

RAGGED SCHOOL MUSEUM TRUST

(limited by guarantee)

STATEMENTS OF ACCOUNT

FOR THE YEAR ENDED

31 MARCH 2000

Company registered number: 2308621

Charity registered number: 800538



RAGGED SCHOOL MUSEUM TRUST

Status	Company limited by guarantee incorporated on 25 October 1988. Registered as charity in April 1983.
Trustees	D Barton M Bieber T Lewis J Moore E Porte G Rice R Wilden Brown
Auditors	Gotham Erskine Chartered Accountants 52-58 Tabernacle Street London EC2A 4NJ
Bankers	HSBC plc Canada Place Canary Wharf London E14 5AH
Registered Office	46-50 Copperfield Road Bow London E3 4RR
Company Secretary	R Wilden Brown
Objects of the charity	The object of the charity is for the provision of a museum and educational charity.
Governance	The day to day affairs of the Charity are managed by the Council of Management who are elected by the membership at the Annual General Meeting.

RAGGED SCHOOL MUSEUM TRUST

REPORT OF THE BOARD OF TRUSTEES

The Trustees present herewith their report, together with the audited financial statements of the Charity for the year ended 31 March 2000.

Results

The results for the year are shown on page 3.

Review of the activities

The principal activity of the Charity continued to be the provision of a museum and a range of relevant educational activities.

During the year temporary exhibitions included 'East End Threads' about the Rag Trade and a photographic exhibition 'A day in the Life of Tower Hamlets'. Following the renovation of part of the ground floor to 46 Copperfield Road the wheelchair accessible Millenium Exhibition, 'Tower Hamlets; A Journey through Time' opened in January 2000. Part of a display of the top floor gallery, 'Living in the East End' was opened for school use and a temporary exhibition 'Common Ground' was received a Gubenkian Award and an 'Interpret Britain Award'.

Following the additional publicity for the Millennium exhibition, extra openings for holiday activities and more time set aside for special needs and adult groups, the number of visitors rose to 21,339.

In response to this greater use, the hours of the community worker were increased, a part-time volunteer co-ordinator was appointed for a year and more unpaid volunteers recruited to supervise the new exhibition area. The Council of Management continued a review of its role and membership and a forward plan was developed for monitoring.

There was a decrease in unrestricted reserves of £41,063 largely as a result of expenditure on renovation works.

Future plans include further increasing the number of museum visitors, implementing a more developed fundraising strategy and developing the life-long learning content of the museum website.

Trustees of the Charity

The Trustees of the Charity in the period were:

D Barton	T Lewis	J Moore	M Bieber
R Wilden Brown	G Rice	E Porte	

The following resigned at the Annual General Meeting on 26 September 1999:

M Lesage	R Taylor	C Seymour	I Broadhead
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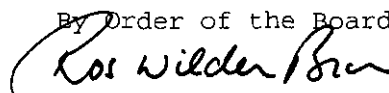
Year 2000

The Charity has not suffered any adverse effects from the year 2000 date change and the Trustees consider that none are now likely to occur.

Auditors

A resolution, under Section 384 of the Companies Act 1985, to reappoint Gotham Erskine as auditors will be put to the members at the Annual General Meeting.

By Order of the Board



R Wilden Brown - Secretary

Date 13th July 2000

REPORT OF THE AUDITORS TO THE MEMBERS OF

RAGGED SCHOOL MUSEUM TRUST

We have audited the financial statements on pages 3 to 9 which have been prepared under the historical cost convention and accounting policies set out on page 6.

Respective responsibilities of trustees and auditors.

As described on page 6, the Company's trustees are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based 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 issued 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 includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and 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 at 31 March 2000 and of its results for the year then ended and have been prepared in accordance with the Companies Act 1985.

