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TRUSTEES:

A Volanakis (Chair) (appointed January 2018)
S J Ingram (Former Chair) (resigned May 2018)
L M Walker
A Brigham
J M E Flood
J McIntyre
C M Ferguson
A Wicken
R Peoples
C Connelly

COMPANY REGISTRATION NUMBER: 412205

CHARITY REGISTRATION NUMBER: 311309

REGISTERED OFFICE: 2/3 Castle Street
Cambridge
CB3 0AQ

INDEPENDENT EXAMINERS: Ian W Shipley FCCA
For and on behalf of:
Prentis & Co LLP
Chartered Accountants and Independent Examiners
115c Milton Road
Cambridge
CB4 1XE

BANKERS: Lloyds Bank
3 Sidney Street
Cambridge
CB2 3HQ



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

TRUSTEES' REPORT

The trustees, who are also directors of the charity for the purposes of the Companies Act, present their annual report together with the financial statements of the Museum of Cambridge for the year ended 31st March 2018. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association 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 1st January 2015).

THE TRUSTEES

The trustees who served the company during the period and up to the date of approval of the accounts were as follows:

S J Ingram (Chair from 14 October 2013 to May 2018)

A Brigham

A J Wicken

L M Walker

J M E Flood

C M Ferguson

J McIntyre

A Volanakis (appointed January 2018)

R Peoples (appointed January 2018)

C Connelly (appointed January 2018)

Others who served as trustees during the period were:

D W White (dec'd)

J Greatorex (resigned May 2018)

C E J Biggs (resigned July 2018)

Dr J K Nall (University of Cambridge; resigned November 2017)

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Museum of Cambridge, 2/3 Castle Street, Cambridge, was originally administered by the Cambridge and County Folk Museum Association, a charitable trust, which was incorporated as a Company limited by guarantee in 1947 (Charity no. 311309). The Memorandum and Articles of Association were revised in 2017. The legal body responsible for the museum and its collections is now known as the Museum of Cambridge having adopted the new name at an Extraordinary General Meeting held on February 13, 2014. It is a Company limited by Guarantee without share capital (company number 412205). In the event of an insolvent dissolution, the members will each contribute £10.

RECRUITMENT AND APPOINTMENT OF TRUSTEES

As set out in the Articles of Association, the full Board of Directors is made up of 15 elected members of the Museum, 1 nominee from the University of Cambridge and 2 nominees from the Friends of the Museum of Cambridge. The Board meets on a monthly basis and until January 2018 a Museum Manager was employed to oversee the daily operation of the Museum. Succession planning and the recruitment of new trustees forms a significant strand of work in the Museum's Heritage Lottery-funded Resilience Project.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The charity's objects ('Objects') are specifically restricted to the following: the advancement of education by acquiring (within the Museum's Collection Management Policy) housing and exhibiting and conserving restoring and repairing objects and collections of an educational nature and by establishing, acquiring, managing and maintaining museums, galleries, libraries and other places where such purposes may be achieved; preserving the local heritage and presenting this to the community and wider public; educational activities based upon local history and the museum's artefacts.

Our Mission

We exist as a place where people discover and celebrate the diverse stories of Cambridge, its surrounding area and its people. As we continue to preserve and interpret a dynamic collection, we unlock the past for present and future generations. Connecting communities, we provide a sense of place, identity and heritage.



TRUSTEES' REPORT continued

By creating a resilient and sustainable organisation we will:

- Create an enjoyable and engaging visitor experience for all our users, while also increasing our visitor numbers.
- Connect with and strengthen the bonds between diverse communities in Cambridge and surrounding areas.
- Contribute to local knowledge, understanding and skills using the collection and other Museum resources.

Our Vision

We are a small museum aspiring to share the big stories of Cambridge.

Our Values

- Securing our collections and the stories they tell for future generations.
- Providing a place for discussion and reflection on social issues.
- Embracing the diversity of local communities through positive engagement.
- Encouraging learning in its widest sense and ensuring the visitor experience unpins what we are about.
- Achieving sustainable standards in everything we do.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities for the year.

ACHIEVEMENTS AND PERFORMANCE

The year April 2017 to March 2018 was a critical year for the Museum of Cambridge, during which it faced significant challenges and threats to its future. Project staff delivered some impressive outcomes for our two projects, Capturing Cambridge - funded by Cambridge City Council - and Tracing Traditions - funded by the Esmée Fairbairn Collections Fund and delivered by the Museums Association - but core museum activity was compromised by an increasingly bleak financial situation. Staff members were not replaced as they left, leading to an increasing administrative and operational burden on those who remained.

