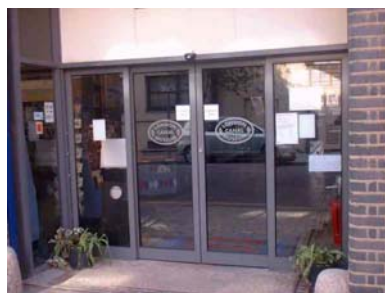


Annual Report and Accounts 2003-4



The Canal Museum Trust
Registered Charity No 277484



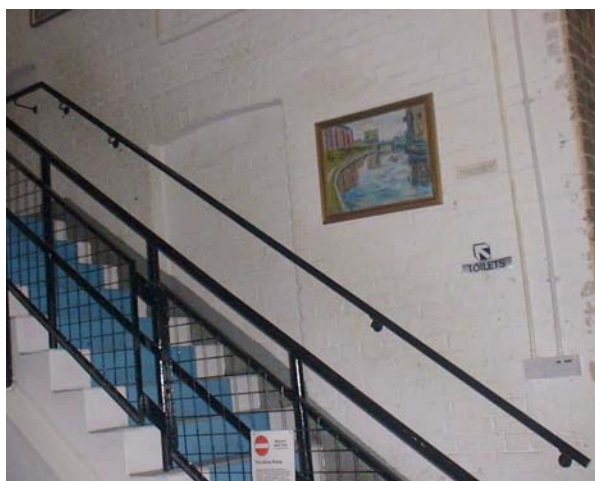
Annual Report and Accounts 2003-4

The 2003-4 financial year was another year of substantial progress for the London Canal Museum with major improvements being made to the amenities of the building and preparations being well advanced for the new exhibition *Horse Power* which was constructed on the first floor in the following 2004-5 financial year.

Disabled Visitors

The Trust was delighted to be awarded its largest single grant of recent years, of £52,000 by the Bridge House Estates Trust for improvements to the museum's facilities for disabled visitors. This was accompanied by grants of £15,000 from the Association of London Government, and £3,000 from the ADAPT Trust, a charity working to enhance access to the arts for disabled people. These grants provide the funding for a substantial programme which will include lighting of display cases, a virtual tour of Coronis's cabin, and an audio tour for the blind, as well as the work described below.

The largest sub-project to be delivered during the year was the construction of a lift from the raised area of the ground floor to the first floor gallery, thus providing full access to all parts of the public area for visitors unable to use the stairs. The lift was a big project in every respect. The total cost was nearly £40,000 made up of the lift assembly, the associated building work, electrical work, and the all-important professional advice and design work that was necessary to ensure that the building's structural strength was not compromised by the creation of a large opening in the first floor. The ground and first floors were constructed of rolled steel joists and concrete in 1904-6 and we are indebted to the architect H. Phelps Drew who made a structure of such robust construction that our builder, 100 years on, struggled to make a hole in it. The work involved the creation of a covered work site behind protective sheeting and generated a good deal of noise and dust, over a period that was difficult for staff and visitors.



The lift proved a great success as soon as it came into use. In addition to wheelchair users we found that a significant number of elderly visitors wished to take advantage of the lift rather than climb the steep flight of stairs to the first floor gallery.

In addition to the lift we made other improvements designed to benefit disabled people, but also helpful to other users of the building. All the staircases were enhanced with additional handrails where needed to provide a handrail on each side of every staircase. For the visually impaired we installed corduroy pads at the top and base of every staircase to which the public have access. These are a well recognised indication to blind people that a change of level is imminent and can readily be felt on the floor. Colour contrasting nosings have been applied to all our staircases. Those installed on the rear stairs and stairs between the ground floor's two levels have photoluminescent strips which, in the event of a lighting failure, glow in the dark for up to 20 minutes.

The museum's entrance doors were less than helpful to wheelchair users and have been replaced with a set of automatic opening doors. These can be set by staff to open automatically, or to open only from the inside at the push of a button when increased

security is desired. An interface with the museum's new fire alarm system, mentioned below, causes the doors to open and remain open in the event of fire alarm activation. The museum's website became the first museum site to be given the "See-it-right" award for accessibility from the Royal National Institute of the Blind.

Safety and Security



The museum had an ageing security system and was without a fire alarm. From most parts of the building, escape would be swift and easy, but a fire could have a devastating effect on the building and its heritage, and the collection. An internal review of fire safety concluded that a comprehensive fire detection and alarm system would be of significant value in protecting not only the building's users, but also the building and collection from fire. We were successful in an application to the London Museums Agency for a grant of £4,000 towards this project, the total cost of which was around £9,000. The old security alarm was replaced with a modern comprehensive fire and security system. It is entirely wireless which means that there is no detractor from the appearance of the building by unsightly cabling. The system includes smoke detection, manual fire alarm call points, and, for those with impaired hearing, flashing red lamps are provided to give warning in the event of fire.

