

**THE JEWISH MUSEUM LONDON**

**REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2012**

**Company Number: 02655110**

**Charity Registration Number: 1009819**

**Company Limited by Guarantee**



## **THE JEWISH MUSEUM LONDON**

### **Trustees' Report**

#### **Reference and administrative**

The Board of Trustees of The Jewish Museum London submit their report and audited accounts for the year ended 31 March 2012. The Museum is registered with the Charity Commission under registration number 1009819. The Jewish Museum is a company limited by guarantee and not having a share capital. The Company is registered in England and Wales under registration number 02655110.

<b>Royal Patron</b>	HRH the Prince of Wales
<b>President</b>	The Rt Hon Lord Woolf
<b>Vice-Presidents</b>	Kenneth Rubens OBE, FRSA Robert Craig LLM
<b>Trustees</b>	Rt Hon Lord Young of Graffham PC DL Robert Craig LLM Rickie Burman (Museum Director) (retired 26 April 2012) Abigail Morris (Chief Executive) (appointed 26 April 2012) Michael Frankl FCMA (Honorary Treasurer) (appointed 15 September 2011) Lady Wendy Levene (Chair of Development Committee) Anne Cowen (Chair of Friends) Martin Finegold Jonathan Gestetner Delia Goldring Stephen Grabiner (appointed 15 September 2011) Harry Handlesman (appointed 16 June 2011) Martin Levy David Lewis (appointed 24 November 2011) Sir Leigh Lewis (appointed 3 April 2012) Sally MacDonald Peter Mimirriss (resigned 15 September 2011) Lord Moser Kenneth Rubens OBE, FRSA Sir Harry Solomon (appointed 5 December 2011) Henry Solomon FCA Rick Sopher
<b>Secretary</b>	Temple Secretaries Ltd
<b>Chief Executive</b>	Abigail Morris
<b>Registered Office and Principal Address</b>	Raymond Burton House 129 -131 Albert Street London NW1 7NB

## **THE JEWISH MUSEUM LONDON**

### **Trustees' Report (continued)**

#### **Administrative information (continued)**

<b>Solicitors</b>	Finers Stephens Innocent LLP 179 Great Portland Street London W1N 6LS
<b>Auditors</b>	FMCB Chartered Accountants and Registered Auditor Hathaway House Popes Drive Finchley London N3 1QF
<b>Bankers</b>	Coutts & Co 440 Strand London WC2R 0QS

#### **Statement of trustees' responsibilities**

The trustees are responsible for ensuring that for each financial year, financial statements are prepared which give a true and fair view of the state of The Jewish Museum at the end of that year and of the incoming resources and the resources expended for that year

In preparing these accounts, the trustees are responsible for ensuring that

- suitable accounting policies are adopted and applied consistently
- judgements and estimates are reasonable and prudent
- applicable accounting standards and statements of recommended practice have been followed
- the accounts are prepared on a going concern basis unless it is inappropriate to presume that the charity will continue its activities

The trustees are also responsible for ensuring that proper accounting records are kept which disclose with reasonable accuracy at any time the financial position of the charity. The records must enable trustees to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for ensuring that the assets of the charity are safeguarded and hence for ensuring that reasonable steps are taken for the prevention and detection of fraud and other irregularities.

#### **Statement of disclosure of information to auditors**

We, the trustees of the museum who held office at the date of approval of these financial statements, as set out above, each confirm so far as we are aware, that

- there is no relevant audit information of which the museum's auditors are unaware, and

## **THE JEWISH MUSEUM LONDON**

### **Trustees' Report (continued)**

- we have taken all the steps that we ought to have taken as trustees in order to make ourselves aware of any relevant audit information and to establish that the museum's auditors are aware of that information

#### **Structure, governance and management**

The Company was formed to establish and run a Jewish Museum in London and acquire the collection of The Jewish Museum founded in 1932

The London Museum of Jewish Life (originally called The Museum of the Jewish East End) was constituted by a Trust Deed of 1985 and registered as a charity

The two museums were amalgamated with effect from April 1995

The Jewish Museum Trustee Board is the governing body of the museum and its members are the charity's trustees. The museum's governing instrument is the Memorandum and Articles of Association, as amended on 16<sup>th</sup> June 2004

Trustees serve terms of 3 years and are then eligible for re-election. Trustee Board members have been recruited for their skills and experience, for example solicitors, accountants and human resources, or for their knowledge of a relevant field such as museums, Jewish history or heritage. Where a gap in an area of expertise is identified, the museum actively seeks to recruit a trustee with appropriate skills. Potential trustees are considered by the Trustee Board. All new trustees are properly inducted and informed about the work of the museum.

Trustees are responsible for

- Making sure the museum sets aims and legal objects that reflect its values and mission, that look positively to the future and enable the museum to achieve its mission
- Ensuring the museum has an appropriate structure incorporating legal and governance frameworks
- Approving, and regularly monitoring progress against, the strategic plan to ensure it meets the museum's agreed aims and intended outcomes
- Ensuring there is a programme of activities which builds on, and makes good use of, the museum's resources
- Ensuring that the museum is sustainable and that it applies its resources exclusively in pursuance of its objects
- Playing an active role in fundraising and advocacy in support of the museum

The day-to-day running of the museum and the exercise of executive responsibility are delegated to the Chief Executive. Responsibility for supporting and reviewing specific areas of activity and policy is delegated to sub-committees with specific terms of reference, whose members include trustees, appropriate members of museum staff and volunteers who are able to make a useful contribution in the relevant area of activity, as required. Committees report to the Executive Committee and Board of Trustees as appropriate. The sub-committees currently agreed are

