

THE STORY MUSEUM
FINANCIAL STATEMENTS FOR THE PERIOD ENDED
31 MARCH 2018

INDEX

Page	1-11	Trustees' report
	12-14	Independent auditors' report
	15-16	Statement of financial activities
	17	Balance sheet
	18	Statement of Cash Flows
	19-25	Notes to the financial statements

Company number: 4780380
Charity number: 1107809

THE STORY MUSEUM TRUSTEES' REPORT

Legal and Administration Information

The full name of the company is The Story Museum.

The company number is 4780380. The registered charity number is 1107809.

The trustees that served during the year were as follows:

Dr Will Bowen
Mr Brian Buchan
Mr Ewen Cameron Watt – appointed 22 March 2018
Ms Maggie Farrar CBE
Mr David Fickling
Mr Michael Heaney
Mrs Jill Hudson
Mr John Lange
Mr Tim Suter
Ms Shirin Welham – appointed 22 March 2018
Mrs Maggie Whitlum
Mr David Wood (OBE)

The office address of the charity is 42 Pembroke Street, Oxford, OX1 1BP.

The registered office is 42 Pembroke Street, Oxford, OX1 1BP.

The company's auditors are Critchleys Audit LLP, Beaver House, 23-38 Hythe Bridge Street, Oxford OX1 2EP.

The company's solicitors are HMG Law, 126 High Street, Oxford, OX1 4DG

The company's bankers are Barclays Bank plc of Cornmarket Street, Oxford, OX1 3HS.

Structure, Governance and Management

The company is limited by guarantee.

The charity is governed by its Memorandum and Articles of Association. The Board of Trustees delegates certain areas of business to the Finance and Audit Committee and to the Building Committee. The Finance and Audit Committee consider the remuneration of the Directors as part of the annual budgeting cycle using supplied sector benchmarks.

The procedures for the appointment of Trustees are set out in the Articles of Association. Trustees are appointed to serve an initial three-year term which is renewable for a maximum of two further terms. Trustee renewals, resignations and new appointments are ratified at the AGM. Newly appointed Trustees are offered induction and ongoing engagement through events, observation, committee and advisory panel appointments and by aligning with certain strategic areas of business and projects.

Objects and Activities for the Public Benefit

The objects of The Story Museum are to advance the education of the public in relation to children's literature and the history of the City of Oxford, in particular by:

- a) establishing and maintaining a museum dedicated to these subjects;
- b) conserving, interpreting and developing collections and heritage assets relevant to children's literature and the City of Oxford;
- c) providing learning opportunities for and promoting literacy and creativity among children, young people and families.

The Trustees have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

THE STORY MUSEUM TRUSTEES' REPORT (CONTINUED)

1. Introduction by Chairman

The period 2017-18 represents only 7-months due to a change in our financial year end and yet we achieved so much. We welcomed over 26,000 people to the Museum and through outreach projects -of whom over 6,000 were school children and teachers engaged in our learning and participation programme. Alongside the continuing immersive exhibitions, to which we added one new international Alice exhibition 'It's Always Tea Time', we hosted around 52 separate visiting and self-produced events, some one-offs and some in series, amounting to no less than 235 presentations. We involved more than 50 different authors and story-makers not counting our own talented learning team, story guides and session leaders.

We achieved several critical milestones in our capital redevelopment, reaching tender stage by the end of the period. Running in parallel to design development on the building, we significantly advanced our future content framework, describing the visitor journey through a series of five inspiring and imaginative semi-permanent installations as well as temporary and visiting exhibitions. This is underpinned by a newly articulated ambition around our museum collection and interpretation plans. We continue to test our ideas and assumptions with our visitors, particularly the young ones, to ensure our offer is engaging and diverse.

It was a period of intense business planning too, which articulated in detail our programmatic, organisational and financial objectives for the next 4-years. This provides our road map through the challenging times that lie ahead as we close the Museum while we embark on the next phase of capital works, bringing our plans for the future Museum to life when we reopen in 2020.

We expanded our Trustee group with two new appointments bringing our number to 12. The Board worked hard over the year through our Committees and advisory panels, and with individual 'champions' providing particularly close oversight on environmental sustainability, safeguarding and data management. Thank you to my fellow Trustees for their continued dedication. I am also grateful for the ongoing advice of our Company Secretary, Gary Baker from HMG Law.

This is the first time we have presented consolidated accounts for The Story Museum Registered Charity and its previously dormant wholly owned Trading Company; my thanks to the Directors of that Company for steering it through its first trading period so effectively.

I would like to thank all those who have supported us during the period with donations, pledges and the precious gifts of time and advice. I particularly appreciate the support of Arts Council England, the Heritage Lottery Fund and Oxford City Council whose own grants continue to leverage many more. My thanks also to the Cave Foundation, which has reached the natural end of its many years of support; simply put, without them the Story Museum would not be where we are today. Thank you.

The Story Museum staff and volunteer team have once again shown brilliant skill and determination in both their day-to-day work and their collective vision for the Museum's future. I speak for the whole board when I record our admiration of all they do, and how grateful we are for their efforts.

As we close the 2017-18 period, we also mark 4 years since the Story Museum opened the first phase of its redeveloped building and began a year-round public offer. Over these four years we have welcomed approximately 160,000 visitors and participants, around half of them under the age of 16, who came from all over the UK and who, almost without exception, had a wonderful time; summed up by five-year-old Poppy, who said of her visit 'Good good good good good!'

I look forward to welcoming Poppy and thousands of other children and their families to the new Story Museum in 2020 and hope their response is just as enthusiastic.

Tim Suter
Chairman

THE STORY MUSEUM TRUSTEES' REPORT (CONTINUED)

2. Directors' Report

Over the year we worked to deliver against our stated priorities for the period with the following highlights.

- i) **We continued to develop and share great ways for people, particularly children and young people, to engage in great stories; encouraging imaginations, growing skills and enriching lives.**

We engaged 26,118 people in great stories and great ways over the 7 months, including just under 20,000 public visitors to exhibitions and events and just over 6,000 as part of our learning and participation programme on and off site. Whilst we did not grow our footfall over the period, we achieved the pro-rated annual visitor number of the previous year. This may well be due to us electing not to introduce a major new exhibition in the period, which would ordinarily prompt a spike in visitor numbers. Instead, given the time and attention needed on the capital campaign and funding, we focused on promoting our existing successful installations.

