

Registered Company No. 1692928
Registered Charity No. 513682

Pavilion

Accounts
for the year ended 31 March 1999



Pavilion

Legal and Administrative Details as at 31 March 1999

Status

A Registered Charity established as a Company Limited by Guarantee registered as a company on 20 January 1983. Registered as a charity on 6 April 1983.

Registered Company No: 1692928

Registered Charity No: 513682

Management Committee

Professor Gabriele Griffin
Kath Moonan
Yvonne Rose
Christine Scurrah - Whitton
Diane Shillito

Chair

Elected at the Annual General Meeting

Company Secretary

David Honeybone

Principal Staff

Susan Ball
Nicola Hutcheson

Artistic Director
Administrator

Registered Office

2 Woodhouse Square
Leeds LS3 1AD

Bankers

National Westminster Bank plc
8 Park Row
Leeds LS1 1QS

Auditors

Slade & Cooper
Accountants
Fourways House
57 Hilton Street
Manchester M1 2EJ

Pavillon
Report of the Management Committee

The members of the Management Committee submit their report and the audited accounts for the year ended 31 March 1999.

Objects of the charity

The primary purpose of the charity is the furtherance of visual arts and in particular photography as an art and the promotion of public knowledge and understanding thereof.

The advancement of the education of women through the provision of opportunities for undertaking and participating in commissions, exhibitions, training projects or activities connected with the visual arts and in particular photography and creative technologies as art.

Policies and organisation of the charity

Following amendments to its Charitable Objectives in January 1998 which enabled Pavilion to broaden its services and audience base, the company has made great strides in consolidating and delivering new organisational and programming objectives. Acknowledging that 1998/99 was to be an extraordinary year for Pavilion due to its high profile within the 'Year of Photography and Electronic Image', a number of initiatives were undertaken to inform and enhance Pavilion's ability to deliver to a high professional standard and to reach national audiences.

The key roles of Chair and Company Secretary of the Pavilion Board of Directors remain occupied by senior professionals within the academic and legal fields respectively and a Treasurer was appointed in May 1998 who is a Chartered Accountant working in public practice. A Board 'Induction and Development Day' gave Directors an opportunity to further their knowledge of Pavilion's programme, in addition to receiving presentations from the Company Secretary and from Sense Internet, an Internet design and marketing company contracted to deliver a 'hands-on' consultancy to Pavilion.

The Board gave approval to a range of new policies, which included a revised mission statement, objectives, a new 'Staff Terms and Conditions Handbook' and an Equal Opportunities audit report, produced by LEO (Leeds Equal Opportunities/Leeds TEC). In May 1998, the Board approved a new corporate image for Pavilion: the logo, strap-line, associated literature and signage were designed to offer a consistent brand for all marketing activities that reflected the enhanced artistic nature of the organisation. The format for Board reporting was reviewed and financial reports facilitated by moving the accounts onto a computerised system.

At Board level, the Directors acknowledge the advisory and championing role of a number of Steering or project teams that operate within Pavilion to enhance the delivery of individual projects. These include the Steering Group for the Switched On programme, which incorporates partner organisations across the city leading strategic initiatives in creative and public uses of Information and Communication Technology, such as The University of Leeds and Leeds City Council. Other project teams initiated to input and provide guidance to the Heart & Mind and the Leeds Fringe Photography Festival projects have consolidated close working relationships with a wide range of public and voluntary sector agencies.

To deliver the range and scale of the programme, Pavilion staffing structure incorporated the three core staff (Artistic Director, Finance Officer/Administrator and Marketing Assistant/PA) and four additional project-related short-term contracts, three of which had freelance status. A line-management and supervision framework was devised to enhance internal communication. Unfortunately, the Marketing Assistant/PA post was not renewed after the 12-month contract ended in February 1999 and the post remains unfilled.

Two consultancies were completed during this period: a Marketing Appraisal conducted by Hayton Associates and another by Sense Internet who worked with Pavilion to explore organisational and creative Internet applications.

Activities Review

The programme delivered and launched during 1998/99 was by far the most ambitious in Pavilion's 16-year history. It made physical a range of significant projects that had taken the previous twelve months to initiate and which marked the re-animation of Pavilion's artistic programme. It explored contemporary uses of photography and the digital media from a variety of angles and viewpoints, brought together interdisciplinary teams of creative professionals, identified and worked alongside a wide range of partners from the public, private and voluntary sectors, placed permanent (and temporary) works outside the gallery and engaged diverse audiences through exhibition and events.

