

THE STORY MUSEUM
ACCOUNTS FOR THE YEAR ENDED
31 MAY 2008

INDEX

Page	1-3	Trustees' report
	4	Auditors' report
	5	Statement of financial activities
	6	Balance sheet
	7-10	Notes to the accounts

Company number: 4780380
Charity number: 1107809

THE STORY MUSEUM

TRUSTEES' REPORT

1 Legal and Administration Information

- 1.1 The full name of the company is The Story Museum.
- 1.2 The company number is 4780380. The registered charity number is 1107809.
- 1.3 The trustees that served during the year were as follows:

Mr David Fickling
Ms Maureen Freed
Mr Edward Knighton
Mr John Lange
Ms Christine Lawson
Ms Diane Lees
Mr David Wood

- 1.4 The registered address is The Story Museum, Laytons, 50 Victoria Embankment, London, EC4Y 0L5.
- 1.5 The company's auditors are Critchleys, Greyfriars Court, Paradise Square, Oxford, OX1 1BE.
- 1.6 The company's solicitors are Laytons, 50 Victoria Embankment, London, EC4Y 0LS.
- 1.7 The company's bankers are now Barclays Bank plc of Cornmarket Street, Oxford, OX1 3HS.

2 Structure, Governance and Management

- 2.1 The charity is governed by its Memorandum and Articles of Association.
- 2.2 The procedures for the appointment of Trustees are set out in the Articles of Association. At each AGM, one third of the trustees shall retire from office but are eligible for reappointment.

3 Objects and Activities

The objects of The Story Museum are to advance the education of the public in relation to children's literature and the history of the City of Oxford, in particular by:

- a) establishing and maintaining a museum dedicated to these subjects;
- b) conserving, interpreting and developing collections and heritage assets relevant to children's literature and the City of Oxford;
- c) providing learning opportunities for and promoting literacy and creativity among children, young people and families.

THE STORY MUSEUM
TRUSTEES' REPORT (CONTINUED)

4 Achievements and Performance

Our achievements and performance are reviewed with respect to our charitable activities.

Establishing and maintaining a museum dedicated to children's literature

Consultation and winning support

The Story Museum continued to collaborate and consult with a broad spectrum of local and national partners. The local authority, schools, teachers and pupils were consulted about the style and content of outreach activities.

Fundraising

A capital fundraising campaign was launched in late in the financial year 31 May 2007 to fund a 2 year programme further to research and develop the plans to establish a Story Museum. Fundraising efforts were therefore concentrated on establishing relationships with individual benefactors and communicating with trusts and foundations that may be able to offer financial support on a longer term basis or who could fund discrete parts of the research & development.

Property

Following last year's review of potential sites in Oxford city centre contact was maintained with the planning department to track potential sites and opportunities. The Story Museum is a 'preferred cultural outcome' for Oxford City Council's city centre development.

Conserving, interpreting and developing collections and heritage assets relevant to children's literature and the City of Oxford

Activities in this area were kept low key other than ongoing positive discussions with Seven Stories in Newcastle regarding a shared collections policy.

Providing learning opportunities for and promoting literacy and creativity among children, young people and families

Outreach programme

The outreach programme continued with one-off events at schools and the establishment of more complex programmes, such as the three year Storytelling Schools initiative, run in conjunction with area partnerships of schools and local authority nominated schools. This generated an increase in income. An exhibition was created to accompany the Hot Story, taking the total of story day exhibitions to 3. Feedback from headteachers, teachers and pupils is very positive and rewarding.

The outreach programme helps the Story Museum explore however different activity models can benefit schools and communities in a museum environment as well purely benefiting as an outreach programme.

Family events programme

The series of family events run over the last eighteen months concluded with the very impressive Alice's Day in June 2007. This was the result of six months planning and coordination with twenty four other Oxford venues and cultural organizations. The family events have proven to be very successful and the model will transfer easily into a dedicated Story Museum building. Due to the success of Alice's Day 07 it was agreed to organize an Alice's Day 09.

THE STORY MUSEUM
TRUSTEES REPORT (CONTINUED)

5 Financial Review

- 5.1 The financial position of the charity is shown in the attached statement.
- 5.2 There has been a steady increase in revenue from outreach bookings and grants and donations. The success of the two year capital fundraising project launched at the end of the 2006/07 financial year remains critical to the ongoing success of the project.
- 5.3 There is not a rigid reserves policy due to the size of the charity however the trustees maintain that no new member of staff should be recruited until there are sufficient funds to cover their salary for 6 months. Funds that appear as reserves in this year's accounts are budgeted to cover the core costs until the next guaranteed unrestricted donation will be received.
- 5.4 The accounts do not reflect the increase in support for the project and the confidence of potential funders that the project will be successful.

