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Charity Number 272381

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CHILTERN OPEN AIR MUSEUM LIMITED

REPORT AND CONSOLIDATED
FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 MARCH 2005

CHILTERN OPEN AIR MUSEUM LIMITED

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2005

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CHILTERN OPEN AIR MUSEUM LIMITED

CHAIRMAN'S STATEMENT

For the year ended 31 March 2005

Finance

Two Easters fell into the year under review so this will have to be remembered when considering the results, both having been successful weekends. Expenditure was held well below budget, continuing the strict control on costs, which then left only a small net deficit. This was contained by generous donations from the Friends and others, the Gala Concert, other income and COAM Enterprises earnings and the overall result is that the Balance Sheet has again been somewhat strengthened.

Last year's pattern of income and expenditure is likely to continue into the future, as the level of admissions to museums generally has been disappointing. It makes it even more necessary to continue efforts to raise the level of income from every visitor.

We are still unsure how the Chancellor's new rulings on Gift Aid donations will be interpreted. This affects all privately owned museums. The rulings are being strenuously opposed by the Museums Association on behalf of the smaller museums.

General Site Notes

Museum Update, our excellent journal, has faithfully chronicled the activities for the year so I will confine myself to the bare outline in this review.

To start, may I thank staff, volunteers and Seetec for making the site ever more attractive year by year by their hard work, particularly during the close season.

We made much more use of our assets, as I called for last year, which our new Director, Sue Shave, has progressed with noticeable effect.

Plans for Marwood Yard are well underway. Volunteer Alan Cornell was appointed to assist the Buildings Manager with the planning and they made significant progress with the technical drawings for the planned re-erection and relocation of the buildings.

Work on the shell for the Mid Site Loos (MSL) was progressed over the year and was nearly complete. The High Wycombe Furniture Factory saw a number of developments including an alternative access path and some new landscaping around the exterior of the building. New caption panels were added to the Chesham Woodware Displays and a DVD was installed in the ground floor office to interpret and explain the exhibits.

After many delays, work on the thatching of Arborfield Barn was about to start at the year end. We look forward to its being used as an outdoor classroom for next season, when the fitting out work is complete.

Planning progressed on a new garden in the style of Gertrude Jekyll for the area around Astleham Manor Cottage. Blythe Road Pavilion will then be set between two gardens, which will improve visitor attraction on entering the site. The herb garden and the dipping pond continued to excite interest and comment. Silver-grey Dorking hens were added to the Farm attractions, there were historic farm demonstrations, and the honest work of husbandry continued thanks to the dedicated support of volunteers, year in, year out, holidays included. Over the winter display benches and exhibits for the new dairy display in Borehamwood Cattle Byre were constructed and the design of the display panels completed. Funding is being sought for the production of these panels.

We attracted a generous level of grant from the Chilterns Conservation Board. This was for use to support the purchase of equipment and materials for improving access for visitors with disabilities including new temporary ramps, regraded paths, visitor guides and adaptations to existing Museum toilets. The second grant was to support the cataloguing of artefacts, with some assistance with additional staffing costs and IT equipment, which has proved to be an immense benefit.

CHILTERN OPEN AIR MUSEUM LIMITED

CHAIRMAN'S STATEMENT (*CONTINUED*)

For the year ended 31 March 2005

Museum Events

We increased the number of events this year. These were very successful and contributed valuable income. New events included period re-enactments that complement our historic buildings, strengthening their interpretation and understanding. The Friends made a significant contribution to these events and their Gala Concert was another success that was greatly enjoyed by everyone and helped to promote COAM to a wider clientele.

Education

School bookings decreased in comparison with the 2003 season, partly due to the good weather that year and the Easter Holiday cutting into the term in March. A full evaluation of the programme was made, resulting in changes to the teachers' resource packs to allow more teacher-led activities. We are currently exploring how we can increase our capacity to take more children each day.

The Bodgers Holiday Club (renamed Arborfield Adventurers) is now run as a partnership between the Museum and the Friends, and the profits have enabled new toys and games to be bought for use by booked groups and childrens' parties.

The Museum and the Hawk and Owl Trust ran a successful pilot scheme for nursery children, called Forest School, with children from Chalfont St Giles Nursery in spring 2004. The Education Officers of both organisations gained Forest School training and qualifications in order to offer this ground-breaking education initiative. Plans for running Forest School on a permanent basis in the future were under way and all the organisations were involved in seeking funding to ensure the continuation of Forest School.

Our third Sandford Award for Excellence in Heritage Education was duly presented to us at the National Award Ceremony in Leeds. The judging was an arduous process, including Health and Safety Procedures, Risk Assessments, Child Protection and other matters, all of which had to be supported by Board-approved documentation.

Archives

Reference to this work is made in the later Section about personnel. The Museum Development Fund awarded a grant to the Chesham Museum and us to cover the cost of a professional conservator to assess our collections and detail the conservation care needed for the collections in the future.

