

PEER UK LTD
(Company limited by guarantee no. 05757614
registered charity no. 1115091)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

PEER UK LTD

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REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2011

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY,
ITS TRUSTEES AND ADVISERS**
For the year ended 31 March 2011

Board of Trustees	Kirsten Dunne (Chair) Felicity Allen (appointed 27 July 2010) Achim Borchardt-Hume (appointed 14 May 2010) Fiona Murphy Simon Tuttle Mark Wallinger Alister Warman
Director/Chief Executive	Ingrid Swenson
Company reg. no.	05757614
Charity reg. no.	1115091
Registered office	99 Hoxton Street London N1 6QL
Independent examiner	John Ball FCA MHA MacIntyre Hudson Ass New Bridge Street House 30-34 New Bridge Street London EC4V 6BJ
Bankers	National Westminster Bank Plc 135 Bishopsgate London EC2M 3UR

BOARD OF TRUSTEES' REPORT
For the year ended 31 March 2011

The Board of Trustees, who act as directors of the Company for the purposes of the Companies Act, and trustees for charity law purposes, submit their annual report and the financial statements of Peer UK Ltd for the year ended 31 March 2011. The Board of Trustees confirms that the annual report and financial statements of the Company comply with current statutory requirements, the requirements of the Company's governing document and the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities (revised 2005)'.

Structure, governance and management

The Charity is a company limited by guarantee, its members being its Trustees. Their liability in the event of insolvent liquidation is limited to £10 and at 31 March 2011 there were 5 members. The Charity was incorporated on 27 March 2006 and registered as a charity on 5 July 2006. The Charity is governed by its Memorandum and Articles of Association.

The Memorandum and Articles allow for new Trustees to be appointed at any time by the Board of Trustees, and the number of Trustees must not fall below three. Trustees are then elected annually and may resign during the year by written notice to the Board. Prior to their appointment, new Trustees are invited to attend a quarterly Trustees' meeting as an observer and to meet the existing Trustees.

New Trustees undergo a consultation period of no less than half a day with the Director of the Charity to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, and recent financial performance of the Charity. Trustees are also encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

The Trustees have appointed a Director who is responsible for the day to day operation of the Charity. The Board meets on a quarterly basis and oversees decisions relating to the infrastructure and strategic direction of the Charity and measures of good governance.

Objectives

The objects of the Charity are "The advancement for the benefit of the public in education in art in particular by promoting and providing public facilities for the exhibition and study of work of art which are primarily contemporary for the purposes of training and educational research and to promote a better understanding of art in all its aspects."

Achievements and performance

This year marked great advances for the charity in terms of both physical and organisational growth of PEER. We concluded lease negotiations with LB Hackney for the adjoining property at 97 Hoxton Street and a lease for both 99 and 97 was granted in May 2010. The lease is for seven years with no increase in rent until May 2013, effectively providing PEER a rent-free period for the new space for three years. Janson Tann of the law firm Michon de Reya, whose work is estimated to have had a value of at least £5K, carried out the lease negotiations with LB Hackney pro bono.

The two units were inter-connected by an opening in the party wall in June, which more than doubled the existing gallery space. Further refurbishment works to the gallery spaces took place between exhibitions over the summer and also in the autumn. At the rear of both units, two storage spaces with no natural light were knocked together and re-roofed with skylights to create a spacious room to be used for community and outreach activities as well as a meeting space for PEER. A separate gallery store, desk area and kitchenette was also created. This building work took place over August and the cost of this was paid for with the final tranche of ring-fenced funding from our partnership with Shoreditch Trust. The designs for this space were carried out pro bono by the architects Carmody Groarke.

