



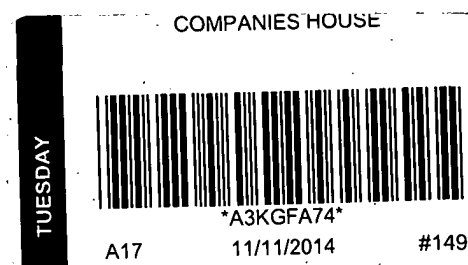
# The Lightbox

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

## Report and Consolidated Financial Statements

For the year ended 31 March 2014

Company Registration No. 3598733  
Registered Charity No. 1073543



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

<b>CONTENTS</b>	<b>PAGE</b>
Legal and administrative information	1
Report of the Trustees	2
Auditors' Report	13
Consolidated statement of financial activities	14
Consolidated balance sheet	15
Balance sheet	16
Notes forming part of the financial statements	17 - 24

# **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 operates under the name of The Lightbox.

### **Trustees**

Ms. A. McLeish	(appointed 7 May 2013 and appointed Chair 9 July 2013)
Mr. K. Smith	
Mr. M. Bowman	(appointed 9 April 2013 and retired 14 November 2013)
Mr. J. Davies	
Mr. A. Manie	
Mr. C. Lacey	(appointed 9 July 2013)

### **Secretary**

Mr. A. Pooley

### **Chief Executive**

Mrs. M. Scott

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

The Lightbox, Chobham Road, Woking, Surrey, GU21 4AA

### **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 2014**

The Board of Trustees presents its report and financial statements for the year ended 31<sup>st</sup> March 2014. The Trustees confirm that the annual report and the financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the 'SORP' issued in March 2005.

### **Structure, Governance and Management.**

The company is a registered charity, governed by Memorandum and Articles of Association and a registered company limited by guarantee. As defined in the Memorandum and Articles of Association it exists to provide a heritage and visual arts service for the people of Woking and the wider region.

All Trustees are recruited with specific skills or experience in order to fulfil responsibilities as charitable trustees and company directors, to complement the executive officers and assist in furthering the operational activities of the organisation. Potential Trustees are recommended to the Board following scrutiny of their appropriateness, experience and the role they might play.

Each new Board member receives an induction pack containing information about the organisation and where appropriate attends a one day training course on Board duties and responsibilities run by an independent third party organisation. The Board has at least one annual away day each year when forward planning takes place.

The Trustees meet at least ten times a year and minutes of these meetings are circulated to all Trustees. Day to day management of the organisation is charged to the Director, Marilyn Scott and the Deputy Director, Anthony Pooley. The Senior Management Team comprises Jayne Pritchard Commercial Manager, Peter Hall Curator, Abigail Hall Learning Manager, and Pru Chambers Marketing Manager. The Senior Management Team meets monthly.

The organisation is supported by over 150 volunteers who participate in the day to day running of the organisation.

### **Objectives and activities**

The Trustees confirm that they have complied with the duty in Section 4 of The Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit.

The Lightbox is a registered charity whose charitable purpose and objects as defined within the Charities Act 2006 is articulated in the mission statement and aims of the charity.

"The Lightbox provides a diverse community with access to its heritage and the visual arts, to stimulate creativity, learning, understanding and enjoyment, by being a significant provider of cultural and lifelong learning in Woking, Surrey and the South East of England.

The aim of The Lightbox is to provide an inclusive, friendly and lively venue that is a dynamic and inspiring place to spend time, think, discover and learn."

This year the organisation continues to have five principal activities.

- To manage and deliver a changing exhibition programme to attract both repeat and new visitors to the venue and to generate revenue via these activities.
- To act as the repository for the material history of the Borough of Woking. To fulfil this role we maintain a museum dedicated to the history of the borough and care for and conserve artefacts relating to Woking's history. This display is permanent and always on show free of charge to all our visitors.

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

## **Trustees' Report for the year ended 31 March 2014**

- To manage an exciting programme of events and learning programmes for both young people and adults. These include both formal and informal learning opportunities. We have continued our programme of Young Curators' meetings, giving young people the opportunity to pursue arts activities outside of the school curriculum and our partnership with Woking College also continues and is now regularly welcoming 30 students to the building three or four times per week to pursue their A and AS level studies in Art and Design
- To continue to provide and manage outreach projects that gives access to learning, the visual arts and heritage for the local community. The Lightbox was selected by the Paul Hamlyn Foundation for a project to evaluate how museums work with their community and how this work can be made more sustainable. After participating in the pilot we were invited to apply for three year funding to continue our work with community groups. We were successful in our application and the three year project started in April 2012 and continues until April 2015.

The aims for all our partnership projects in the year under review were: -

- I. To work with partner organisations to encourage participation in cultural events.
  - II. To continue and develop our work with those from within our community who would not usually access a museum and gallery
  - III. To carry out the project for Paul Hamlyn working with five partners
  - IV. To manage and increase our museum collection and access to our heritage collection.
  - V. To work with local arts organisations and individual artists to promote access and skills development for arts practice.
- To generate income through retail, cafe, corporate hire activities, consultancy. This is carried out through the Charity's subsidiary company WMACC Trading Limited. Our trading activity included selling the work of local artists, expanding our cafe operation, consultancy for other independent charities and expanding our shop to include a bookshop run in partnership with other venues.

The Trustees have referred to the guidance in the Charity Commission's general guidance on Public Benefit when reviewing their aims and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. The Charity's business plan sets out the continuing development of the organisation and specifies targets. An annual presentation on the activities of The Lightbox is made to Woking Borough Council as one of the terms of a service contract which includes annual funding provided by the Borough.

