

THE STORY MUSEUM
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 AUGUST 2015

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Company number: 4780380

Charity number: 1107809

THE STORY MUSEUM TRUSTEES' REPORT

Legal and Administration Information

The full name of the company is The Story Museum.

The company number is 4780380. The registered charity number is 1107809.

The trustees that served during the year were as follows:

Dr Will Bowen
Ms Maggie Farrar CBE – appointed 8 July 2015
Mr David Fickling
Ms Pamela Hartigan –retired 29 April 2015
Mr John Lange
Mr David Wood OBE
Mr Michael Heaney
Mrs Jill Hudson
Mr Brian Buchan – appointed 8 July 2015

The office address of the charity is 42 Pembroke Street, Oxford, OX1 1BP.

The registered office is Laytons, 2 More London Riverside, London, SE1 2AP.

The company's auditors are Critchleys LLP, Greyfriars Court, Paradise Square, Oxford, OX1 1BE.

The company's solicitors are Laytons, 2 More London Riverside, London, SE1 2AP.

The company's bankers are Barclays Bank plc of Cornmarket Street, Oxford, OX1 3HS.

Structure, Governance and Management

The charity is governed by its Memorandum and Articles of Association.

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.

Objects and Activities for the Public Benefit

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 Trustees have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

THE STORY MUSEUM

TRUSTEES' REPORT (CONTINUED)

Introduction by the Acting Chairman

Our first full year of operation in our part-made Museum has proven that our mission is achievable: that we can create a place of wonder which offers great ways to experience great stories and has wide appeal, and that can serve as a focal point for addressing the issues of word-poverty, low literacy and cultural disengagement that are so present in Oxford, as in other places.

Visitor numbers have exceeded expectations, our learning programme is running to meet demand from schools, and feedback from both audiences has been incredibly positive. It is clear that our approach can be sustainable. Whilst we continue to learn a great deal in terms of optimising our operation, the charity nevertheless generated a small surplus and reserves have grown across the year. We have also demonstrated that we can operate on multiple-fronts: handling a complex capital project alongside creating inspiring exhibitions, reaching out to schools, developing our infrastructure and operating the Museum 6 days a week. We will build on this capability in the years ahead.

I would like to extend my personal thanks to the Directors, staff and volunteer team and my fellow Board members, without whose dedication The Story Museum would not be here. A special thanks also to the many individuals, trusts and grant-makers whose contributions continue to be vital in establishing the Museum and engaging thousands of people in our work.

David Wood OBE, Acting Chairman

Directors' report

Over the year we worked to deliver against our stated priorities for the period as follows:

- 1. Analyse learning from 1st year of programme and plan our activity programme for the next 3 years allowing for longer lead times for fundraising, marketing and delivery.**

At this stage in the Museum's development, we are in a continual process of experimentation, evaluation and evolution. From the events we run and the artists we work with, to the hours we open and the prices we charge, every aspect of our operation is being trialled and monitored. A full and independent evaluation report of our first major exhibition '26 Characters' identified many learnings across operations, programming and marketing from the first 11 months of opening. A review of our Capital Development Masterplan conducted during the year considered how these learnings impacted the design of the future Museum and the five year financial model. Further detailed evaluations were carried out on individual projects such as Learning Through Stories and the Clore Foundation funded Literature Producers Group for Teenagers all of which informed the new Learning and Participation business plan produced during the period.

We invite visitor feedback on an ongoing basis through paper questionnaires, email surveys and discussion with our frontline staff and volunteers, which indicates an extremely positive response with 96% of visitors rating their Museum experience very good or excellent. We also create opportunities for visitors to add to the exhibits themselves - such as original creative writing prompted by the story spinner and then added to a nearby display; these form an important and intrinsic part of the exhibitions.

