

Charity number: 1065586  
Company number: 3446307  
Limited by guarantee

**De La Warr Pavilion Charitable Trust**  
**Trustees' report and financial statements**  
**for the year ended 31 March 2013**

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## **De La Warr Pavilion Charitable Trust**

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## **De La Warr Pavilion Charitable Trust**

### **Legal and administrative information**

**Charity number** 1065586

**Company registration number** 3446307

**Registered office** De La Warr Pavilion  
Marina  
Bexhill on Sea  
East Sussex  
TN40 1DP

<b>Trustees</b>	Stephen Williams	Chair
	Richard Burton	
	Sue Prochak	appointed 1 9 12
	David Getty	
	James Braxton	
	Christopher Starnes	
	Anne Hynes	
	David Sulkin	resigned 8 3 13
	Geoffrey Dudman	
	Felicity Truscott	resigned 8 3 13
	Sara Stonor	
	Sean Albuquerque	
	Robin Patten	
	Julian Bird	

**Secretary** Stewart Drew

**Chief executive** Stewart Drew

**Auditors** Manningtons  
39 High Street  
Battle  
East Sussex  
TN33 0EE

**Bankers** Allied Irish Bank (GB)  
20/22 Marlborough Place  
Brighton  
BN1 1UB

## **De La Warr Pavilion Charitable Trust**

### **Report of the trustees (incorporating the directors' report) for the year ended 31 March 2013**

The trustees present their report and the financial statements for the year ended 31 March 2013. The trustees, who are also directors of De La Warr Pavilion Charitable Trust for the purposes of company law and who served during the year and up to the date of this report are set out on page 1.

#### **Structure, governance and management**

##### *Governing document*

De La Warr Pavilion Charitable Trust is a company limited by guarantee, governed by its memorandum and articles of association. It is a charity registered with the Charity Commission.

##### *Appointment of trustees*

The board of trustees comprises fourteen elected persons and two members nominated by Rother District Council. Trustees are appointed in order to give a broad and diverse range of expertise in a number of fields relevant to the charity, including finance, arts practice and management, architecture, human resources and local knowledge. Potential new trustees submit an application to the board of trustees for their consideration and majority approval. At every Annual General Meeting, one third of the trustees resign, being the longest serving trustees. All retiring trustees are eligible for re-election, save that no trustee can serve for an aggregate period in excess of six years, unless agreed by a two-thirds majority.

##### *Trustee induction and training*

New trustees undergo an orientation session to brief them on their legal obligations under charity and company law, the content of the memorandum and articles of association, the decision making processes, the business plans and recent financial performance of the charity. They are given a tour of the building and an outline of the work of the various departments.

##### *Organisation*

The board of trustees and finance and trading sub-committee meet at least four times a year. The board of trustees have three key areas of responsibility, financial, managerial and administrative. They are responsible for safeguarding the assets of the charity; ensuring that the charity fulfils its objectives and that the charity complies with all current legislation. The board of trustees approves the annual business plan, the programme of activities and the annual budget, and are presented with updated reports at meetings. Any significant changes to the business plan and budgets are approved by the board. The board delegates the responsibility of the day to day management of the charity to the Director and the senior management team.

##### *Risk management*

The trustees have a risk management strategy which comprises an ongoing review of the risks the charity may face, the establishment of systems and procedures to mitigate the identified risks, and the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

There is also a Disaster Action Plan specifically for the galleries.

#### **Objectives and activities**

The De La Warr Pavilion is a centre for contemporary art in an architectural icon of the modernist movement. Created in 1935 by architects Eric Mendelsohn and Serge Chermayeff, it was the original vision of its champion, the 9th Earl De La Warr to create a major cultural institution in the heart of Bexhill on Sea.

## **De La Warr Pavilion Charitable Trust**

### **Report of the trustees (incorporating the directors' report) for the year ended 31 March 2013**

In 2005, following many years of physical deterioration and decline of its cultural aspiration, the Pavilion reopened as a new artistic flagship comprising 500 sq metres of gallery space, a 1000 seat auditorium, an education and community studio, café and restaurant, shop and administrative facilities. Whilst much of the building underwent a programme of repair and restoration, significant effort was made to refurbish the building in keeping with its vision and the needs of a 21st century community. The cost of this capital programme was £9 million, raised primarily from Lottery sources, charitable trusts and foundations and individual donors.

The Pavilion is governed by the De La Warr Pavilion Charitable Trust who took responsibility for the stewardship and management of the building and its activities in 2003 prior to the capital development programme, under the terms of a 99 year lease granted by its freehold owners Rother District Council. Core revenue funding is underwritten by two principal stakeholders Rother District Council and Arts Council England together with further project investment from trusts and foundations and individual patronage. Profits derived through its commercial trading subsidiary support the overall operations and activities of the organisation.

#### *Vision and objectives*

The vision for the De La Warr Pavilion, in keeping with the spirit with which it was originally created, is to be a cultural flagship offering a world class programme to audiences and visitors locally, regionally and nationally, enriching the everyday life of its community.

#### *Its key objectives are*

To be a centre of local, regional and national significance for the promotion of high quality modern and contemporary art, music and architecture through a coherent programme of exhibitions, performances and events that respond to the needs and aspirations of its audiences.

To be a platform for artistic expression, enabling artists of every culture and discipline to create new work or present new experiences to existing work within an environment committed to excellence and best professional practice.

To be a nucleus for education, participation and life-long learning and for people to realise their own creative potential as visitor, commentator or participant.

To preserve the De La Warr Pavilion's fabric, its unique and important Grade 1 listed architectural status and to promote its public understanding, appreciation and enjoyment.

To establish and maintain a viable and sustainable business model that relies significantly upon core revenue investment from the public sector whilst realising the full potential of commercial entrepreneurship.

To be a catalyst for the cultural, economic, tourism and social regeneration of Bexhill and the surrounding region.

#### *Public benefit*

In setting the charity's objectives and planning its activities the trustees have given consideration to the Charity Commission guidance on public benefit.

The De La Warr Pavilion is open to the public, free of charge, for every day of the year apart from Christmas day. Entrance to the gallery exhibitions and tours is also free.

Our education programme is either free of charge or heavily subsidised.

## **De La Warr Pavilion Charitable Trust**

### **Report of the trustees (incorporating the directors' report) for the year ended 31 March 2013**

#### **Achievements and performance**

##### *Introduction*

This report sets out in summary the activities and achievements of the De La Warr Pavilion (DLWP) Charitable Trust during the financial year 2012/13

This year has seen a period of great change for the Pavilion. Following Alan Haydon's death in October 2011, Stewart Drew led the organisation as Acting Director, working closely with the Trust. In January 2013, the Trust appointed Stewart as Director and Chief Executive Officer.

The organisation faced a number of challenges relating to the 2011/12 financial year and in responding to this and the broader 'financial climate', the Trust instigated an organisational review. This resulted in the reduction of the office-based team by over one third. Most notably the following posts were removed from the structure: Deputy Director, Head of Fundraising, Head of Education, Catering Manager, and with the Live Programme staffing reduced from two posts to one.