### **Performance Management.**

The staff under the Director is divided into an operational team and a curatorial and exhibitions team. The senior Managers prepare a draft budget for the coming financial year which is then presented to Trustees at an Away Day where the proposals are discussed and a final budget agreed. Staff appraisals subsequently take place when Key Performance Indicators are identified and agreed for the coming year which will support the delivery of the budget set by Trustees. The staff meet on a monthly basis to share information and every staff member has a one to one meeting with their line manager each week where performance against budget and KPI's are monitored.

The Management also prepares a draft rolling three year plan based on the budget which is presented to Trustees for discussion and a final version agreed.

# WOKING MUSEUM AND ARTS & CRAFTS CENTRE

## Trustees' Report for the year ended 31 March 2014

### Volunteers and Friends

#### Volunteers

The Lightbox has 150 dedicated Volunteers who have this year provided between them over 9,000 hours of volunteer service. They support all departments in a variety of roles from installing exhibitions, stewarding in the galleries, giving guided tours, assisting in workshops, cataloguing our collection and tending our garden. Without our Volunteers we simply could not operate. They are the lifeblood of the organisation. To enhance their experience we provide regular exhibition briefings, training and forums and a number of outings and social events each year.

New Volunteers are continually being recruited, bringing fresh enthusiasm and new ideas. This year we were particularly pleased to see many young Volunteers joining us. We are keen to support Volunteers if they are looking for paid work, with the skills they have gained while volunteering at The Lightbox enhancing their CV. We also run a number of internships and work experience opportunities and we are most grateful to all our interns for the great work they have done this year.

#### Friends

The Supporter Friends and Benefactor Friends were established for high-level donors in 2011 and both continue to grow in strength. In addition to Friends' benefits, members receive invitations to exhibition openings and to the Director's Reception, and behind the scenes Curator-led tours, as well as a public acknowledgment within the building.

We are grateful to The Friends of The Lightbox for their ongoing support and advocacy for our work. Friends receive a variety of discounts in the Gift Shop and Café, and discounted admission to Lightbox talks and events. The Friends also enjoy a varied programme of talks and exclusive private views of new exhibitions. The Friends support one exhibition each year, this year it was *The Getty Images Archive: Hollywood Photographs*, and contribute to our core public programme. The Friends are actively recruiting new members and have set themselves an ambitious target to double membership over the next three years.

### Achievements

In 2013 and early 2014 The Lightbox staged three of the most popular exhibitions seen since opening. Record numbers of visitors attended the Frink, Jekyll and Renoir exhibitions. In the year reported on we welcomed 89,981 visitors and held a number of successful exhibitions with the first exhibition of the year Elisabeth Frink welcoming 10,000 visitors, Jekyll 15,000 and Renoir 23,000 visitors.



# WOKING MUSEUM AND ARTS & CRAFTS CENTRE

## Trustees' Report for the year ended 31 March 2014

### Collection

The Lightbox looks after a historic collection tracing the History of the Borough of Woking. The collection is catalogued, researched and conserved on behalf of Woking Borough Council. The collection is shown in Woking's Story a purpose built museum within The Lightbox building. The museum tells the story of the development of the town and of its residents. The collection is also used in loan boxes, handling collections and for learning programmes. In addition the museum has a changing element as we change two showcases one 'Local heroes' which features a Woking personality from the past or present and the second is our 'Object of the month' which features an object from our collection, not usually on show and tells the story behind the object. The Lightbox also maintains a showcase featuring different aspects of the history of The Queen's Royal Surrey Regiment and its predecessor Surrey regiments.

Woking's Story received 30,077 visitors in the year.



### Exhibitions

During the year under review the exhibition programme has included at the beginning of the year **Elisabeth Frink, A Retrospective** an exhibition featuring sculpture and drawings by this important British artist.

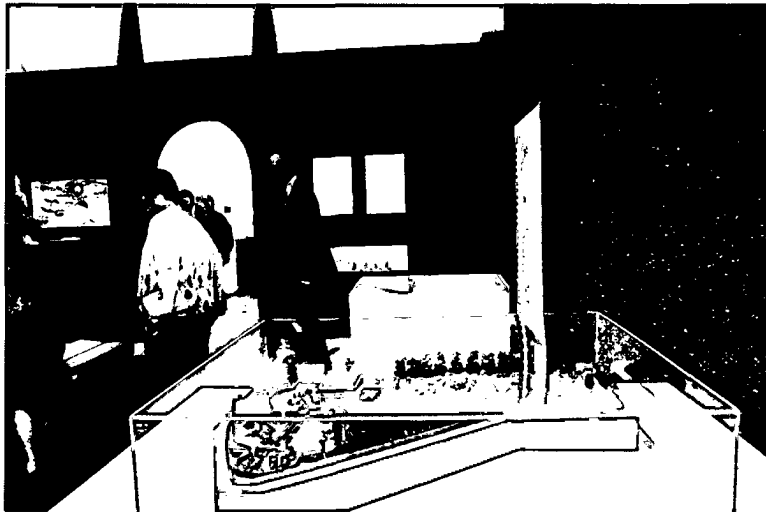
*'My sister and brother-in-law, being particularly interested in bronzes, came over from Essex to see the Frink Exhibition. They were most impressed with the exhibition – not only the content but also the curating.*

*Do pass on our thanks and congratulations to all concerned for all their work in putting on such a wonderful exhibition.'*

This was followed by **Gertrude Jekyll Landscape Gardener and Craftswoman** and featured a fascinating overview of the work of this multi talented woman who was one of the most influential garden designers of her time.

## WOKING MUSEUM AND ARTS & CRAFTS CENTRE

### Trustees' Report for the year ended 31 March 2014



In the Upper Gallery we showed a very varied programme from **Lawrence Watson's Pop Portraits** to an exhibition celebrating the 50<sup>th</sup> anniversary of McLaren



#### 'Our World Champions'

In the Art Fund Prize gallery we showed the work of many local Woking schools, celebrated our partnership with WWF through the showing of **Pandamonium** and the work of a local artist **Marguerite Howarth : Artist of Surrey**.



