

Saffron Walden Museum Society Limited

Annual Report and Accounts

For the year ending 31st March 2010

Company registration number 6469141

Registered Charity Number 1123209

Saffron Walden Museum Society Limited

Directors

E. Anthony Watson - Chairman
Cllr. K. L. Eden
Mrs S. B. Hollingworth
D. Laing F. C. A.
P. S. Salvidge

Company Secretary and Treasurer

D. Laing F. C. A.

Secretary

Mrs. S. B. Hollingworth

Principal Office

Saffron Walden Museum
Museum Street
Saffron Walden
Essex CB10 1JL

Registered Charity Number

1123209

Investment Advisers and Custodians

Charles Stanley and Company Limited
Richmond House
16-20 Regent Street
Cambridge CB2 1DB

Bankers

CAF Bank Limited
25 Kings Hill Avenue
West Malling
Kent ME19 4JQ

CCLA Investment Management Ltd
80 Cheapside
London EC2V 6DZ

Independent Examiner

E. M. Oliver
Maple Cottage
Arkesden Road
Clavering
Saffron Walden
Essex CB11 4QU

Saffron Walden Museum Society Limited

Directors' Report

The directors present their report and financial statements for the year ending 31st March 2010.

Status

The company was incorporated as a company limited by guarantee on 10th January 2008 and was registered as a charity by the Charity Commission on 14th March 2008.

The company was formed to take over the assets, liabilities and operations of Saffron Walden Museum Society, a registered charity. The Society was dissolved on 8th August 2009 and no transactions took place within the company until after that date.

Aims

The aims of the Company are to promote the study and extend the knowledge of natural history and human history in all their branches and to further these aims to carry on the museum at Saffron Walden, to arrange lectures, demonstrations and other activities from time to time both within the museum and elsewhere.

The company has continued to provide lectures and outings to relevant places of interest for members of the company; these have all been available to the general public also. There has been one addition to the collection this year.

The Company's freehold property, museum specimens and objects are let to Uttlesford District Council rent-free. Under the terms of the lease and a separate management agreement Uttlesford District Council are responsible for the day to day running of the museum including meeting the salary costs of the curator and other staff, the maintenance of the fabric of the property and the responsibility for the collection of income. This income and expenditure is therefore not reflected in the attached accounts.

Management

The day to day management of the company is the responsibility of the directors acting under the Articles of Association of the company. Under these Articles, the directors are advised and aided by a Management Committee, the members of which are elected by the Members at the annual general meeting. The powers of the Management Committee are defined by the Rules of the Company that were adopted at the first annual general meeting of the company. The company holds regular meetings with representatives of Uttlesford District Council to review and advise on the running of the Saffron Walden Museum.

The Rules adopted under the Constitution creates the positions of up to two Honorary Vice Presidents to acknowledge the distinguished service given to the Society by a member, at present these are Mr R. Heath and Mr E. Planterose.

The persons who acted as directors during the period were:

Cllr K. L. Eden – (appointed 10th January 2008, elected 8th August 2008)

Mrs S. B. Hollingworth – (appointed 10th January 2008, elected 8th August 2008)

D. Laing – (elected 24th July 2009)

P. S. Salvidge - (elected 8th August 2008).

E. Anthony Watson – (elected chairman 24th July 2009)

The director retiring by rotation is Mrs S. B. Hollingworth, who, being eligible, offers herself for re-election.

Saffron Walden Museum Society Limited

Directors' Report (continued)

The persons who acted as members of the management committee during the year, in addition to the directors, and who were all elected on 24th July 2009 were:

Mrs J. Bullen	Mr D. Haylock
Miss B. M. Hughes	Dr. C. Law
Mr N. B. Newman M. B. E.	Mrs H. Salvidge

The Museum Society's investments are held by custodian trustees, Charles Stanley and Company Ltd.

Financial Review

The principal activities of the Society during the year are set out in the attached statement of financial activities and the directors intend to continue and develop these activities.

During the year the Company has continued with Uttlesford District Council to raise funds to build the Heritage Quest Centre. The site for this building has been affected by negotiations between the District Council and Sainsbury plc, who have submitted a planning application for a store on land adjacent to that set aside for the Centre. At present the proposal, which was agreed by the members, is for a land swap that will provide a better site for the company, and a contribution to the additional costs incurred in the land swap and ensuing amendments to the design. A revised planning application of the proposed new site has been approved by the planning authority. The outcome of these negotiations is awaited, and a conditional land swap agreement has been signed. Progress of the proposed new building is dependant on the outcome of the Sainsbury's application.

