

**CHARITY NUMBER 1065586
COMPANY NUMBER 03446307**

**DE LA WARR PAVILION CHARITABLE TRUST
(LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2016**

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FOR THE YEAR ENDED 31 MARCH 2016

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LEGAL AND ADMINISTRATIVE INFORMATION

Charity name: De La Warr Pavilion Charitable Trust

Charity registration number: 1065586

Company registration number: 3446307

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

Trustees: Julian Bird, Chair
Stephen Williams, Vice Chair
Cllr Sue Prochak (Resigned 26 June 2015)
David Getty (Resigned 26 June 2015)
Sean Albuquerque
Amerjit Chohan
Judith West
Cllr Simon Elford (Resigned 26 June 2015)
Prof Lawrence Zeegen (Appointed 26 June 2015)
Ainsley Gill (Appointed 26 June 2015)
Lord Barker (Appointed February 2015)
Cllr Brian Kentfield (Appointed 26 June 2015)
Cllr Tom Graham (Appointed 26 June 2015)
Jo Townshend (Appointed December 2015)

Chief executive officer: Stewart Drew

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

Statutory Auditor: Clark Brownscombe
Chartered Accountants & Statutory Auditors
2 St. Andrews Place
Lewes
East Sussex
BN7 1UP

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**TRUSTEES REPORT
FOR THE YEAR ENDED 31 MARCH 2016**

The trustees present their report and the financial statements for the year ended 31 March 2016. 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 which were last amended on 28 January 2004. It is a charity registered with the Charity Commission.

Appointment of trustees

The board of trustees should comprise fourteen elected persons and two members nominated by Rother District Council. Trustees are appointed to 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 the 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.

Trustees 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 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.

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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 1,000 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

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.

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.

STRATEGIC REPORT

Achievements and performance

This report sets out in summary the activities and achievements of the De La Warr Pavilion (DLWP) Charitable Trust during the financial year 2015/16.

The organisation's core objectives remain as follows:

- Produce, present and promote a high quality programme of modern and contemporary work that responds to the needs and aspirations of both artists and our audiences;
- Enable 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;
- Work with audiences to engage them with the Pavilion and our artistic programme, making it relevant to them as a visitor or participant;
- Conserve the De La Warr Pavilion's fabric, its unique and important Grade One listed architectural status and to promote it through public and artistic programmes;
- Maintain a viable, resilient and sustainable business model, seeking to diversify income streams by growing fundraising and commercial activity; and

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

The Trust mirrors these objectives with the following sub committees as key areas of focus:

- Finance & Trading;
- Fundraising / Audience Engagement; and
- Building & Maintenance.

These committees form key working groups and provide guidance, expertise and support to the executive and lead officers.

The current Business Plan (2013-2020) is being refreshed, in advance of our application for Arts Council England (ACE) National Portfolio in October 2016. The portfolio runs in three-year cycles, and is the mechanism for core revenue funding. The current funding is confirmed for 2015 – 2018 at a level of £508,430 per annum. ACE's evaluation of the organisation stated that it 'strongly' met their goals and that we were regarded as a 'minor' risk organisation – meaning that they had confidence in management and governance.

Rother District Council's (RDC) funding is confirmed until 2021, with core funding of £490,000 a year and an additional restricted amount of £47,350 will be made available purely for building maintenance – an important contribution to maintaining the Grade 1 listed building. This amount will increase by 2.5% per annum. Community groups are also able to apply for a share of a £12,000 RDC fund to help them make use of the venue facilities.

RDC's continued commitment supports our ambitions to conserve the building, increase programming and audience engagement and diversify income streams.

The seven year business plan will be dictated by the extent to which the organisation can continue to generate and secure the required level of financial resources. The challenges will be focused 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 quality of audience engagement;
- Developing greater convergence within the planning and delivery of the programme;
- Increasing the extent to which children and 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 of international and historical importance and that is in high demand; and
- Responding to the opportunities created through digital technology, demonstrating impact on the wider regeneration agenda in the region, increasing capacity for partnership within an expanding regional cultural landscape.

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We continue to work to the financial strategy outlined in the Business Plan, whereby the overall financial position continues to improve, with small surpluses being budgeted for over and above cash commitments. This starts to allow us to develop the overall resilience of the organisation. Our current financial performance is robust and the outlook is positive with tight financial control and adequate liquidity. Our cash flow has improved in the last four years and there continues to be considerable cash balances in excess of our forecasts.

Counter Culture LLP provides Finance Director level support and extensive national knowledge of the sector to the organisation. They also provide the services of an accountant to oversee management accounting and payroll. Our Finance Manager provides day-to-day support to the executive team and organisation.

2015/16 in Figures:

Our visitor levels increased during the 2015/2016 period and were up 40,000 on the previous year with over 430,000 visitors.

In terms of ticket sales, we sold a total of 52,000 tickets to 120 performances in the auditorium, 27 of which were community groups and 90 of these were our own productions. Furthermore, 22 performances sold out including Lianne La Havas, Jack Savoretti, Paul Carrack, Eddie Izzard, Everything Everything, The Staves, Bellowhead, Public Image Ltd, Suede, and Father John Misty. Ticket sales were also strong for our new family theatre programme – selling over 4,000 tickets. We also sold over 9,000 tickets for community and schools productions and events.

Within this period our learning and participation programme delivered 103 ticketed events in total, including a range of workshops, courses, classes and tours. As a result, we had a total of over 6,518 participants with our engagement programmes which supported the attainment of 21 Arts Awards. Furthermore, through our venue hire facility we have also hosted over 42 community events including 3 local art exhibitions in the Studio.

Through fundraising activity, we have attracted over £100,000 of additional income and our trading profits have increased and are up 35% year on year.

We have some 90 staff on the payroll, including part time and casual staff. The large majority, 97% of our staff come from the Rother and Hastings area. We are also supported by over 24 volunteers and we have hosted 8 work experience students (aged 13-25 years).

Our social media presence remains strong with over 72,000 twitter followers, and a high level of engagement on Facebook, Instagram and LinkedIn.

From feedback given during the Ladybird by Design season, visitor satisfaction looked very positive. All visitors said they would recommend the exhibition to their friends and found the staff friendly and welcoming. Within this a vast majority, 97% said the galleries were inviting and 70% spent an hour or more in the galleries. Just under half of all visitors, 43% picked up a gallery guide. The majority of visitors, 87% also cited the exhibition as their main reason for visiting the building, with 64% travelling over 30 minutes to visit. The exhibition also brought in new visitors, as 20% said it was their first visit.

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General feedback was overwhelmingly positive, 95% stated their experience as good or better and 86% as very good/ excellent. 65% of visitors were female, and nearly half of all visitors came with family and friends.

The Building

The Pavilion has set in place annual maintenance contracts for plant equipment including; boilers, heating and ventilation, gallery environmental controls as well as contracts for cleaning and hygiene, security and fire alarms, firefighting equipment, CCTV maintenance, passenger and goods lifts, drains, PAT testing and safety checks, pest control, kitchen and refrigeration equipment and shutters. In addition, the front of house team makes regular inspections of the building, led by the Director of Operations. The team has developed a series of maintenance check plans, which covers daily, weekly, monthly and quarterly checks. The 2015/16 combined annual budget for Maintenance Contracts, General Repairs, Health & Safety and cleaning was over £130k.

The Trust is currently developing a new strategy for the building and has commissioned two new pieces of work that will inform future direction. Firstly, a revised Building Condition Report which will document the condition of the building 11 years on from the 2005 refurbishment. This has been co-commissioned by RDC and will be available late summer 2016.

Secondly, we have commissioned a new Conservation Management Plan (Heritage Statement) that will complement the condition report and provide refreshed documentation relating to the building's architectural significance, and how this is managed. These two reports will form the basis for an options appraisal later this year, and provide the foundation for a new fundraising plan to seek investment in the building and the interpretation of our heritage.

Our new Fundraiser started in summer 2015 and has been helping to steer strategy. Indeed, we were pleased to receive £56,000 from the Paul Hamlyn Foundation (over two years), to fund our CONNECT programme, which seeks to build new relationships between our heritage and the community. We continue to refresh our relationships with Trusts and Foundations, and are aiming to make applications for capital investment from ACE and Heritage Lottery Fund in 2017.

