



Annual report 2006/07

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MUSEUMS
ASSOCIATION



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AGM 2006

Director's introduction

The statistic that pleases the council and staff of the Museums Association (MA) most is that individual membership has risen by 16 per cent in five years. This means that we are now representing a further 750 people in the museum sector. The association uses this as its premiere performance indicator because it shows us that we are consistently providing the services that convince people to become or remain members.

There are many reasons for this growth. The most obvious is that the association understands and delivers what people want. Members now receive Museum Practice as well as Museums Journal and recognise the extraordinary levels attained by all our publications and online resources. The quality of our professional development and events programmes is renowned as being professional and rigorous, yet also engaging and responsive to members' needs.

Our growing size and influence means we can be effective in lobbying and advocacy, particularly with our initiatives that reflect the concerns of the museum community. These include: the campaign to address the appalling salaries in museums; the work to create a more diverse and representative workforce; the investigation into entry into the profession; the defending of the ethical principles on which we all depend for people's trust; and the drive, following Collections for the Future and now Effective Collections, to put objects and people's engagement with them at the heart of what museums do.

More and more people understand the importance of standing together as one community and speaking with one voice. They see external factors that appear to be conspiring to divide and demoralise a sector that has so much more in common than it has differences. The drive to emphasise a sector called museums, libraries and archives; the lack of will of some local authorities to recognise and support museums; the increasing difficulties independent museums have in sustaining themselves; the challenges devolution poses to cross-border

initiatives; the threat of an unsympathetic comprehensive spending review, declining lottery funding and political change all bear down on a community that has good reason to be more fearful about the next decade than the last.

Yet there is much to be proud of and some of these concerns may not be realised. Above all we must stand together and build on the huge achievements of the past ten years. It is only the MA that can bring together all sides of our profession and it is good to see the increasing confidence that people have in us to fulfil that role.



Mark Taylor
Director, Museums Association



Legal and administrative details

Status

The organisation is a charitable company limited by guarantee, incorporated on 20 November 1930 and registered as a charity on 7 November 1962.

Governing Document

The company was established under a Memorandum of Association which established the objects and powers of the charitable company, and is governed under its Articles of Association.

Company Number

252131

Charity Number

313024

Registered Office and Operational Address

24 Calvin Street
London
E1 6NW

Bankers

National Westminster
Bloomsbury, Parr's Branch
126 High Holborn
London WC1V 6QB

Nottingham Building Society
22 Friar Lane
Nottingham NG1 6DU

United Trust Bank
80 Haymarket
London SW1Y 4TE

Solicitors

Russell-Cooke, Solicitors
2 Putney Hill
Putney
London SW15 6AB

Auditors

Sayer Vincent
Chartered Accountants
Registered Auditors
8 Angel Gate
City Road
London EC1V 2SJ

Council 2006/07

President: Virginia Tandy

Professional vice president:

Sandy Nairne

Institutional vice president:

Nichola Johnson

Hon vice president:

Charles Saumarez Smith

Most recent institutional vice president: Lexie Scott

Hon treasurer: Alec Coles

Professional councillors at large:

Brian Hayton
Emma Chaplin
Jonathan Platt
Matthew Stephens
Ros Westwood
Vicky Woollard

Regional councillors:

Northern Ireland: Chris Bailey

London: Antonia Byatt

Scotland: Steve Callaghan

North East: Alec Coles

East Midlands: Heather Cummins

South West: Tamsin Daniel

East of England: Robin Hanley

North West: Jo Jones

Yorshire: Guy Kilminster

West Midlands: Emma Kate Lanyon,
Michael Cooke

South East: Zara Luxford

Wales: Rachael Rogers

Institutional councillors:

Local authority:

Cllr John Commons
Cllr David Gemmell
Cllr Sue John
Cllr Marcus Johnstone
Cllr Michael Pye

Independent:

Tony Conder
Richard de Peyer
Oliver Green
Sarah Staniforth

National:

Stephen Allen
Paul Davis
Sandy Nairne

University:

Sally MacDonald

Affiliated:

Nick Poole

Councillors retiring at October 2006:

Jane Glaister
Diane Lees
Hilary McGowan
Robin Holgate
Ann McMath

Staff 2006/07

Marketing manager: William Adams

Professional development & ethics

coordinator: Nikola Burdon

Sales executive: Anastasia Churchill

Collections coordinator: Sally Cross

Finance administrator:

Victoria Chapman

Deputy director: Maurice Davies

Professional development

coordinator: Kate Dunk

Adviser: professional issues:

Caitlin Griffiths

Head of publications: Sharon Heal

Senior journalist, Museums Journal:

Felicity Heywood

Professional development & ethics

coordinator: Rebecca Jacobs

Senior sales executive: Maria Knight

Research & production Editor:

Catrina Lucas

Professional development

administrator: Nuala Maguire

Development officer for Wales:

John Marjoram

Sales executive: Meg Nicoll

Events coordinator: Lorraine O'Leary

Editor, Museum Practice: Javier Pes

Membership administrator:

Pamela Poynter

Events production manager:

Sue Robinson

Head of finance & administration:

Lucie Slight

Marketing coordinator:

Zoe Spencer

Director's assistant: Georgie Stagg

Deputy editor, Museums Journal:

Simon Stephens

Director: Mark Taylor

Head of events: Ratan Vaswani

Systems manager: John Wellington

Policy officer: Helen Wilkinson

SMC/MA Development officer

for Scotland: Fiona Wilson

Head of marketing: Michael Wright

Report of the council

The trustees, who are also directors of the company for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 31 March 2007.

Legal and administrative information set out on page 5 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice (SORP) Accounting and reporting by charities issued in March 2005.

Objects of the charity

The charitable objects of the Museums Association (MA) are to advance education in, and to foster and encourage the preservation and better understanding of, the material heritage of mankind and the environment for the public benefit by the promotion and development of museums and galleries and encouraging the involvement of the public. The charity works to establish and advance standards of professional education, qualification, training and competence of those employed in museums and galleries. The review of activities below demonstrates how the association has worked to achieve these aims during the year.

Organisation and governance

The MA is administered by an elected council of management which meets in full session three times a year. Subcommittees and panels of members of the council and other members meet at other times of the year to oversee professional development, ethics, publications and events. The executive committee is a group that advises the executive director, who is employed by the council to direct the day-to-day operations of the MA with the support of the other employed members of staff.

The MA has an induction programme for new trustees and they are invited to express a preference for joining one of the subcommittees.

Review of financial activities

Financial results for the year 2006/07 showed a marked improvement on the previous year. Unrestricted income was £111,496 higher than that achieved in 2005/06, an increase of 5 per cent, while unrestricted expenditure was £93,164 lower, a drop of 4 per cent. These results, combined with improvement in the calculated present value of the pension fund, contributed to a net increase in unrestricted funds of £113,491 at the end of the year, that is up from £336,644 to £450,135; the previous year had returned a net loss of £29,555.

Publications income increased by 5.5 per cent. Events income decreased by 4.3 per cent; this is because the 2005 annual conference was held in London while the 2006 conference was held in Bournemouth. London conferences always attract more delegates and exhibitors than those held elsewhere. Membership income increased by 10.2 per cent and professional development income by 9.3 per cent.

Changes in expenditure for publications and membership need to be considered in aggregate because there was a transfer of staff from publications to marketing during 2006/07; overall there was a 1.3 per cent decrease in expenditure of these two activities compared to 2005/06. Events expenditure decreased by 9.2 per cent, largely due to the less expensive out-of-London annual conference venue in October 2006. Professional development expenditure increased by 5.6 per cent due to increased activity as more members registered for the AMA programme.

The total value of restricted funds also increased from £282,877 to £474,269. A significant part of this increase was due to funds for specific projects being received but not wholly expended during the year; the balances carried forward are committed and will be expended during 2007/08.

Endowment fund balances also increased from £355,201 to £364,996.

The grant-making trusts administered by the MA were able to make several grants during the year. The Beecroft Bequest made four grants totalling £17,400 to assist with the purchases of works of art. The Kathy Callow Trust made two grants totalling £641 to assist with social history projects in museums; the trust benefited from a generous individual donation of £10,000 during the year, which will be invested to provide grant-making income. The Trevor Walden Trust made grants to seven individuals undertaking the AMA programme, and the Benevolent Fund made a grant of £36,312 to the Trevor Walden Trust to be invested to provide grant-making income to help fund the work of the trust. The Daphne Bullard Trust made one grant of £1,000 to assist



with a textile conservation project in a museum. At the end of 2006/07 the grant-making funds in the care of the MA had increased from £521,189 to £623,221, primarily because of the increase in the value of the investments held by each of the grant-making trusts.

Investment policy

By the terms of the memorandum and articles of association of the MA, the council has the power to make any investment it sees fit. The council has determined that surplus unrestricted funds are not sufficiently large to make long-term investments prudent. Surplus cash is held in interest earning bank and building society accounts with endowment funds being invested in charity equity and fixed interest funds.

Reserves policy

The council reviews the reserves of the MA each year to determine what buffer may be needed to protect its activities in the event of an unexpected economic downturn, which has been identified as the major external risk to the MA. The amount identified as appropriate for 2006/07 was £250,000, approximately six weeks' unrestricted expenditure. This target was not achieved, but the council has agreed a forward plan which will bring the reserves up to the six weeks' level within the next two years. Council designates amounts for specific purposes when funds are available and as necessity dictates. At the end of 2006/07, £20,000 was designated as the property reserve to be held for major repairs and improvements to the Calvin Street building.

Risk management

The council has approved a three-year forward plan, which identifies development targets and the income-generating activities to fund the development. Progress against the objectives set out in the plan is monitored by the council, a report being presented at each of its meetings. The plan is reviewed and updated each year, with the review concentrating on external and internal risks, the development of systems to control or mitigate those risks, and contingency plans to minimise the potential adverse impact should any risk materialise.