Our five gallery spaces continued to delight people of all ages: Animal, Time for Bed, The Changing Room, World Stories and Ever After each invite visitors to explore stories of different forms in different ways. These installations have provided a sterling service to the Museum for between 2 and 4 years and they'll be glad of a rest after July 2018 as we close those spaces for redevelopment. Some familiar and popular pieces may well be popping up in our temporary spaces, on location and later in the completed Museum. There are many other visitors who love our rough spaces, as well as the imaginative way we use them so whilst we and our public look forward to the building transformation ahead, our challenge will be to retain the texture and atmospheric environment that has become one of our trademarks.

'I think what you do is magical, completely unique, I've never seen anything quite like it! The passion you put into everything you organise is really touching, every Oxford child is lucky they can grow in such a positive environment'. Email received from international visitor, October 2017

We grew our community of artists and practitioners, involving over 50 individuals throughout the year. Our Artist in Residence, cartoonist Neill Cameron, successfully embedded his monthly Comic Club for 25 budding young comic makers, building to capacity attendance by the year end. He contributed to the ACE supported *Exploring Interactiva* project and will continue to be engaged with the Museum through Chapter 2. Another of our favourite storytellers, Amantha Edmead, known to our audiences from 'Incredible Journeys' our 2016 WW1 production, returned to star in our Christmas Show, 'Jingle's Magic Sleigh', garnering excellent reviews from press and children alike. We look forward to her joining us in our travelling Pumpkin over Summer 2018. Our Story Crew, including Captain Nicolette Jones, Look Out Katherine Rundell, Ship's Cook Anna Conomos and Science Officer Joseph Coelho came to the end of their Ever After Voyage but all continued their adventure with the Story Museum by participating in various events over the period.

A hugely positive partnership evolved over the year with artist Viive Noor of the Estonian Children's Centre which culminated in a wonderful exhibition of illustrations 'It's Always Tea Time'. This piece brought together 92 works by 72 artists from 19 countries, in a multicultural creative response to the Alice story and characters. It successfully refreshed our core offer and - as a UK debut - was another example of The Story Museum's growing status and profile internationally. We are hugely grateful to the Estonian Publisher's Association and the Children's Centre for their hospitality during a research trip to Tallinn and for their vital financial contribution. We hope this will be the first of more such fruitful collaborations

Other creative partnerships included the Oxford Literary Festival, with whom we again hosted several high-quality children's literature events including Children's Laureate Lauren Child and the 2017 Waterstones Children's Book of the Year Award winner, Kiran Millwood Hargrave. We were thrilled to initiate a long-discussed collaboration with the Crick Crack Club of Storytellers whose members tour worldwide and represent some of the finest oral storytellers on the circuit. The first "Fairy Tales for Grown Ups" performance - featuring Ben Haggarty's *The Grateful and the Dead* - was a sell-out success which we feel has since continued to build audiences for our oral storytelling shows.

THE STORY MUSEUM TRUSTEES' REPORT (CONTINUED)

Highlights included 'Jingle's Magic Sleigh', our own produced Christmas Show, for which sales, press coverage and audiences has grown year on year; and our ongoing series Shelf Life, which over the period featured Peggy Seeger and Julia Donaldson in conversation with our regular interviewer Nicolette Jones. In addition to special appearances, we have regular monthly visitors including singer songwriter Nick Cope playing to packed family audiences, the wonderful puppeteer Emma Boor, and Baby Boogie – a partnership with Dancin' Oxford.

"Story telling would often take the form of whole communities coming together and sharing wisdoms and culture with a great spectacle of music, song and dance... I felt really confident when developing the show, that we've drawn a perfect balance between a relaxed and welcoming atmosphere while creating a magical environment ... I can't wait to share these wonderful Christmas stories with everyone at The Story Museum"

Amantha Edmead, regularly featured actor/storyteller, on 'Jingle's Magic Sleigh'

Core elements of the Learning and Participation (L&P) programme are now delivered through The Story Museum Trading Company. This includes sessions with schools both in Museum and Outreach; work with teachers, education professionals and parents; and consultancy.

This 7-month financial period covered 2 academic terms during which the L&P team delivered 138 Open Access (full or half day) sessions in-Museum and in-school, with 79 schools for 4,790 pupils and teachers, a slightly higher take-up rate to the comparable period last year 55% of schools were repeat bookers and feedback continues to be positive with a 97% satisfaction rating. Where we received 4 marks out of 5 for satisfaction, the reason remains consistently that the schools wanted more time in the Museum. Although the Open Access programme is available to all schools (unlike our targeted work run through our charity which aims to work with schools in areas of disadvantage), 22% of Open Access schools (18) are situated in areas placed at 1-5 in indices of multiple deprivation. We had a particularly strong take up for our 2017 Christmas show, welcoming 1,134 children from 9 schools.

"We travel down to Oxford yearly for our year 8 residential due to the aspirational culture of the University of Oxford and everything the city has to offer. We always ensure we book in a trip to The Story Museum due to its amazing ability to bring literacy across in such an enjoyable way. As a school, we believe 'to read is to fly' and the museum really brings stories to life. The interactive nature of the exhibitions and educational workshops provide an excellent platform for students to develop their love of literature and it is an experience we would highly recommend to all. Thank you"

Dixons Trinity Academy in Bradford, who have booked every year of our 4 Open Access years.

TSM has a long track record of providing Continuing Professional Development (CPD) for teachers, which promotes imaginative approaches to developing literacy in the classroom, as well as sessions for parents to encourage reading with their children. Over the period we engaged with 258 adults from 5 institutions including the Ministry of Education for South Korea, Banbury Literary Live, Ashburnham Primary in London and a group of Italian teachers.

"We appreciate this visit very much, especially the room with the big bed. We are fascinated that parents and teachers read books to children; we don't do that in South Korea but the government are looking forward to changing that". Coordinator at Boratravel.

We are pleased to have attracted commissions to create teaching resources for other arts organisations including *Shakespeare's Birthplace Trust* for whom we developed a storytelling scheme of work for *The Tempest* and three short films for teachers to use as CPD; and *Stowe House*, where we created learning resources and lesson plans for a literacy session.

"Our new Storytelling Workshop has been very well received and all the staff involved are loving implementing your ideas and format - thank you so much. The video resources that you made for us have been watched many times by our subscribers and are a really useful tool for teachers".