The Building Maintenance committee comprising Trustees and DLWP Executive continues to meet on a regular basis (quarterly) to discuss maintenance issues and priorities.

80th Anniversary Celebrations

As part of the 80th anniversary celebrations over 4,000 visitors came to celebrate 80 years of the De La Warr Pavilion on Saturday 12 December 2015. Living up to its name, The People's Palace; the foyers, balconies, café bar and staircases were thronging with people – many of whom dressed in glamorous 1930s style. The Retro Swing Quartet entertained the crowds under the South Staircase with tunes of the era and the glittering girls from Debonair Entertainment danced the rumba – the dance craze of 1935.

Later on in the day we were treated to a performance by ESSPA students, the youngest of whom re-created the famous Ovaltine advert. Visitors were fascinated by the 1934 original model of the Pavilion, borrowed from Bexhill Museum (as well as some of the original plans, drawings and a poster for the opening concert). In the Auditorium Foyer, we screened two of the most popular films of 1935 - The 39 Steps and Top Hat - and at midday Pavilion expert Julian Porter gave one of his informative and engaging behind the scenes tours.

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On the first floor in the north staircase we displayed our “cake” made with local groups in workshops led by artist Beccy McCray, whilst outside Gallery 2, the Bexhill Classic Cycle Club displayed their beautiful bicycles. You could sample 1930s inspired cocktails from our cocktail bar such as The Mary Pickford and The Sidecar as well as Pavilion35, the new beer especially created for us by Franklin’s Brewery. Our 1930s menu included liver and bacon – enjoyed by Danny Pike of BBC Radio Sussex broadcasting live on the day – fish pie and corned beef sandwiches. Lunch was accompanied by the London String Quartet playing the popular music of the time.

On the rooftop foyer, families were treated to Geoff Felix’s Punch and Judy, as well as a display of tin plate toys from Bexhill Museum. Legend Photography were also taking glamorous shots of people dressed in costume on the balcony. Outside we created a Concourse d’Elegance of vintage cars courtesy of Bexhill 100.

As on December 12 1935 speeches were made at 3pm. The Mayor of Bexhill, Cllr Watson, read from some of the original speeches that were made 80 years ago and Stewart Drew, Director of the Pavilion thanked everyone for coming and listed some of the amazing artists and performers that have exhibited and performed here. But the real stars of the show were Honorary Patron Eddie Izzard and his father John who, as a boy, took part in the opening in 1935. Their speeches of reminiscence of the past and support for the future of the Pavilion were greeted with loud cheers from the crowds.

At 5pm the doors opened to a magnificent Tea Dance by the Ragroof Players and Michael Law’s Piccadilly Dance Orchestra. Over 200 people tripped the Light Fantastic to tunes from the first half of the 20th Century. The building itself looked spectacular with its new branding prominent in all displays. And hats off to La Collina Gardens for their classic and beautiful displays of flowers and greenery throughout the whole Pavilion. 12 December 2015 was a truly memorable day in the story of the De La Warr Pavilion.

Sustainability

We are continuing to develop our environmental sustainability policy and annual action plan, looking to minimise our environmental impact and reduce costs. Much of this will be formalising, developing and monitoring existing practices, some will be introducing new equipment and practices to continue to improve our carbon footprint which has reduced from 459 tonnes (2013/14), to 436.8 tonnes (2014/15) to this year dropping again to 410.7 tonnes (2015/16).

We currently recycle paper, cardboard, glass and plastics. We are working with a new waste management company, based close to the Pavilion, with recycling as part of the on-going contract.

Our kitchen promises its customers locally sourced ingredients wherever possible and this will be further highlighted on our new promotional materials.

Audiences will be encouraged, via our promotional materials, to use the train and cycle routes to the Pavilion wherever possible and similarly staff who live locally are encouraged to walk or cycle to work and those who don’t to either take the train or share cars. Staff are asked to be energy-efficient at all times which includes using power save on computers, turning lights off and using the air conditioning and heating systems efficiently.

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All our print and paper is recycled on a regular basis by a professional waste company. We produce season brochures rather than a piece of print for each event, therefore reducing print/paper. We also continue to replace old air handling plant and associated controllers, hence increasing efficiency. The air handling plant has recently been replaced in the Auditorium, Gallery 1 and Gallery 2.

Tourism

The Pavilion is a cultural tourist attraction and as such receives many visitors (up to 50% daytime visitors) from outside the immediate locality. Of that 50%, up to 15% can be from London and another 3 – 5% international. Our visitor numbers for this period 430,000 stack up well comparatively to Turner Contemporary (15/16) 410,000, the Fitzwilliam Museum (2015) 417,000 and Tate Liverpool 626,000.

We continue to work with Culture East Sussex, an advisory board bringing together senior figures from County, Boroughs, Districts and Cultural organisations. This board monitors the ESCC cultural strategy and feeds into Team East Sussex. DLWP also sits on East Sussex and Hastings Cultural Leaders Groups, joining up the cultural offer together with economic/regeneration strategies. We continue to support the Coastal Cultural Trail, currently being managed from Towner Gallery in Eastbourne. The trail has continued to evolve and has been very proactive in promoting the three towns – Eastbourne, Bexhill and Hastings, including promotion of overnight stays, regular national rail advertising and strategic advertising in publications such as the Tate season brochure. Recent press includes; the Commuter feature and advert, radio interviews, the Sunday Mail, The Times Travel, LastMinute.com and regional newspapers.

The Trail has also been organizing business networking events to show how the arts and culture offer can enhance business opportunities, with 322 businesses now subscribed to the monthly online newsletter. A member of the front of house team from the Towner Gallery commented “A visitor told us that having found out about the trail through picking up a card in the gallery, she returned to the region specially to take the tour, spent two nights in a hotel rather than one, used her discount and then returned to us. She thinks it is an excellent scheme and wanted to let us know.”

We will continue to support the development of the Coastal Cultural Trail through Bexhill’s bid for Coastal Communities Funding.

DLWP also engages its own PR agent, and continues to attraction regular national press including coverage of the bike trail in Daily Telegraph, Time Out, The Guardian, The Times, The Evening Standard, and magazines such as Marie Claire.

Local Enterprise Partnership

Stewart Drew has been representing Hastings & Bexhill on the Cultural Industries sub group of SELEP (South East Local Enterprise Partnership) and is also a director of Team East Sussex, the federated part of the SELEP. It is a significant step forward for a cultural organisation to be included at this level.

Stewart has been leading a discussion at Team East Sussex responding to research and perceptions of the county as a place to live and work. The group has now agreed the outline strategy, and we are now seeking funding to implement a communications strategy aimed at attracting new businesses into the region from the London and Brighton areas.

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Business Incubation

DLWP are continuing to develop a programme of creative industries business incubation in association with Rye Studio School. In essence the programme would seek to develop two incubation sites, one in Bexhill and one in Rye, with a jointly run support programme developed by the two partners. Initial conversations with Rother District Council, East Sussex County Council and SELEP are very encouraging and we continue to develop the concept for further discussion.

Coastal Community Team (CCT) & Bexhill

We continue to be a key part of Bexhill's CCT and have helped to develop a community-led Economic Plan for Bexhill, that has been submitted to the Department of Communities and Local Government.

We have been working with event organizers and 1066 Country to develop a poster campaign to promote the summer of events in Bexhill (Roaring 20s, Motofest, Festival of the Sea), which will be launched on Southeastern train stations starting in mid-June. The posters will be displayed at approx. 25 sites along the Hastings to Charing Cross line (with a focus on London train station sites) for the fortnights starting 20 June and 4 July. The posters will promote Bexhill as a visitor destination focusing on the vibrant range of summer events.

Bexhill Jobs and Apprenticeships Fair

The Bexhill Ready Jobs and Apprenticeships Fair was held on 29 April 2016 at the De La Warr Pavilion. Led by Huw Merriman MP, in close partnership with Bexhill College, Bexhill Chamber of Commerce, Rother District Council, Culture Shift, Bexhill Town Team and the De La Warr Pavilion. 37 businesses and 21 support organisations exhibited and footfall was larger than expected with 607 delegates attending. Careers services such as talent match and CXK offered careers advice and activities on the day. There were also 4 creative cafes throughout the day with a mix of employers. Following the event there have been 383 discussions between exhibitors and delegates and this has led to 37 placements/ roles being filled.

