

Company number: 03167185

Charity Number: 1053735

East London Dance

Report and financial statements

For the year ended 31 March 2019

Reference and administrative information

For the year ended 31 March 2019

Company number	3167185
Charity number	1053735
Registered office and operational address	Stratford Circus Arts Centre Theatre Square Stratford London E15 1BX
Country of registration	England & Wales
Country of incorporation	United Kingdom
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: G N Ambrose J Amin J Hackett (resigned 1 August 2017 to become Interim Director and reappointed 20 June 2018) F Hogan L Jones F Nazeer (resigned 7 November 2018) M Sinclair (Chair) N Shah P Woodmansey
Company Secretary	P M Risbridger
Bankers	HSBC Bank PLC 15 The Mall Stratford London E15 1XL CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditors Invicta House 108-114 Golden Lane London EC1Y 0TL

The trustees present their report and the audited financial statements for the year ended 31 March 2019.

Reference and administrative information set out on page 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and Activities

Objectives and aims for the public benefit

The objects for which the Company is established are:

- To promote, improve, develop and maintain public education in and appreciation of the art of dance, in particular by the presentation of dance productions and the promotion of dance workshops in east London.

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging. In setting the level of fees, charges and concessions, the trustees give careful consideration to the accessibility of the charity's programme for those on low incomes.

Our **vision** is to inspire and enrich people's lives through dance.

Our **mission** is to bring people to dance and dance to people through an enterprising and creative approach to community participation, artist development, commissioning and staging great art, and championing the importance of dance in all our lives.

We have identified 5 core aims for the organisation 2018–22:

1. Talent House for Dance and Urban Culture

Complete the fit-out of 3 Sugar House Lane and move to a new home to establish a Talent House for Dance and Urban Culture alongside music partner, Urban Development, becoming a vibrant new creative hub as part of Sugar House Island.

2. Participation and Community Development

Provide excellent dance experiences for our local communities to provide enjoyment, increase learning, improve health and well-being, and provide clear pathways for progression into employment and/or training.

3. Artist, Producer and Artform Development

Identify, nurture, launch and sustain the careers of entrepreneurial dance artists and producers whose work embraces the eclecticism, diversity and aesthetic of east London, creating a diverse talent pipeline.

4. Performance and Audience Development

Commission, produce and present outstanding dance performance that showcases new and under-represented artists and ideas; inspires and attracts new audiences; challenges traditional conventions about how dance is staged by working across a range of spaces and environments; and embraces collaborations across art-forms.

5. Organisation Resilience

Establish a robust entrepreneurial business model that utilises our new asset of a building to diversify our income streams in order to achieve our charitable objectives; capacity build the organisation to ensure we are able to manage the operations of a building alongside our core work; and ensure we remain agile and able to adapt and respond to the fast-changing environment.

Significant activities

Enriched by 30 years' experience, East London Dance is the leading producer of creative dance experiences for the people of east London and beyond. We produce inspirational projects and events to engage our diverse local communities in dance, and nurture the next generation of artists and professionals. We champion enterprise, collaboration and innovation in order to create dance of exceptional quality that is seen regionally, nationally and internationally. We specialise in a tailored and responsive approach that places our communities and their needs, interests and ambitions at the centre of our work.

We believe...

- dance can **inspire** and **empower** everyone in many different ways.
- in being **enterprising** – creatively, strategically and financially.
- in approaching all our work with **authenticity, honesty** and **integrity**.
- that **collaboration** is integral to success.
- in being **open** to new ideas, new people, new places and new ways of working.

The Four Pillars that underpin our work are:

- **Locally rooted participation** – presenting the very best dance opportunities and empowering people to get involved in dance, regardless of ability, through dance classes, performance opportunities and professional development and leadership programmes.
- **Talent Incubator** – discovering and nurturing the next generation of artists and dance producers through artistic and business development support.
- **Creative Producer** – commissioning and staging great art that engages wide ranging audiences and reflects the diversity, energy, eclecticism and aesthetic of east London.

- **Dance Leader** – championing the importance of dance for social change, community cohesion, and health and wellbeing, and as an expressive artform that educates, inspires and entertains.

For 2018–19 the main programme highlights included:

Participation:

- **HeadStart Newham** has enabled us to develop a wide-reaching dance programme that builds emotional resilience and improves mental health amongst 10–16 year olds experiencing disadvantage in Newham. Working closely with London Youth, LB Newham and local mental health agencies, we have established an effective referral process attracting 239 young people at risk of mental health issues.
- **The Fi.ELD** is our career development training programme for 16–26 year olds, equipping these future dance innovators with skills, networks and resources to make their ideas happen. 12 individuals graduated from the 2018 programme, of which 6 were not in employment, education or training (NEET). Ten have already secured paid employment in the arts.
- We established a new partnership with the Prince's Trust to deliver a two week "**Get into Creative Producing**" intensive course and programme, based on The Fi.ELD course, for young people not in employment, education or training.
- Our flagship **East London Youth Dance Company** (ELYDC) provided high-quality, professional-level training for young people with little or no access to development opportunities.
- We delivered the **East Wall** engagement programme, offering five schools and young people from across London the chance to work with the professional artists involved. Six exceptional youth dance companies were selected to perform in the final production.
- Our older people's work continued through our flagship over-60s company **Leap of Faith**, who are ambassadors and advocates for engaging more isolated and inactive older people in dance.
- Following a mapping exercise to identify geographical and art form gaps in east London provision, we grew our **Associate Classes** programme to help market and quality assure existing dance classes across east London and help signpost local residents to opportunities.

