

Company No: 2246583
Charity No: 299576

THE FLORENCE NIGHTINGALE
MUSEUM TRUST
(A company limited by guarantee)

FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
31ST MARCH 2009

CROUCH CHAPMAN
Chartered Accountants
62 Wilson Street
London EC2A 2BU

THE FLORENCE NIGHTINGALE MUSEUM TRUST
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REFERENCE AND ADMINISTRATIVE INFORMATION
AS AT 31ST MARCH 2009

PATRON: HRH Princess Alexandra KGCVO

CHARITY NUMBER: 299576

COMPANY NUMBER: 2246583

REGISTERED OFFICE AND
PRINCIPAL OFFICE ADDRESS: Gassiot House
2 Lambeth Palace Road
London SE1 7EW

HONORARY OFFICERS:
CHAIRMAN Geoffrey Shepherd

DEPUTY CHAIRMAN Natalie Tiddy

TREASURER Mike Fox

COMPANY SECRETARY: Elizabeth Bennett

DIRECTORS AND TRUSTEES: Elizabeth Bennett
Sir Robert Crawford
Lord Crisp
Robin Dahlberg
Professor Anne-Marie Rafferty
Geoffrey Shepherd
Eileen Sills CBE
Natalie Tiddy

MUSEUM DIRECTOR: Caroline Worthington

BANKERS: National Westminster Bank Plc.
91 Westminster Bridge Road
London SE1 7BZ

INVESTMENT MANAGERS: CCLA Investment Managers Limited
80 Cheapside
London EC2V 6DZ

AUDITORS: Messrs Crouch Chapman
62 Wilson Street
London EC2A 2BU

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REPORT OF THE TRUSTEES

The Trustees present their report and audited financial statements for the period ended 31st March 2009, which have been prepared in accordance with the Accounting and Reporting by Charities Statement of Recommended Practice issued by the Charity Commission in March 2005 and the Memorandum and Articles of Association of the Company and the Special Provisions of Part VII of the Companies Act 1985 relating to small entities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

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.

The Trustees of the company who were also directors of the company during the period and up to the date of the report or as disclosed were as follows:

Elizabeth Bennett	Professor Anne-Marie Rafferty
Sir Robert Crawford	Geoffrey Shepherd
Lord Crisp	Eileen Sills CBE
Robin Dahlberg	Natalie Tiddy
Paul Orchard-Lisle CBE (resigned November 2008)	James Varley (resigned February 2008)

The Board wishes to thank Paul Orchard-Lisle for his contribution to the Museum during his term as Trustee and James Varley for his work as Treasurer.

Under the terms of the Memorandum and Articles of Association, the Trustees alone have the power to appoint any person to fill a vacancy among Trustees, however the total number of Trustees shall not exceed 10. Any Trustee so appointed shall hold office until the following annual general meeting and shall be eligible for re-election.

Where possible the Trustees seek to advertise Trustee vacancies, alternatively the Trustees seek recommendations from partner organisations. Potential Trustees are invited to meet the Chairman and Director and observe a committee meeting before joining.

No outside party has the power to appoint Trustees.

The Trustees delegate responsibility for the induction and training of Trustees to the Director. All new Trustees whether they have previous experience of trusteeship or not receive copies of *'The Essential Trustee: What you need to know'* (Charity Commission booklet CC3) on the role and responsibilities of trustees and copies of the Trust's Memorandum and Articles and strategy. New Trustees are invited to tour the Museum and meet staff with the Director.

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The Trust also recognised the advice and support of the Associate Trustees who are listed below:

Maureen Acland OBE
Pauline Anderson
Lady Bonham-Carter
Professor Ian Cameron
Lady Shireen Chantler
Frank Cockett
Robert DeVries
Michael Doulton
Kay Glendinning
Sir Barry Jackson

Peter Lumsden
Dr Beverly Malone
Dr Robert Maxwell
Dr Joan Pryor McCann
Dame Anne Poole
Dame Sheila Quinn DBE
Lieut-General Sir Alan Reay
Richard Sawyer
Dr Keith Tonge
John Wyn Owen CB

The Board was saddened by the passing of Major General Patrick Crawford (RAMC) GM. FFCM. FFOM. DPH. DIH. DTM&H and Peggy Nuttall who were for many years valued Associate Trustees.

The full board of Trustees (directors) meet quarterly to receive reports on the management of the Museum, review performance and to take any management and policy decisions considered necessary. The trust has one sub-committee established to fundraise for the Museum. The Trustees employ a director and staff to carry out the objectives of the Charity. The staff are assisted by volunteers who are members of the Museum Friends.

RISK MANAGEMENT

The Trustees of the Florence Nightingale Museum are aware of the risks which might affect the Museum. The Trustees oversee the risk management of two key areas of the Museum's activities: the daily operations and the development plans. The principal threat to the operation of the Museum is through loss of visitor income and this was mitigated by a plan of income diversification. The Trustees keep all potential risks under review and take all reasonable steps to mitigate these risks.

OBJECTIVES AND ACTIVITIES

The Memorandum of Association (1987) gave the powers to open and operate the Florence Nightingale Museum. Since the Museum was opened in 1989 the Trustees have steered its strategic direction through a mission statement and objectives. The Trustees adopt business plans annually to translate the overarching strategic aims into a detailed plan of action.

