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Charity Registration No 280389

Company Registration No 1488690 (England and Wales)

BEN URI GALLERY & MUSEUM LIMITED
(FORMERLY KNOWN AS BEN URI ART SOCIETY LIMITED)
(A COMPANY LIMITED BY GUARANTEE)
THE COUNCIL'S REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2006

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BEN URI GALLERY & MUSEUM LIMITED
(FORMERLY KNOWN AS BEN URI ART SOCIETY LIMITED)
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

Members Of Council

Mr S Bentley
Mr David J Glasser
Ms M W umin
Mr I Grose
Mr P Hoffmann
Mr J Horwich
Mr M Poser
Ms M Rosenfelder
Mrs Diane Boucher

Secretary

Mr David J Glasser

Charity number

280389

Company number

1488690
1084 Boundary Road
St John's Wood
London
NW8 0RH

Auditors

H W Fisher & Company
Arc House
11-15 William Road
London
NW1 3LR

Bankers

HSBC plc
31 Foston Road
London
NW1 2SJ

COH Charity Fund
St Alphage House
2 Fore Street
London
EC2Y 5AQ

Solicitors

Berwin Leighton Parnes
Adelaide House
London Bridge
London
EC4R 9HA

BEN URI GALLERY & MUSEUM LIMITED
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BEN URI GALLERY AND MUSEUM LIMITED
(A COMPANY LIMITED BY GUARANTEE)
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CHAIRMAN'S REPORT
FOR THE YEAR ENDED 31 MARCH 2006

BRIDGING COMMUNITIES THROUGH ART - A MUSEUM FOR EVERYONE - BEST MUSEUM IN THE REGION, JAN 2006

VALUE FOR MONEY AND MONEY FOR VALUES

Welcome to the 2006 Ben Uri Gallery and Museum Limited Annual report for the financial year ending 31 March 2006

Summary

Jan 2006:- 'Best Museum in the Region' accolade

This year has been a further extraordinary 12 months in this new institution's short history since its renaissance in 2001 following in real terms its closure in 1996

Our strategy set in 2000 was first and foremost to develop the skills and knowledge of the sector to establish our credentials for vision and transforming the vision into a fresh and sustainable reality. Mission accomplished as 2006 has seen the museum fully establish its position within the mainstream of Britain's diverse rich cultural mosaic through its enlightened exhibition and education programmes. These have been generously recognised by our peer group. After only 5 years in the fold and 4 years in our interim gallery in St Johns Wood it is remarkable that Ben Uri has been awarded 'Best Museum in the Region' and won a National Sandford Heritage Education Award.

Now the priority of the Board for 2007 & 2008 is to match that level of achievement 'in house' through a continuation of broadly based Board Development and Corporate Governance reviews coupled with strengthening the paid executive team in numbers and management skills. 2006 saw a comprehensive Board skills analysis which is the base for continued reshaping and recruitment against a plan based on forward needs rather than simply availability.

Ultimately this revolves around the Board being able to raise sufficient funds to pay for these increases in core costs and commercial sponsorship is a key target market following on from the success in partnering Clydesdale Bank as the principal sponsor of the 2006 BU Art Diary. In time - and hopefully well within 5 years BU should be capable of generating matched funding from the Commercial compared to the Charitable sector and that is our objective.

Background

The Ben Uri Gallery and Museum Limited ("Ben Uri") celebrated its 90 years 'young' anniversary in 2005 and is Britain's oldest Jewish and youngest given its re-launch in 2001 cultural and collection based institution. We are Europe's only dedicated Jewish Museum of Art and are committed by vision and philosophy to a unique and enlightened approach to our future as a Jewish and Museum in the heart of London's mainstream cultural sector. Our mission is to attract and address the widest possible audiences from across all communities and nationalities in new, innovative and interesting fashions to 'Bridge communities through art and create a museum for everyone'.

We remain a 'value driven institution - value for money and money for values' - by necessity as well as philosophy - and 2006 has been another non-stop year. Our extensive Options Analysis confirmed the sole means of Ben Uri achieving its mission was to be located in the heart of central London accessing with ease domestic inner city immigrant communities, the broad art loving public, the young, emerging artists and the all important Tourist market of c30 million visits per annum.