BOARD OF TRUSTEES' REPORT
For the year ended 31 March 2011

In addition to the design work for the education space and for the integration of the galleries, Carmody Groarke also developed a bold and ambitious scheme for a new façade and major regeneration work to the public realm at the front and west of PEER. This scheme is intended to replace a poorly designed and under-used space, which attracts street drinking and anti-social behaviour, with a welcoming and open civic space. Community consultation with our neighbours, the local Tenant Management Organisation and also the police was carried out and there was overwhelmingly positive response for this capital work. PEER and Carmody Groarke submitted a planning application to LB Hackney, which gained full approval in June. Again, this work was carried out pro bono by the architects. Approaches to The Foyle Foundation, Bloomberg and to British Land were made towards the cost of this capital work, but due to the very challenging economic climate support has yet to be secured.

This activity coincided with further significant organisational development – our successful application to Paul Hamlyn Foundation to establish PEER/Participate, a pilot two-year learning and outreach programme. We learned in June that we had been granted funding of £75K over two years which would fund a two-day a week Participation Coordinator, two Artist Ambassadors working in local schools and attendant materials, production and delivery costs. Following a recruitment process an appointment was made and the appointee began in September. Unfortunately, however, due to her other work commitments, she felt that she was unable to fulfil the brief and decided to step down from this post in December. An interim manager was then hired on a consultancy basis who oversaw the programme very effectively while the job was re-advertised and a new appointment was made in March and began in May 2011.

The primary fundraising activities in this year were two major applications for funding to Arts Council England. On 24th January PEER submitted an application for three years of support from April 2012 to March 2015 as a new National Portfolio client. On January 31 PEER submitted an application to the Arts Council's Grants for the Arts Scheme for the 2011-12 gallery programme. The result of the National Portfolio application was announced on 30th March, when we learned that we would become one of the newly funded organisations in 2012. The grant offer was just under half of the amount requested (£50K p/a to our request of £112K p/a). As this grant will not take effect until April 2012, its impact on the organisation will be discussed fully in the next Trustees Report. The result of our Grants for the Arts application was decided in April and was also successful, providing us with £30K towards programme during 2011-12.

In 2010-11 we acknowledge the tremendous contribution of £20K from Paul and Louise Cooke Endowment. We allocated £13K of this support towards core costs, with the remaining £7K to programme (as described below). We are delighted that Paul and Louise Cooke agreed to provide a second year of support of £20K to PEER from April 2011. The other fundraising activities of PEER (other than those mentioned above in relation to education/outreach work, capital development and from Arts Council) were for smaller amounts relating to specific projects and are mentioned in the individual artistic programme descriptions below. In addition to this, PEER had a successful year with edition sales, raising higher than predicted income levels particularly in the sales of Kathy Prendergast and Mike Nelson (as a result of Tate Britain displaying and selling his screen-print). We continued to operate our Friends and Best Friends Scheme, and both new Friends signed up and many renewed their subscriptions. We attracted one PEER Benefactor at £2,500 for the year. We also held a fundraising event, a Christmas Arts and Crafts Fair, which was profitable, but also very time consuming and ultimately deemed to be more useful as a marketing opportunity than a fundraising one.

In the final quarter of the year, from January to March the Trustees agreed that the Executive Director, Ingrid Swenson should take a half sabbatical and work the equivalent of three days a week during this three month period. After the very busy preceding nine months when very little annual leave time was taken, this enabled her to take time off in February. Takako Jin who had worked part time for PEER since summer 2007, left the organisation in December order to take up a full-time diploma course. This part-time position is now being carried out by Gemma Lloyd.

BOARD OF TRUSTEES' REPORT
For the year ended 31 March 2011

Artistic Programme 2010-11

Kathy Prendergast

18 February to 10 April

This exhibition was reported on in the previous Trustees Report. However the income from the edition sales and from the sale of two works from the exhibition, which enabled us to recoup our production costs fell in this financial year. The visitors figures were excellent, estimated to be around 1000.

Stuart Brisley

May 12 to 23

This was a two-week live performance work which took place from Thursdays to Sundays from 2.30 to 6.30pm. Within only a few days from signing the lease on the adjacent unit and obtaining access, the artist Stuart Brisley took up 'residency' as a way of exploring the previous histories of the commercial space. The public were invited into the gallery space at 99 Hoxton Street and were able to view the artist's activities in his guise of RB Sirb through a small rectangular opening in the party wall. Visitors to the event could also watch the performance through the plate glass window onto Hoxton Street, thereby attracting many passers-by. Each day the artist would install a short text onto the wall of the gallery. The performance was extensively documented by many hundreds of still images and around 8 hours of moving image (shot by Chris Dorley Brown), which the artist intends to make into a film work, which PEER hopes to premier.

