

RAGGED SCHOOL MUSEUM TRUST
(A company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

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RAGGED SCHOOL MUSEUM TRUST
(A company limited by guarantee)

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RAGGED SCHOOL MUSEUM TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2017

Trustees

Simon Bazalgette (appointed 13 February 2017)
Patrick Holmes
Robert Moye
Adam Nell (resigned 13 October 2016)
Alastair Owens (appointed 13 October 2016)
Tom Schuller
Magnus von Wistinghausen

Company registered number

2308621.

Charity registered number

800538

Registered office

46 - 50 Copperfield Road
London
E3 4RR

Company secretary

Pauline Plumb

Director

Erica Davies

Accountants

MHA MacIntyre Hudson
Chartered Accountants
New Bridge Street House
30-34 New Bridge Street
London
EC4V 6BJ

Bankers

HSBC Bank Plc
London
E14 5AH

RAGGED SCHOOL MUSEUM TRUST

(A company limited by guarantee)

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2017

The Trustees present their annual report together with the financial statements of for the year 1 April 2016 to 31 March 2017. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015).

Since the Museum qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Structure, governance and management

Ragged School Museum Trust (the "Charity") is constituted as a registered charity and company limited by guarantee (without share capital), with the charity trustees being directors of the Company. The Charity's memorandum and articles of association govern the Charity's structure, management and objects. Trustees are elected by the Charity's members at the Annual General Meeting (AGM) or co-opted by the Board at other times. The Trustees are responsible for the proper management and administration of the Charity. All major decisions, with significant financial or staffing implications, are made at Trustees' meetings.

Objects

The principal object of the Charity, as set out in its memorandum of association, is to provide for the advancement of public education by the provision of a museum.

Objectives and activities

The primary objects for which the Trust was established remain those by which the work of the year was directed, being:

- To advance public education in the local history of the East End of London and the Ragged School Movement through the provision of a public museum and educational activities on site at 46, 48 & 50 Copperfield Road, London E3 4RR;
- To preserve and maintain the buildings onsite at this address;
- To involve members of the local community in the running of the museum.

The Trust's vision is to be, and to be known as, the best place in London to experience the life of the Victorian poor.

Specifically the Trust aims to:

- Provide children, teachers and families with understanding the life of the Victorian poor.
- Ensure that visits are enjoyable, inspirational and interactive.
- Preserve our buildings and history.

The Museum's schools, community, curatorial and volunteer programmes continued to support these core objects over the last year.

RAGGED SCHOOL MUSEUM TRUST

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TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2017

Review of activities for year ended March 2017

In 2016 - 17 our priorities were to:

- Develop a Round 1 application to the Heritage Lottery Fund (HLF).
- Secure development funds for the HLF bid.
- Develop relationship with Queen Mary University of London (QMUL).
- Maintaining a focus on management of cash flow.
- Maintaining the level of commercial venue hire income we have achieved in this year and increasing the use of the Museum for filming and photography.

During the year we made considerable progress to meeting these objectives, and we also list other major achievements.

Meeting our Objectives & Priorities

1. Heritage Lottery Fund – round one application.

Following consultation with HLF officers a round one application was submitted in August 2016. Stuart Hobley, Head of HLF London division and Simon Spoglianti visited later in the month to review our plans on site. We were informed in November our bid had been awarded a first round pass. This guarantees funding of £338,500 for the development phase of our project. A start-up meeting was held at the beginning of the year and HLF gave Permission to start the project on 18 January.

2. Secure development funds for the HLF bid

HLF funds 90% of the development phase project cost, the RSM was required to raise the remaining 10% (£39,000). An application to the Pilgrim Trust was successful and £20,000 awarded. An application to the Architectural Heritage Fund for a Project Development Grant was also successful and £19,000 was awarded.

3. Develop relationship with Queen Mary University of London

Professor Alastair Owens of the School of Geography became a trustee of the Museum. The Museum was successful in applying for a summer internship which was part funded by Santander bank.

4. Maintaining a focus on management of cash flow

Careful management of cash flow and close attention to expenditure in December, April and August is important to ensure we can always meet liabilities. Cash flow is strained in those months because income drops during school holidays. We increase efforts to secure venue hire fees.

5. Maintaining the level of commercial venue hire income we have achieved in this year increasing the use of the Museum for filming and photography.