The Capturing Cambridge Project Manager resigned in April 2017 and was not replaced. Despite this, Hilary Cox Condon, the Community Engagement Officer, delivered a wide range of activities for the Museum, which enabled it to fulfil our mission to connect with and strengthen the bonds between the diverse communities in Cambridge and surrounding areas through positive engagement.

Community collaborations included participation in the Activate project, a two-year programme funded by Cambridge City Council's Sharing Prosperity Fund, which aimed to introduce more children to the arts and cultural opportunities available in Cambridge. The project culminated in *The Museum of Us*, an exhibition that showcased Coleridge Community students' creative connection to Cambridge through artwork, mapping and stories that drew upon Cambridge residents' memories as well as local history and fantasy. *The Museum of Us* was first shown as an interactive piece of theatre at the city's Hotbed Festival of new writing.

Two collaborations were undertaken with Kettle's Yard. The first, a co-collaboration with Arbury Community Centre, celebrated 40 years of the Arbury Carnival. It captured memories and stories for an exhibition that subsequently toured to Tate Modern as part of the Tate Exchange. The second, a project working with young people from Orchard Park explored the role of Chivers Jam in history of Cambridge. The Arbury area has been identified as an area of high socio-economic deprivation.

The Museum partnered with Oblique Arts on a Heritage Lottery-funded project *Oral Histories: Roma & Traveller Communities in Cambridgeshire*, which captured English Gypsy, Traveller and Roma heritage through oral histories, artefacts, photographs and video material with a particular focus on Traveller fairs.

Emma Smith, a visual artist who creates site-specific events and installations, worked with the Museum of Cambridge and other partners on *Hunch*, a public art project that was funded by the University Arms Hotels to mark its redevelopment. The project included the revival of a local tradition - the Good Friday skipping competition - on Parker's Piece. The Skipathon' began with a performance by World Champion skipping rope performer Adrienn Banhegyi, followed by free workshops. An exhibition of historic photographs documenting the skipping tradition on Parker's Piece was curated by the Museum, and project officers were on hand to capture memories of the Easter event.

TRUSTEES' REPORT continued

Outreach work was also carried on in the Museum itself as the community cabinet hosted displays celebrating local stories. *Just Another Human Being* told the story of the local transgender community through testimonies and photographs by photographer Mary Humphrey. *A History of Headway* detailed the work of a charity that works with people impacted by acquired head injuries. *Rick's Radical Mugs* displayed a fascinating collection of mugs gathered by a local enthusiast that illustrated the stories of protests, campaigns and humanitarian struggles.

Community memory-sharing drop-ins continued, often themed around specific topics of particular local interest. Alice Wroe, founder of Herstory, hosted *The Women's Wisdom Café* - a specific Cambridge Herstory event at the Museum - in collaboration with Antony Carpen, a local researcher and blogger. *Shared Stories: Shared Humanity* sessions brought new audiences into the Museum, including refugees recently arrived from Syria as well as the Arbury Asian Women's group. The sessions enabled intergenerational sharing of cultural beliefs and practices and the Museum's collection of domestic objects was used to explore aspects of humanity that link us all. The Museum continued to develop a close relationship with Jimmy's Night Shelter as well as with Rowan, a local charity supporting learning-disabled adults, and older people's groups including the Abbey Seniors Group. The community drop-ins offered a connection with the Museum for those who might experience financial and intellectual barriers to access.

A key part of the Capturing Cambridge project is its website which engages volunteers as Community Editors who collate and publish articles on the website for the areas they cover. The Capturing Cambridge website is now linked to the new Museum website with pages featuring highlights and information about the project.

Hilary Cox Condon contributed to the Steering Group for LGBT History month, liaising with Cambridge City Council, Archives and Records, Encompass, Cambridgeshire County Council and Sexyuality to develop a series of events, exhibitions and collaborations for LGBT History Month.

As a result of its innovative community work, The Museum of Cambridge became one of the twelve 'Pioneer' museums in Diversifying Museum Audiences' a project established by the Arts Councils of England, Wales, Scotland and Northern Ireland. The inclusion of the Museum in this group is testament to Hilary's work on Capturing Cambridge.

In 2017 work got underway in earnest on the Museum's 'Tracing Traditions' project under the leadership of Charlotte Woodley. The project explores how people remember and reinvent age-old traditions for the modern world and how folklore still continues to influence the way we live now. Partnering with the Farmland Museum at Denny End, Whittlesey Museum and the Cambridge Museum of Technology, the project explores new tradition-making and modern folklore through three broad themes: Story Telling (past and present), Calendar Customs and Births, Deaths and Marriages.

Collection volunteers were recruited to work on specific parts of the project, including a review of the written output of the Museum's longest-serving curator, Enid Porter. Work is underway to digitize Enid Porter's notebooks in order to increase their accessibility.