Care of Collection

The museum's Bantam tug is moored in the basin outside as a floating exhibit which we maintain in working order. Boats need their hulls to be treated with preservative regularly and during a spell in dry dock for this purpose we had the hull examined by a marine surveyor. On the recommendations of his report a further period of dry dock maintenance took place in January 2004 when the Trust spent over £4,000 on works to cover parts of the hull with steel plate for its long term protection.

A programme of improvements to the storage and care of the museum's archive collection continued. Early in 2004 an external consultant funded by London Museums Agency (now ALM London) reviewed the museum's work in this area. She made a number of suggestions for future work. The consultant's report referred to the "impressive improvements to storage conditions for its collections of ephemera, journals, and works of art on paper" which had been made.

We were also delighted to be able to appoint a new Curatorial Advisor who is a member of the curatorial staff of the Museum of London. Her expertise and enthusiasm have already proved valuable to the museum.

Finance

The Trust's ordinary income was broadly similar to that of the previous year. Encouraging was the increased income from admission fees which offset a small reduction in the income from venue hire. This was almost all due to a fall in demand for Christmas parties. Shop receipts showed a healthy increase in line with admissions. The donations made to the Canal Museum Keystone Fund showed a slight increase at just over £1,700. This Fund aims to reduce the museum's long term bank loan and, ultimately, to hasten its elimination.

The Trust's accounts show a substantial expenditure on the costs associated with museum hire. In addition to the usual costs of cleaning after private functions and a few minor costs, some £7,277 was spent on the costs of defending planning enforcement action by Islington Council. Most of this was the fees and expenses of planning and acoustic consultants. The

issue arose from the Council's different interpretation of the museum's existing planning consent to that of the trustees. An enforcement notice was served which would have ended a major stream of income with potentially very serious consequences. It was therefore necessary to protect the museum's future revenue and initiate an appeal. The matter was unresolved at the end of the financial year but was subsequently concluded by negotiation of a satisfactory agreement.

Education

In the Autumn and Spring our educational work was dominated by our highly successful participation in the "Creative Canals" project. This was a government-funded project in which we were one of the partners, along with the Science Museum, the Ragged School Museum and Beauchamp Lodge Settlement with its floating classroom "Beauchamp". Our contribution to the project was to provide one of the venues and some source material for the content. The teaching was provided by members of the Science Museum staff and was of a very high quality. A typical day would involve nearly 60 primary school pupils dividing their time between activities in the Museum and on "Beauchamp".



The museum's other education work continued with another successful participation in National Science Week, in March 2004. Workshops for local schools used the resources of the museum to teach science and a family day was also held on the Saturday at which there were science demonstrations for all the family to enjoy.

During the summer, a series of "Children's Activity Days" were held with a range of activities for children and their parents during the school holidays including boat trips and model making.

The museum's website was expanded with a variety of online learning resources and became part of the National Grid for Learning.

Exhibition Development

During the year to 31st March 2004 a great deal of work was put into the planning of a refurbishment of the first floor and the creation of a new exhibition entitled Horse Power. A full sized horse model was planned and a new display case ordered for a new exhibition of veterinary artifacts.

Grants listed in the appendix were received from a number of grant making trusts towards this project. The successful implementation of this work took place early in the following financial year and will feature in next year's report.

The museum continued to develop steadily and built the foundations in 2003-4 for further progress in 2004-5. It continued to rely on the services of a small and dedicated number of volunteers to whom the Trustees are most grateful for their essential support.

CHARITY REGISTERED NUMBER:277484

THE CANAL MUSEUM TRUST

ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2004

CONTENTS

	Page
Legal and administrative information	a
Examiners report	b
Balance sheet	c
Statement of financial activities	d
Schedule of movement in funds	e
Notes	f

THE CANAL MUSEUM TRUST
LEGAL AND ADMINISTRATIVE INFORMATION
AS AT 31 MARCH 2004

Registered Charity Number: 277484

Chairman: M Sach

Treasurer: M Sach

Trustees: T Lewis
M Sach
R Squires
M Tucker
A Ward
V Pinder
W Davidson
M Stevens

Secretary: T Lewis

Address: 12-13 New Wharf Road
London
N1 9RT

Accountants: SBM & Co.
Chartered Accountants
117 Fentiman Road
Vauxhall
London
SW8 1JZ

Bankers: Coutts & Co
440 Strand
London
WC2R 0QS

Solicitors: Farrer & Co
66 Lincoln's Inn Fields
London
WC2A 3LH

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF THE CANAL MUSEUM TRUST
FOR THE YEAR ENDED 31 MARCH 2004

We report on the accounts of the charity, set out on pages c to j.

