

**WOKING MUSEUM AND  
ARTS & CRAFTS CENTRE**  
(A company limited by guarantee)

**COMPANY NO: 3598733**  
**REGISTERED CHARITY NO: 1073543**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 MARCH 2006**



# WOKING MUSEUM AND ARTS & CRAFTS CENTRE

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# **WOKING MUSEUM AND ARTS & CRAFTS CENTRE**

## **Legal and Administrative Information**

### **Status**

The organisation is a charitable company limited by guarantee, incorporated on 16 July 1998 registered number 3598733 and registered as a charity on 27 January 1999, registered charity number 1073543

The company was established under a Memorandum and Articles of Association which established the objects and powers of the charitable company. Under the Articles of Association the members of the Board of Directors (who are Trustees for the purpose of charity law) are elected at the AGM to serve. One third of the Board members will retire each year. The Directors to retire in each year shall be those who have been longest in office since their last election.

The Company operated under the name Woking Galleries until 9 November 2005 when a new name, The Lightbox, was adopted.

### **Trustees**

Mr. R. Umney	Chair	
Mrs. G. Washington	Vice Chair	
Mr. M. Bowman	Meetings Secretary	
Mrs. J. Jacks		Resigned 20 September 2006
Mr. K. Smith		
Mr. I. Fraser		Resigned 8 November 2005
Mr. P. Wilson OBE		
Mr. A. Mahoon		
Mrs. M. Odundo		
Cllr. S. Smith		Resigned 21 May 2006
Mr. R. Johnson		Resigned 20 September 2006
Ms. C. Dennis		Appointed 25 May 2005
Cllr. J. Kingsbury		Appointed 23 May 2005
Cllr. A-M. Barker		Appointed 22 May 2006
Cllr. I. Johnson		Appointed 22 May 2006
Mr. M. Hotson		Appointed 20 September 2006
Dr. P. Wilkie		Appointed 20 September 2006

### **Secretary**

Mr. A. Pooley

### **Chief Executive**

Mrs. M. Scott

### **Registered Office and Operating Address**

The Lightbox, One Crown Square, Woking, Surrey, GU21 6HR

### **Auditors**

Kingston Smith LLP, Surrey House, 36-44 High Street, Redhill, Surrey, RH1 1RH

### **Bankers**

CAFCASH Ltd, PO Box 289, West Malling, Kent, ME1 9TA

### **Solicitors**

W. Davies and Son, Acorn House, 5 Chertsey Road, Woking, Surrey, GU21 5AB

# **WOKING MUSEUM AND ARTS & CRAFTS CENTRE**

## **Trustees' Report for the year ended 31 March 2006**

The Trustees present their report and financial statements for the year ended 31 March 2006.

### **Reference and Administrative Structure**

The company is a registered charity and exists to provide a heritage and visual arts service for the people of Woking and the wider region. Day to day management of the organisation is charged to the Director, Mrs. Marilyn Scott, and two senior managers, the Deputy Director, Mrs Tamalie Newbery, and the Finance Director, Mr Anthony Pooley. This senior management team reports monthly to the executive, which comprises of five members of the board of trustees who provide both general and functional expertise. The five are; Mr Roger Umney (finance), Mrs Gill Washington (Arts & Crafts), Mr Martin Bowman (Personnel), Mrs Carmel Dennis (Destination attractions) and Mr Keith Smith (Marketing).

During the course of the year the administration relocated from Chertsey Road to offices in Crown Square as the former building was due for refurbishment.

### **Structure, Governance & Management**

All Trustees are appointed to assist in furthering the operational activities of the organisation. They are recruited to fill skill gaps on the Board by various methods. This year Carmel Dennis was recruited through a network with another Board member. Matt Hotson was recruited through the Arts and Business Skills bank.

Each new Board member receives an induction pack containing information about the organisation. The Chairman of the Board seeks a one to one interview with all potential recruits. All new Board members are offered a one day training course on Board duties. From time to time Board members are also offered specialised training e.g. fundraising or employment law (recent examples).