Artist and Producer Development:

- **Ideas Summit and Ideas Fund**: In March 2019, we presented the Ideas Summit attended by 96 industry professionals. 15 people pitched for investment, and we awarded £15k to 4 creative and innovative projects as part of the Ideas Fund.
- **Dance, Fashion & Technology Lab**: we collaborated with London College of Fashion to deliver a creative lab for 12 choreographers, costume designers and technologists with masterclasses, knowledge sharing and space for collaboration and the creative exploration of new ideas.
- **Mentoring** and industry advice was provided to 88 emergent dance artists and producers, and we commissioned 7 new works to be presented.

Performance and Events:

- July 2018 saw the culmination of the largest scale project we have ever undertaken. **East Wall** was a co-production with Hofesh Shechter Company, Historic Royal Palaces and LIFT, performed over 5 nights by a cast of 150 professionals and non-professional dancers and musicians to audiences of 9920. Through East Wall, we commissioned 4 talented up-and-coming choreographers to create new work with our community and professional cast and supported them through a long-term talent development programme.
- We launched our 30th anniversary with our weekend take-over of Shoreditch Town Hall. **Identity**, a three-night run of a curated mixed bill of new work which celebrated dance, fashion, style and local and young people's identity.
- We were commissioned by Levi's UK to curate and produce their annual Pride event and devised "**Equality Always Fits**", a showcase event at Rich Mix.
- As a locally rooted development organisation, we produced and presented a range of work at local free events.

Other one off projects and events, organised with partners, also took place throughout the year. To ensure we maintain and enhance a meaningful dance offer for people locally and further afield, we continued to play a significant role in a range of networks including Dance Cluster East; the National Dance Network and Pan-London Dance Consortium.

Achievements and Performance

Charitable activities

We have identified 4 main achievements through 2018-19:

- Presenting East Wall, our most ambitious production to date which brought together, to critical acclaim and positive participant feedback, world class artists, the next generation of artistic talent, and local young people to perform in the iconic location of the Tower of London moat to live audiences of almost 10,000 people.
- Celebrating our 30th anniversary and producing an organisational Impact Report that demonstrated and celebrated how our work has benefitted local communities, the next generation of industry professionals, and under-represented artists.
- Supporting 239 young people to improve their emotional and mental wellbeing through our HeadStart Newham programme, resulting in reports of increased self-confidence, greater engagement in school, and new friendship networks (addressing social isolation).
- Establishing our first corporate partnership with Levi's UK and producing a special event for Pride 2018, celebrating the LGBTQ community in dance. The partnership evolved and resulted in financial support from Levi's UK for our youth programmes.

Trustees' annual report

For the year ended 31 March 2019

In numbers in 2018–19 we:

- Reached live audiences of 59,286 through a diverse and far-reaching programme presented within theatre settings and in outdoor festivals. This was a small 1.1% increase on the previous year.
- Increased our total participant engagement by 11% to 14,298 attendances (4,184 participants).
- Offered professional development, mentoring and/or coaching to 88 different artists and independent producers.
- Employed 166 individuals to deliver our activity (195 in 2017/18).
- Reached a diverse group of beneficiaries of which 52% were of BAME origin and 5% were disabled. We also reached new audiences with 72% of our audience not having previously encountered the work of East London Dance before.

We have robust frameworks to ensure regular review, critical feedback and debate within the staff team, with our board and with artists, audiences and participants. For example we:

- Set organisational measures of success in our business plan against each major goal and subsequent objectives, which are reviewed by the board each year.
- Set outcomes, objectives and measures of success at the start of all projects with a final debrief to evaluate participant, artist, audience and ELD team feedback and identify learning to apply to future activity.
- Involve participants in consultation and provide feedback to inform design and delivery of programmes.
- Evaluate all our work against objectives to assess reach and impact, and against our Artistic Values to assess quality.
- Use a range of tools to collect views and data from audiences and participants: vox pops, surveys, social media and evaluation forms.
- Host talks and debates with artists and partners.
- Host sharings of work in progress where artists get relevant industry feedback.

Public Benefit

We have delivered a range of activities for the benefit of particular target groups as well as wider activities open for all. Our mission is to enrich people's lives by presenting the very best dance opportunities. We do this through reaching and inspiring those in our community least likely to engage in the arts; discovering, nurturing and supporting diverse local artists; and driving forward our reach through innovative partnerships.

Our targeted beneficiaries include:

- Young people facing disadvantage – particularly those facing mental health issues or who are not in employment education or training.
- Older people aged 65 years and over, many of whom are at risk of social isolation.

Trustees' annual report

For the year ended 31 March 2019

- Local communities and families living in areas of east London experiencing economic and social disadvantage.
- Choreographers, artists, dance practitioners and professionals living and/or working in east London.
- Teachers in primary and secondary schools and youth workers – offering them professional development and training.

We have also delivered a wide range of open access activity for people of any age or background to watch or join in.

We have completed a two-year analysis of those we engage with: Audience Spectrum and Mosaic analyses revealed 60% of those we reach are least likely to engage in the arts.

We have digitised and streamlined our audience and participant research methodologies, increasing the level of data collection, vox pops and audience surveys gathered at our performance events.

We have built a more accurate understanding of our local communities through analysis of population statistics and deprivation indices which has informed our audience development strategy. This has led to strategic mapping exercises and data research, for example to ensure our participant activity takes place in an area of need with recruitment strategies targeted accordingly.

East London Dance seeks peer feedback on the quality of its work from numerous stakeholders including partners, Local Authorities and peers within the sector, in addition to freelance artists and companies who have worked with the organisation.

Structure, Governance and Management

Governing Documents

East London Dance is a charitable company limited by guarantee, incorporated on 4 March 1996 (amended 13 December 2002) and registered as a charity on 12 March 1996.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

Trustees

East London Dance is governed by a Board of Trustees. The Board has overall responsibility for the management of the organisation's resources and ensuring its financial wellbeing. All major policy decisions are ratified by the Board of Trustees.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 7 to the accounts.