Counter Culture LLP were contracted to support this review and longer-term business modelling of the organisation. They are currently contracted to provide the services of Finance Director and accountant, and bring a wealth of knowledge of the sector with them.

Similarly we have continued to review the staff structure throughout the organisation, as well as contracts for services. The review has taken almost a year to implement and we are now nearing the end of this phase of work.

A refocus of the Board has reinforced existing sub-committees, namely Finance & Trading and Building, but also seen the establishment of two new committees: Audience Engagement and Fundraising. These committees support the Executive in their responsibilities, but also ensure that the Trust are actively involved in these important aspects of the organisation.

Despite these challenges, the organisation has had a very successful year with the delivery of the London 2012 Festival project 'Hang On A Minute Lads, I've Got A Great Idea' by artist Richard Wilson. The rooftop installation and associated programme attracted over 100,000 visitors from July to October 2012 and received significant press attention.

##### *2012/13 highlights in summary*

- Over 300,000 visitors during the year
- 30,000 tickets sold to 88 performances, of which 37 were from community groups. DLWP has delivered 51 of its own productions
- Through the learning and participation programme we have delivered 70 events in total including workshops, courses, classes and tours. We had a total of 5,893 participants in the programme and delivered 19 Arts Awards
- We have hosted 28 community events through our venue hire facility including three exhibitions in the Studio
- We have attracted over £190,000 of additional income, largely for the summer season
- We have 73 Staff on the payroll, including part time and casual staff. 96% of staff from the Rother and Hastings Area
- Over 25 volunteers have supported the organisation and we have hosted 4 work experience students
- For the 2012 summer season 66% of people had visited in the past 12 months and 25% were first time visitors, 64% came because of personal recommendation, 31.5% said they were residents of Rother, 44% were between 46 and 64 years of age
- For the Ian Breakwell Season 20% of visitors came to see the exhibition more than once. 62% came on personal recommendation, 73% came to visit 'the exhibition and café'. Over 90% thought the exhibition was 'good' or 'very good', with 80% also giving this feedback for the overall visitor offer.

## **De La Warr Pavilion Charitable Trust**

### **Report of the trustees (incorporating the directors' report) for the year ended 31 March 2013**

#### *Exhibitions - Spring Programme 2012*

Exhibition Cerith Wyn Evans, Gallery 1, 2 & Roof Terrace,  
17 March - 11 June 2012

As one of the most prominent contemporary British artists, Cerith Wyn Evans's conceptual practice incorporates a wide range of media, including installation works, sculptures, photography, film and text. For Wyn Evans, the Pavilion's geographical setting is as important as its status as an icon of Modernism

Close to the beach in Bexhill, the building's glazed Southern façade offers panoramic views of the sea and sky and close proximity to the elements, and the cycles and rhythms of nature. In response to this, the artist selected and positioned works to relate to the horizon and the distant landmark of Beachy Head. Described by Wyn Evans as a love letter to the building, the Pavilion's gallery spaces were stripped back so that they were undivided for the first time, with all windows revealed, and creating the opportunity for a radically pared down and visually stark installation. Rather than imposing a narrative or chronology, the artist produced a series of experiences, dispersed throughout the building, through which the visitor may find multiple avenues of understanding.

#### *Exhibitions - Summer Programme 2012*

Rooftop Installation Richard Wilson 'Hang On A Minute Lads, I've Got A Great Idea' 17 July - 14 October  
Supported by: Eddie Izzard, Arts Council England, Henry Moore Foundation and London 2012 Festival

Based upon the iconic final scene of the film *The Italian Job*, this feat of engineering sees a full-sized replica coach balanced on the DLWP's rooftop. Eddie Izzard, Honorary Patron of DLWP, is the principal sponsor of the commission.

As part of the London 2012 Festival, the installation was an integral part of the success of the Cultural Olympiad and launched a whole programme of London 2012 events at the Pavilion such as Eddie Sur Le Toit, Comedy on the roof, Drive In Movie, Mini Day, Eddie Izzard carrying the Olympic Torch and outdoor films.

During the installation we welcomed over 100,000 visitors and received national and international press coverage.

The project has featured as a key event in the evaluation of the London 2012 Festival with Lord Sebastian Coe, Maria Miller MP (Secretary of State for DCMS) and Ruth Mackenzie, citing the success of the project and indeed the impact of Eddie Izzard's involvement. Eddie's social media campaign around the project registered as a key spike for the festival as a whole.

Exhibition - Everything Flows: The Art Of Being In The Zone  
(30 June - 16 Sept 2012)

In partnership with Film and Video Umbrella. Supported by Wellcome Trust.

To coincide with the London 2012 Olympic Games, the exhibition presented four new commissioned moving image works focusing on the idea of being 'in the zone' - which refers to an athlete attaining a heightened state of performance. The distinguishing features of this elusive, temporary state, and the quantifiable contributory factors behind it, formed the topic of these four collaborative research relationships, each of which drew upon the creative insights and specialist knowledge of artists, sports scientists, and experts from the fields of medicine and psychology. Many of the collaborations extended to include direct access to both professional and amateur sportspeople and their coaches. Artists include Susan Pui San Lok, Dryden Goodwin, Cornford & Cross, Roderick Buchanan.

## **De La Warr Pavilion Charitable Trust**

### **Report of the trustees (incorporating the directors' report) for the year ended 31 March 2013**

Exhibition - Sean Dower *The Voyeur*  
(30 June - 16 September)  
Supported by The Elephant Trust

A solo show of new works by a mid-career British artist Sean Dower. He is known for employing diverse media to produce physically engaging, site-specific projects. For this exhibition Dower has constructed a discrete, coherent space where objects, structures, images and performance interact in the production and modification of sound.

Installation - Hercules  
(5 June - 14 Sept)

A Roman Bronze statue of Hercules, loaned by the British Museum and displayed on the first floor, outside Gallery 2. Supported by the British Museum Trust.

With the support of funding from the British Museum we were able to offer a paid internship, which was advertised to locally based students and young people. The position was awarded to Lucy Ayliffe, a first year architecture student who grew up in Bexhill and went to the local high school. Lucy worked a three-month placement co-ordinating public engagement and participation programmes.

*Exhibitions - Autumn Programme 2012*  
Ian Breakwell *Keep Things As They Are*  
(6 October 2012 - 13 January 2013)

Ian Breakwell (1943-2005) was an artist and writer, a man with an eye for seeing the extraordinary in the ordinary. One of the key members of the British avant-garde, Breakwell worked across media, from drawing, painting, photography, film and video to writing and performance with a clear purpose to communicate and reach the widest possible audience.

*Keep Things As They Are* was the most comprehensive exhibition to date of the work by Ian Breakwell. Comprising well-known and rarely exhibited works, the exhibition was arranged in a chronological order by decade to demonstrate an overview of his wide range of working practice and recurring themes. The exhibition also marks the Pavilion's long history with Ian Breakwell who was commissioned for a film *The Other Side* (2002) and curated an exhibition *Variety* (2005), the inaugural exhibition for the Pavilion's re-opening in 2005.