Learning & Participation

During 2015/16 the learning and participation programme attracted 6,518 participants. We have hosted organized school visits, attended by 1,691 pupils and accompanied by 215 teachers and have also held 4 dedicated sessions for 78 teachers. Over the course of the year there have been 288 participants with young people's events (13+), 689 participants for Children's events (6-12 years) and 315 Higher & Further Education Students, and 39 Lecturers. Alongside this, we have also worked with 36 artist educators and 24 volunteers and have hosted 6 work experience students. The programme has also supported the attainment of 21 Arts Awards.

We have been rebuilding our Learning Team in the last year, and with the support of Paul Hamlyn Foundation (PHF) funding we made two important appointments. Ashley McCormick was appointed as Head of Learning in February 2016 and Grace Clements, as Learning & Participation Programme Assistant in April 2016.

The Key Aims of the department include; introducing DLWP priority audiences to the arts and architecture, inspiring priority audiences to take part in learning, culture and society, developing creative skills, critical thinking and a growth mindset*, encourage questions, and support debate and also enhancing people's quality of life.

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**In a growth mindset, people believe that their most basic abilities can be developed through dedication and hard work - brains and talent are just the starting point. Growth mindset creates a love of learning and a resilience that is essential for great accomplishment.*

The objectives include; building new audiences and long-lasting partnerships, developing engaging, innovative resources and experiences with and for families, children, young people and adults and providing experience of the cultural workplace.

The new CONNECT programme (funded by PHF) aims to engage audiences with our heritage by working with Arts Connect to create a Buddy Scheme for people with learning disabilities to access DLWP; also working with young marginalised people and over 65's to create a new cohort of volunteers who will help us create an archive of our heritage; as well as working with English as a Second Language students to explore the international heritage and architecture of dlwp; two intergenerational arts projects mixing students, children and over 65's.

Integrating Learning & Exhibitions.

We are moving towards further integration between Learning and Exhibitions programmes, collaborating with the Exhibitions Team, artists, teachers, academics and experts to develop a layered approach to learning. The Learning programme will be informed by and contribute to research around the exhibition programme, and provide different ways for priority audiences to engage with contemporary art and design, and develop understanding, knowledge and skills, talent, values, attitudes and agency.

We are developing a new portfolio of interpretation for each exhibition that will include a free Exhibition Family trail, aimed at families with children 5 – 12 years, available in the building and online. We also aim to provide appealing and relevant learning resources for Primary and Secondary schools, and community groups, available in the building and online as well as a programme of stimulating creative workshops and courses for teachers, families, children, young people, community groups and independent adults. We provide Look, Think, Make free, creative monthly family drop-in sessions on Sundays, 2 – 4 pm and also talks, tours and seminars including a PechaKucha 20x20 night and signed talk. We also aim to provide a platform for participants' outputs and responses to be shared online and opportunities for teachers and students to meet and interview artists/curators/performers.

Schools Visits & Events

We have always worked closely with a wide network of schools, offering tours and workshops related to our exhibition programme. Locally we are also involved with various Schools' networks, and work on specific projects and collaborations.

We have hosted Gallery Visits and exhibition related workshops for the students from 11 different schools, colleges and universities such as the University of Brighton, Camberwell College and St. Mary Magdalene's to name but a few.

Local schools such as Bexhill Academy, Pebsham primary and Little Common and several others took part in events such as the Big Draw 2015 and the Summer sing 2015 which we hosted. We also worked with 6 local schools on the HRAEN Arts Champions 2015.

Platform showcased the work of University of Brighton and Sussex Coast College graduates.

We worked in partnership with the University of Sussex for The Sussex Modernism lecture series which were presented by the centre for modernist studies at the University of Sussex.

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We hosted work experience placements for students from Rye College, Rye School Studio, Sussex Coast College and Lewes.

We have also instigated a new partnership with East Sussex Libraries and hosted their summer reading challenge. During the year, primary schools are sent books to read and then encouraged to vote for their favourite book. The East Sussex Book awards 2015 were hosted at the De La Warr Pavilion and 18 local schools attended.

Early Years

The monthly artist-led storytelling sessions, Tales for Toddlers continues to have a strong following and provides early-years entry point to the organisation. It also provides access to parents and grandparents from more hard-to-reach demographics for the organisation. Treasure Tots held sessions celebrating the centenary of Alice in Wonderland in October, which proved very popular, with 259 in attendance.

We also continue to produce Look, Think, Make a free monthly drop in workshop session for children and families related to the exhibition programme. This long running participatory programme, produced by artists, is a key engagement tool and an entry point for the wider programme.

Young People

DLWP supports, collaborates, hosts and produces a wide range of events for Young People. We will continue to support a wide range of projects that give access to the arts and that help builds skills and quality of life: Curated projects: Dear Serge (with Bexhill College), Platform graduate awards, Open Sesame - the creative programme of arts and culture for very young children and children with special needs, and their families, delivered by Octopus Inc. We support Kiss My Disco (in conjunction with RDC), the night is run by DJs with learning disabilities and open to everyone. We also work in partnership with the East Sussex Siblings Service to deliver Arts Awards as a Supporter Centre.

Families

We have integrated a number of strands to build a strong family offer, using Tales for Toddlers and Look, Think, Make as entry points, particularly for local audiences. We are building on the success of our multi award-winning Big Draw programming, by looking to extend these events and we are looking to maximise on family based live programming. We aim to provide a specific entry point for families for the visual arts programme through Family Trails and also through re-aligning operations to be family friendly via customer service, catering and retail offer.

The Big Draw family workshop which took place on Saturday 3 October was led by Gallery staff and volunteers and engaged 93 participants. The larger scale Big Draw event – ‘Portals to the Unexpected’ on Sunday 17 October transformed the Auditorium with over 30 interactive drawing zones produced by pupils from Bexhill Academy, Claremont School, The Baird Primary Academy, Pebsham Primary Academy, Rye Community Primary School and West St. Leonards Primary Academy and attracted 444 participants.

Adults

The programme for adults included the delivery of a series of lectures and workshops, including Dr Graham Whitham’s lecture courses, focussing on art history and architecture and Dancing Horizons, contemporary dance classes for the over 55’s. We have also been running PechaKucha nights, which feature fast paced presentations and networking for the creative and scientific community. We have recently held our third event, all of which have been sold out with a capacity of 80. Furthermore, we have delivered two events in association with the University of Brighton, Locate East Sussex and Marshall Tufflex for local businesses.

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Two years ago, DLWP entered into a major partnership with Project Arts Works, working towards a radical Gallery 1 exhibition in autumn 2016. Project Art Works is a pioneering artist-led organisation, which collaborates on a wide range of visual art based activities with people who have complex needs. The organisation was established in 1997 and were invited in that year to mount their first exhibition at the De La Warr Pavilion. Since then, Project Arts Works has initiated many ambitious visual art projects and activities with a wide range of participants, artists, organisations and audiences across the UK.

DLWP hosted weekly workshops led by Project Art Works for participants with complex needs. As part of this process we have undergone significant staff training and awareness, seeking to build our knowledge and skill in this area to be able to deliver the final project and beyond. Peter Bazalgette, Chair of ACE opened this project on 26 September 2015.

64 workshops were delivered in autumn 2015, to 365 participants.

Health & Wellbeing Symposium

We ran a one-day Symposium on 30 October investigating connections between culture, society, health and wellbeing. This symposium, run in partnership with ESCC and Nick Ewbank Associates, brought together prominent policy-makers, artists, researchers and health professionals to explore the role of conceptual and empirical research in understanding the cultural sector's impact on people's health, wellbeing and social connectedness. Over 130 delegates attended, and included Royal Philharmonic Orchestra, Paul Hamlyn Foundation and Pallant House. Keynote Speakers included Baroness Kay Andrews, author of the Welsh Government report, Culture and Poverty: Harnessing the power of the arts, culture and heritage to promote social justice in Wales and Dr. Rebecca Gordon-Nesbitt author of 'Exploring the Longitudinal Relationship Between Arts Engagement and Health' for the AHRC's Cultural Value Project.