- 2. Develop projects to advance story collection and build community involvement**

During the period 13,378 people visited the Museum with day-tickets and 6,893 attended events, workshops and courses; a further 5,382 school children and 789 teachers visited the Museum as part of a planned Museum visit, workshop, or teacher training and 2,683 children engaged with our outreach projects in schools. An estimated 5,000 more people visited the Museum as part of free city-wide events such as Alice's Day, Harry Potter Night and Christmas Light Night. Many more casual visitors dropped into our courtyard, café and shop. Responses from our visitors via Trip Advisor, social media and our own feedback forms have been overwhelmingly positive, with people welcoming the opportunity to engage with our spaces and creative installations.

THE STORY MUSEUM

TRUSTEES' REPORT (CONTINUED)

"A must for people who love books... a truly magical place." Trip Advisor Review, June 2015

Our opening Exhibition '26 Characters' was extended from its intended close date of November 2014 through to February 2015 therefore representing 50% of the years' programme. Over its lifetime, '26 Characters' welcomed 18,625 visitors and a sample survey indicated that 63% attended in mixed groups of adults and children and 73% came from the South East. Visitor response to the exhibition included 95% stating they were satisfied or very satisfied with their visit, 69% saying they would visit the exhibition again and 88% saying they would come to a future exhibition.

Following the success of '26 Characters', we experimented with using our spaces in different ways. We mounted a more traditional gallery exhibition, 'Draw me a Story', featuring the work of six leading illustrators and showing the process of creating a picture book, from first sketches to finished artwork. Visitors could also watch professional illustrators at work in the 'Illustrator Zoo' and create picture books of their own.

To complement this, we also created a new bedtime stories installation for preschool children called 'Time for Bed', with art direction by Helen Cooper, and a giant bed designed by Liz Cooke thanks to a donor gift. This proved an instant hit with people of all ages, and increased our visits from early years groups and younger school classes. In each of these exhibitions we invited visitors to list their favourite picture books and bedtime stories, collecting these suggestions for our expanding database.

"Time for Bed' is entrancing visitors from babes-in-arms to grandparents - not forgetting its devoted following of teenagers who bring their own books to read while lounging on the truly enormous bed" Julie Webb, Oxford Times

Our third experiment was 'Extreme Reading', which offered older children and teenagers opportunities to read great books in strange ways (via prisms, filters, telescopes, in the dark, in code, in costume...) and in strange places (a sailing boat, a tiny tent, a garden shed, a dog kennel...). This proved very effective at getting children reading and will be adapted for the library of a local school as part of a targeted Learning and Participation project in 2016.

"It has given him a new attitude to books. That they can be fun and it doesn't have to be a chore to read" Parent feedback form, 2015

During the year we continued to offer a wide-ranging programme of story events and activities for all ages, ranging from ABC Story (story time and messy play for the under 3s) to author, illustrator and storyteller performances and workshops, to annual themed days such as Alice's Day – in 2015 celebrating the 150th anniversary of Alice's Adventures in Wonderland and attracting huge numbers of visitors from around the world - and Discworld Day, which this year focussed on *Mort* to mark Sir Terry Pratchett's death and celebrate his remarkable life.

Of particular note was our first home-produced Christmas show 'Snow and Tell' which mounted 44 performances over 5 weeks for a total around 2,000 visitors. On the back of this emphatic success, we plan to make an annual feature of a Christmas storytelling show.

We continued to work through strategic partnerships to achieve our heritage and learning goals including projects with the Bodleian Library, Ashmolean Museum, Oxford Inspires and the City's Library Service. We were sorry to see the Bodleian's printing presses (and their Master Printer Paul Nash) return to the Library after their extended stay with us, during which we made good use of them for printing workshops and as objects for visitors to admire.