Working through Photo 98, the agency delivering the Year of Photography and Electronic Image and their 'Public Sightings' programme, Pavilion launched the publicly sited following projects:

- **Heart & Mind:** a partnership with The Leeds Teaching Hospitals which explored issues of healthcare, location and audience as artists and architects were commissioned to produce new 'photographically originated' works for three sites (a major roof-garden, a car park banner and the link corridor) in the new Jubilee Wing of the hospital and publicly launched in October 1998. An extensive education programme ran in parallel to that of the hospital and primary schools children explored similar themes to those facing the artists within the hospital setting. Through an artist-in-residency, each of the five participating schools created new permanent artworks for their school environment.
- **The Future Looms:** an Internet based exhibition that sought to explore declining technologies (identified through the textile industries) and the new technologies (digital communication). Two artists and a writer were commissioned and worked extensively with an Internet design company, producing digital 'threads' weaving narratives that explored both theoretical and the social-economic realities of shifting technologies. The project focused on the West Yorkshire town of Batley and used extensive archive and oral history material. The work was released onto the Internet in three phases with a launch in January 99 in Leeds as part of the Yorkshire HUB programme of events. The major prize for Internet artworks at the Transmedie (Media) Festival in Berlin was awarded to the commissioned artist Alicia Felberbaum for her contribution to The Future Looms.

Other projects profiled and partially funded through Photo 98 were:

- **Loiners: Portraits from Leeds** by photographer Casey Orr. Casey's contemporary portraits of people of Leeds were placed within shop windows of the Victoria Quarter, an exclusive shopping arcade in the city. The 52 images were displayed in 35 shops and by their context, made comment on contemporary uses of 'ordinary' people within contemporary fashion photography.
- **The Leeds Fringe Photography Festival.** Pavilion took the lead role in delivering the 4-week Festival across the city centre, bringing together 121 photographers within 25 sites that included churches, bars and galleries. A series of 17 opening events created a wide and diverse audience for the event. An educational and interpretive programme was offered with Pavilion offering Internet workshops and portfolio sessions with commissioning editors from the national press.

Outside Photo 98, Pavilion was completing the Feasibility and Development Study for Switched On...In The Community, a programme that sought to develop long-term support enabling young people's creative access to Internet technologies. A citywide event at the West Yorkshire Playhouse attracted 120 young people and formed part of an extensive consultation programme with young people, community and strategic partners and national agencies. The findings underpinned the development of a four-year Business Plan for the substantive programme that was launched in December 1998. Successful fund-raising has secured funding for two posts and related project costs that will develop facilities, structured support and the development of an on-line community.

In reviewing the programme, two audience response surveys within the Heart and Mind programme and a market research exercise were undertaken to develop a critical feedback loop. The production of a CD-ROM catalogue with an accompanying revision of Pavilion's Internet presence will archive three of the publicly sited projects and offer opportunities for further promotion to target audiences.

Management Committee responsibilities

Company and charity law require the Management Committee to prepare financial statements for the financial year to give a true and fair view of the affairs of the charity and of the incoming resources for the year and the application of resources of the charity for that period. In preparing those financial statements, the Management Committee are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue on that basis

The Management Committee are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to ensure that the financial statements comply with the Charities Act 1993. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities, as well as exercising proper financial controls.

Commentary on the financial statements

Pavilion's overall income continued to grow to £281,000 in 1998/99, compared to £176,000 in 1997/98 and £63,000 in 1996/97. This increase was due to income raised for the major projects identified in the 'Activities Review': Heart and Mind and The Future Looms (funded through Photo 98/National Lottery) and Switched On (funded through SRB Round 3 and Leeds TEC).

Pavilion's core revenue funding made up 18% of total project funds, compared to 72% in 1996/97, remaining at the same level for the last five years, £30,000 from Yorkshire Arts (formerly Yorkshire and Humberside Arts) and £13,200 from Leeds City Council.

Pavilion identified a contribution to overheads within each project, which brought an additional £28,500 to cover core running costs. This is identified within the accounts as 'reallocation of costs' within 'Outgoing Resources' (Note 3).

In October 1998, a paper was presented to the Directors that acknowledged the exceptional nature of the 1998/99 programme but identified a potential deficit situation of £21,000 at the end of the financial year: this was largely due to slippage on one of the major projects, caused by the host venue.

A number of strategies were proposed to alleviate the situation and to increase levels of core and earned revenue for forthcoming years. This was then acted upon and extensive programme development and related fund-raising undertaken.

Other measures taken to minimise core costs included the decision not to renew the contract for the Marketing Assistant/PA when it finished in February 1999, and a budget reduction of £17,000 (from £89,000 to £72,000) for 1999-2000, which reflected a decrease in activities following 1998 the Year of Photography, which presented an exceptional number and range of projects (see Activities Review).