Dementia Friendly Film Screenings, in partnership with Bexhill Dementia Action Alliance (BDAA)

Musical Matinee Club, a free monthly programme of relaxed screenings aimed at people living with dementia and disabilities, launched on Tuesday 15 September. Five screenings, three of which were hosted by actress Suzy Harvey, have proved extremely popular. The expanded experience aims to make the film more three dimensional and interactive by offering audience members props to use during the film and at home to encourage reminiscence and communication. All three films sold out at 200 capacity with a waiting list. We have recently received funding from Film Hub South East and supported BDAA to make a successful application to the Sussex Community Foundation for the project.

Community

We have worked with a wide range of community organisations including: ESSPA; Bexhill Festival of Music; Bexhill Artists Workspace; Bexhill FM; BDAA; Kiss My Disco; NHS; Princes Trust; Royal Philharmonic Orchestra; Magic of the Musicals; Rye Festival; Diabetes UK; Help to Buy (RDC); Active Arts; Bexhill Roaring 20s; East Sussex Youth Orchestra; Churches Together; Bexhill Motofest; Be Active; Bexhill Art Society; Ale and Arty 2015; International Composers Festival; Highspeed Network Rail Conference; Children's Bookshow; Battle Festival; Poppy Half Marathon; Project Artworks Peer Support network; St Richard's Catholic College; Coastal Community Team; Front Row Fashion Show; Bexhill Lions; BATS; ESCC Enterprise Ambassadors.

**DE LA WARR PAVILION CHARITABLE TRUST
(LIMITED BY GUARANTEE)**

**TRUSTEES REPORT
FOR THE YEAR ENDED 31 MARCH 2016**

Over the last four years we have also developed strong relationships with both the Bexhill Lions and the Rotary Clubs. Through our relationship with the Bexhill Triathlon, the Lions have also supported some of our summer programming activities, with one member becoming a dedicated volunteer. We have also supported the Rotary Club with Ale & Arty, Bexhill's Real Ale Festival.

Exhibitions

April 2015 - March 2016

Tonico Lemos Auad

(Gallery 1; Sat 30 Jan 2016 - Sun 10 Apr 2016)

Of visitors surveyed:

59% said that they had learnt or discovered something new;

60% said it was memorable;

50% said it was fun;

64% said it was relaxing;

73% said they would recommend to friends;

41% spend more than 30 minutes in the gallery.

Steve Farrer

(Gallery 2; Sat 30 Jan 2016 - Sun 13 Mar 2016)

Tin Plate Toys, in association with Bexhill Museum

(Roof Top Foyer; Sat 7 Nov 2015- Sun 31 Jan 2016)

Christabel Goodwin: Highwoods Pottery, in association with Bexhill Museum

(Roof Top Foyer; Sat 6 Feb 2016- Sun 10 Apr 2016)

In The Realm Of Others (in assoc with Project Art Works)

(Gallery 1; Sat 26 Sep 2015 - Sun 3 Jan 2016)

97% said the exhibition was inviting;

65% spent more than 30 mins in the gallery;

73% came specially to see it;

68% came from further than 30 mins away;

30% from over an hour away;

20% were first time visitors;

42% were inspired by the exhibition.

Cy Twombly: Quattro Stagioni – Loan from Tate Modern

(Gallery 2; Sat 24 Oct 2015 - Sun 10 Jan 2016)

100% said they would recommend the exhibition to a friend;

94% said the exhibition was inviting;

54% spend more than 30 mins in the gallery;

50% came specially to see it;

60% came from further than 30 mins away;

22% from over an hour away;

11% were first time visitors;

25% were inspired by the exhibition.

**DE LA WARR PAVILION CHARITABLE TRUST
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**TRUSTEES REPORT
FOR THE YEAR ENDED 31 MARCH 2016**

Platform Graduate Showcase 2015
(Roof Top Foyer; Sat 5 Sep 2015 - Sun 1 Nov 2015)

Towards an alternative history of graphic design Schmuck, POP, Brian, Assembling
(Gallery 2; Sat 8 Aug 2015 - Sun 4 Oct 2015)

Bridget Riley: The Curve Paintings 1961-2014
(Gallery 1; Sat 13 Jun 2015 - Sun 6 Sep 2015)

Silvio Meier: Drawings, Objects and Paper Cuttings
(Roof Top Foyer; Sat 4 Jul 2015 - Mon 31 Aug 2015)

John Stezaker: Film Works
(Gallery 2; Sat 2 May 2015 - Sun 19 Jul 2015)

Ladybird by Design
(Gallery 1; Sat 24 Jan 2015 - Sun 10 May 2015)

Ladybird Reworked- Parodies and Appropriations
(Roof Top Foyer; Sat 21 Mar 2015 - Sun 19 Apr 2015)

J.D 'Okhai Ojeikere – Hairstyles and Headdresses
(Gallery 2; Sat 14 Feb 2015 - Sun 19 Apr 2015)

Mark Harris Pro Patria - A Continuous Series 2009-2015
(Roof Top Foyer; Fri 24 Apr 2015 - Sun 31 May 2015)

Exhibitions On Tour

Ladybird by Design; House of Illustration, London
10 Jul to 27 Sep 2015
10,000 visitors

Ivan Chermayeff; Cut & Paste:
Birmingham City University; 10 Aug - 6 Sept 2015 (25,000 visitors)
Plymouth University; 18 Sept - 14 Nov 2015

Anglia Ruskin University, Cambridge; 26 Nov 2015 - 16 Jan 2016
London College of Communication
Late Summer 2016 to coincide with the London Design Festival

Exhibition Publications were produced for Bridget Riley, Tonico Lemos Auad, Matt Calderwood and Alison Turnbull.

**DE LA WARR PAVILION CHARITABLE TRUST
(LIMITED BY GUARANTEE)**

**TRUSTEES REPORT
FOR THE YEAR ENDED 31 MARCH 2016**

Live Programme

Over the 2015/16 period we have delivered a total number of 52,000 tickets to 120 performances in the auditorium, of which 27 were from community groups. DLWP has also delivered 90 of its own productions. 22 of these performances sold out including Lianne La Havas, Jack Savoretti, Paul Carrack, Eddie Izzard, Everything Everything, The Staves, Bellowhead, Public Image Ltd, Suede, and Father John Misty. Our new family theatre programme also attracted over 4,000 tickets sales and there were over 9,000 ticket sales for community and school's productions and events.

This year has been our busiest to date. The box office turned over £1m; with an average party size of 2.71 and an average ticket yield of £18.04.

Other performances included: Jessica Pratt; Cat In The Hat; NT Live - The Hard Problem; Stornoway; Alan Carr; Stewart Francis; NT Live - Man & Superman; Diane Cluck; Don Maclean; Aliens Love Underpants; David Sedaris; Gregory Porter; Father John Misty; NT Live - Everyman; Ben & Holly; Mary Chapin Carpenter; John Butler Trio; NT Encore - The Beaux Stratagem; Battle Of Britain; Nina Conti; UB40; Festival Of The Spoken Nerd; Steve Earle & The Dukes; Bullet For My Valentine; Jimeoin; NT Live - Hamlet; Tallest Man On Earth; Nils Lofgren; Nutcracker; Horrible Histories; The Staves; Josh Widdicombe; Everything Everything; Hannah Peel; Bellowhead; Waterboys; Milton Jones; James Yorkston; NT Live Jane Eyre; Xmas Comedy Clubs; The Darkness; Seth Lakeman; BBC Choir; Oyster 3; NT Live - Les Liaisons; Paul Carrack; Gretchen Peters; Marvellous Imaginary Menagerie; Savages; NT Live As You Like It; Jenny Éclair; Wave Pictures; Joan Shelley; Adam Hills.

We are pleased to have developed this programme and its viability over the last four years; however, this remains a very competitive and ever changing market where profit margins are small and in which we must remain focused and adaptable.

Dear Serge

The final Dear Serge event in the Esmeé Fairbairn Foundation funded series was presented on the 30 May 2015. It was another packed and diverse bill of performance, music and film, with 12 separate performances/installations happening over the day; including - a full day of curated new music on the bandstand, two performances by talented young Berliner Joe Snape, a film presentation from artist and RCA lecturer John Strutton and a repeat of last year's collaboration with Bexhill College. For the college link up this year five student works were chosen and installed over both floors of the north stair. Exploring the interconnected boundaries between still image/moving image and sound, these students works were a popular and vital inclusion in the day and we were proud to build upon and cement links with the local college (a partnership we established at the May 2014 Dear Serge event).