Audience figures are difficult to assess as several hundred passers by stopped to look at the performance. The number of visitors who also entered the gallery was approximately 300 including many significant individuals such as the Director of Tate Britain and the artist Gustav Metzger. Richard Gott wrote a favourable and thought-provoking review for the Guardian on line. This was the seventh of eight projects that received support from the Arts Council's Grants for the Arts award (2008-10). We made an allocation of £2,000 from the Paul and Louise Cooke Endowment to this project.

Bridget Smith

10 June to 31 July

After an active two and a half week period when the new unit was entirely cleared of its contents, made good and a doorway opening was created between the two spaces, we presented our first exhibition to utilise the galleries as a connected unit. This work by Bridget Smith was the result of a residency she has undertaken in 2006 in New Zealand. The exhibition comprised four large format photographs and a 12-minute film, which together produced an intimate and, at times poignant portrait of the small town of Tokomauru Bay and its inhabitants. We produced a free colour-illustrated booklet with a text by Richard Grayson and Bridget Smith was in-conversation with the writer and curator Sacha Craddock in a free gallery talk. The exhibition had a positive and well illustrated review in Time Out magazine. PEER invested in the production of the photographs, costs that were then recouped when two photographs sold by her gallery at the Frieze Art Fair. The numbers of visitors to the exhibition was approximately 800, but as three of the images which were produced for this exhibition and the booklet that we produced were then taken to the Frieze Art Fair, the impact in terms visibility and dissemination was far greater.

BOARD OF TRUSTEES' REPORT
For the year ended 31 March 2011

Ergin Cavusoglu

16 September to 30 October

This exhibition was a co-commission with Film and Video Umbrella, a high quality and well respected London-based artist's film commissioning agency. This project was part of Free To Air, the second in a series of four commissions, which invited artists to respond to President Roosevelt's notion of the Four Freedoms. Ergin Cavusoglu was chosen from an open submission application by a panel including PEER's Executive Director. As the lead-up to this project coincided with the major capital development works to the rear of PEER to create the new learning and participation space, desk and kitchenette area and gallery store, we were less available to be involved in the production and installation process. In this sense it was a very timely project for PEER. Because FVU is a well-funded and well-resources organisation, PEER benefited from the high level of technical expertise and marketing tools that they were able to bring to the project. This project was particularly appropriate for PEER to present as the artist and some of the content of the work was focused on the London Turkish community, of which there is a significant population in Shoreditch. Artistically, the project was extremely well received, with a very positive review in Time Out and strong audience feedback. We produced a limited edition with the artist, the proceeds of which we are to share with FVU. As yet we have made modest sales. We made an application to the Arts Council's Grants for the Arts Scheme and were awarded £3K. We made a contribution of £1,000 from Paul and Louise Cooke's Endowment. This exhibition attracted approximately 650 visitors, which was slightly lower than expected and this was thought to be partly because of the black out of the windows to the street which may have discouraged visitors to enter the gallery.

Arts & Crafts Fair

4 December

This project was a one-day fundraising event that took place after further capital improvements in the newly expanded gallery space, namely the cladding of the walls, a complete electrical overhaul and the installation of new lighting for both spaces. Over 25 artists took part in this event, some of who specially produced limited editions or affordable artworks to be sold to benefit PEER. There was a café and bar set up in the new participation space. PEER supported the cost of production for three of the limited editions produced which recouped expenditure through sales, and there is potential for further sales of stocks. There was very positive editorial coverage in the Art Newspaper. This event attracted over 200 people on the day and we received enthusiastic feedback from those that attended. It was decided that on balance, however, we would carefully consider undertaking such a complex one-day event in future unless we were able to attract more sales.