Further artefact training was carried out to improve the knowledge of building stewards, to enhance visitor experience.

Personnel

Joanna Ruddock left us in May 2004 and at her farewell gathering was given tokens of our thanks for a job well done. The appointment of Sue Shave was duly announced in our reputable journal in July and she joined us in September, immediately taking in hand the planning for the next season, together with the task of making more use of our assets (which includes us!). We must all have been impressed by her upbeat *The Director's View*, published in the October issue of *Museum Update*.

Andy Aliffe was appointed in May and immediately raised the profile of Visitor Services to a new height by his enthusiasm and inspirational approach.

We extended the contracts of Jennie Booth, our cleaner, and Chris Maynard, Catering Manager for the winter to cover extra roles. Jennie Booth became Museum Assistant and co-ordinated the artefact cataloguing task and Chris Maynard extended his IT and admin skills to support web site and IT development. The funding for Jennie's new role was partly covered by the CCB grant and the grant from the Roger Vere Foundation; she managed the cataloguing using volunteers and staff so successfully that they completed most of the work needed to support our continuing Museum Registration. Ernie Thomas and Chris Maynard were able to work to improve the web site over the same period.

We continued to work closely with Leanne Thomas of the Hawk and Owl Trust; we both gain tremendously from supporting each other.

CHILTERN OPEN AIR MUSEUM LIMITED**CHAIRMAN'S STATEMENT (*CONTINUED*)**
For the year ended 31 March 2005**Conclusion**

We have taken stock of our position and are ready to apply ourselves to the changes and improvements needed for the next season. This snapshot of the year shows that we are in good shape to make progress, and the Board and our Director are determined that we do so.

The Friends of the Museum continued their support in all things and I always received a cheery greeting when visiting their pavilion; no wonder they were so successful in maintaining the level of their financial contribution. Their support is one of the keys to our financial survival.

I am glad to report the continuing dedication of staff, volunteers and Board members to keeping the Museum looking so pleasant and with such attractive programmes and customer service. The work is demanding, but everyone responds to it wholeheartedly, so I conclude by thanking everyone on your behalf.



The Reverend D J Upcott
CHAIRMAN

15 August 2005

CHILTERN OPEN AIR MUSEUM LIMITED

REPORT OF THE BOARD OF MANAGEMENT

For the year ended 31 March 2005

President

The Rt. Hon. The Lord Carrington K.G., G.C.M.G., C.H., M.C., P.C

Patrons

James Elles MEP
Cheryl Gillan MP
Viscount Norwich
Sir William McAlpine

Paul Daniels Esq.
Sir John Johnson
Lady Wilson
Sir Frank Gibb C.B.E

Board of Management Members

The Board of Management Members who served during the year to 31 March 2005 were:

The Reverend D J Upcott (Chairman)	Mrs J Marsh (resigned 26 January 2005)
Mrs G Cassidy	Mrs J Mulholland
Miss V Clark (company secretary appointed 14 Feb 2005)	Miss S Rose (resigned 14 February 2005)
C Claxton Stevens	E S Thomas
T S Crosby	R Thomas
R T G Day (Treasurer)	Mrs C Upcott

In accordance with the Articles of Association Mr R Thomas, Mrs C Upcott and the Reverend D J Upcott having attained the age of 75, retire at the AGM and offer themselves for re-election under article 40A of the Articles of Association. Mr T S Crosby retires by rotation at the Annual General Meeting and offers himself for re-election.

Museum Director

- Joanna Ruddock (to 21 May 2004)
- Sue Shave (from 1 September 2004)

Auditors

Cansdales
Bourbon Court
Nightingales Corner
Little Chalfont
Bucks HP7 9QS

Bankers

Barclays Bank plc
Cater Allen
COIF Charity Fund

Registered Office and Principal Address

Newland Park
Chalfont St Giles
Buckinghamshire
HP8 4AB

Company Status

The charitable company is limited by Guarantee, Registration No. 1279396 (England), and has no share capital. Each member's guarantee liability is limited to £1. The Museum is a Registered Charity No. 272381

Objects of the Charity

The objects of the charitable company are to stimulate public interest in and to promote and encourage the preservation of buildings of architectural or historical interest and in furtherance of this to:

- establish a Museum within the Chiltern Hills for the restoration in that Museum of historic buildings from the Chiltern Hills
- provide facilities within the Museum whereby parts of demolished buildings can be stored and displayed
- bring to the Museum buildings threatened by demolition or disintegration from other parts of England
- carry out research into the best means of preserving and restoring historic buildings
- co-operate with others in carrying out the above objectives

Constitution and Governance

The Board of Management manages the activities of the charitable company. Its members (who are directors for the purposes of company law and trustees for the purposes of charity law) must be members of the charitable company and can be appointed by the Board until the next Annual General Meeting when they are eligible for election. At every Annual General Meeting one third of the members of the Board of Management retire by rotation and are eligible for re-election. The number of members of the Board shall not be less than five nor more than fifteen. The

CHILTERN OPEN AIR MUSEUM LIMITED

REPORT OF THE BOARD OF MANAGEMENT

For the year ended 31 March 2005

Board of Management normally meets monthly to consider all aspects of the management of the charitable company.