Trustees' annual report

For the year ended 31 March 2019

Board members take an active role in the governance of East London Dance, attending performances, events and activities on a regular basis and a biennial away day in addition to regular meetings. Board members generously share their skills and expertise with the organisation and this includes artistic programme, equality and diversity, financial management, partnerships and strategic development, communications and personnel.

Trustees are selected on the basis of a regular board skills audit and appointed by the existing board members. Trustees are provided with a comprehensive induction pack prior to joining and regular training is offered via the following:

- specific sessions run concurrently with Board meetings.
- identified training providers e.g. Sayer Vincent, Independent Theatre Council, Clore Leadership Programme and Arts Council England.

In addition, all trustees are provided with a written role specification.

The Board is supported by a finance and operations sub-committee who review the ongoing financial performance of the organisation and ensure the regular review of all financial policies, procedures, protocols and systems. Additional sub-committees are formed as required – a fundraising sub-committee was added 2016–17 to review the development function, and a property sub-committee was formed in 2017–18 to oversee the delivery of the capital project.

Remuneration policy for key management personnel

The board of trustees sign off remuneration for all job descriptions, including key management personnel, that are regularly benchmarked with the arts sector, considering level of skill and experience needed, complexity of the role, salary bands, fair and competitive salaries and the sustainability of the charity.

Organisational structure

In 2018/19, the staff team at East London Dance consisted of 8 full and 2 part-time staff roles and 2 paid interns, and we employed 166 specialist freelancers and sessional staff to deliver the programme, including artists, companies, teachers, and trainers. All aspects of our employment and programme delivery are governed by a detailed Equalities Policy that protects our employees, and ensures that employees and users (participants/audiences) are closely involved in the processes of planning, delivery and evaluation.

Principal risks and uncertainties

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. Staff and trustees have performed a review to assess the key risks faced by the charity and to establish ways to manage them. Specific plans have been put in place to deal with the key risks. A summary of these key risks and their mitigations are:

Trustees' annual report

For the year ended 31 March 2019

- Loss or reduction of core and project funding => secured Arts Council core funding to 2022; active board fundraising subgroup; new post dedicated to fundraising and partnership development.
- Other dance organisations moving into east London create competition for funds, audiences and participants => Led the Dance Cluster East partnership to ensure open communication, to develop a collective vision for the arts in the area and to spot opportunities to collaborate for maximum impact.
- Unable to attract participants or audiences for our work => embed consultation and evaluation to ensure our work is relevant and rewarding.
- Becoming too responsive in taking work to secure income, resulting in lack of capacity to deliver core vision => assess new work against our goals and objectives; organisation work plan to assess capacity.
- High staff turnover creates lack of consistency and loss of expertise => salary review implemented in April 2018 across staff; attractive benefits including ticket budget and professional development; structured and effective line management processes.
- Fraud and theft => stringent financial management protocols in place.
- Poor financial management resulting in escalated costs => active and knowledgeable finance subgroup; experienced financial staff in post; clean post-audit report.
- Capital project diverts organisation capacity, places strain on fundraising needs, and destabilises the organisation as it goes through a period of growth and prepares for a change in business model => effective planning and governance; scale of programme temporarily reduced to allow for transition; separate fundraising consultants for capital so staff can focus on revenue.

Internal and external factors

The environment in which East London Dance operates continues to change at pace. Seven years on from the London 2012 Olympic and Paralympic Games and Stratford is still undergoing radical redevelopment. There are new communities arriving, new spaces appearing and new investments being made. The population demographics are shifting radically with a significant influx of young professionals and students into Stratford and the local population set to double by 2021. The opening of Here East and advanced planning for East Bank on Queen Elizabeth Olympic Park have seen a new cultural and education hub emerging, with rapid expansion of the dance infrastructure in east London underway – high profile dance organisation Studio Wayne McGregor has already moved to the area. With our established track record, ELD is working to complement this new provision, providing a talent pipeline and audience development approach for organisations such as Sadler's Wells with whom we have a strategic partnership to increase engagement with children and young people as audiences and participants in the build-up to Sadler's Wells East opening in 2022.

We are using our unique history, expertise, experience and knowledge and outstanding partnership development skills to ensure East London Dance is central to Stratford's burgeoning cultural vision. We work with our partners and stakeholders to ensure that as a small and agile organisation, our artists and our communities are able to benefit from the increased resources

coming into the area and we will drive a shared vision for dance across the sub-region. Central to this vision is our development of the UK's first National Talent House for Urban Culture with partner Urban Development. This incubation and creation space will make a vital contribution to the east London skills agenda and support employment pathways for young people.

The economic climate for the arts continues to be challenging. Our Artist Development programme nurtures new talent, whilst equipping artists with the skills, contacts and resources needed to establish sustainable careers and/or creative businesses. It brings together powerful networks of organisations and venues across all sectors and art forms, and finds innovative ways to share expertise and resources for the benefit of our artists, audiences and participants. We invest in people's artistic and business skills supporting the development of creative entrepreneurs.

As a locally rooted dance development organisation we create pathways to experience excellent dance for marginalised communities and those least likely to engage in the arts. We use dance to build healthy and happy communities.

Our work reflects the diversity and eclecticism of east London giving voice to the things that are important to our local community in unique and unexpected ways.

We believe the communities and artists of east London deserve the highest standards of work and we never compromise on professionalism and quality. Our values and approach encourages everyone we encounter to achieve their full potential.

We continue to innovate and make a vital contribution to the dance and cultural landscape both locally and nationally by being gregarious, open, curious and confident, welcoming the challenges ahead, adapting quickly to our fast-changing environment, but never wavering on our vision and goals for dance in east London.

