

Museum Documentation Association

(A Company limited by guarantee and having no share capital)

Financial Statements

For the year ended 31 March 1997



Museum Documentation Association

Board of Directors

Dr M Fopp (Chairman)
Mr D Chadwick
Mr P Phillips
Mr A Seal
Mr M Freeman
Mr O Green
Mr S Feber
Mr J Hemsley
Mr I Morrison

Secretary

Mrs K M Bryce-Smith

Registered Office

Jupiter House
Station Road
Cambridge
CB1 2JD

Registered Number

1300565 (England and Wales)

Auditors

Peters Elworthy & Moore
Salisbury House
Station Road
Cambridge
CB1 2LA

Bankers

Barclays Bank PLC
Bene't Street
Cambridge
CB2 3PZ

Museum Documentation Association Report of the Board of Directors

The Board of Directors present their report and financial statements for the year ended 31 March 1997.

Business Review

The principal activity of the Association continues to be that of promoting the education of the public by the development of museums and similar organisations as sources of information. The Board of Directors intend to continue and develop such activity. The Board of Directors consider the state of the Association's affairs to be satisfactory.

Board of Directors

The directors in office during the year were:-

National Museums

Dr M Fopp

Area Museum Councils

Mr D Chadwick

Federations and Specialist Groups

Mr P Phillips

Individual Members

Mr A Seal

Mr M Freeman

Institutional Members

Mr O Green

Mr S Feber

Co-Opted

Mr J Hemsley

Mr I Morrison

Statement of Directors' Responsibilities

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the surplus or deficit of the Company for that period. In preparing those financial statements the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.


The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Museum Documentation Association
Report of the Board of Directors (continued)**

Auditors

Peters, Elworthy & Moore have expressed their willingness to continue in office and a resolution for their re-appointment will be proposed at the forthcoming annual general meeting.

Signed on Behalf of the Board


Mrs K M Bryce-Smith
27.09. 1997

Museum Documentation Association Auditors' Report to the Members

We have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective Responsibilities of Directors Committee of Management and Auditors

As described on page 2 the Company's Directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

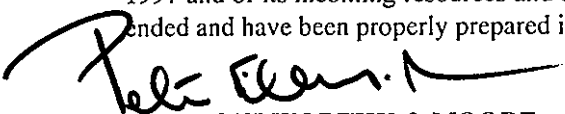
Basis of Opinion

We conducted our audit in accordance with Auditing Standards 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 Committee of Management in the preparation of the financial statements, and of whether the accounting policies are appropriate to the 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 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 of the state of the Company's affairs as at 31 March 1997 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PETERS ELWORTHY & MOORE
Chartered Accountants and
Registered Auditor

CAMBRIDGE

Date: 22 October 1997

Museum Documentation Association
Statement of Financial Activities
For the Year Ended 31 March 1997

	Notes	Unrestricted Funds £	Restricted Funds £	1997 Total Funds £	1996 Total Funds £
Incoming Resources:					
Standards		14,173	-	14,173	52,301
Systems		35,199	-	35,199	98,570
Outreach		2,885	-	2,885	1,152
Computer Centre		-	-	-	28,521
Consultancy		12,748	-	12,748	-
Grants received	3	231,150	49,732	280,882	250,050
Other income		5,122	-	5,122	4,301
Interest received		<u>2,922</u>	<u>-</u>	<u>2,922</u>	<u>3,091</u>
Total Incoming Resources		<u>304,199</u>	<u>49,732</u>	<u>353,931</u>	<u>437,986</u>
Less discontinued activities		<u>-</u>	<u>-</u>	<u>-</u>	<u>(66,477)</u>
Continuing activities		<u>304,199</u>	<u>49,732</u>	<u>353,931</u>	<u>371,509</u>
Resources Expended:					
Direct charitable expenditure	4	78,681	21,761	100,442	146,928
Programme overheads	5	167,992	-	167,992	233,031
Depreciation		11,684	3,126	14,810	12,309
Management and administration of the Charity	6	<u>65,876</u>	<u>24,657</u>	<u>90,533</u>	<u>98,737</u>
Total Resources Expended	7	<u>324,233</u>	<u>49,544</u>	<u>373,777</u>	<u>491,005</u>
Less discontinued activities		<u>-</u>	<u>-</u>	<u>-</u>	<u>(110,585)</u>
		<u>324,233</u>	<u>49,544</u>	<u>373,777</u>	<u>380,420</u>
Net Incoming/(Outgoing) Resources					
Continuing activities		(20,034)	188	(19,846)	(8,911)
Discontinued activities		<u>-</u>	<u>-</u>	<u>-</u>	<u>(44,108)</u>
Net movement in funds		(20,034)	188	(19,846)	(53,019)
Fund balances brought forward		<u>71,818</u>	<u>-</u>	<u>71,818</u>	<u>124,837</u>
Fund balances carried forward		<u>51,784</u>	<u>188</u>	<u>51,972</u>	<u>71,818</u>