## THE JEWISH MUSEUM LONDON

### Trustees' Report (continued)

- *Executive Strategy Committee* – responsibility for supporting the Chief Executive to set strategy and monitor performance against targets across all areas of Museum activity including finances. The Executive Committee reports to the Board of Trustees as required.
- *Finance Committee* – responsibility for maintaining an overview of the museum's financial performance through the management accounting process, scrutinising any findings resulting from the annual external audit, appointing the fund manager to manage the museum's investments if appropriate, and reviewing investment policy and monitoring performance.
- *Remuneration Committee* – responsibility for undertaking the annual salary review for museum staff, to include Human Resources and Finance representation from the Board.
- *Nominations Committee* – responsibility for monitoring the membership, performance and terms of service of the Board of Trustees (in line with the Memorandum and Articles of Association), ensuring composition reflects the skills and experience required to properly govern the museum and identifying and proposing new trustees as appropriate.
- *Development Committee* – responsibility for the formulation and implementation of a fully integrated fundraising and events strategy and campaign plan, maximising and generating sources of voluntary income to help fund the annual revenue budget, and ensuring the future sustainability and longer term development of the museum.

### Risk Management

Risks are classified under headings such as financial, premises, health & safety, collection, staffing and reputation. Risk assessments are carried out in order to ascertain the likelihood of a risk event occurring, of its potential impact, and whether any cost effective mitigating action may be taken.

The major risks relating to the collection, the activities and the buildings of the museum have been identified by the trustees, relying on professional advice where appropriate, and these are reviewed regularly.

The museum has in place adequate systems accompanied by proper insurance cover which are considered adequate to mitigate major risks. A full health and safety review was carried out and all staff and volunteers have received appropriate training. The museum is fully compliant with current health & safety and fire regulations.

### Objectives and activities

#### Mission

The Jewish Museum aims to explore and preserve Jewish heritage, celebrate diversity and challenge prejudice.

## **THE JEWISH MUSEUM LONDON**

### **Trustees' Report (continued)**

#### **Mandate**

The Jewish Museum collects, preserves, interprets and exhibits material relating to Jewish history, culture and religious life. It draws on the Jewish experience as a focus for the exploration of identity in a multicultural society, actively engaging with the shared experiences represented in the diverse cultural heritage of London, Britain and the wider world. As a forum for education, learning and interfaith dialogue, the museum encourages understanding and respect by challenging stereotypes and combating prejudice in all its forms.

The museum is not affiliated to any religious grouping in the Jewish community, and co-operates with a very wide spectrum of organisations and individuals in its work.

#### **JML Trading Limited**

JML Trading Limited was incorporated on 23 June 2011 as a wholly owned trading subsidiary of The Jewish Museum. The company was established for the purposes of mitigating financial risk within the charity in connection with non-primary purpose trading activities. The company is directly responsible for all income and expenditure relating to sales from the shop, café and facilities hire as well as for any ticketed fundraising events when they occur.

The company wholly operates at the museum's premises and uses services provided by relevant museum staff. The museum charges a management fee to the company for the provision of these services. A VAT group was established between The Jewish Museum and JML Trading Limited, thereby removing the need for a separate VAT registration and avoiding the generation of VAT on intra-group transactions.

JML Trading Limited is responsible for its own Corporation Tax liability. The company has donated its entire taxable profit earned up to 31 March 2012 to The Jewish Museum with the result being that there is no further liability to Corporation Tax for the 2011/12 tax year.

JML Trading Limited is responsible for its own audit and its accounts are filed under its own company registration at Companies House. JML Trading Limited's summarised accounts are shown in note 2. The results of JML Trading Limited are also consolidated with The Jewish Museum's results as explained in note 1.

#### **Achievements and performance**

In 2010 the Jewish Museum reopened, following a £10 million Development Project, supported by the Heritage Lottery Fund and partnership funding from trusts, foundations and individual donors. This redevelopment has transformed the museum, tripling its space and bringing together the collections and activities previously divided between its two former locations in Camden Town and Finchley. It has created a landmark museum that celebrates Jewish life and cultural diversity and explores Jewish history, culture and religion as part of the wider story of Britain.

Visitor feedback following reopening has been very positive, with over 98% rating their overall experience as good or excellent, and 94% stating that they would wish to make a return visit.

## THE JEWISH MUSEUM LONDON

### Trustees' Report (continued)

During the past year, key areas of activity have included

#### Visitor Services and Volunteers

Following reopening, the museum has established a new operational infrastructure for visitor services and premises management including arrangements for security, health & safety, and for the new café and shop

The Museum has recruited and trained over 150 volunteers as Front of house/Visitor Assistants

Our Visitor Services team was awarded Volunteer Manager of the Year in the Museum Libraries & Archives Council's Volunteering in Museums awards. Our volunteer management scheme has also been recognised by London Borough of Camden as an example of best practice, and we have been invited to present at several conferences in view of our success in this area

#### Changing Exhibitions

*Entertaining the Nation – Stars of Music, Stage and Screen*

May 2011 – January 2012

This major exhibition, opened by Alan Yentob and Claudia Winkleman, told the story of Jewish participation in the British entertainment industry over the last 125 years, from theatre and film, to television and pop music. Drawing on a wide range of film, music, objects and photographs, it looked at the representation of Jews in popular culture and analysed the changing nature of Jewish depiction on stage and screen, while also demonstrating the importance of immigration and diversity as a source for cultural creativity in Britain.

The exhibition was supported by The Blavatnik Family Foundation, Rothschild Foundation (Europe), Act Productions Ltd, WPP and Manhattan Loft Corporation, and developed with the assistance of a collaborative doctoral grant awarded to the museum by the Arts & Humanities Research Council in partnership with Royal Holloway College, University of London.