Michael Fortune

9 February to 2 April

This exhibition showed the work of a young Irish artist who had exhibited widely in Ireland, Europe and elsewhere, but this provided him with his first opportunity for a substantial exhibition in the UK. PEER has a strong tradition of showing work by Irish artists, and this exhibition contributed to that legacy. The artist exhibited ten works on twelve monitors that focussing on the domestic activities, superstitions and beliefs of his local rural community in the west of Ireland. This interest in storytelling and folklore drew audiences in, with many visitors spending substantial periods of time in the exhibition. This was the first exhibition to coincide with our work with two local schools, so this exhibition was also instrumental in introducing these new audiences to PEER. This exhibition had two substantial reviews, one in Art Monthly magazine and one in Artists' Newsletter magazine. We were unsuccessful in a funding application to the Arts Council England for support of this exhibition, but did receive funding from Culture Ireland (€2,000 or £1,700), and individual support from William Burlington (which also attracted gift aid). We allocated £2,000 from the Paul and Louise Cooke Endowment to this project. This exhibition attracted around 700 visitors.

BOARD OF TRUSTEES' REPORT
For the year ended 31 March 2011

Financial review

The results of the Charity's operation are set out in the financial statements. The net outflow of funds for the year amounted to £11,284 (2010 : outflow of £34,246). The surplus at 31 March 2011 amounted to £123,589 (2010 : £134,873), with £48,786 relating to restricted funds carried forward.

The Trustees consider the minimum level of reserves required to ensure the continuing running of the Charity to be approximately three months' general running costs. The trust's free reserves as at 31 March 2011 stood at £39,965, which the Trustees consider to be adequate, taking account of expected core costs in the coming year. Peer UK Ltd receives contributions for core costs from grant providers when taking on new projects as part of the grant agreements.

Public benefit

In our application to Arts Council England's National Portfolio scheme the artistic mission of the organisation is described as follows:

- Deliver uncompromising, innovative, world-class art in the gallery and the public realm that is lead by ideas and excellence rather than fashion and marketability.
- Offer creative opportunities to local people of all ages and from a range of economic, social and cultural backgrounds through our participation programme.
- Provide emerging, mid-career and established artists with opportunities to explore and take new risks in their working practice.
- Make a positive impact on the local environment and its communities through the provision of the highest quality art.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives, and in planning current and future activities.

Statement of Board of Trustees' responsibilities

The Board of Trustees is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company and charity law applicable to charities in England/Wales requires the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the surplus or deficit of the Charity for that period. In preparing those financial statements the Board of Trustees have:

- selected suitable accounting policies and applied them consistently,
- made judgements and estimates that are reasonable and prudent,
- stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepared the financial statements on a going concern basis (unless it is inappropriate to presume that the Charity will continue in operation).

The Board of Trustees have overall responsibility for ensuring that the Charity has an appropriate system of controls, financial and otherwise. They are also responsible for keeping proper accounting records which are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of 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 Charity and hence for taking reasonable steps for the detection and prevention of fraud and other irregularities.

BOARD OF TRUSTEES' REPORT
For the year ended 31 March 2011

The Board of Trustees is responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Preparation of the report

This report has been prepared taking advantage of the small companies exemption of section 415A of the Companies Act 2006.

Accountants

The accountants, Gotham Erskine LLP since the year end became the Not for Profit team in MacIntyre Hudson LLP subsequently MHA MacIntyre Hudson Associates. MacIntyre Hudson Associates have indicated their willingness to accept re-appointment for the coming year.

This report was approved and authorised for issue by the Board of Trustees on Dec 2011 and signed on its behalf by:

Kirsten Dunne
Chair

Independent examiner's report to the Board of Trustees of Peer UK Ltd

I report on the financial statements for the year ended 31 March 2011 set out on pages 9 to 18

Respective responsibilities of Board of Trustees and independent examiner

As described on page 11 the Board of Trustees, which is the board of directors of Peer UK Ltd for the purposes of company law, and the board of trustees for the purposes of charity law, is responsible for the preparation of the financial statements. The Board of Trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed.