The project has worked with a number of community groups. Intergenerational visits to the Museum and practical workshops were organised for Red2Green, a charity that works with children and adults who are on the autistic spectrum or living with mental ill-health. One such workshop was a Fens Folklore and Medicine Workshop in which participants were invited to create their own folk remedies for common maladies such as the common cold and migraines.

In 2017 the Trustees of Hobson's Conduit Trust began a 10-year programme to record and monitor the ecological diversity of the Conduit, Cambridge's unique watercourse. The programme was launched at a public Bioblitz in June 2017 and the initial findings were presented at an exhibition at the Museum during September and October. The Museum was a natural partner for the Trust; statues from Hobson's fountain reside in the courtyard, having been accessioned during Enid Porter's time as curator, and the collection contains a 17th century portrait of Thomas Hobson. The exhibition featured 14 items from the collection, including photographs, engravings, a wash stand and a Victorian toilet.

Other partners included Cambridge Storytellers, the Museum's Noted Liar's medal appeared at their annual Liars competition, the Timeline Choir, who used a slideshow of images from our collection to accompany its performance of East Anglian folk music, and St Giles Church and its Christmas Tree Festival, where memory cards were left by the Museum's Christmas tree so that visitors could share their Christmas traditions with us.

TRUSTEES' REPORT continued

A key Tracing Traditions exhibition centred on items that Enid Porter had collected. *Safeguards Against Witchcraft* explored the safeguarding traditions and customs employed in Cambridgeshire homes from the 16th century. As our 18th century examples are too delicate to hang, a team of local knitters coordinated by yarn-bomb artist Clare Collier knitted 23 witch balls to hang around the Museum.

Arts Council England recommended the Museum of Cambridge as a partner for a UK National Committee of the International Council on Monuments and Sites project that fitted well with Tracing Traditions. This Intangible Cultural Heritage project funded a creative writing workshop led by poet Leanne Moden that explored the tradition and revival of the Whittlesey Straw Bear Festival.

The Museum Manager and Trustee Lucy Walker continued to participate in a SHARED Enterprise programme on Individual Giving and Legacies, while the Museum continued to benefit from inclusion in Strengthening the Workforce in Museums (SWIM2), a Cambridgeshire County Council & Arts Council England-funded project to recruit and train volunteers and Trustees. Mark Copley, the SWIM2 Project Officer was an invaluable resource when the Museum hit crisis point, as detailed below.

We submitted a re-accreditation return in August 2017 and await the result. The Museum is part of a Cambridgeshire Museums scheme with Harwell Document Restoration Service that supports museums in the event of an emergency with disaster recovery.

The Board were saddened by the death of David White, a long-serving Trustee and former Chairperson, in May 2017. His contributions to the Museum over many years were invaluable and his wisdom and deep knowledge of the Museum have been greatly missed.

The Board was sorry to say goodbye to two Trustees during the year. Caroline Biggs, founder of the Cambridge History Festival and long-term supporter of the Museum stepped down in the first quarter of the year, while University of Cambridge representative Dr Josh Nall stepped down before the Annual General Meeting in November. His successor, Charlotte Connelly, Curator of the Scott Polar Museum, joined the Board early in 2018.

The Museum enjoyed the professional services of a John Lewis visual merchandiser for three months in 2017. Gemma Biggs was granted a secondment from the retailer to the Museum under the John Lewis Partnership's Golden Jubilee scheme to help develop the Museum shop and improve shop performance.

We were able to launch a new website in 2017 thanks to the hard work of volunteer Simon Middleton and Trustee Joe McIntyre. The new website is a great improvement on the old and attracts an average of more than 4500 visits a month.

Despite these achievements and the work carried out under the umbrella of the two funded projects - work that ensured the Museum enjoyed high reputational value - the financial situation worsened considerably. Visitor numbers continued to fall. Admissions for 2017/18 were just over 7,000 of those for 2012/13, the last year before the temporary closure of Kettle's Yard. The Museum's unrestricted reserves continued to decline at an unsustainable rate. Aware of the precarious situation, Cambridge City Council gave significant additional advice and support, which provided the Board of Trustees with time to explore options. A grant from Cambridgeshire County Council facilitated the appointment of a consultant to review Museum operations and prepare a suite of recommendations for an operational restructure. The Board appointed Sam Hunt of Sam Hunt Consulting. Given projections of earned income and with only a slim possibility of success for short to medium-term fundraising, he concluded that even after a range of interim savings and reductions, the Museum could not continue to operate with its complement of staff.

The report included a number of options for the future structure of the Museum and the Trustees approved an option that would see a year-long transition of the Museum into a Trustee-led, volunteer-run organisation by October 2018. The Museum would be run on a voluntary basis with a part-time paid Operations Manager and Trustees assuming executive portfolio roles for key areas of operational activity. During the preparation of the financial reports for the year 2016/17, it became clear that the out-turn for the financial year was considerably worse than expected and in October 2017, the Board of Trustees took the difficult decision to place all staff except those funded by projects at risk of redundancy. Although the accounts were subsequently revised, it became clear that in order to protect what little reserves remained the Board must move to implement the restructure immediately.