We sustained a reduction in room hires and in hires for photography and filming. We continue to liaise with location finding companies to seek out new business.

RAGGED SCHOOL MUSEUM TRUST

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TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2017

Review of Achievements and performance

Visitors: The Museum received an increase in visitors to 25,686. The Museum's grant support from public sources remains at £6,000 which is the equivalent of a subsidy of 23p a visitor.

Museum Learning Service: The Schools Programme continued to flourish and ran to 95% capacity with 15,291 school visitors. In all 303 schools and 615 sessions took place, an increase on the previous year. The Museum continues to attract significantly more school visits compared with a number of museums with more staff, more space and significantly more funding.

KS1 & KS2 pupils participate in a Victorian Lesson & Victorian kitchen session. The activities develop children's historical knowledge, communication and presentation skills and support the History, Citizenship and Core Subjects (English, Maths and Science) areas of the National Curriculum. The KS1 session "Polly's Story" continues to be popular and develops the language skills of children through storytelling and rhymes.

Family Learning Holiday Activities: We offer innovative creative activities during school half terms and in the holidays, 25 sessions were organised and 4,174 visitors took part. Our marketing of the sessions targets local schools and children's centres. Recognising the level of deprivation experienced by children in the immediate neighbourhood our holiday sessions are free and drop-in. LB Tower Hamlets has the highest rate of child poverty in London. It is the second most deprived borough in London and is the third most deprived borough nationally, 79% of children are in low income families. In 2009, *The Local Index of Child Well Being*, (Local Government & Communities) ranked LBTH as 353 out of 354 localities.

The activities help children to develop their manual skills through the provision of high quality materials and support. Interacting with our volunteers and other children also helps to develop confidence and self-esteem. The themes all reflected some part of the work of Dr Barnardo, Victorian history or literature.

Currently the LB Tower Hamlets through Mainstream grants provides a grant of £6,000, the rest of the budget of £24,000 is raised from trusts and foundations.

Fundraising

We are grateful to the Foyle Foundation's generous grant which has freed the Director's time from fundraising and enabled her to progress the Heritage Lottery Fund bid and develop strategic plans.

Links with Queen Mary University of London: We were delighted that Oliver Gibson was awarded his PhD in January. Entitled *Health, environment and the institutional care of children in late Victorian London*, it was funded by the Arts and Humanities Research Council through Collaborative Doctoral Awards. Erica Davies had supervised the PhD together with Prof Alastair Owens and Dr Tim Brown of the School of Geography.

QMUL Summer Intern: Paolo Arroyo, who had just gained his BSc in Zoology joined us through an internship part funded by Santander. Paolo assisted in administering the schools programme, delivered sessions for schools and helped to design Family Learning Holiday Activities.

Barnardo's 150th Anniversary: We were delighted to be involved in a number of the celebrations for the 150th anniversary of the founding of Barnardo's. Erica Davies and Rob Moy attended a garden party at Buckingham Palace hosted by the Duchess of Cornwall, at the invitation of Martine King, Archive Manager at Barnardo's. Erica and Alastair Owens attended the unveiling of a sculpture dedicated to the memory of over 500 children who had been cared for by Barnardo's. The memorial, sculpted by Tom Nicholls, was commissioned by people who had once been in the care of Barnardo's. Tower Hamlets Cemetery Park also displayed an exhibition which featured some of the children who were commemorated. Erica and Tom Schuller were pleased to welcome Javed Khan, Chief Executive of Barnardo's, to the Museum. We also acted as a staging post for the Barnardo's walkathon.

RAGGED SCHOOL MUSEUM TRUST

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TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2017

Ragged School Connections: The Museum was pleased to make connections with two organisations with a long history of association with the ragged school movement. In June Erica Davies was invited to give the sermon at a service of commemoration at John Pounds Unitarian chapel in Portsmouth. John Pounds' dedication to educating the neglected children of Portsmouth is widely celebrated throughout Portsmouth. Members of the congregation also came to visit Copperfield Road in July. Members of the congregation of Two Gates Ragged School Chapel from Cradley Heath, Halesowen visited in October. Despite a long journey they stayed for a talk and a video was made of their visit.

Students & Volunteers: More than 15 regular volunteers made it possible for the Museum to run such a range of functions, supporting educational activities, and providing customer service to a wide range of visitors. The Family Learning Holiday Programme is supported by 55 family learning volunteers. Our volunteers span six decades in age and this adds to the appeal of the Museum for many of our visitors. This year we offered over 6,000 hours of volunteering and placements.