A 22 page guide to the exhibition with full colour illustration and accompanying text was provided for audience who wished to engage more in depth. This print was funded by The Stanley Thomas Johnson Foundation.

#### *Live Programme - Auditorium*

Our lead Live Programmer left in late 2011 and whilst the organisational review took place, the Director of Operations worked with the existing team to deliver the programme during early 2012.

Our new Live Programme Manager started in July 2012, with a brief to increase the frequency and diversity of the auditorium programme, whilst also starting to build the business model for the organisation.

The initial task was to re-establish the profile of the venue amongst key contacts throughout the industry. Raising the profile of the venue and the programme strategy that is now in place.

The main focus has been to integrate a wealth of events that cater to our local audience, as well as continuing to attract new visitors and 'commuting' audiences.



## **De La Warr Pavilion Charitable Trust**

### **Report of the trustees (incorporating the directors' report) for the year ended 31 March 2013**

During 2012/13 we have sold 30,000 tickets to 88 performances, of which 37 were from community groups DLWP has delivered 51 of its own productions

Our current priority areas for development are

Contemporary Music, Establish a broad range of contemporary acts that effectively appeal to a broad audience

Classical/Opera, Looking to develop concentrated relationships with classical promoters to develop frequency of shows  
Re-establishing the De La Warr perspective on classical events and its interaction with the local demographics

Family/Children's Events, Re alignment as a focal point for family entertainment throughout the year and school holidays

Comedy, High profile touring acts, small comedy circuit events aiming at local demographic and students Venue profiling as warm up for larger scale acts

Film, Development of the venue as a cinema experience With funding for film from Creative England we have also been presenting films inspired by or selected by artists and a range of popular / classic films

Dance/Theatre, A re-focus to programme artistically stronger content that is celebrated by the venue Re energising local interest in quality content rather than selling a weaker brand of touring productions

Looking closely to develop interaction with local schools and dance theatre groups There is as strong cultural aspect that needs to be fed back into these areas to re-ignite interest for both young people and families

The frequency and diversity of the live programme continues to grow

#### ***Learning & Participation***

Professional Development is a key theme of our learning programmes, involving individuals in the day-to-day running of the organisation

During 2012/13

- We had a total of 5,893 participants in the programme
- Of these 32% were adults, 37% families, 8% schools, 4% Higher / Further Education
- We worked with 16 artist educators and 25 volunteers
- We hosted four work experience students

We have been developing a new partnership with SIBS (East Sussex County Council Siblings Service), a project for 13-16 year olds who are from families where their siblings suffer from physical disabilities The service aims to provide time away from a pressured home environment

10 participants took part in their bronze arts awards led by artist Sheridan Quigley, with DLWP facilitating the programme and moderating the awards - Natalie Trimby (Learning & Participation Co-Ordinator) has become qualified to do this During the awards ceremony in December, three other participants from our own Arts Ambassadors scheme also joined them

We have delivered a range of adult courses, including weekly contemporary dance classes for participants over 55+ using modern dance and movement and a series on 20th Century Art

## **De La Warr Pavilion Charitable Trust**

### **Report of the trustees (incorporating the directors' report) for the year ended 31 March 2013**

The De La Warr Pavilion has won a prestigious Drawing Inspiration Award from the Campaign for Drawing for its outstanding October 2012 Big Draw event, What's your Journey? Three hundred and fifty families undertook a series of creative journeys at the De La Warr Pavilion in a setting designed to enhance their spirit of adventure

This is the third year the Pavilion has won an award for The Big Draw. Last year it won the Drawing Inspiration Trailblazer's Award for The Octopus' Garden, led by artist Sheridan Quigley. Sheridan revived the project to great acclaim this year as part of the Southbank's Children's Festival Imagine.

Our free Tales for Toddlers sessions attract an average of 45 participants every month and provide a range of activities for pre-school children. We have doubled the number of sessions due to its popularity.

We work closely with Bexhill High School's Director of Music, with the delivery of the Arts Award's scheme, The Summer Sing and initiatives like Bexhill FM. The summer broadcast of Bexhill FM was closely linked to the London 2012 Festival project, with a live outside broadcast from the Olympic Torch Relay and a close association with Eddie Izzard, who has gone on to be the main sponsor of the project.

Over 25 volunteers have supported the L11 programme this year, with an age range of 16-70 year olds. Volunteers also include individuals from local businesses. We are constantly recruiting new volunteers and developing close two-way relationships with them and would not be able to deliver the programme without them.

Our second Young People's Film Festival was well received, with 100 participants taking part in workshops and watching films. Workshops included combat fighting, screen makeup, film-making, music and arts awards. The festival showed films created by young people as well as the screening of the film The Social Network. The film-making workshop was delivered by young people.

We continue our partnership with Rhythmix in 2012, presenting an annual Christmas gig for Young Bands. Rhythmix works with its partners in Youth Support Services, such as Youth Workers, Arts Officers, Crime Reduction and Youth Offending Teams, to identify young people in challenging circumstances, and enables those young people to shape and develop projects that respond to their needs. The event was attended by over 300 people.

Through the learning and participation programme we have delivered 70 events in total including workshops, courses, classes and tours.

#### *Community*

Just before the Ian Breakwell exhibition opened, the Pavilion put a call-out for volunteers to meet and greet visitors to the gallery and to talk to them about the artist and his work. We were keen to recruit local people who had an interest in art but were by no means experts, as a way of helping visitors who had similar backgrounds feel comfortable and welcome in the galleries. We recruited seven volunteers who have proved a huge hit with the visitors and staff alike.

We have always worked very closely with volunteers, interns and work experience placements, however this scheme is the first to specifically engage with volunteers to help us with our customer service and improve our visitors' understanding of the exhibition programme.

The feedback has been excellent and importantly, it gives us an opportunity to listen and discuss how we can improve our future visitor experience.

Stewart Drew has been an active executive member of the Town Team working with the Chair and wider group on issues that directly affect trading in the town centre.

## **De La Warr Pavilion Charitable Trust**

### **Report of the trustees (incorporating the directors' report) for the year ended 31 March 2013**

Pop Up Shop - 12x6 - 1B Western Road, Bexhill This was a 6-week initiative led by members of the DLWP Artist Critique group and facilitated by DLWP. The group is one of the ways in which we develop our relationship with local, practicing artists by providing a rigorous and critical environment within which to explore one's artistic practice - a key to producing good work. The Critique group has grown into a monthly forum in which artists show, discuss and critique each other's work.

We have hosted 28 community events through our venue hire facility including three exhibitions in the Studio.

Our partnership with Kiss My Disco continues. The night is run by DJs with learning disabilities and is open to absolutely everyone. These club nights are all about great music, a brilliant atmosphere and are run as a collaboration between the charity Stay Up Late ([www.stayuplate.org](http://www.stayuplate.org)) and Fresh Track DJ workshops ([www.freshtrack.org](http://www.freshtrack.org)).