6 Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Annual Report and accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the results of the charity for that year. In preparing those financial statements, the Trustees are required to select suitable accounting policies and then apply them consistently; make judgements and estimates that are reasonable and prudent; and prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees 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 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.

So far as the Trustees are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and

Each Trustee has taken all steps that he ought to have taken as a director in order to make himself aware of relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE TRUSTEES

E. M. Knight

2 March 2009

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE STORY MUSEUM

We have audited the accounts of The Story Museum for the year ended 31 May 2008 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These accounts have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described in the Statement of Trustees' responsibilities the trustees, who are also the directors of The Story Museum for the purposes of company law, are responsible for the preparation of accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether, in our opinion information given in the Trustees' Report is consistent with the accounts.

In addition we report to you if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the accounts 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 accounts.

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard-Provisions Available for Small Entities, in the circumstances set out in note 1 to the financial statements.

Opinion

In our opinion:

- the accounts give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the charitable company's state of affairs as at 31 May 2008, and of its incoming resources and application of resources, including its income and expenditure, in the year then ended; and
- the accounts have been properly prepared in accordance with the Companies Act 1985; and
- the information in the Trustees' Report is consistent with the accounts.

Oxford

9 March 2009

Critchleys
Chartered Accountants & Registered Auditors

THE STORY MUSEUM

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MAY 2008

	Note	Unrestricted Funds £	Restricted Funds £	Total 2008 £	Total 2007 £
Incoming resources					
Incoming resources from generated funds:					
Voluntary income		75,084	49,570	124,654	62,297
Interest receivable		600	-	600	83
Incoming resources from charitable activities	2	<u>12,166</u>	<u>-</u>	<u>12,166</u>	<u>10,954</u>
Total incoming resources		<u>87,850</u>	<u>49,570</u>	<u>137,420</u>	<u>73,334</u>
Resources expended					
Costs of generating funds:					
Costs of generating voluntary income	3	28,164	-	28,164	-
Charitable activities:					
Development of children's literature museum	4	32,681	20,000	52,681	32,666
Outreach	4	17,144	13,067	30,211	35,346
Family events	4	<u>16,569</u>	<u>2,200</u>	<u>18,769</u>	<u>24,573</u>
		66,394	35,267	101,661	92,585
Governance costs	5	<u>1,265</u>	<u>-</u>	<u>1,265</u>	<u>1,234</u>
Total resources expended		<u>95,823</u>	<u>35,267</u>	<u>131,090</u>	<u>93,819</u>
Net incoming resources		(7,973)	14,303	6,330	(20,485)
Fund balances brought forward		<u>22,584</u>	<u>-</u>	<u>22,584</u>	<u>43,069</u>
Fund balances carried forward		<u>14,611</u>	<u>14,303</u>	<u>28,914</u>	<u>22,584</u>

The notes on pages 7 to 10 form part of these accounts.

THE STORY MUSEUM

BALANCE SHEET
AS AT 31 MAY 2008

	Note	2008 £	2007 £
FIXED ASSETS			
Tangible assets	8	415	173
CURRENT ASSETS			
Stocks		335	335
Debtors	9	2,532	1,511
Cash at bank and in hand		<u>32,604</u>	<u>28,069</u>
		35,471	29,915
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	10	<u>(6,972)</u>	<u>(7,504)</u>
NET CURRENT ASSETS		<u>28,499</u>	<u>22,411</u>
NET ASSETS		<u>28,914</u>	<u>22,584</u>
FUNDS			
Restricted	11	14,303	-
Unrestricted		<u>14,611</u>	<u>22,584</u>
		<u>28,914</u>	<u>22,584</u>

The notes on pages 7 to 10 form part of these accounts.

These accounts were approved and authorised for issue by the trustees on

..... *E.M. K. h. t.* (Trustee)

2 March 2009

THE STORY MUSEUM

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2008**1 ACCOUNTING POLICIES**

In common with many other charities of our size and nature we use our auditors to assist with the preparation of the accounts.