TRUSTEES' REPORT continued

The post of Museum Manager was made redundant from 1 January 2018. The fixed contract for the post of Schools Education Officer was not renewed. The Tracing Traditions Project Officer and the Capturing Cambridge Engagement Officer resigned. Crisis talks were held with the Museums Partnership Officer and Cambridge City Council, while discussion began with Arts Council East and Heritage Lottery Fund. SHARE Museums East/Cambridgeshire County Council funded the appointment of a consultant to write a grant application for the Heritage Lottery Fund's Resilient Heritage programme and the bid was submitted in December 2017.

Sam Hunt Consulting's report had also recommended that the Museum, closed for a period during the winter months in order to enable a deep-clean of the Museum's exhibition spaces, offices and courtyard. This recommendation was implemented with the intention of preparing the Museum for the re-opening of Kettle's Yard on 10 February 2018.

When the news of the museum's situation was reported in the local press, a muster call by Trustees for volunteers and supporters received a huge amount of support and a public meeting in early January 2018 attracted over 50 people. A large group of keen volunteers undertook a major refresh and deep clean of the Museum under the guidance of the SWIM2 coordinator.

In January 2018 the trustees were given the good news that the Museum had been awarded £85,200 from HLF's Resilient Heritage programme. The approved purposes of the grant were to:

- Employ a full-time Transitional Project Officer for an 18-month period to manage the Museum while developing and overseeing the organisational transformation of the Museum towards a more sustainable volunteer-based model;
- Develop and expand the volunteer workforce; to review and implement new management procedures for trustees, volunteers and staff; to review the museum's governance so that a board with appropriate skills, direction and training will be in place by January 2019;
- Relaunch the Museum in partnership with Kettle's Yard as part of a new Castle Hill 'Cultural Hub', aiming for significant increases in visitor numbers, events and retail sales.

The Esmee Fairbairn Collection Fund - delivered by the Museums Association approved the continuation of Tracing Traditions despite the departure of the Project Manager and a delayed finish date was agreed. Project Assistant Sarah Dore remained in post and continued to deliver programme activities. The Capturing Cambridge project also continued with the former Community Engagement Officer delivering several activities on a freelance basis.

The Museum re-opened as planned on 10 February 2018 to improved visitor numbers, thanks in part to increased footfall in the Castle Hill area as a result of the re-opening of Kettle's Yard. With no staff, it was only possible to open on Fridays, Saturdays and Sundays with Trustees acting as Duty Wardens. A full programme of displays and activities was offered, however, including the exhibition *All in a Cave of Snow: The Strange Tale of Elizabeth Woodcock*, which explored the customs and traditions around medicine (including herbal medicine) and alcohol. Based on the pamphlet *The Account of the Providential Preservation of Elizabeth Woodcock 1799* by Thomas Verney Okes, a copy of which is held in the museum's collections, it told the tale of an Impington resident who was buried in a snow drift for eight days. Tours and talks were also introduced and an exciting visit to the museum by the Raptor Foundation was organised by Sarah Dore. The Museum also participated in UCM's Twilight at the Museum in collaboration with the Museum of Technology.

The re-opening of the Museum generated a significant amount of positive press coverage including interviews on local radio and a positive review in the weekend of magazine of the French newspaper La Monde.

The current situation and looking to the future

The generous grant from the Heritage Lottery Fund has made a significant difference to the Museum's situation. There is no room for complacency and the financial situation remains volatile but major strides forward have been made. New Trustee Ari Volanakis took over Board responsibility for the HLF Resilience project. 'Securing Our Future', and in May also took over from Sarah Ingram as Chair of the Board, Ari is a museum professional with first-hand experience of delivering a HLF Resilient Heritage project at an independent museum. A full-time Transitional Project Officer was appointed in June. Annie Davis has overseen a transformation of the office space which now boasts a volunteers 'green room' and is working with volunteers and Trustees to perform a root-to-branch overhaul of all of the Museum's operational and management processes and procedures. Cambridge City Council awarded the Museum a grant of £35,000 for 2018/19 to carry on with its Capturing Cambridge project, and new project staff, Natalia Street and Danny Pedler, were appointed to Capturing Cambridge and Tracing Traditions respectively.



TRUSTEES' REPORT continued

In July the Museum resumed full-time opening and even extended its opening, adding hours by an extra hour on Sundays and offering a late-night opening on the first Wednesday of the month. Tours of the Museum are available on Mondays.