We again report significant progress in many areas within the public eye but still struggle to find the wide ranging spread of successful work experience to lead the museum effectively. It is hardly surprising given we operate a high profile hugely productive full service institution with an average of only two paid staff. The sector does not produce in quantity commercially orientated operational managers or Directors and those that are developed do not readily see an emerging ambitious but currently small locally located Ben Uri as the place to progress their careers. The Board concluded I should add day to day operational responsibility to drive through the necessary changes to

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CHAIRMAN'S REPORT
FOR THE YEAR ENDED 31 MARCH 2006

establish a firm platform from which to accelerate and develop the next stages of the strategy and I became CEO as well as Chairman from early 2005. I continue in that role now aided by the appointment of Suzanne Lewis in the beginning of 2006 from the Smithsonian Institute in Washington DC.

We continue to build the brand values of scholarship, visitor care and community involvement that we believe are essential for the Ben Uri to 'make a difference' and Bridge Communities through Art. The list below shows just some of the 2006 highlights both pre and post the financial year end and follows on from last year's report.

- Exhibitions across the contemporary and historic landscapes continued to be central to the museum's strategy of connecting with new audiences. The highlights were many but two exhibitions require specific reference. The first was 'Embracing the Exotic, Jacob Epstein and Dora Gordine the 5th in the BU unique and acclaimed series of exhibitions surveying and adding new academe to 'The Whitechapel Boys'. The exhibition generated 12 pages of National Press coverage including the International Herald Tribune and was an astonishing success ably curated by Rachel Dickson and Sarah MacDougall.

The exhibition broke all BU records as well as at Newcastle University Galleries when it showed there. Altogether over 16,000 people saw the show which followed BU principles of mixing high scholarship and contemporary social dialogue. This focused simultaneously on Britain's attitude to new immigrant groups maintaining their own cultural identity and how if at all it absorbs these new cultural identities post 9/11 and 7/7 linked to how immigrant groups see integration into the UK society and cultural arenas.

The second true highlight was our first summer show in August handed over to our Artist Peer Group which we established in 2004 with free monthly artist to artist meetings for artists - irrespective of religion or ethnic background re-emphasizing our Museum for Everyone commitment. Sarah Lightman curated the extravaganza of 20 shows in 10 days each with a separate education programme and evening reception. The Board agreed complete freedom and literally gave the space over to the artists and provided only the space, technicians 24/7 and marketing support. It was a huge triumph for Sarah and all those involved and the most constructive way we could applaud and express our admiration was to allocate 4 weeks in 2007 to the group again under Sarah Lightman's curatorial skill. I know Sarah is extending an invitation to Palestinian artists to exhibit in 2007 and the Board hopes they will accept the invitation in the spirit it is offered - exhibiting within an artistic rather than political context. Artists of promise given the support and belief can generate electric exhibitions and over 2000 people visited the shows and became part of the programme. We look forward excitedly to August 2007!

- We remain indebted to our many private and museum lenders including Tate, National Portrait Gallery, Leeds City Art Gallery, University of Leeds Art Collection, Arts Council Collection, National Gallery Wales, Kingston University Galleries, Southampton City Art Gallery, Bradford Art Galleries and Museums, Atkinson Art Gallery, Terens Art Gallery, Musée des Beaux-Arts d'Orleans, Walsall Museum Galleries amongst others.
- Our now firmly established museum partnership and touring programme continued in 05/06 with 'Embracing the Exotic' exhibition traveling to Newcastle University Galleries where it continued its triumphant showing generating over 12000 visitors.
- Lending works from our collection to museums across the world.

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We continue to develop innovative education programmes for schools and students as part of our strategy to bridge communities through art within a museum for everyone. These efforts to translate our vision into a beneficial reality were generously recognized in late 2006 through the Sandford Heritage Education Award which we accepted with great appreciation and consider it a stimuli to build on what we have achieved.

- A fresh approach to programmes for adults and similarly for artists crafted by Sarah Lightman, was launched successfully in 2005 and continues to grow in effectiveness in 2006 and 2007. The 2 wk artist peer group exhibitions in August were a remarkable success and will be extended in 2007.
- The successful introduction of an ambitious visitor experience programme that demonstrates that museum visitors are our number one priority and to ensure each guest has the opportunity to leave our exhibitions knowing more about the artists as well as their work than before has only encouraged the museum to find new ways of improving the package. In early 2007 this programme too was recognized externally by Visit Britain granting us a Visitor Experience award - one of only seven Museums in London to be so recognized.
- 2005/6 saw the further development of our Friends programme ably devised by Kate Silverman which was universally well-received. We are grateful to her for her energies.
- Our Community Access programme continues to grow where we 'sweat the asset' and allow the gallery to be used for meetings to be of service to our local communities and social events such as singles nights and wine and cheese tasting to introduce new and often younger friends to the gallery.
- Playing a meaningful role in the museum sector in London, nationally, internationally in Europe and the USA remains a core activity and is rewarded by increased qualitative and quantitative brand awareness.
- The production of our first Ben Uri Arts Diary in late 2003 is now a key communication vehicle to highlight Ben Uri's hidden collection still in store after a decade.