Membership

Membership has grown significantly in the past five years, with the MA reaching an average of 6,105 members in 2006-07.

Individual membership

The average annual figure for individual membership increased by 2 per cent (2006/07 5,285; 2005/06 5,192). December 2006 saw the highest ever membership, with 5,361 museum professionals being members of their association. Individual membership has grown by 16 per cent in the past five years (2006/07 5,285; 2001/02 4,537).

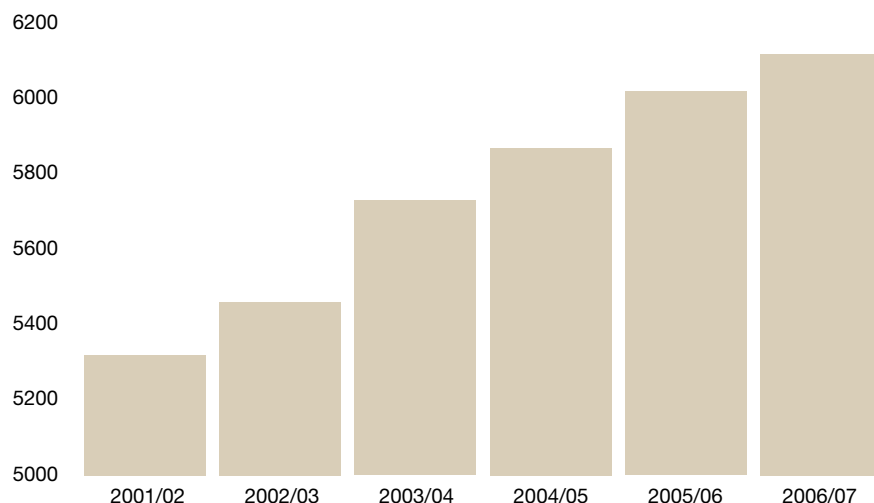
Institutional membership

Following a significant review and a restructure of benefits and pricing in 2006/07, institutional membership suffered a small decline in average numbers (2006/07 579; 2005/06 607). However the signs are positive for 2007/08 with the April figure higher than that of the previous year.

Corporate membership

New membership packages and strong performances in advertising and exhibition sales have led to significant corporate membership growth in the past year – average numbers are up by 11 per cent (2006/07 240; 2005/06 217).

Average total membership



16 per cent increase in individual membership in five years



Museum development

In 2006 the professional development, ethics and policy departments and the officers in Scotland and Wales merged to become the museum development department. This larger department enables staff to work closer together and effectively prioritise resources. It will focus on all issues to improve museums and galleries, through supporting the people who work for them.

Effective Collections

This year the MA began a five-year programme of work aiming to make better use of stored collections, supported by a grant of just over £1m from the Esmée Fairbairn Foundation. It focuses on enabling long loans and promoting a more active approach to disposal. A collections coordinator has been appointed to oversee the work.

The funding for the project covers a two-year pilot stage to trial processes with museums and develop resources, and a three-year full stage including the development of a comprehensive web resource to assist with brokering relationships in which to lend, reviewing parts of stored collections, simplifying loans administration, and supporting the long-term care of objects.

Two pilot projects are trialling long loans processes:

- long-lending paintings and sculptures from Tate's collections that have not been requested for loan for over 20 years
- the Sharing Collections Project from MLA South East to review collections and broker loans within and beyond the Buckinghamshire, Oxfordshire, Berkshire sub-region.

More pilot projects will be developed in the coming year.

Policy work

Development officers in Scotland and Wales have been appointed to allow the MA to have a direct link to the nations. The officer in Scotland is jointly funded by the MA and the Scottish Museums Council (SMC) and is currently working on developing professional development networks, increasing the knowledge and profile of Diversify in Scotland and helping to implement SMC's workforce development strategy. The officer in Wales is jointly funded by the MA and the CyMAL and is currently researching pay in museums in Wales and working with the National Museum Wales on workforce issues including Diversify, the Associateship of the Museums Association (AMA) and Continuing Professional Development (CPD).

With funding from The Monument Trust, the MA is launching a programme of fellowships for retired or soon-to-retire museum professionals, aimed at capturing their unrecorded collections-related knowledge. The fellows will assist their successors as they begin to develop knowledge of the collection concerned, and record information in the museum's records. The fellows will also contribute to the wider museum community supporting and advising individual museums or leading training sessions for a group of museums.

A submission was made to the Culture, Media and Sport Select Committee as part of its inquiry into museums and several members of the department, and the MA president, made an appearance before the committee. The MA also contributed to the Department for Culture, Media and Sport (DCMS) document Understanding the Future through a written submission to the consultation. The MA contributed to a series of seminars that took place as part of the consultation and the director is on the DCMS steering group for Understanding the Future.

Preliminary work began for a report on sustainability, a major project for 2008. The report will cover economic sustainability, social sustainability and environmental sustainability. An extensive consultation process will ensure that the whole sector is engaged.

The MA lobbied Bury Metropolitan Borough Council (MBC) to try to prevent the sale of the painting *The Riverbank* by LS Lowry from the collection of Bury Art Gallery and Museum to address shortfalls in the council's budget. Regrettably Bury MBC went ahead with the sale of the painting and as a result the MA disciplined the council and barred them from membership. Bury Art Gallery and Museum lost its status as an accredited museum following the sale.

The MA continues to support the development and work of Creative & Cultural Skills (CCSkills), the sector skills council for creative industries. The MA acts as the secretariat for the Cultural Heritage Panel, which was established to shape the work of CCSkills in this area.

Professional development

A new CPD Plus scheme has been developed and launched. The scheme is open to anyone that has been awarded the AMA or the Fellowship of the Museums Association (FMA), or is a mentor. Benefits include networking events, feedback on CPD and access to learning sets. Mentors can participate in the scheme for free to support their own CPD and as a thank you for their contribution to the AMA. So far more than 70 people have signed up to the new scheme and numbers are still growing.

Registrations continue to increase for the AMA, the MA's largest professional development scheme, exceeding targets. Sixty AMAs were awarded in the year – more than ever before.

	AMAs registered	AMAs awarded
2004–05	94	55
2005–06	103	57
2006–07	116	60

Report of the council

Attendance at CPD workshops has also increased with higher figures than any previous years. Additional dates were added to the planned programme.

	No. of workshops	Total attendees
AMA first-year workshop	10	220
AMA second-year workshop	7	81

- Supporting information on the MA website has been updated and extended. All forms are available to download online and there is additional information about mentoring, professional reviews, and support groups.
- The professional development committee continues its contribution to the MA's workforce agenda. Projects the committee has overseen this year include the work on entry into the profession and the development of salary guidelines.
- Several FMA candidates have applied and been accepted under the new pre-application process. Seven candidates were awarded the FMA in 2006/07.
- A CPD email newsletter now goes out to all prospective AMAs and mentors four times a year. The email contains up-to-date information on the scheme, workshop listings and tips on getting the most from the process.
- A new mentoring toolkit has been published and distributed to all mentors. It contains detailed and up-to-date information about mentoring for the AMA.
- In 2008 it will be ten years since the first AMAs were awarded the new style AMA. The MA is currently preparing to review the AMA to check that it is still as useful and relevant as possible to individuals, employers and the sector. The review will be overseen by the professional development committee, and a range of organisations, and awarded and prospective AMAs will be involved in the consultation process.
- 451 people have been awarded the AMA since the new style scheme launched.



Diversify

The Diversify programme aims to increase the accessibility of museum careers to people from minority-ethnic backgrounds. It has successfully developed over the past year with continued funding from the Museums, Libraries and Archives Council (MLA), through the Renaissance in the Regions initiative.

Number of people involved with Diversify scheme*

Target number	50
Actual number	84

What are Diversify participants doing now? *

Still in training	39
Employed within the sector	38
Doing PhD's	3
Currently looking for work	3
Dropped out of the sector	1

* as at December 2006

- The MA has recruited the first two (of four) management level traineeships in order to increase the number of people from black and minority-ethnic backgrounds in senior roles. These 18-month traineeships include a package of training tailored to the individual's requirements and a full-time placement in a museum or gallery.
- The professional development package, included as part of all MA organised traineeships and bursaries, has also been used to support 12 hub trainees, two non-hub trainees and two trainees at the National Museums Liverpool.
- A Diversify toolkit has been developed to enable any museum or gallery to develop positive-action training initiatives. The toolkit provides general advice and guidance on a number of key issues such as preparing your organisation, advertising and recruitment, partnership agreements, writing training contracts and designing work programmes. The MA has supported host organisations with training seminars and staff briefing sessions.

- A workforce diversity summit was held at the National Portrait Gallery to promote the work of the scheme to the sector. The event was attended by national museum directors and representatives from the Arts Council and the National Trust. David Lammy MP spoke at the event and expressed his concerns for the pace of change in the sector and urged the nationals to set targets for achieving greater workforce diversity.

- Accentuate the positive, a one-day conference funded by the MLA, reviewed the progress and development of the scheme. In addition to improving and developing the existing scheme, the MA is keen to expand the remit of Diversify to include people with disabilities. Initial steps were taken with the help of funding for research and a pilot bursary place at a university from the Museums and Galleries Disability Association.

Pay in museums

The first set of salary guidelines for the sector were published and sent out to all members. The best practice guidelines originate from the MA's salary survey in 2004 and can be used for setting salaries for new posts or as an advocacy tool for employers and funding bodies. A number of sector organisations have voiced their support for the guidelines, including the Heritage Lottery Fund, the National Museum Directors' Conference, the MLA and the Association of Independent Museums. The updated salary guidelines for 07/08 were downloaded 742 times in the first week of publication.

Entry to the museum workforce

The Tomorrow People report was written by Maurice Davies, supported by a visiting fellowship at the University of East Anglia. The report addresses claims that there are too many museum-studies students, concerns about low pay, worries about workforce diversity and fears that staff are not progressing. A symposium for employers in the sector was funded by Creative & Cultural Skills.