The surplus on the General Fund is after charging £798 contribution to documentation and £750 for publicity relating to the museum's 175th anniversary; both the lecture series and visits have proved popular both with members and with the general public, with a substantially increased attendance to the lectures and provided a surplus of £363.

Details of movements on all the Restricted Funds are shown in note 6 to the accounts, some highlights are noted below:

The Acquisition and Display Fund shows incoming resources of £9,859 relating to investment income and donations. Expenditure was £2,120 depreciation and dividend fees. The surplus for the period other than the increase in value on investments was £7,739. The drop in interest rates since the autumn of 2008 has severely impacted on all Restricted Funds in the current year.

The Resource Centre fund has incoming resources of £3715 and now stands at £146,028; this does not include promises that have yet to be received. During the year the company was asked to refund a donation of £14,500 to allow the charity to use this money that will be returned to the company when this project is under way.

Employees and remuneration

The company has no employees other than the directors, who are unremunerated, and, therefore, there are no employees with remuneration in excess of £60,000.

The company is dependent upon the services of a considerable number of unpaid volunteers who give up their time freely in connection with the Society's activities.

The directors consider the state of the Company's affairs to be satisfactory.

Investment Powers

These are governed by the Articles of Association which permits the investment of any surplus monies in any investments authorised by law for the investment of trust funds and to the transposition or variation of any existing or future investments held by or on behalf of the Company.

Saffron Walden Museum Society Limited

Directors' Report (continued)

Reserves Policy

It is the policy of the charity to maintain unrestricted funds which are the free reserves of the charity, at a level which equates to approximately five years unrestricted expenditure (at current levels). This provides sufficient funds to cover management, administration and support costs, and also provide a cushion for any unexpected expenditure that might arise. Unrestricted funds were maintained at this level throughout the financial year.

Risk Management

The trustees have examined the major strategic, business and operational risks which the charity faces and are satisfied that the regular reports they receive enable them to ensure that all risks to the Society are minimised.

Statement of Director's Responsibilities

Charity law requires the trustees to prepare financial statements for each financial year which show a true and fair view of the state of affairs of the charity and its financial activities for that period. In preparing those financial statements, the trustees are required to:

select suitable accounting policies and apply them consistently;

make judgements and estimates that are reasonable and prudent

state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and

prepare financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operational existence.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them 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 for taking steps for the prevention and detection of fraud and other irregularities.

Independent Examiner

The Board wish to express their thanks to the Independent Examiner, Mr E. M. Oliver, who has conducted his examination without fee and has indicated that he is willing to continue in office.

On behalf of the Board

E Anthony Watson

Chairman:

Date: 15th June 2010

Independent Examiner's Report to the Directors of Saffron Walden Museum Society Limited

I report on the accounts of the Saffron Walden Museum Society Limited for the year ended 31st March 2010 which are set out on pages 7 to 12.

Relative responsibilities of trustees and examiner

The directors of Saffron Walden Museum Society consider that an audit is not required for this year (under section 43(2) of the Charities Act 1993 (the Act) as amended by section 28 of the Charities Act 2006) and that an independent examination is needed.

It is my responsibility to:

examine the accounts (under section 43 of the act)

to follow procedures laid down in the General Directions given by the Charity Commission (under section 43(7) (b) of the Act); and

to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the trustees have not met the requirements to ensure that:

proper accounting records are kept (in accordance with section 41 of the 1993 Act); and

accounts are prepared which agree with the accounting records and comply with the accounting requirements of the Act; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