THE STORY MUSEUM

TRUSTEES' REPORT (CONTINUED)

3. Develop creative projects that engage children and young people from our most disadvantaged communities and demonstrate educational and social impact

Alongside the publicly available activities outlined above, our targeted Learning and Participation programme successfully engaged with over 10,000 school students and teachers from 85 different schools over the year. With the continued support of the Esmée Fairbairn Foundation we consolidated our core **In-Museum schools offer** of accompanied exhibition visits, workshops, wonder-walks and bespoke activities delivering 164 sessions over the year. 100% of teachers completing evaluation of this work stated that they would come again and recommend to a colleague. We feel we have now established confidence and trust amongst our target market which has created momentum (with bookings running about 6 months ahead) and we duly expanded the Learning and Participation team with a pool of sessional workers engaged to help us meet growing demand from schools. Meanwhile we continue to offer **outreach learning** such as taking touring exhibitions and artist led sessions into the schools; 25 schools engaged with us in this way during the period.

In order to reach our target groups, we create **specific partnership projects** that respond to a stated need or request from a school or group. A total of 2,742 children and staff worked with the Museum through four strategic projects during the year; 30.5% of these children came from schools in deprived areas of Oxford where the issue of illiteracy and related life-challenges are most pronounced.

4. Develop our business activities to increase earned income

In October 2014 we opened '**The Café at the Story Museum**' our small 24-cover counter service café, run in-house by cook and food writer Sophie Grigson and her team. The Café offers a simple and tasty range of food all made on the premises with locally sourced ingredients and presented where possible with a story-theme. The aim of our café is offer a family friendly space and food offer, priced at the low-mid range compared with local competition, which meets the needs of our Museum visitor groups as well as presenting a good option for a casual customer. The Café generated £45,510 (17% of total earned income in the year) which was less than the income target though not unreasonable for the first 12 months of a start-up café in an area of Oxford already relatively well served with food and drink offerings.

Our small **Museum shop** stocks a range of books and gifts for sale to Museum and casual visitors; it also serves as a box office and shares a space with our café. The shop is overseen by our Front of House, Retail and Volunteer manager and is staffed by a mix of volunteers and paid casuals. The shop generated income of £33,453 over the year. Over the period, the shop made several changes to increase its earning potential such as negotiating a greater margin with a new book supplier, encouraging local artists to supply high-price prints and artwork on a sale or return basis and creating sales opportunities outside of the retail area and shop, including pocket money menus for schools, party bags and snack packs for the Christmas show.

With a total usable floor space of 2,000 sqm, there is opportunity to **let space** to compatible partners and clients on a one-off or longer term basis. As well as our rolling let to the local bike co-operative Broken Spoke, we delivered 34 separate one-off hires between September 20 14 and August 2015 for clients ranging from the City and County Councils, cultural partners, University and local business, generating income of £16,582. There is significant demand for hires and private events (particularly children's parties) and we intend to maximise this going forward.

THE STORY MUSEUM

TRUSTEES' REPORT (CONTINUED)

5. Review our masterplan, business model and strategic plan; and launch a capital appeal to complete refurbishment of the building.

With support from ACE Managed Funds, our senior team and advisors reviewed our Capital Development Masterplan and business model during the year to reflect the changing external context and lessons learned from the first year of operating. This review, completed in July 2015, concluded that:

- We can complete a 'Chapter 2' - bringing the whole of the building into use - for a total cost of £5.98m of which £3.26m is construction cost - a significant reduction on earlier estimations achieved by removing non-essential elements, simplifying the design and leaving a further phase of 'embellishments' as future funds permit.
- Chapter 2 could be delivered within the next 3 years with completion scheduled for late 2018 and full opening in early 2019. This is an ideal timetable as it coincides with intense local development in our part of Oxford, the arising opportunities for potential funding and related increases in visitor footfall.
- It is feasible to raise the required funds through a 3 year campaign targeting lottery funds, major grant-making trusts, individual philanthropists and a public appeal.
- A sustainable financial model for the organisation relies on being able to significantly grow earned income by exploiting existing income streams more fully and developing new ones; this in itself requires greater resourcing through staff and technology.
- Audience demand for The Story Museum is growing thanks to our 12 years of work in Oxford schools, in the city centre and in our building since 2009 - particularly following our highly successful '26 Characters' exhibition in 2013/2014 - and we have successfully established a distinctive brand, associated with innovation, creativity, wonder and surprise.