The exhibition received enthusiastic feedback from visitors and extensive media coverage with highlights including articles in *The Independent*, *Evening Standard*, *Sunday Telegraph*, *New Statesman*, local and Jewish press, and media coverage including Channel 4 TV News, BBC London TV News, BBC Radio 4 *Front Row*, BBC Radio 3 *Night Waves*, BBC Radio London News and BBC World Service.

The exhibition was accompanied by a Family Trail and a lively events programme, with over 50 events for adults and young people.

*No Place Like Home – Photographs by Judah Passow*

February – June 2012

This ground-breaking exhibition presented a portrait of contemporary Jewish life in Britain by award-winning photojournalist Judah Passow, the culmination of a year's project photographing the diversity of the Jewish community around the UK, exploring

## **THE JEWISH MUSEUM LONDON**

### **Trustees' Report (continued)**

what it means to be British and Jewish in the 21<sup>st</sup> century. Judah Passow has also kindly donated copies of these photographs to the museum's collection.

The exhibition was produced in partnership with the Pears Foundation, with support from the European Association for Jewish Culture and the Shoresh Trust. Extensive media coverage included the *Daily Telegraph*, *Independent*, *Guardian* and the front page of the BBC News website.

### **Events**

The exhibition programme was complemented by a wide-ranging public events programme for adults and young people, ranging from live music, theatre, comedy, film, talks and panel discussions to film and photography workshops. Special programmes were organised to mark Holocaust Memorial Day and the 75<sup>th</sup> anniversary of the Battle of Cable Street and the Spanish Civil War, including the launch of a film commissioned by the museum on Jewish International Brigaders who fought fascists in Spain.

In November 2011 the Jewish Museum London hosted and organised the annual conference of the Association of European Jewish Museums, attended by 100 representatives from 52 different institutions around the world.

Other significant events hosted at the museum included the Kids in Museums 'Family Fortunes' conference, attended by museum colleagues from around the UK, the annual conference of the Association of Fine Art & Historical Photographers and the Three Faiths Forum Interfaith Week event.

### **Developing the Collections**

The museum continues to develop and enhance its collections; recent additions include 18th and early-19th century silver items from the former Tuck Collection, the Montefiore mizrach, a collection relating to a Jewish soldier who fought for Germany in World War I, and later came to Britain as a refugee from Nazism, a letter from the founder of modern Yiddish theatre, Abraham Goldfaden, and a portrait of Rabbi Louis Jacobs, the founder of Masorti Judaism in the UK.

Significant advances have been made in the digitisation of the museum's collections and in extending the impact and reach through on-line access. As part of the EU-funded Judaica Europeana Project, the museum uploaded over 15,000 items onto the Europeana website, including 150 oral history recordings. In addition, the Jewish Museum became a partner in the Google Art Project, contributing high resolution images of 150 objects.

In addition, the museum has developed two on-line virtual exhibitions: *Yiddish Theatre in London* and *Jewish Britain: A History in 50 objects*.

### **Education and Learning**

The museum has made excellent progress in developing its educational services and programmes for schools, families and young people, drawing on the new opportunities provided by the museum's new facilities and displays. In the last year, over 14,300

## THE JEWISH MUSEUM LONDON

### Trustees' Report (continued)

young people participated in the museum's learning programmes, which play an important role in challenging prejudice and building interfaith respect and understanding. Our Discovering Judaism programmes include creative activities for schools and young people, and our Holocaust education programmes draw on the testimonies of Holocaust survivors and refugees from Nazism to challenge all forms of prejudice.

Feedback from our learning programmes is extremely positive, evaluation shows 98% of teachers agreeing with the statement 'I would recommend the session to other teachers', and 97% of teachers rating positively the quality of both the teaching and the learning experience.

*Connecting Lives* is an important new initiative to address antisemitism which has recently been piloted in Inner City Secondary schools in Tower Hamlets and Newham. We plan to extend the programme across London as part of the Museum's offer to schools.

Family learning is another exciting area of growth at the Museum, with creative Family Fun activities, linking with the exhibitions and cycle of the Jewish year. Programmes range from animation and photography workshops, to arts and crafts, book events and touch tours.

In February 2012 the Jewish Museum was among only 20 museums nationwide to be nominated for the prestigious Sunday Telegraph Family Friendly Museum award.

Lifelong learning initiatives include diversity training for the Metropolitan Police at the Jewish Museum, in partnership with the Community Security Trust.

### Fundraising Review 2011/12

During the last 12 months the Museum's Director of Development has focused on identifying the organisation's short, medium and long-term fundraising needs and developing an appropriate strategic plan to broaden its supporter base and provide sustainability.

### Friends

We have strengthened the Friends membership programme by introducing new levels of giving and accompanying benefits, supported by improved promotional literature. We hope that this will result in better membership retention, increased upgrades, and a steady increase in new Friends, particularly at the higher levels. The Museum has also appointed a Development Co-ordinator whose responsibilities include overseeing the day-to-day management of the Friends programme and responding to all Friends enquiries efficiently and professionally, providing the highest level of donor care.

### Learning

We have prepared compelling fundraising proposals for the various components of the Museum's learning programme (schools, family learning and community engagement) and have started to use these in our applications to various charitable trusts and foundations as well as individual prospects. These applications have, to date, elicited donations and pledges from a number of charitable trusts totalling £95,500.