Members of the Board who are directors for the purposes of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on Page 1.

Members of the charitable company guarantee to contribute an amount not exceeding £5 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2006 was 321.

### **Objectives and Activities**

The organisation currently has two principal activities. The first is to manage the construction of a new museum and gallery in the centre of Woking called The Lightbox. The aim of The Lightbox is to provide a friendly and lively place that is a dynamic and inspiring place to spend time, think, discover and have fun.

The aim for the building project in the year under review was:-

- To progress the fundraising activity and start to close the funding shortfall.
- To appoint a construction company and start the building process on site.
- To identify partners with whom we would work when the building is commissioned.

Following an open tender process four companies were invited to present to the selection board, after interview and examination of their submissions R Durtnell & Sons were awarded the construction contract. Construction started on site in July 2005.

The second is to provide and manage educational outreach activities that provide access to learning, the visual arts and heritage for the local community.

Our aims on these activities in the year under review were:-

- To work with partner organisations to encourage participation in cultural events.
- To continue our oral history work with the community.
- To manage and increase our museum collection.

# **WOKING MUSEUM AND ARTS & CRAFTS CENTRE**

## **Trustees' Report for the year ended 31 March 2006 (Continued)**

### **Achievements and Performance**

To progress our fundraising activities we appointed a Development Director to co-ordinate activities and widen the appeal process to include not just statutory and trust but also corporates and the general public. An appeal committee was also established to run events to not only raise funds but also extend awareness of the project. The team enjoyed a successful year collecting in excess of £600k, notable contributions coming from Arts Council England (£90k), S C Johnson (£80k) and Garfield Weston Trust (£50k).

Discussions are ongoing with local and national organisations to provide an exciting and stimulating exhibition programme following the commissioning of the building in 2007.

The Lightbox has continued to operate a well respected outreach programme. Notable projects this year have been Radiance, a dance performance on the building site accompanied by community workshops in September 2005. The Viewfinder project working with Woking College students throughout 2006. Our Educational Loan box service has continued to be very popular and our Oral History project has continued to run with substantial volunteer support.

### **Collection**

The Lightbox looks after a historic collection tracing the History of the Borough of Woking. The collection is catalogued, researched and conserved. Visitors gain access to the collection by appointment. The collection will be on display in the new building in 2007.

### **Financial Review**

Incoming resources for the year totalled £658,647, of which £492,543 was restricted and £166,104 was unrestricted. The largest tranche of the restricted fund income, £457,288, was for the capital and revenue expenditure on the new building. The balance of the new building restricted fund carried forward at 31 March 2006 was £880,083. The remainder of the restricted funds were consumed against the activities for which they were provided with the exception of £10,000 provided by Wates Foundation for activities programmed to start in 2006-07.

Expenditure against unrestricted funds exceeded the income by £23,210 being funded from reserves including the designated building appeal fund brought forward of £22,950. General reserves at the close of the year were £2,405.

The balance sheet was restructured at the year end to reflect the fact that construction of The Lightbox had commenced. It was now considered appropriate to show a proportion of the expenditure incurred to date as an asset, in prior years all costs incurred on the project had been fully written off. The proportion of cost capitalised and now appearing on the balance sheet as an asset, £2,116,672, was determined in consultation with our auditors Kingston Smith LLP.

### **Reserves Policy**

The Board has instituted a policy whereby the unrestricted funds, not designated for any other purpose should cover between 6 and 9 months of the operating costs of the organisation. This position should be achieved after the second full year of operation after the opening of the building. At present the free reserves carried forward do not meet this level and therefore the reserves will have to be built up from income in the coming years.

### **Risk Management**

The Board Executive has conducted a review of major risks to which the charity is exposed and systems have been established to mitigate those risks. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and the quality of project work is monitored and evaluated for all projects. Our risk management strategy formed part of our Lottery Application and was endorsed by them for their funding purposes.