As part of the Masterplan review process we produced a new five year financial model covering the current transitional phase (2015-2017), the build year (2017-2018) and the first two years of operation post Chapter 2 (2018-19, 2019-20). The model charts a significant growth in services, staff and impact to reach a sustainable business model by 2020 based on self-generating over 80% of our income - through fundraising and earning activities - with the balance provided in ongoing support from Lottery/Statutory sources including ACE and HLF. At that point and with a full staff team, we can deliver programmes and services to capacity and generate a modest annual surplus allowing us to build our free reserves. In the meantime and of necessity we continue to flex our capacity and ambitions to match available resources on an ongoing basis.

In August 2015 and on the basis of the revised Masterplan, we submitted a bid to the Arts Council's Large Capital fund, the success of which will provide the best possible basis for us to proceed with Chapter 2 from 2016.

6. Commence a 'Chapter 1a' construction phase to further extend heating and access

During the year we scoped, secured funding for (Arts Council grant and private donations) and have largely delivered a discrete package of capital works costing around £310,000. This phase of our ongoing redevelopment was designed to increase energy efficiency, accessibility and usability of 1st and 2nd floor spaces as well as achieve a number of small infrastructure improvements. It has included installing heating and insulation to our large top floor room so that we can use an additional 325 sqm for temporary exhibitions. We also installed a platform lift to the second floor, making 87% of our building wheelchair accessible; this will be particularly welcomed by our older visitors, many of whom accompany their grandchildren to the museum. We carried out much-needed stone repair and cleaning to the frontage of the building to improve the museum's visibility, and installed playful lighting and signage to encourage visitors across the threshold. A number of small but significant pieces of IT/Comms equipment were also purchased enabling improved digital communications and production in-house.

THE STORY MUSEUM

TRUSTEES' REPORT (CONTINUED)

7. **Build staff and board capacity and organisational systems to enable us to make this possible**

During the year we appointed two new board members who bring specific and extensive skills in financial strategy and organisational change – both key features of this transitional period. Brian Buchan brings some 40 years of commercial experience including senior financial and international roles, as well as several non-executive and executive board roles. Brian has taken on the role of Chair of the Finance Committee. Maggie Farrar CBE is an expert in organisational change and leadership and has held senior positions in schools and local authorities in London and Birmingham. Most recently she was the Interim Chief Executive and Director for leadership development, research and succession planning at the National College for School Leadership. Maggie will focus on supporting the Museum team through the next stage of organisational development including succession planning and will chair our Learning Advisory Panel

By end of the financial year, we had scoped a series of 10 steps to strengthen governance policy and procedures for delivery in the first half of 2015-16 as part of capacity building towards running Chapter 2.

The Master planning review identified a number of key infrastructure and strategic projects to be completed in 2016, from staff retention and talent development through to scoping new box office and data systems. These will form the crux of our organisational development plan over the next period.

Staff changes during the year included David Gibb who succeeded Alex Coke as Marketing Officer and Mark Hathaway who joined us from Ruskin College of Art as a part-time bookkeeper. The opening of the café in October 2014 led us to take on new casual café and front of house staff. We have again benefited from the input of several interns over the year as well as the ongoing team of volunteers whose generosity and skills we continue to rely upon. The core Museum staff numbered 11 FTE at the end of the financial year, not including freelance advisors, casuals or time donated in-kind; once again the wider team proved a dedicated and talented group who work tirelessly throughout the year to grow the Museum.

Reserves policy and risk management

Our reserves policy continued as before: we aim to maintain a ring-fenced reserve for capital commitments and, within general funds, a reserve to cover 12 months of premises costs and 3 months of salaries and on-costs.