A recruitment campaign has recently been held as part of the governance review and development of a fit-for-purpose Board of Trustees. A number of high-calibre applications were received and eleven applicants were shortlisted and interviewed. Six are to be presented to the Annual General Meeting for election by the Members of the Museum and a further five will offer their expertise to the Museum as non-executive Advisors to the Board.

Plans for the immediate future are rightly ambitious. A new governance framework has been agreed that will support the transitional business plan. The main foci for the next three year are financial sustainability, audience development, developing and supporting people (including trustee development), and collection care and operational risk. Each strand will be led by a Trustee acting as a group chair and will incorporate a number of workstreams including:

- Financial processes, fundraising, and improving income from commercial activities;
- Marketing and PR, programming, and interpretation of the Museum and its collection;
- Recruitment, training, development and succession planning of staff and volunteers, including trustees, and the development of the Friends of the Museum;
- Care and digitisation of the collection, maintenance of the building, and Health & Safety policy.

Strategies for each workstream will be fed into the Museum's business plan, which will be presented to the Board for review in January 2019.

The prospects for the future of the Museum are much better now than they were a year ago and this is, in no small part due to the support received from many quarters including Cambridge City Council, Kettle's Yard, UCM partners, the Museums Partnership Officer, and the Heritage Lottery Fund. We received three generous donations from donors who wished to remain anonymous but their contribution made a crucial difference at a time of greatest threat. Above all, the Museum has cause to be grateful to its 60 Volunteers who remained committed to its present and future operation through this most challenging of periods. They magnificently prepared our Museum for its reopening in February; they run our front-of-house operation, care for our collection, carry out administrative duties, run our shop, coordinate volunteer activities, help with building maintenance, offer tours and talks for our visitors and much more. They are the life-blood and the future of the Museum.

RISK MANAGEMENT

The trustees have reviewed the major risks to which the charity is exposed, as identified by them. Systems have been established to manage those risks.

FINANCIAL REVIEW

The museum's financial position at the end of the 2017/18 financial year remained sustainable thanks to the proactive board actions and extraordinary levels of individual, public and organisational support; reducing the staffing cost (largest operational cost), agreeing a negating package with the City Council on the rent (second largest cost) for a limited period, public fundraising campaign and the submission and award of the Heritage Lottery Resilience grant.

The museum sector is being impacted heavily by the economic climate, which has an impact on sustainable operations leading to reduction of the MoC's own impact, with user numbers declining.

Impact however is also the driver for defining its purpose and building a sustainable operation. The project-led operations took the focus away from the basic museum operations and overstretched its capacity.

The MoC is focusing on getting the basics right, growing its positive impact and defining its story and audiences. It now has a much better understanding of its costs and is building a more diverse base of self-generated and funded income; initial changes have helped double the reserves in the first six months of the Heritage Lottery funded project, and extend its opening hours and access to the residents and tourists.



TRUSTEES' REPORT continued

Unrestricted Funds

These represent the basic income and expenditure for the core activities of the Museum.

The Museum completed the financial year on 31st March 2018 with £28,679, compared to £35,163 12 months previously.

Much of that amount resulted from gifts and donations. The need to control costs impacted on staffing, marketing and opening hours which reduced self-generated income considerably.

Basic Operational costs, not including staff, average at £4,500 a month.

The Commercial and Fundraising strategies being developed, alongside the full opening from April with volunteer and project staff support and introduction of the Annual pass address these issues. The unrestricted reserves at the point of writing this report have increased by another £23,463 in the past seven months to a total of £52,115.

Restricted Funds

On 31st March 2018 the museum held £106,104 in restricted reserves categorised below:

Painting fund	46,000
Tracing Traditions	12,728
Heritage Lottery Fund	42,600
Friends Donation	3,976
Friends Event	500
UCM	300

The Museum has received another year's worth of Capturing Cambridge funding from the City Council community grant for 2018/19. Also in 2018/19 the museum is due additional funding from the Tracing Traditions project and for the Resilience project. A community grant application has been submitted to the City Council for 2019/20.

RESERVES POLICY

The Museum holds reserves to both fund future activities and protect the Museum from unforeseen circumstances and falls in income levels. The current level of reserves target is £20,000 sufficient for maintaining operations at current levels for six months. This does not include any staff costs, as these are currently all project-funded, or building reserves. The Reserves policy will be fully reviewed as part of the business plan development by the end of January 2019. It will take consideration of operational costs, staff costs, the building's capital works reserves and appropriate time length for these (six or nine months).

PAY POLICY FOR KEY PERSONNEL

The Museum regularly monitors staff pay comparing salaries with similar posts in other organisations and taking into account the local employment market and current levels of inflation. In April 2015 the trustees adopted the principle of paying their staff the Real Living Wage (Living Wage Foundation); this has been implemented to date.

