

REGISTERED COMPANY NUMBER: 08803625 (England and Wales)  
REGISTERED CHARITY NUMBER: 1156762

REPORT OF THE TRUSTEES AND  
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016  
FOR  
TOWNER

WEDNESDAY



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**TOWNER**

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FOR THE YEAR ENDED 31 MARCH 2016**

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## **TOWNER**

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

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2016. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities.

### **REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**  
08803625 (England and Wales)

**Registered Charity number**  
1156762

**Registered office**  
Towner Devonshire Park  
College Road  
Eastbourne  
East Sussex  
BN21 4JJ

**Trustees**  
Ms H Bauer  
Ms D V Casson  
D Dimbleby  
G F H King  
J S Madell  
C F Mckenzie

M R Moorton

J Sutherland-Beatson  
H M Wyndham  
T J W Ashdown

Heritage Museums  
& Funding Adviser  
Designer  
Broadcaster  
Publisher  
Consultant  
Freelance Arts  
Consultant  
Human Resources  
Director  
Artist/designer  
Chairman Sothebys  
Solicitor

- Resigned 8/4/2016

### **Company Secretary**

**Auditors**  
OBC The Accountants Ltd  
Chartered Accountants  
& Registered Auditors  
2 Upperton Gardens  
Eastbourne  
East Sussex  
BN21 2AH

### **COMMENCEMENT OF ACTIVITIES**

Charitable Trust status was obtained on 1 July 2014, from which point the Trust commenced its charitable activities.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

### **Method of Appointment or Election of Trustees**

The management of Towner is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. The maximum number of Trustees is eleven, with two being appointed by Eastbourne Borough Council. Trustees are required to retire by rotation whereby one third of the Trustees shall be required to retire each year but shall be eligible for reappointment. No Trustees are required to retire for the first three years following the Company commencing operations (1 July 2014). Trustees may be re-appointed by the Board at the end of each term of office.

### **Policies adopted for the induction and training of Trustees**

Trustees are recruited according to the Trustees' and Executive Director's ongoing assessment of the skills and experiences needed for the Board of an art gallery and museum. These include expertise in national and international arts and culture, fundraising, finance, HR and legal. Prospective new Trustees are recommended to the Chair and Executive Director, who assess the candidates and decide whether to proceed with the appointment.

The newly appointed Trustees received an induction from Towner's solicitor, advising them on their legal responsibilities. They were given thorough briefings by the Executive Director, Senior Management team and the Chairman.

### **Organisational Structure and Decision Making**

There are currently nine Trustees who have delegated powers to the Executive Director and Senior Management Team to make expenditure decisions within the framework of the approved annual budget.

Since becoming a Trust on the 1 July 2014, a Finance and Resources Sub-Committee has been established, consisting of three Trustees. This committee monitors income and expenditure and performance against the approved budget and reports back to the Board. They also approve and monitor Health and Safety policies and the Risk Register.

The day to day activities are controlled by Emma Morris, Executive Director, and the Senior Management Team who lead departments and report to the Executive Director.

### **Objectives and Activities**

Towner is the award winning contemporary art gallery, showcasing artists of national and international significance and presenting works from our acclaimed collection. We place learning and a commitment to access at the very heart of everything we do, building on the original vision of the gallery's philanthropic founder to create 'an art gallery for the people'.

Our mission as a new charitable trust is to build on our pioneering work of the last six years: developing, supporting and celebrating artistic practice by using our collection and curated work to provide accessible, enriching cultural experiences created in close partnership with our communities.

The charitable objectives, as set out in our Memorandum and Articles of Association, are:

To advance the education, enjoyment and appreciation of the public at large of the arts by the establishment and/or maintenance of an art gallery

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

To advance the education, enjoyment and appreciation of the public at large of the arts by the maintenance of Towner

To advance the education, enjoyment and appreciation of the public at large of the arts through Towner's art collection

#### **Public Benefit**

The Trustees of Towner have paid regard to the Charity Commission's published guidance on public benefit. Towner believes that access to art and giving people from all backgrounds and all ages opportunities to assert and express their creativity can inspire change. We are committed to ensuring our exhibitions and activities are accessible, free or, when we have to charge, affordable for those on low incomes. We only charge for one exhibition a year with the profit ring-fenced towards the care and conservation of our collection.

Our marginalised audiences approach has been recognised as a national model of excellence through our leadership role in securing Local Authority Beacon Status for EBC. We provide access for individuals and groups who might often otherwise never find a route into a gallery, enabling young people excluded from mainstream education, young offenders, disabled young people and dementia sufferers to have bespoke supported routes into our programmes.

Since moving into the new building in 2009, Towner has witnessed significant successes in terms of visitor numbers, critical acclaim for our exhibition programme and the engagement of new audiences. In addition, the learning and outreach programme is held up as a model of best practice.

This is demonstrated by:

- Over 140,000 visitors per annum
- An international programme of exhibitions.
- Eastbourne Borough Council, through Towner, awarded Beacon status for Culture for Hard to Reach groups.
- 10,000 children's & young people's work exhibited in the galleries.
- Over 50,000 young people participated in education and outreach programmes.
- A new, high quality offer of customer services.
- Consistent local and national press, television and radio coverage.
- Important partnerships with local, regional and national agencies.
- Winner of four architecture awards.

In July 2014, Towner moved away from Eastbourne Borough Council to become an independent charitable trust, with financial investment from the Council and Arts Council England.

#### **Objective**

*To support, develop and promote international, national and local artistic practice and partnerships, enabling artists of every culture, discipline and background to create and present work within an environment committed to excellence and best professional practice.*

#### **Achievements**

##### **Exhibitions Programme 2015/16**

**April – June**

**Richard Billingham: Panoramic**

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Capturing the British countryside, from the South Downs to the Norfolk Fen and Constable's Country in the East of England, Richard Billingham's photographs exposed the rich textures in these landscapes. His panoramic views unearthed the particular geology, vegetation, changing weather and light conditions of these places, some of which he revisited over a period of years.

Richard Billingham is best known for his 1996 photobook *Ray's A Laugh*, which documents the life of his father, mother and brother. In 2001, he was shortlisted for the Turner Prize for his solo show at Ikon Gallery in Birmingham. He holds professorships at the University of Gloucestershire and Middlesex University.

#### May – August

##### A Radical View: William Gear as Curator 1958–64

The abstract painter William Gear (1915–1997) was Towner's curator from 1958 until 1964. During this time, he added to the diversity and modernity of the permanent Collection with his acquisitions. These included paintings by major British Abstract artists of the 1950s and 1960s, such as Sandra Blow, Alan Davie, Roger Hilton and Ceri Richards, and prints by both young and established printmakers.

