

THE MUSEUM DOCUMENTATION ASSOCIATION  
(A COMPANY LIMITED BY GUARANTEE AND HAVING  
NO SHARE CAPITAL)  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 1996



## **THE 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 1996.

#### **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**

##### **National Museums**

Dr M Fopp (Chairman)

##### **Area Museum Councils**

Mr S H Hunt (Vice Chairman) resigned 6th December 1995

Mr Dan Chadwick (from 6th December 1995)

##### **Federations & Specialist Groups**

Mr P Phillips

##### **Individual Members**

Mr J Wilson (resigned 6th December 1995)

Mr A Seal

Mr M Freeman (appointed 6th December 1995)

##### **Institutional Members**

Mr O Green

Mr A Patterson (resigned 1st September 1995)

Mr Stephen Feber (appointed 6th December 1995)

##### **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,

**THE MUSEUM DOCUMENTATION ASSOCIATION**

**Report of the Board of Directors (continued)**

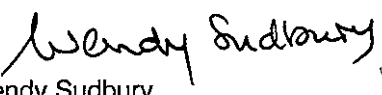
**Fixed assets**

Changes in fixed assets during the year are set out in note 6 of the financial statements.

**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.

BY ORDER OF THE BOARD

  
Dr Wendy Sudbury  
Company Secretary

16 July 1996

## THE MUSEUM DOCUMENTATION ASSOCIATION

### Auditors' Report to the Members

We have audited the financial statements on pages 4 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

#### **Respective Responsibilities and Directors and Auditors**

As described on pages 1 and 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 Directors 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 1996 and of its deficit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**PETERS ELWORTHY & MOORE**  
Chartered Accountants and  
Registered Auditor

*Peter Elworthy*

**CAMBRIDGE**

Date: 17 September 1996

# THE MUSEUM DOCUMENTATION ASSOCIATION

## Profit and Loss Account

For the year ended 31st March 1996

				1995	
	Notes	£	£	£	£
<b>Income</b>	3				
- continuing operations			368,418		304,682
- discontinued operations			66,477		148,026
			<u>434,895</u>		<u>452,708</u>
<b>Expenditure</b>					
Direct Purchases & Cost of Goods Sold		146,928		115,182	
Programme Overheads	4	233,031		230,533	
General Overheads		<u>98,737</u>		<u>108,431</u>	
		478,696		454,146	
Of which - continuing operations			368,111		307,578
- discontinued operations			<u>110,585</u>		<u>146,568</u>
			478,696		454,146
<b>Net operating (deficit)</b>					
- continuing operations	5	307		(2,896)	
- discontinued operations	5	<u>(44,108)</u>		<u>1,458</u>	
			(43,801)		(1,438)
Bank interest receivable			<u>3,091</u>		<u>1,780</u>
<b>Net (deficit) surplus from Ordinary Activities being Retained (deficit) surplus for the year</b>			(40,710)		342
<b>Accumulated fund</b>					
balance brought forward			<u>78,604</u>		<u>78,262</u>
<b>Accumulated fund</b>					
balance carried forward			<u>37,894</u>		<u>78,604</u>

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

The attached notes on pages 6 - 11 form part of these accounts

# THE MUSEUM DOCUMENTATION ASSOCIATION

## Balance Sheet 31st March 1996

				1995	
	Notes	£	£	£	£
<b>Fixed Assets</b>					
Tangible Assets	6		14,810		18,006
<b>Current Assets</b>					
Stocks	7	19,348		25,081	
Debtors	8	64,786		52,586	
Cash at bank and in hand		67,386		69,067	
		<u>151,520</u>		<u>146,734</u>	
<b>Creditors: amounts falling due within one year</b>					
	9	<u>94,512</u>		<u>39,903</u>	
			<u>57,008</u>		<u>106,831</u>
Net Assets			<u>71,818</u>		<u>124,837</u>
<b>Financed by:</b>					
Accumulated Fund-retained surplus			37,894		78,604
Equipment Contingency Fund	12		7,000		7,000
Staff Contingency Fund	13		5,000		5,000
Special Contingency Fund	14		<u>21,924</u>		<u>34,233</u>
			<u>71,818</u>		<u>124,837</u>

ON BEHALF OF THE BOARD

Dr. M. Fopp

Approved by the Board on

16 July

1996

The attached notes on pages 6 - 11 form part of these accounts

## THE MUSEUM DOCUMENTATION ASSOCIATION

### Notes to the Financial Statements

for the year ended 31st March 1996

#### **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) Depreciation -  
Depreciation is provided to write off the cost of tangible fixed assets over their estimated useful lives by equal annual instalments at the following rates:

Office equipment	- 20 % on cost
Computer equipment	- 33 1/3% on cost
- d) Stocks -  
Stocks are stated at the lower of cost and estimated net realisable value, after making due allowance for obsolete and slow-moving items.
- e) 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.
- f) 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 Association is a Company limited by guarantee and has charitable status.

