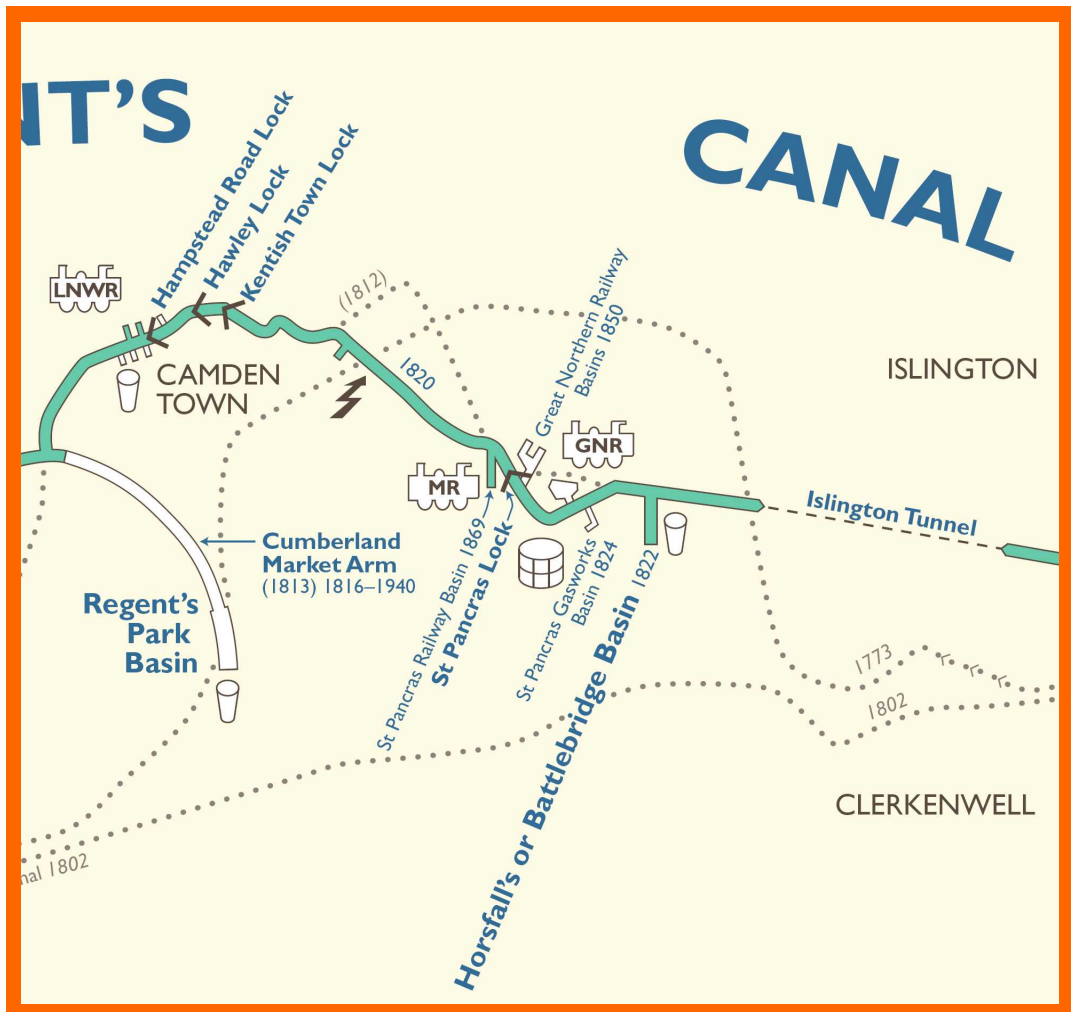




Annual Report and Accounts 2006-7

Year ended 31st March 2007



The Canal Museum Trust
Registered Charity No 277484

Annual Report and Accounts 2006-7

Introduction

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 to advance public education regarding inland waterways through the operation of a museum. The trust operates in accordance with its constitution of 1979, as modified in 2001. 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 £12,000 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 considerable development and the achievement of several projects towards which we had been working for some time.

Special Events



During Museums and Galleries Month, May 2006, we held another successful "Ice Day" and took a number of people down into the well under carefully controlled conditions.