So successful was he in increasing the reputation of Towner, that in 1962 the Observer newspaper hailed it as the 'most go-ahead municipal gallery of its size in the country'.

This Collection Display celebrated Gear's time at Towner and brought together some of the key purchases and acquisitions that demonstrated the important role he played in the gallery's story.

#### July – September

##### William Gear 1915-1997: The Painter that Britain Forgot

In the centenary of his birth, we presented a major retrospective of the work of William Gear, one of the leading abstract British painters of his generation. *William Gear, The painter that Britain forgot* traced the influence and prolific output of a now little-known painter who was associated with CoBrA in the 1940s, and produced some of the most radical and controversial compositions of the 1950s.

The exhibition drew together over 100 works representing the different phases of Gear's oeuvre: from the pen and ink drawings and early experiments in colour of his emerging style in the 1930s and 1940s, to the radical, near-monochrome and block abstractions of the 1950s, to a mature, yet playful exuberance in the 1960s and beyond. The exhibition also presented Gear as printmaker; he was the first British artist to present screenprints as works of fine art.

The exhibition toured to City Art Centre, Edinburgh from 24 October 2015 – 14 February 2016.

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#### **November – January**

##### **John Napier: Stages, Beyond the Fourth Wall**

Multi award-winning set and costume designer John Napier brought theatre and art together in a new exhibition, *Stages, Beyond the Fourth Wall*.

Napier's innovation and distinctive style is responsible for some of the most iconic designs in theatre: the horses in *Equus*, the barricades in *Les Misérables*, the helicopter in *Miss Saigon*, the outsized junkyard in *Cats*, and of course *Starlight Express*.

*Stages* encompassed these theatre achievements alongside Napier's art works. The collection included costume designs, three-dimensional pieces based on his theatre work, and sculptures that have been created in parallel with his career.

#### **October – January**

##### **Julian Germain: The Future is Ours, Classroom Portraits 2004-2015**

*The Future is Ours* explored the universal themes of school and childhood through film and photograph, showing portraits of school children from 19 countries around the world.

Germain spent 8 years documenting 461 school classrooms throughout Europe, Africa, Asia, South East Asia, Middle East and South America. Using his own photography technique, he captured the students in the natural environment of their classrooms and also canvassed some of the pupils about their lives.

This major exhibition at Towner displayed 200 objects including framed photographs, films, prints, Polaroids, and customised books. The exhibition also showed especially created portraits of four Eastbourne schools that Germain visited and photographed in July.

#### **November**

##### **Film London Jarman Award Touring Programme 2015**

A diverse and thought-provoking programme of artists' moving image from the six shortlisted artists for this year's Jarman Award: Adam Chodzko, Seamus Harahan, Gail Pickering, Alia Syed, Bedwyr Williams and Andrea Luka Zimmerman.

This year's shortlist of artists were chosen for bodies of work representing uncompromising power, beauty and humour. The programme showed the breadth of practice within contemporary filmmaking, from extraordinary documentaries and lyrical storytelling to mesmerising works that interweave glimpses of the past with digital technologies.

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#### September – January

##### **North to South: Highlights from the Aberdeen Art Gallery & Towner Art Gallery Collections**

*North to South* presented selected paintings from the Towner Collection alongside highlights from the Aberdeen Art Gallery and Museums Collection.

Bringing paintings from one of the most northerly galleries in Scotland to Towner, on the most southerly edge of the UK, this collection display provided an insightful overview of these two significant collections.

*North to South* include works by artists such as George Clausen, Henry La Thangue, Paul Nash, Eric Ravilious, Edward Bawden, Duncan Grant, Christopher Wood, and Edward Wadsworth, whose work also features in Towner's permanent collection.

The exhibition also provided an opportunity to bring a number of important artists, including Charles Conder, Joan Eardley and Alexander Nasmyth, to Towner for the first time. A number of these artists, while Scottish by birth or living in Scotland, had a connection to or painted the South Coast.

#### January – April

##### **Art From Elsewhere: International Contemporary Art from UK Galleries**

*Art from Elsewhere* was a major touring exhibition bringing together works that depicted different realities of profound global change by some of the most influential international artists working today.

Focusing on socially engaged art practices in a global context, *Art from Elsewhere* featured around 50 works by 26 internationally celebrated artists in a variety of media including works on paper, video, sculpture and painting. Common themes explored by the artists included migration, identity, colonialism, gender, censorship, territory, communications and belief systems. Highlights included works by Mohamed Bourouissa, Omer Fast, Jenny Holzer, Imran Qureshi and Józef Robakowski. The exhibition also featured works by seminal figures in the history of conceptual art such as Ana Mendieta, Robert Smithson and Nancy Spero.

Curated by David Elliott, all the works in *Art from Elsewhere* were drawn from the collections of Towner and five museums and galleries across the UK. Elliott said, "I have selected this Hayward Touring exhibition show out of this pool with a mind to indicating how art not only continues to be a truthful and often challenging expression of our times, but also has become a way of seeing them more clearly."

#### February – June

##### **Recording Britain**

At the outbreak of the Second World War an ambitious scheme was set up to employ artists on the home front to record the changing landscape of Britain. Sir Kenneth Clark commissioned artists to paint 'places and buildings of characteristic national interest', documenting rural and urban environments and precious buildings under threat, not only from bombs but from the effects of 'progress' and development. The result was a collection of more than 1500 watercolours of which 49 are on display in this exhibition.

Now held by the Victoria and Albert Museum, Recording Britain featured many beautiful watercolours by prolific artists such as John Piper, Kenneth Rowntree and Barbara Jones along with a number of lesser-known contributors. By focusing on quiet corners and local scenes, Recording Britain took us off the beaten track of iconic British landmarks and postcard images.



