

RAGGED SCHOOL MUSEUM TRUST

(limited by guarantee)

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2001**

Company Number: 2308621

Charity Number: 800538



RAGGED SCHOOL MUSEUM TRUST
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2001

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RAGGED SCHOOL MUSEUM TRUST

LEGAL AND ADMINISTRATION

Trustees:	D Barton T Lewis E Porte	M Bieber R Wilden Brown G Rice
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Secretary:	R Wilden Brown
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Registered Office:	46 - 50 Copperfield Road Bow London E3 4RR
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Accountants:	Gotham Erskine Friendly House 52 - 58 Tabernacle Street London EC2A 4NJ
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Bankers:	HSBC plc Canada Place Canary Wharf London E14 5AH
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Objects of the charity:	The object of the Charity is for the provision of a museum and related educational work.
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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.
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RAGGED SCHOOL MUSEUM TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST MARCH 2001

The Trustees of Ragged School Museum Trust present their report and the audited financial statements for the year ended 31st March 2001.

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. Due to the opening of two new galleries early in 2000, the temporary exhibition program was scaled down to allow visitors the opportunity to view these exhibitions to the full. The temporary exhibition on the successful DfEE pilot project, Kids' Museum Club, went on show both at the Museum and at the DfEE offices in London. A new temporary exhibition programme is planned to start in the summer of 2001.

Funding secured at the end of 2000 will enable the Museum to open on an additional six Sundays over the summer of 2001. New unpaid volunteers have been recruited to meet the Museum's growing staffing requirements. The number of current volunteers is 38 and recruitment of other volunteers is ongoing. The number of people who visited the Museum was 20,177. The Museum enhanced the schools programme by producing an educational pack linked to the oral history session of the programme. Following evaluation of the pack, further educational resources will be produced.

The website was reviewed and changes made to make it more user-friendly and accessible. Due to this and the regular updating of information, the 'hit' rate rose considerably as a result. A collaborative web project with two other London museums extended the Museum's internet presence and provided access to on-line educational resources.

The adult provision was reviewed and plans put in place to offer more activities to adult groups including guided talks, art workshops and programme of activities to celebrate national events such as Adult Learner's Week.

Holiday activities were increased both in number and range. Collaborative projects with national museums such as the Science Museum and the Tower of London increased the type of activity on offer to visitors.

The Council of Management continued its strategic overview of the Museum. A forward plan and strategic development plan were produced as a means of regularly updating progress and for reporting to the Council of Management. Future plans include widening provision for both adult and child visitors, increasing visitor numbers, providing more educational resources (both on-line and more traditional formats) and developing more in-house funding streams.

RESERVES POLICY

Charity trustees are required to set up reserves in order to protect the organisation from insolvency or serious financial disruption.

Income: At present the Trust depends for 5% of its income on grants which are committed for more than one year, 71% on grants which are decided annually and 24% on income from schools, donations, sales and memberships which are roughly constant.

Expenditure: At present 95% of the Trust's expenditure is spent on fixed costs needed to sustain the work of the Museum e.g. salaries, core costs and basic activities. Ideally, reserves should be 25% of annual expenditure on these fixed costs to ensure that payments can be made for three months should grant income drop suddenly and substantially plus an amount to replace fixed assets such as computers.

Restricted funds and the value of fixed assets do form part of the reserves covered by this policy.

TRUSTEES OF THE CHARITY

D Barton	M Bieber	
T Lewis	J Moore	resigned on 24 September 2000
E Porte	G Rice	
R Wilden Brown	T Fuller	24 Sep to 24 Oct 2000

RESULTS

The results of the year's operation are set out in the attached financial statements. The net movement in unrestricted funds for the year amounted to £26,792 (2000: £(41,063)). The retained unrestricted reserves at 31st March 2001 amount to £34,514.