We continued to update and review our risk register, raising particular issues of concern with the Trustee Board at their regular meetings. The Capital Project Director and Building Committee monitored a detailed risk register relating to the construction works.

We intend to revise both the reserves policy and the risk register going into the next year in order to better align them with each other as well as our current operational status and future ambitions.

Governance

The full Board met 5 times over the year and the Building Committee met as required by the current phase of capital works. The Finance Committee was refreshed in the summer with the arrival of a new Committee Chair in Brian Buchan. An ad-hoc Nominations group comprised of Board members and a co-opted member was brought together towards the end of the year to re-ignite the search for a new Chair of Trustees which we aim to conclude with a successful appointment in early 2016.

During the year there was one Trustee resignation: we thank Pamela Hartigan for her more than 5 years of service to the Story Museum. Brian Buchan and Maggie Farrar both joined the Board and bring valuable skills as described in point 7 above. We welcome Brian and Maggie to the Board and are hugely grateful to all our Trustees for their continued support and advice.

THE STORY MUSEUM

TRUSTEES' REPORT (CONTINUED)

Finance and Fundraising

We began the year with brought forward unrestricted general reserves of £75,248 and restricted reserves of £69,976 relating to the ongoing capital project and funded activity. At the end of the year we carried forward £127,717 of unrestricted general reserves and £61,903 of restricted reserves. The improvement in the closing balance of unrestricted general reserves was after having made allowance for £33,609 of depreciation. The amount of depreciation charged during the financial year was significantly higher than in previous year because it largely related to property improvements which were capitalised as a result of the Chapter 1 project. During this financial year a further £13,529 of property improvements were capitalised.

While total income of £793,434 was down from £929,467 the previous year, this reflects the dip in restricted capital funding during the gap between our Chapter 1 and Chapter 1a building programmes. Fundraising activity during the year focused on securing over £113,898 in capital funds for the completion of Chapter 1 and Chapter 1a including a significant gift from a new donor. We also worked hard to retain and renew existing revenue funders including the Esmée Fairbairn Foundation, the Cave Foundation, the Evans Family, the Bernard Morris Charitable Trust and the Woodroffe Benton Foundation. First time funders secured in the year included a Foundation with a significant three year pledge of unrestricted funds, the A.M.McGreevy No. 5 Charitable Settlement and the Patsy Wood Foundation with a gift towards our 2016 Animal exhibition and an additional unrestricted gift. We are immensely grateful to all our donors – old and new – for their generous contributions towards our capital and project activity. As well as those named above, we would particularly like to thank one of our Genies for granting us yet another wish.

Looking forward from September 2015

We will continue to work in pursuit of our mission:

To enrich lives through story, especially young lives and those facing disadvantage, using stories in all their forms to inspire learning and improve wellbeing and so to help people fulfil their potential.

Our five key objectives continue to be:

1. To develop and share great ways of engaging with great stories and to help people to create stories of their own
2. To create a 'wonder', an unusual museum that attracts audiences, hosts inspiring and enjoyable experiences, works physically and financially and is environmentally sustainable
3. To expand audiences, increase diversity and deepen community involvement with the museum and our shared story heritage
4. To develop, understand and share a collection of great stories, in different forms, and demonstrate their important to human culture, heritage, learning and well-being
5. To establish a resilient organisation, maximising earned income and building the capacity of our leadership, staff, trustees, associates and volunteers.

Our specific priorities for 2015/16 include:

1. To deliver our next major exhibition 'Animal', associated activities and regular programme of events achieving more visitors than the previous year and receiving majority positive feedback
2. To progress Chapter 2, the next and largest phase of our capital redevelopment, to detailed design and securing around half of the required funding
3. To increase visitor numbers on the previous year and to develop engagement amongst new and diverse audiences through targeted projects and partnerships
4. To grow earned income by extending existing activities and developing new ones
5. To strengthen policy and procedures across all areas of the organisation to best meet our responsibilities to staff, volunteers, visitors, participants and donors.