Education Coordinator, Shakespeare's Birthplace Trust

THE STORY MUSEUM TRUSTEES' REPORT (CONTINUED)

The L&P team also develop and deliver targeted projects through TSM Charity, in pursuit of our charitable objectives around promoting literacy and stories particularly with disadvantaged children and families who are known to be 'word-poor'. These projects are funded with gifts and grants secured by TSM and are therefore free to access for participating schools. In the period this work reached 1,639 students in 13 selected schools from around Oxford and nearby Banbury with a total of 42 full days of activity. The schools were selected because of their above-average numbers of students with English as an Additional Language and Free School Meals and/or because the school is situated in an area of multiple deprivation, and/or has been identified by Ofsted as being in special measures or requiring improvement. The programmes run over the period included Maggie's Day, an annual event supported by the Evans family for the 5th year, which brings together 9 schools for a series of Museum visits and literacy workshops culminating in a celebration event; this year the project was themed around 'Overheard in The Story Museum' and featured author Joseph Coelho. We delivered the 2nd of a 3 year Start project in Banbury, supporting the often-challenging time of transition for primary aged children into secondary school, using collaborative story-making activities.

Our new travelling story venue The Pumpkin was in residency at John Henry Newman School for a week to pilot this new planned peripatetic concept and its activities. All involved declared it a success and we are pleased to now be designing the interior of The Pumpkin to the exacting and highly creative specification of the young students we met there.

The staff all enjoyed the magical experience and the children all told me about the baby dragon in the tent. We have had dragons included in lots of imaginative play'.
EYFS Teacher from Pegasus School Two by Two, Blackbird Academy Trust

ii) We moved closer to realising our completed 'Museum of Wonder' by advancing building and exhibition plans to the brink of delivery.

Design development for both architectural and non-architectural elements of Chapter 2 (CH2) continued with Project Architects Purcell, Engineers Ramboll and Design Consultants, Tom Piper and Alan Farlie, drawing on the feedback of visitors and story experts. At the end of this period the project was being prepared for tender stage and on track against its critical path, steered by the Capital Team and Building Committee.

Given the risk, which goes hand-in-hand with the Capital Project, the Building Committee, Board and core team have deliberated over risk mitigation and have identified several scenario plans around project budget and fundraising. This led to a request for an extension of our project timetable, which was approved by ACE in autumn 2017 thereby creating more time to reach funding milestones and to explore loan finance to underpin project cashflow.

An early phase of the CH2 Capital project – the refurbishment of our 2nd floor Link Room, supported by WREN and the Capital fund, was delivered, creating a spacious, light filled venue, immediately put to good use as the gallery for our 'It's Always Tea Time' exhibition. The Link Room has already proved popular as a space for private hire as well as for our own project activities, making it a useful source of earnings through the planned closure period.

As we look towards 2018-19, the successful progress of Chapter 2 including the start of work on site is our utmost priority, moving us as it will towards full operation and increased sustainability from 2020.

iii) We refined our ambitions for the Story Museum Collection as well as our plans to bring this to life within our future exhibitions and event programme.

'I have no doubt of the intrinsic value of The Story Museum's intangible collection as well as their approach to conserving and sharing stories; their leading role in creating innovative ways to engage particularly children in their story heritage is also clear. As chair of the Heritage Advisory Panel, I have enjoyed seeing the team articulate their vision for the 1001 Story Collection and deciding how best to bring this to life in inspiring and imaginative ways'. Marilyn Scott, Director of the Lightbox, Woking.

THE STORY MUSEUM TRUSTEES' REPORT (CONTINUED)

Supported by the Heritage Lottery Fund, we refined our heritage strategy and finalised our Collections Development policy with extensive input from our visitors and invited story experts. Whereas many museums grow from a physical collection, The Story Museum grew from a vision of enriching lives, particularly young lives, through story. As a result, we aim to develop a collection that has the power to engage young audiences with story in its many forms: this will now translate into an extensive resource of carefully selected "Collection" of '1001 Great Stories' along with associated objects that will help audiences to enjoy and understand them.

These stories are fictional narratives that represent a cross-section of formats, times, places, genres and age appropriateness. Our selection emphasises stories that are accessible to children and young people, and stories that were created, gathered or inspired by Oxford and its diverse inhabitants. We have five Collection categories including Spoken & Performed; Written & Drawn; and Audio Visual. The stories within these three categories are being identified with the help of advisors and audiences and are listed in our new '1001 Great Stories' list. This is intended as a dynamic resource which evolves to reflect new visitor input and information, including new contemporary stories; the list will be reviewed regularly with input from our experts and visitors. The fourth and fifth categories are the History of Story Making and the History of the Story Museum.

This collection will inspire and will be interpreted through our semi-permanent and temporary exhibitions, as well as our live events programme, publications and interactive website. Applying our creative and curatorial principles, we will ensure that the engagement activity springing from our collection is accessible to all, irrespective of age and levels of prior knowledge. Our proven track record in creating fun and memorable encounters with stories, will now be underpinned with a thorough and thoughtful heritage strategy which encompasses ongoing consultation, conservation and a detailed content framework.

iv) We engaged returning and new audiences, including target groups in our public offer and specific projects.

'I usually find somewhere that I like and stay there until Mum and Dad say it's time to go' Freya, aged 5

We aim to grow our core audience of local families, encouraging repeat visits and participation in an increasing range of activities. It is therefore pleasing to see that around 15% of bookers (around 500 people) booked more than once for exhibitions or events, and there is a growing cross over between day admission and event bookings, particularly amongst visitors with very young children. Of equal importance to us is welcoming first time visitors, particularly from amongst the hard to reach communities identified in our audience development plan. Again, it is gratifying to see our reach growing with 31% of bookers now coming to us from outside Oxfordshire. Further demographic analysis suggests that we attracted more bookers from our target types than in previous years.

Of those visitors completing an Audience Finder questionnaire in the period, we know that the majority are female (72% to 28% male), 56% are aged between 25 and 44 (most likely age to have young children) and 14% are 65 or over (grandparent age). Within the same respondents, 18% identify as being from BAME groups which compares with 9% from the same period last year suggesting that our deliberately diverse programming and targeted marketing such as Golden Tickets (which this year were distributed through Oxford Asylum Welcome, a domestic abuse charity and through partner schools) are enabling us to make progress in our stated aim to broaden our audiences. It's worth noting that our schools' visitors, particularly those we engage with through our targeted projects represent particularly diverse groups, however they do not appear in our booker data as individuals. Across our full audience base then, the Museum is drawing from a diverse and – through our schools work in particular – hard-to-reach community.

The above analysis has been helped by our new Box Office system Spektrix which we launched within the period, bringing our booking process – and all the data and insight that provides – in-house for the first time. Our ability to deepen visitor engagement, inform marketing strategies and analyse the success of our programmes has been transformed; we know we will see the benefits of this over time.