Following a successful 12 events over two years at the Pavilion, Dear Serge was invited to co-curate the Big Screen and Film Gallery at Latitude festival from 16-19 July 2015. With funding from the festival, we presented five artworks/performances (involving nine artists - with some working in collaboration). Each artist was previously featured at a DS event and it was a great opportunity to further their practice in the context of this nationally respected arts festival. It was a great validation of the Dear Serge programme and an excellent opportunity to represent both Dear Serge and the De La Warr Pavilion to a national audience. Feedback from audience and festival organisers has been very positive indeed.

On 25 July, Dear Serge presented an off-site event at Project 78 Gallery / Kino Teatr on Norman Road, St Leonard's. With the key aim of engaging with artist networks, this event successfully promoted De La Warr Pavilion's interdisciplinary programme in the heart of this local artists' scene. The event was staged in the compact Project 78 gallery space with a live video feed to the newly opened Kino Cinema space just down the road and also live on the internet.

**DE LA WARR PAVILION CHARITABLE TRUST
(LIMITED BY GUARANTEE)**

**TRUSTEES REPORT
FOR THE YEAR ENDED 31 MARCH 2016**

This was a hugely ambitious and original event, with seven separate performances/films being presented over the day including a full live band performance crammed into a 3m x 4m space (with audience). Here we presented five Dear Serge artists alongside an internationally known art house band signed to one of New York's coolest record labels (DFA – who tweeted the event to 95k followers). As well as making us well known to the local scene and beyond, this event proved our technical ability to live-stream complicated events online and to other venues.

Art in Romney Marsh; As part of the 2015 Art in Romney Marsh, Dear Serge curated one of the church spaces. For the Launch, we presented two artists who have featured at previous Dear Serge events (live experimental electronic music from Graham Dunning and a performance lecture from Cliff Stevenson). Following this, a specially commissioned sound piece was also installed for the duration of the festival. This new sound installation explores the relationship between landmarks new and old on Romney Marsh, it is a collaboration between the Dear Serge curatorial team and the artist duo Cieciora/De Sousa who installed an impressive architectural light installation at the November 2014 Dear Serge.

Funding for this programme has now come to an end, however the team are now working on a major experimental music touring project in partnership with Milton Keynes Gallery and Arnolfini, Bristol (amongst others). The team will apply to the ACE Strategic Touring fund in late 2016.

DLWP new brand, created by Playne Design

We launched our new brand in November 2015, with new print for our 80th anniversary, outside signage and a new look to DLWP.com and social media home pages. The brand was quickly adopted and can now be seen on all our signage, email signature, business cards and Spring print. Letterheads and other collateral are currently in progress.

The new brand was created by Playne Design (based in Hastings) in partnership with Jim Northover (based in Rye). Jim's clients have included Amtico, BAA, Barclays, BNFL, British Rail, BRS, BUPA, Courtaulds, John Lewis Partnership, Reuters, Rover Group and Sun Alliance. There was press coverage of the new brand in Design Week and Grafik.

Financial review

There was a £19,112 unrestricted funds deficit for the year ended 31 March 2016 before a positive pension revaluation of £157,000, the net unrestricted funds surplus for the year was therefore £137,888.

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 2016 the effective free reserves were:

	£
Unrestricted funds as at 31 March 2016	7,402
Less unrestricted fixed assets	<u>(362,404)</u>
Effective free reserves	<u>(355,002)</u>

**DE LA WARR PAVILION CHARITABLE TRUST
(LIMITED BY GUARANTEE)**

**TRUSTEES REPORT
FOR THE YEAR ENDED 31 MARCH 2016**

The effective free reserves as at 31 March 2015 were (£563,926) hence this is an improvement of £208,924 in the 2015/16 financial year. The Trustees are committed to making annual surpluses until the target reserves policy is met.

The trustees have a reasonable expectation that the charity and the group have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Trustee's Responsibilities

The trustees (who are also directors of De La Warr Pavilion Charitable Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and the 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 the incoming resources and application of resources, including 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 business.

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

Statement as to Disclosure of Information to Auditors

So far as the Trustees are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Charity's auditors are unaware, and each Trustee has taken the steps that he ought to have taken as a Trustee in order to make himself aware of any relevant information and to establish that the Charity's auditors are aware of that information.

Small company provisions

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities and with the special provisions of Part 15 of the Companies Act 2006 relating to small companies (section 419(3)).

Approved by the Board on 21/2/16 and signed on its behalf by:

.....
Julian Bird
Trustee

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND TRUSTEES OF
DE LA WARR PAVILION CHARITABLE TRUST
(LIMITED BY GUARANTEE)**

We have audited the financial statements of De La Warr Pavilion Charitable Trust for the year ended 31 March 2016, set out on pages 20 to 40. 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 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 auditors' report. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 17, 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.

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 (APB'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 trustee's report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 charitable company's affairs as at 31 March 2016 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND TRUSTEES OF
DE LA WARR PAVILION CHARITABLE TRUST
(LIMITED BY GUARANTEE)**

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors (including the Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 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;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

David Robert Scrivins

David Robert Scrivins (Senior Statutory Auditor)
for and on behalf of Clark Brownscombe
Chartered Accountants
& Statutory Auditors
2 St Andrews Place
Lewes
East Sussex
BN7 1UP

Date: *21st December 2016*

DE LA WARR PAVILION CHARITABLE TRUST
(LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT
AND STATEMENT OF COMPREHENSIVE INCOME)
FOR THE YEAR ENDED 31 MARCH 2016

	Note	Unrestricted Funds £	Restricted Funds £	Total 2016 £	2015 £
INCOME FROM					
Donations and grants	3	1,090,743	91,655	1,182,398	1,521,766
Other trading activities	5	1,128,496	-	1,128,496	985,089
Charitable activities	6	<u>733,772</u>	<u>-</u>	<u>733,772</u>	<u>551,887</u>
TOTAL INCOME		<u>2,953,011</u>	<u>91,655</u>	<u>3,044,666</u>	<u>3,058,742</u>
EXPENDITURE					
Charitable activities	7	2,109,076	237,570	2,346,646	1,976,028
Expenditure on raising funds					
- Fundraising	7	532	-	532	242
- Costs of commercial activities	7	<u>862,515</u>	<u>-</u>	<u>862,515</u>	<u>805,728</u>
TOTAL EXPENDITURE		<u>2,972,123</u>	<u>237,570</u>	<u>3,209,693</u>	<u>2,781,998</u>
Net (expenditure)/income before other recognised gains and losses		(19,112)	(145,915)	(165,027)	276,744
Other recognised gains/losses					
Actuarial gain/(losses) on defined benefit pension schemes		<u>157,000</u>	<u>-</u>	<u>157,000</u>	<u>(63,000)</u>
Net movements in funds		137,888	(145,915)	(8,027)	213,744
Total funds brought forward		<u>(130,486)</u>	<u>6,159,194</u>	<u>6,028,708</u>	<u>5,814,964</u>
Total funds carried forward		<u>7,402</u>	<u>6,013,279</u>	<u>6,020,681</u>	<u>6,028,708</u>

The detailed 2015 comparative statement of financial activities is reported in note 2.

The statement of financial activities incorporates the income and expenditure account, the results for the year derive from continuing activities and there are no gains or losses other than those shown above.

