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RYE MUSEUM ASSOCIATION
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
31 DECEMBER 1997

PHIPPS & CO.
CHARTERED ACCOUNTANTS



RYE MUSEUM ASSOCIATION

DIRECTORS' REPORT FOR THE PERIOD 17 JULY 1996 TO 31 DECEMBER 1997

Rye Museum Association (RMA) is a company limited by guarantee. The company number is 3226143. It was registered as a charity (number 1057421) on 8 August 1996.

The company was incorporated on 17 July 1996 and the directors are:-

Paul Blomfield	- Chairman
Mrs Jo Kirkham	- Vice Chairman
David Short	- Hon Treasurer
Mrs Elizabeth Kelly	- Company Secretary
Mrs Margaret Bird	- Hon Curator
Frank Palmer	
Dr Peter Marsden	
Mrs Shirley Brinkhurst	
Mrs Rae Festing	

Objects and Policies

The company was formed in succession to the unincorporated association of the same name. Its objectives are the provision of museum facilities in the Rye area and the advancement of education by acquisition and exhibition of objects and collections with an educational nature.

The Hon Curator is Mrs M Bird.

The Museum is staffed by Messrs J Davidson, M Ellwood, C Rutland Staples and Mrs C Wheeler.

Bankers - National Westminster Bank Plc, Rye Branch.

Solicitors - Heringtons, Bank Chambers, Rye.

Accountant - Phipps & Co., Landgate Chambers, Rye.

Activities and Finance

The results for the period are shown on page 3.

The Museum is currently housed in the Ypres Tower which was formally leased from Rother District Council. The freehold was purchased during the period for £1 subject to a right to repurchase in the event of sale.

RMA also owns 3 East Street, Rye which is in process of being developed as a second museum site. RMA has been successful in obtaining Heritage Lottery funding of £459,000 which will be used to

- Display certain artefacts in the Ypres Tower in suitable conditions and to provide educational facilities.
- To develop a local history museum of national standard, displayed on the East Street site.
- Give the collection on the East Street site the care and environmental conditions impossible to achieve in the Ypres Tower.

Substantial costs were invested in employment of professional consultants during the period of these accounts in order to achieve the above grant.

It has been recommended by the Heritage Lottery fund that a paid curator be appointed and we hope to implement this on a part time basis during 1998.

RYE MUSEUM ASSOCIATIONDIRECTORS' REPORTFOR THE PERIOD 17 JULY 1996 TO 31 DECEMBER 1997Summary of Other Activities During the Period

A successful lecture and social programme was enjoyed by many members. Three coffee mornings were held in the Ypres Tower to recruit volunteers to assist in the Museum activities. All members were invited but we continue to seek volunteers.

Rother District Council's Contractors completed their works to the Ypres Tower in February 1997 and the building seems much improved, however the wet conditions have not been cured.

Despite the wet conditions precluding the display of artefacts in the Tower, attendance between April and December 1997 was 19,912.

The Rye Museum Trust is a charitable trust with a separate trust deed which exists for the purpose of holding the permanent collection. In April 1997, the Chief Executive Officer of Rother District Council resigned as a trustee of the Rye Museum Trust, due to a conflict of interest. Due to this, it was proposed to the Charity Commission that in place of a representative of Rother District Council an additional trustee should be selected by the directors of the Association. This was approved by the Charity Commission in July 1997 and Mr Brian Hargreaves was appointed.

Restricted Funds

Other grants and donations have been received during the period to develop a medieval garden in the exercise yard and a separate Fabric Fund has been started for maintenance of the Tower.

Permanent Collection

The artefacts, documents and other exhibits are held by the company on loan from the Rye Museum Trust. The Trustees of the collection are:-

Paul Blomfield
Margaret Bird
Charles R. Davey
Graham J. Mayhew (now resigned)
Frank. S. Palmer
Brion Purdey
Victoria Williams
Brian Hargreaves

Approved by the board of directors


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Company Secretary


.....
Date

Registered Office:-
Bank Chambers, High Street, Rye, East Sussex

RYE MUSEUM ASSOCIATIONSTATEMENT OF FINANCIAL ACTIVITIESFOR THE PERIOD 17 JULY 1996 TO 31 DECEMBER 1997

	<u>Note</u>	<u>Unrestricted</u> <u>Funds</u> £	<u>Restricted</u> <u>Funds</u> £	<u>Total</u> <u>Funds</u> £
Income				
Donations	2	1,279	1,872	3,151
Grants	3	-	2,600	2,600
Entry Fees		20,625	-	20,625
Trading Activities net	4	613	-	613
Investment Income	5	1,996	-	1,996
Fund-raising Activities		1,836	-	1,836
Other	6	<u>130,313</u>	<u>-</u>	<u>130,313</u>
Total Incoming Resources		<u>156,662</u>	<u>4,472</u>	<u>161,134</u>
Direct Charitable Expenditure	7	19,182	2,281	21,463
Fund-raising & Publicity	8	11,530	-	11,530
Administration	9	<u>4,375</u>	<u>-</u>	<u>4,375</u>
Total Expenditure		<u>35,087</u>	<u>2,281</u>	<u>37,368</u>
Net Movement in funds				
Funds Balances carried forward at 31 December 1997		<u>121,575</u>	<u>2,191</u>	<u>123,766</u>