## **THE JEWISH MUSEUM LONDON**

### **Trustees' Report (continued)**

#### **Legacy**

We have devised a legacy campaign for the Museum comprising the production of a leaflet, an advertising campaign in the Jewish press (starting September 2012) and a formal and high profile launch event at the Museum to be hosted by its Chairman (February 2013). The campaign is being fully funded for a period of two years by a charitable trust.

#### **Patrons**

The Museum initiated and organised a series of cultivation events in 2011/12 for suitably philanthropic and influential guests, in the hope of broadening its supporter base and in particular recruiting new members to its Patrons programme. However despite these efforts - and in part as a result of the current economic climate - the Museum has not had great success in this area of its work. The intention going forward is to plan more strategic, personal and intensive cultivation of both existing Patrons and potential donors.

#### **Fundraising Events**

In 2011/12 we held a range of fundraising events, including receptions at the Museum and elsewhere, and a Dinner at the Mansion House. The donations raised at this event totalled £160,636.

#### **Financial Review**

The result for the year shows there was a net movement in funds of £494,437 deficit (2011 £694,542 surplus). Total incoming resources for the year were £1,493,630 (2011 £2,490,974). These figures include income for the completed capital project of £353,250 (2011 £1,152,786). Expenditure on museum activities was £1,461,265 (2011 £1,435,141).

#### **Reserves**

The Jewish Museum London aims to maintain sufficient unrestricted reserves to meet its general needs according to its known and estimated expenditure plans. The museum reopened to the public in March 2010, having been closed for the duration of the development project. Following its reopening, the emphasis changed from capital fundraising and planning for the development programme to the re-establishment of the museum as a major visitor attraction. Since its reopening, there has been a notable investment in developing services to meet the needs of the museum visiting public. With the capital development programme now complete, the trustees are taking the opportunity to restructure the museum's reserves into a more flexible alignment. To this end, the trustees have received the kind permission from some donors to transfer £768,000 from the restricted new building fund to the general fund.

The Executive Strategy Committee has met regularly throughout the year and keeps under close review the financial reports from the Chief Executive and the Finance Director. The annual accounts include the amount of reserves understood to be required as at the accounting date to meet the estimated and known expenditure as agreed by the Board of Trustees. The Board of Trustees considers that the level of reserves maintained by the museum together with budgeted income and expenditure to be satisfactory to enable it to maintain its planned operations.

## **THE JEWISH MUSEUM LONDON**

### **Trustees' Report (continued)**

At 31 March 2012, unrestricted reserves amounted to £121,491 (2011 £144 surplus) after transfers, restricted reserves after transfers were £4,630,990 (2011 £5,245,919) and endowment reserves were £12,416,058 (2011 £12,416,913)

The Heritage Lottery Fund has a charge over the freehold property to the value of £3,825,000

### **Plans for future periods**

The next financial year marks an exciting new development for the museum. For the first time in its history, the Jewish Museum will be showing contemporary art. The contemporary art scene has been steadily growing over the past few years, particularly in London and we are delighted to be able to expand into this area. Not only will these exhibitions attract new and different audiences, but they also offer us a new and profound way to continue our exploration into identity, heritage and culture, they will enable us to ask different questions in a different medium.

We will be showing two contemporary art exhibitions - the first will be by Adi Nes. This extremely successful photographic artist has had widely acclaimed shows in New York, Paris and Israel. This show came to us from the leading art gallery in Israel, the Sommer Gallery in Tel Aviv. We are delighted to be in partnership with Frieze Art Fair, and Candida Gertler's Outset. We will open the exhibition to coincide with Frieze and form part of their VIP events programme.

This show is planned to run from October to January. It will be followed by the first British retrospective of Kitaj. This exhibition comes to us from the Jewish Museum in Berlin and we will be in partnership with Pallant House Gallery in Chichester. Kitaj is a major British artist who is highly respected and whose work investigates themes of Jewish identity and heritage.

The financial year starts with the end of the highly acclaimed Judah Passow exhibition, *No Place Like Home*. This affectionate, funny and at times coruscating exploration of the Jewish community will be featured on the BBC website, which will generate significant online interest.

Another exciting new initiative will be the introduction of mini-displays in the downstairs area. There will be objects or displays which have topical relevance. We will start with an object from our stored collection which is illustrative of the Omer season (from Passover to Shavuot) then mark the Diamond Jubilee with another. We are very excited to be having a larger display about Sir Ludwig Guttmann to coincide with the Olympics and Paralympics. Ludwig Guttmann was a German Jewish refugee who revolutionised the treatment of spinal injuries and invented the Paralympic games. We will be marking the start of this exhibition with a new film about him called *'Best of Men'*. The premiere will be attended by the actors, including Eddie Marsan, and Guttmann's daughter Eva, and will be followed by a Q&A with Jason Solomons. The Guttmann exhibition will coincide with an exhibition about refugees, called *World City: Refugee Stories*.

We are planning to build on the success of the Learning department and bring in more schools, as well as grow the informal learning programme and attract adults too.

## **THE JEWISH MUSEUM LONDON**

### **Trustees' Report (continued)**

#### **Fundraising plans**

The Development Department will be working to raise significant funds for the Museum's dynamic and wide ranging changing exhibitions programme including

- A collaboration with Frieze Art Fair Adi Nes – opening October 2012
- RB Kitaj a major retrospective – opening February 2013
- Football A Tribal Passion – opening September 2013

We will also continue efforts to secure project-led major gifts through targeted approaches, with the aim of underpinning the Museum's overall operating budget, and fundraising for a series of events and other activities to support the exhibition programme. Finally, during 2013 it is intended that the Director of Development will work alongside the new Chief Executive to recruit a small Development Committee who will use their personal and business networks to open doors to potential funders and assist the Museum in raising its profile and in securing funding for its work.