# **WOKING MUSEUM AND ARTS & CRAFTS CENTRE**

## **Trustees' Report for the year ended 31 March 2006 (Continued)**

### **Future Strategy**

The organisation remains on track to open The Lightbox in mid 2007. Following this it will deliver a programme of exhibitions and events which will support the Business Plan as approved by the Board of Trustees. The organisation will support revenue from a service contract with Woking Borough Council by its own revenue generating activities from the shop, café and corporate hire income.

### **Disclosure of information to auditors**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

### **Auditors**

On 1 May 2006, Kingston Smith transferred their business to Kingston Smith LLP, a limited liability partnership incorporated under the Limited Liability Partnership Act 2000. The company's consent has been given to treating the appointment of Kingston Smith as extending to Kingston Smith LLP under the provision of section 26(5) of the Companies Act 1989. Kingston Smith LLP have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act it is proposed that they be re-appointed auditors for the ensuing year.

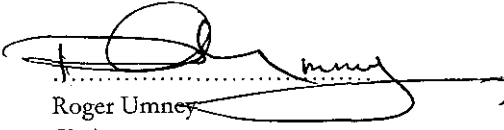
### **Statement of Trustees' Responsibilities**

Company law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the charitable company's state of affairs at the end of the year and of its income and expenditure for that period.

In preparing those accounts, the Trustees are required to:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company 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 charitable company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Roger Umney  
Chair

Dated: 17 November 2006

# WOKING MUSEUM AND ARTS & CRAFTS CENTRE

## Independent Auditor's Report To the Members of the Woking Museum and Arts & Crafts Centre

We have audited the financial statements of Woking Museum and Arts & Crafts Centre for the year ended 31 March 2006 which comprise the Statement of Financial Activities, the Statement of Total Recognised Gains and Losses, the Balance Sheet and related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken for no purpose other than to draw to the attention of the charitable company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable 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

The Trustees' (who are also the Directors of Woking Museum and Arts & Crafts Centre for the purposes of company law) responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' responsibilities.

Our responsibility is to audit the financial statements 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 financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the charitable 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 trustees' remuneration and other transactions is not disclosed.

We read the Trustees' Annual Report and report to you our opinion on whether it is consistent with the audited financial statements.

### Basis of audit 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 financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the financial statements, 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 the information and explanations which we considered necessary in order to provide us with sufficient evidence to give us reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with the United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 March 2006 and of its incoming resources and application of resources, including the income and expenditure of the charitable company for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the Trustees' Annual Report is consistent with the financial statements.

Surrey House  
36-44 High Street  
Redhill, Surrey  
RH1 1RH

Dated: 20 November 2006

*Kingston Smith LLP*  
Kingston Smith LLP  
Chartered Accountants  
and Registered Auditor

**WOKING MUSEUM AND ARTS & CRAFTS CENTRE**  
**Statement of Financial Activities**  
**Incorporating an Income and Expenditure Account**  
**For the Year Ended 31 March 2006**

	<u>Notes</u>	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total 2006</u>	<u>Total 2005 (restated - note 9)</u>
<b>Incoming Resources</b>		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Incoming resources from generated funds					
Voluntary income	2	127,869	453,870	581,739	136,398
Activities for generating funds	3	30,000	-	30,000	-
Investment income		7,707	3,418	11,125	8,542
Incoming resources from charitable activities	4	528	35,255	35,783	71,103
<b>Total Incoming Resources</b>		<u>166,104</u>	<u>492,543</u>	<u>658,647</u>	<u>216,043</u>
<b>Resources Expended</b>					
Costs of generating funds					
Costs of generating voluntary income		74,644	2,438	77,082	48,603
Charitable activities					
New building project		34,644	61,420	96,064	5,105
Projects		8,922	16,575	25,497	35,473
Oral History		13,950	6,435	20,385	30,022
Collection costs		22,145	-	22,145	14,410
Education and Outreach		24,923	8,143	33,066	37,244
Governance costs		<u>10,086</u>	<u>-</u>	<u>10,086</u>	<u>53,108</u>
<b>Total Resources Expended</b>	5	<u>189,314</u>	<u>95,011</u>	<u>284,325</u>	<u>223,965</u>
<b>Net Incoming/(Outgoing) Resources - Net Income for the Year</b>	6	(23,210)	397,532	374,322	(7,922)
<b>Transfers between funds</b>	16	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		(23,210)	397,532	374,322	(7,922)
<b>Total Funds at 1 April 2005 as restated</b>	9	<u>25,615</u>	<u>492,551</u>	<u>518,166</u>	<u>526,088</u>
<b>Total Funds at 31 March 2006</b>	16	<u>2,405</u>	<u>890,083</u>	<u>892,488</u>	<u>518,166</u>