We again hosted two performances by the Mikron Theatre Company, who tour the country by boat. (illustrated)

At the end of October 2006 we took part in another joint operation with Camden Canals and Narrowboat Association. Large numbers of children enjoyed a boat trip through Islington Tunnel and various activities in the museum associated with Halloween. The museum's Bantam IV Tug had to be pressed

into last minute service to assist a failed narrowboat in order to ensure that everyone who had pre-booked was able to travel.

Education



The museum substantially completed the education development project funded by the Heritage Lottery Fund, leaving only a few minor components to be completed subsequently. Five packs of learning resources were produced by the Education Development Officer covering various themes.

The museum was delighted to be awarded the Sandford Award for education at a ceremony in Edinburgh attended by the museum's Education Development Officer.

Following the end of the 18 month fixed term of the Education Development Officer, the museum commissioned a funding advisory report from a consultant to review options for the future funding of an education post. The report pointed to a difficult situation. Whilst funding for new development is sometimes on offer from a variety of bodies, there are few organisations willing to support ongoing good work in the field of education in museums.

Nonetheless the Education Development project delivered substantial results, and equipped the museum with a good range of educational workshops and teacher-led activities as well as enhancing our provision for children visiting with their own families. During the employment of the Education Development Officer we were able to develop relationships with a number of other community bodies and organisations involved in waterways and education in London.

Financial Progress

During the course of the year the museum's bank loan was reduced to around £8,500 with a clear expectation that it would be completely repaid by Christmas 2007.

The income was over £118,000, a substantial increase on any previous year. Income from venue hire was £54843 and this enabled the museum to progress a range of projects.

The Trust also had significant income from mooring fees which is expected to increase in the future. Encouragingly income from admission fees was around £19,000, an increase on the previous year, and an indication of our increasing success in attracting visitors.

Marketing

The museum was proactive in promotion, with an increased level of advertising expenditure [spend] compared to previous years. We again took part in the highly successful "2 for 1" promotions arranged by the train operating companies and a number of lesser promotions.

Modernisation of the museum's website was progressed during the year. The site now attracts in excess of 30,000 unique visitors per month.

Care of Collection



The museum's model of a Gatti horse and cart, which dates from the 1890s, was cleaned by a specialist conservator, and minor repairs made. We were grateful to ALM London for a small grant to support this conservation work. The model was removed from the Victorian case, which is of no special value in itself, and a new modern case with lighting and climate control was provided, at the Trust's own cost. This state-of-the-art case now provides a much greater degree of physical protection for the model housed in it, makes the model more accessible to the visitor, and has dramatically improved the environmental conditions in which the model is kept. The old case has been retained but is not on display.

The foundation stone from another ice warehouse in Caledonian Road, acquired by the Trust in 2004, was treated by a specialist stone conservator and cleaned for display. It was fitted to the wall as part of a rearranged and enhanced ice trade exhibition on the ground floor. This stone had been laid by Carlo Gatti's wife and daughter in 1872.

Improved monitoring for any potential pest infestation was introduced

A start was made on the digitisation of the photographic collection.



Improvements were made to the protection of the horse care artefacts display, with a transparent cover to prevent damage. A new set of interpretative sheets was designed to be accessible to wheelchair users and other visitors alike, sliding on a rail to be adjustable as the visitor moves along the exhibition.

The museum produced its first Preservation Plan setting out our intentions for future improvements in care of the collection.

Exhibition Development



The museum's long-running ambition to add a large map of London's waterways to its exhibitions was realised. More than two and a half meters long, the map is a detailed depiction of London's canals and other navigable waterways, together with lines of route of those that were never built, and information about the basins, canalside industry and other features. It is designed to be accessible to those without a detailed interest in the historical features as well as physically accessible: a separate low-level version of the map has been installed for wheelchair users so that they can also study the detail that would otherwise be too high on the wall.

An introductory exhibition panel sets the context of London in the wider canal network prior to viewing the map. The Trust believes that this map is a major enhancement to the museum. The project was partly

funded by the remaining balance of a basket of grants for first floor development. The donors included the Headley Trust, the Trust for London, The Goldsmiths Company and the Charles Hayward Foundation. A significant part of the cost was met from the Trust's own resources.