#### **Public benefit**

The trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

#### **Auditors**

Messrs FMCB Chartered Accountants are deemed to be re-appointed auditors under section 487(2) of the Companies Act 2006.

By order of the Board of Trustees



Lord Young of Graffham  
10 September 2012

## **THE JEWISH MUSEUM LONDON**

### **Independent Auditor's Report to the members of The Jewish Museum London**

We have audited the financial statements of The Jewish Museum London for the year ended 31 March 2012, which comprise the Group Statement of Financial Activities, the Group Summary Income and Expenditure Account, the Group and the Parent Charitable Company Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 and to the charitable company's trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees 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 charitable company and the charitable company's members as a body and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditor**

As explained more fully in the Trustees' Responsibilities Statement set out on page 2, 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.

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts. 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 group's and the parent charitable company'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 Trustees' 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.

## THE JEWISH MUSEUM LONDON

### Independent Auditor's Report to the members of The Jewish Museum London (continued)

#### 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 2012, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities), and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

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

In our opinion the information given in the Trustees' 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 and the Charities Act 2011 requires us to report to you if, in our opinion

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent charitable company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime

Jeffrey Zinkin FCA  
(Senior Statutory Auditor)  
for and on behalf of FMCB

Hathaway House  
Popes Drive  
Finchley  
London N3 1QF

Date 13/09/12

# THE JEWISH MUSEUM LONDON

## Consolidated Statement of Financial Activities (including Income and Expenditure Accounts) for the year ended 31 March 2012

		General Funds	Restricted Funds	Endowment Funds	2012 Total Funds	2011 Total Funds
	Notes	£	£	£	£	£
<b>Incoming resources</b>						
Voluntary income	3	442,693	353,250	-	795,943	1,030,332
Activities for generating funds	3	498,259	-	-	498,259	329,533
Investment income	3	7,566	-	145	7,711	5,092
<b>Income from generated funds</b>	<b>3</b>	<b>948,518</b>	<b>353,250</b>	<b>145</b>	<b>1,301,913</b>	<b>1,364,957</b>
Income for Museum activities	4	7,500	184,217	-	191,717	1,126,017
<b>Total incoming resources</b>		<b>956,018</b>	<b>537,467</b>	<b>145</b>	<b>1,493,630</b>	<b>2,490,974</b>
<b>Resources expended</b>						
Cost of generating voluntary income	5	398,361	-	-	398,361	270,711
Costs of goods sold	5	111,919	-	-	111,919	54,577
<b>Cost of generating funds</b>		<b>510,280</b>	<b>-</b>	<b>-</b>	<b>510,280</b>	<b>325,288</b>
Cost of Museum operation and activities	5	818,220	642,045	1,000	1,461,265	1,435,141
Cost of development project	5	-	-	-	-	19,178
Governance costs	5	16,522	-	-	16,522	16,825
<b>Total resources expended</b>	<b>5</b>	<b>1,345,022</b>	<b>642,045</b>	<b>1,000</b>	<b>1,988,067</b>	<b>1,796,432</b>
<b>Net incoming / (outgoing) resources before transfers</b>		<b>(389,004)</b>	<b>(104,578)</b>	<b>(855)</b>	<b>(494,437)</b>	<b>694,542</b>
Transfers		510,351	(510,351)	-	-	-
<b>Net incoming resources after transfers</b>		<b>121,347</b>	<b>(614,929)</b>	<b>(855)</b>	<b>(494,437)</b>	<b>694,542</b>
Funds balance brought forward		144	5,245,919	12,416,913	17,662,976	16,968,434
<b>Funds balance carried forward</b>	<b>14</b>	<b>121,491</b>	<b>4,630,990</b>	<b>12,416,058</b>	<b>17,168,539</b>	<b>17,662,976</b>

The notes on pages 17 to 27 form part of these accounts

## THE JEWISH MUSEUM LONDON

### Consolidated income and expenditure account for the year ended 31 March 2012

	Notes	2012 £	2011 £
<b>Income</b>			
Voluntary income	3	795,943	1,030,332
Activities for generating funds	3	498,259	329,533
Investment income	3	7,711	5,092
Income for Museum activities	4	191,717	1,126,017
		<b>1,493,630</b>	<b>2,490,974</b>
<b>Charitable expenditure</b>			
Cost of generating funds	5	510,280	325,288
Cost of Museum operation and activities	5	1,461,265	1,435,141
Cost of development project	5	-	19,178
Governance costs	5	16,522	16,825
		<b>1,988,067</b>	<b>1,796,432</b>
<b>Operating (deficit) / surplus for the year</b>		<b>(494,437)</b>	<b>694,542</b>

The notes on pages 17 to 27 form part of these accounts


# THE JEWISH MUSEUM LONDON

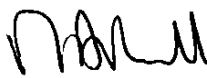
Balance Sheets as at 31 March 2012  
Company number 0265110