Financial Review

Total incoming resources for the year were £721,533, of which £164,424 was for the capital project. Overall this is a 20% increase on 2017-18, with regular turnover not related to the capital project largely in line with the previous year with a 7% reduction. We continue to attract large organisations as partners who bring investment to east London. This partnership working has resulted in us delivering £570,000 worth of activity through budgets held by our partners.

The capital project at 3 Sugar House Lane has spent £114,457 this year, of which £108,457 came from restricted funds. This total amount is capitalised as an asset for the first time, and an additional £49,967 of unspent restricted funds for the project will be carried forward.

We are carrying forward a restricted £15,000 Fundraising Reserve for future fundraising activity, established in 2017-18 with funds from Arts Council England Catalyst Evolve. In addition to this Fundraising Reserve and £158,424 of restricted capital funds, we are carrying forward £71,607 of restricted funds for specific projects that span more than one financial year.

We are carrying forwards a designated fund balance of £163,655. Of this we:

- are designating £60,035 for programme and core costs in 2019–20.
- are maintaining organisational reserves at £72,120 including bank interest from the year.
- are carrying a reduced Programme Development Fund of £3,800, following a £6,200 investment in commissioning for East Wall.
- have maintained all other funds.

This leaves a remaining General Fund of £14,802.

The free reserves of the charity now total £104,623 (6% decrease on 2017–18). Further detail is provided in note 14a.

Principal funding sources

East London Dance raises funds from a wide variety of sources. Our principal funder is Arts Council England. We secured 4 years of National Portfolio Funding from them for 2018–2022, an endorsement of our work and contribution to the wider arts ecology. We continue to attract funds through project contributions from our partners and through sale of services via Tailor Made Dance.

We are in Year 3 of a five-year grant of £50,000 per year from Esmée Fairbairn Foundation for The Fi.ELD and secured new grants from Fidelio Charitable Trust, Charles S French Charitable Trust, and Ernest Cook Trust.

We researched new income streams with the support of Arts Council England's Catalyst Evolve programme. We continued our Supporters' Circle securing a strong patron base of regular individual giving and more than doubled our donations from individuals to £19,872.

Our commitment to support open access for all has, to date, produced a policy of not charging fees to the majority of service users, but instead raising the funds required to deliver the programme: 60% of our programmes were free in 2018–19. This will be subject to ongoing review.

Our capital project enabled us to activate our two grants from Arts Council England Small Capital and Greater London Authority's Good Growth Fund. We were also awarded capital grants by Foyle Foundation, London Marathon Charitable Trust and Cockayne – Grants for the Arts.

Reserves policy

East London Dance currently has £104,623 in unrestricted free reserves including £72,120 specifically designated as Organisation Reserves, maintaining its target successfully reached last financial year. Full details of the reserves are given in note 14. The company acknowledges that levels of unrestricted reserves need to continue to be accrued to fund shortfalls in income or unexpected expenditure. For the long-term needs of the organisation, East London Dance aims for

Trustees' annual report

For the year ended 31 March 2019

a minimum of three months' core operating costs (approximately £72,000). As a guiding principle we aim to transfer un-required contingency to this operating reserve fund.

The calculation of the required level of reserves is an integral part of the Company's planning and budgeting and is reviewed annually by the trustees.

Approach to Fundraising

All funds raised go to support our charitable objectives and enable us to deliver high quality dance to those that have least opportunity to access the arts at a rate that is affordable and attractive. Fundraising sits under the leadership of the Director but all job descriptions include responsibility to support fundraising and income generation for the organisation. The Board of Trustees play an important role in supporting fundraising, steered by the Fundraising sub-committee. Through the support of Arts Council England's Catalyst Evolve grant and Esmée Fairbairn Foundation, we have a 0.8 Partnerships and Development Manager in post. We occasionally hire freelance consultants to advise us on fundraising strategy or write applications for the organisation. Fundraising activities include:

- Writing and submitting grant applications and tenders.
- Pitching to potential partners to invest in our initiatives.
- Hosting cultivation events to invite potential supporters to see our work.
- Inviting individuals to make personal donations through our Supporters' Circle or a one-off gift.

We use CAF Donate to manage our individual donations. We are in the process of registering with the Fundraising Regulator and fully comply with their Code of Fundraising Practice. We have never received a complaint about our fundraising activities.

Future Developments

In March 2018, the board gave the go ahead to move forwards with our capital project to establish the UK's first National Talent House for Urban Culture, with our music partner Urban Development, following the awarding of the Arts Council and Greater London Authority capital grants. We have secured a building in Stratford with our long-standing partner, Urban Development, and capitalising on our long history in east London, we will play a key role in the place-making vision of a major development at Sugar House Island, bridging relationships through ambitious creative performance projects, talent development initiatives and community engagement programmes.

Our vision for the building, a key landmark for the High Street and gateway to the site, is to be a vibrant creative hub, welcoming new and existing communities, and becoming a collaboration hothouse for urban dance. The building will be accessible with a high-quality specification, combining a creative and informal spirit with a professional quality, bridging the gap between grassroots and professional artists in a multi-disciplinary setting.

We will create:

- An engine room for nurturing diverse dancers, choreographers and producers of the future.
- A permanent home, enabling us to extend our impact across east London, nationally and internationally.
- A space where young people unlock their potential, generate ideas, and have an influential voice.
- A space with consultation with artists, young people and the local community at its heart.
- A social enterprise with a strong business model that utilises its assets (building and facilities, ideas and people) to earn a sustainable income to reinvest in young talent.
- An incubation hub for new innovations in the creative industries, launching new companies, products, programmes and social enterprises.
- A connected building with strong industry links facilitating progression to education and/or employment.
- A digital stage that reaches global audiences through online broadcasts live from the studio, and a curated digital channel of cultural content.

