

COLLECTIONS TRUST  
ANNUAL REPORT 2010-11

# Company Information

Collections Trust is a charitable company limited by guarantee and originally incorporated on February 28th 1977.

Collections Trust is registered as a charity with the Charity Commission. The company was formed under a Memorandum of Association which established the objectives and powers of the charitable company and is governed under its Articles of Association.

Company Number 1300565

Charity Number 0273984

## **Trustees and Directors**

Ms M Greeves (Chair)

Dr S Keene

Mr G Salway

Mr J Gilbert

Ms J Vitmayer

Mr S Cane

Ms J Carmichael

Mr D. Howarth (appointed 17th June 2010)

Ms N Morgan, MLA (observer)

Mr B Thompson (observer)

## **Audit Committee**

Mr J Card (Chair)

Ms M Greeves

Ms J Vitmayer

Mr J Gilbert

## **Chief Executive & Company Secretary**

Mr N Poole

## **Registered Office**

49-51 East Road, London N1 6AH

## **Bankers**

Barclays Bank Plc

HSBC Bank Plc

## **Auditors**

Crouch Chapman, 62 Wilson Street, London EC2A 2BU

# Contents

Chair's Introduction	4
Chief Executive's Review	5
Achievements 2010-11	6
Our Impact	8
Looking ahead	9
Our Partners	10
Financial Report	11

# Introduction

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For almost 35 years, the Collections Trust has supported museums, archives and libraries in delivering innovative, inspiring and sustainable services to their audiences. Through our networks, our know-how, our partnerships and the services we deliver, the impact of our work on Collections and Digital is felt by hundreds of thousands of people every day.

2010-11 has been a year of challenges and opportunities. Like many of the organisations we work with, the Collections Trust has experienced significant reductions in funding and has had to make difficult choices. In spite of this, our track-record of delivery and innovation continues, evidenced by the range of programmes in this Annual Report.

As Creative & Cultural organisations worldwide address the common challenges of relevance and resilience, it is more important than ever that the Collections Trust is able to maintain and support professional standards, and to help people engage with them.

Looking ahead, we have a strong and clear direction in *Unlocking the Potential*, the Collections Trust's Forward Plan 2011-14. Most importantly, we look forward with enthusiasm to working with the Arts Council England, CILIP, the National Archives, the National Museum Directors Conference and others to explore the new opportunities facing libraries, archives and museums in the UK and Europe.

I am pleased to commend to you this year's Annual Report on behalf of myself and the Board of Trustees.

**Margaret Greeves, Chair, Collections Trust**

# Review 2010-11

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It can sometimes be tempting to focus on the simplest of all business strategies: ‘to survive’. But in times like these, it isn’t enough simply to survive. We must look ahead with optimism and creativity. We must be innovative, preserving the best of the past and using it to inspire a better future.

The Collections Trust is an independent, not-for-profit social enterprise operating in the UK and internationally. Our Memorandum and Articles of Association provide a simple objective: ‘to advance the education of the public by improving the standards and methods of Collections Management’. This objective gives us both our focus and our drive, and helps to ensure that everything we do is geared towards delivering value for end-users.

The launch of *Unlocking the Potential*, our Forward Plan for 2011-14 has given us clarity and direction and enabled us to focus on our core business and the value we add for the sector.

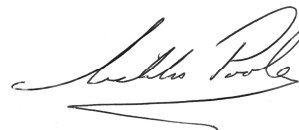
With SPECTRUM 4.0, we are helping museums save money and achieve more. With the new *Collections Link*, we have established a central platform for professional development and collaboration in Collections Management. With our international programmes, we helped bring the richness of UK collections to a global audience. With the *Culture Grid*, we are opening up new channels enabling both the public and the profession to engage with the full breadth and diversity of UK collections. With OpenCulture 2011, we succeeded in establishing a new and compelling event in the cultural calendar.

Much of this work has been delivered thanks to the support of the Museums, Libraries and Archives Council and we look forward to building on this legacy in partnership with the Arts Council England.

Looking ahead, we see even greater things on the horizon. Significant new funding from the European Commission will enable us to work with more institutions to unlock the potential of their physical and digital collections. Excellence in collections – part of Estelle Morris’ review of the Arts Councils priorities – will provide a major new impetus to ensure that best practice delivers impact and value for users. We will be working hard to support the rollout of the revised *Museum Accreditation Scheme* and related initiatives in archives and libraries.