Gotham Erskine

21 July 2000
52 -58 Tabernacle Steet
London EC2A 4NJ

Gotham Erskine
Chartered Accountants
Registered Auditor

RAGGED SCHOOL MUSEUM TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED
31 MARCH 2000**

	Note	Unrest- ricted Funds £	Rest- ricted Funds £	Total £	1999 £
INCOMING RESOURCES					
Grants and contracts for services					
from statutory bodies		30,576	10,295	40,871	35,262
Other grants & donations		14,179	132,371	146,550	93,710
Schools income		20,759	-	20,759	19,363
Workshop income		751	-	751	1,772
Membership subscriptions		1,512	-	1,512	1,680
Charitable trading income		25,732	-	25,732	25,057
Interest received		1,659	-	1,659	3,459
Other income		2,450	-	2,450	1,746
Grant received in advance		-	(3,299)	(3,299)	(29,175)
		<u>97,618</u>	<u>139,367</u>	<u>236,985</u>	<u>152,874</u>
RESOURCES EXPENDED					
Direct charitable expenditure	L				
Project costs		60,146	181,633	241,779	145,315
Charitable trading expenditure		17,697	-	17,697	13,898
Fundraising & publicity		3,644	2,150	5,794	3,003
Charity management & administration		3,349	-	3,349	2,207
Total resources expended		<u>84,836</u>	<u>183,783</u>	<u>268,619</u>	<u>164,423</u>
Net movement in funds		12,782	(44,416)	(31,634)	(11,549)
Prior year adjustment					
on freehold premises	N	-	-	-	(365,208)
		<u>12,782</u>	<u>(44,416)</u>	<u>(31,634)</u>	<u>(376,757)</u>
Transfer between funds		(53,845)	53,845	-	-
Fund balances at 1 April 1999		48,785	4,338	53,123	429,880
Fund balances at 31 March 2000		<u>7,722</u>	<u>13,767</u>	<u>£21,489</u>	<u>£53,123</u>

All the charity's operations are classified as continuing. Movements on reserves and all recognised gains and losses are shown above.

The notes on pages 6 to 9 are an integral part of these accounts.

RAGGED SCHOOL MUSEUM TRUST

BALANCE SHEET AS AT 31 MARCH 2000

	Notes	2000	1999
		£	£
FIXED ASSETS	Ad, F	9,041	6,124
CURRENT ASSETS			
Stock	Ag	5,180	9,523
Debtors (monies owed to the Trust)	G	9,499	718
Cash in hand and at bank		39,482	72,527
		<u>54,161</u>	<u>82,768</u>
LESS: CURRENT LIABILITIES			
(Amounts payable within a year)	H	41,713	35,769
NET CURRENT ASSETS		<u>12,448</u>	<u>46,999</u>
TOTAL NET ASSETS		<u>£21,489</u>	<u>£53,123</u>

Represented by:

RESTRICTED RESERVES	I	13,767	4,338
DESIGNATED RESERVE	J	-	45,000
UNRESTRICTED RESERVES			
General reserve			
Surplus brought forward as previously stated		3,785	13,890
Prior year adjustment	N	-	6,448
Transfer from/(to)			
Designated Reserve	J	45,000	(5,000)
Net (outflow) of funds		<u>(41,063)</u>	<u>(11,553)</u>
		<u>7,722</u>	<u>3,785</u>
		<u>£21,489</u>	<u>£53,123</u>

Approved by the Committee
on 12th July 2000 and
signed on their behalf by:

.....
B. Porte

.....
D. Barton

The notes on pages 6 to 9 are an integral part of these accounts.

RAGGED SCHOOL MUSEUM

**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED
31 MARCH 2000**

	Notes	2000 £	1999 £
TURNOVER	C	231,285	151,426
Employment expenses	E	(87,181)	(72,949)
Administrative Expenses	D	(181,438)	(91,474)
		<u>£ (37,334)</u>	<u>£ (12,997)</u>

The Income and Expenditure Account differs from the Statement of Financial Activities on page 3 because it excludes capital grants received. The reconciliation is as follows:

	£	£
Total Incoming resources per SOFA	236,985	152,874
Capital grant received	(5,700)	(1,448)
Total income as above	<u>£231,285</u>	<u>£151,426</u>

Total recognised gains and losses

The Company has no recognised gains and losses other than the surplus/(deficit) for the above two accounting periods.