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#### Visitor Comments

*Gear certainly challenged the Eastbourne establishment and in so doing has left a legacy for the town to enjoy. We still need people like him!*

*It's a wonderful collection of prints and William Gear clearly had a great eye for the striking, the unusual and contributed much to the Towner collection.*

*Great exhibition! Particularly good to see prints given 'equal billing'. Lovely selection of artists and methods.*

*Delightful proper old-fashioned abstract art, timid and titanic, you can feel the boundaries they were trying to push.*

*'Stunning'. We are fortunate to have such an exciting collection of challenging works thanks to Gear. So glad I visited my home town.*

*Amazing and vibrant exhibition. The work first shown in 1960s is still pulsing with energy – so contemporary and relevant today. The level of skill in these artists' work is immense. How lucky we are Gear was brave enough to keep going in the face of opposition. These works are life enriching. A moving, thought provoking and uplifting exhibition, pushing the boundaries within our minds.*

*Diverse, fascinating, sensitively presented. Thank you, Towner!*

*Excellent exhibition. Lovely to see so many of William's great work. Worth the trip!*

*Fearless painting!!! I'm inspired. Brilliant Towner!*

*Stunning work which I have never seen before. How is that possible? If I were perfectly confident I could get away with it, I would leave the gallery with Winter Landscape (1955) under my arm.*

*Totally of its time and of ours. A fabulous exhibition for all tastes and ages. I leave inspired and impressed. Great choice for Towner.*

*Deserves a major role in British Abstract Art. From all accounts an indefatigable fighter for modern art in a benighted post war Britain. Hooray! Wonderful exhibition. Thanks!*

*Loved looking through the wall to see work that the text is referring to, then to look back the other way to see the figurative work on the doors. Really clever curation, an exciting journey of the man's work, and was chuffed to stand back, take it all in and think ... Eastbourne, this exhibition looks world class. Well done.*

*Saw it with a group of young children whose reactions were very interesting. They loved it, so did I!*

*Greatly enjoyed bringing my six month son here and whispering stories in his ear about each beautiful picture – he was rapt and left smiling. Lovely exhibition for us both.*

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*I've never seen photographs seem so much like paintings. Their eerie allure is wonderful and unnerving at the same time. Really lovely exhibition.*

*'The photographs were a breath of fresh air. Really enjoyed the exhibition- thanks*

*First visit to the Towner, very impressive...Light, airy and although on several levels, all were easily accessible for visitors with mobility problems. The place was alive and buzzing with people of all ages.*

*The gallery itself is a wonderful building and the coffee shop a pleasure to visit. We thoroughly enjoyed the exhibition of photographs when we were there - not our usual choice of exhibition but we spent hours there. Amazing!*

*A fantastic gallery in the arts area of Eastbourne, right next to the two main theatres. We often pop in here while in town as there is always something interesting on display and there is a great coffee shop with excellent cake!*

*I loved the old Towner up in Gildredge park, was not happy about the move, went expecting to hate it... but loved it! So much more space, and a much wider spread of work, light and airy and with a good 'hands on' room that always seems to be open if you want to have a play, staff are always enthusiastic as well.*

*Eastbourne is very much 'a cut above' most of the other Sussex seaside resorts and the Towner Gallery will help to keep it that way. This gallery was almost our primary reason for staying there once more. It is a beautiful new building that presents seasons of exhibitions and also holds many glorious and permanent treasures.*

*Some truly amazing artworks on display complemented by Towner's own collection of work. The curators rightly deserve praise for another great exhibition, thoughtfully and imaginatively displayed. Towner is a gem in Eastbourne's crown.*

## **Supporting Regional Talent**

### **East Sussex Open**

East Sussex Open brings together the best artists and makers from across the East Sussex region – from Rye to Eastbourne to Brighton & Hove. With a record number of entries, this year's Open displayed original art work by 44 artists, from the traditional to the interactive and experimental.

The show exhibited a range of genres including photography, painting, jewelry, animation, film, ceramics and sculpture as well as collaborative pieces.

Each year, the artists who are chosen for ESO come from diverse backgrounds; professional, recent graduates, self-taught. The ages of the artists in the 2015 exhibition ranged from 23 to 78 years old.

All the works in the exhibition were for sale, with the artists receiving 65% of the sale price.

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Artists who have exhibited work in ESO have gone to be selected for the John Moore's Painting Prize, the Jerwood Drawing Prize 2013, the BFI Film Festival in the experimental film category and have been shortlisted for the Mark Tanner Sculpture Prize in 2013.

#### **Blue Monkey Network**

Our commitment to supporting and showcasing local talent extends to our partnership with the Blue Monkey Network (BMN), the artist's network for the South East region. The network focuses on professional development and networking, with monthly meetings held at Towner. Future plans include offering residencies to BMN and inviting the network to curate an exhibition from the collection, offering them professional guidance and mentoring.

#### **Objective**

*To ensure our collection is accessible to all audiences, both physically and through online platforms, and to secure significant new works.*

#### **Achievements**

Towner houses an internationally renowned Collection of around 4,500 works which is best known for its modern British art – including the broadest and most significant body of work by Eric Ravilious (1903-1942).

We are also known for our emerging collection of international contemporary art, which grew from 2007-2012 thanks to Art Fund International and Contemporary Art Society.

The Towner Collection began in 1920 with Alderman John Chisholm Towner's bequest of 22 paintings to the people of Eastbourne. The bequest included Victorian paintings of landscapes, animals and children by popular artists of the day – including Henry Dawson, Thomas Sydney Cooper and William Strutt.

At first, the Collection grew through acquisitions of Sussex landscape paintings "in order to provide the visitor with a complete review of this beautiful county".

The collecting policy was then extended to allow pictures by Sussex artists regardless of subject matter. It was later widened again to include paintings by non-Sussex artists.

The abstract painter William Gear (1915 – 1997) was curator of the Towner Art Gallery in the 1950s and 60s. During this time, he acquired abstract works by his contemporaries, as well as some of his own work for the collection.

The Contemporary Art Society Special Collections Scheme helped a number of works enter the Towner Collection in the 1990s. In 2007, Towner was awarded £1 million from Art Fund International for the purchase of international contemporary art.

From 1920 through to the present day, generous individuals, collectors and artists, as well as the Friends of the Towner, have donated works to the Towner Collection.

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Our collection store is located in the heart of the building, allowing for regular public tours. We pride ourselves on the accessibility of our collection and, as part of our schools membership scheme, regularly loan works to schools.

We hold the largest number of works by Eric Ravilious who keeps growing in popularity and profile. We know that audiences travel from across the country to see these works and have been left disappointed that only a few are on show. In September 2014, we opened a dedicated gallery for Ravilious, ensuring public access to his work and strengthening our audience appeal.

We continue to acquire new work for the collection. In 2015/16 we acquired eighteen artworks, all of which were gifted by either the artists or their estates.

We are delighted to be the first partners, along with the Whitworth in Manchester, in the Art Fund's Moving Image Fund, enabling us to further develop our collection of contemporary moving image works.

