



# **The Canal Museum Trust**

## Annual Report and Accounts

Year ending 31<sup>st</sup> March 2006



Registered Charity No 277484

## **Annual Report and Accounts 1<sup>st</sup> April 2005 to 31<sup>st</sup> March 2006**

During the financial year the main activity of the Trust was as in previous years the management and development of the London Canal Museum.

The Trust's objectives are concerned with public education regarding inland waterways through the operation of a museum. The trust operates in accordance with its constitution of 1979. Members of the Council of Management are elected annually from the membership of the Trust, which is open to everyone.

The Trust's policy with respect to reserves to be held is to maintain a minimum of £10,000 of reserves as a contingency reserve. In particular this is necessary in case of any need for unforeseen building maintenance expenditure. The Trust retains further sums as may be necessary for future development projects.

The year was one of consolidation and continued development with a number of projects being delivered during the year.

### **Legal Issue**

After many years of work an issue that arose from the purchase of the building in 1993 was finalised. In brief, the issue was the long term right to moor seven boats in Battlebridge Basin that the Trust enjoys. These rights were enshrined in a lease that pre-dated the purchase of the building and were originally rights that belonged to the owners of Nos 12-14 New Wharf Road. When the ownership of Nos 12-13 passed to the Trust, and of No 14 to others, there was some ambiguity as to the long term rights of the Trust as regards these moorings. This has now been resolved by a "confirmatory conveyance" and the Trust can look forward to the enjoyment of these mooring rights in perpetuity.



The mooring rights are important to the museum not only for financial reasons but also because access to the museum by boat is valuable for individuals, groups, in education work and for some private functions. In the future there is potential for boat trips, and the exhibition of historic vessels.

## Special Events

The museum was pleased to be able to run a record number of special events in 2005. As well as the well established programme of monthly evening illustrated talks, there were twelve guided tunnel trips by boat through Islington Tunnel which were almost fully subscribed. There were “roses and castles” painting courses, guided historical towpath walks, and several days of special events such as our annual “Ice Saturday” when visitors were escorted down into the ice wells under carefully managed conditions.

The museum was pleased to join forces with London’s Transport Museum to provide a guided boat trip from Paddington to London Canal Museum. Every seat on this trip was taken and co-operation between the only two inland transport museums in the capital city has developed, with plans being made for further co-operation in 2006-7.



For the first time we joined forces with the Camden Canals and Narrowboat Association, a community narrowboat charity, to offer a special event for Halloween. The museum and the boats were suitably decorated with extra themed activities laid on, and this brought a substantial number of new visitors to the museum.

We joined in a partnership with Camden Canals and Narrowboat Association to provide special activities and boat trips at Halloween, which was a great success with almost every place sold, and several hundred people introduced to London’s Canals in an entertaining style.

## Education



Our Education Development Officer, Kate Orr, funded by the Heritage Lottery Fund, began work on June 6th 2005, which means that just over half of her project fell within the year reported on. By March 2006 she had made a lot of progress in developing new materials for use with school parties, especially hands-on workshops for school parties, which have proved a great success.

She built upon and extended our existing network of contacts, in schools and elsewhere.

We had two Science Weeks for Islington Primary Schools during the period covered by this report, in May 2005 and March 2006. The first of these was arranged to accommodate an overflow of bookings from a week earlier in 2005, and the second one made a similar arrangement necessary for 2006 (outside the scope of this report).

There were 54 school visits (excluding the two Science Weeks) during the year covered by the report, about 15 of which were organised through the Creative Canals Project. There were six adult education visits, two of them through the same project.

Our other educational activities during the year included a day for National Family Learning Week, a Family Day run in conjunction with the Young Archaeologists group, and a Family Science Day. Kate also made an input into our five Children's Activity Days in August.

The one disappointment of our education programme was that our efforts to recruit volunteers to work with school groups were less successful than we had hoped.

## **The Building**

The Trust's most ambitious self-funded building project finally came to fruition at the end of the financial year. At a total cost of around £27,000 the ageing and decaying softwood glazed screen at the rear of the ground floor was replaced with a brand new glazed steel structure. The old screen was built when the building was being prepared for use as a museum around 1991. It had deteriorated significantly and there were increasing concerns as to the safety and security of the rear doors and windows. In addition, an access audit had drawn attention to the unsuitability of the lobby previously used for egress to the wharf for wheelchair users. It involved a sharp turn in a confined space. This exit was also out of sight of museum staff, thereby presenting a potential security concern.

