

Company registered number 1692928
Registered charity number 513682

The Pavilion

Financial Statements

for the year ended 31st March 2012

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The Pavilion

Report of the Management Committee for the year ended 31st March 2012

The Management Committee presents its report and unaudited financial statements for the year ended 31st March 2012

Reference and Administrative Information

Charity name	The Pavilion
Charity Registration Number	513682
Company Registration Number	1692928
Registered Office	Room 2 12 11-14 Blenheim Terrance Woodhouse Lane Leeds LS2 9JT

Management Committee

Judith Vivienne Blake	(resigned 03/11/2011)
Bryony Bond	(appointed 23/02/2012)
Pam Bone	
Kevin Emsley	
James Hill	(appointed 23/02/2012)
Lisa Le Feuvre	
Arabella Plouviez	(resigned 03/11/2011)
Simon Lewandowski	
Anthony Spira	

Company Secretary

Kevin Emsley

Principal staff

Gill Park Artistic Director

Independent Examiner

James Gore-Langton FCCA DChA
Slade & Cooper Limited
46-50 Oldham Street
Manchester
M4 1LE

Bankers

National Westminster Bank plc
8 Park Row
Leeds
LS1 1QS

The Pavilion

Report of the Management Committee for the year ended 31 March 2012

Structure, governance and management

Pavilion is managed by a voluntary Board of Directors, which meets quarterly. The organisation is run by a staff of three: the Director (full-time), the Programme Producer (part-time) and the Programme Producer, Interaction (full-time). The organisation employs a number of freelancers to deliver projects each year. It also employs a freelance Finance Administrator.

The Pavilion Handbook sets out a portfolio of company policy and procedure that relates to all areas of its operations.

Objectives and activities

Objects

The primary purpose of the charity is the furtherance of visual arts, and in particular photography, as an art form in theory and practice and promote public access, knowledge, appreciation and understanding thereof, for the benefit of the public.

Mission statement

Pavilion collaborates with artists and audiences to produce exceptional new works of art, using photography and other media.

Pavilion works to

- 1 Commission and produce new photographic and other work of the highest quality
- 2 Curate exhibitions of commissioned and other new work in partnership with museums, galleries and alternative platforms on a national level
- 3 Produce opportunities for audiences to engage with, contribute to and benefit from the work that Pavilion produces through a curated programme of participation, education and outreach
- 4 Promote a wider understanding of and engagement with contemporary photographic and digital artwork by contributing to and facilitating critical debate
- 5 Support contemporary practitioners as creative professionals by providing professional and creative development opportunities
- 6 Sustain Pavilion and its work

Vision

For Pavilion to produce ground-breaking new work that informs, inspires and transforms lives.

Activities undertaken for public benefit in relation to objects

Pavilion exists for the benefit of the public. It produces new art and exhibitions that are accessible and that offer audiences and communities experiences, new ideas and perspectives that are challenging, engaging and life-enhancing. Pavilion also curates outreach projects which work to the specific needs of disadvantaged young people. In planning the activities of the charity, the trustees have regard for the guidance on public benefit issued by the Charity Commission.

Achievements and performance

In the year 1112, Pavilion brought to fruition two major research-led commissions with Lucy Skaer and Aurelien Froment that furthered Pavilion's aim of bringing internationally acclaimed artists to Leeds and Yorkshire. Lucy Skaer produced *Film for an abandoned projector*, a film work that explored the relationship between illusion and reality through 'imagining the subconscious' of a pair of abandoned locally made projectors. The work involved the temporary restoration of the disused but much-loved Lync Picture House in Armley, a disadvantaged community in Inner-West Leeds. This work was successfully embedded within the community, drawing a strong local as well as national audience. The Lync Heritage Project, supported by the Heritage Lottery Fund, connected new audiences with heritage and contemporary visual art through a set of workshops, visits, tours and talks. Radio 4 *Front Row* reviewed the exhibition. *Film for an abandoned projector* has since been shown at The Sculpture Centre and Murray Guy (New York) and Tulips & Roses (Belgium).