Respective responsibilities of the Trustees and examiner

As the charity's trustees you are responsible for the preparation of the accounts; you consider that the audit requirement of section 43(2) of the Charities Act 1993(the Act) does not apply.

It is our responsibility to:

- Examine the accounts (under section 43(3)(a) of the 1993 Act);
- Follow the procedures specified in the General Directions given by the Charity Commissioners under section 43(7)(b) of the Act; and
- State whether particular matters have come to our attention.

Basis of independent examiner's report

Our examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently we do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

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

1. Which gives us reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 41 of the 1993 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 1993 Act.

have not been met; or which, in our opinion,

2. Attention should be drawn in order to enable an understanding of the accounts to be reached.

SBM & Co
Chartered Accountants
Registered Auditors
117 Fentiman Road
Vauxhall
London
SW8 1JZ

_____Date

THE CANAL MUSEUM TRUST

BALANCE SHEET

AT 31 MARCH 2004

	Note	2004		2003	
		£	£	£	£
Current assets					
Stocks	3	8,190		8,135	
Debtors	4	4,611		293	
Bank Accounts		41,800		18,148	
		<u>54,601</u>		<u>26,576</u>	
Creditors					
Amounts falling due within one year	5	15,069		7,838	
		<u>15,069</u>		<u>7,838</u>	
Net current assets			39,532		18,738
Total assets less current liabilities			<u>39,532</u>		<u>18,738</u>
Creditors					
Amounts falling due after more than one year	5		(39,463)		(47,247)
			<u>(39,463)</u>		<u>(47,247)</u>
Net liabilities			<u>69</u>		<u>(28,509)</u>
Capital funds					
Restricted funds			-		29
Unrestricted funds			69		(28,538)
			<u>69</u>		<u>(28,509)</u>
Total funds			<u>69</u>		<u>(28,509)</u>

Approved by the board of trustees on _____ and signed on its behalf

M Sach - Chairman

T Lewis - Secretary

The annexed notes form part of these financial statements.

THE CANAL MUSEUM TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2004

	Unrest'd Funds £	Rest'd Income Funds £	Total Funds 2004 £	Total Funds 2003 £
Incoming resources (Note 6)				
Donations, legacies & similar incoming resources	99,638	1,754	101,392	6,991
Incoming Resources from operating activities of the charity:				
Activities for generating funds	65,769	-	65,769	60,474
Investment income	293	1	294	167
Total incoming resources	<u>165,700</u>	<u>1,755</u>	<u>167,455</u>	<u>67,632</u>
Resources expended				
Costs of generating funds (Note 7)	26,004	-	26,004	12,661
Charitable expenditure:				
Costs of activities in furtherance of the charity's objects (Note 8)	102,504	-	102,504	34,762
Support costs (Note 9)	9,174	-	9,174	9,335
Resources expended on managing and administering the charity (Note 10)	1,195	-	1,195	1,379
Total resources expended	<u>138,877</u>	<u>-</u>	<u>138,877</u>	<u>58,137</u>
Net movement in funds	<u>26,823</u>	<u>1,755</u>	<u>28,578</u>	<u>9,495</u>
Gross transfers between funds (Note 5)	1,784	(1,784)	-	-
Total funds brought forward	<u>(28,538)</u>	<u>29</u>	<u>(28,509)</u>	<u>(38,004)</u>
Total funds carried forward	<u><u>69</u></u>	<u><u>-</u></u>	<u><u>69</u></u>	<u><u>(28,509)</u></u>

Details of Incoming resources and resources used are given in the notes to the financial statements.

THE CANAL MUSEUM TRUST

STATEMENT OF FINANCIAL ACTIVITIES

DETAILED ANALYSIS OF MOVEMENTS IN FUNDS

FOR THE YEAR ENDED 31 MARCH 2004

	2004		2003	
	£	£	£	£
General fund				
Balance brought forward	(28,538)		(38,004)	
Surplus for the year	26,823		7,940	
Transfer from Keystone fund	1,784		1,526	
	_____		_____	
		69		(28,538)
Canal Museum Keystone Fund				
Balance brought forward	29		-	
Donations	1,755		1,555	
Transfer to general fund	(1,784)		(1,526)	
	_____		_____	
		-		29
		_____		_____
Total funds at 31 March 2004		69		(28,509)

THE CANAL MUSEUM TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004

1. **Accounting policies**

The accounts have been prepared under the historical cost convention.

Turnover

Income represents amounts receivable.

Stocks

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

2. **Historic and inalienable asset.**

The Canal Museum Trust owns the freehold property in which the London Canal Museum is situated. In the absence of a professional valuation, the costs of obtaining which the trustees consider would outweigh the benefits to the Trust, the freehold property has not been capitalised in the financial statements.

In addition, the museums artifacts, exhibition materials and fittings are not capitalised but written off to income and expenditure in the year of purchase.