The new structure provides for double glazing throughout, strong steel construction, and ultra violet protection. Fire resisting glass is provided where it was previously used. The old exit has become a fire exit only and for normal use a pair of sliding doors is provided in the centre of the screen. One of these is power operated by the user, the other is opened manually when required. A new and improved ramp for wheelchair users' convenience is provided outside. Museum staff can now see the door and have a remote control to open it when they need to. The whole structure has been designed to look very similar to the previous construction.



The opportunity was taken to carry out some additional renovation to the exterior at the rear of the building. All the other windows were painted, as was the door to the former hayloft and the cathead beam was treated with preservative. Some re-pointing work was carried out and other repairs were made to the brickwork.

## **Disabled Visitor Access**

A new and improved access to the wharf was included in the replacement project for the rear glazed screen, described above. This was funded by the Trust.

The Trust progressed two more sub-projects funded by the Bridge Houses Estates Trust to improve access for disabled visitors. The first was the retro-fitting of internal case lighting to the display cases on the ground floor. When installed, for financial reasons, lighting was not included. However, for the visually impaired this presented an obstacle to access and new lighting was installed. We took the opportunity to replace unsatisfactory lighting in another



display case as part of the work. The cases housing our ice trade and ice cream objects were fitted with a two-level system so that a modest conservation level of light could be used. When needed, a visually impaired person can press a button which triggers a much brighter lighting level for a few minutes only. This is indicated by a tactile/Braille sign and achieves the desired result of maximum access without the danger of long term damage to the artefacts.



The other project completed during the financial year enabled us to advertise the museum as fully accessible to wheelchair users. This was something of a milestone. A computer based virtual tour of the cabin of the narrowboat Coronis was installed. Using off-the-shelf hardware and a purpose-made shelf, the virtual tour allows the disabled user to fully explore the interior of the cabin. To make it physically accessible would only be achievable by destruction. The whole point of the exhibit is to show today's

visitors the cramped conditions in which past generations lived. The virtual tour was professionally produced using special photographic techniques that were developed mainly for estate agents wanting to show houses on the Internet. The user can zoom in and out, look up and down, and can choose a second tour in which the cupboard doors are open to enable him or her to look inside. In addition the in-cabin sound track, accessible by other visitors by the press of a button in the cabin, can be heard through headphones.

A transcript of the sound track was provided for the hearing impaired.

### **Financial Progress**

The Trust was able to clear a substantial amount of its historic debt during the financial year. On various dates in the early 1990s several members of the then Council of Management generously made loans to enable the museum to overcome severe financial problems. To them we are most grateful. Some of these loans have been repaid or generously written off in recent years but in 2005-6 we repaid all the remaining amounts, thus clearing a historic legacy of debts and a making significant step towards complete freedom from debt.



The Trust continued to repay the bank loan that was taken out when the freehold of the building was purchased. Significant progress was made leaving a loan of just over £15,000 to be repaid at the end of the financial year. The Canal Museum Keystone Fund contributed £1,323 to loan repayment.

The Trust's income from revenue generating activities showed a healthy increase compared to the previous year. Income from venue hire was over £39,000. The increase was partly explained by higher prices and partly by the purchase in summer 2005 of a substantial quantity of banqueting furniture that we then began offering to clients at an additional charge. It was particularly pleasing that income from admissions was up by 24% compared to the previous year.

## Marketing

The main communication channels used to publicise the museum were continued in 2005/6 with the colour museum leaflet, website and small adverts used in tourism magazines. The museum also continued to participate in the massive "2 for 1" offer leaflet run by the Association of Train Operating Companies which brought in an increase in visitors of over 250 and contributes to increasing awareness of the museum generally.

The museum was also included in a London British Waterways promotion aimed at increasing use of the attractions along the canals.

The Events leaflet was upgraded to a full colour leaflet, in recognition of the increased number of events held throughout the year, and the Tunnel Trips run for the first time.

The museum took a stand at the Excursions trade show for Group Travel Organisers for the first time in order to raise awareness of the museum as an ideal attraction for a group visit.

## Care of Collection

Care of the collection progressed steadily. In preparation for the digitisation of the photographic collection, a new scanner was installed along with new computing equipment as part of a wider upgrade to the museum's IT infrastructure. This has paved the way for the digitisation of the collection so that items in our long term care can be freely used without any disturbance to the original prints.

During the year improvements were made to the conditions of storage in the museum's artefacts store including the addition of a dehumidifier machine and improvements to racking .



There was continued progress in the organisation of the Library and Archives with improvements to shelving and storage, and redecoration.

As a security measure a Perspex cover was commissioned and special made and fitted to the artefacts table in the Horse Power exhibition. This followed the loss of a small item by theft.

Planning began for the conservation and redisplay of the museum's 19<sup>th</sup> Century model of a United Carlo Gatti and

Stevenson ice delivery horse and cart.