The MA has now established a forum of professionals across museums, universities and training courses to take the research forward. The forum will address the problems faced by new entrants to the sector and develop an action plan for publication in spring 2008.

Ethics

The MA has undertaken a major review of the advice it offers museums on disposal. This work, which was overseen by a forum of museum practitioners and representatives from key sector bodies, included a significant sector-wide consultation to gauge views on disposal and, for the first time, research was undertaken into the public's attitude toward disposal. This work has resulted in the production of a disposal toolkit that will help organisations to plan responsible, well-planned and curatorially-driven transfers and disposals.

- The department has delivered ethics training to more recognised courses and regional MLAs than ever before and is also now delivering to major museum services.
- The ethics column has returned to Museums Journal and there is a growing web resource of ethical debates and case studies.
- The department has supported a number of museums in their work on potential disposals.
- The ethics committee continues to support and contribute to the MA's work in this area. This year the committee has overseen the work on disposal and responded to several high-profile pieces of ethical case work.

**451 people
awarded the AMA
since 1996**

Report of the council

Publications

Museums Journal

Museums Journal circulation continued to grow, rising nearly 6 per cent from an average of 7,014 in 2005-06 to 7,427 in 2006-07.

The main focus of activity over the past 12 months has been preparation for the redesign and relaunch of Museums Journal in October 2007 to coincide with the MA's annual conference.

Building on extensive market research that was carried out in 2005, a thorough consultation with members and readers has taken place including focus groups and presentations to internal and external stakeholders. This process has informed a brief for the redesign and a high-profile designer, with an impressive record in magazine and newspaper design, has been appointed to take the project forward.

Content has been developed to reflect the activities of the MA such as the series of features on disposal at the end of last year. Museums Journal has continued to increase its news coverage, and the roundtable format has been developed with features on slavery and the purpose of museums, both of which drove significant traffic to the MA website where the full transcript of the discussions was posted.

Revenue from recruitment advertising was up 7 per cent last year (from £598,000 to £640,000) and display income increased by 19 per cent (from £144,000 to £172,000).

Museum Practice

MA members now receive Museum Practice (MP) as part of their membership package – increasing the magazine's circulation four-fold to over 8,000. Initial feedback is that MP has been very well received by new readers. Members will now also get free access to the archive of past articles on the website. There is also evidence that the MA's new e-newsletter is attracting more people to the archive, with 150 visits generated by the first electronic bulletin.

The international standing of MP continued to grow in 2006-07, with it being cited as the 'leading international museological magazine' at the 30th European Museum of the Year Award in Alicante.

The editorial content of MP continues to support the MA's Effective Collections work, with Working Knowledge sections on how to increase the research done by and in museums. There will also be a special issue focusing on developing collections which will demystify buying in the market-place.

One-day events linked to MP have been well attended and produced good satisfaction levels, such as Trading up about raising income, and an event on hand-held guides, which proved to be the MA's most successful practical event to date.

Revenue from advertising has doubled from an average of £3,000 to £6,000 per issue. The increase in circulation to all MA members, and the magazine's reputation for topicality and independence should ensure that MP remains an attractive place for companies to advertise their products and services.

Website

In 2006-07 a successful change was made to the way that users register and login for the website, making it easier for them to access member-only areas and allowing the MA to capture more data about their interests. Users can now change the information that the MA holds on them through the website. This was useful for the launch of a new monthly email newsletter which saw visitors to the site peak at 1,424 in one day – the highest that the site has received to date. The newsletter has also contributed to a perceptible rise in visits to the site across the board, and a rise in the number of pages viewed.

Museums & Galleries Yearbook

Museums & Galleries Yearbook is a vital information source for the museum and gallery sector, and continues to be purchased in significant numbers. In 2006-07 extensive research was undertaken into the usage of the book, with the overwhelming conclusion being that users would like to see it as an online resource. This development is currently planned for 2008-09.

Museum Services Directory

The latest Museum Services Directory carried more listings and contained more companies, making it the most comprehensive ever. 10,000 copies were produced and distributed free to all MA members and key museum and heritage professionals throughout the sector.

Advertising sales for the Museums & Galleries Yearbook and the Museum Services Directory once again hit record revenue highs, achieving over £120,000 in total.



Conference, exhibition and events

The MA continues to produce successful charged-for events on a wide variety of topics and free events in the areas of professional development, ethics and policy. Events increasingly include demonstrations, tours and participative activities.

The one-day conference programme covered a wide range of topics – from working with older people and project management to using handheld guides and international working. The programme also featured events related to the MA's collections work on loans, acquisitions and research, as well as an event aimed at working closer with historic properties.

New whole-day training events have been developed for which the content can be repeated at different locations and times through the year. A training day on Object handling and packing was heavily over-subscribed.

The MA has continued to run a small number of what were previously known as Essentials, low-cost training sessions on practical topics. These have been run as in-house programmes that museums or other bodies have requested for groups of staff.

Annual conference and exhibition

The 2006 conference and exhibition in Bournemouth was very well received. As with the programme of one-day events, there is now hard evidence of rising satisfaction levels with content. Keynote speakers included Yehudit Inbar from the Yad Vashem Holocaust Memorial Museum in Jerusalem, Nick Merriman, the director of the Manchester Museum and the author and broadcaster Patrick Wright. Wright spoke about the history of the tank in advance of a free social function at the Tank Museum.

- Help at hand, held at Tate Modern in June 2006, was a one-day conference on the use of handheld guides. Over 200 delegates attended. It was the MA's largest ever one-day event.
- The evening reception at the Tank Museum at the 2006 annual conference was the MA's largest ever free networking and social function.
- Post-event delegate surveys indicate high and rising levels of satisfaction with MA events.

Responsibilities of the council

Company law requires the council to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the year then ended.

In preparing those financial statements which give a true and fair view, the council should follow best practice and:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis.

The council is responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 1985.

The council is 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.

The council members confirm that to the best of their knowledge there is no information relevant to the audit of which the auditors are unaware. The council members also confirm that they have taken all necessary steps to ensure that they themselves are aware of all relevant audit information and that this information has been communicated to the auditors.

Members of the council

Members of the council of management, who are also trustees under charity law, who served during the year and up to the date of this report are as detailed on page 5.

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2007 was 5,253 (31 March 2006 – 5,347). Members of the council have no beneficial interest in the charitable company.

Auditors

Sayer Vincent were reappointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

Approved by the council on 19 July 2007 and signed on its behalf by Mark Taylor, secretary.

**2,943 people
attended MA events
in 2006–07**

Independent auditor's report

To the members of Museums Association

We have audited the financial statements of the Museums Association for the year ended 31 March 2007 which comprise the statement of financial activities, balance sheet and related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

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 charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the council and auditors

The responsibilities of the council (who are also the directors of Museums Association for the purposes of company law) for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), are set out in the statement of responsibilities of the council.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether the information given in the annual report of the council is consistent with the financial statements. In addition, we report to you if, in our opinion, the charitable company has 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 the council's remuneration and other transactions is not disclosed.

We read other information contained in the annual report, and consider whether it is consistent with the audited financial statements. This other information comprises only the report of the council and the director's introduction. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the council in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company'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 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 financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the charitable company's state of affairs as at 31 March 2007 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the report of the council is consistent with the financial statements.

Sayer Vincent
Chartered accountants & registered auditors, London

Statement of financial activities

Incorporating an income and expenditure account

For the year ended 31 March 2007

	Note	Endowment £	Restricted £	Unrestricted £	2007 Total £	2006 Total £
Incoming resources						
<i>Incoming resources from generated funds</i>						
CLMG	2	-	83,796	-	83,796	56,238
Trusts & funded projects	2	11,071	199,796	2,500	213,367	14,132
Investment income		12,603	2,174	22,201	36,978	29,555
<i>Incoming resources from charitable activities</i>						
Publications		-	-	1,182,967	1,182,967	1,121,306
Events		-	-	456,836	456,836	477,191
Membership		-	-	605,852	605,852	549,791
Professional development		-	-	70,525	70,525	64,499
Policy & public affairs		-	-	3,750	3,750	4,381
Diversify	2	-	223,980	-	223,980	31,875
Total incoming resources		23,674	509,746	2,344,631	2,878,051	2,348,968
Resources expended						
<i>Charitable activities</i>						
Publications		-	-	706,424	706,424	780,321
Events		-	-	469,559	469,559	517,349
Membership		-	-	429,055	429,055	370,476
Professional development		-	-	240,764	240,764	228,057
Policy & public affairs		-	-	314,160	314,160	367,427
CLMG		-	63,902	-	63,902	71,167
Trusts & funded projects		18,069	69,152	-	87,221	26,686
Diversify		-	199,106	-	199,106	135,633
Governance		-	-	56,454	56,454	45,950
Total resources expended	3	18,069	332,160	2,216,416	2,566,645	2,543,066
Net incoming /(outgoing) resources before transfers and other recognised gains and losses	4	5,605	177,586	128,215	311,406	(194,098)
Gross transfers between fund		-	724	(724)	-	-
Net incoming/(outgoing) resources for the year after transfers		5,605	178,310	127,491	311,406	(194,098)
Net gain on investment assets	8	4,190	13,082	-	17,272	76,340
Actuarial (losses)/gains on defined benefit pension scheme		-	-	(14,000)	(14,000)	48,000
Net movement in funds for the year		9,795	191,392	113,491	314,678	(69,758)
Reconciliation of funds						
Funds brought forward as previously stated		355,201	282,877	336,644	974,722	1,535,153
Prior period adjustments	16	-	-	-	-	(490,673)
Funds brought forward as restated		-	-	-	-	1,044,480
Funds carried forward		364,996	474,269	450,135	1,289,400	974,722

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above. Movements in funds are disclosed in Note 13 to the financial statements.



