TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

21. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Net income for the year (as per Statement of Financial Activities)	641,430	379,651	595,214	344,044
Adjustments for:				
Depreciation charges	23,406	11,084	4,690	7,956
Dividends, interests and rents from investments	(12,662)	(12,224)	(12,662)	(12,224)
Decrease/(increase) in debtors	(170,474)	(146,797)	(260,814)	(72,002)
Increase in creditors	421,823	163,701	447,994	131,616
Net cash provided by operating activities	<u>903,523</u>	<u>395,415</u>	<u>774,422</u>	<u>399,390</u>

22. Analysis of cash and cash equivalents

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Cash in hand	2,824,391	2,201,708	2,677,854	2,137,128
Total cash and cash equivalents	<u>2,824,391</u>	<u>2,201,708</u>	<u>2,677,854</u>	<u>2,137,128</u>

23. Analysis of changes in net debt

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	2,201,706	622,684	2,824,390
Debt due within 1 year	-	(69,808)	(69,808)
Debt due after 1 year	-	(291,667)	(291,667)
	<u>2,201,706</u>	<u>261,209</u>	<u>2,462,915</u>

BOW ARTS TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

24. Operating lease commitments

At 31 March 2022 the Group and the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Charity 2022 £	Charity 2021 £
Not later than 1 year	345,392	345,392
Later than 1 year and not later than 5 years	4,000	4,000
Later than 5 years	20,000	21,000
	<u>369,392</u>	<u>370,392</u>

25. Related party transactions

During the year, £72,433 (2021: £28,581) 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 £144,161 (2021: £73,554), of which £Nil (2021: £49,552) was deferred at the year end. It also paid other expenses of £11,474 (2021: £Nil) to Bow Arts Trading Limited and received a gift aid donation from the subsidiary of £150,878 (2021: Nil).

At 31 March 2022, Bow Arts Trading Limited owed Bow Arts Trust £332,757 (2021: £414,330) which is due over a period greater than 5 years and £283,267 (2021: £35,274) over a period of less than one year. Both loans are interest free. The short term loan is repayable on demand, whereas the long term loan is repayable over a 30 year period.

Transactions with trustees are disclosed in Note 14.

BOW ARTS TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

26. Principal subsidiaries

The following was a subsidiary undertaking of the charity:

Name	Company number	Registered office or principal place of business	Principal activity	Class of shares	Holding	Included in consolidation
Bow Arts Trading Limited	10072462	183 Bow Road, London, E3 2SJ	Property development and facilities management	Ordinary	100%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss)/ Surplus/ (Deficit) for the year £	Net assets/ (Liabilities) £
Bow Arts Trading Limited	437,920	(240,826)	194,094	1,981