The Trust's Memorandum of Association gives the object as:

- To advance the education of nurses or those engaged in nursing.

In the furtherance of this objective, the governing document gives the trust powers which include the following:

- To establish and maintain a Museum for the preservation and wider display of the Nightingale collection.
- To receive donations of suitable items for the collection, or to purchase suitable items.
- To afford the facilities for research into the history and work of Florence Nightingale, particularly in relation to the first training school for nurses at St. Thomas' Hospital and consequential developments in the nursing profession.

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The Trust's strategy was formulated in 1999 and reviewed in 2003, when the present Mission Statement and objectives below were adopted.

Mission statement

The Florence Nightingale Museum aims to promote an understanding and appreciation of Florence Nightingale's legacy and its continuing influence on nursing and people's health.

Overarching Objectives

In support of the Mission Statement, the Museum's objectives are:

- To be the leading centre for the interpretation of the history of nursing in the UK.
- To provide an accessible education service for visitors of all ages.
- To provide high standards of collections management to the material and information entrusted to the Museum.
- To carry out a major capital project.

CHAIRMAN'S REPORT

The Museum has changed so much in the last year it is hardly recognisable! The many changes and initiatives that have been introduced since the appointment of Caroline Worthington as the Museum's Director have had a tremendously beneficial impact on the Trustees' vision for the Museum. The increased visitor figures alone show the interest in the Museum and the way Florence Nightingale's life and her legacy to modern health care and nursing has been described to an ever widening number of people both at home and abroad.

Caroline's professional leadership has been vital to the successful implementation of the Inspiring Change project which will result in a newly designed Museum to coincide with the centenary of Florence Nightingale's death. The Trustees are delighted that the appeal has been so successful in raising funds in a difficult economic climate. I would particularly like to thank Lord Crisp for his leadership of the appeal and to the Appeal Committee who have given significant time and energy to raising funds.

2008 has been a very exciting year for the Museum and I would like to thank all the Trustees, Caroline and the Museum's small but expert staff for their commitment and professionalism in managing this wonderful Museum.

ACHIEVEMENTS AND PERFORMANCE

2008 has been a remarkable year for the Florence Nightingale Museum. We welcomed 43,815 visitors to the Museum – our highest ever. The new team brought new life, ideas and energies to all aspects of the Museum's work and fundraising began in earnest for the Inspiring Change project – of which more later.

“Miasma” by Susie MacMurray opened at the beginning of July. The first contemporary art installation at the Museum saw thousands of disposable latex gloves hung from strips of crepe bandage smother a wall over 12 metres long.

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Florence Nightingale wrote about miasmas in “Notes on Nursing” first published in 1859. Like her contemporaries, she (mistakenly) believed that pockets of bad air spread infection. But, she also correctly saw the relation between a lack of cleanliness and disease and her notes encouraged cleanliness in healthcare. As we know, Nightingale subsequently became celebrated for her work in making hospitals clean, fresh and airy.

Issues of infection control are big news in the media. As many as 1 in 10 patients may pick up an infection during a stay in hospital – that’s the equivalent to at least 100,000 infections a year. Susie MacMurray made Miasma in response to Nightingale’s theory using contemporary materials. She says “The struggle for good practice in the battle against disease and infection continues throughout healthcare, enlisting legions of surgical gloves and sterile sutures against the likes of MRSA and C-Difficile”.

The private view was attended by around 70 guests and Ann Keen, MP gave a delightful speech. Artist led workshops were offered every Saturday in July and a chain of germs grew across the foyer. A range of popular, daily art activities were offered during the holidays. Our evaluation shows that 95% of visitors enjoyed the installation and 96% learned something as a result of it.

We were also able to display Florence Nightingale’s herbarium during the year. It was put together with plants found in the grounds surrounding Lea Hurst by her friend, Margaret Stovin. The herbarium was conserved by Richard Mendelsohn, a postgraduate student at Camberwell College of Art’s paper conservation course.

The Museum is increasingly linked into networks such as the London Museums of Medicine & Healthcare, the Medical & Healthcare Subject Specialist Network and more locally to Waterloo groups. We took part in the Waterloo Carnival on 11 July along with our colleagues at the Imperial War Museum and the Garden History Museum.

Inspiring Change

Inspiring Change will transform the Florence Nightingale Museum into an outstanding biographical museum with the history of nursing at its core. It will bring Nightingale’s legacy to new audiences. The centenary, in 2010, of Nightingale’s death offers a timely opportunity to re-appraise her life, work and legacy through the refurbishment of the Museum which celebrated its 20th birthday in 2008. The project will also create a much needed temporary exhibition / education space. Creating flexible space and a redesigned shop will allow us to hire spaces and to improve our financial sustainability.

Audience research carried out by the Susie Fisher Group in 2007 has shaped our new thinking. We currently attract visitors with an interest in Florence Nightingale and Mary Seacole, and (key stage one) schools groups. For 2010 we aim to widen our reach. We want to make the most of being located on London’s South Bank, and in one of London’s largest and most central hospitals. We have identified new target audiences – London’s nurses - working and retired, people visiting St Thomas’ and the South Bank, and the local community.