**WOKING MUSEUM AND ARTS & CRAFTS CENTRE**  
**Statement of Total Recognised Gains and Losses for the Year ended 31**  
**March 2006**

	2006	2005 (restated - note 9)
	£	£
Total incoming/(outgoing) resources for the year	374,322	<u>£(7,922)</u>
Prior year adjustment (note 9)	382,199	
Total gains and losses recognised since last report	<u>756,521</u>	

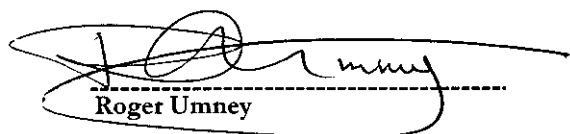
# WOKING MUSEUM AND ARTS & CRAFTS CENTRE

## Balance Sheet as at 31 March 2006

	Notes	<u>2006</u>		<u>2005</u> (restated - note 9)	
		£	£	£	£
<b>Fixed Assets</b>					
Tangible Assets	10		2,116,672		822,199
Investments	11		1		1
<b>Current Assets</b>					
Debtors	12	239,457		34,334	
Cash at Bank and in Hand		<u>379,503</u>		<u>173,160</u>	
		618,960		207,494	
<b>Creditors: amounts falling due within one year</b>	13	<u>221,289</u>		<u>71,528</u>	
<b>Net Current Assets</b>			<u>397,671</u>		<u>135,966</u>
<b>Total assets less current liabilities</b>			2,514,344		958,166
<b>Creditors: amounts falling due after more than one year</b>	14		(1,621,856)		(440,000)
<b>Net Assets</b>	15		<u>892,488</u>		<u>518,166</u>
<b>Unrestricted Funds</b>			2,405		25,615
<b>Restricted Funds</b>			890,083		492,551
<b>Total Funds</b>	16		<u>892,488</u>		<u>518,166</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board on 17 November 2006

  
 Roger Umney

# WOKING MUSEUM AND ARTS & CRAFTS CENTRE

## Notes to the Financial Statements

### For the Year Ended 31 March 2006

#### 1. Accounting Policies

- a) The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 1985 and follow the recommendations in the Statement of Recommended Practice on Accounting and Reporting by Charities 2005.
- b) Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable. The value of services provided by volunteers has not been included.
- c) Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.
- d) Resources expended are recognised in the period in which they are incurred. Resources expended include any attributable VAT which cannot be recovered.
- e) Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration on each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which is an estimate, based on staff time, of the amount attributable to each activity in the year:

New building project	20%
Fund-raising	20%
Collection	10%
Education	10%
Oral History	10%
Projects	10%
Management and administration of the charity	20%
- f) Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, which in all cases is estimated at 4 years. Depreciation is not charged on assets not yet in use.
- g) Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.
- h) *Designated funds are unrestricted funds earmarked by the directors for particular purposes.*
- i) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets this criteria is charged to the fund, together with a fair allocation of management and support costs.