E. M. Oliver

Date: 10: vi: 2010

Saffron Walden Museum Society Limited

Statement of financial activities for the year ending 31st March 2010

	General Unrestricted funds	Restricted funds	Total funds	10 January 2008 to 31 March 2009 Total funds
	£	£	£	£
Incoming resources				
Subscriptions	2,343	-	2,343	351
Donations and bequests	1,441	2,489	3,930	71,806
Dividends	-	9,387	9,387	6,531
Interest	202	1,963	2,165	5,178
Lecture and outing income	2,273	-	2,273	705
Total incoming resources	6,259	13,839	20,098	84,571
Resources expended				
Administration	1,080	-	1,080	1,011
Insurance	225	-	225	225
Lecture and outing expenses	2,171	-	2,171	1,177
Museum season tickets	525	-	525	322
Investment charges	3	304	307	174
Other expenditure	1,904	14,500	16,404	14,904
Depreciation	204	1,816	2,020	1,347
Total resources expended	6,112	16,620	22,732	19,160
Net incoming resources before transfers	147	-2,781	-2,634	65,411
Transfers between funds	-	-	0	0
Net incoming/ outgoing resources before other recognised gains	147	-2,781	-2,634	65,411
Other recognised gains				
Realised on investments	-	9,310	9,310	-2,908
Unrealised	-	58,601	58,601	-56,594
	0	67,911	67,911	-59,502
Net movement in funds	147	65,130	65,277	5,909
Fund balances transferred from Saffron Walden Museum Society	0	0	0	625,414
Fund balances brought forward	25,512	605,811	631,323	0
Fund balances carried forward	25,659	670,941	696,600	631,323
	=====	=====	=====	=====

All amounts relate to, continuing activities. There were no recognised gains or losses other than those included above. The attached notes on pages 9 to 12 form part of these financial statements.

Saffron Walden Museum Society Limited

Balance Sheet as at 31st March 2010

	2010		2009	
	£	£	£	£
Fixed Assets				
Tangible fixed assets - Note 2		4,576		6,596
Heritage assets Note 3		157,608		154,608
Investments Note 4		264,116		187,974
		<u>426,300</u>		<u>349,178</u>
Current Assets				
Debtors	185		699	
Cash at bank and in hand	271,594		288,709	
	<u>271,779</u>		<u>289,408</u>	
Creditors	842		6,618	
Subscriptions in advance	637		645	
Net current assets	<u> </u>	<u>270,300</u>	<u> </u>	<u>282,145</u>
		<u>696,600</u>		<u>631,323</u>
		=====		=====
Income funds				
Restricted funds		670,941		605,811
Unrestricted funds		25,659		25,512
		<u>696,600</u>		<u>631,323</u>
		=====		=====

In approving these financial statements as directors of the company we confirm:

- (a) that for the period stated above the company was entitled to the exemption from audit conferred by Section 477 of the Companies Act 2006;
- (b) that no notice has been deposited at the registered office of the company pursuant to Section 476 of the Companies Act 2006 requesting that an audit be conducted for the year ended 31st March 2010 and
- (c) that we acknowledge our responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 386 of the Companies Act 2006, and
 - (ii) preparing financial statements which give a true and fair view of the state of the affairs of the company as at the end of the financial year and of its surplus or deficit for the period then ended in accordance with the provisions of the Companies Act 2006 relating to financial statements so far as applicable to the company.

Saffron Walden Museum Society Limited

Balance Sheet as at 31st March 2010 (continued)

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board on
And signed on its behalf by:

E. Anthony Watson

Chairman:

Date: 15th June 2010

The attached notes on pages 10 to 13 form part of these financial statements.

Saffron Walden Museum Society Limited

Notes on the Accounts for the Period Ended 31st March 2010

1. Accounting Policies

- a) Basis of preparation -The accounts have been prepared under the historical cost convention, with the exception that investments are valued at market value. The accounts are in accordance with applicable accounting standards, the Charities SORP (Accounting and Reporting by Charities, and comply with the Charities (Accounts and Reports) Regulations 2005 issued under the Charities Act 1993.
- b) Freehold property - Depreciation is not provided on freehold property on the basis that the market value of the property is greater than cost and the effect is not material to the result for the year.
- c) Fixtures, Fittings and Equipment – Fixtures, fittings and equipment are capitalised and depreciated over their useful economic life. Items of less than £1,000 are expensed in full in the year of acquisition.
- d) Museum collections and displays - The charity regards the museum collection and displays as Heritage Assets. Newly purchased assets are capitalised at cost. Assets acquired in the past that were previously expensed, would be difficult and costly to attribute a cost or value to. The trustees believe that the costs of the valuation process outweigh the potential benefits to the accounts' users. Therefore no cost value has been assigned to the historic assets. Because of the length of life of these assets, no depreciation is charged on them.
- e) Investments - Investments held for long-term to generate income or capital growth are carried at market value as fixed assets,
- f) Incoming resources – All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. No amounts are included in the financial statements for services donated by volunteers.
- g) Expenditure – All expenditure is accounted for on an accruals basis and allocated to expense headings on a direct cost basis.
 - h) Fund Accounting – General funds are unrestricted funds that are available for use at the discretion of the directors in furtherance of the general objectives of the charity and have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by donors or that have been raised by the charity 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 note to the financial statements.