RAGGED SCHOOL MUSEUM TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST MARCH 2001

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Board of Trustees are required by law to prepare financial statements for each financial year which give a true and fair view of the financial activities of the charity and of its financial position at the end of that year. In preparing those financial statements the Board of Trustees is required to:

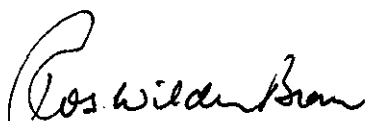
- * select suitable accounting policies and apply them consistently,
- * make judgements and estimates that are reasonable and prudent,
- * state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- * prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Board of Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The Charitable company's auditors, Gotham Erskine, have indicated their willingness to continue in office and offer themselves for re-appointment at the next Annual General Meeting.

This report was approved by the trustees on 26 June 2001 and signed on their behalf.



Ros Wilden Brown
Secretary

**AUDITORS REPORT TO THE MEMBERS OF
RAGGED SCHOOL MUSEUM TRUST**

We have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

Respective responsibilities of Trustees and auditors

As described on page 3, the Company's Board of Trustees are responsible for the preparation of the 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 judgments made by directors 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 assurances 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 charitable company's affairs as at 31st March 2001 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.



**Gotham Erskine
Registered Auditors**

10 August 2001

**Friendly House
52 - 58 Tabernacle Street
London EC2A 4NJ**

RAGGED SCHOOL MUSEUM TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2001

	Note	Unrestricted Funds £	Restricted Funds £	Total 2001 £	Total 2000 £
Incoming resources					
Non-statutory Grants		18,039	82,204	100,243	146,550
Statutory Grants		25,117	25,043	50,160	40,871
Bank Interest		2,447	-	2,447	1,659
Other Charitable Income		22,794	1,633	24,427	25,472
Charitable Trading Income		23,064	-	23,064	25,732
		<u>91,461</u>	<u>108,880</u>	<u>200,341</u>	<u>240,284</u>
Deferred grant		-	7,533	7,533	(3,299)
Total incoming resources		<u>91,461</u>	<u>116,413</u>	<u>207,874</u>	<u>236,985</u>
Resources expended					
	5				
Direct charitable expenditure:					
Project costs		43,943	106,007	149,950	241,779
Charitable trading expenditure		12,735	-	12,735	17,697
		<u>56,678</u>	<u>106,007</u>	<u>162,685</u>	<u>259,476</u>
Other expenditure:					
Fundraising & publicity		1,906	11,800	13,706	5,794
Charity management & administration		3,594	-	3,594	3,349
		<u>5,500</u>	<u>11,800</u>	<u>17,300</u>	<u>9,143</u>
Total resources expended		<u>62,178</u>	<u>117,807</u>	<u>179,985</u>	<u>268,619</u>
Net outgoing resources before transfers		<u>29,283</u>	<u>(1,394)</u>	<u>27,889</u>	<u>(31,634)</u>
Transfers between funds		(2,491)	2,491	-	-
Net movement in funds	2	<u>26,792</u>	<u>1,097</u>	<u>27,889</u>	<u>(31,634)</u>
Fund balances brought forward at 1st April 2000		7,722	13,767	21,489	53,123
Fund balances carried forward at 31st March 2001		<u>£ 34,514</u>	<u>£ 14,864</u>	<u>£ 49,378</u>	<u>£ 21,489</u>

* All transactions are derived from continuing activities.

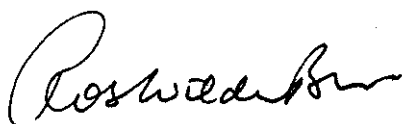
* All recognised gains and losses are included in the Statement of Financial Activities.

RAGGED SCHOOL MUSEUM TRUST
BALANCE SHEET
AT 31ST MARCH 2001

	Note	£	2001	£	£	2000	£
FIXED ASSETS							
Tangible assets	6			16,864			9,041
CURRENT ASSETS							
Stocks			4,839			5,180	
Debtors	7		5,434			9,499	
Cash at bank and in hand			51,924			39,482	
			<u>62,197</u>			<u>54,161</u>	
CREDITORS: amounts falling due within one year	8		29,683			41,713	
NET CURRENT ASSETS				32,514			12,448
NET ASSETS				<u>£ 49,378</u>		<u>£ 21,489</u>	
FUNDS							
Restricted funds:	9			14,864			13,767
Designated funds	10			2,500			-
General funds							
Bought forward			7,722			3,785	
Net inflow of funds			29,283			(41,063)	
Transfer (to) restricted fund			(2,491)			45,000	
Transfer (to) designated reserve			(2,500)			-	
			<u></u>	32,014		<u></u>	7,722
				<u>£ 49,378</u>		<u>£ 21,489</u>	