THE STORY MUSEUM TRUSTEES' REPORT (CONTINUED)

v) **We continued to strengthen our capacity, operations and financial model in pursuit of resilience**

We achieved our intended 55%-45% balance of earned income to fundraised income (excluding fundraised income for the Chapter 2 campaign) and met our overall financial goals, once again demonstrating our ability to self-generate sufficient funds even in a challenging operating environment and with competing priorities around our capital project. A mid-year re-forecast indicated where we needed to constrain expenditure and modify income targets and steered us towards a balanced end of year position.

It was a mixed picture across our earning streams which were up 2% on the comparable period last year. Despite plateauing on visitor figures, the average ticket sales were down by 11%; this is partly explained by the very busy Easter holidays falling outside of the period and the fact we now issue (complimentary) tickets to the under 2s, where as previously they were not counted in footfall. Notwithstanding the overall trend, events including the Christmas show, did particularly well with a 35% increase on sales.

Our café take was down 8% on the previous comparable period although margins held at 56%. We understand this has been the experience for many other local cafes and may be explained by the draw of the new nearby Westgate Shopping Centre with its multiple food and drink offerings. Conversely our shop performed well with a 16% increase in income and improved margins of 34%. We are now focused on optimising the potential of the café and shop through the rebuild period when they need to generate casual customers without the additional attraction exhibitions.

The ongoing success of our long-term lets and one-off hires showed with a 28% increase in income. With the availability of the new Link Room, the addition of fantastic catering from our own kitchen and the potential to hire spaces within the Museum well into the next year, we can be confident of continued success.

"If you want a city-centre venue full of character, with friendly and supportive staff look no further than the Story Museum" Eden Project Away Day

Trading income generated through the L&P team held up over the period, with £28,597 received. We are aware of the threat to income derived from schools' activity due to their increasingly constrained budgets and are therefore ensuring our offer remains relevant and affordable, both during the closure period when we will take our work out to schools (overcoming the additional expense and effort of travel for them) and after we re-open the completed Museum.

Our revenue fundraising met the in-year goal of around £200,000 to support activity and organisational costs. This included the first year of a two-year grant from the Tambour Foundation to support the development and piloting of our new peripatetic venue, The Pumpkin. The Princes Foundation for Children and the Arts, the Patsy Wood Trust and the Pye Settlement all continued their support of our creative learning activities with children and young people. A new partnership with John Lewis has seen us taking storytelling into its new Oxford store and we hope to develop this collaboration. A first-time gift from the family of the late author Richard Adams was particularly poignant, coming as it did with the offer of a number of objects from his study which we plan to feature in the future Museum. We secured another Grants for the Arts (GFA) from Arts Council England in support of *Exploring Interactivia* a co-creation project with a group of young and professional digital artist. Oxford City Council continued its support of our community engagement activity. Additionally, our HLF Round 1 grant in support of Collections development concluded successfully. We are so grateful to these grant-makers for their generous and in many cases, continued support. Our special thanks to a certain "Gallant Gent" who stepped in at a crucial moment.

The above fundraising activity ran alongside another intensive period of capital fundraising as we head towards our critical milestones in summer 2018. Despite a strong start, securing 75% of target by the start of this period Capital gifts fell short of expectations with £377,500 received in new pledges however, as we move into 2018-19 there is a gratifying uplift in capital gifts and grants, as a result of time and focus invested; this leave us feeling more confident of reaching our next year's goals. Meanwhile, we continue to explore a number of mitigating options with our major funders. Our thanks to them for their flexibility and far-sightedness in helping us to realise our 'Museum of Wonder', even in this very challenging environment.

THE STORY MUSEUM TRUSTEES' REPORT (CONTINUED)

Governance

The full Board met four times over the year to offer guidance around key areas of strategic oversight including risk, finance and strategic planning. The two committees of the Board – Building and Finance & Audit – met as needed to provide more detailed oversight of their respective areas of business. Trustee Champions were appointed in the key areas of Safeguarding, Environmental Sustainability and Data Management; our thanks to Jill Hudson, Maggie Whitlum and Mike Heaney respectively for providing this additional and vital oversight.

The Charity Memorandum and Articles of Association were revised in the period to allow for an expansion of the number of Trustees from 10 to 14, in order to incorporate the necessary range of skills, experience and insight needed to successfully deliver our strategic objectives over the coming years. The Trustees are particularly committed to increasing the diversity of its membership in order to better represent the local communities in which the Story Museum already plays an active role and who we intend to engage even more deeply going forward.

Two new Trustees were appointed to the Board. Ewen Cameron Watt is a formerly co-opted member of our Finance and Audit Committee with a long and successful career in investment management; and Shirin Welham brings extensive business development and marketing experience in both the corporate and non-profit sectors. We welcome them warmly to the fold and look forward to the benefit of their wisdom.

Activating the previously dormant trading subsidiary of The Story Museum required the appointment of Directors. Brian Buchan, Trustee and Chair of the Finance and Audit Committee was appointed Chair. He is joined by fellow Trustee Maggie Whitlum with a background in senior theatre management and co-opted member Penny Cameron Watt, who brings widespread governance, international business management and financial services experience. We are grateful to them for the additional time they have committed.

Fundraising policies

The Story Museum's fundraising activity is devised and delivered by our staff team and occasionally engages senior volunteers such as members of the Board. We are organisational members of the Fundraising Regulator and uphold their 'Fundraising Promise'. Our fundraising complaints procedure is published on our website; no complaints were received in the year 2017-18.

Staff & Volunteers

Staff numbers remained stable over the period with 34 employees across 21.5 FTE posts. Three fixed term contracts came to a satisfactory end and there were three resignations for reasons of career development. These posts have been backfilled and the new post of 'Head of Exhibition and Story Collection' created and appointed within the period; the latter specifically to accelerate work around our collection and future exhibition design. We welcomed 2 interns and 4 work experience placements as part of our ongoing commitment to early career development.

We are fortunate to benefit from a pool of around 100 active volunteers whose generosity and skills we continue to rely upon at the senior level of Board, Committee and Advisory Panels through to operational support front of house and in the office. A total of 1,910 volunteer hours were invested in the period.

Our newly formed People Plan will guide us through the anticipated organisational change. As we scale back operations on site to prepare for construction work beginning in autumn 2018, we will end fixed term contracts as planned and redeploy team members across work streams directly associated with creating and operating the new Museum. In the run up to re-opening we'll be increasing head count by 50% and taking our FTE up to 32, as well as readying all staff and volunteers for their brand new and more complex Museum.