Last year we stated our objective in winning commercial sponsorship for the Diary. We succeeded and have entered into a joint partnership with Clydesdale Bank for the 2006 & 2007 Diaries. We are delighted at this partnership and with our Partners.

- Further important acquisitions were successfully completed adding further diversity and strength to the Collection.

Mission Statement

The Ben Uri Gallery, founded in 1915, is Europe's only dedicated Jewish Museum of Art working in partnership with secular and Jewish museums in the UK and internationally.

Its purpose is to enable the largest possible audience, drawn from the widest possible communities from both at home and abroad, to explore for inspiration, learning and enjoyment, the work, lives and contribution of British and European artists of Jewish descent placed where relevant alongside their non-Jewish contemporaries, within the artistic and social context of the national cultural heritage.

Its principal route to achieving this is through easy access - via location, publication and internet - to

The Permanent Collection

The largest of its kind in the world, close to 1000 works accessed physically or virtually via exhibitions, research and acquisitions.

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Temporary exhibitions

Curating, touring and hosting important, internationally-focused exhibitions of the widest artistic appeal, which, without the museum's remit, would not be seen in the UK

Publications

Commissioning new academic research on the artists and their historical context to accompany the museum's exhibitions

Library and Archive

A resource dating from the turn of the 20th century, documenting and tracing in parallel the artistic and social development of both the Ben Uri and Jewish artists, working or exhibiting in Britain alongside (and as part of) the evolving British historical landscape

Education Programmes

For adults, students and school children, through symposia, lectures, student packs and visits

Artist and community involvement

Through exhibition opportunities, competitions, social events and visits

Website

Providing an on-line educational and access tool to function as a virtual gallery and artists' reference resource for students, collectors and scholars

Acquisitions

The bedrock of a museum is its collection and we attempt to maximise the inspiration and effect from ours. This Board is determined to continue to enhance the collection and has researched a comprehensive acquisition plan to address the gaps by period or movement in our historical collection and combat the significant weakness in post 1960 British, European and Israeli and current contemporary practice in general - a weakness this year's acquisitions begin to redress

Conclusion

Ben Uri has continued to demonstrate that it knows how to and does practice its tactics - To Inspire, To Connect, To Make a Difference - and by exploiting the universal language of Art in a well considered and focused manner we play an important and needed role in London's mainstream offer. Bridging communities through Art creating a Museum for everyone provides a meeting place of independent minds and different cultures that foster greater understanding in these nervous times beset by suspicions and senseless labeling

Our most acute problems continue to lie in 'joining the circles' of recruiting and developing an executive management team that have sufficiently wide and mixed experience to be able, simultaneously to multi task on four different skill bases within Scholarship and Museum Programming, our 'product' of exhibitions, education, collection, marketing the product to maximise the benefit to the largest group of visitors, manage and organise staff and volunteers and the diverse and growing requirements that Ben Uri generate, extend our strategic thinking imaginatively and entrepreneurially to address the fundamental demands of a museum and gallery in the 21st century

The Gallery and Museum has to continue to succeed in its operational objectives and the Board needs to communicate the success and raise desperately needed funds through personal contacts and grant applications. The importance of a skilled volunteer corps and an ongoing development programme for our highly valued too few paid staff, our Board and volunteer team is fundamental but is in addition to and not instead of a properly funded executive management complement

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FOR THE YEAR ENDED 31 MARCH 2006

Our Board as well as our management team remains ill equipped to successfully generate increased levels of donations and financial sponsorship from the goodwill we establish as a result of our imaginative, relevant and forward thinking approach

We again this year have not effectively exploited the fund raising opportunities we create and although we are further on in terms of grant applications and establishing important relationships than ever before we seriously suffer from not having the resources to employ a senior dedicated Development Director

These are core and fundamental issues that have to be addressed effectively if we are to continue to articulate our forward thinking approach as how a museum should impact its constituencies across each of its functions. These are problems endemic to the sector but it is our responsibility to solve them for Ben Uri and we must and will find a way through by accessing professional guidance from our colleagues in and out of the sector. Real progress is being made and we continue to manage change effectively but within our context and ambitions too slowly