Balance sheet

As at 31 March 2007

	Note	2007 £	2006 £
Fixed assets			
Tangible fixed asset	7	1,016,470	1,052,423
Investments	8	565,705	548,433
		1,582,175	1,600,856
Current assets			
Stocks	9	8,815	5,745
Debtors	10	347,267	345,500
Cash at bank and in hand		558,118	346,523
		914,200	697,768
Creditors: amounts falling due within one year	11	652,442	643,669
Net current assets		261,758	54,099
Total assets less current liabilities		1,843,933	1,654,955
Creditors: amounts falling due after more than one year	12	363,533	392,233
Net Assets excluding pension deficit	14	1,480,400	1,262,722
Defined benefit scheme liability	17	(191,000)	(288,000)
Net assets including pension liability		1,289,400	974,722
Funds			
Endowment funds		364,996	355,201
Restricted fund		474,269	282,877
Unrestricted funds			
Designated funds		566,267	578,729
General funds		74,868	45,915
Unrestricted income funds excluding pensions liability		641,135	624,644
Pension reserve	17	(191,000)	(288,000)
Total unrestricted funds		450,135	336,644
Total funds	13	1,289,400	974,722

Approved by the Council on 19 July 2007 and signed on its behalf by

Virginia Tandy President

Alec Coles Treasurer



Notes to the financial statements

For the year ended 31 March 2007

1. Accounting policies

- a) The financial statements have been prepared under the historical cost convention except for investments which are included at market value. The statements have been prepared in accordance with the Statement of Recommended Practice (SORP), Accounting and Reporting by Charities published in March 2005, the Companies Act 1985 and applicable accounting standards.
- b) The charity is a company limited by guarantee. The members of the company are the individuals and institutions in membership of the association. In the event of the charity being wound up, the liability in respect of guarantee is limited to £1 per member of the charity.
- c) General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. Designated funds are unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.
- d) Restricted and endowment funds are to be used for specific purposes as laid down by the donor. Income generated from investments held by the funds is restricted to use by the fund. Expenditure which meets these criteria is charged to the fund.
- e) Incoming resources, including grants, are included in the statement of financial activities (SOFA) when receivable, net of VAT where applicable.
- f) Membership income is included on a receivable basis with amounts relating to future accounting periods deferred as subscriptions in advance.
- g) Investment income and gains are allocated to the appropriate fund.
- h) Expenditure is accounted for on an accruals basis and is classified under headings that aggregate costs related to the activity. VAT that cannot be recovered is allocated to the appropriate expenditure classification. Where costs cannot be directly attributed to particular headings they are allocated to all activities equally. Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the support costs of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned equally to the activities publications, membership, public affairs, events, professional development & ethics after the amount attributable to governance has been allocated.
- i) Governance costs include the management of the charitable company's assets, organisational management and compliance with constitutional and statutory requirements.
- j) Grants and bursaries payable are recognised when paid out.
- k) Tangible fixed assets costing more than £1,000 are capitalised and included at cost including any incidental expenses of acquisition. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected useful life. The depreciation rates in use are:

Freehold buildings	2% per annum, straight line method
Furniture and equipment	10% per annum, straight line method
Website and computers	33.33% per annum, straight line method

 Depreciation costs are allocated to support costs.
- l) Investments held as fixed assets are included at mid-market value at the balance sheet date. The gain or loss for each period is taken to the statement of financial activities. Unrealised gains are shown in note 8a.
- m) Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the length of the lease.
- n) Stock consists of copies of the current yearbook and is valued at the lower of cost and net realisable value. Cost is the actual cost of producing the year book. Net realisable value is the price at which the stock can be sold in the normal course of business.
- o) The charity operates a defined benefit pension scheme on behalf of its employees. The assets of the scheme are held separately from those of the charity in an independently administered scheme.

The Charity has now adopted the full requirements of Financial Reporting Standard 17 – Accounting for Retirement Benefits (FRS17). Current or past service costs and gains, as determined by the scheme's actuary, are charged to the statement of financial activities. Pension finance costs or income are included within total resources expended or incoming resources as applicable. Actuarial gains and losses arising are recognised within 'gains and losses' on the statement of financial activities.

Prior to this accounting period only the actual contributions paid into the scheme and any associated administration costs paid were recognised.

In addition, the deficit on the scheme, representing the shortfall of the value of the scheme assets below the present value of the scheme liabilities is now recognised as a liability on the balance sheet to the extent that the employer charity is able to recover a surplus or has a legal or constructive obligation for the liability. A corresponding pension reserve is included within total unrestricted funds.

Full implementation of FRS17 has required a change in accounting policy with material effect and therefore a prior period adjustment has been made, and prior year figures have been restated where applicable. Further details are given in note 16. Additional information on the scheme is included in note 17.
- p) Trust funds are funds:
 - i) which are administered by or on behalf of the Museums Association
 - ii) whose funds are held for specific purposes which are within the general purposes of the Museums Association; or
 - iii) which are subject to a substantial degree of influence by the Museums Association, are treated as branches and accounted for as part of the Museums Association.

2. Grants and donations

	Endowment	Restricted	Unrestricted	2007 £	2006 £
CLMG					
BLF		24,775		24,775	-
Home Office	-	17,413	-	17,413	52,238
NESTA	-	37,608	-	37,608	-
MLA	-	4,000	-	4,000	4,000
	-	83,796	-	83,796	56,238
Trusts and funded projects					
NEMO (Network of European Museum Organisations)	-	-	-	-	12,727
Esmée Fairbairn Foundation	-	123,300	-	123,300	-
Monument Trust	-	50,000	-	50,000	-
Scottish Museum Council	-	10,433	-	10,433	-
Federation of Museums & Galleries Wales	-	14,583	-	14,583	-
Others	11,071	1,480	2,500	15,051	1,405
	11,071	199,796	2,500	213,367	14,132
Diversify					
MLA	-	214,630	-	214,630	31,875
Other	-	9,350	-	9,350	-
	-	223,980	-	223,980	31,875
	11,071	507,572	2,500	521,143	102,245

The Big Lottery Fund (BFA), Home Office and NESTA income funds the CLMG consortium projects. The Museums Association is a member of the consortium and administers its funds.

Notes to the financial statements

3. Total Resources Expended

	Benevolent Fund £	Daphne Bullard Trust £	Trevor Walden Trust £	Development officers + NEMO £	UK collections £	Total trusts and funded projects £	CLMG £	Diversify (Positive Traineeships) £	Total restricted funds £	Total endowment Funds £
Staff costs - direct (Note 5)	-	-	-	7,275	23,146	30,421	-	-	30,421	-
Printing and stationery	-	-	-	210	2,891	3,101	142	-	3,243	-
Travel and catering	17	89	15	2,375	2,395	4,891	-	3,437	8,328	27
Production and design	-	-	-	-	-	-	-	21,594	21,594	-
Postage and distribution	-	-	-	5	-	5	7	-	12	-
Speakers and consultants	-	-	-	14,583	9,712	24,295	63,753	51,765	139,813	-
Venue hire and equipment	-	-	-	-	611	611	-	6,097	6,708	-
Grants made	2,174	1,000	2,196	458	-	5,828	-	-	5,828	18,042
Bursaries	-	-	-	-	-	-	-	116,213	116,213	-
Insurances	-	-	-	-	-	-	-	-	-	-
Office services	-	-	-	-	-	-	-	-	-	-
Premises	-	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-	-
Professional fees	-	-	-	-	-	-	-	-	-	-
Bank charges	-	-	-	-	-	-	-	-	-	-
Mortgage interest	-	-	-	-	-	-	-	-	-	-
Trustees' expenses	-	-	-	-	-	-	-	-	-	-
Audit fees	-	-	-	-	-	-	-	-	-	-
Total resources expended	2,191	1,089	2,211	24,906	38,755	69,152	63,902	199,106	332,160	18,069

	Publications £	Events £	Membership £	Professional development £	Policy & public affairs £	Governance £	Support £	Total unrestricted funds £	2007 Total £	2006 Total £
Staff costs - direct (Note 5)	239,480	131,567	235,849	126,712	209,487	13,759	162,516	1,119,370	1,149,791	1,186,188
Printing and stationery	142,545	10,355	57,855	8,658	3,823	5,461	-	228,697	231,940	235,266
Travel and catering	14,865	106,521	8,376	15,886	16,844	-	28	162,520	170,875	176,771
Production and design	126,536	157	13,443	-	5,057	3,506	-	148,699	170,293	171,250
Postage and distribution	81,572	2,805	19,451	179	331	-	-	104,338	104,350	99,080
Speakers and consultants	10,358	16,317	-	9,788	-	-	-	36,463	176,276	102,869
Venue hire and equipment	13,117	125,488	6,335	4,871	3,728	-	-	153,539	160,247	167,461
Grants made	-	-	-	-	50	-	-	50	23,920	9,230
Bursaries	-	-	-	-	-	-	-	-	116,213	100,695
Insurances	117	3,808	-	-	56	-	8,721	12,702	12,702	20,484
Office services	11,856	8,509	18,124	9,615	9,927	4,308	8,171	70,510	70,510	93,518
Premises	6,892	4,946	10,536	5,969	5,771	2,505	4,370	40,989	40,989	37,361
Depreciation	-	-	-	-	-	-	55,466	55,466	55,466	68,738
Professional fees	-	-	-	-	-	-	18,024	18,024	18,024	13,788
Bank charges	-	-	-	-	-	-	17,296	17,296	17,296	16,510
Mortgage interest	-	-	-	-	-	-	26,499	26,499	26,499	26,617
Trustees' expenses	-	-	-	-	-	6,666	-	6,666	6,666	7,270
Audit fees	-	-	-	-	-	14,588	-	14,588	14,588	9,970
	647,338	410,473	369,969	181,678	255,074	50,793	301,091	2,216,416	2,566,645	2,543,066
Allocated support costs	59,086	59,086	59,086	59,086	59,086	5,661	(301,091)	-	-	-
Total resources expended	706,424	469,559	429,055	240,764	314,160	56,454	-	2,216,416	2,566,645	2,543,066

4. Net Outgoing Resources for the Year

This is stated after charging/crediting:

	2007 £	2006 £
Interest payable	26,499	26,617
Bank charges	17,296	16,510
Depreciation	55,466	68,737
Council's remuneration	Nil	Nil
Council's reimbursed expenses (travel and subsistence)	6,666	7,270
Auditors' remuneration:		
– Audit	14,588	9,970
– Other services (VAT advice)	Nil	525
Income from quoted investments	12,733	11,675
bank interest receivable	24,245	15,533

Reimbursed travel and subsistence costs relating to attendance at council meetings were paid to 19 (2006:18) council members during the year.