During the course of the year the Trust was delighted to learn of the existence of a recording, made some years previously, of the son of a former ice trade worker talking about his father's work in our building. With the kind permission of the family member who made the recording, this has been turned into an audio exhibit that vividly portrays the harsh conditions of work in the ice trade. A transcript for the hard-of-hearing is also provided.

Further enhancements have been made to the ice trade exhibition by the repositioning of certain artefacts, the addition of an additional panel and labels, and the manufacture of mock ice blocks to illustrate the way in which ice handling equipment was used.

New labels were also produced for the bucket fire extinguisher and the audio exhibit mentioned above.

A range of improvements were made to the museum's children's corner, now called the "Activity Zone". A new children's flip-book describes how to use the bridge building activity and some of the engineering principles of the arch are simply explained. Improvements to the décor, carpeting, and railings have been made during the year and the Activity Zone is complemented by a Children's Trail around the museum that can be used by children visiting with their parents.



The museum's portable forge, part of the horse power exhibition, was fitted with an illuminated "glowing coal" effect and repairs were made to the hand-operated blower [impellor] so that it could be worked. A sensor was fitted so that as the wind pressure increased, the glowing of the coals appears brighter.

Access for Disabled Visitors

Work began on the planning of an audio tour for visually impaired visitors. The script was prepared and work began on the planning of the system which takes advantage of modern technology to deliver location-specific audio commentary to the visually impaired visitor as he or she walks around the building.

CHARITY REGISTERED NUMBER:277484

THE CANAL MUSEUM TRUST

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2007

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**THE CANAL MUSEUM TRUST
LEGAL AND ADMINISTRATIVE INFORMATION
AT 31 MARCH 2007**

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 2007**

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

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



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

Dated: 22nd October 2007.

THE CANAL MUSEUM TRUST

BALANCE SHEET

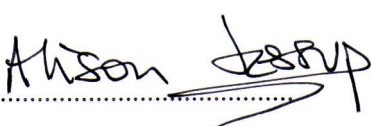
AT 31 MARCH 2007

	Note	2007	2006
		£	£
Current assets			
Stocks	2	13,250	11,326
Debtors	3	5,009	1,784
Bank Accounts		34,678	23,655
		<u>52,937</u>	<u>36,765</u>
Creditors			
Amounts falling due within one year	4	<u>6,751</u>	<u>7,561</u>
Net current assets		46,186	29,204
Total assets less current liabilities		<u>46,186</u>	<u>29,204</u>
Creditors			
Amounts falling due after more than one year	4	<u>(1,726)</u>	<u>(9,150)</u>
Net assets		<u>44,460</u>	<u>20,054</u>
Capital funds			
Restricted funds		1	-
Unrestricted funds		44,459	20,054
Total funds		<u>44,460</u>	<u>20,054</u>

Approved by the trustees on October 9th 2007



 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 2007

	Unrest'd Funds £	Rest'd Income Funds £	Total Funds 2007 £	Total Funds 2006 £
Incoming resources				
Incoming Resources from generated funds:				
Voluntary income	40,074	1,396	41,470	13,333
Activities for generating funds	77,602	-	77,602	64,041
Investment income	638	1	639	1,220
	<u>118,314</u>	<u>1,397</u>	<u>119,711</u>	<u>78,594</u>
Incoming resources from charitable activities	21,415	-	21,415	20,583
Total incoming resources	<u>139,729</u>	<u>1,397</u>	<u>141,126</u>	<u>99,177</u>
Resources expended				
Costs of generating funds	17,054	-	17,054	20,115
Charitable activities	98,691	-	98,691	86,75
Governance costs	975	-	975	761
Total resources expended	<u>116,720</u>	<u>-</u>	<u>116,720</u>	<u>107,628</u>
Net movement in funds	<u>23,009</u>	<u>1,397</u>	<u>24,406</u>	<u>(8,451)</u>
Gross transfer between funds	1,396	(1,396)	-	-
Total funds brought forward	<u>20,054</u>	<u>-</u>	<u>20,054</u>	<u>28,505</u>
Total funds carried forward	<u>44,459</u>	<u>1</u>	<u>44,460</u>	<u>20,054</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 2007