THE STORY MUSEUM TRUSTEES' REPORT (CONTINUED)

Finance

We began the year with brought forward unrestricted general reserves of £44,286 and restricted and designated reserves (excluding those represented by fixed assets) of £67,036 relating to the ongoing capital project and funded activity. At the end of the year we carried forward £45,290 of unrestricted general reserves and £245,776 of restricted and designated reserves (excluding those represented by fixed assets) having made a small operating surplus of £1,004. A total of £253,507 was capitalised through property improvements made as part of the ongoing capital project.

As we enter the new financial year 2018-19 and anticipate the closure of most of our museum spaces, we have adjusted our targets across all earned income streams accordingly. Fundraised income targets for activity and organisational costs have been set to reflect reduced public activity and to allow the team to prioritise the Capital campaign. We started the year with 62% of our revenue fundraising already secured, including the first year of our new ACE National Portfolio Organisation (NPO) grant and a continuing commitment from Oxford City Council.

Reserves policy

Our recently revised reserves policy now states: The Story Museum aims to maintain (i) a ring-fenced reserve for capital commitments and (ii) within general funds, a reserve equivalent to 25% of the annual fundraising target or of the earned income target, whichever is greater. As we roll into 2018-19 this would require around £100k in a general reserve (25% of the fundraised income target for the year), compared with the £45,289 available. Our 4-year financial plan shows the Museum working towards our stated reserves requirement, including a sinking fund for maintenance of the new Museum, by 2022. In the meantime, the Museum will continue to flex to meet our changing circumstances, which will be particularly acute over the next financial year as we begin construction.

Risk Management

We continued to update and review our risk register, highlighting those areas considered to have a significant likelihood and impact to the Finance & Audit Committee and from there to the Trustee Board at least bi-annually. Key risks considered and mitigated throughout the year included:

- Failure to secure annual revenue fundraising and earning targets
- Failure to secure required capital funds against our own milestones or funder requirements
- Overload of senior and key staff member during a particularly intense period

These risks are being mitigated through hard work, detailed strategic planning and attentive governance, all underpinned by strong working relationships across the staff, executive and Trustees. The most effective action we can take to mitigate the above related risks is to advance the redevelopment of the Museum and reach a sustainable operational model as soon as possible.

THE STORY MUSEUM TRUSTEES' REPORT (CONTINUED)

Looking forward to 2018-19

The next year brings significant change for the Museum as we close our exhibitions to the public in July to prepare for redevelopment. This means significantly reducing our public offer on-site whilst growing our outreach work in the community. The Storycafe will remain open five days a week and a ground floor gallery will be open for drop in activities on Saturdays and during holiday weeks. We will use one other space occasionally for ongoing activity with target groups as well as for external hires to generate income for as long as possible until the building works need to take over.

Our operational team will flex according to this change, with core staff adapting their roles and focus to suit the new programme, some going out on the road with our Story Pumpkin and pop-up events. From September 2018 our public offer is framed by our 'Activity Plan' representing 46 separate strands of activity with children and families drawn from 7 identified target groups, happening in schools, community venues, public spaces and partner cultural venues through to reopening of the Museum in early 2020. Threaded through this activity is our stated aims around Audience Development, Diversity, Volunteer Engagement and ongoing partnership activity including the START project with Children and the Arts and the Alice's Day consortium including heritage and cultural venues across Oxford.

In parallel to public engagement activity, our capital project will be advancing over 18-19 with work starting on site in October, subject to hitting various milestones and securing major funder permissions. At the time of writing in July 2018 we are moving through the process of contracting our builders, putting loan finance in place to support cash flow, tendering the exhibition design contracts and preparing to launch our public appeal 'the 1001 Story Quest' to raise the final 10% of project costs.

Our four year business plan includes SMART objectives for each 12 month period, which underpin our five ongoing strategic goals:

1. Develop and share great ways of engaging with great stories and help people to create stories of their own
2. Create a 'wonder', an unusual Museum that attracts audiences and hosts inspiring and enjoyable experiences
3. Expand Audiences, increasing diversity and deepening community involvement with the Museum and our shared story heritage
4. Develop, understand and share a collection of great stories in different forms and demonstrate their importance to human culture, heritage, learning and wellbeing.
5. Establish a resilient organisation, maximise earned income and build the capacity of our leadership, staff, trustees, associates and volunteers.

**THE STORY MUSEUM
TRUSTEES' REPORT (CONTINUED)**

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Annual Report and accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements comply with the Charities Act 2011, the Companies Act 2006, FRS 102, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing those financial statements, the Trustees are required to select suitable accounting policies and then apply them consistently; make judgements and estimates that are reasonable and prudent; and prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

So far as the Trustees are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and

Each Trustee has taken all steps that s/he ought to have taken as a director in order to make her/himself aware of relevant audit information and to establish that the company's auditors are aware of that information.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

This report was approved by the Trustees on 27th September 2016

Mr T SUTER MR T SUTER
(Trustee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE STORY MUSEUM

Opinion

We have audited the financial statements of The Story Museum (the "Charity") for the period ended 31 March 2018 which comprise the Group Statement of Financial Activities, the Group Balance Sheet, the Group Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group and Charity's affairs as at 31 March 2018 and of the group's income and expenditure for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE STORY MUSEUM (CONTINUED)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the directors' report) has been prepared in accordance with applicable legal requirements.