Friends of the Chiltern Open Air Museum

The Friends of the Chiltern Open Air Museum is a separate charity that supports the Museum by fundraising and in other ways.

Review of the Year

A detailed review of the year is given in the Chairman's Statement on pages 1 to 3.

As members will be aware, the Museum has a wholly-owned subsidiary, Chiltern Open Air Museum Enterprises Limited. Under the accounting requirements for charities, consolidated accounts for the Museum and Enterprises have been produced. The following remarks on our financial performance and position refer to the consolidated figures.

In 2004/5, our incoming resources totalled £322,704 and our expenditure was £276,328, giving a net income of £46,376, rather more than the previous year's figure of £40,589.

Donations and legacies increased to over £86,000. Of this, some £42,000 was for designated and restricted projects. Income tax recovered under the revised Gift Aid ruling was slightly less than last year's £10,000.

From activities to further our charitable aims, we attracted income of over £116,000. This was £18,000 less than in the previous year and relates mainly to admissions to the Museum and the education service.

Other activities, including special events staged by ourselves and third parties on our site, generated nearly £97,000, about the same as last year, and included £53,000 of Shop and Catering income. Bank interest and other sundry income produced over £12,000.

On the expenditure side, Shop and Catering costs were both less than previously at some £41,000 against £49,000 in 2003/4. Fund raising and publicity costs rose and total operating costs were about £200,000 against £194,000 last year. The Board considers that our very small staff performs excellent work in controlling costs tightly.

The Statement of Financial Activities on Page 8 of the Report and Financial Statements gives these and other details.

Risk Management

The Board continues to monitor the major risks to which the Museum is exposed. The review of insurance costs, mentioned last year and led by the Director, resulted in a change of insurer with a significant saving in premiums. The Museum staff continues to develop improved risk management policies and have prepared several risk assessments in line with latest Health and Safety regulations.

Reserves

Designated and restricted funds increased by £24,129 in the past year. The general fund increased by £22,247 to £352,041. Of this sum, £331,636 is represented by tangible fixed assets, mainly our revalued administrative buildings. Only £20,405 was in net current assets. Our liquidity situation improved last year but we remained a long way short of the Board's aim to have some £60,000 free cash at the low point of our cycle; that is, at the financial year end. *The Board will continue to avoid major new projects unless they are pre-financed by grants, awards and/or specific donations.*

CHILTERN OPEN AIR MUSEUM LIMITED**REPORT OF THE BOARD OF MANAGEMENT**

For the year ended 31 March 2005

Statement of Board of Management Members' Responsibilities

Company law requires the Board Members to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charitable company for that period. In preparing those financial statements the Board Members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are responsible and prudent;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Board Members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

A resolution to re-appoint Cansdales as auditors to the charitable company will be put to the Annual General Meeting in accordance with section 385 of the Companies Act 1985.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities issued in October 2000 and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

REGISTERED OFFICE:

Chiltern Open Air Museum Ltd
Newlands Park
Gorlands Lane
Chalfont St Giles
Bucks
HP8 4AD

BY ORDER OF THE BOARD:



V K S Clark
SECRETARY

15 August 2005

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
CHILTERN OPEN AIR MUSEUM LIMITED**
For the year ended 31 March 2005

We have audited the consolidated financial statements set out on pages 8 to 18 which comprise the consolidated Statement of Financial Activities, the consolidated Balance Sheet, the company Balance Sheet and related notes numbered 1 to 18. These consolidated financial statements have been prepared under the historical cost convention as modified by the revaluation of certain properties and the accounting policies set out in note 1.

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Board Members and Auditors.

The responsibility of the Board Members (who are directors for the purposes of company law and trustees for the purposes of charity law) for preparing the consolidated financial statements in accordance with applicable law and United Kingdom Accounting Standards is set out in the Report of the Board of Management. Our responsibility is to audit the consolidated financial statements in accordance with relevant legal and regulatory requirements and United Kingdom auditing standards.

We report to you our opinion as to whether the consolidated financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Chairman's Statement and the Report of the Board of Management are not consistent with the consolidated financial statements, if the charitable company or the group have not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Board Members' remuneration and transactions with the charitable company and group is not disclosed.

We read the Chairman's Statement and the Report of the Board of Management and consider the implications for our audit report if we become aware of any apparent misstatements within them. Our responsibilities do not extend to any other information.