	2007		2006	
	£	£	£	£
General Fund				
Balance B/fwd	20,054		28,505	
Surplus/(Deficit) for the year	23,009		(9,774)	
Keystone Fund contribution to loan	1,396		1,323	
	<u> </u>		<u> </u>	
		44,459		20,054
Canal Museum Keystone Fund				
Voluntary Income from generated funds	1,396		1,323	
Interest receivable	1		-	
Keystone Fund contribution to loan	(1,396)		(1,323)	
	<u> </u>		<u> </u>	
		1		-
		<u> </u>		<u> </u>
Total funds at 31 March 2007		<u>44,460</u>		<u>20,054</u>
		<u> </u>		<u> </u>

THE CANAL MUSEUM TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007

1. Accounting policies

The accounts have been prepared under the historical cost convention.

Incoming resources

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

Turnover

Income represents amounts receivable.

Depreciation and diminution in value of assets

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 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

	2007	2006
	£	£
Shop stock	13,250	11,326
	<u> </u>	<u> </u>

THE CANAL MUSEUM TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2007

3. Debtors and prepayments

Amounts falling due within one year:

	2007 £	2006 £
Vat repayable	5,009	1,784
	<u>5,009</u>	<u>1,784</u>

4. Creditors

Amounts falling due within one year:-

	2007 £	2006 £
Sundry Creditors	-	810
Bank loan	6,000	6,000
Accruals and deferred Income	751	751
	<u>6,751</u>	<u>7,561</u>

Amounts falling due after more than one year:-

Bank Loans	1,726	9,150
	<u>1,726</u>	<u>9,150</u>

The charity has made total bank loan repayments of £7,424 in the year (2006 -£7,117). The Keystone fund contributed £1,396 (2006:£1,323) towards the repayment and this is included in the contribution by the Keystone Fund (gross transfers 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 2007

5. Incoming resources – general fund only

	2007 £	2007 £	2006 £
Voluntary Income			
Donations	2,613		2,568
Other	-		523
Grants	37,461		8,919
	<hr/>		<hr/>
		40,074	12,010
Activities for generating funds			
Shop receipts	14,782		18,169
Moorings	7,977		6,018
Museum Hire	54,843		39,454
Corporate Hire	-		400
	<hr/>		<hr/>
		77,602	64,041
Incoming resources from charitable activities			
Admissions	19,470		18,428
Subscriptions	183		171
Boat trips	1,110		876
Other	652		1,108
	<hr/>		<hr/>
		21,415	20,583
Investment income			
Interest receivable	638		1,220
	<hr/>		<hr/>
		638	1,220
Total incoming resources		<hr/>	<hr/>
		139,729	97,854
		<hr/>	<hr/>

THE CANAL MUSEUM TRUST
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2007

6. Costs of generating funds

	2007	2007	2006
	£	£	£
Opening stock	11,326		11,363
Shop purchases	12,503		12,452
Closing stock	(13,250)		(11,326)
Costs associated with museum hire	5,599		6,982
Tug upkeep & boat trip expenses	876		644
	<hr/>		<hr/>
		17,054	20,115
		<hr/> <hr/>	<hr/> <hr/>

7. Charitable activities

	2007	2007	2006
	£	£	£
Development projects	22,976		37,748
Conservation and artefacts	1,302		220
Museum improvements	31,256		7,076
Education projects	5,206		3,731
Equipment	1,570		5,060
Exhibitions	363		949
Premises costs	6,668		5,160
Building maintenance	5,766		8,478
Catering	359		224
Bank loan interest	861		1,369
Advertising	7,945		2,803
Cleaning	5,459		5,430
Printing and stationery	870		1,883
Postage	259		160
Telephone	1,368		1,799
Travel	1,831		991
Subscriptions	143		164
Sundry	3,976		2,848
Bank charges	513		659
	<hr/>		<hr/>
		98,691	86,751
		<hr/> <hr/>	<hr/> <hr/>

8. Governance costs

	2007	2007	2006
	£	£	£
Accountancy	750		758
Bank charges	225		3
	<hr/>		<hr/>
		975	761
		<hr/> <hr/>	<hr/> <hr/>