THE STORY MUSEUM**TRUSTEES' REPORT (CONTINUED)****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. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. 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 2006. 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 s/he ought to have taken as a director in order to make her/himself aware of relevant audit information and to establish that the company's auditors are aware of that information.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

This report was approved by the Trustees on 4 March 2016.

.....
John Lange (Trustee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE STORY MUSEUM

We have audited the financial statements of The Story Museum for the year ended 31 August 2015 which comprises the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our 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 explained more fully in the Trustees' Responsibilities Statement set out on page 8, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors including 'APB Ethical Standard – Provisions Available for Small Entities (Revised)' in the circumstances set out in note 1 to the financial statements.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006; and

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE STORY MUSEUM
(CONTINUED)**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you, if in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustee's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the Trustees were not entitled to prepare the Trustees' Report in accordance with the small companies regime and take advantage of the small companies exemption from the requirements to prepare a strategic report

Colin Mills (Senior Statutory Auditor)
for and on behalf of Critchleys LLP, Statutory Auditor

Oxford

7 March 2016

THE STORY MUSEUM

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2015**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
Incoming resources					
Incoming resources from generated funds:					
Voluntary income		236,863	279,141	516,004	783,134
Interest receivable		1		1	520
Incoming resources from charitable activities	2	<u>277,429</u>	-	<u>277,429</u>	<u>145,813</u>
Total incoming resources		<u>514,293</u>	<u>279,141</u>	<u>793,434</u>	<u>929,467</u>
Resources expended					
Costs of generating funds:					
Costs of generating voluntary income	3	75,678	-	75,678	52,643
Charitable activities	4	402,207	260,951	663,158	568,029
Governance costs	5	<u>2,548</u>	-	<u>2,548</u>	<u>2,535</u>
Total resources expended		<u>480,433</u>	<u>260,951</u>	<u>741,384</u>	<u>623,207</u>
Net incoming/(outgoing) resources Before transfers		33,860	18,190	52,050	306,260
Gross transfers between funds	11	<u>26,263</u>	<u>(26,263)</u>	-	-
Net incoming/(outgoing) resources		60,123	(8,073)	52,050	306,260
Fund balances brought forward		<u>2,900,616</u>	<u>69,976</u>	<u>2,970,592</u>	<u>2,664,332</u>
Fund balances carried forward		<u>2,960,739</u>	<u>61,903</u>	<u>3,022,642</u>	<u>2,970,592</u>

The notes on pages 13 to 18 form part of these financial statements.

THE STORY MUSEUM
(Company no: 4780380)

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	2015 £	2014 £
FIXED ASSETS			
Tangible assets	8	2,833,022	2,833,607
CURRENT ASSETS			
Stock		6,614	-
Debtors	9	160,642	162,282
Cash at bank and in hand		<u>129,111</u>	<u>82,048</u>
		296,367	244,330
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	10	<u>(106,747)</u>	<u>(107,345)</u>
NET CURRENT ASSETS		<u>189,620</u>	<u>136,985</u>
NET ASSETS		<u>3,022,642</u>	<u>2,970,592</u>
FUNDS			
Restricted	11	61,903	69,976
Unrestricted			
Designated funds	12	2,833,022	2,825,368
General funds	12	<u>127,717</u>	<u>75,248</u>
		<u>3,022,642</u>	<u>2,970,592</u>

The notes on pages 13 to 18 form part of these financial statements.

These financial statements were approved and authorised for issue by the trustees on 4 March 2016.

..... John Lange (Trustee)

THE STORY MUSEUM

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

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 financial statements.

a) Basis of accounting

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with all applicable accounting standards.

b) Presentation of the financial statements

The financial statements 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. Resources expended are included as costs of generating funds, charitable activities or governance costs depending on the purpose of the expenditure.

e) Tangible fixed assets

Tangible fixed assets are capitalised and depreciated over their useful life as follows:

Equipment	- 3 years
Building improvements	- 25 years

Long leasehold buildings will be depreciated over their useful economic life once the relevant part of the buildings has undergone major improvements.