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

- examine the accounts (under section 43 of the 1993 Act);
- follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 43(7)(b) of the Act, as amended); and
- state whether particular matters have come to my attention.

Basis of Independent examiner's statement

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

Independent examiner's statement

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

1. which gives me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

John Ball FCA

MHA MacIntyre Hudson Associates
Chartered Accountants
New Bridge Street House
30-34 New Bridge Street
London EC4V 6BJ
Date:

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating Income and Expenditure Account & Statement of Total Realised Gains and Losses)
For the year ended 31 March 2011

	Unrestricted Funds	Restricted Funds	Total Funds	<i>Total Funds</i>	
Note	2011 £	2011 £	2011 £	2010 £	
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income	2	37,314	34,722	72,036	62,911
Activities for generating funds	3	2,500	2,344	4,844	51,884
Bank interest receivable		549	-	549	322
Incoming resources from charitable activities	4	19,702	13,038	32,740	23,975
Other incoming resources	5	130	4,597	4,727	684
TOTAL INCOMING RESOURCES		60,195	54,701	114,896	139,776
RESOURCES EXPENDED					
Costs of generating funds	6	14,500	-	14,500	30,684
Charitable activities					
Programme and Educational Activities	7	24,364	80,186	104,550	136,479
Governance costs	8	7,130	-	7,130	6,859
TOTAL RESOURCES EXPENDED	9	45,994	80,186	126,180	174,022
Net income/(expenditure) before transfer		14,201	(25,485)	(11,284)	(34,246)
Transfer between funds	16	9,540	(9,540)	-	-
NET MOVEMENT IN FUNDS		23,741	(35,025)	(11,284)	(34,246)
TOTAL FUNDS AT 1 APRIL 2010		51,062	83,811	134,873	169,119
TOTAL FUNDS AT 31 MARCH 2011		£ 74,803	£ 48,786	£ 123,589	£ 134,873

The annexed notes form part of these financial statements

BALANCE SHEET
As at 31 March 2011

	Notes	£	2011 £	£	2010 £
FIXED ASSETS					
Tangible assets	13		34,838		908
CURRENT ASSETS					
Stocks		3,954		4,554	
Debtors	14	4,754		2,342	
Cash at bank and in hand		105,889		133,478	
		114,597		140,374	
CREDITORS: amounts falling due within one year					
	15	(25,846)		(6,409)	
NET CURRENT ASSETS			88,751		133,965
NET ASSETS			£ 123,589		£ 134,873
FUNDS					
Restricted funds	16		48,786		83,811
Unrestricted funds:					
Designated funds	16	34,838		908	
General fund	16	39,965		50,154	
			74,803		51,062
			£ 123,589		£ 134,873

For the year ended 31 March 2011 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Board of Trustees' responsibilities:

- (i) The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476;
- (ii) The Board of Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). They were approved, and authorised for issue, by the Board of Trustees on 9 December 2011 and signed on their behalf by:-

KIRSTEN DUNNE, Chair

SIMON TUTTLE, Treasurer

The annexed notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2011

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in 2005, applicable accounting standards and the Financial Reporting Standard for Smaller Entities (effective April 2008).

The effects of events relating to the year ended 31 March 2011 which occurred before the date of approval of the financial statements by the Board of Trustees has been included in the financial statements to the extent required to show a true and fair view of the state of affairs at 31 March 2011 and the results for the year ended on that date.

Company status

Peer UK Ltd is a company limited by guarantee. 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.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objects of the Charity 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 which have been raised by the Charity for particular purposes. The cost 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. Statutory grants which are given as contributions towards the Charity's core services are treated as unrestricted.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Charity is legally

Donated equipment and facilities are included at the value to the Charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Membership income relates to a Friends scheme initiated in 2009, with two levels of support and neither is for receiving any financial gain from the Charity or having any legal entitlement at the AGM. The income is therefore accounted for in the period received.