In addition we were pleased to welcome students on placements and internships from colleges in the UK and abroad. This is a mutually beneficial relationship, students provide much need support in delivering schools sessions and developing resources for holiday sessions, the Museum provides wide-ranging opportunities for engagement with schools and education in and out of the classroom environment. We continued, or made, educational links with South Bank University and Greenwich University. Kayla Johnson spent three months on a student placement from Wisconsin University.

A number of local schools approached us to provide work experience for their pupils. We worked with Sir John Cass, Green Spring and Southgate schools. We also developed a relationship with HeadStart, a charity, which aims to broaden 16-18 year olds' skills and experience, improving their employability and giving them an insight into a range of different industries through work experience and volunteering.

We have continued to work with the Tower Project, a local voluntary sector organisation which provides a range of services to children, young people and adults with disabilities. In particular we work closely with their Job Enterprise Training section which is based in Copperfield Road. We offer work experience in our café to a group of young adults with learning difficulties. Past volunteers have eventually been enabled to obtain jobs.

Venue Hire, Photography & Filming: While revenue was reduced, the range of hires demonstrates the versatility of the spaces the Museum has to offer. Most notable hires included Santa School organised by the Ministry of Fun in November. The event was filmed and got nationwide press coverage. In June the BBC filmed a twelve piece samba band as part of their introduction to the opening ceremony of the Olympics. Our Hoist Room looked impressive impersonating Rio de Janeiro. The footage was interspersed with comments from leading British sports champions. Other filming included: BBC Scotland making a documentary about Roald Dahl, BBC Wales, Avalon, and Association of Cultural Enterprises. We also assisted Wall to Wall TV in their production *Life in a Victorian Slum*

Photography included: Alexander McQueen; French Elle; Marie Claire; Stylist; Red.

Charity Links: We have continued collaborations and co-operation with a number of other charities: Lower Regent's Coalition; Thames 21; Quaker Social Action.

Jennie Saunders and Matt Turner ran a stall at the annual summer fete organised by Benjamin Franklin House at Leighton House.

Object Loans: We made a loan of bolts to the East End Canal Festival, organised in conjunction with Laburnum Boat Club, based on the Regent's Canal in Hackney. Desks were loaned to an exhibition on The Rights of the Child, organised at the Central Family Court at the instigation of HH Judge Tolson.

Visits: John Biggs, Executive Mayor of LB Tower Hamlets visited in August and was given a tour and told of our plans for the refurbishment of the buildings. A group of curators from Bergen, Norway attended a Victorian Lesson.

RAGGED SCHOOL MUSEUM TRUST

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TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2017

Plans for future periods

The Museum remains committed to its original objects and to delivering high quality activities for all visitors. The focus and interest of the Trust is to present excellent learning opportunities based on the history of Dr Barnardo's Ragged School on site at the museum on Copperfield Road through financially sustainable business models.

Our objectives for the coming year:

- Secure a successful round two HLF bid.
- Subject to successful HLF bid secure funds of £900,000.
- Maintain the current level of school bookings.
- Maintain the current level of room hire.

Financial review

The Ragged School Museum Trust made a deficit of £3,691 for the year (2016: surplus £3,318). Total funds at the year end reduced to £149,473 (2016 : £153,164).

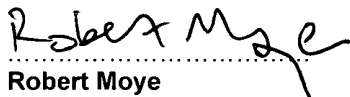
Reserves policy

The Trustees operate a reserves policy whereby the free reserves held by the Trust should be approximately three months expenses, which equates to approximately £39,000. This would enable current activities to continue in the short term should funding drop significantly.

At present the free reserves of £18,303 (2016 : £18,706), do not reach this target. In calculating reserves the Trustees have excluded from total funds the restricted income funds of £4,302 and tangible fixed asset fund of £126,868.

Both the policy and its implementation are under regular scrutiny.

This report was approved by the Trustees on 14 December 2017 and signed on their behalf by:



Robert Moye
Trustee

RAGGED SCHOOL MUSEUM TRUST
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INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2017

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF RAGGED SCHOOL MUSEUM TRUST (the 'Museum')

I report to the charity Trustees on my examination of the accounts of the Museum for the year ended 31 March 2017.