There were no recognised gains or losses other than those shown above.

The notes on pages 5 to 7 form part of these accounts.

ACCOUNTANTS' REPORT TO THE DIRECTORSON THE UNAUDITED ACCOUNTS OFRYE MUSEUM ASSOCIATION

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31 December 1997, set out on pages 3 - 7, and you consider that the company is exempt from an audit and a report under Section 249A(1) of the Companies Act 1985. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

Phipps & Co.
Chartered Accountants
Landgate Chambers
Rye
East Sussex
TN31 7LJ

1 April 1998

RYE MUSEUM ASSOCIATIONBALANCE SHEET
AT 31 DECEMBER 1997

	<u>Notes</u>	<u>1997</u> <u>£</u>
FIXED ASSETS	10	80,892
CURRENT ASSETS		
Stock		2,049
Debtors and prepayments	11	973
Treasury Deposit		25,000
Bank - Business Reserve		20,779
Bank Current Account		456
Cash in hand		<u>141</u>
		49,398
Less CURRENT LIABILITIES		
Creditors and Accruals	12	<u>6,524</u>
NET CURRENT ASSETS		<u>42,874</u>
NET ASSETS		<u>123,766</u>
Represented by		
Unrestricted Income Funds:		
General Purposes Fund		121,575
Restricted Income Funds:		
Conservation Fund	13	519
Acquisition Fund	13	-
Fabric Fund	13	532
Garden Fund	13	<u>1,140</u>
		<u>2,191</u>
		<u>123,766</u>

The directors are of the opinion that the company is entitled to exemption from audit conferred by Subsection 1 of Section 249A of the Companies Act 1985 for the year ended 31 December 1997.

The directors confirm that no member or members have requested an audit pursuant to Subsection 2 of Section 249B of the Companies Act 1985.

The directors confirm that they are responsible for:

ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and preparing accounts which give a true and fair view of the state of the affairs of the company as at the end of the financial year and of its results for the financial year in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These accounts were approved by the board on

and signed on its behalf

Director



1 April 1998

The notes on pages 5 to 7 form part of these accounts.

RYE MUSEUM ASSOCIATION

NOTES TO THE ACCOUNTS
FOR THE YEAR TO 31 DECEMBER 1997

1. ACCOUNTING POLICIES

- a) These accounts have been prepared under the historic cost convention and in accordance with applicable accounting standards and the Statement of Recommended Practice on Accounting by Charities.
- b) Depreciation is provided on equipment at the following rates based on the estimated useful life of these fixed assets and their anticipated residual value.

Office equipment	15% (reducing balance basis)
Environmental Control Equipment	15% (reducing balance basis)

No depreciation is provided on freehold buildings, as in the opinion of the directors the estimated residual value is in excess of the book value.

- c) In accordance with the recommendations of the Statement of Recommended Practice the Permanent Collection of Museum Exhibits has been excluded from the balance sheet. See note 12.
- d) Donated income is recorded as income of the Charity at the point at which it is received by the Charity.
- e) Stock of Publications for resale is valued at the lower of cost and net realisable value, after making allowance for slow moving items. Stock more than five years old is written down to zero.
- f) The Association is not registered for VAT. All items in the accounts include attributable VAT where applicable.
- g) Grants are not recorded until they are received.

2. DONATIONS

	<u>Unrestricted</u> <u>Funds</u> £	<u>Restricted</u> <u>Funds</u> £	<u>Total</u> <u>Funds</u> £
General	895	-	895
Acquisitions fund	-	90	90
Fabric Fund	-	532	532
Garden Fund	-	1,250	1,250
Surplus on Friends Lectures	<u>384</u>	<u>-</u>	<u>384</u>
	<u>1,279</u>	<u>1,872</u>	<u>3,151</u>

3. GRANTS

Conservation Fund	-	850	850
Garden Fund	<u>-</u>	<u>1,750</u>	<u>1,750</u>
	<u>-</u>	<u>2,600</u>	<u>2,600</u>