## IT Infrastructure

The museum's previously poor information technology resources were upgraded during the year with new and upgraded computers, new printers, and the installation of a wireless computer network in the building. Broadband Internet access was provided to three terminals and the portable computer used by the Education Development Officer.

**CHARITY REGISTERED NUMBER:277484**

**THE CANAL MUSEUM TRUST**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2006**

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**THE CANAL MUSEUM TRUST**  
**LEGAL AND ADMINISTRATIVE INFORMATION**

**Registered Charity Number:** 277484

**Chairman:** M Sach

**Treasurer:** A Jessup

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

**Secretary:** T Lewis

**Registered Office:** 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 2006**

We report on the financial statements which are set out on pages c to i.

**Respective responsibilities of the Trustees and examiner**

The charity's trustees consider that an audit is not required for the year (under section 43(2) of the Charities Act 1993) and that an independent examination is needed. It is our responsibility to examine the accounts (under section 43 of the Act); to follow procedures laid down in the General Directions given by the Charity Commission (under section 43(7)(b) of the Act); and to 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 the 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 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 Act; and
- to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Act

have not been met; or

2. To which, in our opinion, 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

Dated: 23 January 2007

# THE CANAL MUSEUM TRUST

## BALANCE SHEET

AT 31 MARCH 2006

	Note	2006	2005
		£	£
<b>Current assets</b>			
Stocks	2	11,326	11,363
Debtors	3	1,784	1,906
Bank Accounts		23,655	55,170
		<u>36,765</u>	<u>68,439</u>
<b>Creditors</b>			
Amounts falling due within one year	4	7,561	9,622
		<u>7,561</u>	<u>9,622</u>
<b>Net current assets</b>		29,204	58,817
<b>Total assets less current liabilities</b>		<u>29,204</u>	<u>58,817</u>
<b>Creditors</b>			
Amounts falling due after more than one year	4	(9,150)	(30,312)
		<u>(9,150)</u>	<u>(30,312)</u>
<b>Net assets</b>		<u>20,054</u>	<u>28,505</u>
<b>Capital funds</b>			
Restricted funds		-	-
Unrestricted funds		20,054	28,505
		<u>20,054</u>	<u>28,505</u>
<b>Total funds</b>		<u>20,054</u>	<u>28,505</u>

Approved by the trustees on 6<sup>th</sup> November 2006



M Sach - Chairman



A Jessup - Treasurer

The annexed notes form part of these financial statements.

**THE CANAL MUSEUM TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2006**

	<b>Unrest'd Funds £</b>	<b>Rest'd Income Funds £</b>	<b>Total Funds 2006 £</b>	<b>Total Funds 2005 £</b>
<b>Incoming resources (note 5)</b>				
Incoming Resources from generated funds:				
Voluntary income	12,010	1,323	13,333	32,206
Activities for generating funds	64,041	-	64,041	53,700
Investment income	1,220	-	1,220	794
	<hr/> 77,271	<hr/> 1,323	<hr/> 78,594	<hr/> 86,700
Incoming resources from charitable activities	20,583	-	20,583	15,037
<b>Total incoming resources</b>	<hr/> 97,854	<hr/> 1,323	<hr/> 99,177	<hr/> 101,737
<b>Resources expended (note 6)</b>				
Costs of generating funds	20,115	-	20,115	12,419
Charitable activities	86,752	-	86,752	60,132
Governance costs	761	-	761	750
<b>Total resources expended</b>	<hr/> 107,628	<hr/> -	<hr/> 107,628	<hr/> 73,301
<b>Net movement in funds</b>	<hr/> (9,774)	<hr/> 1,323	<hr/> (8,451)	<hr/> 28,436
Gross transfers between funds	1,323	(1,323)	-	-
<b>Total funds brought forward</b>	<hr/> 28,505	<hr/> -	<hr/> 28,505	<hr/> 69
<b>Total funds carried forward</b>	<hr/> 20,054	<hr/> -	<hr/> 20,054	<hr/> 28,505

Details of incoming resources and resources used for the general (unrestricted) fund 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 2006**

	<b>2006</b>		<b>2005</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>General Fund</b>				
Balance brought forward	28,505		69	
(Deficit)/Surplus for the year	(9,774)		27,785	
Keystone Fund contribution to loan	1,323		651	
	<u>          </u>		<u>          </u>	
		20,054		28,505
 <b>Canal Museum Keystone Fund</b>				
Balance brought forward	-		-	
Surplus for the year	1,323		651	
Keystone Fund contribution to loan	(1,323)		(651)	
	<u>          </u>		<u>          </u>	
Balance carried forward		-		-
		<u>          </u>		<u>          </u>
<b>Total funds at 31 March 2006</b>		<u>20,054</u>		<u>28,505</u>

**THE CANAL MUSEUM TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2006**

**1. Accounting policies**

The financial statements are prepared under the historical cost convention and in accordance with the Statement of Recommended Practice : Accounting and Reporting by Charities (SORP 2005) issued in March 2005.