The objectives of Inspiring Change and the new Museum are:

- *to deepen understanding of the life and achievements of Florence Nightingale*
- *to provide an accessible formal education service, linked to the National Curriculum, and high quality informal learning experience for visitors of all ages*
- *to safeguard the historic collection and make it accessible through the Museum and online*
- *to be promote the study of Florence Nightingale and her nursing reforms*
- *to recognise the pioneering achievements of Mary Seacole.*

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A number of round table discussions were held to assist the Museum team develop the design brief. Experts in teaching, nursing, museums, Florence Nightingale and Mary Seacole were consulted.

During the autumn 12 museum design companies were invited to submit their credentials from which 5 were shortlisted, submitted a concept pitch and were interviewed. The panel selected Amsterdam based Kossmann de Jong – an award winning design practice in the Netherlands, this will be their first UK museum.

Three companies tendered for quantity surveying services and Fraser Randall were appointed. Karen Eyre joined the team as client project manager. Jayne Earncliffe of Access for People is the access consultant.

The budget for the new Museum is £1.3million – a challenge for the Fundraising Committee chaired by Lord Crisp. The fundraising committee comprises Sir Jonathan Asbridge, Dame Christine Beasley Professor Graham Hughes, Vincent Lawton, Katie Scales, Geoffrey Shepherd and Natalie Tiddy.

During the course of 2008, £419,375 was raised. Donors to date include:
Guy's and St Thomas' Charity - £303,000
Garfield Weston Foundation - £100,000

Proceeds from a fundraising concert by Instant Sunshine at the Greenwood Theatre in October - £4,330.

Proceeds from a fundraising dinner at the House of Lords (sponsored by HLM Architects) in November and private donations - £11,675.

But the new Museum is only one strand of Inspiring Change. We have increased our outreach programmes, begun to improve collections care and in November 2008 launched a new-look Museum website designed by Untitled Design Ltd.

Collections

In June 2008, as part of the Inspiring Change project, the Esmee Fairbairn Foundation awarded the Museum a grant of £48,000 enabling us to complete a full location audit, conservation audit and complete photography of the collections. Kate Colleran gave each 2D object a health-check, while Teresa Heady (who is based at St Paul's Cathedral) did the same for our 3D items. Anne Purkiss was our photographer.

The grant enabled us to upgrade our server to cope with increased capacity and purchase and install a new collections management system (TMS Light). The collection images will be formatted and prepared meaning that from September 2009 the collection will be available on line. We have agreed a contract with the Bridgeman Art Library who will, in the first instance, be responsible for dealing with requests for our top 16 images. Supplying images and contracts is a protracted process with many variables which often takes Kirsteen a great deal of time. The arrangement with Bridgeman means her time will be freed up and the service will be speedier. We are also working with The Media Store, who will produce merchandise, to order, using our images.

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Kirsteen has led on the Museum's application to the MLA for Accreditation. The scheme sets nationally agreed standard for museums in the UK. There are currently over 1800 museums participating in the Scheme, demonstrating their commitment to managing collections effectively for the enjoyment of all communities. In preparation for our application Kirsteen tidied up long term loan arrangements and prepared a number of policies and procedures, including the Disaster Plan. She applied via the MLA Collections Care grant for funding for a Museum Disaster Box and was awarded £950 to kit it out. She has also been successful in securing £2,500 from 20th Century London. The grant will enable us to prepare the material collected through Hospital Voices - as well as the new Windrush oral history records - for uploading onto the 20th Century London website:

www.20thcenturylondon.org.uk.

With one of our volunteers, Katie Sharma, Kirsteen has organised and re-catalogued the library. Mark Bostridge has donated his research notes to the library and Helen Rappaport has delivered Ken Horton's Crimean nurses research files, also a gift to the archive / library.

In October 2008 the Museum secured the temporary loan of Watts' portrait of Florence Nightingale from the Watts Gallery near Guildford. We lent 3 books from the collection to the Wellcome Collection for their "Medicine and War" exhibition in November.

The auction of "the last known photograph of Nightingale", along with negative and letter of authentication took place on 19 November. We allocated £3,000 towards the purchase and negotiated with the National Portrait Gallery, Wellcome Collection and Thackeray Museum that they would not enter the bidding at the auction. The photograph was ultimately secured by a private buyer for considerably more than the Museum's budget.

Learning

Katie Edwards joined the Museum as Learning & Access Manager early in July 2008. This is a key post that has been absent from the Museum for some time.

Katie immediately set about refreshing a wide range of education materials from the self led children's tours to all the materials for school visits as well as the look and feel of activities as part of the visit and the teachers' pack. A small grant (£335) from the Friends of the Museum made this possible.

In November 2008, Katie joined the Board at its meeting to present her Learning & Access Policy (2008-2009) for the Museum. Our approach to learning and outreach springs from this document.

School visits to the Museum remain high, however we are also looking beyond the Museum's walls and Katie has planned and begun to deliver the first of our outreach sessions to schools and community groups. "Flo on the Road" was tested at a school in Coventry in October 2008 and has since visited Birmingham, Essex and Kent. We also offer "Mary's Big Adventure" which brings Mary Seacole and her story to life in the school room.