# WOKING MUSEUM AND ARTS & CRAFTS CENTRE

## Trustees' Report for the year ended 31 March 2014

In October we welcomed to the Main Gallery **Alien Invasion** which took science fiction back to its Surrey roots with an exhibition featuring HG Wells, his Woking connection and what followed on from his work in early science fiction literature.

*The Alien Invasion was very informative and interesting. Definitely an out of world experience.*

*Sooo cool my fave Alien was the Dalik. Best alien, I mean, worst alien ever.*

We completed the year with **Renoir in Britain** a hugely successful survey of the work of Renoir to be found in British collections. The exhibition included painting, sculpture and works on paper.



### Special Projects

These activities are undertaken in addition to the core activities of the Lightbox. They are funded from a variety of sources such as The Arts Council, The Heritage Lottery Fund, Trusts and other funding institutions. These monies are bid for by The Lightbox in a competitive situation and when awarded the monies must be used and accounted for only for the specific purposes set out in the bidding document.

The *Art and Craft 4 Wellbeing* project with Woking and Sam Beare Hospices has now been running successfully for two years. A team of trained volunteers offer regular creative sessions with patients at both hospices, giving a welcome distraction and a chance to have a go at different activities.

For the second year the Learning department worked with Woking's York Road Project, offering four, weekly creative workshops to their homeless clients, which led to a small exhibition in December of the work produced. Cath Stamper, Director of York Road Project commented that "the clients who attended gained so much including increased self-esteem and pride as well as feeling included in their community." We will be working with York Road Project again this autumn.

Art in Mind is a programme of art workshops for people living with dementia and their carers. We ran a pilot project in the autumn and following its success, were awarded funding from the Dementia Friendly Surrey Innovation Fund to continue the programme. The Lightbox is also a Dementia Friendly Champion.

To help highlight local heritage, the team ran object handling sessions and a family workshop to celebrate Heritage Open Days in September. We also participated in national events, such as the Love Architecture Festival in July and the Big Draw in October.

Community engagement has always been extremely important at The Lightbox but over the last year it has assumed a greater role than ever, involving not just Special Projects but many other departments. Together we have consolidated our open and responsive way of working, involving community partners in the planning of projects from the very beginning and now successfully inviting organisations to approach us with a view to working with us. The Paul Hamlyn Foundation-funded *Our Museum* programme has been central to these developments.

# WOKING MUSEUM AND ARTS & CRAFTS CENTRE

## Trustees' Report for the year ended 31 March 2014

A central aim of our community engagement work is to reach out to all parts of the community. For the *Skyscapes* project and exhibition we will work with six partner organisations, each of which work with adults with learning difficulties. The shape of the project – including the workshops with the print-maker Tozzy Bridger and installation artists Jono Retallick and Mary Branson – were decided upon from the start by the partners together with Lightbox staff.

The *Lakers Life* sculpture was resident in our courtyard for some months before we reluctantly parted with it; it will now remain permanently at Lakers Youth Centre. The subject matter and to a large extent the form of the piece – two young people sitting on a bench, each focused upon their devices – was decided upon by the young people. The Lightbox is now committed to project work outside as well as inside the building, and this is an example of that sort of work.

We have now begun a project that has been shaped by the local Muslim community. This involves older members of that community reciting Sufi poetry – on film – and younger members then work-shopping the same material, but this time in English, and their versions also being filmed. These will then form part of an installation which will be presented as a multi-screen soundscape. As with the other projects, the shape of it has been determined by the community partners in discussion with The Lightbox. In this case, we are working alongside a Muslim theatre company (running the workshops) as well as a sound artist.

We have also been working on two projects with older people, away from The Lightbox. One of them will lead to an exhibition of paintings and drawings, while the other will result in an extraordinary knitted cylinder, incorporating fragments of memories of many of the participants. In each case, the decision on the art form and the type of project was taken by the participants.

### Learning

**Learning is at the heart of what we do at The Lightbox. The Learning team work with a wide variety of audiences enabling as many people as possible to experience the pleasure of discovering more about art and heritage.**

The Learning Department runs a varied programme. As well as guided activity sessions for schools and colleges, the team run workshops, object handling sessions, outreach sessions and tours, all assisted by a team of volunteers, who make a vital contribution to the Learning Programme.

The number of participants in our Learning Programme has risen steadily over the last seven years since we opened in 2007, and in 2013 - 2014, 6,941 people took part in 214 learning events, with over 3,000 visitors to the *Woking College Summer Art Show* and the *Centrepiece: Beast* exhibition, both organised by the Learning department, an increase of 27%.

### Schools and Groups

We hosted 80 school and group visits this year, introducing students to art and heritage displays and running creative hands-on sessions in the purpose-built Education Studio. Our second *Centrepiece* project with local schools resulted in a very successful exhibition in the Art Fund Prize Gallery in April 2013 and work has begun on our third *Centrepiece* project with seven local schools. Taking inspiration from the sculpture *Margaret* by Darrell Evans from The Ingram Collection of Modern and Contemporary British Art, pupils have created their own original artwork, which will be exhibited in July 2014. Beaver scout groups, children and adults with learning difficulties and the local homeless charity are among the groups that have also enjoyed activity visits to The Lightbox.

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

## **Trustees' Report for the year ended 31 March 2014**

### **Family Learning**

We ran 28 family workshops during the year. Our reputation for providing free, fun, family-friendly offerings continues to rise with many families becoming regular visitors. The average number of people attending the drop-in family workshops was 92, with 231 people at one memorable penguin making workshop. Trails and activities around the building have become a regular feature. These are designed to engage the whole family and the Gnome trail during the *Gertrude Jekyll: Landscape Gardener and Craftswoman* exhibition was particularly popular!