This report was approved by the trustees on
and signed on their behalf, by:

.....
A VOLANKIS
CHAIR OF TRUSTEES



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

INDEPENDENT EXAMINERS REPORT TO THE TRUSTEES OF THE MUSEUM OF CAMBRIDGE

I report on the accounts of the company for the year ended 31st March 2018 which are set out on pages 9 to 18.

RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND OF THE EXAMINER

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINERS REPORT

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

INDEPENDENT EXAMINERS STATEMENT

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

IAN SHIPLEY FCCA
FOR AND ON BEHALF OF:
PRENTIS & CO LLP
CHARTERED ACCOUNTANTS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £	Total Funds 2017 £
INCOME FROM:					
Donations and legacies	2	7395	-	7395	11083
Income from charitable activities					
Operation of museum and shop	3	29122	-	29122	11261
Other charitable income and grants	4	17620	78652	96272	115068
Investment income	5	125	-	125	282
TOTAL INCOME		54262	78652	132914	137694
EXPENDITURE ON:					
Costs of raising funds	6	7573	-	7573	9081
Charitable activities - Operation of museum	6	53173	54329	107502	180866
TOTAL EXPENDITURE		60746	54329	115075	189947
NET INCOME/(EXPENDITURE) AND NET MOVEMENT IN FUNDS FOR THE YEAR	7	(6484)	24323	17839	(52253)
RECONCILIATION OF FUNDS					
Total Funds brought forward		35163	81781	116944	169197
Total Funds carried forward		28679	106104	134783	116944

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 12 to 18 form part of these financial statements



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

BALANCE SHEET

	Notes	2018		2017	
		£	£	£	£
FIXED ASSETS					
Tangible assets	11		3716		4956
Heritage assets	11		46000		46000
			<u>49716</u>		<u>50956</u>
CURRENT ASSETS					
Stocks		3208		2266	
Debtors	12	5657		11688	
Cash at bank		87837		63446	
TOTAL CURRENT ASSETS		<u>96702</u>		<u>77400</u>	
CREDITORS: Amounts falling due within one year	13		<u>11635</u>		<u>11412</u>
NET CURRENT ASSETS			<u>85067</u>		<u>65988</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>134783</u>		<u>116944</u>
THE FUNDS OF THE CHARITY					
Unrestricted income funds	14		28679		35163
Restricted income funds	15		106104		81781
TOTAL CHARITY FUNDS			<u>134783</u>		<u>116944</u>

For the year ending 31st March 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the Board of Trustees on and were signed on their behalf by:

.....
A Volanakis - Chair of Trustees

The notes on pages 12 to 18 form part of these financial statements.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

STATEMENT OF CASH FLOWS

	Note	2018 £	2017 £
Cash provided by/(used in) operating activities	17	<u>24266</u>	<u>(44827)</u>
Cash flows from investing activities			
Interest income		125	282
Purchase of tangible fixed assets		-	(5455)
Cash provided by/(used in) investing activities		<u>125</u>	<u>(5173)</u>
Increase/(decrease) in cash and cash equivalents in the year		<u>24391</u>	<u>(50000)</u>
Total cash and cash equivalents at the beginning of the year		<u>63446</u>	<u>113446</u>
Total cash and cash equivalents at the end of the year		<u>87837</u>	<u>63446</u>

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The principle accounting policies are summarised below. The accounting policies have been applied consistently throughout the current and previous years.

(a) BASIS OF PREPARATION

The financial statements have been prepared in accordance with 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 1st January 2015) (Charities SORP (FRS 102)), the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Museum of Cambridge meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The accounts are prepared on a going concern basis.

(b) FUND ACCOUNTING

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

(c) INCOME RESOURCES

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.

Investment income is included when receivable.

Incoming resources from trading through the charity's museum shop are accounted for when earned.

Incoming resources from grants, where related to performance and specific deliverables are accounted for as the charity earns the right to consideration by its performance.

(d) RESOURCES EXPENDED

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be recovered, and is reported as part of the expenditure to which it relates:

Costs of generating funds comprise the costs associated with attracting voluntary income and costs of trading for fundraising purposes including the charity's museum shop and café.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTES TO THE FINANCIAL STATEMENTS

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examination fees and costs linked to the operation of the charity's management committee. These are now included within the Charitable expenditure on the Statement of Financial Activities in accordance with the new SORP and FRS 102.

(e) FIXED ASSETS

Fixed assets (excluding investments) are stated at cost less accumulated depreciation. The costs of minor additions, i.e. those costing less than £1000 are not capitalised. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life.

Equipment is depreciated at a rate of 25% on a reducing balance basis.

Heritage Assets are capitalised when specifically purchased. Each asset is reviewed yearly and value amended for any impairment. Due to the nature of assets held as a heritage asset the trustees feel it is not appropriate to depreciate it.