#### Objective

***To be a nucleus for education, participation and life-long learning and for people to realise and assert their own creative potential.***

Our Annual Schools Exhibition emerged from dialogue with teachers five years ago and has grown to one of the largest professional exhibitions of school age students' work held in the UK, working in 2015 with over 50 schools from across the region and beyond and exhibiting 1500 children and young peoples' works. The schools which participated in the project include primary, junior, secondary, academies, community colleges, special needs schools and pupil referral units, with the age of the children and young people ranging from 4 to 19. Many of the children and young people who take part have never visited a gallery before and the exhibition brings new families to Towner.

Working in partnership with the South Downs National Park, Towner and Worthing Museum and Art Gallery, West Sussex and the Flora Twort Gallery Petersfield, Hampshire, the project drew on the rich resources of the national park and local museums and galleries.

This year's theme for the exhibition was *Our Place: Celebrating the built heritage of the South Downs* and invited school children to look at the built heritage of the South Downs – whether ancient or modern, domestic or industrial, places of worship or commemoration.

#### Visitor Feedback

*A fantastic and inspiring exhibition by all the creative and talented children in this area – well done to you all for sending us home with a great big SMILE on our faces*

*An amazing exhibition, very creative and imaginative. Wonderful to see children's work so well represented.*

*Gives us hope! What wonderful imaginative work and what a great opportunity for the students to really look at their surroundings, analyse, synthesise – it's so easy to take things for granted with so many distractions... This is the most interesting and stimulating exhibition I've seen at Towner. How lucky for the students to be working with truly outstanding art teachers.*

*I was impressed by the level of imaginative thinking and the creativity.*

*A wonderful event to include the community and inspire children and adults alike.*

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Other highlights of our learning programme included:

*School tours* – over 100 school groups visited Towner for bespoke tours of the collection and exhibitions.

*Workshops* – bookable, curriculum-led year round programme

*School Membership* – an annual demand-led package for clusters of schools including collection loans, workshops, tours, teachers' CPD and associated resources

*Teachers at Towner* - CPD Programme, curriculum-driven training days in-school and in-gallery, networking and advocacy events, online, in-gallery and in-school resources, CPD delivery partnerships with academies and Training Schools Clusters

*Generate* – weekly youth club offering bespoke career development programme for those aged 13-19 years, overseeing a peer-driven website, fanzine and social media presence

*Towner Family Workshops* – Activity workshops for families delivered every week during school holidays throughout the year

*Tiny Towner* - Held every Tuesday, these specially designed early years sessions remain free and open for all under 5s and their parents/carers during both holidays and term times

*Towner Family Weekend drop-in sessions* – Free in-gallery sessions

*Artists' and Curators' talks and in- conversations*

*Adult workshops*

Partnership working has been a priority in 2015/16 as we look to widen our networks and work more closely with our community. In 2014, as part of an Eastbourne partnership, we secured funding from the Coastal Communities Fund to help regenerate the Devonshire Ward, one of the most deprived wards in East Sussex. Towner received over £100,000 to lead on a developing a cultural offer in the Ward through increased marketing and high quality artist led community events, creating employment at Towner and for local artists.

In summer 2015, we delivered a unique art trail from Eastbourne's Devonshire ward to Towner. Participants from Age Concern, Bourne Primary School's Kangaroo class, Eastbourne Blind Society, Eastbourne Mencap and YMCA Eastbourne and Wealden – all based in the Devonshire Ward – worked with professional artists Sheridan Quigley and Silke Savran to design images for pavement stickers inspired by William Gear, which led from Eastbourne train station and Sea Houses Square to Towner.

The Coastal Communities Funding also funding the Coastal Culture Trail, a marketing and audience development initiative promoting Towner, De la Warr Pavilion in Bexhill and Jerwood Gallery in Hastings. The aims of the project was to raise awareness nationally of the East Sussex coastline as a cultural and tourism destination and included extensive poster campaigns at London train stations, national advertising, media campaigns and business networking events.

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#### **Objective**

*To increase our engagement with marginalised groups and ensure our learning programme continues to be held up as a model of best practice in our sector.*

#### **Achievements**

Towner's commitment to key target audience groups defines our learning offer. Our marginalised audiences approach has been recognised as a national model of excellence through our leadership role in securing Local Authority Beacon Status for EBC. We provide access for individuals and groups who would often otherwise never find a route into a gallery, enabling mental sufferers, dementia sufferers, young people excluded from mainstream education and disabled young people to have bespoke supported routes into our programmes.

#### **Pathways**

Towner is commissioned by East Sussex County Council to provide students who have been excluded from mainstream education creative activities across a wide range of art forms including graffiti, print making, photography, animation, music and lyrics, dance, sculpture, installation and much more. This develops new skills and exposes students to new experiences to build confidence and encourage engagement in education and community.

During the term time workshops, students gathered evidence of their participation in various art forms describing and evaluated their learning through video, audio, photographic and written documentation, providing evidence for their Arts Awards.

#### **Open Ended**

Open Ended is a special initiative for people with memory problems and their carers. More of a conversation through art than a formal tour, each session provides an opportunity for the participants to explore artwork from Towner's collection, supported by specially trained gallery staff.

Feedback from participants:

'I've learnt to look at art with my mind not just my eyes.'

'When I became unwell I thought my life was over but this has reawakened my interest in art.'

#### **Arts in Mind**

Since 2009, Towner Art Gallery have been supporting the creative practice of a group within the community that have been living with mental health conditions. Arts in Mind, are now an established group of artists and makers meeting regularly at Towner Art Gallery.

Weekly studio sessions provide a non-judgemental environment for members to explore new art skills and develop confidence in their art practice. Arts in Mind is a community of interest; a space for experiencing how art can be calming and absorbing, exhilarating and boundary defying, giving respite to the mind and enabling new channels for communication.

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In February and March 2016, we presented an exhibition of work by AIM participants which brought together a range of art practices spanning photography, sculpture, painting, collage, printing and drawing.

The show was curated by Dawn Monk, a former member of Arts in Mind and who is currently studying BA (Hons) Fine Art and Contemporary Practice.

#### Feedback from participants:

*A very emotional experience. I never dreamt my work would ever be displayed for the public to see. A huge thank you to Towner.*

*It was the highlight of my year and a real high point in my life to be in the exhibition.*

*Something to be proud of and to have an achievement for a change. Thank you so much for the opportunity.*

*The group was my rock through many ups and downs. I finished my two year foundation which was an amazing achievement that I don't think would have happened without AIM. Through small steps, big changes have happened.*

#### Financial Review

On the 1 July 2014, Towner moved away from Eastbourne Borough Council to become an independent charitable trust, with broadcaster David Dimbleby as Chair and trustees including Henry Wyndham (Chair of Sotheby's) and Dinah Casson (architect). Whilst other galleries have broken free of the Local Authorities in the past, Towner's transition took place against a backdrop of the global economic recession and cuts to public investment. Towner moved to Trust with no reserves and additional costs, including a new post (Finance Manager) and irrecoverable VAT and through stringent financial control and an exceptional philanthropic gift, achieved an unrestricted surplus of £124,589, with designated and restricted funds of £190,439 in 2014/15.