Working from a new, fit-for-purpose building will allow us to continue delivering and growing our successful work to reach more people with new and extended programmes for artists, participants, audiences and community members. The building will also act as a resource, enabling us to develop our work through new partnerships, and generate additional income through sub-letting office space and programming paid-for classes. We are due to start fit-out works in spring 2020 and should move in late autumn 2020.

We are currently driving a significant fundraising strategy to achieve the outstanding funds needed for the capital project, alongside undertaking a review of our business plan, and undertaking an organisation change process as we move into becoming responsible for managing a building for the first time.

Statement of Trustees Responsibilities

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

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

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charity SORP.
- make judgements and estimates that are reasonable and prudent.

Trustees' annual report

For the year ended 31 March 2019

- state whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware.
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

The auditor, Sayer Vincent, will be proposed for re-appointment at the forthcoming Annual General Meeting.

On behalf of the Board:

Moira Sinclair – Chair
5 November 2019

Independent auditor's report

To the members of

East London Dance

Independent auditor's report to the members of East London Dance.

Opinion

We have audited the financial statements of East London Dance (the 'charitable company') for the year ended 31 March 2019 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, 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 charitable company's affairs as at 31 March 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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. In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions 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' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the 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' annual report.

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

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions

Independent auditor's report

To the members of

East London Dance

are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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. 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 auditor's 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Judith Miller (Senior statutory auditor)

7 November 2019

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

East London Dance

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2019

	Note	Unrestricted £	Restricted £	2019 Total £	2018 Total £
Income from:					
Donations and Organisational Grants	3	261,263	15,541	276,804	321,581
Capital Project	3	6,000	158,424	164,424	–
Charitable activities					
Artist Development	4	14,790	3,000	17,790	30,000
Performances and Events	4	58,922	10,189	69,111	79,503
Children & Young People	4	127,932	57,500	185,432	166,432
Adults & Older People	4	5,272	2,480	7,752	3,163
Investments		120	–	120	91
Other		100	–	100	–
Total income		474,399	247,134	721,533	600,770
Expenditure on:					
Raising funds		22,112	36,282	58,394	44,822
Charitable activities					
Artist Development		77,841	26,900	104,741	116,279
Performances and Events		163,205	29,254	192,459	162,569
Children & Young People		133,701	60,351	194,052	187,461
Adults & Older People		51,196	2,480	53,676	50,067
Total expenditure	5	448,055	155,267	603,322	561,198
Net income / (expenditure) for the year and net movement in funds	6	26,344	91,867	118,211	39,572
Reconciliation of funds:					
Total funds brought forward		152,113	153,164	305,277	265,705
Total funds carried forward		178,457	245,031	423,488	305,277

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 15 to the financial statements.

East London Dance

Balance sheet

Company no. 03167185

As at 31 March 2019

	Note	£	2019 £	£	2018 £
Fixed assets:					
Tangible assets	11		122,256		8,623
			<u>122,256</u>		<u>8,623</u>
Current assets:					
Debtors	12	161,978		152,331	
Cash at bank and in hand		164,416		181,549	
		<u>326,394</u>		<u>333,880</u>	
Liabilities:					
Creditors: amounts falling due within one year	13	(25,162)		(37,226)	
				<u></u>	
Net current assets			<u>301,232</u>		<u>296,654</u>
Total assets less current liabilities			<u>423,488</u>		<u>305,277</u>
Total net assets	14		<u><u>423,488</u></u>		<u><u>305,277</u></u>
The funds of the charity:	15				
Restricted income funds			245,031		153,164
Unrestricted income funds:					
Designated funds		163,655		141,805	
General funds		14,802		10,308	
		<u></u>		<u></u>	
Total unrestricted funds			<u>178,457</u>		<u>152,113</u>
Total charity funds			<u><u>423,488</u></u>		<u><u>305,277</u></u>

Approved by the trustees on 5 November 2019 and signed on their behalf by

Moira Sinclair – Chair

Statement of cash flows

For the year ended 31 March 2019

	Note	2019 £	2018 £
Cash flows from operating activities	16		
Net cash provided by / (used in) operating activities		100,013	32,472
Cash flows from investing activities:			
Dividends, interest and rents from investments	120		91
Purchase of fixed assets	(117,266)		(2,220)
Net cash provided by / (used in) investing activities		(117,146)	(2,129)
Change in cash and cash equivalents in the year		(17,133)	30,343
Cash and cash equivalents at the beginning of the year		181,549	151,206
Cash and cash equivalents at the end of the year		164,416	181,549

1 Accounting policies

a) Statutory information

East London Dance is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address is Stratford Circus Arts Centre, Theatre Square, Stratford, London, E15 1BX.

b) Basis of preparation

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering performances, participation programmes, artist mentorship, classes, industry events and other educational activity undertaken to further the purposes of the charity and their associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Notes to the financial statements

For the year ended 31 March 2019

1 Accounting policies (continued)**j) Allocation of support and governance costs**

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned to cost of generating funds.

● Artist Development	14%
● Performances and Events	20%
● Children & Young People	26%
● Adults & Older People	10%
● Support costs	17%
● Cost of generating funds	11%
● Governance costs	2%

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on the above, of the amount of staff time attributable to each activity.

● Artist Development	21%
● Performances and Events	23%
● Children & Young People	41%
● Adults & Older People	15%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Operating leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the minimum lease term.

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £300. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. The capital project assets built and refitted at 3 Sugar House Lane will be leased and thus depreciated over 20 years.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Computer equipment	5 years
● Capital project assets	20 years

m) Debtors

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

n) Cash at bank and in hand

Cash at bank and cash 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.

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

p) Pensions

The charity auto-enrols employees into a defined contribution pension scheme, and accounts for contributions as they fall due. At 31 March 2018 the scheme had ten members.