This report is made solely to the Museum's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Museum's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Museum and the Museum's Trustees as a body, for my work or for this report.

RESPONSIBILITIES AND BASIS OF REPORT

As the Trustees of the Museum (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Museum are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Museum's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

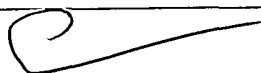
INDEPENDENT EXAMINER'S STATEMENT

I have completed my examination. I can confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Museum as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:



Dated:

20 December 2017

Chris Harris CPFA

MHA MacIntyre Hudson
Chartered Accountants
New Bridge Street House
30-34 New Bridge Street
London, EC4V 6BJ

RAGGED SCHOOL MUSEUM TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
INCOME FROM:					
Donations and legacies	2	9,754	-	9,754	35,047
Charitable activities	3	89,100	26,000	115,100	83,690
Other trading activities	4	26,366	-	26,366	30,827
Investments	5	7	-	7	4
TOTAL INCOME		125,227	26,000	151,227	149,568
EXPENDITURE ON:					
Raising funds	6	1,478	-	1,478	1,567
Charitable activities	7	95,568	57,872	153,440	144,683
TOTAL EXPENDITURE		97,046	57,872	154,918	146,250
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		28,181	(31,872)	(3,691)	3,318
Transfers between Funds	17	(31,872)	31,872	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		(3,691)	-	(3,691)	3,318
NET MOVEMENT IN FUNDS		(3,691)	-	(3,691)	3,318
RECONCILIATION OF FUNDS:					
Total funds brought forward		148,862	4,302	153,164	149,846
TOTAL FUNDS CARRIED FORWARD		145,171	4,302	149,473	153,164

All income and expenditure derive from continuing activities.

The notes on pages 10 to 24 form part of these financial statements.

RAGGED SCHOOL MUSEUM TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 2308621

BALANCE SHEET
AS AT 31 MARCH 2017

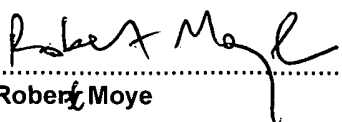
	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	13		126,868		130,156
CURRENT ASSETS					
Stocks	14	4,213		3,898	
Debtors	15	7,252		4,023	
Cash at bank and in hand		15,360		20,280	
		<u>26,825</u>		<u>28,201</u>	
CREDITORS: amounts falling due within one year	16	<u>(4,220)</u>		<u>(5,193)</u>	
NET CURRENT ASSETS			22,605		23,008
NET ASSETS			<u>149,473</u>		<u>153,164</u>
CHARITY FUNDS					
Restricted funds	17		4,302		4,302
Unrestricted funds	17		145,171		148,862
TOTAL FUNDS			<u>149,473</u>		<u>153,164</u>

The Museum's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The Trustees consider that the Museum is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the Museum to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 14 Dec 2017 and signed on their behalf, by:


 Robert Moye

The notes on pages 10 to 24 form part of these financial statements.

RAGGED SCHOOL MUSEUM TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

Ragged School Museum Trust is a charitable company limited by guarantee and is registered with the Charity Commission (Charity Registered Number 800538) and Registrar of Companies (Company Registration Number 2308621) in England and Wales. In the event of the Museum being wound up, the liability in respect of the guarantee is limited to £1 per member of the Museum. The address of the registered office is given in the Museum information on page 1 of these financial statements. The nature of the Museum's operations and principal activities are detailed in the Trustees Report.

The Museum constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The Museum has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the Museum and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The Museum adopted SORP (FRS 102) in the current year with effect from 1 April 2015 and an explanation of how transition to SORP (FRS 102) has affected the reported financial position and performance is given in note 1.2.

1.2 Reconciliation with previous Generally Accepted Accounting Practice

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

They concluded that no material transitional adjustments or restatements of comparative items were required.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES (continued)

1.3 Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Museum and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Museum for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.4 Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the Museum is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the Museum will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Museum and it is probable that they will be fulfilled.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the Museum. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

The Museum receives government grants in respect of furthering its charitable objectives. Income from government and other grants are recognised at fair value when the Museum has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Museum; this is normally upon notification of the interest paid or payable by the Bank.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES (continued)

1.5 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is categorised under the following headings:

- Costs of raising funds includes costs incurred seeking voluntary contributions through donations and the running of fundraising events during the year; and
- Expenditure on charitable activities includes all costs incurred on furthering the objects of the Museum.