In my six years as Chairman I have continually described the reality rather than fudge issues as our stakeholders are entitled to recognise the reality as it stands. Our problems are in managing excessive achievement from an unchanged numerical staffing compliment. Our income rises each year but we reinvest in programming and initiatives to prove the future sustainability of the institution as a Museum for everyone representing the Jewish Community in the mainstream secular arena

We are all but ready to launch the campaign to move into a large centrally located building where all the obstacles caused by lack of size and location will be transformed into opportunities gained by economics of scale and accessible location

The future is astonishingly exciting for this remarkable and unique museum

Finally for all I have described our limitations and our awareness of what needs to be done to successfully address I believe there are few other examples of a new institution developing at this speed and quality and I thank and pay tribute to my fellow Trustees and all our team of passionate and active players for their dedication and sheer hard work

Post Financial Year Events,

October 2006, - Winner of National Sandford Heritage Education Award

Jan 2007, Visit Britain Visitor Experience Award

Ongoing, Infusion of carefully screened and selected professional colleagues at Board and support level through external sources including Arts & Business and the MIA

After a generation and more and solely to facilitate partner Simon Wagman becoming closely involved in the future management and governance of the Museum in its next and crucial stage of its development and location move Blick Rothenberg stood down as our Auditors at the end of the financial year 2005 and on behalf of the Board I pay the highest tribute to them for their longstanding and unstinting support and guidance

H W Fisher and Company have been appointed as the museum Auditors and the Board are greatly appreciative of their wholehearted interest and commitment to our mission and future role



David J Glasser
Chairman
23 April 2007

BEN URI GALLERY & MUSEUM LIMITED
(FORMERLY KNOWN AS BEN URI ART SOCIETY LIMITED)
(A COMPANY LIMITED BY GUARANTEE)
THE COUNCIL'S REPORT
FOR THE YEAR ENDED 31 MARCH 2006

The Members of Council present their report and accounts for the year ended 31 March 2006

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Members of Council Memorandum and Articles of Association, the Companies Act 1985 and the Statement of Recommended Practice "Accounting and Reporting by Charities", issued in March 2005.

Structure, governance and management

The Charity, which is a company limited by guarantee is constituted by its Memorandum and Articles of Association adopted in April 1980 and amended in 1983 and 1986. Further revisions are being prepared for this to be updated and modernised in the future.

The Members of Council, who are also the directors for the purpose of company law, who served during the year were:

Mr S Bentley	
Mr D Breuer-Weil	(Resigned 13 December 2005)
Mr David J. Glisier	
Mr H Meyer-Wine	(Resigned 13 December 2005)
Ms M Wynn	
Mr F Grose	
Mr P Hoffman	
Mr J Horwich	
Mr M Posen	
Ms M Rosentfeld	
Mrs Diane Boucher	

The governing body comprises the members of the Council, including the Honorary Officers, namely the Chairman, Vice-Chairman and up to two honorary treasurers and honorary secretary, the President and up to three Vice Presidents. The Council operates by means of committee and executive who report to the Council on a timely basis. Particular thanks are due to the members of the Permanent Collections Committee and Acquisitions Committee.

None of the Members of Council has any beneficial interest in the company. All of the Members of Council are members of the company and guarantee to contribute £1 in the event of a winding up.

The affairs of the Ben Uri Gallery and Museum Limited are directed by the Council of Management, all the members of which are formally appointed as directors of the Ben Uri Gallery and Museum Limited. The Council is involved in the determination of policy and in monitoring its implementation. The Council meets approximately four times a year and the Executive at least monthly, sometimes when required more often, with daily exchanges of emails. All Directors and involved volunteers are invited and welcomed to the monthly meetings.

The Members of Council have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to manage exposure to the major risks.

BEN URI GALLERY & MUSEUM LIMITED
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THE COUNCIL'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2006

Objectives and activities

The charity is a company limited by guarantee and was founded in 1915 and named after Bezalel Ben Uri, the craftsman-builder of the Tabernacle who is mentioned in Exodus 31. The Ben Uri Gallery and Museum Limited has been at the heart of the artistic and cultural life of Anglo-Jewry since its foundation. The institution effectively closed at the end of 1995 and was re-launched under the direction of a new board in October 2000 as the Ben Uri Gallery, the London Jewish Museum of Art positioning itself for the new millennium at the heart of London's mainstream museum and offer.

