



Annual Report and Accounts 2011-12

Year ended 31st March 2012



**The Canal Museum Trust
Registered Charity No. 277484**

Annual Report and Accounts 2011-12

Introduction

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 trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning its future activities. In particular the trustees consider how planned activities will contribute to the aims and objectives of the Charity.

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

2011-12 was a year of consolidation following delivery of a large number of projects in the previous year. However, we achieved a number of improvements to the exhibitions and other aspects of the visitor experience during the year, and added to our collection.

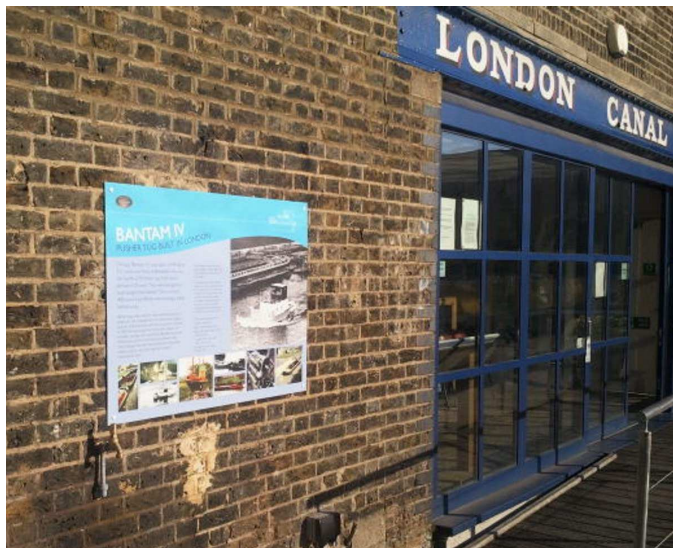
The Trust's policy with respect to reserves to be held is to maintain a minimum of £50,000 of reserves as a contingency reserve. In particular this is necessary in case of any need for unforeseen building maintenance expenditure. This target has been increased as compared to past years because issues have come to light with regard to the upkeep of the historic building that were previously not foreseen. The Trust retains further sums as may be considered necessary for future maintenance and development projects.

Permanent Exhibitions

The Trust was delighted to secure a Bolinder 9 hp semi-diesel engine for the collection. The Bolinder engine was by far the most common internal combustion engine used on the canals in the 1920s and 1930s, and in replacing horse traction it brought about, arguably, the most significant change ever seen on the canals since their construction. The engine is outwardly complete and in good condition but internally it is missing important parts. This made it unsuitable for restoration to working order but ideal for museum exhibition. The engine fills a gap in the story told by the museum. It was the most expensive artefact the Trust has ever purchased but is regarded as a sound investment that enhances our exhibitions. The collection and installation of the engine was a significant task, entrusted to a specialist company, and completed on 30th June 2011.



The tug *Bantam IV* is normally moored at the rear of the museum but interpretation of this historic London-built vessel has been achieved over the years by means of a variety of short-term displays. Following the development of the exhibitions on the first floor in 2010-11 a new solution was needed to interpret this boat and we decided to opt for an outdoor display panel, on the rear of the building, close to the tug's normal mooring. This required



planning permission, which was successfully obtained. We were most grateful to Mr. Charles Collett for a significant donation towards the cost of the project.

Visitor Amenities

It has long been recognised that the lack of a café in the museum is a drawback. Strong anecdotal evidence tells us that visitors want to enjoy refreshments during their visits. Whilst the creation of a staffed café is not considered practical with regard to space and the economics of running it, we were pleased to have been able to introduce a vending machine to the museum that offers a selection of hot drinks. The machine is situated on the ground floor close by the rear windows, where seats are provided, affording a view across the attractive canal basin. In order to site the machine in an acceptable location, a rearrangement of some of the wall-mounted exhibits was carried out in advance of the delivery of the machine, which is on long-term rental.



Special Events

We again hosted a performance by the Mikron Theatre Company, who tour the country by boat.

We continued to provide a regular programme of guided tunnel boat trips during the summer months. These featured a commentary by a museum member of staff, as well as a trip through the Islington Tunnel for a combined boat trip and museum ticket price.

The museum continued its long standing practice of inviting keynote speakers, from the canal world, to give presentations on their specialist areas. These "First Thursday" illustrated talks continued to attract a regular audience, often bolstered by those who wished to hear a particular speaker, or about a key theme.

At the end of October 2011 we again 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 event attracted around 300 people in total.

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We were pleased to welcome the steam-powered narrowboat President in the summer of 2011, which remained with us for a few days and was steamed for visitors over a weekend.