2015/16 shows a full twelve months of trading; the 2014/15 accounts covered July (when Towner became a Trust) to March 2015. It was another strong year with Towner achieving unrestricted surplus of £165,782. Unrestricted reserves now stand at £290,371, representing 22% of unrestricted funds.

Total incoming resources for the year amounted to £1,399,188, representing £1,318,739 in unrestricted funds and £80,449 in restricted funds. Resources expended amounted to £1,251,602, with £1,152,957 expended on unrestricted activities and £98,645 on restricted activities. The above movements resulted in net incoming resources for the year of £147,586.

The trading subsidiary generated a profit of £102,238 through retail, hire income and café franchise income which has been gift aided to the Charity.

The Balance Sheet shows heritage assets comprising of purchased and donated artworks which have been capitalised at the appropriate cost of purchase or assessed market value if donated. The Acquisitions and Disposals Policy does not allow for any artworks to be sold or donated.

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### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

#### Reserves Policy

Towner became a charitable trust in July 2014 with no working or capital reserves. The Trustees had hoped that the transfer would include both but, in the economic climate, this wasn't achievable. The biggest risk identified on the Risk Register was the lack of reserves against the backdrop of public funding cuts, so it is critical to build reserves as quickly as possible.

The Trustees have set a Reserves Policy, which is a product of strategic planning, budgeting and risk management. The policy requires that the company's core activity, funded through the unrestricted reserve, could continue for six months during a period of unforeseen difficulty, which is in line with the Charities Commission recommendations. The unrestricted reserve totals £290,371 against the organisational ambition to develop an unrestricted reserve of £433,010 by 2018.

Establishing a six month operating reserve will support the organisation in trading through potential adversity and to take account of future commitments and lack of financial investment from key public funders. The level of reserves will be monitored and reviewed by the Trustees on an annual basis.

#### Plans for Future Periods

Towner's plans for the future are exciting and ambitious. As a new Trust, we need to ensure we continue to grow our reserves and strengthen our financial position to ensure the viability of the organisation. We believe that we need to be as ambitious as possible to maximise income opportunities, both commercial and fundraising, and increase audiences and visitor spend in the building. We also believe that we need to strike a balance in the programme between supporting emerging and mid career artists and established names, whilst bringing artists who should be better known to the public's attention.

In early 2016, we learnt that we had been successful in our funding application to Arts Council England for £450,000 to build an 88 seat cinema/auditorium in the ground floor gallery. We have also secured a significant donation from Eastbourne Arts Circle and work will commence in Autumn 2016. The aims of the new space are two fold; to increase commercial profit and to develop particular programme strands which target priority audiences.

We also learnt in January 2016 that we had been selected, through a competitive process, to be one of four national partners for the Arts Council Collection National Partners Programme. Celebrating the 70<sup>th</sup> anniversary of the Collection in 2016, the three year programme will see us presenting eight exhibitions from the collection, alongside a learning and engagement programme, to increase the public's knowledge and enjoyment of this valuable and acclaimed national asset.

#### Programme

- Deliver five exhibitions a year supporting emerging, mid career and established contemporary artists.
- Present three exhibitions from our collection and collaborate with other collection based galleries and museums to find points of connection.
- Contribute to the production of new works of art through commissions.
- Deliver offsite projects through the Driving Devonshire Forward initiative.
- Strengthen local community partnerships



## **TOWNER**

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

#### **Collection**

- Continue to bring major new acquisitions in to the collection
- Ensure the collection is accessible to audiences and secure funding to put the collection on line.
- Develop more touring partnerships for collection exhibitions
- Agree to all loan requests whenever practicable.
- Ensure the collection is maintained to a high standard and develop an ongoing conservation plan.

#### **Communications**

- Continue to raise local, national and international profile
- Increase local audiences, especially those who currently don't visit Towner, building on partnerships established through Driving Devonshire Forward
- Increase tourist visits through the promotion of the Coastal Culture trail

#### **Commercial and Fundraising**

- Maximise the potential of fundraising through the appointment of a dedicated Fundraiser.
- Relaunch the Membership scheme.
- Identify and develop new merchandise lines from the collection
- Look to supply galleries and museums with new collection merchandise.
- Invest more resources in marketing and managing venue hire.

#### **Operations**

- Continue to decrease energy consumption and increase environmental sustainability through 'Green Towner'.
- Develop structure and skills base of Front of House team and increase the number of volunteers.

#### **Risk Management**

The Trustees have assessed the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the charity and its finances. The Trustees believe that effective systems and controls are in place to mitigate these risks by ensuring that effective controls exist over key financial systems and by examining the operational and business risks faced by the charity.

Towner has a comprehensive risk management programme in place which is designed to ensure that significant and emerging risks are identified, assessed and managed effectively. A Risk Register forms part of the Business Plan and is regularly appraised, reviewed and updated.

#### **Going Concern**

The principle financial risks facing the charity and its trading subsidiary are considered as part of the

## TOWNER

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016

overall approach to risk management, but include variation to visitor forecasts, changes to income from Eastbourne Borough Council and Arts Council England, unplanned expenditure and a challenging economic environment. The Trustees have reviewed the cash position of the charity and are satisfied that the charity will be able to meet all of its financial commitments.

The Trustees believe that the charity is well placed to manage its financial risks successfully and have a reasonable expectation that there are sufficient reserves for the operation to continue.

Accordingly the Trustees continue to adopt the going concern basis in preparing the financial statements.

### STATEMENT OF TRUSTEES RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

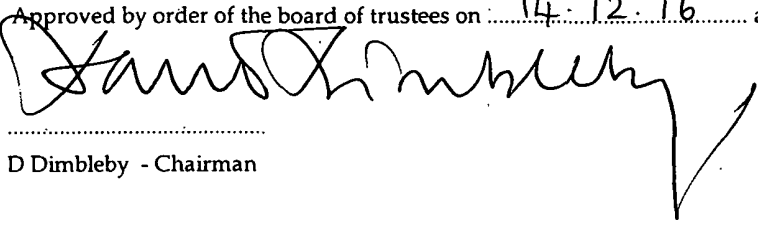
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's 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.