Its new mission was to effectively communicate the Jewish experience in the visual arts to the largest possible audiences from the widest possible communities. Its objectives were to create a unique museum that bridged communities through art, create a museum for everyone. Programming throughout the year continued to reflect the objective and strategy to achieve. With close to a thousand paintings, sculptures, drawings and prints, the Ben Uri Museum is custodian of the largest collection of its kind in the world and has a duty to show it and exploit the 1000 stories to be told to new immigrant communities to demonstrate this country offers the potential to enjoy the responsibilities of citizenship in equal measure to the enjoyment of maintaining different cultural heritages.

The Ben Uri Gallery and Museum Limited is a fully registered museum and provides a showcase for exhibitions of contemporary artists as well as from its permanent collection. The collection includes works by the foremost Jewish artists of this century including David Bomberg, Mark Gertler, Jacob Epstein, Leon Kossoff, Frank Auerbach, R.B. Kitaj and there have been further important additions to our collection as detailed in the Chairman's statement.

The collection is also used as a vital source of information for students researching the work of Jewish artists. The Ben Uri Gallery and Museum Limited provides a number of facilities for assisting teachers, students and researchers promoting understanding of both the rich culture and artistic diversity of Jewish artists. A review of the progress for the year and the financial report for the year are included in the Chairman's Statement.

The charity continued to extend its mission to wider and more diverse audiences through exhibitions, education and social dialogues. Full details are reported in the Chairman's Report on pages (i) to (v).

We remain fortunate to have the help of many volunteers to run and manage our exhibition and education programmes. Their support and involvement is crucial as we build the operating model and brand recognition is the tool and platform for the Board to fulfil their responsibility in raising finance to add expert enlightened professional executives to run the institution. We are indebted to our volunteers.

Achievements and performance

Full details are included in the Chairman's Report on pages (i) to (v).

Financial review

The museum's current criterion is the greater of either forecast net cash reserves or forecast forward income over a rolling 3 month period against the greater of either planned cash flow outgoings or fixed operating expenses over the same period. Funding is a mix of growing Patrons and Friends, compliments, Charitable Foundations' investment and commercial activities and sponsorship. Each division continues to grow and a core objective is to elongate commitments for a 3 year term. However few income streams are fixed or guaranteed so every year there is a deficit to fund to deliver our programmes. This year is no exception as can be seen from the accounts and we suspect for the following years to come the start of year deficit of unrestricted income will continue but the Board remains confident in their belief that albeit slower than preferred sufficient investment in our mission and ability to deliver results will accrue so avoiding any quarter where we have to exercise our facility to punitively and destructively reduce our programming to minimise expenses to the very modest 'fixed costs' of property and human resources.

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THE COUNCIL'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2006

Our position is not unusual and needs to be considered in context - our own and the museum/ culture sector

In the five years from 1990 to 1995 prior to the closure the earned income of Ben Uri was on average less than £10,000 per annum. In the first five years of this project to reposition mission and location to the mainstream and centre of London post re-launch as Ben Uri - The London Jewish Museum of Art the average per annum has been close to twenty times the size within a period of 9/11 and 7/7 and a severe economic downturn where mid level charitable giving was in a measured decline. The Board has continued and every confidence in the value the museum brings to London and through increased awareness in public sector, charitable trust and commercial arenas the investment and new income streams will be more than sufficiently generated within the medium term.

In the broader context of our domestic culture sector Hewison and Holden articulated the realities perfectly:

"Cultural sector leaders are required to manage with scarce resources and make strategic plans in the absence of long term financial security. They are likely to use unpaid volunteers often as Board members or as key personnel." Robert Hewison & John Holden - excerpt from the task force report on the future of UK Cultural Leadership to the Clive Duffield Foundation Dec 2002

Ben Uri accurately mirrors the findings and conclusion above by Hewison and Holden in 2002. We have zero public funding and only temporary and modest annual guaranteed income from fixed term support agreements. We employ at best only two full time paid staff - usually one plus a part remunerated post graduate intern with expert and/or enthusiastic competent volunteers fulfilling both Board and operational functions.

In summary the Board has executed its strategy of renewal and building awareness of the museum's brand values and of its incremental value to the communities around us aware that meaningful injection of funds on an ongoing basis will only come post successful completion and acceptance rather than as part of the process. Now in its seventh year of the plan to create 'a unique museum for everyone bridging communities through art' whilst there are periods of concern the evidence to date is positive and that in due course the rewards of achievement will flow as our 'delivery'.