Katie and 3 volunteers worked in partnership with the Royal Pharmaceutical Society during the Big Draw to deliver sessions around "germs" at the Evelina Children's Hospital. She worked with children there again to make the poppies suspended as a poppy cloud in the Museum's foyer for Remembrance Day.

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A number of outreach projects have been supported by grants during 2008: in May we delivered events through Setting the Pace, a programme to support museums, libraries and archives vital contribution to the UK's four-year Cultural Olympiad. In July we were awarded £9,000 for Their Past Your Future. Over 136 organisations applied and we are 1 of only 4 projects to get the go ahead in London. Their Past Your Future encourages intergenerational exploration of the impact and ongoing legacy of 20th Century conflict on people and places in the UK and around the world. It is funded by the Big Lottery. Our project saw members of the Blackfriars Settlement in Southwark working with pupils from Burntwood School and the writer/performer Rommi Smith to explore the theme of healing.

The London Eye Community Chest has awarded the Museum £2,740 to fund a programme which will provide over 150 young people in the locale with first aid training delivered by the Red Cross. We will also arrange for speakers from the Guy's and St Thomas' Hospital staff to enrich the sessions and participants will be able to visit the Florence Nightingale Museum for free. Katie has worked with Lambeth Council and the Local Children's Services to develop a joint project and with two trainee teachers from Kingston University (both sets of costs provided by MLA).

Retail, Visitor Services and PR

Suzanne Swaysland left the Museum in December 2008. However, prior to her departure Suzanne developed links with Duck Tours, London Walks and City Cruises to offer reciprocal deals on ticketing.

We were awarded a grant of £2,000 from the Association for Independent Museums which enabled us to bring Heritage Retail to the Museum to look at our retail activities. The resulting report made recommendations for the next 12 months and longer term advice which informed the design for the new Museum. Suzanne and the Director benefited from a programme of training called "Museumaker" (sic). It is co-ordinated and delivered by MLA and Arts Council London. A particularly good session was around visual merchandising and the trainer – Ian Herdman – delivered a half day session at the Museum for the weekend team.

Suzanne has also developed a health & safety policy for the Museum. We benefited from a risk assessment visit and report produced by one of our volunteer tour guides (who also happens to have experience in this field, professionally) and we have endeavoured to resolve the minor issues he alerted us to. The Imperial War Museum has been especially generous with their expertise and advice during the course of the year, assisting with HR issues and recruitment.

We took the decision to open over Christmas for the first time, promoting a "Victorian Christmas". The Museum was manned by our weekend team and numbers suggest it was a worthwhile experiment. Our membership of the South Bank Employers Group (SBEG) has been key to widening our marketing scope.

SBEG produced a communications plan for 2008, gratis, which we followed with some success. "Nursing by Lamplight" – 3, late night openings with free entry – was picked up by the media. Kirsteen had a 15 minute slot with BBC Radio London on 12 May. We held the evenings at the end of the nursing week celebration and to tie in with Museums & Galleries Month (a national initiative). Visitor numbers were particularly high in June and July following the drama "Florence Nightingale" shown on 1 June 2008. It achieved 4.7 million viewers for the BBC – 23% of people who were watching television between 7-8pm that night.

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New publications by Patricia Mowbray – *Florence Nightingale and the Viceroy* – and Mark Bostridge – *Florence Nightingale: The Woman and her Legend* – continued to keep Florence Nightingale and the Museum in the public eye.

New signage to the Museum around St Thomas' has undoubtedly helped too. Improved relations with the GSTT communications team means increased coverage in "The People" and Daily Bulletin for circulating information about events and offers. We were pleased to take part in the Open Day on 21 June – and offer free admission.

Alexandra Haynes joined the Museum in the new post of Retail Manager at the beginning of March 2009 and the shop is already benefitting from this new energy and enthusiasm.

Staff

Caroline Worthington joined the Museum in February 2008 as Director. The Museum team is:

Caroline Worthington	- Director
Kirsteen Nixon	- Collections Manager
Katie Edwards	- Learning & Access Manager (joined July 2008)
Suzanne Swaysland	- Visitor Services Officer (left December 2008)
Alexander Haynes	- Retail Manager (joined March 2009)
Peter Boyse	- Accounts Clerk
Akbinder Kaur Deo	- Collections Assistant (joined September 2008)

Akbinder is working with us for 12 months through the Museums Association's Diversify scheme which makes museum careers more accessible to people from ethnic minorities and deaf and disabled people.

The Museum's work continues to be supported by a small, but dedicated, team of volunteers whose warm reception and enthusiasm is appreciated by our visitors. Our volunteers are managed by the Learning & Access Manager who also arranges a programme of visits to London museums as well as access to training provided through the MLA London.

Trustees' activities

As the Museum prepares for significant change, the Board has spent time reflecting and planning. Two away days were held during the course of the year with governance and the Museum's long term future as the topics for extensive debate.

As a result, Trustees have agreed to participate in the Gain Board Development programme which aims to enrich the boards of arts, heritage and sports organisations in London. The programme offers access to a diverse and highly skilled pool of potential board members from black, Asian and minority ethnic backgrounds as well as providing training and development for the existing Board.