### **Children and Young People**

We work closely with Woking College tutors and students who use The Lightbox and its exhibitions as inspiration for some of their coursework. Students from the Performing Arts Department staged a site-specific performance at The Lightbox and the Art and Design Department held their 6<sup>th</sup> annual summer exhibition at The Lightbox in July. Two students not only had their work selected for The Royal Society of British Artists' annual exhibition at The Mall Galleries, but they also both won the prizes for young artists.

The Young Curators have been particularly busy this year. Young people aged 13 to 19 were given unique access to Chris Ingram's collection and co-curated the very popular *Animals in Art* exhibition in the Upper Gallery. Their engaging design and the interactive elements that they created, such as a feely box, puzzles and animal sounds made it a particularly family friendly exhibition. The Young Curators' next challenge was to create an installation of aliens in the lift for the *Alien Invasion* exhibition. They worked with special effects artist, Paul Robbens and produced some fantastic creatures to surprise the unwary visitor.

Workshops for children aged 0 to 16 once again proved to be popular; in total we ran 42 workshops for children. The Learning team's work with the under 5s goes from strength to strength. Every Painting for the Under 5s sessions has been fully booked and our talented team of volunteer storytellers ensure that our Storytelling for under 5s sessions continue to be very popular. These are the visitors of the future and through creative fun, stories and rhymes, hopefully we can ensure a long-term relationship with them.

### **Adults**

Taster sessions in a variety of creative skills are now offered once a month for adults over 16 and every workshop has been fully booked so far. Funding from the *Our Museum* initiative has allowed the Learning team to hire a number of local artists to run these sessions.

### **Blind and Partially Sighted Visitors**

Chris Ingram has kindly given permission for blind and partially-sighted visitors to touch a number of the sculptures in The Ingram Collection. This gives us an opportunity to offer audio-described and touch tours, of which we ran three this year. We have also developed tactile resources to enable blind and partially-sighted visitors to access more of our history collection.

### **Press and Marketing**

Publicity throughout the year has been good, with coverage either remaining consistent or increasing on the previous 2012/13 year. Local press coverage increased by 5 percent whilst national press coverage showed a marginal increase. This is positive as The Lightbox stopped using an external PR company at the end of 2012/13 which demonstrates that the same coverage can be achieved or bettered by being managed in house.

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

## **Trustees' Report for the year ended 31 March 2014**

The number of website hits remained consistent with those recorded in 2012/13. The decision was taken in 2013/14 that The Lightbox website was in need of an update and at the beginning of 2014 the company Raising IT began work on a redesign. The main aims of this are to give the website a more fresh and contemporary look, improve navigation and user-friendliness and to add in e-commerce in the form of online bookings and donations. The site is due to launch in the summer of 2014 and it is anticipated that this will significantly increase the number of website hits.

Social media saw a large increase in engagement over the past year with both Facebook and Twitter followers rising by 23 percent on the previous year. It is planned that social media will be much more prominent on the new website therefore it is expected that this upward trend will continue into next year.

### **Trading Company**

The Lightbox has a subsidiary company which covenants profits back to the main charity. The trading company operates the shop, café, corporate and venue hire and a small consultancy arm. The shop strives to be a destination venue, sourcing products locally and only stocking those not available elsewhere in the town. The shop supports local artists by offering display space for a small commission on sales and also operates 'A Taste of Art' which uses the walls of the café to show work for sale by local artists. The café has again sought to be a destination for local people and sells coffee, light lunch and afternoon tea. The café buys from local free trade suppliers. The café operates a lunch delivery service to local businesses. The café also caters for venue hire and events within the building.

*Such a good gallery – we don't live locally but it has been a pleasure to visit and to have a delicious lunch too.*

### **Finance Review**

The Trustees are conscious of the need for the organisation to generate an operating surplus in the future to build reserves both as a buffer against any drop in income and to meet future investment aspirations. To this end a number of steps have been taken including setting deliverable but ambitious targets for its operation to eliminate any trading shortfall in three years. Early signs are positive with an increase in visits and revenues in the light of the high quality exhibitions during 2013/14 and since the Brewery Lane Car Park reopened.

The Trustees and Executive Directors have been in discussions with Woking Borough Council to find a way in which a refinancing arrangement may be identified which would be mutually beneficial both in the short and long term. These discussions have proved positive. An agreement in principal has been reached for Woking Borough Council to take over responsibility for the building while granting a long lease to The Lightbox, and in return writing off the debt owed by The Lightbox of £1.3m. This arrangement will be subject to approval by both the Charity Commission and the Heritage Lottery Fund. While the details of the arrangement have yet to be finalised the Trustees are confident that it offers the best route to underpinning the financial stability of The Lightbox for the foreseeable future. Working with Woking Borough Council, the Trustees hope to have the arrangement finalised including all necessary external approvals by March 2015.

During the year The Lightbox successfully challenged a ruling by HMRC on the nature of the service contract with Woking Borough Council. This issue was decided on appeal to the First Tier Tribunal which found in our favour in January 2014. This will in due course increase the amount of VAT the charity can recover and hence reduce its operating costs. The Trustees would like to thank Woking Borough Council for their support during this case.

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

## **Trustees' Report for the year ended 31 March 2014**

### **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. At present the free reserves carried forward do not meet this level and therefore the reserves will have to continue to be built up from income in the coming years.

### **Risk Management**

The Board Executive conducted a review of major risks to which the charity is exposed and appropriate systems and measures were established to mitigate those risks as recorded in the Risk Register which is regularly reviewed. 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.