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Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.
- the trustees were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement [set out on page 11], the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

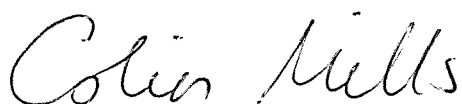
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE STORY MUSEUM
(CONTINUED)**

Use of our report

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity'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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Colin Mills (Senior Statutory Auditor)
for and on behalf of Critchleys Audit LLP, Statutory Auditor
Beaver House, 23-38 Hythe Bridge Street, Oxford OX1 2EP

22 October 2018

THE STORY MUSEUM
GROUP STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE PERIOD ENDED 31 MARCH 2018

	Note	General Funds	Designated Funds	Total Unrestricted Funds	Restricted Funds	Total 2018 (7 months)	Total 2017 (12 months)
		£	£	£	£	£	£
Income from:							
Donations	2	85,693	320,210	405,903	421,464	827,367	680,383
Interest receivable		-	-	-	-	-	-
Charitable activities	3	<u>240,051</u>	-	<u>240,051</u>	-	<u>240,051</u>	<u>373,731</u>
Total income		<u>325,744</u>	<u>320,210</u>	<u>645,954</u>	<u>421,464</u>	<u>1,067,418</u>	<u>1,054,114</u>
Expenditure on:							
Raising funds	4	5,128	72,293	77,421	-	77,421	107,103
Charitable activities	5	<u>318,413</u>	<u>162,423</u>	<u>480,836</u>	<u>105,286</u>	<u>586,122</u>	<u>983,395</u>
Total expenditure		<u>323,541</u>	<u>234,716</u>	<u>558,257</u>	<u>105,286</u>	<u>663,543</u>	<u>1,090,498</u>
Net income/(expenditure)		2,203	85,494	87,697	316,178	403,875	(36,384)
Transfers between funds	12/13	<u>(1,199)</u>	<u>228,273</u>	<u>227,074</u>	<u>(227,074)</u>	-	-
Net movement in funds		1,004	313,767	314,771	89,104	403,875	(36,384)
Reconciliation of funds:							
Total funds brought forward		<u>44,286</u>	<u>3,203,757</u>	<u>3,248,043</u>	<u>2,885</u>	<u>3,250,928</u>	<u>3,287,312</u>
Total funds carried forward		<u>45,290</u>	<u>3,517,524</u>	<u>3,562,814</u>	<u>91,989</u>	<u>3,654,803</u>	<u>3,250,928</u>

The 2018 financial statements related to a 7 month accounting period from 1 September 2017 to 31 March 2018. The reason for this change was to align it with the majority of its funders, rather than being aligned to the academic year. The comparative figures for 2017 are for the year ended 31 August 2017 and therefore the figures for 2018 and 2017 are not directly comparable.

The notes on pages 19 to 25 form part of these financial statements.

THE STORY MUSEUM
STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2017 (for comparative purposes)

	Note	General Funds £	Designated Funds £	Total Unrestricted Funds £	Restricted Funds £	Total 2017 £
Income from:						
Donations	2	186,787	82,433	269,220	411,163	680,383
Interest receivable		-	-	-	-	-
Charitable activities	3	<u>373,731</u>	<u>-</u>	<u>373,731</u>	<u>-</u>	<u>373,731</u>
Total income		<u>560,518</u>	<u>82,433</u>	<u>642,951</u>	<u>411,163</u>	<u>1,054,114</u>
Expenditure on:						
Raising funds	4	9,330	-	9,330	97,773	107,103
Charitable activities	5	<u>552,003</u>	<u>259,034</u>	<u>811,037</u>	<u>172,358</u>	<u>983,395</u>
Total expenditure		<u>561,333</u>	<u>259,034</u>	<u>820,367</u>	<u>270,131</u>	<u>1,090,498</u>
Net income/(expenditure)		(815)	(176,601)	(177,416)	141,032	(36,384)
Transfers between funds	12/13	<u>(1,382)</u>	<u>172,097</u>	<u>170,715</u>	<u>(170,715)</u>	<u>-</u>
Net movement in funds		(2,197)	(4,504)	(6,701)	(29,683)	(36,384)
Reconciliation of funds:						
Total funds brought forward		<u>46,483</u>	<u>3,208,261</u>	<u>3,254,744</u>	<u>32,568</u>	<u>3,287,312</u>
Total funds carried forward		<u>44,286</u>	<u>3,203,757</u>	<u>3,248,043</u>	<u>2,885</u>	<u>3,250,928</u>

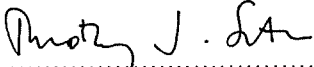
THE STORY MUSEUM
(Company no: 4780380)

BALANCE SHEET
AS AT 31 MARCH 2018

	Note	Charity 2018 £	Group 2018 £	Charity 2017 £	Group 2017 £
FIXED ASSETS					
Tangible assets	9	3,363,737	3,363,737	3,139,606	3,139,606
CURRENT ASSETS					
Stocks		13,893	13,893	12,011	12,011
Debtors	10	160,482	141,492	28,328	28,328
Cash at bank and in hand		<u>208,625</u>	<u>235,024</u>	<u>150,342</u>	<u>150,342</u>
		383,000	390,409	190,681	190,681
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	11	<u>(92,541)</u>	<u>(99,343)</u>	<u>(79,359)</u>	<u>(79,359)</u>
NET CURRENT ASSETS		<u>290,459</u>	<u>291,066</u>	<u>111,322</u>	<u>111,322</u>
NET ASSETS		<u>3,654,196</u>	<u>3,654,803</u>	<u>3,250,928</u>	<u>3,250,928</u>
THE FUNDS OF THE CHARITY					
Restricted income funds	12	91,989	91,989	2,885	2,885
Unrestricted					
Designated funds	13	3,517,524	3,517,524	3,203,757	3,203,757
General funds	13	<u>44,683</u>	<u>45,290</u>	<u>44,286</u>	<u>44,286</u>
		<u>3,654,196</u>	<u>3,654,803</u>	<u>3,250,928</u>	<u>3,250,928</u>

The notes on pages 19 to 25 form part of these financial statements.

These financial statements were approved and authorised for issue by the trustees on 27th September 2018


..... (Trustee)
MR T SUTER

THE STORY MUSEUM
(Company no: 4780380)

GROUP STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2018

	2018 £	2017 £
Cash flows from operating activities:		
Net cash provided by operating activities (analysed below)	<u>340,576</u>	<u>104,726</u>
Cash flows from investing activities:		
Purchase of property, plant and equipment	<u>(255,894)</u>	<u>(172,097)</u>
Net cash (used in) investing activities	<u>(228,274)</u>	<u>(172,097)</u>
 Change in cash and cash equivalents in the reporting period	 84,682	 (67,371)
Cash and cash equivalents at the beginning of the reporting period	<u>150,342</u>	<u>217,713</u>
Cash and cash equivalents at the end of the reporting period	<u>235,024</u>	<u>150,342</u>
Note:		
Reconciliation of net movement in funds to net cash flow from operating activities		
	2018 £	2017 £
Net movement in funds for the reporting period (as per the statement of financial activities)	403,875	(36,384)
Adjustments for:		
Depreciation charges	31,763	52,006
(Increase) in stock	(1,882)	417
(Increase)/decrease in debtors	(113,164)	82,284
Increase/(decrease) in creditors	<u>19,984</u>	<u>6,403</u>
Net cash provided by operating activities	<u>340,576</u>	<u>104,726</u>

THE STORY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2018

1 ACCOUNTING POLICIES

a) General information

This Company is a Charitable Company Limited by Guarantee incorporated in the United Kingdom. The Story Museum is a public benefit entity, registered office 42 Pembroke Street, Oxford, OX1 1BP

b) Presentation of the financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Charities (Accounts and Reports) Regulations and Statement of Recommended Practice "Accounting and Reporting by Charities" (FRS 102) and the Companies Act 2006. These financial statements have been prepared in accordance with Financial Reporting Standard 102, the financial Reporting Standard applicable in the UK and Republic of Ireland.