5. Staff costs and numbers

Staff costs were as follows:

	2007 £	2006 £
Salaries and wages	948,673	904,482
Social security costs	88,062	91,025
Costs of pension scheme	98,125	162,173
	1,134,860	1,157,680
Other staff costs	14,931	28,508
	1,149,791	1,186,188
Total emoluments paid to staff were:	948,673	904,482

One employee received emoluments in the band £70,001 to £80,000 (2006:1 in the band £70,001 - £80,000)

The employee in this band participated in the pension scheme. Contributions paid on behalf of the employee total £11,960.

The average weekly number of employees (full-time equivalent) during the year was as follows:

	2007 No.	2006 No.
Publications	5	6
Public affairs	4	4
Events	3	3
Membership and marketing	5	6
Professional development and ethics	4	3
Support	4	4
	25	26

6. Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

7. Tangible Fixed Assets

	Freehold property £	Furniture and equipment £	Website and computers £	Total £
COST				
At 1 April 2006	1,035,580	123,039	282,013	1,440,632
Additions in year	-	7,553	11,960	19,513
Disposals in year	-	(70,591)	(101,997)	(172,588)
At 31 March 2007	1,035,580	60,001	191,976	1,287,557
DEPRECIATION				
At 1 April 2006	64,351	97,553	226,305	388,209
Disposals	-	(70,591)	(101,997)	(172,588)
Charge for the Year	12,462	6,000	37,004	55,466
At 31 March 2007	76,813	32,962	161,312	271,087
NET BOOK VALUE				
At 31 March 2007	958,767	27,039	30,664	1,016,470
At 31 March 2006	971,229	25,486	55,708	1,052,423

All tangible fixed assets are used for direct charitable purposes.

8. Investments

a) UK quoted investments

	£
At 1 April 2006	548,433
Additions during the year, at cost	36,312
Disposals during the year, at brought forward value	(34,472)
Net Gain on Revaluation at 31 March 2007	15,432
At 31 March 2007	565,705
Historical cost	
At 31 March 2007	355,959
At 31 March 2006	355,959

	2007 £	2006 £
Analysis of investment portfolio		
Schroder Charity Fixed Interest Fund	207,195	195,258
Schroder Charity Equity Funds	358,313	352,978
Other	197	197
At 31 March 2007	565,705	548,433

Funds include unrealised gains of £209,746 (2006: £192,474).

	2007 £	2006 £
b) Investment in subsidiary		
Shares in subsidiary at cost	2	2

Throughout the year the association had a 100% shareholding in Museums Enterprises Limited, a dormant company incorporated in Great Britain. The share capital and reserves of the subsidiary are not material and therefore no consolidated accounts have been prepared.

Notes to the financial statements

9. Stocks

	£	£
Stock of publications	8,815	5,745

10. Debtors

	2007 £	2006 £
Trade debtors	234,578	241,721
Other debtors	38,118	21,107
Prepayments and accrued income	74,571	82,672
	347,267	345,500

11. Creditors: amounts falling due within one year

	2007 £	2006 £
Bank loan (Note 12)	28,700	28,700
Trade creditors	123,336	112,064
Accruals	92,002	46,094
PAYE, social security and other taxes	26,737	27,027
Other creditors	18,568	49,031
Subscriptions in advance	363,099	380,753
	652,442	643,669

12. Creditors : amounts falling due after one year

	2007 £	2006 £
Bank loan	363,533	392,233
Loans		
– under one year	28,700	28,700
– between one and two years	28,700	28,700
– between two and five years	86,100	86,100
– in more than five years	248,733	277,433
	392,233	420,933

In November 2000 the council agreed to take out a loan to assist with the purchase of a freehold property, 24 Calvin Street, London E1 to be converted to offices for the use of the association. The amount originally borrowed was £574,000, repayable over 20 years and secured by a mortgage over the freehold property. The capital is repaid in equal monthly instalments and interest, charged at 1.5% over Base Rate, is paid quarterly. The National Westminster Bank Plc has a charge over 24 Calvin Street in respect of this loan.

13. Movements in funds

	At 1 April 2006 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 March 2007 £
Endowment funds					
Beecroft Bequest	335,027	15,811	(17,427)	-	333,411
Kathy Callow Trust	20,174	12,053	(642)	-	31,585
Total endowment funds	355,201	27,864	(18,069)	-	364,996
Restricted funds:					
Benevolent Fund	174,470	12,036	(2,191)	(36,312)	148,003
Daphne Bullard Trust	49,652	2,799	(1,089)	-	51,362
Trevor Walden Trust	22,858	1,901	(2,211)	36,312	58,860
CLMG	7,836	83,796	(63,902)	-	27,730
NEMO	-	-	(724)	724	-
Diversify	28,061	223,980	(199,106)	-	52,935
Post-retirement fellowships	-	50,000	-	-	50,000
UK Collections Project	-	123,300	(38,755)	-	84,545
Scotland Dev Officer	-	10,433	(9,599)	-	834
Wales Dev Officer	-	14,583	(14,583)	-	-
Total restricted funds	282,877	522,828	(332,160)	724	474,269
Unrestricted funds:					
<i>Designated Funds:</i>					
Property reserve	20,000	-	-	-	20,000
Depreciation reserve	558,729	-	(12,462)	-	546,267
Total designated funds	578,729	-	(12,462)	-	566,267
General funds	45,915	2,344,631	(2,071,954)	(243,724)	74,868
Total unrestricted funds	624,644	2,344,631	(2,084,416)	(243,724)	641,135
Pension reserve fund	(288,000)		(146,000)	243,000	(191,000)
Total funds	974,722	2,895,323	(2,580,645)	-	1,289,400

Transfers between funds represent the payment of a grant of £36,312 from the Benevolent Fund to the Trevor Walden Trust; a payment of £724 from unrestricted funds to support the work of NEMO; and the payment of contributions into the pension fund from unrestricted reserves.

Purposes of endowment funds

The Beecroft Bequest originates from a legacy made in 1961 which is used to make grants to museums to help fund purchases of pictures and works of art produced no later than the 18th century.

The Kathy Callow Trust was established in 1994 and makes grants for conservation projects in small museums.

13. Movements in funds (continued)

Purposes of restricted funds

The Benevolent Fund assists financially distressed members of the association and their families and contributes to the work of the Trevor Walden Trust by making donations to the trust to assist members of the association undertaking the AMA. During the year the trustees of the Benevolent Fund made a grant to the Trevor Walden Trust of £36,312.

The Daphne Bullard Trust makes grants to help fund museum projects relating to the conservation of dress and textiles and their display.

The Trevor Walden Trust promotes the education and professional development of members of the association who are undertaking the associateship programme. During the year it received a grant of £36,312 from the Benevolent Fund and used it to purchase income-generating investments to provide financial assistance to members undertaking the AMA programme.

CLMG stands for the Campaign for Learning Through Museums and Galleries. This is a consortium of museum organisations established to promote learning in museums and museums in learning. With funding from various sources, principally the Home Office, it provides information, advice and advocacy on behalf of museums learning and establishes best practice projects on the ground. The association administers their accounts.

NEMO is the Network of European Museum Organisations.

Diversify is a programme funded by the Museums, Libraries and Archives Council to prepare minority-ethnic individuals for employment in the museum sector.

Post retirement fellowships is a Monument Trust funded programme of fellowships for retired or soon-to-retire museum professionals, aimed at capturing their unrecorded collections-related knowledge.

The UK Collections Project is a five-year programme supporting the development of long-term loans, permanent transfers and disposal of objects in museum collections. The project began in September 2006 and the major part of the work is expected to run until August 2011. It is funded by the Esmée Fairbairn Foundation

Scotland and Wales Development officers work in the nations to increase the knowledge and profile of Diversify, and helping to research and implement regional workforce development strategy. The officer in Scotland is jointly funded by the MA and the Scottish Museums Council and the officer in Wales is jointly funded by the MA and CyMAL.

Purposes of designated funds

The property reserve is set aside for major works and improvements to the Calvin Street property.

The depreciation reserve represents the amounts expended from the property reserve on capital works on the Calvin Street property. Depreciation of the building is offset against this reserve.

14. Analysis of net assets between funds

	Endowment Funds £	Restricted Funds £	Unrestricted Funds £	Total Funds £
Tangible fixed assets	-	-	1,016,470	1,016,470
Investments	316,746	248,762	197	565,705
Net current assets	48,250	225,507	(11,999)	261,758
Liabilities over one year	-	-	(363,533)	(363,533)
Pension scheme deficit	-	-	(191,000)	(191,000)
Net assets at 31 March 2007	364,996	474,269	450,135	1,289,400

15. Related parties

The association appoints the trustees of the Benevolent Fund, the Trevor Walden Trust and the Kathy Callow Trust and has the right to appoint a trustee to the Daphne Bullard Trust and thus has a significant influence over the affairs of these trusts.