## THE MUSEUM DOCUMENTATION ASSOCIATION

### Notes to the Financial Statements

for the year ended 31st March 1996

#### 3 Income

Income represents amounts receivable, excluding value added tax, for goods and services invoiced during the year together with grant aid received as follows:

	£	£	1995	£
Grant Aid :				
Museums & Galleries Commission	228,000		200,000	
Dept.of Education in Northern Ireland	3,300		3,300	
Council of Museums in Wales	6,750		6,750	
Scottish Office of Education	12,000		7,000	
		250,050		217,050
Other Income :		184,845		235,658
		434,895		452,708

#### Discontinued Operations

As at 31 March 1996 the Company ceased to provide MODES Support Services and this has been treated as a discontinued operation. The accounting policy for MODES income has been to recognise revenue in the year of account in which it is invoiced rather than on a time apportionment basis relating to the period of the support contract. On cessation this policy has given rise to an exceptional reduction in income of £20,300 on the transfer of unexpired contracts to a third party contractor. The net operating (deficit) on discontinued operations therefore includes £20,300 because of this change in accounting policy.

#### 4 Programme Overheads

Standards	42,246	34,111
Systems	75,422	79,208
Outreach	82,024	93,574
Computer Centre	33,339	23,640
	233,031	230,533



# THE MUSEUM DOCUMENTATION ASSOCIATION

## Notes to the Financial Statements

for the year ended 31st March 1996

### 5 Net Operating (Deficit)

Net operating (deficit) is shown after charging:

#### a) Staff Costs

	£	1995 £
Wages and salaries	227,071	222,632
Staff training	3,125	
Social security costs	15,674	16,914
Other pension costs	17,777	16,333
	<u>263,647</u>	<u>255,879</u>

The average number of persons,excluding members  
Board of Management employed during the year was:

		Number
Administration	2.0	2.3
Standards,Outreach and Services	8.0	8.2
	<u>10.0</u>	<u>10.5</u>

	£	£
b) Depreciation (see note 14)	<u>3,140</u>	<u>10,004</u>
c) Auditors' remuneration	<u>2,500</u>	<u>2,450</u>
d) Operating lease charges	<u>14,000</u>	<u>15,000</u>

# THE MUSEUM DOCUMENTATION ASSOCIATION

## Notes to the Financial Statements

For the year ended 31st March 1996

### 6 Tangible Fixed Assets

	Office Equipment £	Computer Equipment £	Total £
Cost at beginning of year	13,720	93,286	107,006
Additions	0	12,253	12,253
Cost at end of year	13,720	105,539	119,259
Accumulated depreciation at beginning of year	11,374	77,626	89,000
Charged in year	1,377	14,072	15,449
Accumulated depreciation at end of year	12,751	91,698	104,449
Net book value at end of year	969	13,841	14,810
Net book value at beginning of year	2,346	15,660	18,006

### 7 Stocks

	1995 £	1995 £
Systems (Cards, Forms & Registers)	4,069	6,995
Books and publications	14,279	17,086
Stationery, etc	1,000	1,000
	19,348	25,081

### 8 Debtors

	1995 £	1995 £
Due within one year		
Trade Debtors	34,128	37,576
Prepayments	30,658	15,010
	64,786	52,586

# THE MUSEUM DOCUMENTATION ASSOCIATION

## Notes to the Financial Statements

For the year ended 31st March 1996

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

		1995
	£	£
Bank overdraft	8,773	0
Trade creditors	32,487	20,841
Other taxes and social security costs	2,172	4,905
Other	25,720	13,146
Advanced Income	25,360	1,011
	<u>94,512</u>	<u>39,903</u>

### 10 Financial Commitments

Commitments for rentals payable under operating leases, including property leases in the financial year to 31st March 1997 are as follows:

		1995
	£	£
On leases expiring in two to five years	<u>11,000</u>	<u>15,000</u>

### 11 Pensions

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 both 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 £17777 (1995 £16333). Contributions totalling £187 (1995 £nil) were payable to the funds at the year end.

### 12 Equipment Contingency Fund

		1995
	£	£
Balance at beginning and end of year	<u>7,000</u>	<u>7,000</u>

**THE MUSEUM DOCUMENTATION ASSOCIATION**

Notes to the Financial Statements

For the year ended 31st March 1996

**13 Staff Contingency fund**

1995

	£	£
Balance at beginning and end of year	<u>5,000</u>	<u>5,000</u>

**14 Special Contingency (depreciation) Fund**

1995

	£	£
Balance at beginning of year	34,233	34,233
Depreciation charged in year	<u>12,309</u>	<u>0</u>
Balance at end of year	<u>21,924</u>	<u>34,233</u>

Depreciation provided on MDA Services equipment has been charged to the Profit and Loss Account.