It was agreed by the Board at their September meeting to run one long financial year until March 2009, and then commence a new financial year from April 2009. The Director noted this would bring the Museum into line with its contracts, annual leave, grant givers etc. and that it would not affect the auditing costs. The Treasurer advised Companies House. Professor Anne Marie-Rafferty was awarded the CBE in the New Year's Honours List and the Board offers her their congratulations.

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The Trustees are also very grateful to the staff and volunteers who so ably provide the required professionalism for the Museum.

FINANCIAL REVIEW AND FUTURE DEVELOPMENTS

In accordance with Charity Commission guidance the Trustees have agreed a reserves policy based on a realistic assessment of their reserves needs. It is not their policy to build up resources by retaining funds as a matter of habit. Any annual surpluses made are held to provide a prudent provision for costs both foreseen, and unforeseen, which may be incurred in the future.

Maintenance of reserves

The Trustees will aim to maintain appropriate reserves in the future by careful budgeting and monitoring of income and expenditure.

Review of the policy

Once the new-look Museum is open it is the Trustees intention to review the reserves policy annually.

POST BALANCE SHEET EVENTS

Since the period end the Trustees have agreed to proceed with the redevelopment of the Museum under the project title Inspiring Change. As a result the current Museum fixtures will be replaced and have nil value at disposal.

RELATED PARTIES AND CONNECTED ORGANISATIONS

The Florence Nightingale Museum is located within the site of St. Thomas' Hospital. The Guy's and St Thomas' NHS Foundation Trust is represented by a Trustee but it does not have powers to nominate Trustees.

TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the annual return and the financial statements in accordance with applicable law and regulations.

Company law applicable to incorporated charities in England and Wales requires the Trustees, who are also directors for the purposes of company law, to prepare financial statements for each financial period. Under that law, the Trustees have elected to prepare the financial statements in accordance with United Kingdom Accountancy Standards and applicable law. The financial statements are required to give a true and fair view of the state of the Charity's financial activities during the period, and of its financial position at the end of the period. In preparing those financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Companies Act 1985 and the Charities Act 1993. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the Trustees are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each Trustee has taken all the steps that ought to have been taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

GUARANTORS

The Trustees are the Members of the Company which is limited by guarantee. In the event of winding up, the liability of members is limited to £1.

AUDITORS

Messrs Crouch Chapman have indicated their willingness to continue in office and a resolution for their re-appointment will be proposed at the Annual General Meeting on 2nd September 2009.

SMALL COMPANIES EXEMPTION

The above report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Principal address and Registered Office:

Gassiot House
2 Lambeth Palace Road
London SE1 7EW

GEOFFREY SHEPHERD
Chairman

THE FLORENCE NIGHTINGALE MUSEUM TRUST
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INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF THE FLORENCE NIGHTINGALE MUSEUM TRUST

We have audited the financial statements of The Florence Nightingale Museum Trust for the period ended 31st March 2009 on pages 14 to 20. These financial statements have been prepared under the accounting policies set out on pages 16 and 17.

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

Respective Responsibilities of Trustees and Auditors

The responsibilities of the Trustees, who are also directors of The Florence Nightingale Museum Trust, for the preparation of 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 Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and statutory 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, in our opinion, the Report of the Trustees is consistent with the financial statements.

We also report to you if 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 Trustees' remuneration and transactions with the charitable Company is not disclosed.

We read the Report of the Trustees and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of Audit 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 judgments made by the Trustees 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.

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INDEPENDENT AUDITORS' REPORT
TO THE FLORENCE NIGHTINGALE MUSEUM TRUST
- continued

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31st March 2009 and of its incoming resources and application of resources in the period then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information provided in the Trustees' Report is consistent with the financial statements.

62 Wilson Street
London EC2A 2BU

CROUCH CHAPMAN
Chartered Accountants
Registered Auditors

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STATEMENT OF FINANCIAL ACTIVITIES
PERIOD ENDED 31ST MARCH 2009

Income and Expenditure	Notes	Restricted £	Unrestricted £	Endowment £	Total Period Ended 31 March 2009 £	Total Year Ended 31 December 2007 £
Incoming resources						
Donations, legacies and similar Activities in furtherance of the Charities objects:	2	205,137	2,898	-	208,035	46,332
Museum operation	3	-	249,364	-	249,364	191,911
Education income	4	-	44,880	-	44,880	26,636
Collection management	5	-	1,805	-	1,805	1,974
Activities to generate funds	6	4,330	2,122	-	6,452	8,529
Investment income		-	5,826	-	5,826	6,117
Total incoming resources		<u>209,467</u>	<u>306,895</u>	<u>-</u>	<u>516,362</u>	<u>281,499</u>
Costs of generating funds:						
Fundraising and publicity		(2,631)	(38,095)	-	(40,726)	(32,649)
Net incoming resources available for application		<u>206,836</u>	<u>268,800</u>	<u>-</u>	<u>475,636</u>	<u>248,850</u>
Charitable expenditure						
Museum operation		33,271	133,088	-	166,359	134,888
Education		3,457	47,378	-	50,835	56,102
Collection management		19,810	25,942	-	45,752	24,895
Capital project		20,538	12,321	-	32,859	19,573
Oral History project		-	-	-	-	59,754
Audience Development Project		-	-	-	-	11,081
Governance		1,140	26,512	-	27,652	21,652
Total charitable expenditure		<u>78,216</u>	<u>245,241</u>	<u>-</u>	<u>323,457</u>	<u>327,945</u>
Total resources expended	7	<u>80,847</u>	<u>283,336</u>	<u>-</u>	<u>364,183</u>	<u>360,594</u>
Net income/(expenditure) for the period before other recognised gains and losses	8	128,620	23,559	-	152,179	(79,095)
Unrealised (loss)/gain on investments		-	-	(30)	(30)	(221)
Net movement in funds		<u>128,620</u>	<u>23,559</u>	<u>(30)</u>	<u>152,149</u>	<u>(79,316)</u>
Fund balances at 1 st January 2008		11,730	170,320	22,755	204,805	284,121
Fund balances at 31st March 2009		<u><u>140,350</u></u>	<u><u>193,879</u></u>	<u><u>22,725</u></u>	<u><u>356,954</u></u>	<u><u>204,805</u></u>