3. **Stocks**

	2004	2003
	£	£
Shop stock	8,190	8,135
	<u> </u>	<u> </u>

4. **Debtors and prepayments**

Amounts falling due within one year:

	2004	2003
	£	£
Debtors	1,491	293
VAT recoverable	3,120	-
	<u> </u>	<u> </u>
	<u>4,611</u>	<u>293</u>

THE CANAL MUSEUM TRUST
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2004

5. **Creditors**

Amounts falling due within one year:-

	2004	2003
	£	£
Value added tax	-	1,087
Bank loan	6,000	6,000
Accruals and deferred Income	9,069	751
	15,069	7,838
	15,069	7,838

Amounts falling due after more than one year:-

Bank loans	25,418	33,202
Other creditors	14,045	14,045
	39,463	47,247
	39,463	47,247

The charity has made total bank loan repayments of £7,784 in the year (2003: £7,801). The Keystone fund contributed £1,784 (2003: £1,526) towards the repayment and this is shown as a transfer between the funds in the Statement of Financial Activities.

THE CANAL MUSEUM TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2004

6.	Incoming resources	2004	2004	2003
		£	£	£
	Donations, legacies & similar incoming resources			
	<i>General fund</i>			
	Donations	2,329		2,417
	Other	560		719
	Grants (Note 11)	96,749		2,300
		<hr/>		<hr/>
			99,638	5,436
	<i>Keystone fund</i>			
	Donations		<u>1,754</u>	<u>1,555</u>
			101,392	6,991
	Activities for generating funds			
	<i>General fund</i>			
	Shop receipts	18,285		15,835
	Admissions	9,306		7,598
	Moorings	4,899		4,684
	Museum Hire	27,569		31,925
	Subscriptions	310		432
	Facility fees	5,400		-
		<hr/>		<hr/>
			65,769	60,474
	Investment income			
	<i>General fund</i>			
	Interest receivable	293		167
	<i>Keystone fund</i>			
	Interest receivable	1		-
		<hr/>		<hr/>
			294	167
	Total incoming resources		<u>167,455</u>	<u>67,632</u>
			<hr/> <hr/>	<hr/> <hr/>
7.	Costs of generating funds	2004	2004	2003
		£	£	£
	Stock brought forward	8,135		6,800
	Shop purchases	11,842		11,820
	Closing stock	(8,190)		(8,135)
	Costs associated with museum hire	14,217		2,176
		<hr/>		<hr/>
			26,004	12,661
			<hr/> <hr/>	<hr/> <hr/>

THE CANAL MUSEUM TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2004

8. Costs of activities in furtherance of charity's objects

	2004	2004	2003
	£	£	£
Buildings projects	75,534		12,238
Education projects	2,101		2,293
Conservation	5,216		524
Exhibitions	319		1,353
Equipment	1,420		2,244
Repairs and maintenance	5,323		5,921
Light, heat, water & insurance	4,946		4,240
Safety and security	1,194		1,037
Cleaning	4,225		2,054
Bank loan interest	2,226		2,858
	<hr/>		<hr/>
		102,504	34,762
		<hr/> <hr/>	<hr/> <hr/>

9. Support costs

	2004	2004	2003
	£	£	£
Advertising	3,798		2,032
Catering	881		436
Printing and stationery	467		538
Postage	349		371
Subscriptions	221		217
Telephone	754		618
Travel	1,007		1,669
Sundry	1,697		3,454
	<hr/>		<hr/>
		9,174	9,335
		<hr/> <hr/>	<hr/> <hr/>

10. Resources expended on managing and administering the charity

	2004	2004	2003
	£	£	£
Accountancy	750		748
Bank charges	445		631
	<hr/>		<hr/>
		1,195	1,379
		<hr/> <hr/>	<hr/> <hr/>

THE CANAL MUSEUM TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2004

11. Grants receivable

	2004	2003
	£	£
Education projects		
Donors:		
Camden Council	600	-
Islington Council	500	-
London Museums Agency	543	-
Groundwork	-	1,200
IBEP	<u>-</u>	<u>600</u>
	<u>1,643</u>	<u>1,800</u>
Enhanced facilities		
Donors:		
Association of London Government	15,000	-
Bridge House Estates Trust	28,901	-
Charles Hayward Foundation	15,000	-
Goldsmiths Foundation	2,500	-
Headley Trust	20,000	-
London Museums Agency	4,000	-
Lyndhurst Settlement	2,000	-
Trust for London	<u>5,000</u>	<u>-</u>
	<u>92,401</u>	<u>-</u>
Other grants		
Donors:		
BWB	2,705	400
Inland Waterways Association	-	100
	<u>2,705</u>	<u>500</u>
Grants receivable-general fund	<u>96,749</u>	<u>2,300</u>