Support costs are those costs incurred directly in support of expenditure on the objects of the Museum and include project management carried out at Headquarters.

Charitable activities and Governance costs are costs incurred on the Museum's educational operations, including support costs and costs relating to the governance of the Museum apportioned to charitable activities.

1.6 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold premises	- 2% of cost
Fixtures and Fittings	- 25% reducing balance
Office equipment	- 25% reducing balance
Displays	- 25% reducing balance

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

1.8 Debtors and creditors receivable / payable within one year

Debtors are recognised when the Museum is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Creditors are recognised when the Museum has a present legal or constructive obligation resulting from a past event and the settlement is expected to result in an outflow of economic benefits.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES (continued)

1.9 Taxation

The Museum is an exempt Charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. It therefore does not suffer tax on income or gains applied for charitable purposes..

1.10 Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Museum to be able to continue as a going concern.

1.11 Financial instruments

The Museum only holds basic Financial Instruments. The financial assets and financial liabilities of the Museum are as follows:

Debtors – trade and other debtors (including accrued income) are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 15. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Liabilities – trade creditors, accruals and other creditors will be classified as financial instruments, and are measured at amortised cost as detailed in Note 16. Taxation and social security are not included in the financial instruments disclosure. Deferred income is not deemed to be a financial liability, as in the cash settlement has already taken place and there is simply an obligation to deliver charitable services rather than cash or another financial instrument.

1.12 Judgements and key sources of estimation uncertainty

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

- Depreciation rates for tangible fixed assets
- Useful economic lives of assets

RAGGED SCHOOL MUSEUM TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

2. INCOME FROM DONATIONS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Anonymous	-	-	-	15,000
Queen Mary University of London	-	-	-	6,377
Denton Charitable Trust	-	-	-	750
XL Services UK Ltd	-	-	-	510
Sundry donations	7,979	-	7,979	12,134
Subscriptions	1,775	-	1,775	276
	<u>9,754</u>	<u>-</u>	<u>9,754</u>	<u>35,047</u>
Total 2017	9,754	-	9,754	35,047
	<u>28,670</u>	<u>6,377</u>	<u>35,047</u>	
Total 2016	28,670	6,377	35,047	

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
London Borough of Tower Hamlets	-	6,000	6,000	5,043
School income	78,099	-	78,099	66,604
Other fee income	921	-	921	1,319
The Foyle Foundation	-	20,000	20,000	-
Shop income	9,249	-	9,249	10,442
Other income	831	-	831	282
	<u>89,100</u>	<u>26,000</u>	<u>115,100</u>	<u>83,690</u>
Total 2017	89,100	26,000	115,100	83,690
	<u>78,647</u>	<u>5,043</u>	<u>83,690</u>	
Total 2016	78,647	5,043	83,690	

There are no unfulfilled conditions or other contingencies attached to the government grants above.

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4. INCOME FROM TRADING ACTIVITIES - RAISING FUNDS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Room hire	23,628	-	23,628	28,255
Café income	2,738	-	2,738	2,572
Total 2017	26,366	-	26,366	30,827
Total 2016	30,827	-	30,827	

5. INCOME FROM INVESTMENTS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Bank interest receivable	7	-	7	4
Total 2016	4	-	4	

6. EXPENDITURE ON RAISING FUNDS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Direct costs - Café	1,478	-	1,478	1,567
Total 2016	1,567	-	1,567	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Activities undertaken directly 2017 £	Support costs 2017 £	Total 2017 £	Total 2016 £
Museum and schooling	117,128	36,312	153,440	144,683
<i>Total 2016</i>	104,060	34,845	138,905	

In 2016, of the total expenditure on charitable activities of £144,683, £92,706 was from unrestricted funds and £52,066 was from restricted funds.

Direct costs are analysed in Note 8.

Support costs are analysed in Note 9.