	Notes	Group 2012 £	2011 £	Company 2012 £	2011 £
<b>Fixed assets</b>					
Intangible assets	8	49,802	82,496	49,802	82,496
Tangible assets	9	15,579,182	15,640,604	15,579,182	15,640,604
Investments	2	-	-	100	-
<b>Total fixed assets</b>		<b>15,628,984</b>	<b>15,723,100</b>	<b>15,629,084</b>	<b>15,723,100</b>
<b>Current assets</b>					
Stocks		67,476	75,047	-	75,047
Debtors	10	118,418	562,237	187,640	562,237
Cash at bank and in hand		1,966,824	2,046,149	1,964,978	2,046,149
<b>Total current assets</b>		<b>2,152,718</b>	<b>2,683,433</b>	<b>2,152,618</b>	<b>2,683,433</b>
<b>Creditors</b>					
Amounts falling due within one year	11	(613,163)	(743,557)	(613,163)	(743,557)
<b>Net current assets</b>		<b>1,539,555</b>	<b>1,939,876</b>	<b>1,539,455</b>	<b>1,939,876</b>
<b>Net Assets</b>		<b>17,168,539</b>	<b>17,662,976</b>	<b>17,168,539</b>	<b>17,662,976</b>
<b>Capital funds</b>					
Endowments	12	12,416,058	12,416,913	12,416,058	12,416,913
<b>Income funds</b>					
Restricted funds	13	4,630,990	5,245,919	4,630,990	5,245,919
General funds		121,491	144	121,491	144
<b>Total funds</b>	14	<b>17,168,539</b>	<b>17,662,976</b>	<b>17,168,539</b>	<b>17,662,976</b>

These accounts are prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006 relating to small entities

Approved by the Board of Trustees on 10 September 2012 and signed on its behalf by

  
Lord Young of Graffham  
Chairman

  
M Frankl  
Treasurer

The notes on pages 17 to 27 form part of these accounts

## THE JEWISH MUSEUM LONDON

### Notes to the Accounts

#### 1 Accounting policies

##### 1.1 Basis of accounting

These accounts have been prepared in accordance with the Statement of Recommended Practice 2005 (SORP 2005) - Accounting and Reporting by Charities issued in March 2005, the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Companies Act 2006. The accounts are prepared on a going concern basis under the historical cost convention.

##### 1.2 Basis of consolidation

The consolidated accounts of the group incorporate the accounts of The Jewish Museum London and its subsidiary undertaking, JML Trading Limited (note 2). The subsidiary has been consolidated on a line by line basis in accordance with FRS2. As permitted by the Companies Act 2006, a separate income and expenditure account for the charitable company is not presented. A separate statement of financial activities for the charity excluding its subsidiary is not presented as the charity has taken advantage of the provisions of paragraphs 381 to 406 of the SORP.

##### 1.3 Company status

The charity is a company limited by guarantee. 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.

##### 1.4 Cashflow

The accounts do not include a cashflow statement because the company, as a smaller reporting entity, is exempt from the requirement to prepare such a statement under FRS1 – "Cashflow Statements".

##### 1.5 Incoming resources

All incoming resources are accounted for in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

For legacies, the entitlement is the earlier of the charity being notified of an impending distribution or the date of receipt. Income is not recognised for legacies which remain subject to a life interest.

All grants and contractual payments are included on a receivable basis. Income received for expenditure in future accounting periods is deferred as shown in note 11.

Income received that relates to the museum's development programme for expenditure in future periods is treated as restricted income.

Friends' subscription income is recorded in incoming resources when received.

Admission charges, shop sales, royalties and other trading income are included in incoming resources in the period in which the museum is entitled to the receipt.

Income from fundraising events is included in incoming resources when the event takes place.

## THE JEWISH MUSEUM LONDON

### 1. Accounting policies (continued)

Investment income is included in incoming resources on an accruals basis

#### 1.6 Resources expended

Expenditure is accounted for on an accruals basis as soon as a legal or constructive obligation commits the charity to the expenditure. Expenditure is allocated to the appropriate headings in the accounts.

Costs of generating funds include the costs incurred in generating voluntary income and fundraising. These costs are regarded as necessary to generate funds that are needed to finance the museum's operation and activities which enable it to meet its charitable aims and objectives.

Governance costs are associated with the governance arrangements of the charity and relate to the general running of the museum. These costs include audit as well as general support and advice for trustees.

Support costs are those which enable fund generating and charitable activities to be undertaken. These costs include finance, human resources, information systems, property management and general marketing. Where expenditure incurred relates to more than one cost category, it is apportioned on a suitable basis. Support costs that relate to specific activities are allocated directly to those activities. Support costs that are more general in nature are allocated on a pro-rata basis.

#### 1.7 Fund accounting

**General funds** – these are funds which can be used in accordance with The Jewish Museum's charitable objects at the discretion of the board of trustees.

**Restricted funds** – these are funds received for undertaking an activity that is specified by the wishes of the donor or by nature of the appeal.

**Endowment funds** – these are funds where the board of trustees has no power to apply the capital as income.

Income from endowments is included together with income from restricted funds in incoming resources. Further explanation of the nature of each fund is included in the notes to the financial statements.

## **THE JEWISH MUSEUM LONDON**

### **1. Accounting policies (continued)**

#### **1.8 Tangible fixed assets**

Tangible fixed assets are stated at cost. Depreciation is calculated to write off the cost of fixed assets by equal annual instalments over their expected useful lives as follows:

Furniture, fittings and general equipment – 4 years

Computer software and hardware – 3 years

Electronic equipment – 3 years

Development project – 20 years

No depreciation is provided on freehold land

If in the judgement of the museum's trustees the value of any asset becomes impaired, FRS11 requires the asset to be written down to its recoverable amount.

No depreciation is provided on the freehold building in accordance with SORP paragraph 259 (b) (ii) as the estimated residual value of the asset is considered not to be materially different from the carrying value of the asset. The charity is taking advantage of the exception allowed by FRS15 not to revalue its assets.

The value of objects that are purchased for the museum's collection from 1 April 2009 is included in the accounts. Items that were purchased prior to this date are not carried in the balance sheet. No depreciation is provided on the objects held in the museum's collection.

#### **1.9 Intangible assets**

Intangible assets consist of the cost of the museum's new brand and website. Amortisation is calculated to write off the cost of the intangible asset by equal instalments over the period of 5 years.