The Collections Trust is both unique and important. We are fortunate to have a team of dedicated and hardworking people who share a common vision of the vital role of Collections Management, as well as a Board of Trustees who give us direction and leadership.

Most of all, however, we depend on our partners, stakeholders and friends, to help us achieve even more for audiences and collections in the years ahead.



**Nick Poole, CEO, Collections Trust**

# Achievements 2010-11

## Collections Link

The Collections Trust launched the 3<sup>rd</sup> generation of *Collections Link*, the award-winning online Collections Management community.

A key platform for our current and future plans, *Collections Link* is our primary channel for publishing and engagement with the sector.

[www.collectionslink.org.uk](http://www.collectionslink.org.uk)



## SPECTRUM 4.0

The publication of *SPECTRUM 4.0* represents the culmination of more than two years of development.

Significantly revised, the new standard features 21 business processes to help museums achieve sustainability and deliver excellent services for their audiences.



## OpenCulture 2011

2011 was the inaugural year for *OpenCulture*, the UK and international Collections Management event organised by the Collections Trust.

Featuring speakers from Google, the BBC and a wide range of cultural institutions, *OpenCulture 2011* succeeded in raising both revenue and the profile of the Collections Trust.



## Q&A: Ed Vaizey MP

In December 2010, the Collections Trust hosted a Q&A event with Minister for Culture Ed Vaizey MP at the Institute of Contemporary Arts (ICA) on the Mall in London.

The event provided an opportunity to quiz the Minister on the coalition's plans for culture and the future of Collections.



## EuropeanaLocal

The Collections Trust led a number of work packages and deliverables for this EU-funded project.

*Europeana Local* focussed on enabling smaller local and regional organisations to make their Collections available online via Europeana.



## ATHENA

Part of the *Europeana* 'family' of projects, *ATHENA* brought together museum organisations across Europe.

The Collections Trust led work packages relating to metadata standards and protocols for unique identification of digital Collections on the Web.



## ENUMERATE

*ENUMERATE* is a 3-year European Commission-funded initiative to achieve a transformation in the availability of statistical evidence about Digitisation.

The *ENUMERATE* Consortium is led by the Collections Trust.

[www.enumerate.eu](http://www.enumerate.eu)



## Culture Grid

Culture Grid is a channel which serves up information about more than 1.7m objects from UK museums, archives and libraries to partners including the BBC and Europeana.

During 2010-11, a series of successful hackdays produced a number of applications highlighting the power of the *Culture Grid*

[www.culturegrid.org.uk](http://www.culturegrid.org.uk)



## Find a Library

Launched at the height of public campaigns about library closures, *Find a Library* allows users to find and interact with libraries based on their location.

*Find a Library* is the first full mobile application built using the Culture Grid API.

[www.findalibrary.org.uk](http://www.findalibrary.org.uk)



## Benchmarks in Collections Care 2.0

*Benchmarks in Collections Care 2.0* represents a comprehensive update to the original – incorporating new collection types and reflecting current best practice in the field.

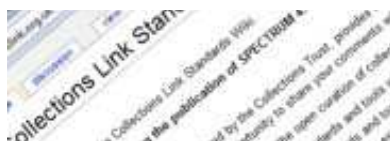


## Standards Wiki

The Collections Trust has always taken a collaborative approach to the sharing of best practice and standards development.

The new standards wiki provides an online platform which enables hundreds of Cultural Heritage professionals to collaborate in the development of our future standards.

[Standards.collectionslink.org.uk](http://Standards.collectionslink.org.uk)



## Research Projects

The Collections Trust delivered several major new research programmes in 2010-11, including a comprehensive *Digitisation Costs Study* for the European Commission and an analysis of the commercial uses of Digital cultural content in partnership with Ithaka and Curtis & Cartwright.

We also worked with the JISC and the Strategic Content Alliance on a number of research activities.



# Our Impact

The Collections Trust works with libraries, archives, museums and galleries throughout Europe to help them improve their Collections Management. Our networks reach around 13,000 cultural organisations each year, representing a workforce of between 50,000 – 250,000 people.

We help cultural organisations build stronger, more sustainable services giving access to their Collections, thus ensuring that their audiences of millions of people each year can enjoy and learn from them.

Through *Collections Link*, the Collections Trust is a focus for knowledge exchange, collaboration, shared infrastructure and innovation. By acting as a hub for the professional Management of Collections, we help reduce duplication and promote more effective practice.