#### **Financial review**

The accounting surplus for unrestricted funds for the year-ended 31 March 2013 is £103,656. This was achieved after an actuarial loss on the local authority pension scheme of £41,000.

The positive outturn for 2012/13 is echoed by an improved balance sheet.

The accumulated unrestricted funds at 31 March 2013 was (£27,044), at 31 March 2012 this was (£130,700). To put this in its recent historical context the accumulated unrestricted fund deficit at 31 March 2010 was (£494,122).

Cash at 31 March 2013 was £137,042, and improvement of £97,712 on 31 March 2012.

Creditors' amounts falling due after more than one year was £115,565 at 31 March 2013, against £168,924 at 31 March 2012. The reduction is due to repayments of the Pavilion's long-term loans.

Net current liabilities were £236,241 at 31 March 2013, an improvement against the balance of £336,464 at 31 March 2012. Despite the net current liabilities position, the medium term prognosis for cashflow is expected to be fair.

#### ***Investment powers and policy***

The trustees have unlimited investment powers. Currently the charity has no investments other than the wholly owned trading subsidiary, De La Warr Pavilion (Enterprises) Limited.

#### ***Reserves policy***

It is the intention of the Trustees to have 'effective free reserves' - that is unrestricted reserves less unrestricted fixed assets - of £200,000. As at 31 March 2013 the effective free reserves were (£453,806). The Trustees are committed to making annual surpluses until the target reserves policy is met.

#### **Plans for future periods**

Since 2005 the Pavilion has witnessed significant successes in terms of visitor numbers, critical acclaim for its cultural programme, the engagement of new audiences, and national and international media attention. In addition, as a catalyst for regeneration, it has helped trigger renewed growth in the economic sustainability of the area, particularly within the culture and tourism market. The key measures of this success are best demonstrated by:

- Over 3 million visitors, 50% of whom are from the local area and approximately 15% from Greater London, 25% from the wider south east region and 10% nationally and internationally
- An international repertoire of artists for the exhibition and live performance programme
- A pioneering engagement programme with audiences and participants and in particular, the inclusion of children, young people and families
- The development of a successful trading model associated with customer services, securing good profits for the charity

## **De La Warr Pavilion Charitable Trust**

### **Report of the trustees (incorporating the directors' report) for the year ended 31 March 2013**

- Consistent local, regional and national press, television, radio and online coverage, positioning the Pavilion, as a building and programme, as an essential cultural destination
- Important partnerships with local, regional and national agencies both for the delivery of its programme as well as the regeneration of the region
- An economic impact study, demonstrating value to the region worth £16million per annum

Whilst the next five years will be dictated by the extent to which the organisation can generate and secure the required level of financial resources, the challenges will be focussed upon positive development and change, both for the artistic and engagement programme as well as the longer term resilience of the business model. These challenges include

- Sustaining visitor footfall whilst increasing audience engagement
- Sustaining the extent of which young people engage with the programme.
- Communicating the mission and furthering the brand locally, regionally and internationally
- Creating a broader funding base from trusts, foundations, individual giving and philanthropy
- Increasing capacity for earned income through all elements of the trading subsidiary
- Maintaining a building that is both special and in high demand
- Responding to the opportunities created through digital technology
- Demonstrating impact upon the wider regeneration agenda
- Increasing capacity for partnership within an expanding regional cultural landscape

#### **Statement as to disclosure of information to auditors**

In so far as the trustees are aware

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- 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 auditors are aware of that information

#### **Statement of trustees' responsibilities**

The trustees (who are also directors of De La Warr Pavilion Charitable Trust for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and 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 these financial statements, the trustees are required to

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

## **De La Warr Pavilion Charitable Trust**

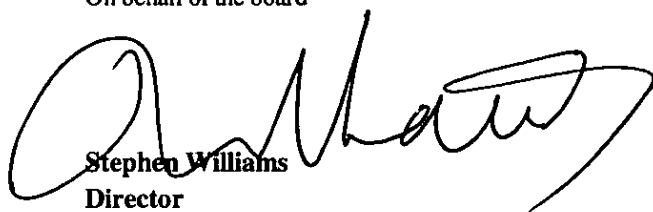
### **Report of the trustees (incorporating the directors' report) for the year ended 31 March 2013**

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which 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.

#### **Small company provisions**

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

On behalf of the board



**Stephen Williams**  
Director

29 November 2013

## **De La Warr Pavilion Charitable Trust**

### **Independent auditor's report to the members and trustees of De La Warr Pavilion Charitable Trust**

We have audited the financial statements of De La Warr Pavilion Charitable Trust for the year ended 31 March 2013 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members and trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees 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 and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of the trustees and auditor**

As explained more fully in the Statement of Trustees' Responsibilities (set out in the Trustees' Report), the trustees (who are also 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.

We have been appointed auditor under the Companies Act 2006 and Section 151 of the Charities Act 2011. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2013 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

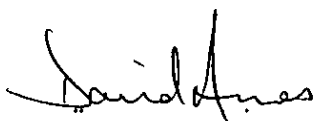
## **De La Warr Pavilion Charitable Trust**

### **Independent auditor's report to the members and trustees of De La Warr Pavilion Charitable Trust**

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent charitable company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small company exemption in preparing the Trustees' report.



**David Ames (senior statutory auditor)**

**For and on behalf of Manningtons  
Statutory Auditor**

**29 November 2013**

**39 High Street  
Battle  
East Sussex  
TN33 0EE**

Manningtons is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

# De La Warr Pavilion Charitable Trust

## Consolidated statement of financial activities (incorporating the income and expenditure account and statement of recognised gains and losses)

For the year ended 31 March 2013

	Notes	Unrestricted funds £	Restricted funds £	2013 Total £	2012 Total £
<b>Incoming resources</b>					
Incoming resources from generating funds					
Voluntary income	2	1,123,986	139,560	1,263,546	1,176,814
Activities for generating funds	3	718,034	-	718,034	795,997
Investment income	4	10,000	-	10,000	15,000
Incoming resources from charitable activities	6	251,188	-	251,188	296,655
<b>Total incoming resources</b>		<u>2,103,208</u>	<u>139,560</u>	<u>2,242,768</u>	<u>2,284,466</u>
<b>Resources expended</b>					
Costs of generating funds					
Cost of generating voluntary income	7	3,818	-	3,818	32,240
Ancillary trading cost of goods sold and other costs	8	585,352	-	585,352	652,228
Charitable activities	9	1,346,977	313,419	1,660,396	1,843,973
Governance costs	11	22,405	-	22,405	27,714
Other resources expended	12	-	-	-	199
<b>Total resources expended</b>		<u>1,958,552</u>	<u>313,419</u>	<u>2,271,971</u>	<u>2,556,354</u>
<b>Net income/(expenditure) for the year</b>		144,656	(173,859)	(29,203)	(271,888)
<b>Other recognised gains and losses</b>					
Actuarial (losses)/gains on defined benefit pension scheme	27	(41,000)	-	(41,000)	(63,000)
<b>Net movement in funds</b>		103,656	(173,859)	(70,203)	(334,888)
Total funds brought forward		<u>(130,700)</u>	<u>6,212,379</u>	<u>6,081,679</u>	<u>6,416,567</u>
<b>Total funds carried forward</b>		<u>(27,044)</u>	<u>6,038,520</u>	<u>6,011,476</u>	<u>6,081,679</u>

The notes on pages 17 to 33 form an integral part of these financial statements.