The Pavilion
Report of the Management Committee
for the year ended 31 March 2012

Aurelien Froment's *9 Intervals* was a series of nine short films that took the position of the seated cinema spectator as its starting point to explore the conditions of viewing, looking at issues of posture, design, ergonomics and chair manufacture. The film involved a number of local participants in its production including workers from a Yorkshire chair factory, Leeds-based school children, a local yoga teacher and a cinema audience. The work was innovative and interventionary in its presentation, with one short film shown each week before the week's main feature at the Hyde Park Picture House. In this way the work met with approximately 6000 viewers, many of whom would not usually access the visual arts. The work has since been screened at Art Basel and will tour in autumn 2012 to the Institute of Contemporary Arts and Tyneside Cinema.

Work also began on two commissions: one, a collaborative commission by Beatrice Gibson and Celine Condorelli and the other by French artist Mathieu Abonnenc. The two films will come to fruition in autumn 2012.

A series of public events took place in relation to the commissions including with Bryony Fer, Nancy Roth and Griselda Pollock. Additionally, Pavilion was commissioned by The Hepworth Wakefield to produce three artist events held at The Hepworth in autumn 2012. Participating artists were Lucy Skaer, Stephen Sutcliffe and Mircea Cantor. This commission was a strong endorsement of Pavilion's critically-engaged, contemporary art events which will be further developed in 2013. Pavilion added a podcasts page to the website as a way of archiving and further distributing the events.

The Leeds Art Walk continued to run successfully with three additional artist-led walks programmed as part of Light Night. Pavilion received a second European Social Fund grant via the Humber Learning Consortium to run a mentoring programme for 20 unemployed young people throughout the year. Schools and community talks, tours and events took place in relation to the two commissions. The first-time support of the Heritage Lottery Fund was a great achievement for Pavilion's interaction programme.

Organisational Development

Pavilion renewed its governance and staff structure (three new trustees were appointed this year). Pavilion further developed its international strategy with major artist collaborations, a new portfolio of international funders and international partnerships (e.g. Le Credac, Paris). This strategy is being further developed in 2012/13.

Pavilion's renewed business plan included a transition to an autumn focused programme (from October 2012) and a new office move to the University of Leeds who are supporting the organisation through the provision of space.

Financial Review

Pavilion has maintained a resilient financial position, having succeeded in attracting £148,056 including £67,463 of restricted funds and £80,593 of unrestricted funds. Total expenditure was £167,246. Pavilion continues to consolidate its financial position by diversifying its income streams. In 2012 this included income from international sources and two major private donations of approx £5000 each, a direct result of working with internationally outstanding artists.

Reserves Policy

From July 06/07 Pavilion's policy is to achieve an unrestricted running costs 'reserve' of 3 months of running costs, including all staff costs minus project spend money which at rate of the average turnover of £150,000 is c. £30,000. Pavilion commenced the 06/07 year with unrestricted, unallocated funds, 'reserves' of £11,223. At the end of 2012 the 'reserves' are approximately £20,000.

Risk Management

The Pavilion Board has considered the major risks to which the charity is exposed, in particular those relating to operations and finance. The Board is satisfied that systems are in place to mitigate the charity's exposure to those risks.

The Pavilion Handbook sets out a portfolio of company policy and procedure that relates to all areas of its operations.

The Pavillion
Report of the Management Committee
for the year ended 31 March 2012

Statement of Management Committee responsibilities

The Management Committee is responsible for preparing the Report of the Management Committee and the financial statements in accordance with applicable law and regulations

Company law requires the Management Committee to prepare financial statements for each financial year. Under that law the Management Committee has elected to prepare the financial statements in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities). Under company law the Management Committee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the income and expenditure of the charitable company for that period. In preparing these financial statements the Management Committee is required to

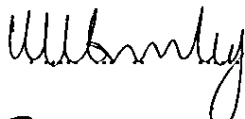
- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material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

The Management Committee is responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose at any time the financial position of the charitable company and to enable it 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 taking reasonable steps for the prevention and detection of fraud and other irregularities.