The amount paid for the long lease on the building has been capitalized as fixed assets. Major works on parts of the building are now being capitalised within fixed assets as leasehold improvements.

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 financial statements. Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objects of the charity. Designated funds represent unrestricted funds that have been set aside by the trustees for particular purposes, details of which are set out in the notes to the financial statements.

THE STORY MUSEUM
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015 (CONTINUED)

2 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES	2015	2014
	£	£
Café income	45,510	-
Retailing	33,453	14,217
Rent and room hire	16,582	7,911
Publishing income	5,200	14,523
Ticketed events	122,855	51,999
Schools programme and teacher training	47,344	52,246
Corporate sponsorship		
Whittards of Chelsea	-	1,000
Critchleys	-	2,500
One Ltd	-	417
Stagecoach	135	
Berkshire Buckinghamshire Wildlife Trust	150	
Value Retail Management	6,200	
HMG Law	<u>-</u>	<u>1,000</u>
	<u>277,429</u>	<u>145,813</u>
3 COSTS OF GENERATING VOLUNTARY INCOME	2015	2014
	£	£
Fundraising services and expenses	25,353	772
Staff costs	<u>50,325</u>	<u>51,871</u>
	<u>75,678</u>	<u>52,643</u>
4 COSTS OF CHARITABLE ACTIVITIES	2015	2014
	£	£
Strategic planning professional fees and expenses relating to outreach, exhibitions and events programme, and trading	166,338	189,836
Staff costs relating to outreach exhibitions and events programme and trading	182,458	71,924
Professional fees and expenses relating to museum building development	53,809	42,396
Staff costs relating to museum building development	<u>38,496</u>	<u>70,004</u>
	441,101	374,160
Support costs (note 6)	<u>222,057</u>	<u>193,869</u>
	<u>663,158</u>	<u>568,029</u>
5 SUPPORT COSTS	2015	2014
	£	£
Staff costs	91,931	43,154
Depreciation	33,609	5,190
Office, marketing and professional costs	<u>96,517</u>	<u>145,525</u>
	<u>222,057</u>	<u>193,869</u>

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6 GOVERNANCE COSTS	2015	2014
	£	£
Auditor's remuneration	2,500	2,500
Board meetings	<u>48</u>	<u>35</u>
	<u>2,548</u>	<u>2,535</u>

No Trustee received any remuneration or reimbursement of expenses during the year (2014: £nil).

7 EMPLOYEE COSTS	2015	2014
	£	£
Salaries	265,294	217,456
National Insurance	<u>22,957</u>	<u>19,497</u>
	<u>288,251</u>	<u>236,953</u>

The average number of employees was 11.00 (2014: 8.08). No employees' emoluments exceeded £60,000 in the year.

8 TANGIBLE ASSETS	Leasehold	Long Leasehold	Equipment	Total
Cost	improvements	Property		
	£	£	£	£
At 1 September 2014	631,812	2,190,000	39,241	2,861,053
Additions	<u>13,529</u>	<u>-</u>	<u>19,495</u>	<u>33,024</u>
At 31 August 2015	<u>645,341</u>	<u>2,190,000</u>	<u>58,736</u>	<u>2,894,077</u>
Depreciation				
At 1 September 2014	-	-	27,446	27,446
Charge for year	<u>25,272</u>	<u>-</u>	<u>8,337</u>	<u>33,609</u>
At 31 August 2015	<u>25,272</u>	<u>-</u>	<u>35,783</u>	<u>61,055</u>
Net Book Value				
At 31 August 2015	<u>620,069</u>	<u>2,190,000</u>	<u>22,953</u>	<u>2,833,022</u>
At 31 August 2014	<u>631,812</u>	<u>2,190,000</u>	<u>11,795</u>	<u>2,833,607</u>