The notes form part of these financial statements

**DE LA WARR PAVILION CHARITABLE TRUST
(LIMITED BY GUARANTEE)**

**CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2016**

COMPANY NUMBER 03446307

	Note	2016 £	2015 £
FIXED ASSETS			
Tangible assets	12	6,375,683	<u>6,509,461</u>
CURRENT ASSETS			
Stocks	13	112,707	102,940
Debtors	14	132,949	139,515
Cash at bank and in hand		<u>108,539</u>	<u>69,391</u>
		354,195	311,846
CREDITORS: Amounts falling due within one year	15	<u>(610,197)</u>	<u>(520,065)</u>
NET CURRENT (LIABILITIES)		<u>(256,002)</u>	<u>(208,219)</u>
TOTAL ASSETS			
LESS CURRENT LIABILITIES		6,119,681	6,301,242
CREDITORS: Amounts falling due after more than one year	16	—	<u>(27,534)</u>
NET ASSETS EXCLUDING PENSION LIABILITIES		6,119,681	6,273,708
Defined benefit pension scheme liability	18	<u>(99,000)</u>	<u>(245,000)</u>
NET ASSETS INCLUDING PENSION LIABILITIES		<u>6,020,681</u>	<u>6,028,708</u>
FUNDS:			
Restricted funds	20	6,013,279	6,159,194
Unrestricted funds	20	<u>7,402</u>	<u>(130,486)</u>
		<u>6,020,681</u>	<u>6,028,708</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved on behalf of the Board on 2/12/16

.....
Julian Bird – Trustee

The notes form part of these financial statements

**DE LA WARR PAVILION CHARITABLE TRUST
(LIMITED BY GUARANTEE)**

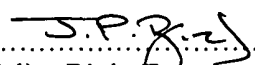
**CHARITY BALANCE SHEET
AS AT 31 MARCH 2016**

COMPANY NUMBER 03446307

	Note	2016	2015
		£	£
FIXED ASSETS			
Tangible assets	12	6,375,683	6,509,461
Investment		<u>1</u>	<u>1</u>
		6,375,684	6,509,462
CURRENT ASSETS			
Debtors	14	250,433	237,870
Cash at bank and in hand		<u>50,589</u>	<u>20,485</u>
		301,022	258,355
CREDITORS: Amounts falling due within one year	15	(561,087)	(470,637)
NET CURRENT (LIABILITIES)		(260,065)	(212,282)
TOTAL ASSETS			
LESS CURRENT LIABILITIES		6,115,619	6,297,180
CREDITORS: Amounts falling due after more than one year	16	-	(27,534)
NET ASSETS EXCLUDING PENSION LIABILITIES		6,115,619	6,269,646
Defined benefit pension scheme liability	18	(99,000)	(245,000)
NET ASSETS INCLUDING PENSION LIABILITIES		6,016,619	5,024,646
FUNDS:			
Restricted funds	20	6,013,279	6,159,194
Unrestricted funds	20	<u>3,340</u>	<u>(134,548)</u>
		6,016,619	6,024,646

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved on behalf of the Board on 2/12/16


.....
Julian Bird - Trustee

The notes form part of these financial statements

**DE LA WARR PAVILION CHARITABLE TRUST
(LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2016**

	Note	2016 £	2015 £
Net cash generated from operating activities	19	110,462	440,392
Cash flows from investing activities			
Purchase of tangible fixed assets		(97,749)	(412,311)
Cash flows from financing activities			
Repayments of borrowing		<u>(40,641)</u>	<u>(39,074)</u>
Net (decrease) in cash and cash equivalents		(27,928)	(10,993)
Cash and cash equivalents at the beginning of the year		<u>(4,169)</u>	<u>6,824</u>
Cash and cash equivalents at the end of the year		<u><u>(32,097)</u></u>	<u><u>(4,169)</u></u>
 Cash and cash equivalents consists of:			
Cash at bank and in hand		108,539	69,391
Bank overdraft		<u>(140,636)</u>	<u>(73,560)</u>
		<u><u>(32,097)</u></u>	<u><u>(4,169)</u></u>

The notes form part of these financial statements

**DE LA WARR PAVILION CHARITABLE TRUST
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

1 ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are summarised below.

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), hereafter referred to as the Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

In the application of the Group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The most significant accounting judgements and key sources of estimation uncertainty that affect items in the financial statements are those pertaining to the defined benefit pension scheme. The trustees seek the input and advice of qualified professionals as to the appropriate actuarial assumptions to be used in calculating the pension cost and review these on an ongoing basis.

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. The charity's results for the year are summarised in Note 22 to these financial statements.

Reconciliation with previous Generally Accepted Accounting Practice

This is the first year that the Group and Company has presented its results under FRS 102, having previously prepared them under UK GAAP. The date of transition to FRS 102 was 1 April 2014. In preparing the financial statements the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. Note 24 sets out the changes which reconcile the income for the year ended 31st March 2015 between UK GAAP as previously reported and FRS 102.

Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about either the Company's or the Group's ability to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Funding accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside at the discretion of the trustees for specific purposes.

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose. Further details of each fund are disclosed in note 20.

**DE LA WARR PAVILION CHARITABLE TRUST
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

Income

Donations and grants that provide core funding or are of a general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

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

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

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

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the category.

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

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. It also includes costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Irrecoverable VAT

Irrecoverable VAT is recorded as a support cost and is allocated across activities accordingly as shown in note 7.

Fixed assets

Individual fixed assets costing £500 or more are capitalised.

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Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:-

Pavilion leasehold – long-term improvements	2% straight line
Pavilion fittings and equipment	10% - 20% straight line
Office equipment	50% straight line

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks.

Hire purchase and finance lease contracts

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the charity, are capitalised in the balance sheet as tangible fixed assets and are depreciated over their useful life. The capital elements of future obligations under the leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the statement of financial activities over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Assets held under hire purchase agreements are capitalised as tangible fixed assets and are depreciated over their useful lives. The capital element of future payments is included within creditors. Finance charges are allocated to accounting periods over the length of the contract.

Pensions

The charity operates a defined benefit pension scheme for employees previously employed by East Sussex County Council. The assets of the scheme which is managed by East Sussex County Council, are held separately from those of the charity in an independently administered fund. During the year, the charity participated in a scheme with the People's Pension in accordance with meeting auto enrolment responsibilities.

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 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 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.

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Pension scheme assets are valued at fair value at the balance sheet date. Fair value is based on market value 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.

Other employees pensions are provided through contributions under auto-enrolment.

Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when (a) the contractual rights to the cash flows from the financial asset expire or are settled, (b) the Group transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or (c) the Group, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

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2 DETAILED COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted Funds £	Restricted Funds £	Total 2015 £
INCOME FROM				
Donations and grants	3	1,030,375	491,391	1,521,766
Other trading activities	5	985,089	-	985,089
Charitable activities	7	<u>538,030</u>	<u>13,857</u>	<u>551,887</u>
TOTAL INCOME		<u>2,553,494</u>	<u>505,248</u>	<u>3,058,742</u>
EXPENDITURE				
Charitable activities	8	1,752,805	223,223	1,976,028
Expenditure on raising funds				
- Fundraising	8	242	-	242
- Costs of commercial activities	8	<u>805,728</u>	<u>-</u>	<u>805,728</u>
TOTAL EXPENDITURE		<u>2,558,775</u>	<u>223,223</u>	<u>2,781,998</u>
Net (expenditure)/income before other recognised gains and losses		(5,281)	282,025	276,744
Other recognised gains/losses				
Actuarial losses on defined benefit pension schemes		<u>(63,000)</u>	<u>-</u>	<u>(63,000)</u>
Net movements in funds		(68,281)	282,025	213,744
Total funds brought forward		<u>(62,205)</u>	<u>5,877,169</u>	<u>5,814,964</u>
Total funds carried forward		<u>(130,486)</u>	<u>6,159,194</u>	<u>6,028,708</u>

3 DONATIONS AND GRANTS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Donations				
Appeals and donations	<u>80,405</u>	<u>22,500</u>	<u>102,905</u>	<u>31,945</u>
Grants				
Trusts and foundations	6,908	-	6,908	24,310
UK Government grants	998,430	69,155	1,067,585	1,438,511
Grants – other agencies	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>27,000</u>
	<u>1,010,338</u>	<u>69,155</u>	<u>1,079,493</u>	<u>1,489,821</u>
	<u>1,090,743</u>	<u>91,655</u>	<u>1,182,398</u>	<u>1,521,766</u>

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4 GRANTS RECEIVABLE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Towner	-	-	-	1,000
Esmee Fairbairn Trust	-	-	-	22,810
Rother District Council	490,000	48,539	538,539	537,355
East Sussex County Council	-	-	-	1,000
Arts Council England	508,430	20,616	529,046	900,156
Foyle	-	-	-	25,000
Jerwood	-	-	-	1,000
Others	1,820	-	1,820	1,500
University of Brighton	5,000	-	5,000	-
Chalkcliff Trust	3,088	-	3,088	-
Henry Moore Foundation	<u>2,000</u>	<u>-</u>	<u>2,000</u>	<u>-</u>
	<u>1,010,338</u>	<u>69,155</u>	<u>1,079,493</u>	<u>1,489,821</u>

5 OTHER TRADING ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Supporters				
Patrons	<u>3,778</u>	<u>-</u>	<u>3,778</u>	<u>2,614</u>
Ancillary trading				
Merchandise income	231,256	-	231,256	192,847
Catering income	793,950	-	793,950	699,467
Hires income	<u>99,512</u>	<u>-</u>	<u>99,512</u>	<u>90,161</u>
	<u>1,124,718</u>	<u>-</u>	<u>1,124,718</u>	<u>982,475</u>
	<u>1,128,496</u>	<u>-</u>	<u>1,128,496</u>	<u>985,089</u>

De La Warr Pavilion (Enterprises) Limited

The charity controls this company, which is incorporated in England, by virtue of holding 100% of the equity share capital. The company undertakes the ancillary trading activities at the Pavilion with the aim of gifting its taxable profits to the Trust.