Approved by the Board of Trustees on 26 June

2001 signed on their behalf by:



Ros Wilden Brown



Dave Barton

RAGGED SCHOOL MUSEUM TRUST
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2001

	Note	2001 £	2000 £
TURNOVER	1	195,523	231,285
Employment expenses	3	(102,581)	(87,181)
Administrative expenses		(77,404)	(181,438)
		<u>£ 15,538</u>	<u>£ (37,334)</u>

The Income and Expenditure Account differs from the Statement of Financial Activities on page 5 because it excludes capital grants received. The reconciliation is as follows:

	£	£
Total incoming resources per SOFA	207,874	236,985
Capital grant received	(12,351)	(5,700)
Total income as above	<u>£ 195,523</u>	<u>£ 231,285</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.

RAGGED SCHOOL MUSEUM TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2001

1 ACCOUNTING POLICIES

Basis of preparation of financial statements

The financial statements are prepared under the historical cost basis as modified by the revaluation of certain fixed assets and include the results of the charity's operations which are described in the Directors' and Trustees' Report and all of which are continuing.

The accounts have been prepared in accordance with the Statement of Recommended Practice for charity accounts.

The charity has taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cashflow statement.

Fund Accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Trustees in furtherance of the general charitable objectives.

Designated funds are amounts that have been set aside at the discretion of the Trustees.

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.

Incoming resources

Incoming resources represents the total income receivable during the year comprising grants, donations and other income, and is charged to the appropriate SOFA according to whether its use is restricted or unrestricted.

Freehold property

There are two restrictive charges over the Freehold property taken out in January and March 1986 by the Great London Council and presumed to have been transferred to LB Tower Hamlets. These charges restrict the use of the building, and therefore the building is shown at a nominal cost and improvements and renovations incurred as revenue expenditure.

Depreciation

Depreciation is calculated to write off the cost of fixed assets over their estimated useful lives using the following rates:

Office Equipment	- 25% on cost
Displays	- 25% on cost

Renovations and improvements to buildings are allocated to revenue in the year of expenditure. Previously these were capitalised and depreciated.

Revenue grants

Revenue grants are credited to incoming resources on the earlier date of when they are received and when they are receivable.

Stocks

Stocks of unsold merchandise in the shop and cafe are stated at the lower of cost and net realisable value.

RAGGED SCHOOL MUSEUM TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2001

2. NET MOVEMENT IN FUNDS

	2001	2000
	£	£
The net movement in funds is stated after charging:		
Depreciation	5,637	3,013
Auditors remuneration - Statutory audit	1,880	1,645
Auditors remuneration - Accountancy	-	353

3. EMPLOYEES AND STAFF COSTS

	2001	2000
	£	£
Staff costs were as follows:		
Salaries and wages	94,989	81,600
National insurance	7,592	5,581
	£ 102,581	£ 87,181

The average number of staff members employed during the year was 5 full time and 6 part time. (2000: 4,6)
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.

4. EXECUTIVE COMMITTEE' REMUNERATION AND REIMBURSED EXPENSES

No Trustee received remuneration for their services during the year.

No Trustee received any reimbursed expenses during the year (2000: £-).

5. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff Costs	Other	Depreciation	Total
	£	£	£	£
Direct Charitable expenditure				
Project costs	98,961	45,352	5,637	149,950
Charitable trading expenditure	-	12,735	-	12,735
	98,961	58,087	5,637	162,685
Other expenditure:				
Fundraising & publicity	1,906	11,800	-	13,706
Charity management & administration	1,714	1,880	-	3,594
	£ 102,581	£ 71,767	£ 5,637	£ 179,985