Asset cover for funds

Note 15 sets out an analysis of the assets attributable to the various funds and a description of the trusts. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

Disclosure of information to auditors

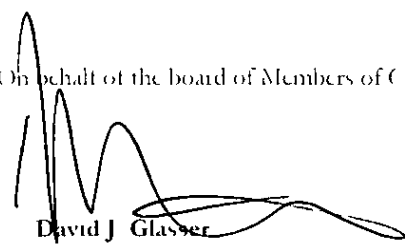
Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are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

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Auditors

H W Fisher & Company were appointed auditors to the company and in accordance with section 385 of the Companies Act 1985 a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

On behalf of the board of Members of Council



David J. Glasser

Council Member

Dated 23 April 2007

BEN URI GALLERY & MUSEUM LIMITED
(FORMERLY KNOWN AS BEN URI ART SOCIETY LIMITED)
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF THE COUNCIL'S RESPONSIBILITIES

The Members of Council are responsible for preparing the accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Members of Council to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its net income and expenditure for the year.

In preparing these accounts, the Members of Council are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent, and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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



CREATIVITY

ENTHUSIASM

ENERGY

VISION

H W FISHER & COMPANY Chartered Accountants

BEN URI GALLERY & MUSEUM LIMITED (FORMERLY KNOWN AS BEN URI ART SOCIETY LIMITED) (A COMPANY LIMITED BY GUARANTEE) INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BEN URI GALLERY & MUSEUM LIMITED

We have audited the accounts of Ben Uri Gallery & Museum Limited for the year ended 31 March 2006 set out on pages 7 to 15. These accounts have been prepared under the accounting policies set out on page 9.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Members of Council and auditors

As described on page 4, the Members of Council, who are also the directors of Ben Uri Gallery & Museum Limited for the purpose of company law, are responsible for preparing the The Council's Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Our responsibility is to audit the accounts 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 accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the The Council's Report is consistent with the accounts, if the charity 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 transactions with the charity is not disclosed.

We read other information contained in the The Council's Report, and consider whether it is consistent with the audited accounts. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

Basis of 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 accounts. It also includes an assessment of the significant estimates and judgements made by the Members of Council in the preparation of the accounts, and of whether the accounting policies are appropriate to the charity'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 accounts 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 accounts.

CREATIVITY

ENTHUSIASM

ENERGY

VISION

BEN URI GALLERY & MUSEUM LIMITED
(FORMERLY KNOWN AS BEN URI ART SOCIETY LIMITED)
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS' REPORT (CONTINUED)
TO THE MEMBERS OF BEN URI GALLERY & MUSEUM LIMITED

Opinion

In our opinion

- the accounts give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the charity's affairs as at 31 March 2006 and of its incoming resources and application of resources in the year then ended,
- the accounts have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the The Council's Report is consistent with the accounts

H W Fisher & Company
Chartered Accountants
Registered Auditor
Acre House
11-15 William Road
London
NW1 3ER
Great Britain

Dated 26th April 2007

BEN URI GALLERY & MUSEUM LIMITED
(FORMERLY KNOWN AS BEN URI ART SOCIETY LIMITED)
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2006

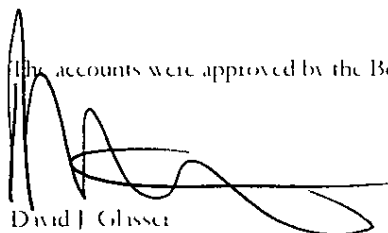
	Notes	Unrestricted funds £	Restricted funds £	Total 2006 £	Total 2005 £
<u>Incoming resources from generated funds</u>					
Donations and legacies	2	80,049	45,000	125,049	286,511
Activities for generating funds		100,845	-	100,845	40,485
Investment income	3	1,469	-	1,469	354
Total incoming resources		182,363	45,000	227,363	327,350
<u>Resources expended</u>					
Costs of generating funds					
General fund-raising & marketing	4	59,482	-	59,482	20,581
Charitable activities					
Artistic programme		149,837	45,000	194,837	203,234
Governance costs	5	1,000	-	1,000	2,115
Total resources expended		210,319	45,000	255,319	225,930
Net (outgoing)/incoming resources before transfers		(27,956)	-	(27,956)	101,420
Gross transfers between funds	8	198,400	(198,400)	-	-
Net income/(expenditure) for the year/ Net movement in funds		170,444	(198,400)	(27,956)	101,420
Fund balances at 1 April 2005		35,078	198,400	233,478	132,058
Fund balances at 31 March 2006		205,522	-	205,522	233,478

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 1985.