# De La Warr Pavilion Charitable Trust

## Consolidated balance sheet as at 31 March 2013

	Notes	2013 £	2012 £
<b>Fixed assets</b>			
Tangible assets	18	6,465,282	6,657,067
<b>Current assets</b>			
Stocks		92,144	90,399
Debtors	19	71,415	69,820
Cash at bank and in hand		137,042	39,330
		<u>300,601</u>	<u>199,549</u>
<b>Creditors: amounts falling due within one year</b>	20	<u>(536,842)</u>	<u>(536,013)</u>
<b>Net current liabilities</b>		<u>(236,241)</u>	<u>(336,464)</u>
<b>Total assets less current liabilities</b>		6,229,041	6,320,603
<b>Creditors: amounts falling due after more than one year</b>	21	<u>(115,565)</u>	<u>(168,924)</u>
<b>Net assets excluding pension liability</b>		6,113,476	6,151,679
Pension liability		<u>(102,000)</u>	<u>(70,000)</u>
<b>Net assets</b>		<u>6,011,476</u>	<u>6,081,679</u>
<b>Funds</b>	23		
Restricted income funds		<u>6,038,520</u>	<u>6,212,379</u>
Unrestricted income funds			
Unrestricted income funds excluding pension asset		74,956	(60,700)
Pension reserve		<u>(102,000)</u>	<u>(70,000)</u>
<b>Total unrestricted income funds</b>		<u>(27,044)</u>	<u>(130,700)</u>
<b>Total funds</b>		<u>6,011,476</u>	<u>6,081,679</u>

The financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the board on 29 November 2013 and signed on its behalf by



Stephen Williams

Director

Company number: 3446307

The notes on pages 17 to 33 form an integral part of these financial statements.

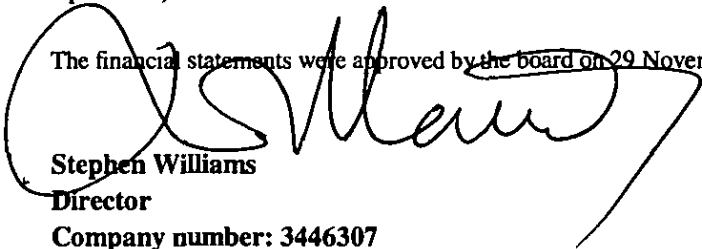
# De La Warr Pavilion Charitable Trust

## Charity balance sheet as at 31 March 2013

	Notes	2013 £	2012 £
<b>Fixed assets</b>			
Tangible assets	18	6,465,282	6,657,067
Investments		1	1
		<u>6,465,283</u>	<u>6,657,068</u>
<b>Current assets</b>			
Debtors	19	170,799	132,385
Cash at bank and in hand		90,930	25,159
		<u>261,729</u>	<u>157,544</u>
<b>Creditors: amounts falling due within one year</b>	20	<u>(502,033)</u>	<u>(498,071)</u>
<b>Net current liabilities</b>		<u>(240,304)</u>	<u>(340,527)</u>
<b>Total assets less current liabilities</b>		6,224,979	6,316,541
<b>Creditors: amounts falling due after more than one year</b>	21	<u>(115,565)</u>	<u>(168,924)</u>
<b>Net liabilities excluding pension asset</b>		6,109,414	6,147,617
Pension liability		<u>(102,000)</u>	<u>(70,000)</u>
<b>Net assets</b>		<u>6,007,414</u>	<u>6,077,617</u>
<b>Funds</b>	23		
Restricted income funds		<u>6,038,520</u>	<u>6,212,379</u>
Unrestricted income funds			
Unrestricted income funds excluding pension asset		70,894	(64,762)
Pension reserve		<u>(102,000)</u>	<u>(70,000)</u>
Total unrestricted income funds		<u>(31,106)</u>	<u>(134,762)</u>
<b>Total funds</b>		<u>6,007,414</u>	<u>6,077,617</u>

The financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the board on 29 November 2013 and signed on its behalf by

  
**Stephen Williams**  
Director

Company number: 3446307

The notes on pages 17 to 33 form an integral part of these financial statements.

## **De La Warr Pavilion Charitable Trust**

### **Notes to financial statements for the year ended 31 March 2013**

#### **1. Accounting policies**

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

##### **1.1. Basis of accounting**

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2005 2nd edition) and the Companies Act 2006.

##### **1.2. Basis of consolidation**

The statement of financial activities and balance sheet consolidate the financial statements for the charity and its subsidiary undertaking. The results of the subsidiary undertaking are consolidated on a line by line basis. A separate statement of financial activities is not presented for the charity itself following the exemptions afforded by section 408 of the Companies Act 2006 and paragraph 397 of the SORP. The charity's results for the year ended 31 March 2013 are given in note 26 to these financial statements.

##### **1.3. Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objects of the charity.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the charity for a particular purpose. The purpose of each restricted fund is set out in the notes to the financial statements.

##### **1.4. Incoming resources**

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

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable, unless they are restricted to future accounting periods when they are deferred and recognised in those future periods.

Income from ancillary trading is included in the year in which it is receivable.

Income from investments is included in the year in which it is receivable.

Income is deferred when admission fees are received in advance of the performance or event to which they relate.

## **De La Warr Pavilion Charitable Trust**

### **Notes to financial statements for the year ended 31 March 2013**

#### **1.5. Resources expended**

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure is shown excluding VAT. Any VAT which cannot be fully recovered is reported separately as irrecoverable VAT.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with financing and with constitutional and statutory requirements.

#### **1.6. Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Pavilion leasehold asset.

Long-term improvements	-	2% straight line
Pavilion fittings and equipment	-	10-20% straight line
Office equipment	-	50% straight line

#### **1.7. Stock**

Stock is valued at the lower of cost and net realisable value.

#### **1.8. Defined benefit pension schemes**

The charity operates a defined benefit pension scheme for employees which is managed by East Sussex County Council. The assets of the scheme are held separately from those of the charity in an independently administered fund.

Current service costs, past service costs and gains and losses on settlements and curtailments are charged to appropriate resources expended categories in the statement of financial activities. Past service costs are recognised over the vesting period or immediately if the benefits have vested. When a settlement (eliminating all obligations for benefits already accrued) or a curtailment (reducing future obligations as a result of a material reduction in the scheme membership or a reduction in future entitlement) occurs, the obligation and related plan assets are remeasured using current actuarial assumptions and the resultant gain or loss is recognised in the statement of financial activities during the period in which the settlement or curtailment occurs.