The statement of financial activities includes all recognised gains and losses recognised in the period and all incoming and expended resources derive from continuing activities.

THE FLORENCE NIGHTINGALE MUSEUM TRUST
(A company limited by guarantee)

BALANCE SHEET
AS AT 31ST MARCH 2009

	Notes	31 st March 2009		31 st December 2007	
		£	£	£	£
FIXED ASSETS					
Tangible assets	11		97,051		109,389
Investments	12		22,725		22,755
			<u>119,776</u>		<u>132,144</u>
CURRENT ASSETS					
Stock	1	12,639		14,876	
Debtors	13	16,003		8,568	
Short term deposits		169,591		64,590	
Cash at bank and in hand		60,895		6,793	
		<u>259,128</u>		<u>94,827</u>	
CREDITORS					
Amounts falling due within one year	14	(21,950)		(22,166)	
NET CURRENT ASSETS					
			<u>237,178</u>		<u>72,661</u>
NET ASSETS					
	15		<u><u>356,954</u></u>		<u><u>204,805</u></u>
FUNDS					
Endowment fund			22,725		22,755
Restricted funds			140,350		11,730
Unrestricted funds:					
Designated funds			150,782		163,120
General funds			43,097		7,200
TOTAL FUNDS					
	16		<u><u>356,954</u></u>		<u><u>204,805</u></u>

-----)
) TRUSTEES
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Approved by the Trustees on

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST MARCH 2009

1. Accounting Policies

a) The financial statements have been prepared under the historical cost convention (except for investments which are included at revalued amounts) and in accordance with applicable accounting standards. They follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities (issued in March 2005) and the Companies Act 1985.

b) Grants are recognised in full in the statement of financial activities in the period in which they are receivable.

c) Grants for the purchase of fixed assets are credited to restricted incoming resources when receivable. Depreciation of fixed assets purchased with such grants is charged against the restricted fund, unless the assets are used for the general purpose of the charity in which case the assets are transferred to the unrestricted funds.

d) Voluntary income is received by way of donations and gifts and is included in full in the statement of financial activities when receivable. Intangible income is recognised as an incoming resource where the provider of the service has incurred a financial cost. Volunteer time is not included in the financial statements.

e) Stocks represent finished goods for resale, and are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation.

f) Investments held as fixed assets consist of common investment funds and are revalued at mid-market value at the balance sheet date. The gain or loss for the period is taken to the statement of financial activities.

g) Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

h) Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on an estimate of staff time attributable to each activity.

i) Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Fixtures & fittings	6.67% reducing balance basis
Office Equipment	4 Years straight line basis

THE FLORENCE NIGHTINGALE MUSEUM TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
- continued

1. Accounting Policies - continued

Items of equipment are capitalised where the purchase price exceeds £5,000. Depreciation costs are allocated on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

j) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund together with a fair allocation of management and support costs.

k) Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity.

l) Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

m) The costs of generating funds relate to the costs incurred by the charitable company in raising funds for the charitable work.

2. Donations, grants, legacies and similar incoming resources

			Total Period Ended 31 March 2009	Total Year Ended 31 December 2007
	Restricted £	Unrestricted £	£	£
Donations	1,625	1,898	3,523	11,257
Grants	26,940	-	26,940	34,075
Legacies	-	1,000	1,000	1,000
Inspiring change	176,572	-	176,572	-
	<u>205,137</u>	<u>2,898</u>	<u>208,035</u>	<u>46,332</u>

3. Museum operation

			Total Period Ended 31 March 2009	Total Year Ended 31 December 2007
	Restricted £	Unrestricted £	£	£
Admissions	-	157,451	157,451	127,329
Shop sales	-	91,913	91,913	64,582
	<u>-</u>	<u>249,364</u>	<u>249,364</u>	<u>191,911</u>

THE FLORENCE NIGHTINGALE MUSEUM TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
- continued

4. Education

	Restricted	Unrestricted	Total Period Ended 31 March 2009	Total Year Ended 31 December 2007
	£	£	£	£
School admissions	-	38,970	38,970	26,636
International Education/Tours	-	1,880	1,880	-
Outreach Education Income	-	4,030	4,030	-
	<u>-</u>	<u>44,880</u>	<u>44,880</u>	<u>26,636</u>
	<u><u>-</u></u>	<u><u>44,880</u></u>	<u><u>44,880</u></u>	<u><u>26,636</u></u>