The Group financial statements consolidated the results of The Story Museum (the "charity") and its subsidiary The Story Museum Trading Limited. No separate Statement of Financial Activities is presented for the charity as permitted by s408 of the Companies Act 2017 and the net income for the year attributable to the charity was £328,268 (2017 £(36,384)). The charity has taken advantage of the exemption under FRS 102 from preparing its own statement of cash flows and key management personnel remuneration.

c) Income

Donations are included when received. Other income is included in the SOFA on an accruals basis.

d) Expenditure

All expenditure is accounted for on an accruals basis and includes irrecoverable VAT. Resources expended are included as costs of generating funds, charitable activities or governance costs depending on the purpose of the expenditure.

e) Tangible fixed assets

Tangible fixed assets are capitalised and depreciated over their useful life as follows:

Equipment	- 3 years
Building improvements	- 25 years

Long leasehold buildings will be depreciated over their useful economic life once the relevant part of the buildings has undergone major improvements. The amount paid for the long lease on the building has been capitalized as fixed assets. Major works on parts of the building are now being capitalised within fixed assets as leasehold improvements.

f) Fund accounting

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or which have been raised by the charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements. Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objects of the charity. Designated funds represent unrestricted funds that have been set aside by the Trustees for particular purposes, details of which are set out in the notes to the financial statements.

g) Volunteer policy

No entries are recorded in the financial statements of the services provided by volunteers.

h) Pension costs

The charity operates a defined contribution pension scheme. Contributions are recognised as an expense when they fall due.

THE STORY MUSEUM
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2018 (CONTINUED)

2 DONATIONS	2018 (7 months) £	2017 (12 months) £
Grants - Arts Council		
Chapter 2	152,968	94,833
G4A	20,400	68,910
Grants – Heritage Lottery	49,147	72,653
Grants - Oxfordshire County Council / Oxford City Council	-	20,000
Other grants and donations	<u>604,852</u>	<u>423,987</u>
	<u>827,367</u>	<u>680,383</u>
 3 INCOME FROM CHARITABLE ACTIVITIES	 2018 (7 months) £	 2017 (12 months) £
Café income	43,214	82,591
Retailing	21,062	34,532
Rent and room hire	46,867	56,410
Publishing income	-	325
Ticketed events	84,514	155,507
Schools programme and teacher training	30,297	44,366
Corporate sponsorship		
Other	<u>14,097</u>	<u>-</u>
	<u>240,051</u>	<u>373,731</u>
 4 EXPENDITURE ON RAISING FUNDS	 2018 (7 months) £	 2017 (12 months) £
Fundraising services and expenses	23,588	28,298
Staff costs	<u>53,833</u>	<u>78,805</u>
	<u>77,421</u>	<u>107,103</u>
 5 EXPENDITURE ON CHARITABLE ACTIVITIES	 2018 (7 months) £	 2017 (12 months) £
Professional fees and expenses relating to outreach, exhibitions and events programme, and trading	122,856	188,355
Staff costs relating to outreach exhibitions and events programme and trading	140,640	285,002
Professional fees and expenses relating to museum building development	87,240	107,086
Staff costs relating to museum building development	<u>72,638</u>	<u>64,997</u>
	<u>423,374</u>	<u>645,440</u>
 Support costs (note 6)	<u>162,748</u>	<u>337,955</u>
	<u>586,122</u>	<u>983,395</u>

THE STORY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2018 (CONTINUED)

6 SUPPORT COSTS	2018	2017
	(7 months) £	(12 months) £
Staff costs	69,923	129,860
Depreciation	31,763	52,007
Office, marketing and professional costs	56,179	152,812
Governance costs (note 7)	<u>4,883</u>	<u>3,276</u>
	<u>162,748</u>	<u>337,955</u>
7 GOVERNANCE COSTS	2018	2017
	(7 months) £	(12 months) £
Auditor's remuneration – audit services	3,800	3,000
Auditor's remuneration – subsidiary company financial statements	750	-
Board meetings	333	201
Other	<u>-</u>	<u>75</u>
	<u>4,883</u>	<u>3,276</u>
8 EMPLOYEE COSTS	2018	2017
	(7 months) £	(12 months) £
Salaries	306,147	517,546
National Insurance	26,187	42,043
Employer's Pension	<u>4,686</u>	<u>8,011</u>
	<u>337,020</u>	<u>567,600</u>

No Trustee received any reimbursement of expenses in the year (2017: one Trustee received payment for books of £75). In addition to the auditors' remuneration above, the auditors received fees of £2,232 for other services performed.

The average number of employees was 34 (2017: 29). The total key management personnel compensation (including employers' national insurance) disclosure was £72,849 (2017: £165,090).

No employees' emoluments exceeded £60,000 in either year.

No Trustees received any remuneration in either year.

THE STORY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2018 (CONTINUED)

9 TANGIBLE ASSETS	Leasehold improvements	Long Leasehold Property	Equipment	Total
Cost	£	£	£	£
At 1 September 2017	1,018,944	2,190,000	81,020	3,289,964
Additions	<u>253,507</u>	<u>-</u>	<u>2,387</u>	<u>255,894</u>
At 31 March 2018	<u>1,272,451</u>	<u>2,190,000</u>	<u>83,407</u>	<u>3,545,858</u>
Depreciation				
At 1 September 2017	85,030	-	65,328	150,358
Charge for period	<u>23,776</u>	<u>-</u>	<u>7,987</u>	<u>31,763</u>
At 31 March 2018	<u>108,806</u>	<u>-</u>	<u>73,315</u>	<u>182,121</u>
Net Book Value				
At 31 March 2018	<u>1,163,645</u>	<u>2,190,000</u>	<u>10,092</u>	<u>3,363,737</u>
At 31 March 2017	<u>933,914</u>	<u>2,190,000</u>	<u>15,692</u>	<u>3,139,606</u>

Charge over leasehold property

As required by the Capital Funding Agreement, The Arts Council of England now has a charge over the charity's leasehold property. This is by way of a first legal mortgage and applies for 20 years from October 2017.