Members of the Management Committee, who are directors for the purposes of company law, and trustees for the purposes of charity law, who served during the year and up to the date of this report are set out on page 1.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) and in accordance with the provisions applicable to companies subject to the small companies' regime of the Companies Act 2006.

Approved by the Management Committee and signed on its behalf by



Kevin Emsley (Company secretary)

29.11.12

Date

Independent Examiner's Report to the Trustees of The Pavilion

I report on the accounts of the company for the year ended 31 March 2012 which are set out on pages 7 to 16

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

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

- examine the accounts under section 145 of the 2011 Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act, and
- to state whether particular matters have come to my attention

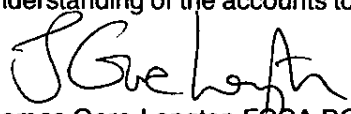
Basis of Independent examiner's report

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

Independent examiner's statement

In the course of my examination, no matter has come to my attention

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


James Gore-Langton FCCA DChA
Slade & Cooper Ltd
Chartered Certified Accountants
46-50 Oldham Street
Manchester M4 1LE

11/12/12 Date

The Pavilion
Statement of Financial Activities
(Including Income and Expenditure account)
for the year ended 31 March 2012

	Note	Unrestricted funds £	Restricted funds £	2012 £	2011 £
Incoming resources	2				
Grants		76,191	67,463	143,654	121,569
Fees and other income		4,357	-	4,357	2,014
Bank interest		45	-	45	52
Total Incoming resources		80,593	67,463	148,056	123,635
Resources expended					
Charitable activities	3	38,139	127,529	165,668	125,785
Governance costs		1,578	-	1,578	1,415
Total resources expended		39,717	127,529	167,246	127,200
Net incoming/(outgoing) resources for the year	5	40,876	(60,066)	(19,190)	(3,565)
Transfer between funds		-	-	-	-
Net movement in funds		40,876	(60,066)	(19,190)	(3,565)
Funds at 31 March 2011		28,800	68,367	97,167	100,732
Funds at 31 March 2012		£ 69,676	£ 8,301	£ 77,977	£ 97,167

All of the charity's operations are classed as continuing

Movements on reserves and all recognised surpluses or deficits are shown above

**The Pavilion
Company no. 1692928**

**Balance Sheet
as at 31 March 2012**

	Note	2012	2011
		£	£
Fixed assets			
Tangible assets	8	365	547
Current assets			
Debtors	9	6,870	776
Cash at bank and in hand		78,252	102,276
		<u>85,122</u>	<u>103,052</u>
Creditors: amounts falling due in less than one year	10	(7,510)	(6,432)
		<u></u>	<u></u>
Net current assets		77,612	96,620
		<u></u>	<u></u>
Total assets less current liabilities		<u>£ 77,977</u>	<u>£ 97,167</u>
		<u></u>	<u></u>
Reserves			
Unrestricted funds		69,676	28,800
Restricted funds	11	8,301	68,367
		<u></u>	<u></u>
		<u>£ 77,977</u>	<u>£ 97,167</u>
		<u></u>	<u></u>

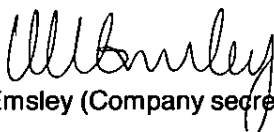
For the year in question, the company was entitled to exemption from an audit under section 477 of the Companies Act 2006 relating to small companies

Directors' responsibilities

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime (of the Companies Act 2006)

Approved by the Management Committee and signed on their behalf by


Kevin Emsley (Company secretary)

29.11.12

Date

The Pavilion
Notes to the accounts
for the year ended 31 March 2012

1 Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. They have been applied consistently during the year, and in the preceding year.

a Basis of preparation

The financial statements have been prepared under the historic cost convention and in accordance with the Companies Act 2006, the Statement of Recommended Practice - Accounting and Reporting by Charities (issued in March 2005) and the Financial Reporting Standard for Smaller Entities (effective April 2008).

b Fund accounting

- Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- Designated funds are unrestricted funds earmarked by the Management Committee for particular purposes.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

c Incoming resources

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

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Investment income is included when receivable.
- Incoming resources from charitable trading activity are accounted for when earned.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

d Resources expended

Expenditure is recognised on an accrual basis when a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is included as part of the expenditure to which it relates.