2.	DONATIONS AND LEGACIES			Total Funds 2018	Total Funds 2017
		Unrestricted Funds	Restricted Funds	£	£
		£	£		
	Gifts	7395	-	7395	11083
		<u>7395</u>	<u>-</u>	<u>7395</u>	<u>11083</u>
3.	INCOME FROM CHARITABLE ACTIVITIES - OPERATION OF MUSEUM AND SHOP			Total Funds 2018	Total Funds 2017
		Unrestricted Funds	Restricted Funds	£	£
		£	£		
	Shop income	8830	-	8830	8377
	Tea room income	457	-	457	2279
	Other income	19835	-	19835	605
		<u>29122</u>	<u>-</u>	<u>29122</u>	<u>11261</u>
4.	INCOME FROM CHARITABLE ACTIVITIES - OTHER			Total Funds 2018	Total Funds 2017
		Unrestricted Funds	Restricted Funds	£	£
		£	£		
	Grants	-	78652	78652	79670
	Educational income	9088	-	9088	3984
	Subscriptions and fees	1734	-	1734	993
	Events and lectures	-	-	-	15932
	Admissions	6798	-	6798	14489
		<u>17620</u>	<u>78652</u>	<u>96272</u>	<u>115068</u>

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTES TO THE FINANCIAL STATEMENTS

5.	INVESTMENT INCOME	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £	Total Funds 2017 £
	Bank interest	125	-	125	282
		<u>125</u>	<u>-</u>	<u>125</u>	<u>282</u>

6.	EXPENDITURE ON:	Costs of Raising Funds £	Charitable Activities £	Total 2018 £	Total 2017 £
	Purchases	7573	-	7573	9081
	Staff costs	-	72376	72376	112082
	Premises costs	-	17705	17705	38580
	Administration	-	16181	16181	28552
	Depreciation	-	1240	1240	1652
		<u>7573</u>	<u>107502</u>	<u>115075</u>	<u>189947</u>

Charitable activities are further analysed between direct charitable activities, support and governance costs as follows:

	Direct Charitable Costs £	Support Costs £	Governance Costs £	Total £
Staff costs	72376	-	-	72376
Premises costs	17705	-	-	17705
Administration	-	15226	955	16181
Depreciation	-	1240	-	1240
	<u>90081</u>	<u>16466</u>	<u>955</u>	<u>107502</u>

7.	NET (EXPENDITURE)/INCOME FOR THE YEAR	2018 £	2017 £
	This is stated after charging:		
	Depreciation	1240	1652
	Independent examiners fees	955	900
		<u>2195</u>	<u>2552</u>

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTES TO THE FINANCIAL STATEMENTS

8.	STAFF COSTS AND NUMBERS	2018	2017
	Total staff costs were as follows:	£	£
	Wages and salaries	71329	105812
	Social security costs	1047	2670
		<u>72376</u>	<u>108482</u>

No employee received emoluments of more than £60000.

The average number of employees during the year, calculated on the basis of full-time equivalents was as follows:

	2018	2017
	Number	Number
Administrative and curatorial staff	<u>8</u>	<u>8</u>

The key management personnel of the Museum of Cambridge are the Museum Director and the Board of Trustees whose employee benefits total £30000 (2017: £30000).

9. TRUSTEE REMUNERATION AND RELATED PARTY TRANSACTIONS

No members of the management committee received any remuneration or expenses during the current or previous year.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the current or previous year.

10. TAXATION

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTES TO THE FINANCIAL STATEMENTS

11.	TANGIBLE FIXED ASSETS	Heritage Assets		
		Equipment	Painting	Total
	COST	£	£	£
	At 1st April 2017	31035	46000	77035
	Additions	-	-	-
	At 31st March 2018	<u>31035</u>	<u>46000</u>	<u>77035</u>
	DEPRECIATION			
	At 1st April 2017	26079	-	26079
	Charge for the year	1240	-	1240
	At 31st March 2018	<u>27319</u>	<u>-</u>	<u>27319</u>
	NET BOOK VALUE			
	31ST MARCH 2017	4956	46000	50956
	31ST MARCH 2018	<u>3716</u>	<u>46000</u>	<u>49716</u>

Heritage asset is a painting purchased at cost.