There are no recognised gains or losses in the year other than the deficit for the year

The attached notes form part of these financial statements

Museum Documentation Association
Balance Sheet as at 31 March 1997

	Notes	1997 £	1996 £
Fixed Assets			
Tangible assets	9	22,884	14,810
Current Assets			
Stocks	10	13,490	19,348
Debtors	11	45,844	64,786
Cash at bank and in hand		<u>59,015</u>	<u>67,386</u>
		118,349	151,520
Creditors: amounts falling due within one year			
Bank overdraft	12	5,234	8,773
Trade creditors		17,035	32,487
Grants in advance		11,718	5,060
Taxes and social security costs		3,254	2,172
Accruals		<u>52,020</u>	<u>46,020</u>
		89,261	94,512
Net Current Assets		<u>29,088</u>	<u>57,008</u>
Net Assets		<u>51,972</u>	<u>71,818</u>
Income Funds			
Restricted funds	13	188	-
Unrestricted funds -			
Designated funds	14	22,240	33,924
Accumulated Fund		<u>29,544</u>	<u>37,894</u>
		<u>51,972</u>	<u>71,818</u>

ON BEHALF OF THE BOARD


 Mr O Green
 Approved by the Board 29 September 1997

The attached notes form part of these financial statements

**Museum Documentation Association
Notes to the Financial Statements
For the Year Ended 31 March 1997**

1 Accounting Policies

- a Basis of accounting -
The financial statements have been prepared under the historical cost convention.
- b Accounting Standards -
The financial statements have been prepared in accordance with applicable accounting standards.
- c Incoming Resources -
Incoming resources represent amounts receivable for services invoiced during the year, and grants awarded.
- d Tangible Fixed Assets -
 - (i) Restricted Fund - Donations received for purchase of assets. The assets purchased from the specific donations received are included at cost.
 - (ii) Depreciation - Depreciation is calculated to write off the cost of tangible fixed assets over their estimated useful lives, of either three or five years at the appropriate rate.
- e Stocks -
Stocks are stated at the lower of cost and estimated net realisable value, after making due allowance for obsolete and slow moving items.
- f Pensions -
The Company operates a defined contribution scheme, the assets of which are held separately from those of the Company. The Company's contributions are written off in the year in which they are incurred.
- g Funds -
Resources are allocated to the restricted funds according to the limitations on their use specified by the donors. Funds received in the direct operation of the Museum Documentation Association without external restriction are treated as unrestricted income funds and are designated by the Board of Directors for particular purposes as deemed appropriate.
- h Cash Flow Statement -
In accordance with Financial Reporting Standard Number 1, no cash flow statement is included in these financial statements as the Company is covered by the small company exemption.

2 Status

The Company is limited by guarantee and has charitable status.

Museum Documentation Association
Notes to the Financial Statements
For the Year Ended 31 March 1997 (continued)

3 Incoming Resources

Incoming resources represent amounts receivable for services invoiced during the year together with grant aid as follows:-

	1997 £	1996 £
Museums & Galleries Commission (MGC)	210,000	228,000
Museum Training Institute	19,950	-
Aquarelle	18,796	-
Scottish Office of Education	8,000	12,000
Council of Museums in Wales	6,750	6,750
Department of National Heritage	5,000	-
National Museums & Galleries of Wales	4,000	-
Dept of Education in Northern Ireland	3,400	3,300
The Visual Arts Data Service	1,500	-
Artweb	360	-
MGC - Grant for capital equipment	<u>3,126</u>	<u>-</u>
	<u>280,882</u>	<u>250,050</u>

4 Direct Charitable Expenditure

	Unrestricted Funds £	Restricted Funds £	Total Funds 1997 £	1996 £
Standards	27,242	8,377	35,619	79,994
Systems	31,109	-	31,109	45,282
Outreach	20,330	-	20,330	21,457
Computer centre	-	-	-	195
Consultancy	<u>-</u>	<u>13,384</u>	<u>13,384</u>	<u>-</u>
	<u>78,681</u>	<u>21,761</u>	<u>100,442</u>	<u>146,928</u>

5 Programme Overheads

	Unrestricted Funds £	Restricted Funds £	Total Funds 1997 £	1996 £
Standards	107,043	-	107,043	42,246
Systems	4,328	-	4,328	75,422
Outreach	56,621	-	56,621	82,024
Computer centre	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,339</u>
	<u>167,992</u>	<u>-</u>	<u>167,992</u>	<u>233,031</u>

Museum Documentation Association
Notes to the Financial Statements
For the Year Ended 31 March 1997 (continued)

6 Management and Administration of the Charity

	Unrestricted Funds	Restricted Funds	Total Funds 1997	1996
	£	£	£	£
Salaries and office costs	63,547	24,657	88,204	96,237
Audit fees	2,945	-	2,945	2,500
Profit on sale of fixed assets	<u>(616)</u>	<u>-</u>	<u>(616)</u>	<u>-</u>
	<u>65,876</u>	<u>24,657</u>	<u>90,533</u>	<u>98,737</u>