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both the direct costs and support costs relating to such activities.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include its audit fees and costs linked to the strategic management of the charity.

The Pavilion
Notes to the accounts
for the year ended 31 March 2012

1 Accounting policies (continued)

e Operating leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remains with the lessor, are charged to the Statement of Financial Activities in the year in which they fall due

f Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation. Individual items costing less than £500 are not capitalised.

Tangible fixed assets are depreciated on a straight line basis over their estimated useful lives as follows

Asset Category	Annual rate
Office equipment	25%

g Stocks

Stocks of goods for resale are valued at the lower of cost or net realisable value

h Cash flow statement

The charity has taken advantage of the exemption in Financial Reporting Standard 1 from preparing a Cash Flow Statement on the grounds that it is a small entity

The Pavilion

Notes to the accounts for the year ended 31 March 2012

2 Incoming resources

	Unrestricted £	Annual Programme £	Interaction £	Total 2012 £	Total 2011 £
Grants					
Arts Council of England - core grant	48,852	9,800	-	58,652	52,472
Arts Council of England - project grants	-	-	-	-	39,200
Leeds City Council	14,064	9,064	950	24,078	15,423
Irish Arts Council	-	24,314	-	24,314	-
National Lottery Heritage Fund	-	7,500	-	7,500	-
Humberside Learning Consortium	-	-	2,661	2,661	6,036
KeepMoat Fund	-	-	-	-	1,168
West Yorkshire Grants	-	-	4,420	4,420	4,320
LUX	-	4,338	-	4,338	-
Le Credac	-	3,416	-	3,416	-
Elephant Trust	-	1,000	-	1,000	-
Goethe Institute	-	-	-	-	2,450
The Co-op Bank	-	-	-	-	500
Donations	9,547	-	-	9,547	-
Gift-in-kind	3,728	-	-	3,728	-
	<u>76,191</u>	<u>59,432</u>	<u>8,031</u>	<u>143,654</u>	<u>121,569</u>
Fees and other income					
Earned income	4,175	-	-	4,175	1,087
Miscellaneous	182	-	-	182	927
	<u>4,357</u>	<u>-</u>	<u>-</u>	<u>4,357</u>	<u>2,014</u>
Interest received	45	-	-	45	52
Total incoming resources 2012	<u>£ 80,593</u>	<u>£ 59,432</u>	<u>£ 8,031</u>	<u>£ 148,056</u>	<u>£ 123,635</u>
Total incoming resources 2011	<u>£ 69,661</u>	<u>£ 12,324</u>	<u>£ -</u>	<u>£ 123,635</u>	

The Pavilion

**Notes to the accounts
for the year ended 31 March 2012 (continued)**

3 Resources expended

	Core £	Annual Programme £	Interaction £	Governance £	Total 2012 £	Total 2011 £
Staff costs	55,108	-	22,923	-	78,031	76,822
Premises costs	5,870	-	-	-	5,870	10,670
Administrative costs	5,788	306	312	1,578	7,984	7,394
Project costs	3,869	70,633	677	-	75,179	32,132
Depreciation	182	-	-	-	182	182
Total resources expended	£ 70,817	£ 70,939	£ 23,912	£ 1,578	£ 167,246	£ 127,200
Total resources expended 2011	£ 70,700	£ 31,569	£ 23,516	£ 1,415	£ 127,200	