Our work:

- Supports the Creative Economy by helping cultural institutions to develop sustainable products and services based on their Collections
- Supports education & skills by helping to ensure that the tremendous diversity of UK collections are available for teaching, research & study
- Supports the Digital Agenda by gathering and sharing best practices and by providing cost-effective infrastructure to open up Collections online
- Supports tourism by helping cultural organisations continue to deliver world-class collections for enjoyment by millions of real and online visitors
- Supports museums, libraries and archives in achieving greater efficiency in the application of public funds

In addition to the benefit we deliver through our support of the sector, we also develop services with a direct public benefit. These include:

- The *Culture Grid*, opening up access to information about millions of objects in online Collections to mainstream audiences in partnership with consumer services such as the BBC Online and Google.
- *Find a Library*, providing access to information about UK public libraries through a freely-available cross-platform application designed for mobile and handheld devices.

# Looking ahead

The Collections Trust is confident in its plans for the future. Our services and standards will help cultural institutions achieve greater resilience and sustainability, and make the transition towards a more independent future.

*Unlocking the Potential*, our Strategic Plan for 2011-14, sets out an ambitious programme which focuses on consolidating and building on the foundation of products and services which we have established over the last four years.

We will continue to innovate, and to seek new partnerships, but only where these new developments address our core purpose and build on these established services. Our aim in the process is to be recognised worldwide as a Centre of Expertise in Collections Management, and to help drive national cultural development programmes in the UK and elsewhere.

The 5 core Programmes from our Strategic Plan are:

- OpenCulture
- Collections Link
- Culture Grid
- Excellence in Collections
- International

*Collections Link* will continue to grow as the primary channel for our engagement with the sector. We will further develop the *Culture Grid*, particularly in partnership with the BBC and national agencies, to provide an open channel for the discovery of the richness of online Collections in UK museums. *OpenCulture* will incorporate a number of trading and development activities designed to secure our financial sustainability. *Excellence in Collections* brings together all of our standards work into a single, coherent framework designed around supporting excellence in cultural institutions. Finally, we will work to embed *International* as a principle across all of these activities.

The Collections Trust is a unique organisation, with an important role to play in a period of transition and development for cultural institutions everywhere. Our challenge is to ensure that we continue to deliver standards and services that meet the real needs of libraries, archives, museums and galleries and their audiences. It is a challenge that we look forward to with excitement.

# Our Partners

The Collections Trust acts as a hub, connecting a range of different communities. We are fortunate to have been able to work in partnership with a number of organisations who share our vision and are committed to supporting museums, libraries, galleries and archives.

Some of our key partnerships in the previous year have included:

## Supporting Partners

Museums, Libraries and Archives Council (MLA)  
Arts Council England  
CyMAL  
Museums Galleries Scotland  
Arts & Humanities Research Council  
JISC  
MIMAS  
European Commission

## Project Partners

Curtis & Cartwright  
ITHAKA  
Digitaal Erfgoed Nederland  
Stiftung Preussischer Kulturbesitz (SPK)  
National Museum Directors Conference  
Museums Association  
Association of Independent Museums  
CILIP  
National Museums Scotland  
Natural History Museum

## Collections Trust Partners

Knowledge Integration Ltd.  
Click Netherfield  
CSC Windows, Films & Blinds  
D4 Projekt  
Deep Visuals  
The Digital Asset Lab  
Flow Associates  
House of Images  
Jane Arthur Museum & Heritage Consultant  
Meaco  
Metalrax  
Monguz  
Orangeleaf Systems  
Soutron  
Thermo Lignum  
Val Bott Museum & Heritage Consultant

## SPECTRUM Partners

MODES Users Association  
Adlib Information Systems  
System Simulations Ltd  
KE Software Ltd  
Axiell  
Mobydoc  
Gallery Systems  
Selago Design  
zetcom Ltd  
Media Equation  
Vernon Systems  
SKINmuseum

## Collections Trust Affiliates

FLOW Associates  
Patricia Andrew  
Jane Arthur  
Christine Beresford  
Wilma Bouwmeester  
Bridgeman Art Library  
Annelien Bruins  
Sarah Daly  
Alex Dawson  
Frances Halahan  
Margaret Harrison  
Susanna Hillhouse  
Hopkins van Mil  
Emma King  
Naomi Korn  
Heather Lomas  
Laura Martin  
Timothy Mason  
Freda Matassa  
Caroline Reed  
Elaine Sampson  
Robert Taylor  
Jane Weeks