5. Collection management

	Restricted	Unrestricted	Total Period Ended 31 March 2009	Total Year Ended 31 December 2007
	£	£	£	£
Reproduction rights	-	1,805	1,805	1,974
	<u>-</u>	<u>1,805</u>	<u>1,805</u>	<u>1,974</u>
	<u><u>-</u></u>	<u><u>1,805</u></u>	<u><u>1,805</u></u>	<u><u>1,974</u></u>

6. Activities to generate funds

	Restricted	Unrestricted	Total Period Ended 31 March 2009	Total Year Ended 31 December 2007
	£	£	£	£
Museum hire	-	-	-	373
Costume/Exhibition hire	-	-	-	461
Instant Sunshine Concert	4,330	-	4,330	-
Fundraising Income	-	2,122	2,122	7,695
	<u>4,330</u>	<u>2,122</u>	<u>6,452</u>	<u>8,529</u>
	<u><u>4,330</u></u>	<u><u>2,122</u></u>	<u><u>6,452</u></u>	<u><u>8,529</u></u>

THE FLORENCE NIGHTINGALE MUSEUM TRUST
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NOTES TO THE FINANCIAL STATEMENTS
- continued

	Fundraising and Publicity		Museum Operations	Education	Collection Management	Capital Project	Management and Admin.	Period Ended 31March 2009	Year Ended 31December 2007
	£	£	£	£	£	£	£	£	£
Staff costs	21,686	69,227	32,529	19,183	14,913	9,275	166,813	158,355	
Staff training	548	1,751	823	485	377	235	4,219	3,341	
Shop purchases	-	45,025	-	-	-	-	45,025	42,020	
Irrecoverable VAT	-	7,975	-	-	-	-	7,975	2,719	
Education	-	-	4,344	-	-	-	4,344	17,825	
Collection management	-	-	-	18,334	-	-	18,334	2,399	
Publicity and promotion	9,505	-	-	-	-	-	9,505	7,185	
Website expenses	228	12,876	-	-	-	-	13,104	-	
Fundraising expenses	-	-	-	-	491	-	491	462	
Printing and stationery	415	1,323	622	367	285	176	3,188	2,070	
Telephone and postage	466	1,487	699	412	320	199	3,583	2,733	
Computing	1,594	5,090	2,391	1,411	1,097	680	12,263	2,774	
Repairs and renewals	-	920	-	-	-	-	920	450	
Premises costs	1,172	3,743	1,759	1,037	806	502	9,019	8,403	
Office/Museum equipment	-	497	-	-	-	119	616	-	
Capital project costs	-	-	-	-	10,048	-	10,048	129	
Oral History project costs	-	-	-	-	-	-	-	59,754	
Audience development costs	-	-	-	-	-	-	-	11,081	
Insurance	-	-	-	-	-	8,059	8,059	7,445	
Travel	320	1,020	480	283	220	136	2,459	177	
Trustees expenses	-	-	-	-	-	1,080	1,080	83	
Bad debts expense	-	125	-	-	-	-	125	573	
Audit and accounts	-	-	-	-	-	5,140	5,140	3,713	
Legal fees	-	-	-	-	1,006	-	1,006	1,500	
Depreciation	2,230	7,121	3,345	1,973	1,534	955	17,158	15,976	
Banking costs	674	2,152	1,011	597	464	288	5,186	-	
Miscellaneous	1,888	6,027	2,832	1,670	1,298	808	14,523	9,427	
	<u>40,726</u>	<u>166,359</u>	<u>50,835</u>	<u>45,752</u>	<u>32,859</u>	<u>27,652</u>	<u>364,183</u>	<u>360,594</u>	

THE FLORENCE NIGHTINGALE MUSEUM TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
- continued

8. Net incoming/(outgoing) resources for the period

	Period Ended 31 March 2009 £	Year Ended 31 December 2007 £
This is stated after charging:		
Depreciation	17,158	15,976
Trustees' reimbursed expenses	1,080	83
Auditors' remuneration		
- Audit fees	3,500	3,713
- Other services – payroll/business plan support	1,640	-
	<u> </u>	<u> </u>

Trustees' expenses represent the cost of meetings held during the period.

9. Staff costs and numbers

	Period Ended 31 March 2009 £	Year Ended 31 December 2007 £
Salaries and wages	154,140	146,324
Social security costs	12,673	12,031
	<u> </u>	<u> </u>
	<u>166,813</u>	<u>158,355</u>

No employee earned more than £60,000 during the period.

	Number	Number
The average weekly number of full-time employees during the period was:	<u> </u>	<u> </u>
	5	6

10. Taxation

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

THE FLORENCE NIGHTINGALE MUSEUM TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
- continued

11. Tangible fixed assets

	Fixtures & Fittings £	Office Equipment £	Total £
COST			
At 1 st January 2008	315,976	37,260	353,236
Additions	-	4,820	4,820
At 31 st March 2009	315,976	42,080	358,056
DEPRECIATION			
At 1 st January 2008	214,471	29,376	243,847
Charge for the period	7,768	9,390	17,158
At 31 st March 2009	222,239	38,766	261,005
NET BOOK VALUE			
At 31 st March 2009	93,737	3,314	97,051
At 31 st December 2007	101,505	7,884	109,389

All tangible fixed assets are used to fulfil the Charity's objects.