Notes to the financial statements

For the year ended 31 March 2019

2 Detailed comparatives for the statement of financial activities

	Unrestricted £	Restricted £	2018 Total £
Income from:			
Donations and organisational grants	254,081	67,500	321,581
Charitable activities	111,995	167,103	279,098
Investments	91	-	91
Other	-	-	-
Total income	366,167	234,603	600,770
Expenditure on:			
Raising funds	5,197	39,625	44,822
Charitable activities	372,650	143,726	516,376
Total expenditure	377,847	183,351	561,198
Net income / expenditure and net movement in funds	(11,680)	51,252	39,572
Total funds brought forward	166,793	98,912	265,705
Total funds carried forward	155,113	150,164	305,277

3 Income from donations and organisational grants

	Unrestricted £	Restricted £	2019 Total £	Unrestricted £	Restricted £	2018 Total £
Arts Council England NPO Funding	241,391	-	241,391	241,391	-	241,391
Arts Council England Catalyst Evolve Funding	-	15,541	15,541	-	67,500	67,500
Arts Council England Small Capital Grant	-	89,440	89,440	-	-	-
Greater London Authority Good Growth Fund Capital	-	68,984	68,984	-	-	-
Donations	19,872	-	19,872	9,690	-	9,690
Donated services	6,000	-	6,000	3,000	-	3,000
	267,263	173,965	441,228	254,081	67,500	321,581

Donated services are professional legal services for the capital project National Talent House for Urban Culture

Notes to the financial statements

For the year ended 31 March 2019

4 Income from charitable activities

	Unrestricted £	Restricted £	2019 Total £	Unrestricted £	Restricted £	2018 Total £
Fidelio Charitable Trust	-	3,000	3,000	-	-	-
Sadler's Wells	5,000	-	5,000	5,000	-	5,000
Cockayne Foundation: Grants for the Arts	-	-	-	-	25,000	25,000
Box office	670	-	670	-	-	-
Sale of services and earned income	120	-	120	-	-	-
Partnership contributions	9,000	-	9,000	-	-	-
Sub-total for Artist Development	14,790	3,000	17,790	5,000	25,000	30,000
Levi Strauss & Co.	25,532	-	25,532	-	-	-
Arts Council England Ambition for Excellence	-	10,189	10,189	-	40,757	40,757
Historic Royal Palaces	-	-	-	-	20,000	20,000
London Legacy Development Corporation	-	-	-	10,000	-	10,000
Sarah Trist Dance Management Agency	-	-	-	-	6,500	6,500
Box office	5,997	-	5,997	1,122	-	1,122
Sale of services and earned income	3,975	-	3,975	150	-	150
Partnership contributions	23,418	-	23,418	974	-	974
	-	-	-	-	-	-
Sub-total for Performances & Events	58,922	10,189	69,111	12,246	67,257	79,503
The Princes Trust	9,498	-	9,498	-	-	-
The Ernest Cook Trust	-	7,500	7,500	-	-	-
Esmée Fairbairn Foundation	-	50,000	50,000	-	50,000	50,000
Sadler's Wells	25,000	-	25,000	25,000	-	25,000
LB Newham – HeadStart	87,479	-	87,479	56,100	-	56,100
LB Tower Hamlets	4,000	-	4,000	-	8,500	8,500
LB Hackney	-	-	-	-	2,000	2,000
London Sport – Sportivate	-	-	-	-	2,958	2,958
London Community Foundation: Active Communities	-	-	-	-	9,948	9,948
Sale of services and earned income	1,775	-	1,775	8,126	-	8,126
Partnership contributions	180	-	180	3,800	-	3,800
	-	-	-	-	-	-
Sub-total for Children & Young People	127,932	57,500	185,432	93,026	73,406	166,432
Charles S French Charitable Trust	-	2,000	2,000	-	-	-
LB Hackney	500	-	500	-	-	-
LB Newham: Adult Services	-	480	480	-	1,440	1,440
Sale of services and earned income	4,772	-	4,772	1,723	-	1,723
	-	-	-	-	-	-
Sub-total for Adults & Older People	5,272	2,480	7,752	1,723	1,440	3,163
Total income from charitable activities	206,916	73,169	280,085	111,995	167,103	279,098

5 Analysis of expenditure (current year)

	Cost of raising funds £	Charitable activities							
		Artist Development £	Performances & Events £	Children & Young People £	Adults & Older People £	Governance costs £	Support costs £	2019 Total £	2018 Total £
Core staff costs	51,099	44,887	69,191	72,952	28,429	11,788	60,199	338,545	292,541
Direct: Teaching Wages	–	–	–	15,351	1,644	–	–	16,995	17,417
Total staff costs (Note 7)	51,099	44,887	69,191	88,303	30,073	11,788	60,199	355,540	309,958
Direct: Personnel Fees	–	28,895	62,600	29,438	537	–	–	121,470	141,602
Direct: Project Costs	–	1,208	25,242	15,662	1,765	–	–	43,877	27,999
Direct: Travel	–	–	872	1,806	102	–	–	2,780	3,218
Direct: Marketing	–	73	2,049	900	–	–	–	3,022	7,025
Support: Direct Fees and Wages	–	–	–	–	–	–	18,402	18,402	16,705
Support: Marketing	5,264	–	–	–	–	–	7,746	13,010	10,768
Support: Travel	–	–	–	–	–	–	947	947	1,165
Support: Training	316	–	–	–	–	–	2,758	3,074	1,787
Support: Tenancy	–	–	–	–	–	–	15,760	15,760	15,804
Support: Overheads	1,715	–	–	–	–	5,969	17,756	25,440	25,167
	58,394	75,063	159,954	136,109	32,477	17,757	123,568	603,322	561,198
Support costs	–	25,949	28,421	50,663	18,535	–	(123,568)	–	–
Governance costs	–	3,729	4,084	7,280	2,664	(17,757)	–	–	–
Total expenditure 2019	58,394	104,741	192,459	194,052	53,676	–	–	603,322	561,198
Total expenditure 2018	44,822	116,279	162,569	187,461	50,067	–	–	561,198	

Of the total expenditure, £448,055 was unrestricted (2018: £377,847) and £155,267 was restricted (2018: £183,351).