# Financial Report

## Statement of Financial Activities

For the year ending 31<sup>st</sup> March 2011 incorporating an Income & Expenditure Account

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
<b>INCOMING RESOURCES</b>					
<i>Incoming resources from generating funds:</i>					
Voluntary Income: Grants receivable	2	395,218	-	395,218	400,000
<i>Incoming resources from charitable activities:</i>					
Grants receivable	2	-	182,914	182,914	388,597
Projects and programmes	3	-	7,700	7,700	42,443
Retail and fees for services	4	109,725	-	109,725	89,860
<i>Investment income:</i>					
Bank interest receivable		24	-	24	74
<b>Total incoming resources</b>		<u>504,967</u>	<u>190,614</u>	<u>695,581</u>	<u>920,974</u>
<b>RESOURCES EXPENDED</b>					
<i>Costs of generating funds:</i>					
Marketing costs		91,351	-	91,351	77,456
Charitable activities		433,933	217,944	651,877	817,943
Governance costs		24,731	-	24,731	30,196
<b>Total resources expended</b>	5	<u>550,015</u>	<u>217,944</u>	<u>767,959</u>	<u>925,595</u>
<b>Net incoming/(outgoing) resources before transfers</b>		<u>(45,048)</u>	<u>(27,330)</u>	<u>(72,378)</u>	<u>(4,621)</u>
<b>Transfers between funds</b>		-	-	-	-
<b>Net outgoing resources</b>	6	<u>(45,048)</u>	<u>(27,330)</u>	<u>(72,378)</u>	<u>(4,621)</u>
Funds at 1 <sup>st</sup> April 2010		<u>57,583</u>	<u>126,797</u>	<u>184,380</u>	<u>189,001</u>
<b>FUNDS AT 31<sup>st</sup> MARCH 2011</b>	14	<u><u>12,535</u></u>	<u><u>99,467</u></u>	<u><u>112,002</u></u>	<u><u>184,380</u></u>

## Balance Sheet

For the year ending 31<sup>st</sup> March 2011-08-31

	Notes	£	2011 £	£	2010 £
<b>FIXED ASSETS</b>					
Tangible fixed assets	8		5,401		8,842
<b>CURRENT ASSETS</b>					
Stocks		3,614		8,104	
Debtors	9	73,327		246,224	
Cash at bank and in hand		151,467		43,494	
		<u>228,407</u>		<u>297,822</u>	
<b>Creditors: Amounts falling due within one year</b>	10	<u>(89,006)</u>		<u>(122,284)</u>	
<b>NET CURRENT ASSETS</b>			139,401		175,538
<b>Creditors: Amounts due in more than one year</b>	11		<u>(32,800)</u>		<u>-</u>
<b>NET ASSETS</b>			<u>112,002</u>		<u>184,380</u>
<b>Represented by:</b>					
Restricted funds			99,467		126,797
Unrestricted Funds					
Designated		5,000		51,832	
General		<u>7,535</u>		<u>5,751</u>	
			<u>12,535</u>		<u>57,583</u>
<b>TOTAL FUNDS</b>	14		<u>112,002</u>		<u>184,380</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (effective April 2008).

These financial statements were approved by the Trustees on 4<sup>th</sup> August 2011 and are signed on their behalf by:

Ms M. GREEVES, Trustee

## Notes to the Financial Activities

For the year ended 31<sup>st</sup> March 2011

### 1. ACCOUNTING POLICIES

#### a) Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Companies Act 2006 and comply with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued March 2005).

The charity has revised its format of accounts to include headings which are relevant to its activities in order to show a true and fair view.

#### b) Incoming resources

All income is accounted for on a receivable basis. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Grants from MLA allocated to general funds are taken to the income and expenditure account in the year to which they relate.

#### c) Expenditure

Expenditure is included on an accruals basis.

Costs of generating funds include expenditure incurred in publicising and raising awareness of the charity and those incurred in seeking additional income.

Charitable activities costs comprise direct expenditure including direct staff costs attributable to the activity. Irrecoverable VAT is included with the item of expense to which it relates. Costs include expenditure that can be allocated directly to such activities and expenditure of an indirect nature necessary to support them.