16. Prior year adjustments made in 2005/6

Three separate adjustments were made:

a) Pension scheme

Full implementation of FRS17 in 2006 required the deficit on the pension scheme to be recognised as a liability on the balance sheet of the charity. Previously contributions paid were recognised as an expense and the costs and revaluations of the scheme and resultant liability disclosed by way of note. In order for the previous year's information to be comparable the 2005 figures were restated.

b) Subscriptions income

The accounting policy for recognition of membership was amended to recognise the income over the year to which it relates, with the proportion relating to the following financial year carried forward in creditors. Before 2006 income was recognised as received. This change in accounting policy was made to comply with Application Note G to Financial Reporting Standard Number 5 and the 2005 Statement of Recommended Practice for charities. As a result of this the 2005 figures were restated.

c) Depreciation

In 2004/05 depreciation was charged in error against assets that were already fully depreciated. Consequently expenditure was overstated and fixed assets understated by this amount. As the total was significant this was adjusted as a prior year adjustment in 2006 rather than correcting the net book value of assets in that year.

The effect of these adjustments on the brought forward funds at 1 April 2005 was:

	£
Pension scheme	(320,000)
Subscriptions income	(212,421)
Depreciation	41,748
Total cumulative effect of prior year adjustments	(490,673)

Notes to the financial statements

17. Defined benefit pension scheme

The association operates a defined benefit scheme in the UK. The most recent full actuarial valuation was carried out at 1 April 2004 and updated to 31 March 2006 by a qualified independent actuary. The 2004 valuation showed a deficit of £480,257 and it was agreed that the company will pay additional contributions to correct the deficit. During the year, contributions were paid at 20.5% of pensionable pay. It was agreed with the trustees that the company would contribute an additional £3,500 a month towards correcting the deficit.

The major assumptions used by the actuary were:

	At 31 March 2007	At 31 March 2006	At 31 March 2005	At 31 March 2004
Rate of increase in salaries	3.9%	3.6%	4.5%	4.5%
Rate of increase in pensions payments	3.3%	3.1%	3%	3%
Discount rate	5.3%	5%	5.4%	5.5%
Inflation assumption	3.4%	3.1%	3%	3%
Loading for mortality improvements	0%	5%	5%	5%

The assets in the scheme and the expected return were:

	Long-term rate of return expected at 31 March 2007	Value at 31 March 2006 £'000	Long-term rate of return expected at 31 March 2006	Value at 31 March 2006 £'000	Long-term rate of return expected at 31 March 2005	Value at 31 March 2005 £'000
Equities	5.9%	927	4.4%	724	4.8%	489
Bonds	3.9%	124	2.4%	86	2.8%	62
Secure growth	3.9%	244	2.4%	212	2.8%	233
Other (property, cash, etc)	3.9%	182	2.4%	115	2.8%	40
Total market value of assets		1,477		1,137		824
Present value of scheme liabilities		(1,668)		(1,425)		(1,144)
Deficit in the scheme		(191)		(288)		(320)

Analysis of movement in deficit	2007 £'000	£'000	2006 £'000	£'000
Deficit as at 31 March 2006		(288)		(320)
Current service costs		(105)		(109)
Contributions		243		122
Other finance income				
Expected return on pension scheme assets	47		36	
Interest on pension scheme liabilities	(74)		(65)	
Actuarial loss		(27)		(29)
Actual return less expected return on pension scheme assets	31		128	
Experience gains/losses on scheme liabilities	(14)		(73)	
Change in assumptions underlying present value of scheme liabilities	(31)		(7)	
		(14)		48
Deficit as at 31 March 2007		(191)		(288)

History of experience of gains and losses	2007	2006	2005	2004	2003
Difference between the expected and actual return on scheme assets:					
Amount (£'000)	31	128	26	37	(98)
% of scheme asset	2%	11%	3%	6%	(21%)
Experience gains and losses on scheme liabilities					
Amount (£'000)	(14)	(73)	(19)	11	3
% of scheme asset	1%	(5%)	(2%)	1%	1%
Changes in assumptions underlying the present value of the scheme liabilities					
Amount (£'000)	(31)	(7)	(34)	(135)	(10)
% of scheme asset	2%	-	(3%)	(15%)	2%
Total amount recognised in statement of total recognised gains and losses:					
Amount (£'000)	(14)	48	(27)	(87)	(105)
% of scheme asset	(1%)	3%	(2%)	(10%)	(16%)

Corporate members 2006-07

24 Design Ltd	Customworks	iBase Media Services Ltd	Portview Fit-Out Ltd
2C SMA Design	Dale Air Limited	Idea Generation	Preservation Equipment Ltd
55 Degrees Ltd	Darius Wilson Associates	Imagemakers Design & Consulting	Prince Research Consultants Ltd
A Different View	Dauphin Museum Services Limited	Innovate – Centre for Creative Industries	Prodir Ltd
ABL Cultural Consulting	David McCabe Design	Intrepid Security Solutions Ltd	Prospectus Projects Limited
Abloy Security Ltd	Davis Langdon LLP	Invicta Storage Systems Ltd	PS Financials plc
Absolute Action Ltd	DCA Consultancy Ltd	ISIS	Purcell Miller Tritton LLP
Absolute Museum & Gallery Products Ltd	Deister Electronic (UK) Ltd	Isis Public Relations Ltd	Rackline Systems Storage Ltd
Acoustiguide Ltd	DESIGNMAP	ISO	Ramplas Ltd
Adlib Information Systems Ltd	Dexion Comino Ltd	Ivor Heal Design Ltd	Real Studios Ltd
Aivaf Ltd	Dick Raines Design Ltd	JANVS Design Group	Redman Design Associates
AllofUs Design Ltd	Display Developments Ltd	Jarrod Publishing	Reed Engineering Building Services
aMuze Interactive AB	DJ Willich Ltd	John Hart Design Consultants	Regal (Shaw) Ltd
Andre & Associates Interpretation & Design Ltd	Drivers Jonas	John Jones	Research House UK
Antenna Audio	Eaglecrown Productions Ltd	John Slough of London	Resound Ltd
AOC Archaeology Group	Easy Tiger Creative	Jura Consultants	Retail Thinking
Art From Britain	EBC Ltd	KE Software (UK) Ltd	RGA Ltd
Artem Ltd	Ecclesiastical and Heritage World	Kendrick Hobbs Ltd	Richard Rogers Conservation Ltd
Arti-fact	EDM Ltd	Kennedy O'Callaghan Architects	Rider Hunt Management Services Ltd
At Large	Edwin Dyson & Sons Ltd	Kingshurst Consulting	Ronayne:Design
ATS Heritage	Egan, Matthews & Rose	L&R Consulting	Russell Partnership
Attract Marketing Limited	Electrosonic Ltd	Lab Architecture Studio	Rutherford & Wheeler Ltd
Audioposts Ltd	Engineered Arts Ltd	Leach Colour Ltd	RWDP Limited
Austin-Smith: Lord	England Marketing	Link 51 (Storage Products) Ltd	SCHOTT UK Ltd
AXA Art Insurance Ltd	Erco Lighting Ltd	Locum Consulting	Screensaver
BAF Graphics	Euronova Ltd	Lord Cultural Resources	Service Graphics
Bates Wells & Braithwaite	Event Communications Ltd	M&G Transport & Technical Services	Setout
Beck Interiors Ltd	Exponatec Cologne	Malcolm Reading & Associates Ltd	Seyner Benson Partnership
Benbow Group	EyeGaze Ltd	Manuscript Pen Company	Sigong Tech Co Ltd
Big Picture Interactive	Farrer & Co	Manuscripti	Simulacra
Blackbaud Europe Ltd	Field of Vision	Martello Media	Spiral Productions Ltd
blackbox-av Ltd	FifeX Ltd	Martinspeed Ltd	S-Tech Insurance Services Ltd
Blackwall Green	Finers Stephens Innocent	Matthews Millman Ltd	Steensen Varming (Australia)
blue ant design	Focus Consultants (UK) Ltd	MBA Great Britain	Stone King LLP
Blueprint Exhibitions	Food Service Associates (Henley) Ltd	MDA	Stortech Ltd
Bond & Coyne Associates Ltd	Forestry Commission	Meaco Measurement and Control Solutions	Studio MB LLP
Bott Ltd	Framework R & D Ltd	Media Arts	Studio SP Ltd
Box UK	Fraser Randall Productions Ltd	Media Vision (Design) Limited	SUMO Museum Branding
Boyden & Co	Freedom Digital Networks	Merrill Brown Ltd	Sun-X (UK) Ltd
Brakeley Ltd	Freehand Limited	Metalrax Ltd	Sutlers Stores
Brennan Design LLP	Fuji Hunt Digital Solutions	Metaphor Limited	Sysco
Bridgeman Art Library	Furneaux Stewart	MezzoFilms	System Simulation Ltd
Britannia Storage Systems Ltd	G Ryder & Co Ltd	Mike Stoane Lighting Ltd	System Store Solutions Ltd
Bruns BV	Gallery Systems	Milo Creative Ltd	T H March & Co Limited
Building Design Partnership	Gander & White Shipping Ltd	MKW Design Partnership	Take 27
Campbell & Co Design Consultants	Gateway Ticketing Systems, Inc	Mobydoc	The Edge Picture Company
Capital Souvenirs Ltd	GB Storage Systems Ltd	MODES Users Association	The Museum Workshop Ltd
Carbon	GBDM Ltd	Momart Limited	The One Off
C'ART-Art Transport Ltd	GeeJay Chemicals Ltd	Morris Hargreaves McIntyre	The Scottish Conservation Studio LLP
Casson Mann Limited	Gendall Design Ltd	mPower Media Limited	Thermo Lignum UK Ltd
Centre Screen Productions	George Sexton Associates	Mtec Ltd	TOR Systems Ltd
CJG Consultants Ltd	GHC Ltd	NE3D	Tuch Design
Clarion Retail	Glass & Mirror Ltd	Newangle	Turner & Townsend
Click Netherfield Ltd	GLOMAS UK Ltd	Nikon UK Ltd	Vernon Systems Ltd
Cliveden Conservation Workshop Ltd	Goppion	Nord-Plan Limited	Westair Museum Reproductions Ltd
Cogapp	GPD Exposiciones y Museos	Objectives	Willoughby Associates Limited
Colin Williams Design Limited	Graham Festenstein Lighting Design	Ocean Design & Management Ltd	Winged Heart Stained Glass
ColourMatch Print Management Ltd	GT Vision Ltd	OMI Architects	Withers LLP
Conservation by Design Limited	H and H Sculptors	OmniTicket Network Ltd	XL Insurance
Constantine Ltd	Hahn Constable Ltd	Oxford Exhibition Services Limited	XMC Limited
Continuum	Haley Sharpe Design	Panelock Systems Ltd	Xor Systems
Countryside Art Limited	Hamilton Design Ltd	Past Pleasures Ltd	YDreams
Cragg Management Services Ltd	Harbottle and Lewis LLP	PHT Consultants	Zebra Square Ltd
Creations	Hayton Associates	Picture Hanging Systems Ltd	
Creative Paranoia Ltd	Headland Design Associates	PKF (UK) LLP	
CRG Research Ltd	Heritage Image Partnership	Planet Enterprises Ltd T/A Planet PC	
Crystalizations Systems Inc	Heritage Multimedia Ltd	PLB	
Cultural Innovations/DBA	Higgins Gardner and Partners Limited	Plowden & Smith Ltd	
Culture Online	Holmes Wood Consultancy	Polyformes Ltd	
	Houghton Kneale Design Ltd	Poppy Singer and Annabel Wylie	
	HSBC Insurance Brokers Ltd	Portland Design	
	HyperFocal Ltd		