### AUDITORS

The auditors, OBC The Accountants Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 14.12.16 and signed on its behalf by:

  
D Dimbleby - Chairman

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF TOWNER**

We have audited the financial statements of Towner for the year ended 31 March 2016 on pages 19 to 29. 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 for Smaller Entities published on 16/07/14, the Financial Reporting Standard for Smaller Entities (effective January 2015).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members 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 Statement of Trustees Responsibilities set out on page 2, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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 Financial Reporting Council'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 Report of the Trustees 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 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 applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements, and has been prepared in accordance with applicable legal requirements.

The notes form part of these financial statements

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
TOWNER**

**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; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Andrew Hill FCA (Senior Statutory Auditor)  
for and on behalf of OBC The Accountants Ltd  
Chartered Accountants  
& Registered Auditors  
2 Upperton Gardens  
Eastbourne  
East Sussex  
BN21 2AH



Date: 19/12/2016

**TOWNER**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2016**

	Notes	Unrestricted funds £	Restricted fund £	2016 Total funds £	2015 Total funds £
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income	2	60,413	-	60,413	218,355
Activities for generating funds	3	263,233	-	263,233	160,290
<b>Incoming resources from charitable activities</b>					
Grants and funding	4	<u>995,093</u>	<u>80,449</u>	<u>1,075,542</u>	<u>858,069</u>
<b>Total incoming resources</b>		<b>1,318,739</b>	<b>80,449</b>	<b>1,399,188</b>	<b>1,236,714</b>
<b>RESOURCES EXPENDED</b>					
<b>Costs of generating funds</b>					
Fundraising trading: cost of goods sold and other costs	5	79,948	-	79,948	56,057
<b>Charitable activities</b>					
Charitable activities	6	1,024,462	98,645	1,123,107	834,432
<b>Governance costs</b>	8	29,648	-	29,648	14,323
<b>Other resources expended</b>		<u>18,899</u>	<u>-</u>	<u>18,899</u>	<u>16,874</u>
<b>Total resources expended</b>		<b>1,152,957</b>	<b>98,645</b>	<b>1,251,602</b>	<b>921,686</b>
<b>NET INCOMING RESOURCES</b>		<b>165,782</b>	<b>(18,196)</b>	<b>147,586</b>	<b>315,028</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>124,589</b>	<b>190,439</b>	<b>315,028</b>	<b>-</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b><u>290,371</u></b>	<b><u>172,243</u></b>	<b><u>462,614</u></b>	<b><u>315,028</u></b>

TOWNER

CONSOLIDATED BALANCE SHEET  
AT 31 MARCH 2016

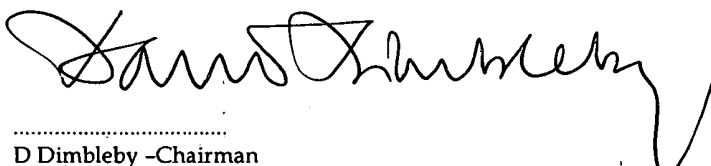
		Unrestricted funds	Restricted fund	2016 Total funds	2015 Total funds
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Heritage assets	12	119,405	-	119,405	78,955
<b>CURRENT ASSETS</b>					
Debtors	13	18,000	-	18,000	24,855
Stock	14	35,243	-	35,243	30,381
Cash at bank and in hand		<u>276,828</u>	<u>172,243</u>	<u>449,071</u>	<u>270,592</u>
		330,071	172,243	502,314	325,828
<b>CREDITORS</b>					
Amounts falling due within one year	15	(159,105)	-	(159,105)	(89,755)
<b>NET CURRENT ASSETS</b>		<u>170,966</u>	<u>172,243</u>	<u>343,209</u>	<u>236,073</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>290,371</u>	<u>172,243</u>	<u>462,614</u>	<u>315,028</u>
<b>NET ASSETS</b>		<u>290,371</u>	<u>172,243</u>	<u>462,614</u>	<u>315,028</u>

**FUNDS** 16

Unrestricted funds	290,371	124,589
Restricted funds	<u>172,243</u>	<u>190,439</u>
<b>TOTAL FUNDS</b>	<u>462,614</u>	<u>315,028</u>

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

The financial statements were approved by the Board of Trustees on 14.12.16 and were signed on its behalf by:



.....  
D Dimbleby -Chairman

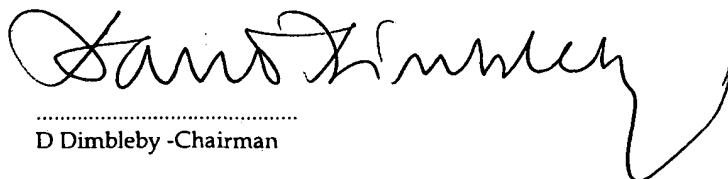
**TOWNER**

**CHARITY BALANCE SHEET  
AT 31 MARCH 2016**

		Unrestricted funds	Restricted fund	2016 Total funds	2015 Total funds
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Heritage assets	12	119,405	-	119,405	78,955
<b>CURRENT ASSETS</b>					
Debtors	13	221,416	-	221,416	118,657
Cash at bank and in hand		<u>94,304</u>	<u>172,243</u>	<u>266,547</u>	<u>192,919</u>
		315,720	172,243	487,963	311,576
<b>CREDITORS</b>					
Amounts falling due within one year	15	(144,754)	-	(144,754)	(75,503)
<b>NET CURRENT ASSETS</b>		<u>170,966</u>	<u>172,243</u>	<u>343,209</u>	<u>236,073</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>290,371</u>	<u>172,243</u>	<u>462,614</u>	<u>315,028</u>
<b>NET ASSETS</b>		<u>290,371</u>	<u>172,243</u>	<u>462,614</u>	<u>315,028</u>
<b>FUNDS</b>	16				
Unrestricted funds				290,371	124,589
Restricted funds				<u>172,243</u>	<u>190,439</u>
<b>TOTAL FUNDS</b>				<u>462,614</u>	<u>315,028</u>

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.....  
D Dimbleby -Chairman

## TOWNER

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

#### 1. ACCOUNTING POLICIES

##### **Accounting convention**

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 for Smaller Entities published on 16/07/14, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

##### **Basis of consolidation**

These financial statements include the results of the charity together with its wholly owned subsidiary undertaking Towner Enterprises Limited, whose financial year end is also 31 March and are consolidated (on a line by line basis). All inter-group transactions and balances are eliminated on consolidation. A separate statement of financial activities is not presented for the charity itself following exemptions afforded by Section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

##### **Incoming resources**

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

##### **Resources expended**

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

##### **Governance costs**

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs relating to statutory audit fees, together with any legal advice relating to governance, and an apportionment of overheads as deemed appropriate per note 8 to the accounts.