# WOKING MUSEUM AND ARTS & CRAFTS CENTRE

## Notes to the Financial Statements

For the Year Ended 31 March 2006 (Continued)

2 Voluntary income	<u>Unrestricted</u>	<u>Restricted</u>	2006 Total	2005 Total (restated - note 9)
	£	£	£	£
Amounts in respect of new building	56,339	428,870	485,209	60,098
Annual revenue grant	71,470	-	71,470	76,300
Arts Council - Art Plus	-	25,000	25,000	-
Other donations	60	-	60	-
	<u>127,869</u>	<u>453,870</u>	<u>581,739</u>	<u>136,398</u>
3 Activities for generating funds	<u>Unrestricted</u>	<u>Restricted</u>	2006 Total	2005 Total
	£	£	£	£
Sponsorship	<u>30,000</u>	<u>-</u>	<u>30,000</u>	<u>-</u>
4 Incoming Resources from charitable activities	<u>Unrestricted</u>	<u>Restricted</u>	2006 Total	2005 Total (restated - note 9)
	£	£	£	£
Woking Dance - Radiance contribution	-	5,300	5,300	-
WBC - Radiance contribution	-	7,500	7,500	-
ACE - final payment	-	1,875	1,875	-
SEMLAC - Investing in Knowledge	-	8,757	8,757	2,439
SEMLAC - Creativity Grant	-	223	223	-
Surrey Museums - WW2 Loan Box development	-	1,600	1,600	-
Wates Foundation - Young Curators	-	10,000	10,000	-
NHLF Grant (Oral History Project)	-	-	-	22,500
SCC Grant (Oral History Project)	-	-	-	450
CAF Grant (Board Training)	-	-	-	600
SEMLAC (Cultural Diversity Project)	-	-	-	2,130
WBC Grant (Architecture Week)	-	-	-	5,000
SCC Grant (Architecture Week)	-	-	-	1,675
ACE Grant (Architecture Week)	-	-	-	20,000
ACE Grant (Art Plus project)	-	-	-	10,000
Surrey Museums Grant (Collection)	-	-	-	134
WBC Grant (Muslim Burial Ground Project)	-	-	-	500
English Heritage (Muslim Burial Ground Project)	-	-	-	500
Sundry Grants	-	-	-	945
SEMLAC (Investing in Knowledge)	-	-	-	2,500
SCC Grant (Youth Arts Project)	-	-	-	1,000
Loan Box Income	192	-	192	234
Other	<u>336</u>	<u>-</u>	<u>336</u>	<u>496</u>
	<u>528</u>	<u>35,255</u>	<u>35,783</u>	<u>71,103</u>

**WOKING MUSEUM AND ARTS & CRAFTS CENTRE**  
**Notes to the Financial Statements**  
**For the Year Ended 31 March 2006 (Continued)**

**WOKING MUSEUM AND ARTS & CRAFTS CENTRE**  
**Notes to the Financial Statements**  
**For the Year Ended 31 March 2006 (Continued)**

5 Total Resources Expended	Costs of generating voluntary income	New Building Project	Collection	Education & Outreach	Oral History	Projects	Governance	2006 Total	2005 Total (restated - note 9)
	£	£	£	£	£	£	£	£	£
Wages and Salaries	35,546	35,011	14,941	18,343	2,970	11,895	3,000	121,706	132,518
Consultants	28,620	34,074	561	500	13,372	500	1,000	78,627	-
Staff Costs	1,300	1,815	237	1,280	68	48	-	4,748	2,579
Volunteer Costs	52	264	209	65	54	60	-	704	497
Books and Publications	-	85	51	58	15	-	-	209	312
Entertainment	58	23	-	-	-	38	-	119	200
Professional Fees	7,330	437	67	2,384	34	1,399	-	11,651	22,002
Auditors/Accountancy	-	-	-	-	-	-	5,686	5,686	3,400
Recruitment	334	-	-	-	-	-	-	334	868
Subscriptions	293	167	336	256	203	-	-	1,255	933
Training	348	400	605	525	74	-	-	1,952	3,061
Building Maintenance	-	169	183	244	36	100	-	732	77
Bank Charges	-	62	9	19	5	-	-	95	214
Hire of Equipment	-	308	78	156	78	-	-	620	530
Insurance	-	314	52	105	52	-	-	523	484
Printing	613	234	36	34	26	-	100	1,043	-
Postage and stationery	88	3,522	890	1,931	645	251	-	7,327	5,868
IT Costs	-	1,523	837	1,174	370	-	-	3,904	8,056
Telephone	-	1,584	262	525	262	-	-	2,633	2,982
Transcription fees	-	-	-	-	1,309	-	-	1,309	3,914
Collections Costs	-	-	344	-	-	-	-	344	680
Education	-	-	-	2,123	-	-	-	2,123	457
Exhibitions and Events	-	241	37	2,773	28	10,906	-	13,985	28,410
Marketing	175	13,291	12	24	6	-	-	13,508	5,091
Photography	1,060	292	24	87	778	300	-	2,541	536
Legal fees	-	963	2,311	385	-	-	-	3,659	296
Meeting expenses	1,265	1,285	63	75	-	-	300	2,988	-
Other fees	-	-	-	-	-	-	-	-	-
<b>Total Expenses</b>	<b>77,082</b>	<b>96,064</b>	<b>22,145</b>	<b>33,066</b>	<b>20,385</b>	<b>25,497</b>	<b>10,086</b>	<b>284,325</b>	<b>223,965</b>