### **Future Strategy**

In view of the current economic climate the Board constantly reviews the current business model and revises future strategy for the organisation. The Board is keen to ensure long term viability for the organisation and to ensure that it is equipped to deal with alterations to current funding streams.

The Board has carried out an extensive review of the current Business and a three year business plan 2012-2015 has been prepared. We are working to achieve financial sustainability by controlling costs and generating income from our activities in the shop, café and corporate hire income facilities. These activities complement the financial provision from our service contract with Woking Borough Council and our fundraising activities which in the current economic environment are proving challenging. The organisation is also looking at ways in which new income streams may be adopted to generate the level of surplus that would ensure sustainability. This includes the introduction of an annual pass which would entitle holders to access to all exhibitions in the Main and upper galleries. This is a system being widely adopted in the sector in response to the reduction in financial support from national government for the cultural sector. Access to the rest of the building including the Art Fund Gallery and Woking Story would remain free.

The Board has agreed a list of KPI's which have established targets for the management team of the organisation.

Results against the KPI targets are presented by the Senior Management Team on a monthly basis and agreed KPI's are reported to Woking Borough Council under the terms of our Service Contract.

The Board is also looking to continue to work with partner organisations in the region to provide an inclusive facility and range of services and exhibitions. Our overall aim will be to continue to work to deliver our brand values of excellence, creativity and acting as a people centred organisation.

### **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.

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

## **Trustees' Report for the year ended 31 March 2014**

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

The trustees (who are also directors of Woking Museum and Arts & Crafts Centre for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.)

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity for that period and of the incoming resources and application of resources, including the income and expenditure, of the charitable for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The report has been prepared in accordance with the Statement of Recommended practice – Accounting and Reporting by Charities and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved on behalf of the Board



A McLeish

7 October 2014

# 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 2014 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, 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 audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which 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 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 opinion we have formed.

### Respective Responsibilities of Trustees and Auditor

As explained more fully in the Trustees' Responsibilities Statement, 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.

### 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 charity'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 Annual 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 group's and the parent charitable company's affairs as at 31 March 2014 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

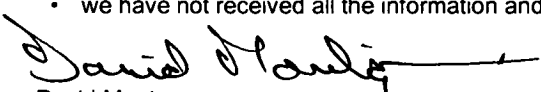
### Opinion on other matter prescribed by the Companies Act 2006

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

### 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:

- the parent charitable company has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remunerations specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

  
David Montgomery  
Senior Statutory Auditor

for and on behalf of Kingston Smith LLP, Statutory Auditors

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

Date: 13 October 2014

**WOKING MUSEUM AND ARTS & CRAFTS CENTRE**  
**Consolidated Statement of Financial Activities**  
**Incorporating an Income and Expenditure Account**  
**For the Year Ended 31 March 2014**

	<u>Notes</u>	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total 2014</u>	<u>Total 2013</u>
<b>Incoming Resources</b>		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Incoming resources from generated funds					
Voluntary income	2	19,950	10,000	29,950	10,661
Activities for generating funds	3	72,267	-	72,267	75,522
Trading income	4	205,182	-	205,182	144,630
Investment income		7,503	-	7,503	3,136
Incoming resources from charitable activities	5	397,523	137,597	535,120	552,815
<b>Total Incoming Resources</b>		<u>702,425</u>	<u>147,597</u>	<u>850,022</u>	<u>786,764</u>
<b>Resources Expended</b>					
Costs of generating funds					
Trading costs	4	182,454	-	182,454	146,648
Other costs of generating funds		45,760	-	45,760	40,517
Charitable expenditure					
The Lightbox		425,008	10,000	435,008	445,217
Exhibition and events		133,477	-	133,477	105,017
Education		30,594	-	30,594	30,849
Project Activity		-	168,988	168,988	93,551
Governance costs		<u>38,895</u>	<u>-</u>	<u>38,895</u>	<u>51,984</u>
<b>Total Resources Expended</b>	6	<u>856,188</u>	<u>178,988</u>	<u>1,035,176</u>	<u>913,783</u>
<b>Net Outgoing Resources</b>		(153,763)	(31,391)	(185,154)	(127,019)
<b>Transfers between funds</b>	16	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		(153,763)	(31,391)	(185,154)	(127,019)
<b>Total Funds at 1 April 2013</b>	16	<u>5,863,435</u>	<u>120,636</u>	<u>5,984,071</u>	<u>6,111,090</u>
<b>Total Funds at 31 March 2014</b>	16	<u><u>5,709,672</u></u>	<u><u>89,245</u></u>	<u><u>5,798,917</u></u>	<u><u>5,984,071</u></u>



# WOKING MUSEUM AND ARTS & CRAFTS CENTRE

## Consolidated Balance Sheet as at 31 March 2014

	Notes	<u>2014</u>		<u>2013</u>	
		£	£	£	£
<b>Fixed Assets</b>					
Tangible Assets	10		7,009,093		7,085,100
<b>Current Assets</b>					
Stock		16,642		14,550	
Debtors	12	52,520		44,007	
Cash at Bank and in Hand		<u>397,421</u>		<u>459,276</u>	
		466,583		517,833	
<b>Creditors: amounts falling due within one year</b>	13	<u>(230,617)</u>		<u>(172,720)</u>	
<b>Net Current Assets</b>			<u>235,966</u>		<u>345,113</u>
<b>Total assets less current liabilities</b>			7,245,059		7,430,213
<b>Creditors: amounts falling due after more than one year</b>	14		<u>(1,446,142)</u>		<u>(1,446,142)</u>
<b>Net Assets</b>	15		<u><u>5,798,917</u></u>		<u><u>5,984,071</u></u>
<b>Unrestricted Funds</b>			5,709,672		5,863,435
<b>Restricted Funds</b>			89,245		120,636
<b>Total Funds</b>	16		<u><u>5,798,917</u></u>		<u><u>5,984,071</u></u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board on 7 October 2014