AMA and FMA awards 2006-07

AMA

Sara Basquill

Keeper of collections management
Museum of Lincolnshire Life

David Blake

Curator
Museum of Army Chaplaincy

Christine Brady

Assistant keeper of art
Hull Museums

Simon Braithwaite

Cataloguer/archivist
Second World War Experience Centre

Libby Buckley

Head of access & learning
British Postal Museum & Archive

Toby Butler

Georgia Butters

General manager
Flag Fen Bronze Age Centre

Heather Carson

Curator
Wesley's House & Museum of Methodism

Malcolm Chapman

Head of collections management
Manchester Museum

Charlotte Churchill

Exhibitions assistant
Victoria & Albert Museum

Alison Copeland

Curator, decorative art
Manchester City Galleries

Louise Dunning

Assistant exhibition officer
Derby Museums & Art Gallery

Jamie Everitt

Deputy heritage manager
Buckinghamshire County Museum

Teresa Fazio-Gannon

Assistant curator
Fairfax House

Kate Fellows

Community development manager
Imperial War Museum North

Cressida Finch

Exhibitions department
Imperial War Museum

Marie Fowler

Regional accreditation adviser
Renaissance West Midlands

Zelina Garland

Curator (applied art)
Birmingham Museums & Art Gallery

David Gelsthorpe

Curator
Manchester Museum

Zoe Gilbert

Custodian
Wordsworth Museum

Lara Goodband

Curator of art
Scarborough Borough Council

Tehmina Goskar

Volunteer/researcher

Jim Grevatte

Museum development adviser
MLA East Midlands

Lizzie Hazlehurst

Curator
Coventry Transport Museum

Mary Hesling

Rhiannon Hiles

Keeper of interpretation
Beamish, North of England
Open Air Museum

Imogen Holmes-Roe

Curator of art & photography
National Coal Mining Museum for England

Laura Houlston

Curator, north and central
London
English Heritage

Abigail Hunt

Nicola Ireland
Collections assistant
Royal Scottish Academy

Rhiannon Johns

Museum development officer
British Museum

Gina Koutsika

Audience advocate
Natural History Museum

Eleanor Lanyon

Outreach officer
Wellcome Trust

Abbi Lock

Museum support officer (collections)
Tunbridge Wells Museum & Art Gallery

Hannah Maddox

Curator of community history
Bridewell Museum

Esther Mann

Curator
London Fire Brigade Museum

Caroline McDonald

Finds liaison officer, Essex
Colchester and Ipswich Museum Service

Christine McLean

Access & outreach manager
National Museums Scotland

Lynne Minett

Education manager
English Heritage North Territory

Belinda Morris

Display development manager
National Railway Museum

Gerardine M C Mulcahy

Curator
Burton Constable Foundation

Janice Nickolls

Keeper: collections management
Gainsborough Old Hall

Karl Noble

Collections officer
Rotherham MBC

Sarah Oswald

Projects director
PLB

Lynn Parker

Curator
Victoria & Albert Museum

Claire Petty

Curatorial officer - S.
Aberdeenshire
Banchory Museum

Angela Rawson

Senior cultural officer: learning and access
Wakefield MDC Cultural Services

Fiona V Salvesen

Keeper of art
Bolton Museums & Archive Service

Grant Scanlan

Museum officer
Kirklees Community History Service

Claire Selby

Keeper: history collections
The Herbert

Claire Seymour

Curator
Amberley Museum

Leslie Smith

Keeper
Royal Artillery Museum

Suzanne Smith

Display & collections management curator
Victoria & Albert Museum

Ruth Spires

Museums & heritage access officer (collections)
Museum of Barnstaple & North Devon

Karen Spry

Museums development officer
Worcestershire County Museum

James Steward

Area museums officer
Great Yarmouth Museums

Julian Stray

Curatorial assistant
British Postal Museum & Archive

Lynne Heidi Stumpe

Curator of oceanic collections
National Museums Liverpool

Rebecca Thomlinson

Assistant curator
British Postal Museum & Archive

Ross Turle

Curator of recent history
Winchester Museums Service

Helen Walsh

Assistant curator of decorative arts
York Museums Trust

Sian Woodward

IT officer & cataloguer (collections)
British Postal Museum & Archive

FMA

Kate Andrew

Principle heritage officer
Hereford Museum and Art Gallery

Alison Bevan

Director
Penlee House

Steve Callaghan

Regional director
National Trust for Scotland

Tamsin Daniel

Culture team leader
Penwith District Council

Steve Garland

Head of museum service
Bolton Museums, Art Gallery and Aquarium

Kate Pontin

Museum consultant

John Stewart Young

Project director
Dundee City Council, Leisure and Communities

Peter Stott

Principal officer heritage and learning
Falkirk Council and Cultural Services

Notice of the AGM

Notice is hereby given that an Annual General Meeting of the Museums Association will be held on Monday 22 October 2007 at 1300 at the Scottish Exhibition and Conference Centre, Glasgow for the following purposes:

A Apologies

B Minutes

To consider and adopt the minutes of the last Annual General Meeting held on Wednesday 25 October 2006 at 1300 at the Bournemouth International Centre.

C Museums Association 2006/07

To receive a report on the Museums Association's activities for the year 2006/07.

D Annual Report of the Museums Association

To receive the Annual Report of the council for the year 2006/07.

E Accounts of the Museum Association

To receive the accounts of the association together with the report of the auditors for the financial year 2006/07.

F Report on financial position

To receive a report from the council on the estimated financial position and forecast in respect of current and future financial years.

G Individual membership subscriptions

To consider, and if thought fit, pass the following Ordinary Resolution (see Note 1 to agenda).

That with effect with 1 April 2008 individual member subscription rates be increased as follows:

Salary less than £13,500	£60
£13,501 – £21,500	£79
£21,501 – £30,000	£103
£30,001 – £41,500	£122
£41,501 – £59,000	£149
£59,001 – £83,000	£171
Income over £83,000	£193
International	£125
Student, retired, unemployed, volunteer, member of governing body	£48

H Institutional membership subscriptions

To consider, and if thought fit, pass the following Ordinary Resolution (See Note 1 to agenda).

That with effect from 1st April 2008 institutional member subscription rates be increased as follows:

Expenditure less than £27,000	£64
£27,001 – £133,000	£133
£133,001 – £268,000	£268
£268,001 – £806,000	£536
£806,001 – £1,605,000	£749
£1,605,001 – £5,350,000	£1,284
Expenditure over £5,350,000	£1,607
Federations, specialist groups and friends' organisations	£36
International	£156

I Changes to the Museums Association's Code of Ethics

To consider, and if thought fit, pass the following Ordinary Resolution:

That the existing paragraphs 6.0; 6.8 – 6.16 in the Code of Ethics relating to the disposal of items from museum collections should be replaced with amended paragraphs 6.0; 6.8 – 6.18 as set out in Note 2.

J Auditors

To appoint Sayer Vincent as the auditors to the association until the conclusion of the next general meeting of the association at which accounts are laid before members and to authorise the council to fix the remuneration of the auditors.

K To announce the results of the council elections

Notes to agenda

1 Items G and H

The reviews of individual and institutional membership in the past two years have both met with success. In particular the individual membership review, which included the addition of Museum Practice magazine and online archive to membership benefits, has been well received by members. Following these substantial reviews, the membership bands and rates for 2007/08 have not changed beyond a standard increase of approximately 4 per cent, which is in line with average inflation levels.

2 Item I

The changes to the Code of Ethics have been proposed as a result of over a year's work by the MA and its Ethics Committee, to review the ethical advice on museum disposal. This work has been overseen by a steering group and guided by an advisory forum of museum practitioners and key stakeholders. As part of this work a

sector-wide consultation was undertaken to ascertain the current views and professional practice relating to disposal. In addition to this, qualitative public attitude research was also carried out. All this work has informed the proposed revisions to the Code of Ethics. The advice on disposal contained in the Code of Ethics will be supported by detailed guidance provided in a new disposal toolkit.