4. TRADING ACTIVITIES

Gross Sales of Publications	2,858	-	2,858
Less Purchases adjusted for stock	<u>2,245</u>	<u>-</u>	<u>2,245</u>
Gross Profit on Sales	<u>613</u>	<u>-</u>	<u>613</u>

5. INVESTMENT INCOME

Bank interest received	<u>1,996</u>	<u>-</u>	<u>1,996</u>
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RYE MUSEUM ASSOCIATION**NOTES TO THE ACCOUNTS**
FOR THE YEAR TO 31 DECEMBER 1997

6. <u>OTHER INCOME</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>
	£	£	£
Compensation - Rother District Council	9,442	-	9,442
Compensation - Bank	10	-	10
Transfer from Rye Museum Association	<u>120,861</u>	<u>-</u>	<u>120,861</u>
	<u>130,313</u>	<u>-</u>	<u>130,313</u>
 7. <u>DIRECT CHARITABLE EXPENDITURE</u>			
Salaries	13,350	-	13,350
Rent, Rates & Water	135	-	135
Light & Heat	1,205	-	1,205
Property Maintenance	771	-	771
 Conservation	-	331	331
Documentation	148	-	148
Garden	117	1,860	1,977
Acquisitions	157	90	247
 Support costs:			
Insurance	1,624	-	1,624
Storage costs	1,085	-	1,085
Subscriptions	338	-	338
General	178	-	178
Training & Travel expenses	<u>74</u>	<u>-</u>	<u>74</u>
	<u>19,182</u>	<u>2,281</u>	<u>21,463</u>
 8. <u>FUNDRAISING & PUBLICITY COSTS</u>			
Advertising	306	-	306
Fund-raising event costs	627	-	627
Lottery grant linked costs	<u>10,597</u>	<u>-</u>	<u>10,597</u>
	<u>11,530</u>	<u>-</u>	<u>11,530</u>
 9. <u>ADMINISTRATION</u>			
Company formation costs	170	-	170
Telephone	846	-	846
Postage & Stationery	596	-	596
Secretarial expenses	293	-	293
Bank charges	6	-	6
Accountancy	1,997	-	1,997
Sundry	39	-	39
Depreciation	<u>428</u>	<u>-</u>	<u>428</u>
	<u>4,375</u>	<u>-</u>	<u>4,375</u>

RYE MUSEUM ASSOCIATION

NOTES TO THE ACCOUNTS
FOR THE YEAR TO 31 DECEMBER 1997

10. FIXED ASSETS

USED BY THE CHARITY

	<u>Freehold</u> <u>Property</u> £	<u>Office</u> <u>Equipment</u> £	<u>Environment</u> <u>Conservation</u> <u>Equipment</u> £	<u>TOTAL</u> £
Transfer from predecessor association	77,965	683	1,099	79,747
Cost in period	501	141	931	1,573
Total cost	78,466	824	2,030	81,320
Depreciation for period	-	123	305	428
Balance at 31 December 1997	78,466	701	1,725	80,892

The Association took over assets from the previous, unincorporated Association as at 30 September 1996.

Freehold property taken over comprised 3 East Street at its cost price of £67,385 and capitalised improvement expenditure on Ypres Tower at a cost of £10,580.

During the period, the freehold of the Ypres Tower was purchased at a cost of £1 plus legal expenses of £500. The Ypres Tower freehold is subject to pre-emption rights granted to Rother District Council and Rye Town Council granting them a right of purchase in the event of a sale.

11. DEBTORS

1997

Prepayments

973

12. CREDITORS

1997

Trade creditors

4,183

Accruals

2,341

6,524

13. RESTRICTED INCOME FUNDS

	<u>Opening</u> <u>Balance</u>	<u>Income</u>	<u>Expenses</u>	<u>Closing</u> <u>Balance</u>
Conservation Fund	-	850	331	519
Acquisition Fund	-	90	90	-
Fabric Fund	-	532	-	532
Garden Fund	-	<u>3,000</u>	<u>1,860</u>	<u>1,140</u>
	-	<u>4,472</u>	<u>2,281</u>	<u>2,191</u>

14. PERMANENT COLLECTION

The permanent collection of museum exhibits are held by the Rye Museum Trust and the Peter Temple Trust.

15. CONTINGENT INCOME

A grant of £459,000 has been awarded from Heritage Lottery Funding in respect of the Redevelopment Project at the 3 East Street Premises. The project is contingent upon permission from English Heritage.

16. LIMITED BY GUARANTEE

The Association is a registered charity. It is a company limited by guarantee and does not have share capital. The liability of each member is limited to £1. The Directors have set the annual subscription at £5.00.