BEN URI GALLERY & MUSEUM LIMITED
(FORMERLY KNOWN AS BEN URI ART SOCIETY LIMITED)
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT 31 MARCH 2006

	Notes	2006 £	£	2005 £	£
Fixed assets					
Tangible assets	9		212,879		215,202
Investments	10		2		2
			<u>212,881</u>		<u>215,204</u>
Current assets					
Stocks	11	15,228		14,287	
Debtors	12	16,693		29,309	
Cash at bank and in hand		4,618		34,426	
		<u>36,539</u>		<u>78,022</u>	
Creditors, amounts falling due within one year	13	<u>(43,898)</u>		<u>(59,748)</u>	
Net current (liabilities)/ assets			<u>(7,359)</u>		<u>18,274</u>
Total assets less current liabilities			<u><u>205,522</u></u>		<u><u>233,478</u></u>
Income funds					
Restricted funds	14		-		198,400
Unrestricted funds			<u>205,522</u>		<u>35,078</u>
			<u><u>205,522</u></u>		<u><u>233,478</u></u>

The accounts were approved by the Board on 23 April 2007



David J. Glaser
Council Member

BEN URI GALLERY & MUSEUM LIMITED
(FORMERLY KNOWN AS BEN URI ART SOCIETY LIMITED)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2006

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The charity has taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small charity.

The accounts have been prepared in accordance with applicable accounting standards: the Statement of Recommended Practice "Accounting and Reporting by Charities", issued in March 2005, and the Companies Act 1985.

1.2 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Freehold land is not depreciated.

Short leasehold property	Over 6 years
Equipment	25% straight line
Furniture	15% reducing balance
The Collection	Nil

1.3 Investments

Investments are stated at cost less provision for diminution in value.

1.4 Stock

Catalogues for resale are valued at the lower of cost and net realisable value.

1.5 Pensions

The pension costs recognised in the financial statements represent a pension paid to a former employee.

1.6 Accumulated funds

Restricted funds are subject to specific conditions by donors as to how they may be used. Expenditure which meets these criteria is charged to the fund together with an appropriate allocation of management and support costs.

1.7 Works of art

Works of art consist of paintings, sculptures and prints acquired by the Ben Uri Gallery and Museum Limited by purchase, donation and bequest. Works are held for historical, artistic and educational reasons, principally as non-financial assets. The trustees consider the cost of attributing a value to them in these accounts outweighs any benefit, and in accordance with the requirements of Financial Reporting Standard 15 "Tangible Fixed Assets" and the SORP, these have not been capitalised. Where the acquisition cost is known, the assets are capitalised at the acquisition cost.

BEN URI GALLERY & MUSEUM LIMITED
(FORMERLY KNOWN AS BEN URI ART SOCIETY LIMITED)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2006

2 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2006 £	Total 2005 £
Donations and gifts	80,049	45,000	125,049	286,511

3 Investment income

	2006 £	2005 £
Dividends received	1,300	
Interest receivable	169	351
	<u>1,469</u>	<u>351</u>

4 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2006 £	Total 2005 £
Costs of generating funds					
General fund-raising & marketing	-	-	59,482	59,482	20,581
Charitable activities					
<u>Artistic programme</u>					
Activities undertaken directly	25,983	4,431	164,423	194,837	203,234
Governance costs	-	-	1,000	1,000	2,115
	<u>25,983</u>	<u>4,431</u>	<u>224,905</u>	<u>255,319</u>	<u>225,930</u>

Governance costs includes payments to the auditors of £1,000 (2005 £2,115) for audit fees and £nil (2005 £nil) for other services.

BEN URI GALLERY & MUSEUM LIMITED
(FORMERLY KNOWN AS BEN URI ART SOCIETY LIMITED)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2006

5 Governance costs

	2006	2005
	£	£
Other governance costs comprise:		
Audit and accountancy	1,000	2,115
	<u>1,000</u>	<u>2,115</u>

6 Members Of Council

None of the Members of Council (or any persons connected with them) received any remuneration during the year. During the year no trustees (2005: one trustee: £6,313) received any monies in respect of the reimbursement of expenses in respect of duties carried out as a trustee on behalf of the charity (see note 13).

The Charity benefits from the provision, without charge, of a variety of skills and other services by the members of Council. The benefit is not reflected in these accounts as it is not possible to attribute a monetary value.

7 Employees

Number of employees

The average monthly number of employees during the year was:

	2006	2005
	Number	Number
Administration and programmes	<u>2</u>	<u>3</u>

Employment costs

	2006	2005
	£	£
Wages and salaries	22,659	47,768
Social security costs	2,074	4,100
Other pension costs	1,250	1,250
	<u>25,983</u>	<u>53,118</u>

There were no employees whose annual emoluments were £60,000 or more.