Already measures taken have significantly reduced the final accumulated deficit on unrestricted funds, which at the year-end was £14,000. With core revenue funding for 1999-2000 confirmed at £44,100, at the end of the first quarter Pavilion has raised an additional £120,000 of grant income for projects, of which £22,000 has been identified as a contribution towards core costs. This constitutes approximately 61% of our total fundraising target for 1999-2000 of £36,000. On this basis, we are confident that we will be able to reduce our accumulated deficit by a minimum of £7,000 during this financial year, thus achieving our target of eliminating this deficit over a two-year period.

Directors

The members of the management committee during the period were as follows:

Casey Orr	resigned 19.5.98
Diane Shillito	
Ginny Scholey	resigned 19.5.98
Professor Gabriele Griffin	
Yvonne Rose	appointed 19.5.98
Kath Moonan	appointed 19.5.98
Christine Scurrah-Whitton	appointed 19.5.98
David Honeybone (Co. Sec)	appointed 19.5.98

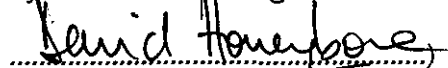
Company status

The company is limited by guarantee and all members have agreed to contribute a sum not exceeding £1 in the event of winding up. There were four members at the year end.

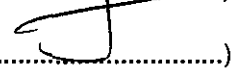
Auditors

A motion for the re-election of Slade & Cooper as auditors will be proposed at the Annual General Meeting.

By order of the Management Committee



David Honeybone (Company Secretary)

14.7.99 

Date

Auditor's report
to the members of Pavilion

We have audited the financial statements on pages 7 to 14 which have been prepared under the accounting policies set out on page 9.

Respective responsibilities of the Management Committee and auditors

As described above the Management Committee are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, base on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issue by the Auditing Practices Board.

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also included an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error.

In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 1999 and of its incoming resources and application of resources including its income and expenditure for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Slade & Cooper

Slade & Cooper
Accountants
Registered Auditors
Fourways House
57 Hilton Street
Manchester
M1 2EJ

10-8-99

Pavilion
Statement of Financial Activities and Income and Expenditure Account
for the year ended 31 March 1999

	Notes	Restricted funds	Unrestricted funds	1999 TOTAL	1998 TOTAL
		£	£	£	£
<u>INCOMING RESOURCES</u>					
Grants	2	236,886	43,200	280,086	178,586
Fees and other income		531	360	891	611
Bank Interest		-	<u>201</u>	<u>201</u>	<u>505</u>
<u>TOTAL INCOMING RESOURCES</u>		237,417	43,761	281,178	179,702
<u>RESOURCES USED</u>					
Direct Charitable Expenditure					
Heart and Mind		144,955	-	144,955	28,803
The Future Looms		54,449	-	54,449	15,973
Switched On		28,536	-	28,536	53,313
Leeds Fringe Photography Festival		12,000	-	12,000	5,586
Jenny Saville		2,228	-	2,228	
Loiners - Casey Orr		1,912	-	1,912	
Other projects		2,814	-	2,814	9,514
Support costs		-	<u>58,968</u>	<u>58,968</u>	<u>37,979</u>
		246,894	58,968	305,862	151,168
Other expenditure					
Management and Administration		-	1,031	1,031	1,790
Publicity and Advertising		8,546	3,311	11,857	2,449
TOTAL RESOURCES USED	3	255,440	63,310	318,750	155,407
NET INCOMING RESOURCES FOR THE YEAR		(18,023)	(19,549)	(37,572)	24,295
NET MOVEMENT IN FUNDS		(18,023)	(19,549)	(37,572)	24,295
Funds at 1 April 1998		<u>23,415</u>	<u>5,531</u>	<u>28,946</u>	<u>4,651</u>
<u>FUNDS CARRIES FORWARD</u>		<u>5,392</u>	<u>(14,018)</u>	<u>(8,626)</u>	<u>28,946</u>

All of the charity's operations are classed as continuing.
Movements on reserves and all recognised surpluses or deficits are shown above.

Pavilion
Balance Sheet
as at 31 March 1999

	Notes	1999 £	1998 £
FIXED ASSETS			
Tangible fixed assets	7	4,394	9,297
CURRENT ASSETS			
Debtors	8	20,895	15,582
Cash at Bank and in Hand		<u>1,412</u>	<u>12,636</u>
		<u>22,307</u>	<u>28,218</u>
CREDITORS			
Amounts falling due within one year	9	<u>35,327</u>	<u>8,569</u>
NET CURRENT ASSETS		<u>(13,020)</u>	<u>19,649</u>
TOTAL ASSETS LESS TOTAL LIABILITIES		<u>(8,626)</u>	<u>28,946</u>
RESERVES	10	<u>(8,626)</u>	<u>28,946</u>

.....*Deborah Whetton*.....)