The Pavilion
Notes to the accounts
for the year ended 31 March 2012 (continued)

4 Corporation tax

The charity is exempt from tax on income and gains falling within S505 of the Income & Corporation Taxes Act 1988 (ICTA 1998) or S256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

5 Net incoming/(outgoing) resources

This is stated after charging/(crediting) the following

	2012 £	2011 £
Independent examiner's remuneration	1,400	1,400
Depreciation	182	182
	<hr/>	<hr/>
Independent examiner's remuneration comprised		
Independent examination	210	210
Accountancy	1,190	1,190
	<hr/>	<hr/>
	£ 1,400	£ 1,400
	<hr/>	<hr/>

6 Staff costs

Staff costs during the year were as follows

	2012 £	2011 £
Wages and salaries	69,482	67,082
Social security costs	6,154	6,073
Freelance fees	400	150
Training and development	1,995	3,675
	<hr/>	<hr/>
	£ 78,031	£ 76,980
	<hr/>	<hr/>

The average number of employees during the year calculated on the basis of full-time equivalents was as follows

Artistic director	1.0	1.0
Administration	0.3	0.3
Interaction	0.5	0.5
Project managers	0.7	0.7
	<hr/>	<hr/>
Total	2.5	2.5
	<hr/>	<hr/>

The number of employees earning over £60,000 per annum excluding pension contributions was nil (2011: nil)

The Pavilion
Notes to the accounts
for the year ended 31 March 2012 (continued)

7 Management committee's remuneration and expenses and related parties

Neither the members of the management committee nor any persons connected with them received any remuneration during the year

Two members of the management committee received travel and subsistence expenses during the year of £198 (2011 £248)

No member of the management committee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year (2011 nil)

Judith Blake, the former Chair of the Management Committee, has a senior position in Leeds City Council, one of the regular funders of the charity. Grants from the Council are detailed in note 2

8 Fixed assets, tangible assets

	Office equipment £
Cost	
At 1 April 2011	13,630
Additions	-
Disposals	(4,461)
	<hr/>
At 31 March 2012	£ 9,169
Depreciation	
At 1 April 2011	13,083
Charge for the year	182
Disposals	(4,461)
	<hr/>
At 31 March 2012	£ 8,804
Net book value	
At 31 March 2012	£ 365
	<hr/>
At 31 March 2011	£ 547
	<hr/>

9 Debtors

	2012 £	2011 £
Trade debtors	29	211
Other debtors	6,309	57
Prepayments	532	508
	<hr/>	<hr/>
	£ 6,870	£ 776
	<hr/>	<hr/>

The Pavilion
Notes to the accounts
for the year ended 31 March 2012 (continued)

10 Creditors: amounts falling due in less than one year

	2012 £	2011 £
Taxation & social security	1,427	1,763
Trade creditors	1,212	1,463
Accruals	4,871	3,206
	<u>£ 7,510</u>	<u>£ 6,432</u>

11 Restricted funds

	As at 1 April 2011 £	Incoming resources £	Outgoing resources £	Transfers £	As at 31 March 2012 £
Interaction	8,300	8,031	(13,670)	-	2,661
Sustain	60,067	59,432	(113,859)	-	5,640
	<u>£ 68,367</u>	<u>£ 67,463</u>	<u>£ (127,529)</u>	<u>£ -</u>	<u>£ 8,301</u>

Restricted funds represent monies to be used for the following specific purposes
Pavilion's interaction work is participatory work with young people, audiences and artists
Sustain is a grant awarded by Arts Council England, designed to Sustain organisations in the challenging current financial context

12 Analysis of net assets between funds

Fund balances at 31 March 2012 are represented by	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	365	-	365
Net current assets	69,311	8,301	77,612
	<u>£ 69,676</u>	<u>£ 8,301</u>	<u>£ 77,977</u>

13 Lease commitments

The charity had no annual commitments under non-cancellable operating leases (2011 - nil)