Governance costs are those incurred with the management and administration of the charity and compliance with constitutional and statutory requirements.

Support costs are those incurred in support of the activities of the charity and are allocated on a basis consistent with the use of the resource.

#### d) Fund accounting

General funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Designated funds are those which have been set aside at the discretion of the Trustees for specific purposes. The purpose and use of the designated funds is set out in the notes to the financial statements.

Restricted funds are funds subject to specific restriction imposed by donors or by the purpose of the appeal in which the funds are raised.

**e) Tangible fixed assets**

The charity's policy with regard to fixed assets is to capitalise those with a value of over £250 at their purchase together with any incidental expenses of acquisition.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Computer Equipment	4 years straight line
Office Equipment	5 years straight line

**f) Investments**

The financial statements reflect bank interest receivable during the year.

**g) Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items.

**h) Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**i) Pension costs**

The charity is an admitted body to the Cambridgeshire County Council Pension Fund which is a defined benefit pension scheme. Contributions are charged to the Statement of Financial Activities so as to spread the costs of pensions over employees' working lives with the charity. The pension cost is assessed in accordance with the advice of a qualified actuary.

**j) Taxation**

No corporation tax arises on the activities of the company due to its charitable status.

**k) Foreign Currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at net incoming resources.

## 2. GRANTS RECEIVABLE

	Unrestricted Funds	Restricted Funds	Total £	2010 £
Core Funding				
MLA	385,218	-	385,218	390,000
Scottish Museum Council	10,000	-	10,000	10,000
	<u>395,218</u>	<u>-</u>	<u>395,218</u>	<u>400,000</u>
Other grants:				
MLA: Stories of the World	-	45,720	45,720	80,000
MLA: Peoples Record	-	-	-	45,000
MLA: Schools Participation Database	-	5,000	5,000	56,463
European Commission: EuorpeanaLocal	-	-	-	97,766
European Commission: ATHENA	-	-	-	109,368
European Commission: Enumerate	-	119,724	119,724	-
European Commission: Other	-	12,470	12,470	-
	<u>-</u>	<u>182,914</u>	<u>182,914</u>	<u>388,597</u>
	<u>395,218</u>	<u>182,914</u>	<u>578,132</u>	<u>788,597</u>

## 3. PROJECTS AND PROGRAMMES

	2011 £	2010 £
In From the Cold	-	-
CenturyShare	-	34,783
DAVS	-	7,660
Digital Heritage Research Training Initiative	1,900	-
Reviewing Significance Projects	5,800	-
	<u>7,700</u>	<u>42,443</u>

## 4. RETAIL AND FEES FOR SERVICES

	2011 £	2010 £
Retail	61,651	61,811
Membership	17,404	24,500
Events and Training	12,050	2,183
Administration Income	13,768	-
Competition Funding	1,500	-
Other Income	3,352	1,366
	<u>109,725</u>	<u>89,860</u>

## 5. TOTAL RESOURCES EXPENDED

	Costs of Generating Funds £	Retail and Fees for Services £	Projects and Programmes £	Governance £	2011 £	2010 £
<b>Direct costs</b>						
Purchases and Publications	-	26,529	-	-	26,529	34,658
Collections Link	-	-	4,108	-	4,108	70,913
Staff Costs	69,000	29,000	251,682	9,000	358,682	303,834
Recruitment	921	-	1,530	-	2,451	10,056
Staff Training	1,995	-	2,347	-	4,342	5,421
BSI PAS	-	-	5,000	-	5,000	6,687
Travel and Meetings	6,513	9,202	27,833	1,279	44,827	44,686
Audit Fees	-	-	-	5,542	5,542	6,436
Legal Fees	313	-	-	-	313	365
Annual Report	-	-	-	2,711	2,711	-
Website Development	-	-	19,258	-	19,258	-
Marketing	4,948	856	-	-	5,804	5,968
Contracted Services	837	2,208	164,638	-	167,683	306,080
<b>Support costs</b>						
Staff Costs	-	-	-	-	-	42,231
Contracted Services	252	1,756	-	-	2,008	9,434
Premises Costs	3,000	11,996	11,996	3,000	29,992	43,311
Office Running Costs	3,076	12,328	12,301	3,076	30,781	20,072
Bank Charges	-	121	-	-	121	2,015
Depreciation	461	862	2,013	115	3,451	3,084
Loss on Disposal of Fixed Assets	35	65	152	8	260	5,606
Redundancy costs (incl. pension)	-	-	54,096	-	54,096	-
Loss on Foreign Exchange	-	-	-	-	-	4,738
	<u>91,351</u>	<u>94,923</u>	<u>556,954</u>	<u>24,731</u>	<u>767,959</u>	<u>925,595</u>

Support costs have been apportioned on the basis of staff time devoted to particular activities. All staff costs have been attributed directly to cost centres.