The interest cost and the expected return on assets are shown as a net amount as other finance costs or income. Net pension finance costs are allocated to appropriate resources expended categories in the statement of financial activities. Net pension finance income is recognised as an incoming resource in the statement of financial activities. Actuarial gains and losses are recognised immediately as other recognised gains and losses in the statement of financial activities.

Pension scheme assets are valued at fair value at the balance sheet date. Fair value is based on market price information and in the case of quoted securities is the published bid price. Pension scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted to their present value using a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The pension scheme surplus or deficit is recognised in full on the balance sheet.

## De La Warr Pavilion Charitable Trust

### Notes to financial statements for the year ended 31 March 2013

#### 1.9. Leasing

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

#### 2. Voluntary income

	Unrestricted funds £	Restricted funds £	2013 Total £	2012 Total £
Donations	18,664	-	18,664	24,415
Grant - Rother District Council	500,000	-	500,000	504,960
Grant - East Sussex County Council	2,500	-	2,500	4,000
Grant - Arts Council England	530,500	25,000	555,500	562,674
Grant - PRS	-	-	-	7,500
Grant - LOCOG	-	30,000	30,000	-
Grant - British Museums Trust	-	10,000	10,000	-
Grant - Stanley Thomas Trust	-	9,985	9,985	-
Grant - TPSE	-	-	-	22,250
Grant - Creative England	-	4,500	4,500	-
Grant - Henry Moore Foundation	-	15,000	15,000	-
Capital Project Grant - RDC	-	45,075	45,075	43,015
Sponsorship	69,980	-	69,980	8,000
Patrons	2,342	-	2,342	-
	<u>1,123,986</u>	<u>139,560</u>	<u>1,263,546</u>	<u>1,176,814</u>

#### 3. Activities for generating funds

	Unrestricted funds £	2013 Total £	2012 Total £
Merchandise income	131,432	131,432	167,761
Catering income	500,475	500,475	543,701
Hires income	76,848	76,848	75,151
Friends of the De La Warr Pavilion	9,279	9,279	9,384
	<u>718,034</u>	<u>718,034</u>	<u>795,997</u>

# De La Warr Pavilion Charitable Trust

## Notes to financial statements for the year ended 31 March 2013

### 4. Investment income

	Unrestricted funds £	2013 Total £	2012 Total £
Net finance income - defined benefit pension schem	10,000	10,000	15,000
	<u>10,000</u>	<u>10,000</u>	<u>15,000</u>

### 5. Trading subsidiaries

The charity controls the company listed below by virtue of holding a controlling interest in the equity share capital -

Name of subsidiary	Country of incorporation	% of equity share capital held
De La Warr Pavilion (Enterprises) Limited	England	100

#### De La Warr Pavilion (Enterprises) Limited

The company undertakes the ancillary non-charitable trading activities at the Pavilion, namely the shop, catering, hiring out of facilities and ticketed education events.

#### Summary of trading results

	2013 £	2012 £
<b>Turnover</b>	708,755	786,613
Total expenditure	(585,351)	(652,228)
<b>Net profit for the year</b>	<u>123,404</u>	<u>134,385</u>
Amount gift-aided to the charity	(123,404)	(134,385)
<b>Retained profit</b>	<u>-</u>	<u>-</u>

The assets and liabilities of De La Warr Pavilion (Enterprises) Limited were

Assets	143,506	108,637
Liabilities	(139,443)	(104,574)
<b>Funds</b>	<u>4,063</u>	<u>4,063</u>

# De La Warr Pavilion Charitable Trust

## Notes to financial statements for the year ended 31 March 2013

### 6. Incoming resources from charitable activities

	Unrestricted funds £	2013 Total £	2012 Total £
Exhibition income	16,798	16,798	23,473
Live performance income	219,161	219,161	258,597
Education income	15,229	15,229	14,585
	<u>251,188</u>	<u>251,188</u>	<u>296,655</u>

### 7. Cost of generating voluntary income

	Unrestricted funds £	2013 Total £	2012 Total £
Grants	3,818	3,818	30,954
Subscriptions	-	-	1,286
	<u>3,818</u>	<u>3,818</u>	<u>32,240</u>

### 8. Ancillary trading

	Unrestricted funds £	2013 Total £	2012 Total £
Merchandise costs	80,394	80,394	92,539
Catering costs	504,629	504,629	553,723
Hires costs	329	329	5,966
	<u>585,352</u>	<u>585,352</u>	<u>652,228</u>

### 9. Costs of charitable activities - by fund type

	Unrestricted funds £	Restricted funds £	2013 Total £	2012 Total £
Exhibitions	613,193	199,452	812,645	880,067
Live performance	516,957	65,680	582,640	653,990
Education	216,827	48,287	265,111	309,916
	<u>1,346,977</u>	<u>313,419</u>	<u>1,660,396</u>	<u>1,843,973</u>

# De La Warr Pavilion Charitable Trust

## Notes to financial statements for the year ended 31 March 2013

### 10. Costs of charitable activities - by activity

	Activities undertaken directly £	Support costs £	2013 Total £	2012 Total £
Exhibitions	303,418	509,227	812,645	880,067
Live performance	277,104	305,536	582,640	653,990
Education	61,422	203,689	265,111	309,916
	<u>641,944</u>	<u>1,018,452</u>	<u>1,660,396</u>	<u>1,843,973</u>

### 11. Governance costs

	Unrestricted funds £	2013 Total £	2012 Total £
Auditor remuneration	10,000	10,000	12,000
Professional - Legal fees	-	-	3,553
Cost of trustees' meetings	-	-	961
Interest - Bank loans & overdraft	9,271	9,271	8,289
Finance charges - Finance lease & HP	3,134	3,134	2,911
	<u>22,405</u>	<u>22,405</u>	<u>27,714</u>

### 12. Other resources expended

	2013 Total £	2012 Total £
Loss on disposal of tangible fixed assets	-	199
	<u>-</u>	<u>199</u>



# De La Warr Pavilion Charitable Trust

## Notes to financial statements for the year ended 31 March 2013

### 13. Analysis of support costs

	Exhibitions £	Live per- formance £	Education £	2013 Total £	2012 Total £
Marketing	35,347	21,208	14,139	70,694	144,904
Staff costs					
Salaries	178,016	106,810	71,206	356,032	445,063
Professional fees	17,723	10,634	7,089	35,446	6,831
Venue costs					
Utilities and rates	47,985	28,791	19,194	95,970	99,870
Repairs and maintenance	57,233	34,340	22,893	114,466	105,487
Insurance and licences	9,704	5,823	3,882	19,409	22,154
Cleaning and sundries	5,624	3,374	2,249	11,247	41,576
Depreciation and impairment	96,841	58,105	38,736	193,682	201,336
Motor and travelling costs	5,301	3,180	2,120	10,601	-
Office costs					
Communication and information technology	11,268	6,761	4,507	22,536	23,240
Office supplies and postage	9,609	5,765	3,844	19,218	22,411
Other costs					
Staff welfare	6,507	3,904	2,603	13,014	16,758
Bank charges	4,420	2,652	1,768	8,840	3,770
Irrecoverable VAT	23,649	14,189	9,459	47,297	68,072
	<u>509,227</u>	<u>305,536</u>	<u>203,689</u>	<u>1,018,452</u>	<u>1,201,472</u>