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A McLeish

Company No: 03598733

# WOKING MUSEUM AND ARTS & CRAFTS CENTRE

## Balance Sheet as at 31 March 2014

	Notes	<u>2014</u>	<u>2013</u>
		£	£
<b>Fixed Assets</b>			
Tangible Assets	10	7,009,093	7,085,100
Investments	11	1	1
<b>Current Assets</b>			
Stock		850	850
Debtors	12	163,944	110,949
Cash at Bank and in Hand		289,106	430,435
		<u>453,900</u>	<u>542,234</u>
<b>Creditors: amounts falling due within one year</b>	13	<u>(206,836)</u>	<u>(163,295)</u>
<b>Net Current Assets</b>		<u>247,064</u>	<u>378,939</u>
<b>Total assets less current liabilities</b>		7,256,157	7,464,040
<b>Creditors: amounts falling due after more than one year</b>	14	(1,446,142)	(1,446,142)
<b>Net Assets</b>		<u>5,810,015</u>	<u>6,017,898</u>
<b>Unrestricted Funds</b>		5,720,770	5,897,262
<b>Restricted Funds</b>		89,245	120,636
<b>Total Funds</b>	16	<u>5,810,015</u>	<u>6,017,898</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board on 7 October 2014

  
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 A McLeish

Company No: 03598733

# WOKING MUSEUM AND ARTS & CRAFTS CENTRE

## Notes to the Financial Statements

For the Year Ended 31 March 2014

### 1. Accounting Policies

- a) The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 2006 and follow the recommendations in the Statement of Recommended Practice on Accounting and Reporting by Charities 2005 and accounting standards.
- b) Basis of consolidation  
The consolidated financial statements incorporate the results, assets and liabilities of Woking Museum and Arts & Crafts Centre and its subsidiary, WMACC Trading Limited, for the year. The results of the subsidiary are disclosed in note 4. A separate Statement of Financial Activities for the charity itself is not presented because the charity has taken advantage of the exemption afforded by the Companies Act 2006 and paragraph 304 of SORP 2005.
- c) 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.
- d) 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.
- e) Resources expended are recognised in the period in which they are incurred. Resources expended include any attributable VAT which cannot be recovered.
- f) 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 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:

Fund-raising	20%
Collection	10%
Education	10%
Oral History	10%
Projects	10%
Governance	20%

- g) Governance costs include those incurred in the Governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.
- h) Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, as set out below. Depreciation is charged on assets from the date they come into use.

Kitchen and other fixtures and fittings	10 years straight line
History Gallery fittings	15 years
Fabric of the building (fit-out)	15 years
Office equipment	4 years
Computer equipment	3 years

No depreciation is charged on the land and the build cost of The Lightbox as due to the unique nature of the building, the trustees are of the opinion that depreciation is not material. Consequently, the trustees carry out an annual impairment review.

- i) 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.
- j) 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.
- k) The stock in the Balance Sheet is valued at the lower of cost and net realisable value.

**WOKING MUSEUM AND ARTS & CRAFTS CENTRE**  
**Notes to the Financial Statements**  
**For the Year Ended 31 March 2014 (Continued)**

<b>2 Voluntary income</b>	<b><u>Unrestricted</u></b>	<b><u>Restricted</u></b>	<b>2014 Total</b>	<b>2013 Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Other donations	<u>19,950</u>	<u>10,000</u>	<u>29,950</u>	<u>10,661</u>

<b>3 Activities for generating funds</b>	<b><u>Unrestricted</u></b>	<b><u>Restricted</u></b>	<b>2014 Total</b>	<b>2013 Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fundraising and Sponsorship	63,573	-	63,573	67,180
Sundry Sales / Rental Income and Other Income	1,179	-	1,179	3,395
Friends	7,515	-	7,515	4,947
	<u>72,267</u>	<u>-</u>	<u>72,267</u>	<u>75,522</u>

**4 Trading Income**

The charity's wholly owned trading subsidiary, WMACC Trading Limited operates a gift shop, room hire and café.

Future annual taxable profits will be paid to the charity under Gift Aid. A summary of its trading results is shown below.

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Turnover	205,182	144,630
Cost of sales	(121,844)	(91,549)
Gross profit	83,338	53,081
Administration expenses	(60,610)	(55,099)
Profit /(loss) for the year	<u>22,728</u>	<u>(2,018)</u>

**5 Incoming Resources from charitable activities**

	<b><u>Unrestricted</u></b>	<b><u>Restricted</u></b>	<b>2014 Total</b>	<b>2013 Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Service Income	388,200	-	388,200	368,000
Admission and Event Income	9,323	-	9,323	10,067
Restricted Fund Activity	-	137,597	137,597	174,748
	<u>397,523</u>	<u>137,597</u>	<u>535,120</u>	<u>552,815</u>

**WOKING MUSEUM AND ARTS & CRAFTS CENTRE**  
**Notes to the Financial Statements**  
**For the Year Ended 31 March 2014 (Continued)**