## 6. NET INCOMING RESOURCES

2011  
£

2010  
£

*These are stated after charging:*

Depreciation	3,451	3,084
Trustees remuneration	-	-
Trustees reimbursed expenses	451	675
Auditors remuneration	5,542	6,436
Operating lease rentals – Property	-	12,000
	<u>          </u>	<u>          </u>

Expenses reimbursed to two Trustees were for travel costs in connection with the charity's activities.

7. STAFF COSTS AND NUMBERS	2011	2010
	£	£
Wages and salaries	303,323	303,078
Social security costs	23,144	21,075
Pension costs	32,215	21,912
	<u>358,682</u>	<u>346,065</u>

Staff costs include payments to non employees of £nil (2010:£55,037) in respect of work undertaken where the charity does not have an employee in post.

No employee received emoluments of more than £60,000.

The average number of staff (full time equivalent) during the year was as follows:	2011	2010
	Number	Number
Cost of Generating Funds	1.5	1.5
Retail and Fees for Services	4	3.5
Projects and Programmes	5	5.5
Governance	0.5	0.5
	<u>11</u>	<u>11</u>

8. TANGIBLE FIXED ASSETS	Office Equipment
	£
<b>COST</b>	
At 1 <sup>st</sup> April 2010	17,407
Additions	341
Disposals	(529)
At 31 <sup>st</sup> March 2011	<u>17,219</u>
<b>DEPRECIATION</b>	
At 1 <sup>st</sup> April 2010	8,565
Charge for year	3,451
On disposals	(198)
At 31 <sup>st</sup> March 2011	<u>11,818</u>
<b>NET BOOK VALUE</b>	
At 31 <sup>st</sup> March 2011	<u>5,401</u>
At 31 <sup>st</sup> March 2010	<u>8,842</u>

9. DEBTORS	2011	2010
	£	£
Trade debtors	53,146	8,441
VAT recoverable	-	4,115
Prepayments and accrued income	16,959	232,435
Other debtors	3,222	1,233
	<u>73,327</u>	<u>246,224</u>
10. CREDITORS: Amounts falling due within one year	2011	2010
	£	£
Trade creditors	40,953	105,914
Taxation and social security costs	6,794	6,734
Other creditors	3,453	4,198
Accruals and deferred income	27,640	5,438
VAT payable	1,966	-
Pension costs	8,200	-
	<u>89,006</u>	<u>122,284</u>
11. CREDITORS: Amounts falling due in more than one year	2011	2010
	£	£
Pensions costs	<u>32,800</u>	<u>-</u>

£8,200 is payable annually in equal instalments until April 2015 in respect of the pension of an employee who took early retirement in 2010.

## 12. PENSION

Employees of the organisation participate in the Cambridgeshire County Council Pension Fund which is a defined benefit scheme. The assets of the Fund are held in externally managed funds invested by professional investment managers. Participation in the Scheme is by virtue of the organisation's status as an Admitted Body to the Fund.

The last actuarial valuation of the Fund was carried out by independent qualified actuaries as at 31<sup>st</sup> March 2010. The purpose of the valuation was to examine the financial position of the Fund and to recommend the contribution rate to be paid by the organisation and other participating employers in the Fund.

The assets of the Fund are not explicitly allocated to each of the participating employers. It is therefore not possible to state exactly the proportion of the assets in relation to the liabilities of any employer. The market value of the Scheme's assets was £1,494m and these assets were sufficient to cover 72.9% of the liabilities of the Fund at the valuation date – a deficit of £555m.

The valuation method used to determine the organisation's contribution rate was the projected unit method and the following assumptions were made:

Investment Returns	6.1% per annum
Salary Increases	5.3% per annum (2010/11 and 2011/12 restricted to 1%)
Pension Increases	3.3% per annum

The costs of providing pensions to employees of the organisation are charged to the statement of financial activities on a consistent basis over the service lives of the scheme members.