For details of the basis of allocation of expenses, see note 1(e).

# WOKING MUSEUM AND ARTS & CRAFTS CENTRE

## Notes to the Financial Statements For the Year Ended 31 March 2006 (Continued)

### 6 Net Incoming resources for the Year

	<u>2006</u>	<u>2005</u>
	<u>£</u>	<u>£</u>
This is stated after charging:		
Auditors' remuneration	<u>4,200</u>	<u>3,400</u>

### 7 Staff costs and numbers and trustees' remuneration

	<u>2006</u>	<u>2005</u>
	<u>£</u>	<u>£</u>
Staff costs were as follows:		
Salaries and wages	143,896	151,217
Social security costs	<u>13,414</u>	<u>11,598</u>
	<u>157,310</u>	<u>162,815</u>

This analysis includes total staff costs of £38,802 that have been included within New Building additions in note 10.

No employee received emoluments of more than £60,000.

During the year, trustees were reimbursed £52 (2005 - £50) for out of pocket expenses.

The average weekly number of employees during the year, calculated on the basis of full time equivalents, was as follows:-

	<u>2006</u>	<u>2005</u>
	<u>No.</u>	<u>No.</u>
Chief Executive	1	1
New Building	1	1
Fundraising	1	1
Education	1.5	1
Collection	1	0.5
Administration and support	1	1.5
Oral history	<u>0.5</u>	<u>0.5</u>
	<u>7.0</u>	<u>6.5</u>

### 8 Taxation

The charitable company is exempt from corporation tax on its charitable activities.

# WOKING MUSEUM AND ARTS & CRAFTS CENTRE

## Notes to the Financial Statements for the year ended 31 March 2006

### (Continued)

#### 9 Prior Year Adjustment

In previous years, costs relating to the proposed building of a permanent public museum and arts centre in Woking have been written off through the Statement of Financial Activities

During the year ended 31 March 2006, the required funding was secured and building work commenced. Consequently, the trustees have decided to capitalise legal, design, project management and other consultancy costs together with certain direct salary costs written off in previous years totalling £822,199.

In addition, loan funding from Woking Borough Council previously treated as income totalling £440,000 has now been restated as debt.

The effect of these changes on reserves brought forward is as follows:

	2006 £	2005 £
Reserves brought forward as previously stated	135,967	112,827
Capitalised expenditure previously written off	822,199	553,261
Loan funding previously written off as income	<u>(440,000)</u>	<u>(140,000)</u>
Reserves carried forward as restated	<u>518,166</u>	<u>526,088</u>

#### 10 Tangible Fixed Assets

	Computer Equipment £	New Building £	Total £
<b>Cost</b>			
At 1 April 2005 (as restated - see note 9)	2,588	822,199	824,787
Additions	5,052	1,289,421	1,294,473
At 31 March 2006	<u>7,640</u>	<u>2,111,620</u>	<u>2,119,260</u>
<b>Depreciation</b>			
At 1 April 2005	2,588	-	2,588
Charge for year	-	-	-
At 31 March 2006	<u>2,588</u>	<u>-</u>	<u>2,588</u>
<b>Net Book Value</b>			
As at 31 March 2006	<u>5,052</u>	<u>2,111,620</u>	<u>2,116,672</u>
As at 31 March 2005 (as restated - see note 9)	<u>-</u>	<u>822,199</u>	<u>822,199</u>

#### 11 Fixed Asset Investments

The investment represents the charitable company's wholly-owned trading subsidiary, WMACC Trading Limited, which is incorporated in the United Kingdom. The company was incorporated on 14 January 2003 but remained dormant at 31 March 2006. Consequently, consolidated accounts are not presented.