8. DIRECT COSTS

	Raising funds	Charitable activities	Total 2017	Total 2016
Staff training and recruitment	-	-	-	27
Direct costs - Shop	-	4,511	4,511	5,719
Direct costs - Café	1,478	-	1,478	1,567
Minor equipment and maintenance	-	621	621	1,158
Workshop materials	-	4,602	4,602	2,056
Schools programme costs	-	526	526	164
Exhibitions and events	-	200	200	-
Staff costs	-	106,668	106,668	100,655
<i>At 31 March 2017</i>	1,478	117,128	118,606	111,346
<i>At 31 March 2016</i>	7,286	104,060	111,346	

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9. SUPPORT COSTS

	Charitable activities £	Total 2017 £	Total 2016 £
Insurance	4,242	4,242	4,718
Building and maintenance	2,185	2,185	1,622
Cleaning	2,828	2,828	2,689
Postage, printing and stationary	1,903	1,903	1,869
Light, heat and water charges	5,450	5,450	6,438
Telephone and internet	3,020	3,020	2,121
Travel and subsistence	15	15	99
Security costs	1,337	1,337	1,337
Equipment rental	(361)	(361)	909
Fundraising and publicity	451	451	59
Computer, website and software costs	3,607	3,607	3,711
Governance costs	3,000	3,000	3,240
Sundry expenses	5,347	5,347	2,041
Depreciation	3,288	3,288	4,051
At 31 March 2017	36,312	36,312	34,904
At 31 March 2016	34,845	34,845	

During the year ended 31 March 2017, the Museum incurred Governance costs of £3,000 which relate to Independent Examiner's fees.

10. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets:		
- owned by the Museum	3,288	4,051
Independent Examiners' remuneration	3,000	3,240

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

11. STAFF COSTS

The total staff costs and employees benefit's was as follows:

	2017 £	2016 £
Wages and salaries	103,435	97,120
Social security costs	2,628	3,535
Other pension costs	605	-
	<u>106,668</u>	<u>100,655</u>

The average monthly number of employees and full time equivalent (FTE) during the year/period was as follows:

	2017 No.	2016 No.
Staff	6	6

No employee received remuneration amounting to more than £60,000 in either year.

12. TRUSTEES' AND KEY MANAGEMENT PERSONNEL REMUNERATION AND EXPENSES

The Trustees neither received nor waived any remuneration during the year (2016 - £Nil). No Trustees received any reimbursed expenses during the year (2016 - £Nil).

The Museum considers its Key Management Personnel to comprise the Trustees and the Director. The total amount of employee benefits received by Key Management Personnel in the year is £34,136 (2016 - £34,660).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

13. TANGIBLE FIXED ASSETS

	Freehold premises £	Fixtures and fittings £	Office equipment £	Displays £	Total £
Cost					
At 1 April 2016 and 31 March 2017	150,000	18,627	5,679	6,775	181,081
Depreciation					
At 1 April 2016	29,000	10,971	4,314	6,640	50,925
Charge for the year	1,000	1,914	340	34	3,288
At 31 March 2017	30,000	12,885	4,654	6,674	54,213
Net book value					
At 31 March 2017	120,000	5,742	1,025	101	126,868
At 31 March 2016	121,000	7,656	1,365	135	130,156

Included within Freehold premises is land with an estimated cost of £100,000 (2016 - £100,000) which is not depreciated.

14. STOCKS

	2017 £	2016 £
Stocks	4,213	3,898

All stock held is for the use of the shop and the Café.

15. DEBTORS

	2017 £	2016 £
Fees receivable	6,920	2,990
Other debtors	332	820
Prepayments and accrued income	-	213
	7,252	4,023

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

16. CREDITORS: Amounts falling due within one year

	2017 £	2016 £
Net obligations under finance leases and hire purchase contracts	-	653
Other creditors	-	1,300
Accruals and deferred income	4,220	3,240
	<u>4,220</u>	<u>5,193</u>
		£
Deferred income		
Deferred income at 1 April 2016		1,300
Resources deferred during the year		1,100
Amounts released from previous years		(1,300)
Deferred income at 31 March 2017		<u>1,100</u>

Income received during the year for the hire of the Museum as a venue after the year end is deferred. This deferred income is released once the event has taken place.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

17. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2016 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2017 £
Designated funds					
Staffing fund	6,000	-	-	-	6,000
Fixed assets fund - Freehold Premises	121,000	-	(1,000)	-	120,000
Fixed assets fund - Equipment etc.	9,156	-	(2,288)	-	6,868
	<u>136,156</u>	<u>-</u>	<u>(3,288)</u>	<u>-</u>	<u>132,868</u>
General funds					
General Funds	12,706	125,227	(93,758)	(31,872)	12,303
Total Unrestricted funds	<u>148,862</u>	<u>125,227</u>	<u>(97,046)</u>	<u>(31,872)</u>	<u>145,171</u>
Restricted funds					
Community learning	-	6,000	(15,589)	9,589	-
Schools programme	-	20,000	(42,283)	22,283	-
Development fund	4,302	-	-	-	4,302
	<u>4,302</u>	<u>26,000</u>	<u>(57,872)</u>	<u>31,872</u>	<u>4,302</u>
Total of funds	<u>153,164</u>	<u>151,227</u>	<u>(154,918)</u>	<u>-</u>	<u>149,473</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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17. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2015 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2016 £
Designated funds						
Staffing fund	6,000	-	-	-	-	6,000
Fixed assets fund - Freehold Premises	122,000	-	(1,000)	-	-	121,000
Fixed assets fund - Equipment etc.	12,207	-	(3,051)	-	-	9,156
	<u>140,207</u>	<u>-</u>	<u>(4,051)</u>	<u>-</u>	<u>-</u>	<u>136,156</u>
General funds						
General Funds	5,337	138,148	(90,133)	(40,646)	-	12,706
	<u>5,337</u>	<u>138,148</u>	<u>(90,133)</u>	<u>(40,646)</u>	<u>-</u>	<u>12,706</u>
Total Unrestricted funds	<u>145,544</u>	<u>138,148</u>	<u>(94,184)</u>	<u>(40,646)</u>	<u>-</u>	<u>148,862</u>
Restricted funds						
Community learning	-	5,043	(12,644)	7,601	-	-
Schools programme	-	6,377	(39,422)	33,045	-	-
Development fund	4,302	-	-	-	-	4,302
	<u>4,302</u>	<u>11,420</u>	<u>(52,066)</u>	<u>40,646</u>	<u>-</u>	<u>4,302</u>
Total of funds	<u>149,846</u>	<u>149,568</u>	<u>(146,250)</u>	<u>-</u>	<u>-</u>	<u>153,164</u>

Staffing fund

The Trustees established a Staffing fund to help meet unexpected statutory and moral obligations that arise which may not be eligible for support from funders and is based on the potential redundancy liability of staff. This reserve equals a third of the potential liability.

Fixed assets fund

In accordance with the Statement of Recommended Practice 2015, the Trustees have established a fixed asset designated reserve. This reflects the cost and depreciation of fixed assets purchased from both general funds and from restricted grants where it is considered that there is no continuing restriction. The amount carried forward is equal to the net book value of the related fixed assets at the year end.

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**NOTES TO THE FINANCIAL STATEMENTS
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17. STATEMENT OF FUNDS (continued)

Community learning

London Borough of Tower Hamlets contributes to the programme which covers family activities. Key programme components are holiday activities and the first Sunday of every month programme of events. In addition, adult and further education groups access the Museum's information, collections and resources.

Schools programme

The programme is run from income generated by the programme itself. The expenditure shown above is the total expenditure incurred on the programme with a transfer from unrestricted funds to reflect the fees charged to schools. The programme is designed for pupils at Key Stage 1 and Key Stage 2 in infant and primary schools. The key components to this programme are the Victorian lesson in the authentic setting of the classroom, and the Victorian kitchen session. Polly's Story is presented for Key stage 1 and the Special Needs Programme in which the whole spectrum of special educational and physical needs are catered for.

Development fund

This relates to funds received in previous years for a fundraising event at the House of Commons for development.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £
Tangible fixed assets	126,868	-	126,868
Current assets	4,523	22,302	26,825
Creditors due within one year	(4,220)	-	(4,220)
Restricted funds	18,000	(18,000)	-
	145,171	4,302	149,473

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £
Tangible fixed assets	130,156	-	130,156
Current assets	23,899	4,302	28,201
Creditors due within one year	(5,193)	-	(5,193)
	148,862	4,302	153,164

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NOTES TO THE FINANCIAL STATEMENTS
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19. RELATED PARTY TRANSACTIONS

Other than Key Management Personnel transactions detailed in Note 12, there are were no related party transactions during the period (2016: £Nil).

20. MEMBERSHIP

Ragged School Museum Trust is a company limited by guarantee and has no share capital. The liability of each member is limited to £1. The number of members at the end of the financial year was 32 (2016 - 32).