Basis of opinion

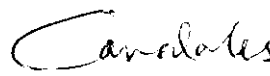
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the consolidated financial statements. It also includes an assessment of the significant estimates and judgements made by the Board Members in the preparation of the consolidated financial statements, and whether the accounting policies are appropriate to the charitable company's and group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the consolidated financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the consolidated financial statements.

Opinion

In our opinion the consolidated financial statements give a true and fair view of the charitable company's and the group's state of affairs as at 31 March 2005 and of the group's incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Bourbon Court
Nightingales Corner
Little Chalfont
Bucks
HP7 9QS


CANSDALES
Chartered Accountants
& Registered Auditors

16 August 2005

CHILTERN OPEN AIR MUSEUM LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (including an Income and Expenditure Account)

For the year ended 31 March 2005

	Note	General Fund	Designated Funds	Restricted Funds	Total 2005	Total 2004
		£	£	£	£	£
Incoming Resources						
Donations	2	43,990	500	17,395	61,885	49,235
Legacies	3	-	-	25,000	25,000	1,000
Income Tax Recovered		9,455	-	193	9,648	10,095
Activities to further the charitable company's objects:						
Grants		-	-	6,471	6,471	2,485
Admissions - Public and Groups		48,739	-	-	48,739	56,977
Educational Service		57,099	-	-	57,099	69,667
Guide Books and Maps		4,246	-	-	4,246	4,855
Activities to Generate Funds:						
Exhibition Team/HD Events		32,151	-	-	32,151	34,186
Special Event Income		10,122	500	1,505	12,127	5,084
Shop and Catering		52,540	-	-	52,540	58,142
Investment Income and Interest		4,376	-	-	4,376	2,628
Sundry Income		8,422	-	-	8,422	9,518
Total Incoming Resources		271,140	1,000	50,564	322,704	303,872
Resources Expended						
Costs of generating funds:						
Shop & Catering		41,256	-	-	41,256	49,220
Fundraising and Publicity		33,323	-	1,364	34,687	20,448
	4	74,579	-	1,364	75,943	69,668
Charitable Expenditure:						
Cost of activities in furtherance of the charitable company's objects:						
Special Activities		-	-	-	-	5,686
Educational Service		31,508	-	-	31,508	31,880
Museum Site Costs		97,809	2,181	9,796	109,786	95,782
Support Costs		42,275	356	243	42,874	48,667
Management and Administration		16,217	-	-	16,217	11,600
	5	187,809	2,537	10,039	200,385	193,615
Total Resources Expended		262,388	2,537	11,403	276,328	263,283
Net Income before Transfers	6,13	8,752	(1,537)	39,161	46,376	40,589
Transfers between Funds	13,15	13,495	-	(13,495)	-	-
Net movement in Funds		22,247	(1,537)	25,666	46,376	40,589
Total Funds at 1 April 2004		329,794	23,142	53,689	406,625	366,036
Total Funds at 31 March 2005	13	352,041	21,605	79,355	453,001	406,625

There were no recognised gains or losses other than the result for the year.

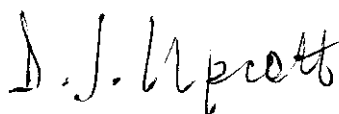
CHILTERN OPEN AIR MUSEUM LIMITED

GROUP AND CHARITABLE COMPANY BALANCE SHEETS

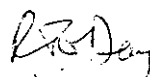
At 31 March 2005

	Note	Group 2005	2004 £	Charitable company 2005	2004 £
Fixed Assets					
Tangible assets	8	331,636	314,024	330,258	312,733
Investments	9	-	-	2	2
		<u>331,636</u>	<u>314,024</u>	<u>330,260</u>	<u>312,735</u>
Current Assets					
Stocks		13,233	13,338	5,658	6,761
Debtors	10	27,743	6,693	26,952	5,635
Cash at bank and in hand		109,250	95,457	96,924	89,566
		<u>150,226</u>	<u>115,488</u>	<u>129,534</u>	<u>101,962</u>
Creditors: Amounts falling due within one year	11	<u>28,861</u>	<u>22,887</u>	<u>24,091</u>	<u>27,847</u>
Net Current Assets		<u>121,365</u>	<u>92,601</u>	<u>105,443</u>	<u>74,115</u>
Total Assets less Current Liabilities		<u>453,001</u>	<u>406,625</u>	<u>435,703</u>	<u>386,850</u>
Accumulated Fund					
General fund	13	119,291	97,044	101,993	77,269
Designated Funds	13	21,605	23,142	21,605	23,142
Restricted Funds	13	79,355	53,689	79,356	53,689
		<u>220,251</u>	<u>173,875</u>	<u>202,953</u>	<u>154,100</u>
Revaluation Reserve	13	232,750	232,750	232,750	232,750
		<u>453,001</u>	<u>406,625</u>	<u>435,703</u>	<u>386,850</u>