The notes on pages 6 to 9 form an integral part of these financial statements.

RAGGED SCHOOL MUSEUM TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2000**

A. ACCOUNTING POLICIES

- (a) Basis of accounting
The financial statements are prepared in accordance with applicable accounting standards and follow the recommendations in Statement of Recommended Practice by charities.
- (b) Accounting conventions
The financial statements are prepared under the historical cost convention (that is not taking account of the effect of inflation on the value of the assets).
- (c) Restricted reserve
Restricted reserves 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 overheads.
- (d) Depreciation
Equipment is depreciated over the estimated useful life of the assets as follows: Equipment at 25% of depreciated cost
Renovations and improvements to buildings are allocated to revenue in the year of expenditure. Previously these were capitalised and depreciated (see note N).
- (e) Revenue grants
Revenue grants are credited to incoming resources on the earlier date of when they are received and when they are receivable.
- (f) Designated reserve
Designated reserves are unrestricted funds earmarked by the Committee for a particular purpose.
- (g) Stocks
Stocks of unsold merchandise in the shop and cafe are stated at the lower of cost and net realisable value.
- (h) Cash Statement
A cashflow statement has not been prepared as the Company is a small company as defined by s.247 of the Companies Act 1985.

B. STATEMENT OF TRUSTEES' RESPONSIBILITIES

Company legislation requires the Trustees to prepare the financial statements for each financial year which give a true and fair view of the state of the Company as at the end of the financial year and the income and expenditure of the Company for the year ended on that date. In preparing those financial statements, suitable accounting policies have been used, framed, to the best of the Trustees' knowledge and belief, by reference to reasonable and prudent judgements and estimates and applied consistently. Applicable accounting standards have been followed. The Trustees are also required to indicate where the financial statements are prepared other than on the basis that the Trust is a going concern.

The Trustees are responsible for ensuring that arrangements are made for keeping proper books of account with respect to the Trust's transactions and its assets and liabilities and for maintaining a satisfactory system of control over the Trust's books of account and transactions. The Trustees are also responsible for ensuring that arrangements are made to safeguard the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

C. INCOME

Income consists of grants, donations, and other income due for the year whether received in the year or outstanding at the year end and is charged to the appropriate SOFA heading according to whether its use is restricted or unrestricted.

RAGGED SCHOOL MUSEUM TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

D. NET OUTGOING RESOURCES FOR THE YEAR	2000	1999
This is stated after charging:	£	£
Auditors' remuneration	1,645	940
Auditors' fees for accountancy services	353	1,175
Depreciation	3,013	2,040
	<u> </u>	<u> </u>
E. STAFF COSTS	£	£
Salaries	81,600	67,603
Employers NIC	5,581	5,346
	<u> </u>	<u> </u>
	£87,181	£72,949
	<u> </u>	<u> </u>

The average number of staff members employed during the year was 4 full time and 6 part time. (1998-3,6).

The staff all worked on direct charitable activities with the exception of 10% of the administrator's salary being allocated to charity administration and 10% of the museum manager's salary being allocated to fundraising and publicity.

The Trustees did not receive any remuneration or expenses in the year.

F. FIXED ASSETS	Freehold Premises	Office Equipment	Displays	Total
Cost	£	£	£	£
Brought forward	1	20,767	4,078	24,846
Additions in year	-	854	5,076	5,930
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Carried forward	1	21,621	9,154	30,776
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Depreciation				
Brought forward	-	15,615	3,107	18,722
Charge for the year	-	1,501	1,512	3,013
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	-	17,116	4,619	21,735
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net Book Value				
at 31 March 2000	1	4,505	4,535	£9,041
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The freehold property was previously shown at its acquisition cost and improvements totalling £444,987 less amortisation of £79,778. There are two restrictive charges taken out in January and March 1986 by the Greater London Council and presumed to have been transferred to LB Tower Hamlets. These charges restrict the use of the building, and therefore the Trustees consider that under the Charity SORP it is a more appropriate policy to show the building at a nominal cost and to show improvements and renovations as revenue expenditure.