RAGGED SCHOOL MUSEUM TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2001

6. TANGIBLE ASSETS

	Freehold Premises £	Office Equipment £	Displays £	Total £
Cost				
1st April 2000	1	21,622	9,154	30,777
Additions	-	13,507	-	13,507
Disposals	-	(480)	-	(480)
31st March 2001	1	34,649	9,154	43,804
Depreciation				
1st April 2000	-	17,117	4,619	21,736
Charge for the year	-	4,503	1,134	5,637
Disposals	-	(433)	-	(433)
31st March 2001	-	21,187	5,753	26,940
Net Book Value				
31st March 2001	£ 1	£ 13,462	£ 3,401	£ 16,864
31st March 2000	£ 1	£ 4,505	£ 4,535	£ 9,041

7. DEBTORS

	2001 £	2000 £
Fees receivable	954	1,771
Revenue grant due	4,480	7,728
	£ 5,434	£ 9,499

8. CREDITORS: amounts falling due within one year

	2001 £	2000 £
Grant received in advance	24,941	32,474
Sundry creditors	500	675
Accruals and deferred income	4,242	8,564
	£ 29,683	£ 41,713

RAGGED SCHOOL MUSEUM TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2001

9. RESTRICTED FUNDS

	Balance at 1st April 2000	Incoming resources	Expenditure	Transfers	Balance at 31st March 2001
	£	£	£	£	£
Fixed assets fund	7,467	12,351	(4,954)	-	14,864
Fundraising & publicity	6,300	-	(11,800)	5,500	-
Schools programme	-	32,028	(32,028)	-	-
Summer activities	-	6,800	(6,800)	-	-
Other holiday activities	-	8,426	(8,426)	-	-
Community education	-	27,672	(27,672)	-	-
Special needs	-	6,470	(6,470)	-	-
Events - History Club	-	1,789	(1,789)	-	-
Exhibitions	-	7,333	(7,333)	-	-
Collection management	-	237	(237)	-	-
Volunteer co-ordinator	-	6,165	(6,165)	-	-
Building work	-	2,500	(2,500)	-	-
Feasibility study	-	3,009	-	(3,009)	-
IT project	-	1,633	(1,633)	-	-
	<u>13,767</u>	<u>116,413</u>	<u>(117,807)</u>	<u>2,491</u>	<u>14,864</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 in the year.
The feasibility study income was late income received towards the deficit incurred on a report completed in 1999/00.

10. DESIGNATED FUNDS

	Balance at 1st April 2000	New designations	Utilised/ realised	Balance at 31st March 2001
	£	£	£	£
Staffing fund	-	2,500	-	2,500
	<u>-</u>	<u>2,500</u>	<u>-</u>	<u>2,500</u>

The Trustees have transferred £2,500 into a Designated Reserve as an initial contributions towards a Staffing fund.
The purpose of this fund is to meet any unexpected statutory liabilities that may arise which are not currently eligible for support from funders.

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Tangible assets	2,000	14,864	16,864
Current assets	37,256	24,941	62,197
Current liabilities	(4,742)	(24,941)	(29,683)
Total Net Assets	<u>£ 34,514</u>	<u>£ 14,864</u>	<u>£ 49,378</u>

12. SHARE CAPITAL

Ragged School Museum Trust is a company limited by guarantee and has no share capital. The liability of each member is limited to £1 per member.

RAGGED SCHOOL MUSEUM TRUST
DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2001