- a) **Basis of accounting**
The accounts have been prepared under the historical cost convention. The accounts have been prepared in accordance with all applicable accounting standards.
- b) **Presentation of the accounts**
The accounts have been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities (Revised 2005) and the Companies Act.
- c) **Incoming resources**
Voluntary income is included when received. Other incoming resources are included in the SOFA on an accruals basis.
- d) **Resources expended**
All expenditure is accounted for on an accruals basis and includes irrecoverable VAT. Direct costs are allocated to the particular activity. All other costs that cannot be immediately allocated to a specific activity (including salaries and office costs) are allocated across the activities using the Trustees' estimate of the percentage of costs incurred on each activity.
- e) **Tangible fixed assets**
Tangible fixed assets are capitalised and depreciated over their useful life as follows:

Equipment 33% straight line.
- f) **Fund accounting**
Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or which have been raised by the charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the accounts. Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objects of the charity.

2 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES	2008	2007
	£	£
Outreach	8,350	7,435
Family events	3,556	3,467
Other	<u>260</u>	<u>52</u>
	<u>12,166</u>	<u>10,954</u>
3 COSTS OF GENERATING VOLUNTARY INCOME	2008	2007
	£	£
Fundraising services	21,150	-
Staff costs	<u>7,014</u>	<u>-</u>
	<u>28,164</u>	<u>-</u>

THE STORY MUSEUM

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2008 (CONTINUED)

4	CHARITABLE ACTIVITIES	Activities undertaken directly £	Support costs (note 5) £	Total 2008 £	Total 2007 £
	Development of children's literature museum	-	52,681	52,681	32,666
	Outreach	16,163	14,048	30,211	35,346
	Family events	<u>15,257</u>	<u>3,512</u>	<u>18,769</u>	<u>24,573</u>
		<u>31,420</u>	<u>70,241</u>	<u>101,661</u>	<u>92,585</u>

5	SUPPORT COSTS	2008 £	2007 £
	Salaries	21,738	35,237
	Depreciation	240	2,087
	Office, marketing and professional costs	<u>48,263</u>	<u>17,119</u>
		<u>70,241</u>	<u>54,443</u>

Support costs are allocated to the three activities in the ratio 75:20:5 (2007: 60:20:20) across the three charitable activities.

6	GOVERNANCE COSTS	2008 £	2007 £
	Auditor's remuneration and accountancy	<u>1,265</u>	<u>1,234</u>
		<u>1,265</u>	<u>1,234</u>

No Trustee received any remuneration or reimbursement of expenses during either year (2007: £nil).

7	STAFF COSTS	2008 £	2007 £
	Salaries	26,270	32,544
	National Insurance	<u>2,482</u>	<u>2,693</u>
		<u>28,752</u>	<u>35,237</u>

The average number of employees was 1 (2007: 2). No employees' emoluments exceeded £60,000 in the year.

THE STORY MUSEUM
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2008 (CONTINUED)

8	TANGIBLE ASSETS		Equipment £		
	Cost				
	At 1 June 2007		6,267		
	Additions		<u>482</u>		
	At 31 May 2008		<u>6,749</u>		
	Depreciation				
	At 1 June 2007		6,094		
	Charge for Year		<u>240</u>		
	At 31 May 2008		<u>6,334</u>		
	Net Book Value				
	At 31 May 2008		<u>415</u>		
	At 31 May 2007		<u>173</u>		
9	DEBTORS	2008 £	2007 £		
	Trade debtors	2,036	1,000		
	Prepayments	<u>496</u>	<u>511</u>		
		<u>2,532</u>	<u>1,511</u>		
10	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2008 £	2007 £		
	Trade creditors	5,707	6,270		
	Accruals	<u>1,265</u>	<u>1,234</u>		
		<u>6,972</u>	<u>7,504</u>		
11	RESTRICTED FUNDS	At 1 June 2007 £	Incoming resources £	Resources expended £	At 31 May 2008 £
	Outreach	-	22,370	13,067	9,303
	Family events	-	2,200	2,200	-
	Salary funding	-	20,000	20,000	-
	Architecture model project	<u>-</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
		<u>-</u>	<u>49,570</u>	<u>35,267</u>	<u>14,303</u>

These all represent voluntary income provided for a specific purpose with the closing balance being the unexpended amount at the year end.

THE STORY MUSEUM

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2008 (CONTINUED)**

12	ANALYSIS OF NET ASSETS BY FUND	Unrestricted Funds £	Restricted Funds £	Total £
	Fixed assets	415	-	415
	Net current assets	<u>14,196</u>	<u>14,303</u>	<u>28,499</u>
		<u>14,611</u>	<u>14,303</u>	<u>28,914</u>

13 **SUBSIDIARY UNDERTAKING**

The charity owns 100% of the Story Museum Trading Limited, a company incorporated in England & Wales. This company has been dormant since incorporation and has no reserves.