Since the year end the Trustees have agreed to redevelop the Museum and dispose of the Museum fixtures. It is anticipated that disposal proceeds will be minimal.

12. Investments and unrealised gains and losses

	Period Ended 31 March 2009 £	Year Ended 31 December 2007 £
Market value at 1 st January 2008	22,755	22,976
Unrealised (loss)/gain	(30)	(221)
Market value at 31 st March 2009	22,725	22,755
Historical cost	22,522	22,522

THE FLORENCE NIGHTINGALE MUSEUM TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
- continued

13. Debtors

	Period Ended 31 March 2009 £	Year Ended 31 December 2007 £
Trade debtors	11,627	5,973
Gift Aid	695	400
Other debtors	929	1,380
Prepayments	2,752	815
	<u>16,003</u>	<u>8,568</u>

14. Creditors

	Period Ended 31 March 2009 £	Year Ended 31 December 2007 £
Amounts falling due within one year:		
Trade creditors	15,781	15,098
Accruals	4,524	5,378
VAT owed	1,645	1,690
	<u>21,950</u>	<u>22,166</u>

15. Analysis of net assets between funds

	Endowment £	Restricted £	General £	Total £
Tangible fixed assets	-	-	97,051	97,051
Investments	22,725	-	-	22,725
Net current assets	-	140,350	96,828	237,178
Net assets at 31 st March 2009	<u>22,725</u>	<u>140,350</u>	<u>193,879</u>	<u>356,954</u>

THE FLORENCE NIGHTINGALE MUSEUM TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
- continued

16. Movements in funds

	As At 01.01.08 £	Incoming Resources £	Outgoing Resources £	Transfers £	Loss on Investment £	As At 31.03.09 £
Endowment fund	22,755	-	-	-	(30)	22,725
Restricted funds:						
2010 Fund	905	20,000	(1,003)	-	-	19,902
Capital Project Appeal	5,498	-	(5,498)	-	-	-
Save Athena Appeal	783	-	-	(783)	-	-
The Friends: Education						
Grants	335	-	(335)	-	-	-
STH Physiotherapists Fund	400	-	-	(400)	-	-
Oral History Project	2,250	-	(2,250)	-	-	-
Lea Hurst Fund	559	-	-	-	-	559
Development project	1,000	6,757	-	(7,757)	-	-
Inspiring Change:						
- Appeal contributions	-	17,485	(25,242)	7,757	-	-
- Esme Fairbairn grant	-	48,000	(27,914)	-	-	20,086
- Garfield Weston grant	-	100,000	(10,048)	-	-	89,952
- Instant Sunshine Concert	-	4,330	(1,962)	-	-	2,368
Conservation Fund	-	625	(1,132)	1,183	-	676
AIM Retail Revue	-	2,000	(2,000)	-	-	-
MLA-Their Past grant	-	6,750	(803)	-	-	5,947
MLA-Vox Pop grant	-	970	(880)	-	-	90
MLA-Storytelling	-	600	(525)	-	-	75
MLA-Disaster Box	-	950	(920)	-	-	30
Outreach Project	-	1,000	(335)	-	-	665
Total restricted funds	11,730	209,467	(80,847)	-	-	140,350
Unrestricted funds:						
Designated Funds:						
Capital project reserve	43,422	-	-	-	-	43,422
Project development costs	10,309	-	-	-	-	10,309
Fixtures and fittings	101,505	-	(7,768)	-	-	93,737
Office equipment	7,884	4,820	(9,390)	-	-	3,314
	163,120	4,820	(17,158)	-	-	150,782
General funds	7,200	302,075	(266,178)	-	-	43,097
Total unrestricted funds	170,320	306,895	(283,336)	-	-	193,879
Total funds	204,805	516,362	(364,183)	-	(30)	356,954

NOTES TO THE FINANCIAL STATEMENTS
- continued

16. Movements in funds - continued

Endowment Fund – Capital

This is permanent capital income fund. Investment income generated by this fund is applied for the purpose of meeting the trust's charitable objectives.

Purposes of restricted funds:

2010 Fund

The 2010 Fund formerly the Mary Seacole Fund is to be used for the production of events and activities in 2010, the centenary year of Florence Nightingale's death.

Capital Project Appeal

Funds raised in 2003 toward architects' and designers fees for the Museum capital project has been fully utilised in the year.

Save Athena Appeal

Funds raised in 2005 for the purchase and conservation of the Lea Hurst Collection of objects including Athena the owl. The balance remaining has been transferred to the Conservation Fund.

Friend's Education Grants

Funds given by The Friends of the Florence Nightingale Museum to support educational projects.

STH Physiotherapists Fund

Funds given by the retired physiotherapists of St Thomas' Hospital in support of conservation. The balance remaining has been transferred to the Conservation Fund.

Oral History Project

The project to collect oral histories of patients and nurses, to make an exhibition, videos and create an archive was completed in the year.

Lea Hurst Fund

Money raised by Pat Smedley for a project about Florence Nightingale's Derbyshire background.