**6 Total Resources Expended**

	<b>Direct Staff and Associated Costs £</b>	<b>Other Direct Costs £</b>	<b>Support Costs £</b>	<b>Total 2014 £</b>	<b>Total 2013 £</b>
Costs of generating funds					
Fundraising	40,900	3,931	929	45,760	40,517
Visitor services (shop, events, hires, café)	104,364	70,780	7,310	182,454	146,648
Costs of generating voluntary income	145,264	74,711	8,239	228,214	187,165
Charitable expenditure					
Running the Lightbox (including Marketing and Building)	210,134	156,792	68,082	435,008	445,217
Exhibition and events	61,990	58,041	13,446	133,477	105,017
Education	28,540	1,978	76	30,594	30,849
Project Activity - all restricted	61,598	86,834	20,556	168,988	93,551
	362,262	303,645	102,160	768,067	674,634
Governance costs	18,873	16,553	3,469	38,895	51,984
	<u>526,399</u>	<u>394,909</u>	<u>113,868</u>	<u>1,035,176</u>	<u>913,783</u>
				<b>Total 2014 £</b>	<b>Total 2013 £</b>
Support costs comprise:					
Books and publications				1,177	857
Subscriptions				1,290	2,238
Bank charges				2,746	1,756
Printing				27,248	31,265
Postage and stationery				9,536	5,486
Depreciation				8,543	10,957
Telephone				1,986	1,762
Marketing and PR				6,839	4,747
Website				18,513	1,355
Photography				265	381
Meeting expenses				3,634	1,768
Insurance Costs				18,140	15,832
Legal Costs				1,194	661
IT Costs				12,757	18,000
				<u>113,868</u>	<u>97,065</u>

**WOKING MUSEUM AND ARTS & CRAFTS CENTRE**  
**Notes to the Financial Statements**  
**For the Year Ended 31 March 2014 (Continued)**

**7 Net Incoming resources for the Year**

	<u>2014</u>	<u>2013</u>
	<u>£</u>	<u>£</u>
This is stated after charging:		
Depreciation of tangible fixed assets	76,007	80,273
Auditors' remuneration	12,000	12,696
Auditors' other services	17,000	6,683
	<u>          </u>	<u>          </u>

**8 Staff costs and numbers and trustees' remuneration**

	<u>2014</u>	<u>2013</u>
	<u>£</u>	<u>£</u>
Staff costs were as follows:		
Salaries and wages	433,654	403,138
Social security costs	28,447	32,250
	<u>          </u>	<u>          </u>
	<u>462,101</u>	<u>435,388</u>

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

During the year, trustees were reimbursed £49 (2012 - £147) for out of pocket expenses.

No trustee received any remuneration from the charity during the year.

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

	<u>2014</u>	<u>2013</u>
	<u>No.</u>	<u>No.</u>
Chief Executive	1	1
Fundraising	1	1
Education	2	2
Collection	1	1
Administration and support	2	2
Marketing	2	2
Exhibitions	1	2
Visitor Services	5	5
Maintenance	3	2
	<u>          </u>	<u>          </u>
	<u>18</u>	<u>18</u>

**9 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 2014

### (Continued)

#### 10 Tangible Fixed Assets

Group and Company

	Computer Equipment £	New Building £	Total £
<b>Cost</b>			
At 1 April 2013	68,089	7,440,056	7,508,145
Additions	-	-	-
At 31 March 2014	<u>68,089</u>	<u>7,440,056</u>	<u>7,508,145</u>
<b>Depreciation</b>			
At 1 April 2013	59,547	363,498	423,045
Charge for year	8,542	67,465	76,007
At 31 March 2014	<u>68,089</u>	<u>430,963</u>	<u>499,052</u>
<b>Net Book Value</b>			
As at 31 March 2014	<u>-</u>	<u>7,009,093</u>	<u>7,009,093</u>
As at 31 March 2013	<u>8,542</u>	<u>7,076,558</u>	<u>7,085,100</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 activities of the trading subsidiary are the running of the gift shop and cafe, room hire and holding events in the museum.

#### 12 Debtors

	Group		Company	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
	£	£	£	£
Trade debtors	28,451	16,119	19,754	4,373
Amount due by subsidiary undertaking	-	-	120,773	79,509
Other debtors and prepayments	<u>24,069</u>	<u>27,888</u>	<u>23,417</u>	<u>27,067</u>
	<u>52,520</u>	<u>44,007</u>	<u>163,944</u>	<u>110,949</u>

Included in the amount due by the subsidiary undertaking is an amount of £55,763 (2013 - £55,763) falling due after more than one year.

#### 13 Creditors: amounts falling due within one year

	Group		Company	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
	£	£	£	£
Trade creditors	68,859	39,261	56,254	34,242
Taxation and social security	98,561	99,099	94,813	96,257
Other creditors and accruals	<u>63,197</u>	<u>34,360</u>	<u>55,769</u>	<u>32,796</u>
	<u>230,617</u>	<u>172,720</u>	<u>206,836</u>	<u>163,295</u>

**WOKING MUSEUM AND ARTS & CRAFTS CENTRE**  
**Notes to the Financial Statements**  
**For the Year Ended 31 March 2014 (Continued)**

**14 Creditors: amounts falling due after more than one year**

	<b>Group</b>		<b>Company</b>	
	<u><b>2014</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>	<u><b>2013</b></u>
	<u><b>£</b></u>	<u><b>£</b></u>	<u><b>£</b></u>	<u><b>£</b></u>
Loan - Woking Borough Council	1,300,000	1,300,000	1,300,000	1,300,000
Deferred VAT liability	146,142	146,142	146,142	146,142
	<u>1,446,142</u>	<u>1,446,142</u>	<u>1,446,142</u>	<u>1,446,142</u>

Woking Borough Council has a charge over the land at Victoria Way, Chobham Road, Woking for any amount due to them.

The trustees of the National Heritage Memorial Fund also have a charge over the lease of the property at the same address for any amount due to them.