These consolidated financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and the Financial Reporting Standard for Smaller Entities (effective June 2002). The consolidated financial statements were approved by the Board on 15 August 2005 and are signed on its behalf by:



Rev DJ Upcott
Chairman



RTG Day
Treasurer

CHILTERN OPEN AIR MUSEUM LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2005

1. ACCOUNTING POLICIES

Accounting basis

The consolidated financial statements have been prepared under the historical cost convention as modified for the revaluation of certain fixed assets and in accordance with applicable accounting standards and the Statement of Recommended Practice "Accounting and Reporting by Charities", issued October 2000. These consolidated financial statements include the results of the subsidiary company, Chiltern Open Air Museum Enterprises Limited. As permitted by section 230 of the Companies Act 1985 the Statement of Financial Activities of the charitable company alone is not presented as part of these consolidated financial statements. The surplus for the year dealt with in the financial statements of the charitable company alone was £48,853 (2004: £29,859). The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Fixed Assets

Only the charitable company's administrative buildings are capitalised. At present the exhibition buildings are not capitalised unless they are also administrative buildings, as explained in Note 8. Items costing less than £1,000 and gifts in kind of assets valued by the Board of Management at less than £1,000 are not capitalised. Gifts in kind of fixed assets are capitalised at their estimated market value, and depreciated in accordance with the policy for that particular class of asset as set out below.

Depreciation

Depreciation of fixed assets is provided at rates to write off the cost or revalued amount, less any estimated residual value, of each asset over its expected useful life, as follows:

Plant & equipment	20% per annum on a reducing balance
Administrative buildings	5% per annum on a reducing balance excluding amounts capitalised during the year
Catering equipment	25% per annum on a reducing balance

Stock

Stock represents guidebooks and shop and catering stocks at the lower of cost and net realisable value after making due allowances for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Income receivable

Donations, legacies and other forms of voluntary income are accounted for when received. Grants receivable are accounted for over the period to which the grant relates or otherwise in accordance with the terms of the grant.

Allocation of costs

The operating costs are allocated between costs of generating funds and costs of activities in furtherance of the charitable company's objects, including support costs and management and administration costs as follows:

- a. Staff costs are allocated by estimating the time spent by each individual member of staff on each area of activity. Time spent managing Museum projects is included as charitable expenditure. The charitable company is grateful for the input of all its volunteers who, as well as being involved in the general activities of the charitable company and assisting with the administration of Museum activities, undertake nearly all the accounting and other administrative work.
- b. Other expenditure is allocated in accordance with the basic purpose of each expenditure heading. The cost of accommodation for administrative employees and volunteers has not been estimated.

Expenditure is accounted for on an accruals basis, inclusive of VAT where this cannot be recovered.

CHILTERN OPEN AIR MUSEUM LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2005

1. ACCOUNTING POLICIES (CONTINUED)

Pensions

The charitable company offers a stakeholder pension scheme to all employees. To date no members of staff have joined the scheme. The charitable company does not offer contributions to the scheme.

Operating lease agreements

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

Tax status

The charitable company is a registered charity and therefore it is not assessable to corporation tax on any surplus charitable funds.

Funds accounting

Funds held by the charitable company are:

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the Board of Management.

Designated funds – these are funds set aside by the Board of Management out of unrestricted general funds for specific future purposes or projects.

Restricted funds – these are funds which can only be used for particular purposes within the objects of the charitable company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

The nature and purpose of each fund is explained further in the notes to the financial statements.

2. DONATIONS

	General Fund £	Designated Funds £	Restricted Funds £	Total 2005 £	Total 2004 £
Friends of Chiltern Open Air Museum	23,477	-	9,105	32,582	20,236
Other Donations	20,513	500	8,290	29,303	28,999
	<u>43,990</u>	<u>500</u>	<u>17,395</u>	<u>61,885</u>	<u>49,235</u>

The donations shown as restricted funds above are for the purposes as set out in note 15.

General fund other donations include gifts in kind of computer equipment with an estimated market value of £4,000 and a saw with an estimated market value of £3,000.

3. LEGACIES

The charitable company benefited from a legacy of £25,000 during the year from the estate of the late Trevor Marwood. This legacy was restricted for the purpose of a new capital project, which is now known as the Marwood Yard, and is shown as such in note 15.