7 Total Resources Expended

	Staff Costs	Other	Depreciation	1997 Total	1996 Total
	£	£	£	£	£
Direct charitable expenditure	-	100,442	-	100,442	146,928
Programme overheads	99,899	68,093	-	167,992	233,031
Depreciation	-	-	14,810	14,810	12,309
Management and administration of the Charity	<u>35,550</u>	<u>54,983</u>	<u>-</u>	<u>90,533</u>	<u>98,737</u>
	<u>135,449</u>	<u>223,518</u>	<u>14,810</u>	<u>373,777</u>	<u>491,005</u>

8 Staff Costs

	1997 £	1996 £
Staff costs comprise:		
Wages and salaries	117,742	166,981
Social security costs	10,779	15,674
Other pension costs	<u>6,928</u>	<u>17,777</u>
	<u>135,449</u>	<u>200,432</u>

No employee earned £40,000 per annum or more.
The Directors do not receive any remuneration
Staff costs do not include costs of staff on secondment to MDA

The average number of employees analysed by function was:

	1997	1996
Administration	2	2
Standards, Systems and Outreach	<u>7</u>	<u>8</u>
	<u>9</u>	<u>10</u>

Museum Documentation Association
Notes to the Financial Statements
For the Year Ended 31 March 1997 (continued)

9 Tangible Assets

	Office Equipment £	Computer Equipment £	Total £
Cost at beginning of year	13,720	105,539	119,259
Additions during year	8,104	14,924	23,028
Disposals at cost	(11,233)	(74,684)	(85,917)
Cost at end of year	<u>10,591</u>	<u>45,779</u>	<u>56,370</u>
Accumulated depreciation at beginning of year	12,751	91,698	104,449
Charge for year	2,083	12,727	14,810
On disposals	(11,091)	(74,682)	(85,773)
Accumulated depreciation at end of year	<u>3,743</u>	<u>29,743</u>	<u>33,486</u>
Net book value at end of year	<u>6,848</u>	<u>16,036</u>	<u>22,884</u>
Net book value at beginning of year	<u>969</u>	<u>13,841</u>	<u>14,810</u>

All the tangible fixed assets are used for the purposes of the Charity's activities, management and administration.

10 Stocks

	1997 £	1996 £
Goods for resale	12,490	18,348
Provisions for own use	<u>1,000</u>	<u>1,000</u>
	<u>13,490</u>	<u>19,348</u>

11 Debtors

	1997 £	1996 £
Due within one year:		
Trade debtors	14,641	34,128
Other debtors	4,259	-
Prepayments and accrued income	<u>26,944</u>	<u>30,658</u>
	<u>45,844</u>	<u>64,786</u>

12 Creditors

The bank overdraft is secured by a standard debenture on the assets of the Company.

Museum Documentation Association
Notes to the Financial Statements
For the Year Ended 31 March 1997 (continued)

13 Restricted Funds

Donor	Incoming Resource	Outgoing Resource	Balance 31 March 1997
	£	£	£
Museums & Galleries Commission	3,126	3,126	-
Museum Training Institute	19,950	19,950	-
Aquarelle	18,796	18,796	-
Scottish Office of Education	1,000	1,000	-
Department of National Heritage	5,000	4,812	188
The Visual Arts Data Service	1,500	1,500	-
Artweb	360	360	-
	<u>49,732</u>	<u>49,544</u>	<u>188</u>

The Association receives grants which are to cover specific costs. In most cases costs match or exceed the grant given. The balance on the restricted funds is represented by cash at bank.

14 Designated Funds

The income funds include the following designated funds which have been set aside out of the unrestricted funds by the Board of Directors for specific purposes:-

	Balance at 1.4.96	Net Deficit in year	Transfers	Capital Grant released	Balance at 31.3.97
	£	£	£	£	£
Equipment Contingency Fund	7,000	-	-	-	7,000
Staff Contingency fund	5,000	-	-	-	5,000
Special Contingency (depreciation) Fund	21,924	-	(14,810)	3,126	10,240
Accumulated Fund	<u>37,894</u>	<u>(20,034)</u>	<u>14,810</u>	<u>(3,126)</u>	<u>29,544</u>
	<u>71,818</u>	<u>(20,034)</u>	<u>-</u>	<u>-</u>	<u>51,784</u>

15 Financial Commitments

Commitments for rentals payable under operating leases in the financial year to 31 March 1998 are as follows:-

	1998 £	1997 £
On leases expiring in two to five years	<u>9,350</u>	<u>11,000</u>

16 Pension Costs

The Company operates a defined contribution pension scheme and also participates in the Universities Superannuation Scheme, a pension scheme which provides benefits based on final pensionable salary for employees of all UK Universities and some other employers.

The assets of the schemes are held separately from those of the Company in independently administered funds. The pension cost charge represents contributions payable by the Company to the funds and amounted to £6,928 (1996 £17,777). Contributions totalling £nil (1996 £187) were payable to the funds at the year end.