##### **Heritage assets: works of art - "the collection"**

The Trustees consider the works of art to be heritage assets as defined by the SORP and FRS 30. Works of Art consist of paintings, sculptures and prints acquired by purchase and or accepted to be accessioned into the Collection through donation and bequest.

Additions to the Collection acquired by purchase are recognised in the balance sheet at cost on an annual basis. All works accessioned into the Collection through donation or bequest are reported in the Balance Sheet at commercial value using recent transaction information from external sources as the basis of assessment.

In accordance with FRS 30 "Market Value" has been defined by the Trustees for this purpose as being the lower of the comparable assessed costs to acquire at auction, compared to that at an appropriate retail gallery. The artworks are deemed to have indeterminate lives and a high residual value, hence the Trustees do not consider it appropriate to charge depreciation.

Going forward, all items purchased for the Collection will continue initially to be recorded in the Balance Sheet at cost and the Trustees will, if considered appropriate, have them re-valued at any point in the future. Collection items acquired by donation or bequest will be recorded at current market value.

##### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.



## TOWNER

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 MARCH 2016

#### 1. ACCOUNTING POLICIES - continued

##### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

##### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

##### **Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

##### **Pension costs and other post-retirement benefits**

The charity operates a pension scheme providing defined 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. The most recent actuarial valuation carried out was in May 2016. The Admission Agreement entered into between East Sussex County Council and Eastbourne Borough Council and Towner dated 1 July 2014 are on the basis of a fully funded scheme. Eastbourne Borough Council also acts as a guarantor in relation to the scheme.

#### 2. VOLUNTARY INCOME

	Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
Donations	46,979	-	46,979	196,452
Gift aid	341	-	341	13,454
Subscriptions	13,093	-	13,093	8,449
	<u>60,413</u>	<u>-</u>	<u>60,413</u>	<u>218,355</u>

TOWNER

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2016

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
Events & exhibitions	41,735	-	41,735	38,916
Other income	<u>43,249</u>	<u>-</u>	<u>43,249</u>	<u>4,772</u>
	84,984	-	84,984	43,688
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Ancillary trading</b>				
Sales	146,290	-	146,290	97,886
Franchise income	9,710	-	9,710	1,942
Hire income	22,249	-	22,249	16,484
Other income	<u>-</u>	<u>-</u>	<u>-</u>	<u>290</u>
	<u>178,249</u>	<u>-</u>	<u>178,249</u>	<u>116,602</u>
	<u>263,233</u>	<u>-</u>	<u>263,233</u>	<u>160,290</u>

**Towner 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 Towner with the aim of gifting its taxable profits to the charity.

	2016 £	2015 £
Turnover	178,249	136,388
Total expenditure	<u>(76,011)</u>	<u>(47,928)</u>
Net profit for the year	102,238	88,460
Amount gift aided to the charity	<u>(102,238)</u>	<u>(88,460)</u>
Retained profit	-	-

The assets and liabilities of Towner Enterprises Limited were:

Assets	227,008	110,547
Liabilities	<u>(227,007)</u>	<u>(110,546)</u>
Funds	<u>1</u>	<u>1</u>

**TOWNER**

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

**4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	Activity	2016 £	2015 £
Grants	Grants and funding	<u>1,075,542</u>	<u>858,069</u>

Grants received, included in the above, are as follows:

	2016 £	2015 £
Secured funding EBC	613,880	433,435
Secured funds Arts Council	360,576	359,351
R & M Funding	1,300	500
Education funding	32,936	61,813
Film funding	1,139	2,970
Middlesex University funding towards productions	5,000	-
Eastbourne Arts Circle funding	5,000	-
Driving Devonshire Forward funding	<u>55,711</u>	<u>-</u>
	<u>1,075,542</u>	<u>858,069</u>

**5. FUNDRAISING TRADING: COST OF GOODS SOLD AND OTHER COSTS**

	Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
Fundraising fees	<u>79,948</u>	<u>-</u>	<u>79,948</u>	<u>56,057</u>

**6. CHARITABLE ACTIVITIES COSTS**

	Direct costs £	Support costs (See note 7) £	Totals £
Charitable activities	<u>1,120,180</u>	<u>2,927</u>	<u>1,123,107</u>

**7. SUPPORT COSTS**

	Finance £
Charitable activities	<u>2,927</u>

TOWNER

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2016

8. GOVERNANCE COSTS

	Unrestricted funds	Restricted funds	2016 Total funds	2015 Total funds
	£	£	£	£
Other operating leases	2,215	-	2,215	2,039
Licences and subscriptions	4,707	-	4,707	4,524
Legal fees	15,000	-	15,000	2,760
Auditors' remuneration	<u>7,726</u>	<u>-</u>	<u>7,726</u>	<u>5,000</u>
	<u>29,648</u>	<u>-</u>	<u>29,648</u>	<u>14,323</u>

9. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	2016	2015
	£	£
Auditors' remuneration	7,726	5,000
Other operating leases	<u>2,215</u>	<u>2,039</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2016 nor for the period ended 31 March 2015.

Trustees' expenses

No trustees received payment for any expenses in 2016. In 2015 Hilary Bauer (trustee) received £62 in expenses during the year.

**TOWNER**

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

**11. STAFF COSTS**

	2016 £	2015 £
Wages and salaries	461,450	361,089
Social security costs	29,933	23,100
Other pension costs	<u>49,669</u>	<u>45,752</u>
	<u>541,052</u>	<u>429,941</u>

The average monthly number of employees during the year was as follows:

	2016	2015
Full time staff	10	9
Part time staff	<u>30</u>	<u>26</u>
	<u>40</u>	<u>35</u>

The number of employees whose emoluments fell within the following bands was:

	2016	2015
£60,001 - £70,000	<u>1</u>	<u>1</u>

**12. HERITAGE ASSETS**

	Purchased £	Donated £	Total £
At 1 April 2015	30,000	48,955	78,955
Additions in period	<u>-</u>	<u>40,450</u>	<u>40,450</u>
At 31 March 2016	<u>30,000</u>	<u>89,405</u>	<u>119,405</u>

As at 31 March 2016, heritage assets comprising of purchased and donated artwork accessioned to the Collection has been capitalised at the appropriate cost of purchase or assessed market value if donated.

The Trustees believe that the current market value of the Collection is in excess of the value capitalised and thus no depreciation is provided.