9 DEBTORS	2015	2014
	£	£
Trade debtors	29,374	12,608
Donations/grants receivable	101,000	147,250
Gift Aid	22,887	1,886
VAT debtor	4,281	-
Other debtors	<u>3,100</u>	<u>538</u>
	<u>160,642</u>	<u>162,282</u>

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FOR THE YEAR ENDED 31 AUGUST 2015 (CONTINUED)

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2015	2014
	£	£
Trade creditors	101,822	61,057
Other Creditors	1,425	-
Accruals	3,500	19,223
Loan	-	15,000
Deferred income (see below)	-	4,750
VAT	-	842
Tax and social security	<u>-</u>	<u>6,473</u>
	<u>106,747</u>	<u>107,345</u>
Deferred income		
Deferred income brought forward	-	-
Released to incoming resources in the year	-	-
Incoming resources deferred in the current year	<u>-</u>	<u>4,750</u>
Deferred income carried forward	<u>-</u>	<u>4,750</u>

Deferred income relates to learning and participation projects invoiced in advance.

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FOR THE YEAR ENDED 31 AUGUST 2015 (CONTINUED)

11 RESTRICTED FUNDS	At 1 September 2014 £	Incoming Resources £	Resources expended £	Transfers £	At 31 August 2015 £
Programme and projects					
Storytelling Schools projects	10,000	-	10,000	-	-
Learning Through Stories	11,685	1,532	13,217	-	-
Alice's Day 2014	-	20,000	20,000	-	-
Alice's Day 2015	-	16,000	13,660	-	2,340
Other including education and outreach	6,658	108,712	106,362	282	9,290
Arts Council G4A programme	-	9,999	9,999	-	-
Other programme	<u>-</u>	<u>9,000</u>	<u>9,000</u>	<u>-</u>	<u>-</u>
Total outreach projects	28,343	165,243	182,238	282	11,630
Capital project					
Design, construction and project management	<u>41,633</u>	<u>113,898</u>	<u>78,713</u>	<u>(26,545)</u>	<u>50,273</u>
TOTAL CAPITAL PROJECT	<u>41,633</u>	<u>113,898</u>	<u>78,713</u>	<u>(26,545)</u>	<u>50,273</u>
TOTAL RESTRICTED FUNDS	<u>69,976</u>	<u>279,141</u>	<u>260,951</u>	<u>(26,263)</u>	<u>61,903</u>

These all represent voluntary income provided for a specific purpose with the closing balance being the unexpended amount at the year end. Where restricted income is used to cover costs capitalised as fixed assets, these are transferred to unrestricted funds.

12 UNRESTRICTED FUNDS	At 1 September 2014 £	Incoming resources £	Resources expended £	Transfers £	At 31 August 2015 £
Designated – Fixed Assets	2,825,368	-	33,609	41,263	2,833,022
General funds	<u>75,248</u>	<u>514,293</u>	<u>446,824</u>	<u>(15,000)</u>	<u>127,717</u>
	<u>2,900,616</u>	<u>514,293</u>	<u>480,433</u>	<u>26,263</u>	<u>2,960,739</u>

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13 ANALYSIS OF NET ASSETS BY FUND	Unrestricted funds £	Restricted Funds £	Total £
Fixed assets	2,883,022	-	2,833,022
Net current assets/(liabilities)	<u>127,717</u>	<u>61,903</u>	<u>189,620</u>
	<u>2,960,739</u>	<u>61,903</u>	<u>3,022,642</u>

14 CAPITAL COMMITMENTS

As at 31 August 2015 the charity had no capital commitments.

15 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.

16 RELATED PARTY TRANSACTIONS

During the previous year a loan of £20,000 was granted to The Story Museum from W Bowen. As at 31 August 2015 £nil was outstanding (31 August 2014: £15,000).