**15 Analysis of group net assets between funds**

	<u><b>General</b></u>	<u><b>Designated</b></u>	<u><b>Total</b></u>	<u><b>Restricted</b></u>	<u><b>Total funds</b></u>
	<u><b>Fund</b></u>	<u><b>Funds</b></u>	<u><b>Unrestricted</b></u>	<u><b>Funds</b></u>	<u><b>£</b></u>
	<u><b>£</b></u>	<u><b>£</b></u>	<u><b>£</b></u>	<u><b>£</b></u>	<u><b>£</b></u>
Tangible fixed assets	-	7,009,093	7,009,093	-	7,009,093
Net current assets	146,721	-	146,721	89,245	235,966
Creditors due after more than one year	(1,446,142)	-	(1,446,142)	-	(1,446,142)
	<u>(1,299,421)</u>	<u>7,009,093</u>	<u>5,709,672</u>	<u>89,245</u>	<u>5,798,917</u>

The designated funds represent the net book value of fixed assets as these do not form part of the free reserves of the charity.



**WOKING MUSEUM AND ARTS & CRAFTS CENTRE**  
**Notes to the Financial Statements**  
**For the Year Ended 31 March 2014 (Continued)**

**16 Movements in Funds**

<b>Group</b>	<b>At 1 April 2013 £</b>	<b>Incoming Resources £</b>	<b>Outgoing Resources £</b>	<b>Transfers £</b>	<b>At 31 March 2014 £</b>
<b>Restricted Funds:</b>					
ACE - Audience Development (5)	-	77,787	42,840	-	34,947
ACE - Permeate (4)	89,291	5,000	66,034	-	28,257
Local Heroes (2)	4,800	-	4,800	-	-
Fundraising Project (5)	-	7,300	-	-	7,300
Arts & Crafts for Wellbeing (1)	2,223	-	2,223	-	-
WATES - Young Curators (3)	-	1,607	793	-	814
WATES - Family Learning (3)	220	-	220	-	-
Centrepiece (3)	351	1,183	58	-	1,476
Arts for Dementia (1)	3,358	5,057	5,322	-	3,093
Tactile Resources (2)	203	-	202	-	1
Landscapes of the Mind (1)	153	2,663	2,816	-	-
Paul Hamlyn - Our Museum (1)	20,037	37,000	43,680	-	13,357
Other funds	-	10,000	10,000	-	-
	<u>120,636</u>	<u>147,597</u>	<u>178,988</u>	<u>-</u>	<u>89,245</u>
General funds	<u>5,863,435</u>	<u>702,425</u>	<u>856,188</u>	<u>-</u>	<u>5,709,672</u>
<b>Total unrestricted funds</b>	<u>5,863,435</u>	<u>702,425</u>	<u>856,188</u>	<u>-</u>	<u>5,709,672</u>
<b>Total Funds</b>	<u>5,984,071</u>	<u>850,022</u>	<u>1,035,176</u>	<u>-</u>	<u>5,798,917</u>

<b>Charity</b>	<b>At 1 April 2013 £</b>	<b>Incoming Resources £</b>	<b>Outgoing Resources £</b>	<b>Transfers £</b>	<b>At 31 March 2014 £</b>
<b>Restricted Funds:</b>					
ACE - Audience Development (5)	-	77,787	42,840	-	34,947
ACE - Permeate (4)	89,291	5,000	66,034	-	28,257
Local Heroes (2)	4,800	-	4,800	-	-
Fundraising Project (5)	-	7,300	-	-	7,300
Arts & Crafts for Wellbeing (1)	2,223	-	2,223	-	-
WATES - Young Curators (3)	-	1,607	793	-	814
WATES - Family Learning (3)	220	-	220	-	-
Centrepiece (3)	351	1,183	58	-	1,476
Arts for Dementia (1)	3,358	5,057	5,322	-	3,093
Tactile Resources (2)	203	-	202	-	-
Landscapes of the Mind (1)	153	2,663	2,816	-	-
Paul Hamlyn - Our Museum (1)	20,037	37,000	43,680	-	13,357
Other funds	-	10,000	10,000	-	-
	<u>120,636</u>	<u>147,597</u>	<u>178,988</u>	<u>-</u>	<u>89,245</u>
General funds	<u>5,897,262</u>	<u>497,243</u>	<u>673,735</u>	<u>-</u>	<u>5,720,770</u>
<b>Total unrestricted funds</b>	<u>5,897,262</u>	<u>497,243</u>	<u>673,735</u>	<u>-</u>	<u>5,720,770</u>
<b>Total Funds</b>	<u>6,017,898</u>	<u>644,840</u>	<u>852,723</u>	<u>-</u>	<u>5,810,015</u>

Transfers between unrestricted funds and restricted funds are as a result of using the general funds for the specific restricted projects in the prior year, and that transfer now being reversed this year.

**WOKING MUSEUM AND ARTS & CRAFTS CENTRE**  
**Notes to the Financial Statements**  
**For the Year Ended 31 March 2014 (Continued)**

**16 Movements in Funds (continued)**

Restricted funds are divided into 5 categories:

Community funds (marked 1 above) represent projects which aim to facilitate activities which engage disadvantaged community groups with the cultural offering provided by The Lightbox

Exhibition funds (marked 2 above) represent projects where The Lightbox works with specific groups outside the Gallery and Museum sector to curate specific exhibitions

Learning funds (marked 3 above) are projects aimed at encouraging learning across all age groups in the community

Training funds (marked 4 above) are used to encourage young people to consider a career in the Arts which engages them outside the formal curriculum.

Sustainability funds (marked 5 above) are provided to not for profit institutions to improve their long term financial health and sustainability.

**17 Contingent Liability**

The total deferred VAT liability in the accounts of £246,142 is an estimate of the amount of input VAT recovered on the cost of the building that is repayable to H M Revenue & Customs in respect of the non-taxable use of the building over a period of 10 years from the date the building first came into use. The actual amount payable by the end of that period cannot be known with any certainty at this stage and is the subject of ongoing discussions with HMRC. Any variation in the amount payable to HMRC will represent a saving or an additional capital cost of the building.