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5 OTHER TRADING ACTIVITIES (Continued)

Summary of trading results

	2016 £	2015 £
Turnover	1,124,718	982,475
Total expenditure	<u>(862,515)</u>	<u>(805,728)</u>
Net profit for the year	262,203	176,747
Amount gift-aided to the charity	<u>(262,203)</u>	<u>(176,747)</u>
Retained profit	<u> -</u>	<u> -</u>

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

Assets	198,245	163,815
Liabilities	<u>(194,182)</u>	<u>(159,752)</u>
Funds	<u>4,063</u>	<u>4,063</u>

6 CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Exhibition income	26,851	-	26,851	3,847
Live performance income	683,005	-	683,005	526,042
Education income	<u>23,916</u>	<u> -</u>	<u>23,916</u>	<u>21,998</u>
	<u>733,772</u>	<u> -</u>	<u>733,772</u>	<u>551,887</u>

**DE LA WARR PAVILION CHARITABLE TRUST
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7 TOTAL EXPENDITURE

	Supporters £	Ancillary trading £	Exhibitions £	Live performance £	Education £	Governance £	Total £
Direct costs							
Cost of goods sold	-	385,485	-	-	-	-	385,485
Other direct costs	-	-	140,436	576,819	36,613	-	753,868
Employment costs	-	<u>410,762</u>	<u>121,971</u>	<u>171,978</u>	<u>45,656</u>	-	<u>750,367</u>
	-	<u>796,247</u>	<u>262,407</u>	<u>748,797</u>	<u>82,269</u>	-	<u>1,889,720</u>
Support costs							
Employment costs	-	-	252,902	151,742	101,161	-	505,805
Establishments costs	-	-	57,616	34,569	23,046	-	115,231
Repairs and maintenance	-	14,317	59,000	35,400	23,600	-	132,317
Office expenses	532	10,200	26,912	16,148	10,765	-	64,557
Cleaning	-	104	5,571	3,342	2,229	-	11,246
Travel and subsistence	-	609	5,769	3,461	2,308	-	12,147
Advertising and promotion	-	20,393	45,287	27,173	18,115	-	110,968
Auditors' remuneration	-	2,483	-	-	-	9,448	11,931
Legal and professional costs	-	3,356	12,123	7,274	4,849	-	27,602
Bank charges	-	14,806	5,231	3,139	2,093	-	25,269
Interest payable	-	-	1,494	896	597	-	2,987
Irrecoverable VAT	-	-	34,193	20,516	13,677	-	68,386
Depreciation of tangible fixed assets	-	-	<u>115,764</u>	<u>69,458</u>	<u>46,305</u>	-	<u>231,527</u>
	<u>532</u>	<u>66,268</u>	<u>621,862</u>	<u>373,118</u>	<u>248,745</u>	<u>9,448</u>	<u>1,319,973</u>
	<u>532</u>	<u>862,515</u>	<u>884,269</u>	<u>1,121,915</u>	<u>331,014</u>	<u>9,448</u>	<u>3,209,693</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

8 TRUSTEES' REMUNERATION AND EXPENSES

No trustees received any remuneration during the year.

9 NET EXPENDITURE

Net expenditure is stated after charging:

	2016 £	2015 £
Auditors' remuneration		
- audit services	11,931	11,181
Depreciation of owned assets	<u>42,495</u>	<u>48,420</u>

10 EMPLOYEES' REMUNERATION

The average number of persons employed by the charity (including trustees) during the year, analysed by category, was as follows:-

	2016	2015
Programming	7	8
Fundraising	1	-
Operations	42	37
Administration	<u>4</u>	<u>4</u>
	<u>54</u>	<u>49</u>

The aggregate payroll costs of these persons were as follows:-

	2016 £	2015 £
Wages and salaries	1,074,767	970,812
Social Security	67,806	63,778
Other pension costs	<u>50,068</u>	<u>50,832</u>
	<u>1,192,641</u>	<u>1,085,422</u>

One employee received emoluments in the banding £60,001 - £70,000 (2015: 1).

The key management personnel of the charity comprise the trustees, the chief executive officer, the director of operations and the director of external relations. The total employee benefits of key management personnel were £140,146 (2015: £135,879).

11 TAXATION

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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12 TANGIBLE FIXED ASSETS

	Leasehold Property £	Fixtures, fittings and equipment £	Total £
Cost			
As at 1 April 2015	7,582,832	647,763	8,230,595
Additions	87,821	9,928	97,749
Disposals	-	-	-
As at 31 March 2016	<u>7,670,653</u>	<u>657,691</u>	<u>8,328,344</u>
Depreciation			
As at 1 April 2015	1,266,575	454,559	1,721,134
Charge for the year	189,032	42,495	231,527
On disposals	-	-	-
As at 31 March 2016	<u>1,455,607</u>	<u>497,054</u>	<u>1,952,661</u>
Net book value			
As at 31 March 2016	<u>6,215,046</u>	<u>160,637</u>	<u>6,375,683</u>
As at 31 March 2015	<u>6,316,257</u>	<u>193,204</u>	<u>6,509,461</u>

13 STOCKS AND WORK IN PROGRESS

	Group		Charity	
	2016 £	2015 £	2016 £	2015 £
Stocks	<u>112,707</u>	<u>102,940</u>	<u>-</u>	<u>-</u>

14 DEBTORS

	Group		Charity	
	2016 £	2015 £	2016 £	2015 £
Trade debtors	76,596	34,091	53,065	22,925
Amounts owed by group undertakings	-	-	145,072	110,324
Other debtors	5,090	38,161	1,033	38,161
Prepayments and accrued income	<u>51,263</u>	<u>67,263</u>	<u>51,263</u>	<u>66,460</u>
	<u>132,949</u>	<u>139,515</u>	<u>250,433</u>	<u>237,870</u>

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15 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2016	2015	2016	2015
	£	£	£	£
Bank overdraft	140,636	73,560	140,636	73,560
Bank loan	25,967	39,074	25,967	39,074
Trade creditors	140,484	176,547	107,543	130,927
Taxation and social security	21,893	15,103	21,893	15,103
Other creditors	2,607	3,605	2,607	3,605
Accruals and deferred income	<u>278,610</u>	<u>212,176</u>	<u>262,441</u>	<u>208,368</u>
	<u>610,197</u>	<u>520,065</u>	<u>561,087</u>	<u>470,637</u>

Deferred income included above is as follows:

	Group		Charity	
	2016	2015	2016	2015
	£	£	£	£
As at 1 April 2015	167,925	154,399	167,925	154,399
Amount released to incoming resources	(167,925)	(154,399)	(167,925)	(154,399)
Amount deferred in the year	<u>218,055</u>	<u>167,925</u>	<u>218,055</u>	<u>167,925</u>
As at 31 March 2016	<u>218,055</u>	<u>167,925</u>	<u>218,055</u>	<u>167,925</u>

16 CREDITORS: AMOUNT FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Charity	
	2016	2015	2016	2015
	£	£	£	£
Bank loans and overdrafts	<u>-</u>	<u>27,534</u>	<u>-</u>	<u>27,534</u>

Creditors includes the following liabilities on which security has been given by the charity:

	2016	2015
	£	£
Bank loans and overdraft	<u>166,603</u>	<u>140,168</u>

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17 MEMBERS' LIABILITY

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

18 PENSION SCHEME

(a) Defined benefit scheme

The charity operates a pension scheme providing benefits based on final pensionable pay in respect of employees who were employed by East Sussex County Council but who transferred to the charity when the charity took over the running of the De La Warr Pavilion. 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 2013 and updated at 31 March 2015. The scheme was closed to new members on 1 April 2003.