	2001		2000	
	£	£	£	£
INCOMING RESOURCES				
Non-statutory Grants				
Esmee Fairbairn Charitable Trust	18,500		16,400	
The Monument Trust	5,000		24,302	
Vivian Duffield Foundation	-		20,000	
Morgan Stanley International Foundation	10,000		5,100	
Heritage Lottery Fund	818		24,390	
Spitalfields Market Community Trust	-		18,230	
John Lewis Partnership	750		500	
Barnardos	-		1,400	
English Heritage	9		4,991	
Equitable Charitable Trust	4,220		4,220	
Parmiter's Bethnal Green Educational Fund	-		1,000	
Tower Hill Improvement Trust	-		1,000	
Warburg Dillon Reed	-		2,438	
Carnegie United Kingdom Trust	1,220		7,000	
Transco	2,500		-	
Star Foundation Trust	5,475		-	
Mercers' company	3,500		-	
J Paul Getty Jr Charitable Trust	1,000		-	
Lloyds TSB Foundation	3,000		-	
News International plc	3,455		500	
Aldgate & Allhallows Barking Exhibition Foundation	1,500		-	
John Perryn's (Goldsmith)	1,000		-	
Drapers' Company	5,500		-	
Marks & Spencer	2,000		-	
Charities Aid Foundation	-		6,300	
British Waterways	2,500		-	
Anonymous	15,000		-	
London Transport Museum	1,500		-	
Sundry donations	10,379		8,179	
Other	1,417		600	
		100,243		146,550
Statutory Grants				
London Borough of Tower Hamlets - Mainstream	5,500		7,408	
London Borough of Tower Hamlets - Youth	1,000		1,000	
South Eastern Museums Service	3,687		1,887	
London Boroughs Grants	16,974		22,632	
LB of Tower Hamlets - Service Level agreement	8,823		7,944	
Department for Education & Employment	5,850		-	
LB of Tower Hamlets Ocean New Deal	4,626		-	
LBTH Cultural Industries Development Agency	3,000		-	
New Opportunities Fund-Marion Richardson School	700		-	
		50,160		40,871
Bank Interest		2,447		1,659
Carried forward		152,850		189,080

RAGGED SCHOOL MUSEUM TRUST

DETAILED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31ST MARCH 2001

Income brought forward		152,850	189,080
Other Charitable Income			
Schools income	18,929		20,759
Events income	570		751
Membership subscriptions	1,594		1,512
Room hire & fees	1,200		757
IT projects	1,633		-
Sundry income	501		1,693
		<u>24,427</u>	<u>25,472</u>
Deferred grant reduction/(increase)		7,533	(3,299)
		<u>184,810</u>	<u>211,253</u>
Restricted reserve income		(116,413)	(139,367)
		<u>68,397</u>	<u>71,886</u>
Cafe income	3,952		3,711
Cafe expenditure	(1,633)		(1,894)
		<u>2,319</u>	<u>1,817</u>
Shop income	19,112		22,021
Shop expenditure	(11,102)		(15,803)
		<u>8,010</u>	<u>6,218</u>
		<u>78,726</u>	<u>79,921</u>
EXPENDITURE			
Staff costs	109,285		91,986
Administration costs	52,329		155,923
Depreciation	5,637		3,013
	<u>167,251</u>		<u>250,922</u>
Restricted reserve expenditure	(117,807)		(183,783)
Total resources expended		<u>(49,444)</u>	<u>(67,139)</u>
Net movement in funds		<u>£ 29,282</u>	<u>£ 12,782</u>

RAGGED SCHOOL MUSEUM TRUST
DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2001

EXPENDITURE	2001 £	2000 £
Staff Costs		
Salaries and wages	94,989	81,600
National insurance	7,592	5,581
Workshop freelance	5,707	4,325
Staff training	142	480
Staff recruitment	854	-
	<u>109,285</u>	<u>91,986</u>
ADMINISTRATION COSTS		
Premises expenses		
Rent & rates	131	128
Light and heat	1,882	2,520
Maintenance	9,923	8,930
Renovations	-	75,021
Cleaning	4,176	3,672
	<u>16,111</u>	<u>90,270</u>
General administration costs		
Telephone	1,843	1,812
Insurance	3,264	3,280
Transport & travel	644	1,067
Post, print & stationery	6,387	5,209
Periodicals	182	266
Affiliations	313	228
General expenses	285	834
Printing & publicity	-	1,490
Bank charges & interest	586	671
Audit	1,880	1,645
Accountancy	-	353
Disposal of equipment	47	-
	<u>15,431</u>	<u>16,854</u>
Project costs & other		
Workshops	2,421	2,355
Teaching expenses	248	287
Events - museum	37	721
Exhibition	5,009	25,851
Events - history	-	112
Events - canal art	102	58
Events - other	551	-
Collection Management	465	2,528
IT Project	154	-
Fundraising expenses	11,800	2,623
Business plan	-	14,264
	<u>20,787</u>	<u>48,799</u>
	<u>52,329</u>	<u>155,923</u>
Depreciation		
Equipment	4,503	1,501
Displays	1,134	1,512
	<u>5,637</u>	<u>3,013</u>