CHILTERN OPEN AIR MUSEUM LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2005

4. COSTS OF GENERATING FUNDS

	Shop & Catering	Fundraising & Publicity	Total 2005	Total 2004
				£
Special Event costs	-	7,971	7,971	3,521
Special Project costs	-	-	-	3,503
Site improvements, maintenance, repairs & sundry tools	-	-	-	114
Wages & salaries	9,948	3,500	13,448	16,327
Publicising the Museum & Special Events	-	23,216	23,216	12,777
Shop & catering cost of sales	29,132	-	29,132	29,864
Printing, postage, stationery & publications	5	-	5	59
Sundry Running Expenses	191	-	191	1,039
Depreciation	460	-	460	439
Audit & accountancy	1,455	-	1,455	1,840
Bank Charges	65	-	65	185
	<u>41,256</u>	<u>34,687</u>	<u>75,943</u>	<u>69,668</u>

5. COSTS OF ACTIVITIES IN FURTHERANCE OF THE CHARITABLE COMPANY'S OBJECTS

	Educational Service	Museum Site Costs	Support Costs	Mgt & Admin.	Total 2005	Total 2004
	£	£	£	£	£	£
Educational service	15,587	-	-	-	15,587	16,970
Guidebooks and maps	-	1,104	-	-	1,104	1,300
Rent, rates and water	-	3,436	-	-	3,436	3,368
Special Project costs	-	-	-	-	-	-
Removing, re-erecting and repairing buildings	-	-	-	-	-	1,162
Farm Expenses	-	3,180	-	-	3,180	4,542
Equipment Rental	-	-	-	940	940	-
Site improvements, repairs and sundry tools	-	40,260	-	-	40,260	33,648
Wages and salaries	15,921	46,213	22,806	4,858	89,798	84,337
Printing, postage and stationery	-	-	7,358	-	7,358	5,583
Telephone and radios	-	-	4,185	-	4,185	3,340
Subscriptions	-	-	219	-	219	393
Light and heat	-	7,360	-	-	7,360	7,593
Cleaning and waste disposal	-	2,201	-	-	2,201	2,424
Sundry expenses	-	-	-	3,333	3,333	5,058
Depreciation	-	-	-	3,326	3,326	2,323
Audit and accountancy	-	-	-	3,335	3,335	4,459
Insurance	-	-	8,306	-	8,306	9,382
Bank Charges	-	-	-	425	425	384
Irrecoverable VAT	-	6,032	-	-	6,032	7,349
	<u>31,508</u>	<u>109,786</u>	<u>42,874</u>	<u>16,217</u>	<u>200,385</u>	<u>193,615</u>

CHILTERN OPEN AIR MUSEUM LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2005

6. NET MOVEMENT IN FUNDS

The net movement in funds is stated after charging:

	2005	2004
	£	£
Depreciation	460	439
Non-audit fees paid to the auditors	285	3,299
Auditors' Remuneration	3,050	3,000
Trustees Expenses	NIL	NIL

7. STAFF COSTS

	2005	2004
	£	£
Wages and salaries	115,108	110,096
Social Security Costs	8,286	7,488
	123,394	117,584

No employee was paid at a rate in excess of £50,000 per annum. The average number of employees during the year was eight (2004: Six). No member of the Board of Management received any remuneration or reimbursement of expenses.

8. TANGIBLE FIXED ASSETS – GROUP AND CHARITABLE COMPANY

	Administrative Buildings & Museum Exhibits	Plant and Equipment	Catering Equipment	Total
	£	£	£	£
COST or VALUATION				
At 1 April 2004	318,389	27,221	12,852	358,462
Additions	13,851	7,000	547	21,398
Disposals	-	-	-	-
At 31 March 2005	332,240	34,221	13,399	379,860
DEPRECIATION				
At 1 April 2004	13,129	19,748	11,561	44,438
Charge for the year	432	2,894	460	3,786
Disposals	-	-	-	-
At 31 March 2005	13,561	22,642	12,021	48,224
NET BOOK VALUES				
At 31 March 2005	318,679	11,579	1,378	331,636
At 31 March 2004	305,260	7,473	1,291	314,024

The catering equipment relates solely to the subsidiary company. All other assets belong to the charitable company.

CHILTERN OPEN AIR MUSEUM LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2005

8. TANGIBLE FIXED ASSETS – GROUP AND CHARITABLE COMPANY (CONTINUED)

Administrative buildings includes the following:

	2005	2004
	£	£
Educational Building	5,558	5,850
Stores	265	279
Two General Purpose Huts	2,386	2,513
Administrative Office Building (Astleham)	219,007	219,007
Mid-Site Toilets	13,851	-
Blythe Road Pavilion	13,743	13,743
Toilet Facilities	63,868	63,868
TOTAL	318,678	305,260

Since 1999 the Astleham Manor Cottages and the Blythe Road Pavilion, which are both Museum exhibits, have also been used as administrative buildings. The Astleham Manor Cottages serve as the charitable company's administrative centre and also house the centralised security system. The Blythe Road Pavilion has been converted to serve as the Museum's main entrance facility and also house the shop.