Whilst provided for in full, the pension scheme liability is not expected to crystallise within the foreseeable future.

The main financial assumptions used for the purposes of FRS102 are:

	2016	2015	2014
Discount rate	3.5%	3.2%	4.3%
Salary increase rate	4.2%	4.3%	4.6%
Pension increase rate	2.2%	2.4%	2.8%
Expected return on assets	3.4%	3.2%	6.1%

Mortality:

Vita Curves with improvements in line with the CMI2010 model assuming the current rate of improvements has peaked and will converge to a long-term rate of 1.25%.

	2016	2015	2014
Current pensioners:			
Male	22.2	22.2	22.2
Female	24.4	24.4	24.4
Future pensioners:			
Male	24.2	24.2	24.2
Female	26.7	26.7	26.7

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18 PENSION SCHEME (Continued)

The fair value of the assets of the scheme were:

	At 31st March 2016	At 31st March 2015	At 31st March 2014
	Value £	Value £	Value £
Equities	985,000	1,132,000	1,006,000
Bonds	228,000	131,000	115,000
Property	171,000	145,000	115,000
Cash	<u>43,000</u>	<u>44,000</u>	<u>38,000</u>
Total Market Value of Assets	<u>1,427,000</u>	<u>1,452,000</u>	<u>1,274,000</u>
Net defined benefit liability			
		2016	2015
		£	£
Fair value of assets		1,427,000	1,452,000
Present value of defined benefit obligation		<u>(1,526,000)</u>	<u>(1,697,000)</u>
Recognised pension liability		<u>(99,000)</u>	<u>(245,000)</u>
Total expense recognised in income and expenditure			
		2016	2015
		£	£
Current service cost		24,000	21,000
Interest cost on obligation		54,000	62,000
Interest income on plan assets		<u>(46,000)</u>	<u>(5,500)</u>
Total income and expenditure charge		<u>32,000</u>	<u>28,000</u>
Changes in the present value of the defined benefit obligation			
		2016	2015
		£	£
Opening defined benefit obligation		1,697,000	1,445,000
Interest cost on obligation		54,000	62,000
Current service cost		24,000	21,000
Actuarial losses/(gains) on obligation (assumptions and experience)		<u>(180,000)</u>	192,000
Member contributions		4,000	4,000
Benefits paid		<u>(73,000)</u>	<u>(27,000)</u>
Closing defined benefit obligation		<u>1,526,000</u>	<u>1,697,000</u>

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18 PENSION SCHEME (Continued)

Changes in the fair value of scheme assets

	2016 £	2015 £
Opening fair value of Scheme Assets	1,452,000	1,274,000
Interest income on plan assets	46,000	55,000
Actuarial gain/(loss)	(23,000)	129,000
Employer contributions	21,000	17,000
Member contributions	4,000	4,000
Benefits paid	<u>(73,000)</u>	<u>(27,000)</u>
Closing fair value of scheme assets	<u>1,427,000</u>	<u>1,452,000</u>

(b) Defined contribution scheme

The amount recognised as an expense for the defined contribution scheme was

	2016 £	2015 £
Current period contributions	<u>18,068</u>	<u>22,832</u>

19 NOTES TO THE CASH FLOW STATEMENT

**Reconciliation of operating (deficit)/surplus to net cash
inflow from operating activities**

	2016 £	2015 £
Operating (deficit)/surplus	(165,027)	276,744
Depreciation and amortisation charges	231,527	196,979
Pension adjustment	11,000	11,000
(Increase)/decrease in stocks	(9,767)	15,531
Decrease/(increase) in debtors	6,566	(38,120)
Increase/(decrease) in creditors	<u>36,163</u>	<u>(21,742)</u>
Net inflow from operating activities	<u>110,462</u>	<u>440,392</u>

**DE LA WARR PAVILION CHARITABLE TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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20 ANALYSIS OF FUNDS

	At 1 April 2015 £	Incoming Resources £	Resources expended £	Other Recognised Gains/losses £	At 31 March 2016 £
Designated Funds					
Fixed assets fund	<u>144,922</u>	<u>-</u>	<u>(26,974)</u>	<u>-</u>	<u>117,948</u>
General Funds					
General fund	(34,470)	1,828,293	(1,809,431)	-	(15,608)
Pension scheme	(245,000)	-	(11,000)	157,000	(99,000)
Subsidiary company reserves	<u>4,062</u>	<u>1,124,718</u>	<u>(1,124,718)</u>	<u>-</u>	<u>4,062</u>
	<u>(275,408)</u>	<u>2,953,011</u>	<u>(2,945,149)</u>	<u>157,000</u>	<u>(110,546)</u>
Restricted Funds					
Capital project	5,721,589	48,539	(193,047)	-	5,577,081
Auditorium refurbishment	<u>437,605</u>	<u>43,116</u>	<u>(44,523)</u>	<u>-</u>	<u>436,198</u>
	<u>6,159,194</u>	<u>91,655</u>	<u>(237,570)</u>	<u>-</u>	<u>6,013,279</u>
	<u>6,028,708</u>	<u>3,044,666</u>	<u>(3,209,693)</u>	<u>157,000</u>	<u>6,020,681</u>

The fixed assets fund comprises assets which are associated with the long-term operation of the auditorium etc and would not be replaced from general funds. The net book value of these assets has been transferred from General fund, and the depreciation on these assets will be financed from the fund.

**DE LA WARR PAVILION CHARITABLE TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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20 ANALYSIS OF FUNDS (continued)

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 funds are charged against the fund balance.

The capital project fund also includes the annual grant received from Rother District Council towards the cost of major building maintenance. Periodic reports are submitted to RDC detailing the maintenance works undertaken.

The Auditorium refurbishment fund contains grants and matched funding for the refurbishment of the auditorium area.

21 NET ASSETS BY FUND

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Tangible assets	362,404	6,013,279	6,375,683	6,509,461
Current assets	354,195	-	354,195	311,846
Creditors: Amounts falling due within one year	(610,197)	-	(610,197)	(520,065)
Creditors: Amounts falling due after more than one year	-	-	-	(27,534)
Pension liabilities	<u>(99,000)</u>	<u>-</u>	<u>(99,000)</u>	<u>(245,000)</u>
Net assets	<u>7,402</u>	<u>6,013,279</u>	<u>6,020,681</u>	<u>6,028,708</u>

22 RESULTS OF THE PARENT COMPANY

	2016 £	2015 £
Gross incoming resources for the year attributable to De La Warr Pavilion Charitable Trust	<u>2,182,151</u>	<u>2,253,014</u>
Net (outgoing)/incoming resources for the year attributable to De La Warr Pavilion Charitable Trust	<u>(165,027)</u>	<u>299,744</u>

23 SHARE CAPITAL

The company is limited by guarantee, having no share capital, members having a liability not exceeding £1.

**DE LA WARR PAVILION CHARITABLE TRUST
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

24 TRANSITION TO FRS 102

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	As previously stated £	Effect of transition £	FRS 102 (as restated) £
INCOME			
Donations and grants	1,521,766	-	1,521,766
Other trading activities	985,089	-	985,089
Investments	16,000	(16,000)	-
Charitable activities	538,030	-	538,030
EXPENDITURE			
Charitable activities	(1,969,028)	(7,000)	(1,976,028)
Raising funds	<u>(805,970)</u>	<u>-</u>	<u>(805,970)</u>
Surplus before other recognised losses	299,744	(23,000)	276,744
Actuarial loss on pension scheme	<u>(86,000)</u>	<u>23,000</u>	<u>(63,000)</u>
Surplus for the financial year	<u>213,744</u>	<u>-</u>	<u>213,744</u>

Under previous UK GAAP the group recognised an expected return on defined benefit plan assets in the income and expenditure account. Under FRS 102 a net interest expense, based on the net defined liability is recognised in the income and expenditure account. There has been no change in the defined benefit liability at either 1st April 2014 or 31st March 2015.