Gift Aid donations are recognised at the point when the related income is receivable.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2011

Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Support costs, which cannot be directly attributed to particular activities, have been apportioned proportionately to the direct staff costs allocated to the activities. Governance costs include the costs of servicing Trustees' meetings, audit and strategic planning.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

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

Office equipment	-	3 years
Leasehold improvements	-	7 years (period of lease)

Stocks

Stock of publications and editions are valued at the lower of cost and net realisable value.

Operating leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period in which the cost is incurred.

Comparative figures

Presentation of comparative figures is not necessarily consistent with the previous year.

2. VOLUNTARY INCOME

	Unrestricted Funds	Restricted Funds	Total Funds	<i>Total Funds</i>
	2011	2011	2011	<i>2010</i>
	£	£	£	£
Trusts/Foundations/Education	10,000	-	10,000	19,000
Individual donations	13,390	3,200	16,590	19,381
Arts Council of England	5,000	2,700	7,700	20,000
Paul Hamlyn Trust	-	25,000	25,000	-
Gift in kind	5,000	-	5,000	800
Membership	3,575	-	3,575	3,730
Recoupment of project production	349	3,822	4,171	-
	£ 37,314	£ 34,722	£ 72,036	£ 62,911

NOTES TO THE FINANCIAL STATEMENTS
 For the year ended 31 March 2011

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted Funds 2011 £	Restricted Funds 2011 £	Total Funds 2011 £	<i>Total Funds 2010 £</i>
Corporate sponsorship	2,500		2,500	50,000
Rechargeable income	-	2,344	2,344	1,884
	<u>£ 2,500</u>	<u>£ 2,344</u>	<u>£ 4,844</u>	<u>£ 51,884</u>

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted Funds 2011 £	Restricted Funds 2011 £	Total Funds 2011 £	<i>Total Funds 2010 £</i>
Editions sales	18,528		18,528	9,055
Gallery sales	558	12,857	13,415	13,500
Publication sales	616	181	797	1,420
	<u>£ 19,702</u>	<u>£ 13,038</u>	<u>£ 32,740</u>	<u>£ 23,975</u>

5. OTHER INCOMING RESOURCES

	Unrestricted Funds 2011 £	Restricted Funds 2011 £	Total Funds 2011 £	<i>Total Funds 2010 £</i>
Other income	130	4,597	4,727	609
Electronic filing incentive	-	-	-	75
	<u>£ 130</u>	<u>£ 4,597</u>	<u>£ 4,727</u>	<u>£ 684</u>

6. COSTS OF GENERATING FUNDS

	Unrestricted Funds 2011 £	Restricted Funds 2011 £	Total Funds 2011 £	<i>Total Funds 2010 £</i>
Costs of fundraising	1,740	-	1,740	3,905
Allocation of salary costs	8,238	-	8,238	15,426
Allocation of support costs	4,522	-	4,522	11,353
	<u>£ 14,500</u>	<u>£ Nil</u>	<u>£ 14,500</u>	<u>£ 30,684</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2011

7. PROGRAMME & EDUCATIONAL ACITIVITIES

	Unrestricted Funds 2011 £	Restricted Funds 2011 £	Total Funds 2011 £	<i>Total Funds 2010 £</i>
Fees	402	3,416	3,818	2,865
Expenses	300	965	1,265	(9,759)
Travel and accommodation	-	60	60	353
Hire fees	717	4,200	4,917	200
Equipment	307	-	307	486
Materials	-	9,428	9,428	78,877
Signage and documentation	-	1,870	1,870	940
Project development	-	-	-	846
Sundry direct costs	102	1,323	1,425	3,881
Transport and couriers	-	191	191	1,335
Advertising	-	455	455	1,365
Invites print	-	758	758	756
Mail out	-	1,303	1,303	1,524
Design & reproduction	-	894	894	1,251
Casual labour	-	1,306	1,306	1,340
Private views	-	469	469	1,264
Artist's dinners	-	341	341	1,973
Education projects fees	750	5,266	6,016	750
Education projects expenses	-	259	259	-
Talks	-	185	185	247
Booklets	-	1,932	1,932	7,343
Direct administrative support	90	-	90	137
Rechargeable expenses	-	-	-	1,687
Gallery sales	600	6,904	7,504	6,766
Editions productions	6,633	-	6,633	7,016
Allocation of salary costs	6,866	13,662	20,528	13,267
Allocation of support costs	7,597	24,999	32,596	9,769
	<u>£ 24,364</u>	<u>£ 80,186</u>	<u>£ 104,550</u>	<u>£ 136,479</u>