#### **1.10 Investments**

Realised and unrealised gains and losses are included in the appropriate sections in the SOFA.

#### **1.11 Pension costs**

The Jewish Museum operates a defined contribution scheme where both the museum and employees make contributions. Employees are eligible to join the pension scheme following completion of one year of service.

## THE JEWISH MUSEUM LONDON

### 2. Trading subsidiary

The museum owns the whole of the issued ordinary share capital of JML Trading Limited, a company registered in England and Wales. The company is used for trading activities. All activities have been consolidated on a line by line basis in the SOFA. The total net profit is gifted to the museum. The company was incorporated on 23 June 2011 and below are its results for its first period of trading to 31 March 2012.

#### Profit and Loss Account

	2012
	£
Turnover	128,997
Cost of sales	(89,694)
Gross profit	39,303
Administrative expenses	(39,306)
Operating profit	(3)
Interest receivable	3
Net profit	-

#### Balance Sheet

	2012
	£
Current assets	73,674
Creditors (amounts falling due within one year)	(73,574)
Total assets less current liabilities	100
Capital and reserves	100

## THE JEWISH MUSEUM LONDON

### 3. Income from generated funds

<b>Voluntary income</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
New building donations	353,250	350,786
General donations	323,268	300,950
Legacies	23,000	1,600
Trusts and Foundations	96,425	376,996
	<b>795,943</b>	<b>1,030,332</b>
<b>Activities for generating funds</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Fundraising events	160,636	20,947
Admission charges	94,536	113,922
Shop sales and royalties	198,569	149,073
Friends	44,518	45,591
	<b>498,259</b>	<b>329,533</b>
<b>Investment income</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Deposit income	7,711	5,092
<b>Total incoming resources from generated funds</b>	<b>1,301,913</b>	<b>1,364,957</b>

### 4. Incoming resources for Museum activities

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Heritage Lottery Fund grant for the development project	-	802,000
Other grants	49,022	100,217
Exhibition funding	142,695	223,800
	<b>191,717</b>	<b>1,126,017</b>

## THE JEWISH MUSEUM LONDON

### 5. Analysis of total resources expended

		Direct costs	Support costs	Total 2012	Total 2011
	Note	£	£	£	£
Cost of generating voluntary income	6	306,322	92,039	398,361	270,711
Cost of Museum operation and activities	6	1,123,879	337,386	1,461,265	1,435,141
Cost of development project	6	-	-	-	19,178
Governance costs	6	12,705	3,817	16,522	16,825
<b>Sub-total</b>		<b>1,442,906</b>	<b>433,242</b>	<b>1,876,148</b>	<b>1,741,855</b>
Cost of goods sold		111,919	-	111,919	54,577
<b>Total resources expended</b>		<b>1,554,825</b>	<b>433,242</b>	<b>1,988,067</b>	<b>1,796,432</b>

Expenditure includes	2012	2011
	£	£
Amortisation	37,494	34,407
Depreciation	223,730	192,913
Audit fee	9,900	9,600

### 6. Allocation of support costs

	General management and administration	Premises costs	Total 2012	Total 2011
	£	£	£	£
Cost of generating voluntary income	19,932	72,107	92,039	65,499
Cost of Museum operation and activities	73,065	264,321	337,386	346,882
Cost of development project	-	-	-	4,640
Governance costs	826	2,991	3,817	4,071
	<b>93,823</b>	<b>339,419</b>	<b>433,242</b>	<b>421,092</b>

## THE JEWISH MUSEUM LONDON

### 7. Staff costs

	2012	2011
	£	£
Wages and salaries	617,213	562,999
Social security costs	61,692	54,724
Pension costs	6,934	7,624
	<b>685,839</b>	<b>625,347</b>

Redundancy payments amounted to £1,471 (2011 £12,204)

No employee earned emoluments of more than £60,000 in the year (2011 0)

Included in the above figures is one trustee board member's remuneration (2011 1) of £53,410 (2011 £52,910) and pension costs of £4,273 (2011 £4,126) Expenses of £439 (2011 £1,879) were claimed

The average number of employees including full time, part time and short term project over the year was as follows

	2012	2011
	Number	Number
Curatorial and education	8	7
Fundraising and marketing	4	5
Management and administration	5	5
Visitor services	5	4
	<b>22</b>	<b>21</b>

The museum operates a defined contribution pension scheme and the pension costs are in respect of this scheme Contributions are charged for the year in which they are payable to the scheme

## THE JEWISH MUSEUM LONDON

### 8. Intangible assets

	Branding costs	Website costs	Total
	£	£	£
<b>Cost</b>			
1 April 2011	91,844	45,650	137,494
Additions	-	4,800	4,800
31 March 2012	91,844	50,450	142,294
<b>Amortisation</b>			
1 April 2011	(36,738)	(18,260)	(54,998)
Charge for year	(22,961)	(14,533)	(37,494)
31 March 2012	(59,699)	(32,793)	(92,492)
<b>Net book value</b>			
31 March 2012	32,145	17,657	49,802
31 March 2011	55,106	27,390	82,496

### 9 Tangible fixed assets

	Freehold land and buildings	Museum development	Furniture and equipment	Museum collection	Total
	£	£	£	£	£
<b>Cost</b>					
1 April 2011	5,486,312	10,003,422	316,110	302,000	16,107,844
Additions	-	109,315	52,993	-	162,308
31 March 2012	5,486,312	10,112,737	369,103	302,000	16,270,152
<b>Depreciation</b>					
1 April 2011	-	(208,000)	(259,240)	-	(467,240)
Charge for year	-	(192,000)	(31,730)	-	(223,730)
31 March 2012	-	(400,000)	(290,970)	-	(690,970)
<b>Net book value</b>					
31 March 2012	5,486,312	9,712,737	78,133	302,000	15,579,182
31 March 2011	5,486,312	9,795,422	56,870	302,000	15,640,604

The value of objects that are purchased for the museum's collection from 1 April 2009 are included in the Accounts. Items that were purchased prior to this date are not carried in the Balance Sheet.