5 Analysis of expenditure (prior year)

	Cost of raising funds £	Charitable activities					Support costs £	2018 Total £
		Artist Development £	Performances & Events £	Children & Young People £	Adults & Older People £	Governance costs £		
Core staff costs	39,442	43,254	49,887	69,296	25,521	9,161	55,980	292,541
Direct: Teaching Wages	-	-	-	14,966	2,451	-	-	17,417
Total staff costs (Note 7)	39,442	43,254	49,887	84,262	27,972	9,161	55,980	309,958
Direct: Personnel Fees	-	43,565	68,397	29,415	225	-	-	141,602
Direct: Project Costs	-	1,028	8,117	16,681	2,173	-	-	27,999
Direct: Travel	-	549	1,669	977	23	-	-	3,218
Direct: Marketing	-	340	4,333	2,352	-	-	-	7,025
Support: Direct Fees and Wages	-	-	-	-	-	-	16,705	16,705
Support: Marketing	3,774	-	-	-	-	-	6,994	10,768
Support: Travel	-	-	-	-	-	-	1,165	1,165
Support: Training	278	-	-	-	-	-	1,509	1,787
Support: Tenancy	-	-	-	-	-	-	15,804	15,804
Support: Overheads	1,328	-	-	-	-	6,757	17,082	25,167
	44,822	88,736	132,403	133,687	30,393	15,918	115,239	561,198
Support costs	-	24,200	26,505	47,248	17,286	-	(115,239)	-
Governance costs	-	3,343	3,661	6,526	2,388	(15,918)	-	-
Total expenditure 2018	44,822	116,279	162,569	187,461	50,067	-	-	561,198

6 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2019 £	2018 £
Depreciation	3,633	3,439
Operating lease rentals:		
Property	15,760	15,804
Auditors' remuneration (excluding VAT):		
Audit	5,750	5,560
	<u>5,750</u>	<u>5,560</u>

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2019 £	2018 £
Core staff salaries	307,343	268,952
Direct sessional teaching wages	16,995	17,416
Social security costs	24,624	19,512
Employer's contribution to defined contribution pension schemes	6,577	4,078
	<u>355,539</u>	<u>309,958</u>

No employee earned more than £60,000 during the year (2018: nil).

The total employee benefits including salaries, national insurance and pension contributions of the key management personnel were £97,286 (2018: £95,489).

Trustee Georgina Harper agreed to step down from the board to take up a Co-Director job share from Feb – July 2018. Further information can be found on pg. 8 of the Trustees Annual Report.

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2018: nil). No charity trustee received payment for professional or other services supplied to the charity (2018: nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £nil (2018: £nil) incurred by no members (2018: None) relating to attendance at meetings of the trustees.

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2019 No.	2018 No.
Core staff	10	10
Sessional teaching staff	6	7
	<u>16</u>	<u>17</u>

9 Related party transactions

One trustee of the charity is a councillor for London Borough of Newham. Having previously submitted a consortium bid within a competitive public tender for LB Newham and won a contract for services for the HeadStart programme in 2017, the charity and its partners were awarded a six-month contract extension in 2018. The trustee stepped down from the board in Nov 2018. A second contract of services for the same programme was secured in Feb 2019. There was no relation between trustees and the selection panel.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

10 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

11 Tangible fixed assets

	Capital project assets £	Computer equipment £	Total £
Cost or valuation			
At the start of the year	–	33,386	33,386
Additions in year	114,457	2,809	117,266
At the end of the year	114,457	36,195	150,652
Depreciation			
At the start of the year	–	24,763	24,763
Charge for the year	–	3,633	3,633
At the end of the year	–	28,396	28,396
Net book value			
At the end of the year	114,457	7,799	122,256
At the start of the year	–	8,623	8,623

All of the above assets are used for charitable purposes. Expenditure on the capital project at 3 Sugar House Lane is now capitalised as an asset.

12 Debtors

	2019 £	2018 £
Trade debtors	155,204	146,039
Other debtors	3,578	1,912
Prepayments	3,196	4,380
	161,978	152,331

13 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	16,227	21,327
Taxation and social security	1,582	9,127
Other creditors	100	100
Accruals	7,253	6,672
	25,162	37,226

14a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	13,799	–	108,457	122,256
Net current assets	1,003 ¹	163,655	245,031	409,689
Net assets at the end of the year	14,802	163,655	353,488	531,945

¹ The 'free reserves' of the charity total £104,623, representing general unrestricted funds not tied up in fixed assets, £72,120 held in the organisation reserve and £31,500 held in three other designated funds. Funds held in the designated project funds for 2019–20 are excluded from free reserves. The trustees consider setting aside these reserves as designated funds to be a useful management planning tool. See also note 15 for the breakdown in reserves, and the reserves policy on page 12 of the trustees' annual report.