12.	DEBTORS	2018	2017
		£	£
	Trade debtors	12	60
	Other debtors	1481	7464
	Accrued income	4164	4164
		<u>5657</u>	<u>11688</u>

13.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2018	2017
		£	£
	Trade creditors	6399	5137
	Other creditors and accruals	5236	6275
		<u>11635</u>	<u>11412</u>

14.	MOVEMENT IN UNRESTRICTED FUNDS	Balance at			Balance at		
		1st April			31st March		
		2017	Income	Expenditure	2018		
		£	£	£	£		
	General fund	35163	54262	60746	28679		
		<u>35163</u>	<u>54262</u>	<u>60746</u>	<u>28679</u>		

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTES TO THE FINANCIAL STATEMENTS

15. MOVEMENT IN RESTRICTED FUNDS

	Balance at 1st April 2017 £	Income £	Expenditure £	Transfers £	Balance at 31st March 2018 £
Cambridge History Festival	2660	-	2660	-	-
Community Cabinet	248	-	248	-	-
SHARE Education	590	-	590	-	-
Painting Fund	46000	-	-	-	46000
Tracing Traditions	31536	-	18808	-	12728
National Heritage	-	42600	-	-	42600
Cambridge City Council	-	36052	32023	(4029)	-
Other restricted funds	747	-	-	(747)	-
Friends Donation	-	-	-	3976	3976
Friends Event	-	-	-	500	500
UCM/DDR	-	-	-	300	300
	81781	78652	54329	-	106104

RESTRICTED FUNDS

Cambridge City Council - was a donation for the Capturing Cambridge project.

Painting Fund - is grants given for the purchase of the Ward painting and its restoration.

Tracing Traditions - grant for the Project funded by Esmee Fairbairn Collection Fund.

National Heritage - a grant from HLF's Resilient Heritage programme for the purpose of employing a full-time Transitional Project Officer and to develop and expand the volunteer workforce.

16. ANALYSIS OF ASSETS BETWEEN FUNDS

	Tangible Fixed Assets £	Net current assets and liabilities £	Total at 31st March 2018 £
General fund	3716	24963	28679
Designated funds	-	-	-
Restricted funds			
Painting fund	46000	-	46000
Tracing Traditions	-	12728	12728
National Heritage	-	42600	42600
Friends Donation	-	3976	3976
Friends Event	-	500	500
UCM/DDR	-	300	300
	49716	85067	134783

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

NOTES TO THE FINANCIAL STATEMENTS

17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018	2017
	£	£
Net income/(expenditure)	17839	(52253)
Add back depreciation charges	1240	1652
Deduct interest shown as investing activities	(125)	(282)
(Increase)/Decrease in debtors	6031	(5743)
(Increase)/Decrease in stock	(942)	2878
Increase/(Decrease) in creditors	223	8921
	<u> </u>	<u> </u>
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	24266	(44827)
	<u> </u>	<u> </u>

18. OTHER COMMITMENTS

On 31st March 2018 the charity had total commitments under non cancellable operating leases as follows:

	Land and Buildings	
	2018	2017
	£	£
Expiry date:		
In less than one year	<u>5831</u>	<u>5831</u>

The Museum has a lease until November 2033 but is able to terminate it at 3 months notice. In reality it is unlikely to terminate and therefore its total commitment over the whole period of the lease is £345620 (2017: £369185).



The following pages do not form part of the statutory financial statements which are the subject of the independent examiner's report on page 8



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £	Total Funds 2017 £
INCOME				
Income from donations and legacies				
Gifts and donations	7395	-	7395	7778
Legacies and bequests	-	-	-	3305
Income from charitable activities - operation of museum and shop				
Shop income	8830	-	8830	8377
Tea room income	457	-	457	2279
Other income	19835	-	19835	605
Income from charitable activities - other				
Grants	-	78652	78652	79670
Educational income	9088	-	9088	3984
Subscriptions and fees	1734	-	1734	993
Events, lectures and fees	-	-	-	15932
Admissions	6798	-	6798	14489
Investment income				
Bank interest	125	-	125	282
TOTAL INCOME	54262	78652	132914	137694
EXPENDITURE				
Costs of raising funds				
Shop purchases	7573	-	7573	9081
Charitable activities				
Wages and salaries	17000	54329	71329	105812
Employers NIC	1047	-	1047	2670
Other salary costs	217	-	217	697
Temporary staff	-	-	-	345
Consultancy costs	1500	-	1500	2558
Rent and rates	3820	-	3820	24134
Light and heat	5940	-	5940	5320
Repairs and maintenance	6377	-	6377	6463
Insurance	2697	-	2697	2663
Motor and travel costs	100	-	100	395
Telephone and internet	1634	-	1634	2037
Office expenses	4938	-	4938	4621
Advertising	2194	-	2194	5580
Education and exhibitions	-	-	-	1303
Event costs	-	-	-	9029
Collections	880	-	880	1577
Subscriptions	599	-	599	454
Bank charges	890	-	890	1137
Training	645	-	645	380
Miscellaneous	500	-	500	1139
Depreciation	1240	-	1240	1652
Accountancy fees	955	-	955	900
TOTAL EXPENDITURE	60746	54329	115075	189947