The Heritage Lottery Fund has a charge over the freehold property to the value of £3,825,000.

## THE JEWISH MUSEUM LONDON

### 10 Debtors

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Prepayments	66,509	43,594	66,509	43,594
VAT recoverable	3,489	8,364	3,563	8,364
Other debtors	48,420	510,279	44,068	510,279
Amount owed by subsidiary undertaking	-	-	73,500	-
	118,418	562,237	187,640	562,237

### 11. Creditors – Amounts falling due within one year

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Trade and other creditors	17,466	45,356	17,466	45,356
Taxation and social security	19,209	18,891	19,209	18,891
Accruals and deferred income	576,488	679,310	576,488	679,310
	613,163	743,557	613,163	743,557

### 12 Endowments

	Balance at 1 April 2011	Incoming resources and transfers	Expenditure and transfers	Balance at 31 March 2012
	£	£	£	£
Building and Endowment Fund	1,996,299	-	-	1,996,299
Burton Fund	235,880	-	-	235,880
The B Zucker Fund	36,291	145	(1,000)	35,436
The New Building Fund	10,148,443	-	-	10,148,443
	12,416,913	145	(1,000)	12,416,058

At the wish of the donor, the late RM Burton, the capital of the Building and Endowment Fund is earmarked for the building, fitting out and future repair and improvement of The Jewish Museum at Raymond Burton House and does not form part of the general reserves. The income on, but not the capital of, any remaining balance of the fund is available to help defray the running costs of The Jewish Museum.

The Burton Fund was established in 1999 and at the wish of the donor, the late RM Burton, it is to form an expendable endowment fund to be available for emergency use or for major capital projects.

The income does not automatically form part of the general fund for the day-to-day use of the museum but is to be accumulated as part of the fund. However, it is intended that the position will be reviewed at the end of each financial year and a resolution may then be put to the board of trustees to allocate all or part of the income arising from the fund to meet any deficiency.

## THE JEWISH MUSEUM LONDON

### 12. Endowments (continued)

The B Zucker Fund was established in 1997 to fund an annual lecture, known as the Martin Norton Annual Lecture

The New Building Fund is primarily to meet expenditure connected with the extension of the Museum, including the acquisition of 79 Parkway, London NW1 That building was acquired with the intention of forming an extended museum by integrating it with the museum's existing site at Raymond Burton House

The above endowment funds include £11,586,312 being the historic cost of the museum buildings

### 13. Restricted Funds

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

	Balance at 1 April 2011	Incoming resources and transfers	Expenditure and transfers	Balance at 31 March 2012
	£	£	£	£
The New Building Fund	4,892,727	353,250	(960,000)	4,285,977
Projects Fund	8,162	296,787	(304,949)	-
Education Fund	-	145,079	(145,079)	-
Purchase Fund	310,452	-	-	310,452
Cecil Roth Trust	34,578	-	(17)	34,561
	5,245,919	795,116	(1,410,045)	4,630,990

The Jewish Museum acknowledges with thanks receipts towards the cost of the completed Development Project from a number of donors With the capital development programme now complete, the trustees are taking the opportunity to restructure the museum's reserves into a more flexible alignment To this end, the trustees have received the kind permission from some donors to transfer £768,000 from the restricted new building fund to the general fund

The Projects Fund is made up of donations and grants that are earmarked for the museum's special projects In the financial year ended 31 March 2012, this comprised the following exhibitions and projects *Entertaining the Nation* and *No Place Like Home Photographs by Judah Passow, Judaica Europeana*

The Education Fund represents grants and donations which are given for the specific purpose of funding the museum's education and learning programme

The Purchase Fund represents grants and donations which are given towards purchasing specific objects for the museum's collection

The Cecil Roth Trust donated £35,000 in 2010 to the museum for the purposes of research within the museum's existing objects, the cost of a series of annual Cecil Roth

## THE JEWISH MUSEUM LONDON

### 13. Restricted Funds (continued)

Lectures for a minimum period of 20 years, and use reasonable endeavours to continue a bursary for a JFS student who shows promise and plans to go on from school to study history at university

### 14. Analysis of net assets between funds

Fund balances at 31 March 2012 are represented by

	General	Restricted	Endowment	Total
	£	£	£	£
Tangible fixed assets	78,133	3,914,737	11,586,312	15,579,182
Intangible assets	49,802	-	-	49,802
Current assets	58,153	1,264,819	829,746	2,152,718
Current liabilities	(64,597)	(548,566)	-	(613,163)
	121,491	4,630,990	12,416,058	17,168,539

### 15. Related party transactions

RD Craig is a member of the museum's board of trustees and is a partner in the legal firm of Finers Stephens Innocent LLP. This firm acted for the museum in various legal matters and charged legal fees of £375 (2011 £1,836) as well as providing some legal advice on a pro bono basis. Mr Craig does not receive any benefit from these fees.

### 16. Post balance sheet event

In prior years, a contingent liability note has been included in the museum's financial statements regarding building costs for the development project. The final costs had been subject to dispute. The final costs have been agreed and a payment of £548,566 was made after the year end in settlement. This payment has been included in creditors falling due within one year.