As a result of these changes, and in compliance with the charitable company's accounting policy for fixed assets, the buildings were valued at 31 March 1999 by the charitable company's treasurer, RTG Day, and capitalised. The valuation was based on the cost to the charitable company of dismantling, restoring and re-erecting the buildings, including the cost of materials and purchased services. The valuations do not include the value of volunteer labour used. This basis of valuation is consistent with the valuation of other previously capitalised administrative buildings. The valuations have not been updated following the introduction of Financial Reporting Standard 15 "Tangible Fixed Assets" as the transitional provisions of the standard have been applied.

The Board of Management have reviewed the useful economic life of the buildings included in fixed assets, the majority of which are exhibit buildings as well as being used for administrative purposes. The Board decided that these assets should be depreciated at a rate of 5% per annum on a reducing balance basis, excluding amounts capitalised during the year. The Board also considered the expected residual value of the buildings, and, in the light of these valuations, the policy of regular repair and maintenance and the fact that the buildings are also exhibits, decided that any charge for depreciation on these buildings would not be material.

Exhibit buildings and artefacts

The Statement of Recommended Practice "Accounting and Reporting by Charities", issued in October 2000 ("the SORP"), recommends that charities should follow the requirements of Financial Reporting Standard 15 and include all fixed assets on the Balance Sheet. In principle this includes all inalienable and historic assets. However the SORP recognises that it may be difficult or costly to attribute a cost or valuation to such assets and recommends that charities should pay particular attention to the costs of generating the information compared with the benefit of so doing, taking into account the costs of researching past records. The Board of Management have reviewed past records and are unable to reliably establish the cost of the existing exhibit buildings and artefacts.

The value of the Mid-Site Toilets represents the money spent during the year ended 31 March 2005 on the development of the site.

The table on the next page gives an indication of the values of the exhibit buildings and artefacts, based on a valuation carried out by Richard S Amsden, who was a Fellow of the Institute of Civil Engineers. The valuation is based on estimates of original costs and has been amended to reflect an annual adjustment for inflation and the cost of any additions and improvements. The values are an approximation of the current costs of dismantling and erecting the exhibit buildings and artefacts onto the site assuming a proportion of volunteer labour is used.

CHILTERN OPEN AIR MUSEUM LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (*CONTINUED*)

For the year ended 31 March 2005

8. TANGIBLE FIXED ASSETS – GROUP AND CHARITABLE COMPANY (*CONTINUED*)

	2005	2004
	£	£
Amersham Prefab	5,171	5,020
Arborfield Barn	40,116	38,948
Boreham Wood	9,881	9,593
Buildings in Store	45,166	43,850
Didcot Cart Shed	31,618	30,697
Elliott's Furniture Factory	36,466	35,404
Garston Forge	6,073	5,896
Glory Mill Storage Building	17,249	16,747
Gorhambury Cartshed	7,495	7,277
Henton Chapel	8,111	7,875
Hill Farm Barn	61,765	59,966
Iron Age House	7,666	7,443
Jackson's Studio	15,660	15,204
Jenners Pavilion	3,729	3,620
Leagrave Cottages	65,632	63,720
Marsworth Buildings	23,206	22,530
Northolt Barn	51,686	50,181
Other Miscellaneous Buildings	4,224	4,101
Princes Risboro' Pig Sties	272	264
Rossway Granary	10,337	10,036
Shepherds Hut	904	878
Skippings Farm Barn	60,509	58,747
Thame Vicarage Room	12,572	12,206
Toll House	21,580	20,951
Well Head Gear	1,421	1,380
Wing Granary	4,233	4,110
ARTEFACTS		
Henton	848	823
Rack Saw	274	266
Furniture and Artefacts in Toll House	3,285	3,189
Blythe Road Exhibition	1,791	1,739
Vicarage Room Artefacts	896	870
Prefab Artefacts	1,492	1,449
Leagrave Artefacts	4,673	4,537
The Chesham Collection	4,345	4,218
Other items	11,940	11,592
TOTAL	582,286	565,327

9. FIXED ASSET INVESTMENTS

The investment represents the cost of a 100% holding in Chiltern Open Air Museum Enterprises Limited, an unlisted company which operates the catering and gift sales facilities at the Museum. The turnover of the company in the year ended 31 March 2005 was £52,540 (2004: £58,142), generating a profit of £11,680 (2004: £14,232) before gift aid donations to Chiltern Open Air Museum Limited of £14,157 (2004: £3,502). The total capital and reserves of the subsidiary company at 31 March 2005 were £17,300 (2004: £19,775).