.....*C SCURRAH WHITTON*.....)

Name

Members of the Management Committee

.....*[Signature]*.....)

.....*Y. ROSE*.....)

Name

.....*14.7.99*.....)

Date

Pavilion
Notes to the Accounts
for the year ended 31 March 1999

1. Accounting policies

- a) The financial statements have been prepared in accordance with applicable accounting standards and follow the recommendations in the Statement of Recommended Practice: Accounting for Charities (SORP).
- b) Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities in the year in which they are received.
- c) Revenue grants are shown in the Statement of Financial Activities in the year in which they are received.
- d) Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of management and support costs.
- e) Unrestricted funds are donations and other income received or generated for the charitable purposes.
- f) Staff costs and overhead expenses are allocated to activities either directly when identifiable or on the basis of staff time spent on those activities.
- g) Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its estimated useful life at the rates of:

Office equipment	33.33% straight line
Photographic equipment	50% straight line
- h) Management and administration costs of the charity related to the central costs of management including the costs of meetings, audit and statutory compliance.
- i) The company has taken advantage of the exemption under Financial Reporting Standard 1 from preparing a cash flow statement on the grounds that it is a small company.

Pavilion

Notes to the Accounts
for the year ended 31 March 1999

2. Incoming resources

	Unrestricted	Leeds Fringe Photography Festival	Switched On	Heart and Mind	The Future Looms	Loiners - Casey Orr	Other projects	Total 1999	Total 1998
	£	£	£	£	£	£	£	£	£
<u>Grants</u>									
Yorkshire Arts	30,000	2,000	-	-	-	500	-	32,500	34,480
Photo 98	-	-	-	-	-	2,000	1,000	3,000	3,000
National Lottery (through Photo 98)	-	5,000	-	120,933	50,515	-	-	176,448	59,732
Leeds City Council:									
Leeds Leisure Services	13,200	3,000	-	-	-	-	-	16,200	13,200
Single Regeneration Budget	-	-	17,320	-	-	-	-	17,320	53,634
Leeds Initiative	-	-	2,500	-	-	-	-	2,500	-
Artists in Schools	-	-	-	7,200	-	-	-	7,200	-
Leeds Training and Enterprise Council	-	-	12,019	-	-	-	250	12,269	-
Charities Aid Foundation	-	-	4,000	-	-	-	-	4,000	-
United Leeds Teaching Hospitals	-	-	-	8,549	-	-	-	8,549	-
Sundry Grants	-	-	-	-	100	-	-	100	10,040
<u>Total</u>	<u>43,200</u>	<u>10,000</u>	<u>35,839</u>	<u>136,682</u>	<u>50,615</u>	<u>2,500</u>	<u>1,250</u>	<u>280,086</u>	<u>178,586</u>
<u>Fees & other income</u>									
Facilities hire	-	-	-	-	-	-	-	-	541
Course fees	-	-	-	-	-	-	-	-	-
Sundry sales	360	40	-	-	-	-	491	891	70
<u>Total</u>	<u>360</u>	<u>40</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>491</u>	<u>891</u>	<u>611</u>
Bank interest	201	-	-	-	-	-	-	201	505

Pavilion
Notes to the Accounts
for the year ended 31 March 1999

3. Outgoing Resources

	Staff costs	Operating costs	Depreciation	Advertising & Publicity	Management & Administration	Reallocation of costs	Total 1999	Total 1998
	£	£	£	£	£	£	£	£
Heart and Mind	-	139,522	-	1,387	-	5,433	146,342	29,000
The Future Looms	-	50,888	-	1,265	-	3,561	55,714	15,973
Switched On	4,640	9,581	-	-	-	14,315	28,536	54,437
Leeds Fringe Photography Festival	2,394	4,993	-	5,306	-	4,613	17,306	6,714
Jenny Saville	-	2,228	-	-	-	-	2,228	1,947
Loiners - Casey Orr	-	1,457	-	588	-	456	2,500	2,208
Other projects	-	2,613	-	-	-	201	2,814	5,359
Support costs	<u>51,452</u>	<u>31,899</u>	<u>4,196</u>	<u>3,311</u>	<u>1,031</u>	<u>(28,579)</u>	<u>63,310</u>	<u>39,769</u>
Total	<u>58,486</u>	<u>243,180</u>	<u>4,196</u>	<u>11,857</u>	<u>1,031</u>	<u>:</u>	<u>318,750</u>	<u>155,407</u>
1998	<u>43,893</u>	<u>102,049</u>	<u>5,226</u>	<u>2,449</u>	<u>1,790</u>	<u>:</u>	<u>155,407</u>	<u>60,248</u>