**Incoming resources**

All incoming resources are included in the SOFA on a receivable basis.

**Historical 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 museum's artefacts, exhibition materials and fittings are capitalised but written off to income and expenditure in the year of purchase.

**Stocks**

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

**Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the trustees for particular purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. the aim and use of each restricted fund as set out in the notes to the financial statements.

**2. Stocks**

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Shop stock	11,326	11,363
	<u>          </u>	<u>          </u>



**THE CANAL MUSEUM TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS** (Continued)  
**FOR THE YEAR ENDED 31 MARCH 2006**

**3. Debtors and prepayments**

Amounts falling due within one year:

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Debtors	-	1,706
Prepayments	-	200
VAT recoverable	1,784	-
	<u>1,784</u>	<u>1,906</u>
	<u><u>1,784</u></u>	<u><u>1,906</u></u>

**4. Creditors**

Amounts falling due within one year:-

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Sundry Creditors	810	-
VAT payable	-	312
Bank loan	6,000	6,000
Accruals and deferred income	751	3,310
	<u>7,561</u>	<u>9,622</u>
	<u><u>7,561</u></u>	<u><u>9,622</u></u>

Amounts falling due after more than one year:-

Bank loans	9,150	16,267
Other Creditors	-	14,045
	<u>9,150</u>	<u>30,312</u>
	<u><u>9,150</u></u>	<u><u>30,312</u></u>

The charity has made total bank loan repayments of £7,117 in the year (2005 -£9,151). The Keystone fund contributed £1,116 (2005:£651) towards the repayment and this is included in the contribution by the Keystone Fund (gross transfers between funds) in the Statement of Financial Activities.

Other creditors shown in 2005 related entirely to loans from trustees, past and present. The charity fully repaid these loans during 2005/06.

**THE CANAL MUSEUM TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS** (Continued)  
**FOR THE YEAR ENDED 31 MARCH 2006**

**5. Incoming resources – general fund only**

	<b>2006</b>	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Voluntary Income</b>			
Donations	2,568		2,670
Other	523		385
Grants	8,919		28,500
	<hr/>		<hr/>
		12,010	31,555
<b>Activities for generating funds</b>			
Shop receipts	18,169		18,477
Moorings	6,018		5,609
Museum Hire	39,454		29,614
Corporate Hire	400		-
	<hr/>		<hr/>
		64,041	53,700
<b>Incoming resources from charitable activities</b>			
Admissions	18,428		14,826
Subscriptions	171		211
Boat trips	876		-
Other	1,108		-
	<hr/>		<hr/>
		20,583	15,037
<b>Investment income</b>			
Interest receivable	1,220		794
	<hr/>		<hr/>
		1,220	794
<b>Total incoming resources</b>		<hr/>	<hr/>
		97,854	101,086
		<hr/> <hr/>	<hr/> <hr/>

**THE CANAL MUSEUM TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS** (Continued)  
**FOR THE YEAR ENDED 31 MARCH 2006**

**6. Resources expended**

	<b>2006</b>	<b>2006</b>	<b>2005</b>
<b>Costs of generating funds</b>	<b>£</b>	<b>£</b>	<b>£</b>
Shop purchases including stock movement	12,489		11,372
Costs associated with museum hire	6,982		707
Tug upkeep	644		340
	<hr/>		<hr/>
		20,115	12,419
		<hr/>	<hr/>

**Costs of charitable activities**

	<b>2006</b>	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Conservation and artefacts	220		940
Development projects	37,748		27,184
Museum improvements	7,076		1,250
Education projects	3,731		2,300
Equipment	5,060		1,449
Exhibitions	949		648
Premises running costs	5,160		5,249
Building maintenance	8,478		5,992
Catering	224		828
Bank interest and charges	1,369		1,992
Advertising and marketing	2,803		3,028
Cleaning	5,430		4,119
Printing and stationery	1,883		855
Postage	160		288
Telephone	1,799		719
Travel	991		1,285
Subscriptions	164		139
Sundry	2,848		1,350
Bank and credit card charges	659		517
	<hr/>		<hr/>
		86,752	60,132
		<hr/>	<hr/>

**8. Governance costs**

	<b>2006</b>	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Accountancy	758		750
Bank charges	3		-
	<hr/>		<hr/>
		761	750
		<hr/>	<hr/>