The amount charged to the statement of financial activities for the year ended 31<sup>st</sup> March 2011 relating to normal contributions was £32,215 (2010: £21,912) which is equal to the contributions payable to the Scheme. An additional provision has been made of £41,000 to cover contributions required for the early retirement of a staff member. Contributions totalling £3,260 (2010: £4,198) were payable to the Fund at 31<sup>st</sup> March 2011 and are included in creditors.

Actual payments to the fund, based on salary earnings were calculated at 18.1% (2010: 16.9%) and 6.5% to 6.8% (2010: 6.5 to 6.8%) for employers and employees contributions respectively. The employer contribution rate for 2011/12 will be 20.1%.

### 13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General	Restricted Funds	Total Funds	2011
		£	£	£
Fund balances at 31 March 2011 are represented by:				
Tangible Fixed Assets		5,401	-	5,401
Current Assets		128,940	99,467	228,407
Current Liabilities		(89,006)	-	(89,006)
Liabilities falling due after one year		(32,800)	-	(32,800)
		<u>12,535</u>	<u>99,467</u>	<u>112,002</u>
		<u><u>12,535</u></u>	<u><u>99,467</u></u>	<u><u>112,002</u></u>

14. STATEMENT OF FUNDS

	1 <sup>st</sup> April 2010 £	Income £	Expended £	Transfers £	31 <sup>st</sup> March 2011 £
<b>Unrestricted Funds</b>					
General Funds	5,751	504,967	(495,919)	(7,264)	7,535
Designated:					
Winding-up reserve	46,832	-	(54,096)	7,264	-
Asset reserve	-	-	-	-	-
Other reserve	5,000	-	-	-	5,000
<b>Total Unrestricted Funds</b>	<b>57,583</b>	<b>504,967</b>	<b>(550,015)</b>	<b>-</b>	<b>12,535</b>
<b>Restricted Funds</b>					
SSNConnect	6,576	-	(6,576)	-	-
EuropeanaLocal	86,010	-	(86,010)	-	-
ATHENA	14,202	-	(38,836)	-	(24,634)
In From the Cold	4,184	-	(4,184)	-	-
BBC CenturyShare	15,825	-	(15,825)	-	-
European Commission: Enumerate	-	119,724	(623)	-	119,101
European Commission: Other	-	12,470	(12,470)	-	-
Stories of the World	-	45,720	(45,720)	-	-
Schools Participation Database	-	5,000	-	-	5,000
Projects and Programmes (Note 3 )	-	7,700	(7,700)	-	-
<b>Total Restricted Funds</b>	<b>126,797</b>	<b>190,614</b>	<b>(217,944)</b>	<b>-</b>	<b>99,467</b>
<b>Total Funds</b>	<b>184,380</b>	<b>695,581</b>	<b>(767,959)</b>	<b>-</b>	<b>112,002</b>

**Purpose of Designated Funds**

The purpose of the designated funds is to reserve for the estimated costs of winding up the organisation, replacement of out-dated computer equipment on a rolling three year basis and general contingency reserve. In 2010/11, redundancy costs and associated pension contributions payable have been charged to the winding up reserve. It is the intention of the Trustees to re-established this reserve in future years.

SSNConnect is a service produced by Collections Trust on behalf of the Museums, Libraries and Archives Council who were the project funders. The aim of the service is to provide each Subject Specialist Network with a simple platform which will enable them to publish a website for their SSN, share files and information within the SSN, keep users up to date with the work of the SSN, map collections and develop terminologies. SSNConnect has been developed jointly with Culture24 (formerly the 24 Hour Museum).

EuropeanaLocal is a three year project funded by the European Commission. The project aim is to improve the interoperability of the digital content held by regional and local institutions and make it accessible through Europeana.

ATHENA is co-funded by the Community programme eContentplus. The aim of the project is to harmonise at European level, terminology, cataloguing and descriptive standards for the digital resources produced by museums and other cultural Institutions. Expenditure in the year exceeded grants but the Trustees anticipate that the timing differences will reverse in 2011/12 and cover the deficit carried forward.

Stories of the World: Collections and Communities was an MLA funded project under their 2012 Cultural Olympiad Programme. The project provided support to a group of museums, libraries and archives to enable them to deliver a series of innovative exhibitions, to run in 2011/12, which will feature collections which have been reinterpreted by young people, local communities, historians, and artists. The project was completed during the year and a transfer has been made from General Funds to eliminate the deficit made.