8. GOVERNANCE COSTS

	Unrestricted Funds 2011 £	Restricted Funds 2011 £	Total Funds 2011 £	<i>Total Funds 2010 £</i>
Independent examiner's fees	2,160	-	2,160	2,115
Allocation of salary costs	2,746	-	2,746	2,160
Allocation of support costs	2,224	-	2,224	2,584
	<u>£ 7,130</u>	<u>£ Nil</u>	<u>£ 7,130</u>	<u>£ 6,859</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2011

9. RESOURCES EXPENDED

	Staff costs £	Activities under-taken directly £	Support costs £	Total 2011 £	Total 2010 £
Programme and Educational Activities	20,528	51,426	32,596	104,550	<i>136,479</i>
Total charitable expenditure	20,528	51,426	32,596	104,550	<i>136,479</i>
Costs of generating funds	8,238	1,740	4,522	14,500	<i>30,684</i>
Governance costs	2,746	2,160	2,224	7,130	<i>6,859</i>
Support costs	-	39,342	(39,342)	-	<i>-</i>
	£ 31,512	£ 94,668	£ Nil	£ 126,180	£ 174,022

Resources expended include:

	2011 £	2010 £
Independent examiner's fee	2,160	<i>2,115</i>
Operating lease rentals - Land and buildings	7,500	<i>7,500</i>
Depreciation	6,403	<i>1,003</i>
	£ 16,063	£ 10,618

Support costs detailed in note 10 have been apportioned over the various activities proportionately.

Details of staff costs are given in note 11.

Details of Costs of generating funds, Support costs and Governance costs are given respectively in Notes 6, 10 and 8.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2011

10. SUPPORT COSTS

	2011 £	2010 £
Rent and rates	14,817	10,239
Office supplies	841	786
Telephone	201	780
Computer equipment	-	251
Legal fees	5,000	-
Travel & couriers	443	748
Gas, electricity & water	1,558	1,180
IT & website	910	589
Building maintenance	55	-
Postage & shipping	231	126
Research & development	35	-
Hospitality	137	440
Insurance	788	788
Administrative support	5,730	5,258
Book-keeping	1,575	1,004
Depreciation	641	1,003
Leasehold depreciation	5,762	-
Bank charges	302	160
Sundry expenses	316	354
	£ 39,342	£ 23,706

11. STAFF NUMBERS AND COSTS

	2011 £	2010 £
Salaries	28,000	29,800
Social security costs	2,853	2,938
	£ 31,512	£ 30,853

The average weekly number of employees, calculated as full time equivalents, during the period was:

	Number	Number
Costs of generating funds	0.30	0.50
Programme and Educational Activities	0.60	0.40
Governance costs	0.10	0.10
	1.00	1.00

No employee received remuneration of more than £60,000.

12. BOARD OF TRUSTEES

During the year, no member of the Board of Trustees received any remuneration (2010 - £NIL). No member of the Board of Trustees received any reimbursement of expenses (2010 - £NIL).

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2011

13. TANGIBLE FIXED ASSETS

	Office equipment	Leasehold Improv'ts	Total £
Cost			
At 1 April 2010	3,010	-	3,010
Additions	-	40,333	40,333
At 31 March 2011	<u>3,010</u>	<u>40,333</u>	<u>43,343</u>
Depreciation			
At 1 April 2010	2,102	-	2,102
Charge for the year	641	5,762	6,403
At 31 March 2011	<u>2,743</u>	<u>5,762</u>	<u>8,505</u>
Net book value			
At 31 March 2010	£ 908	£ Nil	£ 908
At 31 March 2011	<u>£ 267</u>	<u>£ 34,571</u>	<u>£ 34,838</u>

The leasehold improvements have been amortised over the period of the lease expiring in May 2017.