### 14. Net outgoing resources for the year

	2013 £	2012 £
Net outgoing resources is stated after charging		
Depreciation and other amounts written off tangible fixed assets	193,682	201,336
Loss on disposal of tangible fixed assets	-	199
Auditors' remuneration	<u>12,000</u>	<u>14,000</u>

## De La Warr Pavilion Charitable Trust

### Notes to financial statements for the year ended 31 March 2013

#### 15. Employees

Employment costs	2013 £	2012 £
Wages and salaries	793,735	924,134
Social security costs	52,645	65,743
Pension costs	14,816	22,800
	<u>861,196</u>	<u>1,012,677</u>

No employee received emoluments of more than £60,000 (2012 None)

Other pension costs above represents the total operating charge included in resources expended in the statement of financial activities and does not include amounts included in other finance income and other recognised gains and losses

#### Number of employees

The average monthly numbers of employees during the year, calculated on the basis of full time equivalents, was as follows

	2013 Number	2012 Number
Programming	7	8
Operations	22	26
Administration	5	6
	<u>34</u>	<u>40</u>

#### 16. Trustees' emoluments

No remuneration was paid to trustees during the year but expenses totalling £- (2012 £961) were reimbursed to trustees

#### 17. Taxation

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts

# De La Warr Pavilion Charitable Trust

## Notes to financial statements for the year ended 31 March 2013

<b>18. Tangible fixed assets</b>	<b>Long leasehold property £</b>	<b>Pavilion fittings and equipment £</b>	<b>Office equipment £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 April 2012	7,225,421	532,485	43,129	7,801,035
Additions	-	557	1,340	1,897
At 31 March 2013	<u>7,225,421</u>	<u>533,042</u>	<u>44,469</u>	<u>7,802,932</u>
<b>Depreciation</b>				
At 1 April 2012	826,856	278,143	38,969	1,143,968
Charge for the year	145,580	43,923	4,179	193,682
At 31 March 2013	<u>972,436</u>	<u>322,066</u>	<u>43,148</u>	<u>1,337,650</u>
<b>Net book values</b>				
At 31 March 2013	<u>6,252,985</u>	<u>210,976</u>	<u>1,321</u>	<u>6,465,282</u>
At 31 March 2012	<u>6,398,565</u>	<u>254,342</u>	<u>4,160</u>	<u>6,657,067</u>

Included above are assets held under finance leases or hire purchase contracts as follows

<b>Asset description</b>	<b>2013</b>		<b>2012</b>	
	<b>Net book value £</b>	<b>Depreciation charge £</b>	<b>Net book value £</b>	<b>Depreciation charge £</b>
Pavilion fittings and equipment	<u>52,928</u>	<u>6,351</u>	<u>59,279</u>	<u>4,234</u>

<b>19. Debtors</b>	<b>Group</b>		<b>Charity</b>	
	<b>2013 £</b>	<b>2012 £</b>	<b>2013 £</b>	<b>2012 £</b>
Trade debtors	9,687	3,653	4,437	19
Other debtors	420	6,354	420	6,354
Prepayments and accrued income	<u>61,308</u>	<u>59,813</u>	<u>165,942</u>	<u>126,012</u>
	<u>71,415</u>	<u>69,820</u>	<u>170,799</u>	<u>132,385</u>

# De La Warr Pavilion Charitable Trust

## Notes to financial statements for the year ended 31 March 2013

20. Creditors: amounts falling due within one year	Group		Charity	
	2013 £	2012 £	2013 £	2012 £
Bank overdraft	-	110,312	-	110,312
Bank loan	35,680	34,370	35,680	34,370
Net obligations under finance leases and hire purchase contracts	16,369	16,369	16,369	16,369
Trade creditors	124,590	186,441	99,819	157,107
Other taxes and social security	21,852	50,142	21,852	50,142
Other creditors	1,510	2,360	1,510	2,360
Accruals and deferred income	336,841	136,019	326,803	127,411
	<u>536,842</u>	<u>536,013</u>	<u>502,033</u>	<u>498,071</u>

The bank overdraft and loan are secured on the charity's long leasehold premises

21. Creditors: amounts falling due after more than one year	2013 £	2012 £
Bank loan	107,583	144,573
Other creditors	7,982	24,351
	<u>115,565</u>	<u>168,924</u>
<b>Loans</b>		
Repayable in five years or more	-	7,092
	<u>-</u>	<u>7,092</u>

22. Deferred income	Group		Charity	
	2013 £	2012 £	2013 £	2012 £
At 1 April 2012	111,023	20,702	111,023	20,702
Amount released to incoming resources	(111,023)	(20,702)	(111,023)	(20,702)
Amount deferred in year	290,686	111,023	290,686	111,023
At 31 March 2013	<u>290,686</u>	<u>111,023</u>	<u>290,686</u>	<u>111,023</u>

Deferred income comprises advance ticket sales and funding received in respect of activities in future years

# De La Warr Pavilion Charitable Trust

## Notes to financial statements for the year ended 31 March 2013

### 23. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds £
Fund balances at 31 March 2013 as represented by			
Tangible fixed assets	426,762	6,038,520	6,465,282
Current assets	235,776	-	235,776
Current liabilities	(472,017)	-	(472,017)
Long-term liabilities	(115,565)	-	(115,565)
Defined benefit pension liability	(102,000)	-	(102,000)
	<u>(27,044)</u>	<u>6,038,520</u>	<u>6,011,476</u>

### 24. Unrestricted funds

	At 1 April 2012 £	Incoming resources £	Outgoing resources £	Gains and losses £	At 31 March 2013 £
General fund	(64,762)	1,384,453	(1,248,797)	-	70,894
Pension scheme	(70,000)	10,000	(1,000)	(41,000)	(102,000)
Subsidiary company reserves	4,062	708,755	(708,755)	-	4,062
	<u>(130,700)</u>	<u>2,103,208</u>	<u>(1,958,552)</u>	<u>(41,000)</u>	<u>(27,044)</u>

## De La Warr Pavilion Charitable Trust

### Notes to financial statements for the year ended 31 March 2013

25. Restricted funds	At 1 April 2012 £	Incoming resources £	Outgoing resources £	At 31 March 2013 £
Capital project	6,212,379	-	(173,859)	6,038,520
RDC major maintenance	-	45,075	(45,075)	-
LOCOG	-	30,000	(30,000)	-
Film festival	-	4,500	(4,500)	-
Hercules	-	10,000	(10,000)	-
Richard Wilson	-	32,500	(32,500)	-
Ian Breakwell	-	9,985	(9,985)	-
Ceryth Wyn Evans	-	7,500	(7,500)	-
	<u>6,212,379</u>	<u>139,560</u>	<u>(313,419)</u>	<u>6,038,520</u>

#### Purposes of restricted funds

The Capital project fund consists of grants and donations received to finance the refurbishment and other capital expenditure at the Pavilion. Depreciation on the assets financed from the fund and the costs of generating the fund income are charged against the fund balance.