In general, the proposed revisions are intended to reflect the view that museums are more actively considering and undertaking transfer and disposal as an integral part of collections management. However, the current wording of the Code of Ethics has been found to rather discourage museums from undertaking responsible disposal and did not adequately acknowledge that benefits, such as improved use and engagement, care and access to collections can result from the process.

The proposed revisions also recognise the need for transparency and accountability around any decisions to dispose, a point that came across strongly in the MA's public-attitude research. The revisions are also intended to make it clear that museums should undertake disposal and transfer only when they will bring demonstrable benefits to museum collections and the public benefit arising from them, and do not damage the trust placed in museums.

The rewording of these paragraphs is intended to encourage responsible disposal, while strengthening the safeguards against irresponsible disposal.

The rewording also includes significant changes to the existing paragraph 6.13. The proposal is to allow financially motivated disposal (ie sale) in certain exceptional circumstances and only in strictly limited cases, detailed in the new paragraph 6.14, when it can be demonstrated that:

- I. It will significantly improve the long-term public benefit derived from the remaining collection
- II. It is not to generate short-term revenue (for example to meet a budget deficit)
- III. It is as a last resort after other sources of funding have been thoroughly explored
- IV. Extensive prior consultation with sector bodies has been undertaken
- V. The item under consideration lies outside the museum's established core collection as defined in the collections policy.

Notice of the AGM

There are two reasons for this proposed change. First, specific cases considered by the Museums Association Ethics Committee suggest strongly that there are some very exceptional cases in which the public interest may be best served by limited financially motivated disposal (sale) of a very small number of high-value items. The cases considered by the Ethics Committee all concern independent charitable trust museums, in which the trustees are proposing to follow the requirements of charity law in making best use of their assets to support the aims of the museum. Even though they are intended to serve the interests of the collection, these disposals are prohibited under the current Code. The Museums Association believes that the wording should change to permit them, subject to the clear safeguards including the requirement of consultation with sector bodies, as set out in the proposed revision.

Secondly, it is clear that museums do in fact regularly dispose of low value items with the aim of reducing the costs of storage as part of a balanced collections management policy and so there is a need to reflect current practice and remove the existing requirement that museums must not undertake financially motivated disposal in order to reduce expenditure.

Detailed advice and guidance on this area of disposal will be provided in the new 'Disposal Toolkit' and through ongoing support and advice from MA staff.

Proposed amended wording to section 6 of the Museums Association's Code of Ethics:

6.0 Collections are a tangible link between the past, present and future. Museums balance the interests of different generations by safeguarding collections, which may include buildings and sites.

Museums develop and implement a collections policy in order to ensure appropriate standards of care and security for all items entrusted to them, either permanently or on loan.

Museums meet their responsibility to future generations by ensuring that collections are well managed and sustainable. There is a strong presumption in favour of the retention of items within the public domain. Sometimes transfer within the public domain, or another form of disposal, can improve access to, or the use, care or context of, items or

collections. Responsible, curatorially motivated disposal takes place as part of a museum's long-term collections policy, in order to increase public benefit derived from museum collections.

All those who work for or govern museums should ensure that they:

6.8 Recognise that formal title to and guardianship of the collections is vested in the governing body, which must satisfy itself that decisions to dispose are informed by the highest standards of expertise and take into account all legal and other attendant circumstances.

6.9 Demonstrate clearly how the long-term local and general public interest is served in circumstances in which disposal may be appropriate and ensure that public trust in museums is upheld.

6.10 Give priority to transferring items, preferably by gift to registered or accredited museums. Consider donating items to other public institutions if it is not possible for another museum to accept them. To maintain public confidence in museums wherever possible do not transfer items out of the public domain. (This paragraph excludes material that is being disposed of because it is damaged beyond use, or dangerous, or is being returned to its place of origin or rightful owner.)

6.11 Base decisions to dispose on clear, published criteria as part of the institution's long-term collections policy, approved by the governing body. Ensure transparency and carry out any disposal openly, according to unambiguous, generally accepted procedures. Manage the process with care and sensitivity to public perceptions.

6.12 Seek the views of stakeholders (such as donors, researchers, local and source communities and others served by the museum) who have a vested interest in a proposed disposal. In some cases consent from the donor may be a legal requirement. Where appropriate seek the views of colleagues and sector bodies.

6.13 Refuse to undertake disposal principally for financial reasons, except in exceptional circumstances as defined in 6.14. Financially motivated disposal risks damaging public confidence in museums and the principle that collections should not normally be regarded as financially negotiable assets.

6.14 Consider financially motivated disposal only in exceptional circumstances and when it can be demonstrated that:

- It will significantly improve the long-term public benefit derived from the remaining collection
- It is not to generate short-term revenue (for example to meet a budget deficit)
- It is as a last resort after other sources of funding have been thoroughly explored
- Extensive prior consultation with sector bodies has been undertaken
- The item under consideration lies outside the museum's established core collection as defined in the collections policy.

6.15 Ring-fence any money raised as a result of disposal through sale, if this exceptional circumstance arises, solely and directly for the benefit of the museum's collection. Money raised must be restricted to the long-term sustainability, use and development of the collection. If in doubt about the proposed use of such restricted funds consult sector bodies.

6.16 Openly communicate and document all disposals and the basis on which decisions to dispose were made.

6.17 Apply any money received in compensation for the loss, damage or destruction of objects in the collection solely and directly for the benefit of the museum's collection.

6.18 Respond to requests for return of human remains, and other culturally sensitive material with understanding and respect for communities of origin.

For additional, more detailed guidance on all aspects of disposal see the Museums Association Disposal Toolkit.

Minutes of the Annual General Meeting of the Museums Association held on Wednesday 25 October 2006 at 1300 at the Bournemouth International Centre, Bournemouth.

A Apologies

Apologies were received from Virginia Tandy and Sarah Staniforth.

B Minutes

The minutes of the Annual General Meeting held on Wednesday 26 October 2005 at the QEII Conference Centre, London were put to the meeting. Nichola Johnson proposed, Graham Teasdale seconded and it was agreed that the minutes be accepted as a true record.

C Museums Association 2005/06

The director reported back on the previous year's activities as set out in the annual report. He paid special tribute to Hilary McGowan who was stepping down from her position as honorary treasurer and also the association's senior management team, all of whom had helped steer the association through a period of some financial difficulty.

D Annual report of the Museums Association

E Accounts of the Museums Association

F Report on financial position

Items D to F were taken together. The honorary treasurer, Hilary McGowan, addressed the AGM. She commented on how the association's conference had grown substantially since she had attended her first conference in Bournemouth in 1987, which had attracted 250 delegates. The association had become much more professional under the director's leadership.

She informed the AGM that changes to accounting standards had required changes to the way income is allocated to financial years and this had affected the amount of membership fee and subscription income that is credited to 2005/06.

A fall in predicted income, primarily due to poor recruitment advertising had resulted in a small deficit necessitating drawing on reserves. The extent of the loss had been mitigated by considerable cuts in expenditure but to balance the budget for the year 2006/07, it had been necessary to make two and a half full-time posts redundant. Council aimed to build up the

reserve to £250,000 in three years and it should be noted that the MA had a major asset in its offices.

Members were asked to note that the MA's pension scheme now appeared in the balance sheet. The scheme was in deficit and the MA was currently contributing an extra £42,000 per year to reduce the deficit.

Therefore, although the association had experienced a difficult year financially it was still in a very strong trading position. The honorary treasurer paid tribute to the head of finance and administration and other staff for their efforts over the past year.

The annual report, accounts and financial report were put to the AGM. Nick Winterbotham proposed, Richard Kilburn seconded and it was agreed that the annual report, accounts and financial report be formally received.

G Individual membership subscriptions

The honorary treasurer outlined the proposed changes in the individual membership subscription rates. As part of the association's forward plan commitments and an extensive review process, council was proposing increases in return for which individual members would receive Museum Practice and access to the online archive. This added benefit was worth £40 to members.

Oliver Green proposed, Nick Winterbotham seconded that the individual subscription rates be adopted. Carried with two objections.

H Institutional membership subscriptions

The honorary treasurer informed the AGM that with effect from 1 April 2007, institutional member subscription rates would be increased in line with inflation.

Nick Winterbotham proposed, Oliver Green seconded and it was agreed that the institutional membership subscriptions be adopted.

I Auditors

It was proposed that the association appoint Sayer Vincent as the auditors until the conclusion of the next Annual General Meeting of the association at which accounts are laid before members and to authorise council to fix the remuneration of the auditors.

Nick Winterbotham proposed, Kathy Gee seconded and it was agreed that Sayer Vincent be reappointed.

K Results of the council elections

The director announced the following results. All terms for three years unless otherwise stated.

President (two-year term)

Virginia Tandy

Professional vice president (two-year term)

Sandy Nairne

Institutional vice president (two-year term)

Nichola Johnson

National professional councillor: Northern Ireland

Chris Bailey, Northern Ireland Museums Council (re-elected)

Regional professional councillors: North west

Jo Jones, Sefton BC

South east

Zara Luxford, Wycombe Museum

London

Antonia Byatt, The Women's Library

Professional councillors at large:

Emma Chaplin, Cheshire County Council, Brian Hayton, Kingston upon Hull City Council

Thanks were extended to retiring council members Ann McMath, Robin Holgate and Cllr John Commons. Special tribute was paid to retiring members Hilary McGowan, honorary treasurer, Jane Glaister, honorary vice president and Diane Lees, most recent institutional vice president for their enormous contribution to the association's work.

The president congratulated Steve Callaghan, Steve Garland and Kate Andrew who had achieved the FMA.

The president thanked the conference staff, in particular Ratan Vaswani, Sue Robinson and Lorraine O'Leary, as well as attendees and session organisers for making the conference such a success.

MUSEUMS ASSOCIATION

Images courtesy of York Museums
Trust; Birmingham Museums & Art
Gallery; Gallery Oldham; Museum of
Science and Industry in Manchester
Photographer: Joel Chester Fildes



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