# WOKING MUSEUM AND ARTS & CRAFTS CENTRE

## Notes to the Financial Statements For the Year Ended 31 March 2006 (Continued)

12 Debtors	<u>2006</u>	<u>2005</u>
	£	£
Trade debtors	116,184	23,607
Other debtors and prepayments	123,273	10,727
	<u>239,457</u>	<u>34,334</u>

13 Creditors: amounts falling due within one year	<u>2006</u>	<u>2005</u>
	£	£
Trade creditors	180,389	58,181
Other creditors and accruals	40,900	13,347
	<u>221,289</u>	<u>71,528</u>

14 Creditors: amounts falling due after more than one year	<u>2006</u>	<u>2005</u> (restated - note 9)
	£	£
Loan	1,564,000	440,000
Deferred VAT liability	57,856	-
	<u>1,621,856</u>	<u>440,000</u>

The loan from Woking Borough Council ("WBC") is forward funding finance against monies due to be received from the National Heritage Memorial Fund ("NHMF") for the building project as funding from NHMF is received retrospectively. The advance from WBC will start to be repaid in the year ending 31 March 2008 and the repayment schedule is linked to the receipt of monies from NHMF so the precise timing of the repayments cannot be determined.

### 15 Analysis of net assets between funds

	<u>General Fund</u>	<u>Designated Funds</u>	<u>Restricted Funds</u>	<u>Total funds</u>
	£	£	£	£
Tangible fixed assets	5,052	-	2,111,620	2,116,672
Investments	1	-	-	1
Current assets	165,076	-	453,884	618,960
Current liabilities	(167,724)	-	(53,565)	(221,289)
Creditors due after more than one year	-	-	(1,621,856)	(1,621,856)
	<u>2,405</u>	<u>-</u>	<u>890,083</u>	<u>892,488</u>

# WOKING MUSEUM AND ARTS & CRAFTS CENTRE

## Notes to the Financial Statements For the Year Ended 31 March 2006 (Continued)

16 Movements in Funds	At 1 April 2005 (restated - note 9)	Incoming Resources	Outgoing Resources	Transfers	At 31 March 2006
<b>Restricted Funds:</b>					
Art Plus	1,900	14,675	16,575	-	-
New Building Project	484,216	457,288	61,421	-	880,083
Oral History	6,435	-	6,435	-	-
Viewfinder	-	6,543	6,543	-	-
Loan Boxes	-	1,600	1,600	-	-
SEMLAC - fundraising	-	2,437	2,437	-	-
Young Curators	-	10,000	-	-	10,000
<b>Total restricted funds</b>	<u>492,551</u>	<u>492,543</u>	<u>95,011</u>	<u>-</u>	<u>890,083</u>
<b>Unrestricted funds</b>					
Designated Funds					
Appeal Fund	22,950	-	22,950	-	-
General funds	<u>2,665</u>	<u>166,104</u>	<u>166,364</u>	<u>-</u>	<u>2,405</u>
<b>Total unrestricted funds</b>	<u>25,615</u>	<u>166,104</u>	<u>189,314</u>	<u>-</u>	<u>2,405</u>
<b>Total Funds</b>	<u>518,166</u>	<u>658,647</u>	<u>284,325</u>	<u>-</u>	<u>892,488</u>

### 17 Capital Commitments

The Trustees' contract with R Durnall & Sons Limited for the construction of new museum premises remains in place and in line with the contract price of £4,103,857. Of this, £954,497 has been certified and invoiced at the year end leaving an outstanding capital commitment of £3,149,360.