RDC major maintenance is an annual grant received from Rother District Council towards the costs of major building maintenance. Periodic reports are submitted to RDC detailing the maintenance works undertaken, and it has been agreed that this year's and previous years' grants have been fully spent, and so the fund balance brought forward has been transferred to General fund.

LOCOG received funding from the London Organising Committee of the Olympic Games in respect of a series of events held during the year.

Film festival received funding from Creative England.

The Hercules exhibition received funding from the British Museums Trust.

The Richard Wilson exhibition received funding from Arts Council England and the Henry Moore Foundation.

The Ian Breakwell season received funding from the Stanley Thomas Trust.

The Ceryth Wyn Evans exhibition received funding from the Henry Moore Foundation.

## De La Warr Pavilion Charitable Trust

### Notes to financial statements for the year ended 31 March 2013

#### 26. Results of the parent charity

	2013 £	2012 £
Gross incoming resources for the year attributable to De La Warr Pavilion Charitable Trust	1,657,417	1,632,238
Net incoming/(outgoing) resources for the year attributable to De La Warr Pavilion Charitable Trust	(70,203)	(334,888)

#### 27. Pension and other post-retirement benefits

The charity operates a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the charity, being part of the East Sussex County Council scheme.

Pension contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. A full actuarial valuation was carried out at 31 March 2010 and updated at 31 March 2013. The scheme was closed to new members on 1 April 2003.

The main assumptions used by the actuary were:

	2013 %	2012 %	2011 %
Rate of increase in salaries	5.10	4.80	5.10
Rate of increase in pensions in payment	2.80	2.50	2.80
Discount rate	4.50	4.80	5.50
Inflation assumption	2.80	2.80	2.80

Salary increases are assumed to be 1% until 31 March 2015, reverting to the long term assumption shown thereafter.

## De La Warr Pavilion Charitable Trust

### Notes to financial statements for the year ended 31 March 2013

The fair value of the scheme assets and the expected rate of return, the present value of the scheme liabilities and the resulting deficit are

		2013		2012		2011
	Long-term rate of return expected %	£	Long-term rate of return expected %	£	Long-term rate of return expected %	£
Equities	5.7	1,106,000	6.3	980,000	7.5	931,000
Bonds	3.8	125,000	4.4	110,000	4.9	96,000
Property	3.9	111,000	4.4	110,000	5.5	96,000
Other	3.0	42,000	3.5	24,000	4.6	72,000
Fair value of scheme assets		1,384,000		1,224,000		1,195,000
Present value of funded liabilities		(1,486,000)		(1,294,000)		(1,214,000)
Deficit in the scheme		(102,000)		(70,000)		(19,000)
Present value of unfunded liabilities		-		-		-
Net pension liability in balance sheet		(102,000)		(70,000)		(19,000)

Following the Chancellor's Budget statement on 22 June 2010, calculations of future pension increases have been based on them being linked to the CPI and not the RPI. The effect of this change shows as a negative past service in the revenue account of the previous year.

An analysis of the movements in the deficit during the year is shown below

	2013 £	2012 £
At 1 April 2012	(70,000)	(19,000)
Total operating charge	(15,000)	(24,000)
Total finance income	10,000	15,000
Actuarial loss	(41,000)	(63,000)
Contributions	14,000	21,000
At 31 March 2013	(102,000)	(70,000)

Pension contributions in the year ended 31 March 2014 are expected to be £14,000, representing 20% of pensionable payroll.



# De La Warr Pavilion Charitable Trust

## Notes to financial statements for the year ended 31 March 2013

### An analysis of the defined benefit cost follows:

#### *Analysis of the amount charged to operating profit*

	2013 £	2012 £
Current service cost	15,000	24,000

#### *Analysis of the amount charged to finance income*

	2013 £	2012 £
Expected return on pension scheme assets	72,000	82,000
Interest on pension scheme liabilities	(62,000)	(67,000)
Other finance income	10,000	15,000

#### *Analysis of amount recognised in the statement of total recognised gains and losses*

	2013 £	2012 £
Actual return less expected return on pension scheme assets	107,000	(44,000)
Experience gains/(losses) arising on the scheme liabilities	2,000	(12,000)
Loss arising from changes in assumptions underlying the present value of scheme liabilities	(150,000)	(7,000)
Actuarial losses	(41,000)	(63,000)

# De La Warr Pavilion Charitable Trust

## Notes to financial statements for the year ended 31 March 2013

A history of experience gains and losses is shown below:

	2013	2012	2011	2010	2009
Fair value of assets	1,384,000	1,224,000	1,195,000	1,189,000	895,000
Value of liabilities	(1,486,000)	(1,294,000)	(1,214,000)	(1,540,000)	(963,000)
Surplus/(deficit)	(102,000)	(70,000)	(19,000)	(351,000)	(68,000)
<i>Experience gains/(losses) on scheme assets</i>					
- amount (£)	107,000	(44,000)	-	262,000	(260,000)
- % of scheme assets	8%	4%	-%	22%	29%
<i>Experience gains/(losses) on scheme liabilities</i>					
- amount (£)	2,000	(12,000)	33,000	-	-
- % of present value of scheme liabilities	0%	1%	3%	-%	-%
<i>Total actuarial losses recognised in statement of total recognised gains and losses</i>					
- amount (£)	(41,000)	(63,000)	177,000	(273,000)	(16,500)
- % of present value of scheme liabilities	3%	5%	15%	18%	17%
The cumulative actuarial gains and losses are	(238,000)	(197,000)	(134,000)	(311,000)	(38,000)

Reconciliation of opening and closing balances of the present value of the defined benefit obligation under FRS 17

	2013 £	2012 £
Opening defined benefit obligation	1,295,000	1,214,000
Service cost	15,000	24,000
Interest cost	62,000	67,000
Actuarial losses/(gains)	148,000	19,000
Estimated benefits paid (net of transfers in)	(37,000)	(36,000)
Past service cost	-	-
Contributions by scheme participants	3,000	7,000
Closing defined benefit obligation	<u>1,486,000</u>	<u>1,295,000</u>

## De La Warr Pavilion Charitable Trust

### Notes to financial statements for the year ended 31 March 2013

#### Reconciliation of opening and closing balances of the fair value of scheme assets under FRS 17

	2013 £	2012 £
Opening fair value of scheme assets	1,225,000	1,195,000
Expected return on scheme assets	72,000	82,000
Actuarial gains/(losses)	107,000	(44,000)
Contributions by the employer	14,000	21,000
Contributions by scheme participants	3,000	7,000
Estimated benefits paid (net of transfers in)	(37,000)	(36,000)
Closing fair value of scheme assets	<u>1,384,000</u>	<u>1,225,000</u>

#### 28. Company limited by guarantee

De La Warr Pavilion Charitable Trust is a company limited by guarantee and accordingly does not have a share capital

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member