10 DEBTORS	Charity 2018 £	Group 2018 £	Charity 2017 £	Group 2017 £
Trade debtors	13,090	19,366	20,867	20,867
Donations/grants receivable	119,461	119,461	5,000	5,000
Gift Aid	-	-	-	-
Prepayments	2,665	2,665	-	-
VAT debtor	3,234	-	2,211	2,211
Other debtors	-	-	250	250
Due from subsidiary	<u>22,032</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>160,482</u>	<u>141,492</u>	<u>28,328</u>	<u>28,328</u>

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	Charity 2018 £	Group 2018 £	Charity 2017 £	Group 2017 £
Trade creditors	35,841	37,426	62,398	62,398
Other creditors	3,200	4,940	3,200	3,200
Deferred income	20,831	20,831	2,500	2,500
Pension creditor	899	899	952	952
Accruals	31,770	32,520	10,309	10,309
VAT	<u>-</u>	<u>2,727</u>	<u>-</u>	<u>-</u>
	<u>92,541</u>	<u>99,343</u>	<u>79,359</u>	<u>79,359</u>

THE STORY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2018 (CONTINUED)

12	RESTRICTED FUNDS	At 1 September 2017 £	Income £	Expenditure £	Transfers £	At 31 March 2018 £
	Programme, Learning and Participation projects	2,885	111,636	97,532	- -	16,989
	Capital projects					
	Chapter 2	-	<u>309,828</u>	<u>7,754</u>	<u>(227,074)</u>	<u>75,000</u>
	TOTAL CAPITAL PROJECTS	-	<u>309,828</u>	<u>7,754</u>	<u>(227,074)</u>	<u>75,000</u>
	TOTAL RESTRICTED FUNDS	<u>2,885</u>	<u>421,464</u>	<u>105,286</u>	<u>(227,074)</u>	<u>91,989</u>
		At 1 September 2016 £	Income £	Expenditure £	Transfers £	At 31 August 2017 £
	Programme, Learning and Participation projects	<u>2,509</u>	<u>198,434</u>	<u>198,058</u>	-	<u>2,885</u>
	Capital projects					
	Chapter 2	<u>30,059</u>	<u>212,729</u>	<u>72,073</u>	<u>(170,715)</u>	-
	TOTAL CAPITAL PROJECTS	<u>30,059</u>	<u>212,729</u>	<u>72,073</u>	<u>(170,715)</u>	-
	TOTAL RESTRICTED FUNDS	<u>32,568</u>	<u>411,163</u>	<u>270,131</u>	<u>(170,715)</u>	<u>2,885</u>

These all represent income provided for a specific purpose with the closing balance being the unexpended amount at the year end. Where restricted income is used to cover costs capitalised as fixed assets, these are transferred to unrestricted funds.

THE STORY MUSEUM
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2018 (CONTINUED)

13 UNRESTRICTED FUNDS	At 1 September 2017 £	Income £	Expenditure £	Transfers £	At 31 March 2018 £
Designated – long leasehold property and property improvements	3,123,913	-	23,775	253,507	3,353,645
Designated – other fixed assets	15,693	-	7,987	2,386	10,092
Designated – Chapter 2	<u>64,151</u>	<u>320,210</u>	<u>202,954</u>	<u>(27,620)</u>	<u>153,787</u>
	3,203,757	320,210	234,716	228,273	3,517,524
General funds	<u>44,286</u>	<u>325,744</u>	<u>323,541</u>	<u>(1,199)</u>	<u>45,290</u>
	<u>3,248,043</u>	<u>645,954</u>	<u>558,257</u>	<u>227,074</u>	<u>3,562,814</u>
	At 1 September 2016 £	Income £	Expenditure £	Transfers £	At 31 August 2017 £
Designated – long leasehold property and property improvements	2,987,535	-	33,945	170,323	3,123,913
Designated – other fixed assets	31,980	-	18,061	1,774	15,693
Designated – Chapter 1a	9,246	-	9,246	-	-
Designated – Chapter 2	<u>179,500</u>	<u>82,433</u>	<u>197,782</u>	<u>-</u>	<u>64,151</u>
	3,208,261	82,433	259,034	172,097	3,203,757
General funds	<u>46,483</u>	<u>560,518</u>	<u>561,333</u>	<u>(1,382)</u>	<u>44,286</u>
	<u>3,254,744</u>	<u>642,951</u>	<u>820,367</u>	<u>170,715</u>	<u>3,248,043</u>

Designated – Chapter 1a and 2 represent donations which the Trustees have set aside to assist with the next stage of building works.

14 ANALYSIS OF NET ASSETS BY FUND (GROUP)	Unrestricted funds £	Restricted Funds £	Total £
2018			
Fixed assets	3,363,737	-	3,363,737
Net current assets/(liabilities)	<u>199,077</u>	<u>91,989</u>	<u>291,066</u>
	<u>3,562,814</u>	<u>91,989</u>	<u>3,654,803</u>
2017			
Fixed assets	3,139,606	-	3,139,606
Net current assets/(liabilities)	<u>108,437</u>	<u>2,885</u>	<u>111,322</u>
	<u>3,248,043</u>	<u>2,885</u>	<u>3,250,928</u>

THE STORY MUSEUM

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2018 (CONTINUED)

15 CAPITAL COMMITMENTS

As at 31 March 2018 the charity had no capital commitments (2017: £119,592).

16 RELATED PARTY TRANSACTIONS

During the period, donations totalling £20,193 (2017: £12,473) were received by the Charity from the Trustees. The charity paid £6,250 (2017: £6,250) at arms length for consultancy work done by the husband (Moss Cooper) of a Trustee.

17 CONTINGENT LIABILITIES

The Charity had no contingent liabilities as at 31 March 2018 (2017: £4,646 relating to disputed insurance premiums).

18 SUBSIDIARY UNDERTAKINGS

The Charity has a subsidiary company, The Story Museum Trading Limited (company no: 5296271), which delivered the schools programme. A summary of the results for the period ended 31 March 2018 is set out below.

	2018 £	2017 £
Income	28,597	-
Expenditure	<u>27,990</u>	<u>-</u>
Profit for the period	<u>607</u>	<u>-</u>
Assets	32,675	-
Liabilities	<u>32,068</u>	<u>-</u>
Net assets	<u>607</u>	<u>-</u>