8 Transfers

The transfer of £198,400 relates to the purchase of the collection (shown as fixed assets). As the terms of the restriction have been met, the funds are now transferred to unrestricted funds.

BEN URI GALLERY & MUSEUM LIMITED
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(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2006

9 Tangible fixed assets

	Short lease property	Equipment	Furniture	The Collection	Total
	£	£	£	£	£
Cost					
At 1 April 2005	21,589	10,868	3,860	198,367	234,684
Additions	-	1,750	358	-	2,108
At 31 March 2006	21,589	12,618	4,218	198,367	236,792
Depreciation					
At 1 April 2005	10,793	7,428	1,261	-	19,482
Charge for the year	833	3,154	444	-	4,431
At 31 March 2006	11,626	10,582	1,705	-	23,913
Net book value					
At 31 March 2006	9,963	2,036	2,513	198,367	212,879
At 31 March 2005	10,796	3,440	2,599	198,367	215,202

10 Fixed asset investments

	£
Market value at 1 April 2005 and at 31 March 2006	2
Historical cost	
At 31 March 2006	2
At 31 March 2005	2

The charity owns the entire ordinary share capital of Ben Uri Enterprises Limited (1 ordinary share of £1) and the entire ordinary share capital of The London Jewish Museum of Art Limited (1 ordinary share of £1). Both companies were dormant during the year ended 31 March 2006 and are incorporated in England.

11 Stocks

Stocks comprise catalogues and books for resale.

BEN URI GALLERY & MUSEUM LIMITED
(FORMERLY KNOWN AS BEN URI ART SOCIETY LIMITED)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2006

12 Debtors	2006	2005
	£	£
Other debtors	714	11 489
Prepayments and accrued income	15,979	17 820
	<u>16,693</u>	<u>29 309</u>
13 Creditors - amounts falling due within one year	2006	2005
	£	£
Taxes and social security costs	1,322	524
Other creditors	37,427	21 333
accruals	5,149	37 821
	<u>43,898</u>	<u>59 748</u>

Other creditors includes £12 000 (2005 £5 000) due to David Glaser, one of the trustees. The loan bears no interest and has no fixed repayment term. In addition, he is due £10 751 in respect of travel and subsistence expenditure incurred in the performance of his role of acting and unpaid CEO of the Gallery & Museum.

BEN URI GALLERY & MUSEUM LIMITED
(FORMERLY KNOWN AS BEN URI ART SOCIETY LIMITED)
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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2006

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes

	Movement in funds			
	Balance at 1 April 2005	Incoming resources	Resources expended	Transfers
	£	£	£	£
Works of art fund	191,566	-	-	(191,566)
Building improvements	6,834	-	-	(6,834)
Catalogue programmes	-	35,000	(35,000)	-
Education and exhibitions	-	10,000	(10,000)	-
	<u>198,400</u>	<u>45,000</u>	<u>(45,000)</u>	<u>(198,400)</u>
				<u>-</u>

The restricted fund was established to acquire works of art for the Ben Uri Collection and to fund building improvements which is to be expensed over the lease period. As the collection has now been purchased the restriction has ended and the fund which represents capitalised expenditure has been transferred to unrestricted funds.

Funds received for exhibitions and catalogues were as follows

£5,348 received from the Heritage Lottery fund for the project "Sitting Racchorses" and £4,652 from HLF Education. In addition £5,000 was received from The Henry Moore Foundation towards the exhibition "Embracing the Future: Jacob Epstein and Dora Gordine". A sum of £5,000 was received from The Paul Mellon Centre for Studies in British Art towards the exhibition catalogue. Deferred income released to the Statement of Financial Activities was £25,000 from the Dorset Foundation for catalogues.

15 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 31 March 2006 are represented by			
Tangible fixed assets	212,879	-	212,879
Investments	2	-	2
Current assets	36,539	-	36,539
Creditors amounts falling due within one year	(43,898)	-	(43,898)
	<u>205,522</u>	<u>-</u>	<u>205,522</u>

BEN URI GALLERY & MUSEUM LIMITED
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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2006

16 Commitments under operating leases

At 31 March 2006 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2006	2005
	£	£
Expiry date		
Between two and five years	14,000	14,000
	<u> </u>	<u> </u>

17 Commitments

The Ben Uri Gallery and Museum Limited is a company limited by guarantee which does not have a share capital. The members of the company are the trustees named in the trustees' report. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.