Analysis of the net movement in funds:

	Unrestricted Funds 2011 £	Restricted Funds 2011 £	Total Funds 2011 £	Total Funds 2010 £
Net movement in funds	(11,284)		(11,284)	(34,246)
Net expenditure on fixed assets for the year	(33,930)	-	(33,930)	(385)
Movement in funds available for charitable activity	<u>£ (45,214)</u>	<u>£ Nil</u>	<u>£ (45,214)</u>	<u>£ (34,631)</u>

14. DEBTORS

	2011 £	2010 £
Due within one year		
Trade debtors	870	1,554
Grant receivable	2,500	-
Prepayments	1,384	788
	<u>£ 4,754</u>	<u>£ 2,342</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £	2010 £
Trade creditors	3,440	2,623
Deferred grant income	14,500	-
Social security and other taxes	393	676
Accruals	7,513	3,110
	<u>£ 25,846</u>	<u>£ 6,409</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2011

16. STATEMENT OF FUNDS

	Brought Forward £	Incoming Resources £	Resources Expended £	Transfers between funds £	Carried Forward £
DESIGNATED FUNDS					
Fixed Asset Fund	<u>£ 908</u>	<u>£ Nil</u>	<u>£ Nil</u>	<u>£ 33,930</u>	<u>£ 34,838</u>
RESTRICTED FUNDS					
S Brisley	5,000	181	(6,774)	1,593	-
Bridget Smith	-	3,690	(15,458)	11,768	-
Ergin Cavusoglu	-	2,832	(7,585)	4,753	-
Michael Fortune	-	1,500	(8,323)	6,823	-
K Prendergast	(3,644)	12,857	(13,985)	4,772	-
Paul Hamlyn - education programme	-	25,000	(18,336)		6,664
Arts crafts fair	-	8,641	(9,725)	1,084	-
Expansion project	82,455			(40,333)	42,122
	<u>£ 83,811</u>	<u>£ 54,701</u>	<u>£ (80,186)</u>	<u>£ (9,540)</u>	<u>£ 48,786</u>
SUMMARY OF FUNDS					
Designated Funds	908	-	-	33,930	34,838
General Funds	<u>50,154</u>	<u>60,195</u>	<u>(45,994)</u>	<u>(24,390)</u>	<u>39,965</u>
	<u>51,062</u>	<u>60,195</u>	<u>(45,994)</u>	<u>9,540</u>	<u>74,803</u>
Restricted Funds	83,811	54,701	(80,186)	(9,540)	48,786
	<u>£ 134,873</u>	<u>£ 114,896</u>	<u>£ (126,180)</u>	<u>£ Nil</u>	<u>£ 123,589</u>

The restricted funds represent the various different projects carried out by the Charity. At the end of each project any deficit or surplus or the fund is transferred from or to General funds with the agreement of the funder as a contribution to staffing and support costs.

The Expansion Project includes the sum allocated to the Additional Public Realm Project as agreed with funders, Shoreditch Trust, in 2008-09. The funding condition relating to the capital works are considered to have been fulfilled and therefore the cost of the works have been transferred to Designated funds.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2011

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds			Total Funds £
	Designated Funds £	General Funds £	Restricted Funds £	
Tangible fixed assets	34,838	-	-	34,838
Net current assets	-	39,965	48,786	88,751
	<u>£ 34,838</u>	<u>£ 39,965</u>	<u>£ 48,786</u>	<u>£ 123,589</u>

18. OTHER FINANCIAL COMMITMENTS

	2011	2010
	£	£

At 31 March 2011 the Company had annual commitments under non-cancellable operating leases (all for buildings) as set out below:

Operating leases which expire:
within two to five years

<u>£ 7,500</u>	<u>£ 7,500</u>
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In May 2010 the Charity renegotiated the lease on their premises to include the premises adjacent. The average cost of their annual commitments on the lease will be £7,500 with the lease running until May 2017, but with a review in May 2013.