Investment income and gains are allocated to the appropriate fund.

2. Tangible fixed assets

The Society owns the freehold of the Museum, the Schoolroom and 40 Castle Street Saffron Walden; of these, the Schoolroom is held at cost and the Museum and 40 Castle Street, Saffron Walden are held at nil value. This reflects the low historic costs and the value of the lease held by Uttlesford District Council.

Saffron Walden Museum Society Limited

Notes on the Accounts for the Period Ended 31st March 2010 – continued

2. Tangible Fixed Assets – continued

	Freehold land and buildings £	Fixtures and fittings £	Total £
Cost of Assets			
Balance at beginning of year	3,671	8,648	12,319
Balance carried forward	<u>3,671</u>	<u>8,648</u>	<u>12,319</u>
Depreciation			
Balance at beginning of year	-	5,723	5,726
Charge for the period	-	2,020	2,020
Balance carried forward	<u>-</u>	<u>7,743</u>	<u>7,743</u>
Net book value 2010	<u>3,671</u>	<u>905</u>	<u>4,576</u>
Net book value 2009	<u>3,671</u>	<u>2,925</u>	<u>6,596</u>

3. Heritage Assets

Balance at beginning of year	154,608
Additions	3,000
	<u>157,608</u>

4. Investments

	At Cost		Market Value	
	2010 £	2009 £	2010 £	2009 £
Listed investments	252,415	231,115	264,116	187,974
Cash awaiting reinvestment	-	-	-	-
	<u>252,415</u>	<u>231,115</u>	<u>264,116</u>	<u>187,974</u>

Saffron Walden Museum Society Limited

Notes on the Accounts for the Year Ended 31st March 2010 – continued

4. Investments - continued

	Market Value	
	2010	2009
	£	£
Value at beginning of year	187,974	244,959
Less: disposals at opening book value	(35,760)	(56,635)
Add: acquisitions at cost	53,300	56,244
Net profit/ (loss) on revaluation at the end of the year	58,602	(56,594)
	264,116	187,974
	=====	=====

5. Debtors

	£	£
Income tax recoverable	188	216
Other	0	483
	188	699
	=====	=====

6. Restricted Funds

	Balance at beginning of year	Movement in Incoming	Resources Outgoing	Investment gains (losses)	Balance at end of year
	£	£	£	£	£
Acquisition and Display fund	415,685	9,859	2,120	67,911	491,335
Moorcroft	18,994	151	-	-	19,145
Tapestry	62	-	-	-	62
Ceramics gallery	126	1	-	-	127
Great Hall fund	14,131	113	-	-	14,244
Heritage Quest Centre fund	156,813	3,715	14,500	-	146,028
	605,811	13,839	16,620	67,911	670,941
	=====	=====	=====	=====	=====

The Society's constitution provides that the Acquisition and Display fund shall only be used in conjunction with the acquisition of objects, the cost of displays and display material, conservation of existing and future objects, the storage of the Society's collection and for the protection thereof by capital expenditure on protection systems for the buildings as a whole or individual exhibits or cases of exhibits.

The Moorcroft and Ceramics gallery funds are to be used only for projects associated with the ceramics collection.

The Tapestry fund is the residue of an appeal for the restoration of tapestries in the company's collection.

Saffron Walden Museum Society Limited

Notes on the Accounts for the Year Ended 31st March 2010 – continued

6. Restricted Funds - continued

The Great Hall Appeal fund was set up in 1983 to mark the 150th anniversary of Saffron Walden Museum, the objects of the appeal being the provision of new galleries of Natural History and Archaeology in the Museum's Great Hall.

The Heritage Quest Centre fund was set up in 2006 to receive funds for the building and equipping of a new centre to house the Society's reserve collection and provide adequate facilities for researchers to access these artefacts.

7. Analysis of Net Assets between funds

	Fixed Assets	Investments	Net Current Assets	Total
	£	£	£	£
Restricted funds				
Acquisition and Display fund	161,832	264,116	65,386	491,334
Moorcroft	-	-	19,145	19,145
Tapestry	-	-	63	63
Ceramics gallery	-	-	127	127
Great Hall Appeal	-	-	14,244	14,244
Heritage Quest Centre	-	-	146,028	146,028
	<hr/>	<hr/>	<hr/>	<hr/>
	161,832	264,116	244,993	670,941
Unrestricted funds				
General fund	352	-	25,307	25,659
	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	162,184	264,116	270,300	696,600
	=====	=====	=====	=====