14b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	8,623	–	–	8,623
Net current assets	1,685	141,805	153,164	296,654
Net assets at the end of the year	10,308	141,805	153,164	305,277

15a Movements in funds (current year)

	At 1 April 2018 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2019 £
Restricted funds:					
Esmee Fairbairn Foundation	53,702	50,000	(50,371)	–	53,331
Arts Council England: Ambition for Excellence for East Wall	19,065	10,189	(29,254)	–	–
Cockayne Foundation: Grants for the Arts for East Wall	25,000	–	(25,000)	–	–
London Community Foundation: Active Communities	5,478	–	(5,478)	–	–
LB Newham: Adult Services	–	480	(480)	–	–
Fidelio Charitable Trust	–	3,000	(1,900)	–	1,100
Charles S French Charitable Trust	–	2,000	(2,000)	–	–
The Ernest Cook Trust	–	7,500	(4,502)	–	2,998
Arts Council England: Catalyst Evolve	34,919	15,541	(36,282)	–	14,178
Fundraising Reserves (Catalyst Evolve)	15,000	–	–	–	15,000
Capital: Arts Council England Small Capital Grant –	–	89,440	–	–	89,440
Capital: Greater London Authority: Good Growth Fund –	–	68,984	–	–	68,984
Total restricted funds	153,164	247,134	(155,267)	–	245,031
Unrestricted funds:					
Designated funds:					
Organisation Reserves	72,000	–	–	120	72,120
Pension Reserves	6,305	–	–	–	6,305
Programme Development Fund	10,000	–	(6,200)	–	3,800
Organisation Development Fund	21,395	–	–	–	21,395
Designated Project Funds for 2019–20	32,105	–	(32,105)	60,035	60,035
Total designated funds	141,805	–	(38,305)	60,155	163,655
General funds	10,308	474,399	(409,750)	(60,155)	14,802
Total unrestricted funds	152,113	474,399	(448,055)	–	178,457
Total funds	305,277	721,533	(603,322)	–	423,488

15b Movements in funds (prior year)

	At 1 April 2017 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2018 £
Restricted funds:					
Esmee Fairbairn Foundation	50,000	50,000	(46,298)	–	53,702
Foundation for FutureLondon	3,761	–	(3,761)	–	–
Arts Council England: Ambition for Excellence for East Wall	26,107	40,757	(47,799)	–	19,065
Historic Royal Palaces: East Wall	–	20,000	(20,000)	–	–
Cockayne Foundation: Grants for the Arts for East Wall	–	25,000	–	–	25,000
LB Tower Hamlets (THAMES): East Wall Learning & Education	–	1,500	(1,500)	–	–
LB Tower Hamlets (THAMES): Challenge 59	–	7,000	(7,000)	–	–
LB Hackney: Discover Young Hackney	–	2,000	(2,000)	–	–
London Community Foundation: Active Communities	–	9,948	(4,470)	–	5,478
London Sport: Sportivate	–	2,958	(2,958)	–	–
LB Newham: Adult Services	–	1,440	(1,440)	–	–
Sarah Trist Dance Management Agency	–	6,500	(6,500)	–	–
Arts Council England: Catalyst Evolve	19,044	52,500	(36,625)	–	34,919
Fundraising Reserves (Catalyst Evolve)	–	15,000	–	–	15,000
Total restricted funds	98,912	234,603	(180,351)	–	153,164
Unrestricted funds:					
Designated funds:					
Organisation Reserves	65,477	–	–	6,523	72,000
Pension Reserves	6,305	–	–	–	6,305
Programme Development Fund	10,000	–	–	–	10,000
Organisation Development Fund	14,400	–	(3,005)	10,000	21,395
Designated Project Funds for 2017–18	60,301	–	(60,301)	32,105	32,105
Total designated funds	156,483	–	(63,306)	48,628	141,805
General funds	10,310	366,167	(317,541)	(48,628)	10,308
Total unrestricted funds	166,793	366,167	(380,847)	–	152,113
Total funds	265,705	600,770	(561,198)	–	305,277

Purposes of restricted funds

Esmee Fairbairn Foundation: Third year of five year funding totalling £250k towards the delivery of a young dance entrepreneurs scheme, The Fi.ELD, in both east London and nationally, after successfully delivering the programme locally in 2013–2015.

Arts Council England: Ambition for Excellence: A grant to deliver a talent development programme, a production in 2016 and the production of *East Wall* in 2018 at the Tower of London with Hofesh Shechter Company, Historic Royal Palaces and London International Festival of Theatre (LIFT).

Cockayne Foundation: Grants for the Arts: A grant for artist development and commissioning of the emerging choreographers in *East Wall above*.

London Community Foundation: Active Communities: A grant to support regular, open dance activity with the East London Youth Dance Company.

LB Newham: Adult Services: Funding to deliver Leap of Faith – older people's dance group.

Fidelio Charitable Trust: A grant to support artist development through the Ideas Summit event and Ideas Fund awards.

Charles S French Charitable Trust: A grant to support Leap of Faith – older people's dance group.

The Ernest Cook Trust: A grant to support schools activity across east London.

Arts Council England: Catalyst Evolve: A grant and match-funding from new donations to support the development of the charity's fundraising function.

Fundraising Reserves (Catalyst Evolve): Match funds from Arts Council England Catalyst Evolve set aside to support future fundraising activity.

Capital: Arts Council England Small Capital Grant: A £499,999 grant towards capital costs for 3 Sugar House Lane.

Capital: Greater London Authority: Good Growth Fund: A £1m shared grant towards capital costs for 3 Sugar House Lane with Urban Development as lead grant holder.

Purposes of designated funds

Organisation Reserves: Funds set aside for the organisation as per reserves policy.

Pension Reserves: Funds set aside to meet future increases in statutory employer contributions. See Note 1(p).

Programme Development Fund: Funds set aside for researching and developing new programe areas and commissions.

Organisation Development Fund: Funds set aside to support the organisation's future strategic development and capital build.

Designated Project Funds for 2019–20: Funds allocated for specific project delivery in 2019–20.

16 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2019 £	2018 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	118,211	39,572
Depreciation charges	3,633	3,439
Bank interest	(120)	(91)
Increase in debtors	(9,647)	(12,871)
Increase in creditors	(12,064)	2,423
Net cash provided by / (used in) operating activities	100,013	32,472

17 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.