CHILTERN OPEN AIR MUSEUM LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2005

10. DEBTORS

	Group		Charitable company	
	2005	2004	2005	2004
	£	£	£	£
Grant Debtors	6,471	-	6,471	-
Prepayments and other debtors	21,272	6,693	20,481	5,635
	<u>27,743</u>	<u>6,693</u>	<u>26,952</u>	<u>5,635</u>

11. CREDITORS: Amounts falling due within one year

	Group		Charitable company	
	2005	2004	2005	2004
	£	£	£	£
Other creditors	25,907	16,944	19,328	14,620
Amount due to group undertakings	-	-	1,809	7,284
Social security and taxation	2,954	2,644	2,954	2,644
Loan	-	3,299	-	3,299
	<u>28,861</u>	<u>22,887</u>	<u>24,091</u>	<u>27,847</u>

Other creditors includes deferred income relating to school visits paid in advance of £1,365 (2004: £2,016).

The loan of £3,299 in 2004 was for the purchase of guidebooks and was interest free. This loan was repaid during the year.

12. SHARE CAPITAL

The charitable company is a company limited by guarantee and therefore has no share capital. Each member's guarantee is limited to £1 whilst they are a member and for one year after ceasing to be a member. At 31 March 2005 there were fifty one members (2004: fifty two).

13. MOVEMENT OF FUNDS

	Restricted Funds	Designated Funds	General Fund	Revaluation Reserve	Total
	£	£	£	£	£
At 1 April 2004	53,689	23,142	97,044	232,750	406,625
Net income before transfers	39,161	(1,537)	8,752	-	46,376
Transfers	(13,495)	-	13,495	-	-
At 31 March 2005	<u>79,355</u>	<u>21,605</u>	<u>119,291</u>	<u>232,750</u>	<u>453,001</u>

CHILTERN OPEN AIR MUSEUM LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2005

14. DESIGNATED FUNDS

	Balance 1 April 2004	Income	Outgoings	Transfers	Balance 31 March 2005
	£	£	£	£	£
Dunstable	16,065	-	-	-	16,065
Leagrave Artefacts	-	-	-	-	-
Interpretation Boards	101	-	-	-	101
Taaffe - Radios and Chainsaws	929	-	(356)	-	573
H Law Donation	592	-	-	-	592
Thatching Replacement Fund	5,355	500	(2,181)	-	3,674
Forge information boards	100	-	-	-	100
Other Designated Funds	-	500	-	-	500
	<u>23,142</u>	<u>1,000</u>	<u>(2,537)</u>	<u>-</u>	<u>21,605</u>

15. RESTRICTED FUNDS

	Balance 1 April 2004	Income	Outgoings	Transfers	Balance 31 March 2005
	£	£	£	£	£
Furniture Industry Initiative	9,245	-	(651)	-	8,594
Jacksons Studios	1,068	-	-	-	1,068
Ernest Cook Trust for Education	1,363	-	-	-	1,363
Mid-Site Toilets	17,215	15,894	-	(13,851)	19,258
Princes Risboro' Pig Sties	4,414	-	-	-	4,414
Arborfield Barn	16,765	640	(2,200)	-	15,205
CCB - Disabled Access	-	4,498	(4,192)	-	306
CCB - Artefacts	-	1,973	(2,329)	356	-
Marwood Yard	-	25,000	-	-	25,000
Other Restricted Funds	3,619	2,559	(2,031)	-	4,147
	<u>53,689</u>	<u>50,564</u>	<u>(11,403)</u>	<u>(13,495)</u>	<u>79,355</u>

The restricted funds are used for the purposes shown above. In particular the Marwood Yard fund represents the money from the legacy shown in note 3. This money is to be spent on a new building area, to be known as the Marwood Yard, in the grounds of the Museum.

At 31 March 2005 capital expenditure on the Mid Site Toilets project had been incurred leaving an available balance in restricted reserves of £19,258 to complete the project.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets	Investments	Net current assets	Total
	£	£	£	£
Restricted Funds	-	-	79,355	79,355
Designated Funds	-	-	21,605	21,605
	-	-	100,960	100,960
General Funds	331,636	-	20,405	352,041
	<u>331,636</u>	<u>-</u>	<u>121,365</u>	<u>453,001</u>

CHILTERN OPEN AIR MUSEUM LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (*CONTINUED*)

For the year ended 31 March 2005

17. RELATED PARTIES

In the year ended 31 March 2005 the charitable company received £9,948 from Chiltern Open Air Museum Enterprises Limited in respect of recharged wages and salaries. (2004: £12,177). A loan of £6,000 was repaid to Chiltern Open Air Museum Enterprises Limited during the year. At 31 March 2005 £1,809 (2004: £7,284) was due to Chiltern Open Air Museum Enterprises Limited from the charitable company.

Chiltern Open Air Museum Enterprises Limited paid Chiltern Open Air Museum Limited gift aid of £14,157 during the year. (2004: £3,502). This amount has been eliminated in these financial statements as they are a consolidation of these two entities.

18. OPERATING LEASE COMMITMENTS

The charitable company has the following annual commitments under non-cancellable operating leases, none of which relate to land and buildings:

	2005	2004
	£	£
Expires within 2 - 5 years	754	-