**TOWNER**

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

**13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Charity	
	2016	2015	2016	2015
	£	£	£	£
Trade debtors	15,436	15,096	8,064	12,603
Owed by group undertaking	-	-	212,657	96,295
Other debtors	<u>2,564</u>	<u>9,759</u>	<u>695</u>	<u>9,759</u>
	<u>18,000</u>	<u>24,855</u>	<u>221,416</u>	<u>118,657</u>

**14. STOCK**

	Group		Charity	
	2016	2015	2016	2015
	£	£	£	£
Stock	<u>35,243</u>	<u>30,381</u>	<u>-</u>	<u>-</u>

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Charity	
	2016	2015	2016	2015
	£	£	£	£
Trade creditors	63,038	51,869	54,807	49,499
Taxation and social security	34,518	-	40,638	-
Other creditors	<u>61,549</u>	<u>37,886</u>	<u>49,309</u>	<u>26,004</u>
	<u>159,105</u>	<u>89,755</u>	<u>144,754</u>	<u>75,503</u>

**16. MOVEMENT IN FUNDS**

	At 1/4/15	Net movement in funds	At 31/3/16
	£	£	£
<b>Unrestricted funds</b>			
General fund	124,589	165,782	290,371
<b>Restricted funds</b>			
Artwork Partnership Investment	7,476	(2,039)	5,437
East Sussex County Council for Arts Break	3,380	(2,788)	592
Artwork for Connective Culture	3,572	(2,884)	688
Plus Tate for Arts Awards	2,675	(1,792)	883
South Downs National Park for Annual Schools	3,992	(4,091)	(99)
Family and young people (b/fwd from Eastbourne Borough Council)	19,840	-	19,840
East Sussex County Council for Pathways	7,832	2,874	10,706
Artwork for YOT Research	2,318	(612)	1,706
Fundraising donation	15,613	-	15,613
Fundraiser and database development	120,000	-	120,000
Eastbourne Arts Circle for Ravilious Room	3,741	(301)	3,440
Driving Devonshire Forward	-	(6,563)	(6,563)
<b>TOTAL FUNDS</b>	<u>315,028</u>	<u>147,586</u>	<u>462,614</u>

**TOWNER**

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

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,318,739	(1,152,957)	165,782
<b>Restricted funds</b>			
Artwork Partnership Investment	-	(2,039)	(2,039)
East Sussex County Council for Arts Break	-	(2,788)	(2,788)
Artwork for Connective Culture	-	(2,884)	(2,884)
Plus Tate for Arts Awards	1,226	(3,018)	(1,792)
South Downs National Park for Annual Schools	3,592	(7,683)	(4,091)
Family and young people (b/fwd from Eastbourne Borough Council)	-	-	-
East Sussex County Council for Pathways	19,920	(17,046)	2,874
Artwork for YOT Research	-	(612)	(612)
Fundraising donation	-	-	-
Fundraiser and database development	-	-	-
Eastbourne Arts Circle for Ravilious Room	-	(301)	(301)
Driving Devonshire Forward	55,711	(62,274)	(6,563)
<b>TOTAL FUNDS</b>	<u>1,399,188</u>	<u>(1,251,602)</u>	<u>147,586</u>

**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.

TOWNER

DETAILED CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2016

	Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
<b>INCOMING RESOURCES</b>				
<b>Voluntary income</b>				
Donations	46,979	-	46,979	196,452
Gift aid	341	-	341	13,454
Subscriptions	<u>13,093</u>	<u>-</u>	<u>13,093</u>	<u>8,449</u>
	60,413	-	60,413	218,355
<b>Activities for generating funds</b>				
Events & exhibitions	41,735	-	41,735	38,916
Other income	43,249	-	43,249	4,772
Ancillary trading income	<u>178,249</u>	<u>-</u>	<u>178,249</u>	<u>116,602</u>
	263,233	-	263,233	160,290
<b>Incoming resources from charitable activities</b>				
Grants	<u>995,093</u>	<u>80,449</u>	<u>1,075,542</u>	<u>858,069</u>
<b>Total incoming resources</b>	<b>1,318,739</b>	<b>80,449</b>	<b>1,399,188</b>	<b>1,236,714</b>
<b>RESOURCES EXPENDED</b>				
<b>Fundraising trading: cost of goods sold and other costs</b>				
Fundraising fees	79,948	-	79,948	56,057
<b>Charitable activities</b>				
Wages	461,450	-	461,450	361,089
Social security	29,933	-	29,933	23,100
Pensions	49,669	-	49,669	45,752
Rates and water	42,835	-	42,835	32,524
Insurance	17,804	-	17,804	16,992
Light and heat	74,065	-	74,065	55,866
Telephone	3,902	-	3,902	4,524
Postage and stationery	8,179	-	8,179	9,189
Advertising	36,766	-	36,766	23,857
Sundries	833	-	833	136
Education project expenditure	19,146	36,371	55,517	17,618
Exhibition and event costs	175,922	-	175,922	153,854
Film funding expenditure	2,835	-	2,835	1,126
Travel and subsistence	11,104	-	11,104	11,352
Staff recruitment and training	20,959	-	20,959	2,962
Staff welfare	655	-	655	<u>1,117</u>
Carried forward	<u>956,057</u>	<u>36,371</u>	<u>992,428</u>	<u>761,058</u>

This page does not form part of the statutory financial statements



**TOWNER**

**DETAILED CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2016**

	Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
<b>Charitable activities</b>				
Brought forward	956,057	36,371	992,428	761,058
Driving Devonshire Forward expenditure	-	62,274	62,274	-
Repairs and renewals	<u>65,478</u>	<u>-</u>	<u>65,478</u>	<u>71,857</u>
	1,021,535	98,645	1,120,180	832,915
<b>Governance costs</b>				
Other operating leases	2,215	-	2,215	2,039
Licences and subscriptions	4,707	-	4,707	4,524
Legal fees	15,000	-	15,000	2,760
Auditors' remuneration	<u>7,726</u>	<u>-</u>	<u>7,726</u>	<u>5,000</u>
	29,648	-	29,648	14,323
<b>Other resources expended</b>				
Irrecoverable VAT	18,899	-	18,899	16,874
<b>Support costs</b>				
Finance				
Bank charges	<u>2,927</u>	<u>-</u>	<u>2,927</u>	<u>1,517</u>
<b>Total resources expended</b>	1,152,957	98,645	1,251,602	921,686
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net income</b>	<u>165,782</u>	<u>(18,196)</u>	<u>147,586</u>	<u>315,028</u>

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