4. Staff costs and numbers

	1999	1998
	£	£
Staff costs during the year were as follows:		
Salaries and wages	53,725	40,628
Social security costs	<u>5,043</u>	<u>3,265</u>
	<u>58,768</u>	<u>43,893</u>

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

Artistic Director	1	1
Administrator	1	2
Finance worker	-	1
Marketing Officer / PA to the Artistic Director	1	-
	3	4

The number of employees earning over £40,000 per annum excluding pension contributions was nil.

5. Taxation

The company is a registered charity and no provision has been made for taxation.

6. Net incoming resources

This is arrived at after charging the following:

	1999	1998
	£	£
Depreciation	4,196	5,226
Auditor's remuneration	1,031	1,058
Payments under operating lease	<u>421</u>	=
Commitments under operating lease		
0-1 years	899	-
2-5 years	=	=

7. Fixed Assets

	Office equipment	Photographic equipment	Total
	£	£	£
Cost brought forward	17,448	290	17,738
Additions	1,251	-	1,251
Disposals	<u>(2,937)</u>	:	<u>(2,937)</u>
Cost at 31 March 1999	<u>15,762</u>	<u>290</u>	<u>16,052</u>
Depreciation brought forward	8,151	290	8,441
Depreciation charge for the year	4,196	-	4,196
Depreciation on disposal	<u>(979)</u>	:	<u>(979)</u>
Depreciation at 31 March 1999	<u>11,368</u>	<u>290</u>	<u>11,658</u>
Net book value at 31 March 1999	<u>4,394</u>	:	<u>4,394</u>
Net book value at 31 March 1998	<u>9,297</u>	:	<u>9,297</u>

As part of the Indignet project the charity has been given the use of two computers with modems and access to the Internet. No value has been included in the accounts for this.

8. Debtors

	1999	1998
	£	£
<u>Debtors</u>		
Trade debtors	210	-
Prepayments	391	331
Grants receivable	<u>20,294</u>	<u>15,251</u>
	<u>20,895</u>	<u>15,582</u>

9. Creditors, amounts falling due within one year

	1999	1998
	£	£
<u>Creditors, amounts falling due within one year</u>		
Taxation and National Insurance	2,487	218
Sundry creditors and accruals	32,840	8,217
Bank loan	:	<u>134</u>
	<u>35,327</u>	<u>8,569</u>

10. Reserves

	Restricted Funds	Unrestricted funds	Total
	£	£	£
Balance brought forward	23,415	5,531	28,946
Net incoming / outgoing resources	<u>(18,023)</u>	<u>(19,549)</u>	<u>(37,572)</u>
	<u>5,392</u>	<u>(14,018)</u>	<u>(8,626)</u>

11. Restricted Funds

The restricted funds of the charity comprise the following unexpended balances of donations and grants held on trust to be applied for specific purposes.

	Balance @ 31.3.98	Income	Expenditure	Balance @ 31.3.99
	£	£	£	£
Heart and Mind	9,660	136,682	146,342	(0)
The Future Looms	5,099	50,615	55,714	(0)
Switched On	(803)	35,839	28,536	6,500
Leeds Fringe Photography Festival	7,266	10,040	17,306	-
Jenny Saville	1,120	-	2,228	(1,108)
Loiners - Casey Orr	-	2,500	2,500	-
Other projects	<u>1,073</u>	<u>1,741</u>	<u>2,814</u>	-
TOTAL	<u>23,415</u>	<u>237,417</u>	<u>255,440</u>	<u>5,392</u>

12. Analysis of net assets between funds

	1999			1998		
	Restricted funds	Unrestricted funds	Total funds	Restricted funds	Unrestricted funds	Total funds
	£	£	£	£	£	£
Fund balances at 31 March 1999 are represented by:						
Equipment	-	4,394	4,394	7,858	1,439	9,297
Current assets	22,307	-	22,307	16,287	11,931	28,218
Creditors: Amounts falling due within one year	<u>(16,915)</u>	<u>(18,412)</u>	<u>(35,327)</u>	<u>(730)</u>	<u>(7,839)</u>	<u>(8,569)</u>
Total net assets	<u>5,392</u>	<u>(14,018)</u>	<u>(8,626)</u>	<u>23,415</u>	<u>5,531</u>	<u>28,946</u>

13. Management committee remuneration and expenses

The management committee received no remuneration, their expenses for the year totalled £136 (1998 £100).