	2000	1999
G. DEBTORS	£	£
Prepayments & other debtors	1,771	718
Grants receivable	7,728	-
	<u> </u>	<u> </u>
	£9,499	£718
	<u> </u>	<u> </u>

RAGGED SCHOOL MUSEUM TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2000

	2000	1999
	£	£
H. CREDITORS		
Accruals & other creditors	9,239	6,594
Grants received in advance	32,474	29,175
	<u>£41,713</u>	<u>£35,769</u>

	1 April	Resources		31 Mar
	1999	Incoming	Expended	2000
	£	£	£	£
I. RESTRICTED RESERVES				
Fixed assets fund	4,338	5,700	(2,571)	7,467
Fundraising & publicity	-	8,450	(2,150)	6,300
Holiday activities	-	6,600	(6,600)	-
Renovation works	-	75,021	(75,021)	-
Other exhibitions	-	24,734	(24,734)	-
History club & events	-	2,343	(2,343)	-
Schools programme	-	26,438	(26,438)	-
Volunteer Co-ordinator	-	2,055	(2,055)	-
Development plan	-	14,264	(14,264)	-
Collection management	-	2,528	(2,528)	-
Community education	-	15,112	(15,112)	-
Special needs	-	4,275	(4,275)	-
	<u>4,338</u>	<u>187,520</u>	<u>(178,091)</u>	<u>£13,767</u>

The fixed assets fund reflects the undepreciated element of assets purchased with the direct assistance of grants.

All other reserves were for projects undertaken and completed in the year with the exception of the Fundraising reserve which is to be carried forward.

The reserves income includes transfers from unrestricted reserves where the grant received was insufficient to meet the related expenditure.

	2000	1999
	£	£
J. DESIGNATED RESERVES		
Reserve brought forward	45,000	40,000
Added in the year	-	5,000
Expended in the year	(45,000)	-
	<u>£-</u>	<u>£45,000</u>

The Trust had previously set aside funds for major renovation works to the museum. The works were completed in the year partly with the use of this reserve and partly by grants and donations specifically received.

RAGGED SCHOOL MUSEUM TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2000

K. ANALYSIS OF NET ASSETS BETWEEN FUNDS	Unrest- ricted Funds	Rest- ricted Funds	Total	1999
Represented by:	£	£	£	£
Tangible assets	1,574	7,467	9,041	6,124
Stock, Debtors & Cash	11,542	42,619	54,161	82,768
Current liabilities	(5,394)	36,319	(41,713)	(35,769)
	<u>7,722</u>	<u>13,767</u>	<u>£21,489</u>	<u>£53,123</u>

L. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staffing	Other	Deprec- iation	Total	March 1999
	£	£	£	£	£
Project costs	83,797	154,969	3,013	241,779	145,315
Charitable trading	-	17,697	-	17,697	13,898
Fundraising & publicity	1,680	4,114	-	5,794	3,003
Charity administration	1,704	1,645	-	3,349	2,207
	<u>87,181</u>	<u>178,425</u>	<u>3,013</u>	<u>£268,619</u>	<u>£164,423</u>

M. LONDON BOROUGH GRANTS

The Trust received £22,632 in the year from the London Borough Grants towards the funding of salaries and associated running expenses. The grant was properly expended on the purpose intended.

N. PRIOR YEAR ADJUSTMENT IN 1999	2000 £	1999 £
Restricted reserve		
Freehold building	-	(444,986)
Freehold depreciation	-	79,778
Prior year adjustment already included	-	18,599
Other transfer to unrestricted reserve	-	(25,047)
	<u>£-</u>	<u>£(371,656)</u>
Unrestricted reserve		
Transfers from Restricted reserve		£6,448
	<u>£-</u>	<u>£(365,208)</u>

The extraordinary item in the previous years related to changes in accounting policy for the treatment of the cost of the building. The building has in effect a nil market value because of the covenants over its use and this is now reflected in the financial statements.