In December 2011 we ran a Christmas event for the first time featuring boat trips and the singing of Christmas carols in the museum

Temporary exhibitions were staged during the year including:

- An exhibition of the posters produced by the Mikron Theatre Company over 40 years
- An exhibition of three-dimensional photographs of the Regent's Canal

The museum was delighted to take a prominent part in the launch of the national "Big Draw" event, promoted by the Campaign for Drawing, on 25th September 2011. The celebrated illustrator Quentin Blake was conveyed from the museum to Kings Place, across Battlebridge Basin, on board our tug Bantam IV, to cut a ribbon over the water. In the museum, visitors created a huge drawing during that day, beginning with Mr. Blake himself.



Education

The museum's Education Officer ran a busy programme of school visits and workshops and a programme for National Science Week, involving several hundred children who all enjoyed a boat trip as well as a science related educational workshop, drawing on the museum's resources and the canal as a theme.

Approximately 1290 school children visited the museum during the year from a range of schools, drawn both from London and outside. Whilst at the museum, schools were well supported by the volunteer members of the education team, who led towpath walks, guided boat trips and conducted small group activities in the galleries. The team also extended the number of Family Activity Days, offering additional fun and creative activities in both the October half-term and the Easter & Whitsun Holidays.

Self-supporting activities for younger children and their families, standing alongside the pre-existing Henrietta Trail for the older ones, were developed to be available in the Activity Zone on the ground floor in the summer of 2011.

The Trust was delighted that the high standards achieved by the Education Team were recognised in November 2011 by the granting of the prestigious Sanford Award for excellence in heritage education. This was the second time in five years that this aspect of the museum's work has been recognised in this way.

Finance

The trustees are delighted to report that, despite the current economic picture in the UK, the museum remains financially strong. Overall income was 10% higher than in 2010-11 at £151,654. The major reason for this was a large increase in revenue from admission charges. This arose from the increases in charges that were introduced at the start of the year and the increase in the number of visitors that was achieved notwithstanding the higher charges.

The largest single source of income was venue hire and a small increase in revenue was recorded. Shop receipts and mooring fee income were also higher than in the previous year. Running costs remained broadly similar to the previous year.

The Trustees consider this to have been a very satisfactory result. The museum is weathering the economic storm well.

Marketing

The museum continued to take part in the joint promotion with the Association of Train Operating Companies to provide "two for one" admission to rail passengers. This promotion has been a success over several years.

We continued to advertise the museum to create awareness amongst potential visitors. Several leading tourist titles were used including Time Out Guides and London Planner, Welcome to London and Pocket London.

Visitor numbers for the 12 months ending 31st March 2012 were 17,878, or 13,867 excluding attendees at private events. The latter figure represents an increase of 12% on 2010-11.

The museum's online promotional work was enhanced by the professional creation of a video for the museum, designed to encourage interest in the London canals and with that, the museum. This features on the museum's website and social media pages.



We added a site on the Google Plus social media platform during the course of the year.

Many of the museum's special events are bookable in advance and in the case of our successful, but capacity-limited summer tunnel trips, and our Halloween event, advance booking is an essential element of their organisation and management. A manual system had evolved over the course of several years but this offered a level of service to customers that did not meet their expectations, and created significant

The Canal Museum Trust Annual Report and Accounts 2011-12

administrative work for the Trust. Following a great deal of research and experimentation over some months, we identified an online booking system that could be provided by an external company and that would be suited to our needs. Ticketless electronic booking for all our events was introduced in summer 2011, making it possible for customers to book and pay at any time and receive immediate confirmation of their seats. This step-change improvement to customer service was accompanied by a large reduction in the amount of time devoted to administration of bookings.

The museum was pleased to be invited to take part in a major exhibition "Who do you think you are? Live!" at Olympia in February 2012 at which the museum was promoted and made known to a large audience.

At the start of the financial year the museum's admission charges were increased to £4 for adults, £3 for concessions, and £2 for children. This was the first increase for many years and only the second rise in charges since the museum opened in 1992. Discounts remained available for groups and for the first time a family admission ticket was introduced. The increase had no measurable effect on visitor numbers but significantly added to revenue.

Venue Hire

The museum continued to benefit from a successful venue hire business during the year. The building includes a small conference room on the first floor, which is available to customers for meetings and training. During the year we invested in some more attractive furniture for this room and we enhanced our offer by providing free Wi-Fi Internet access for customers using this room.

Care of Collection

Following a review of security, significant improvements were made to a display cabinet that houses "Measham" pottery and lace plates on the ground floor. We identified ways to strengthen this cabinet and carried out improvements that enabled very much better locks to be fitted.

Digitisation of the photographic holdings continued; the images generated form the core of the museum's new digital archive.

Several acquisitions and donations of photographic and bibliographic items extended the scope of the research materials available in the Library. We continued to collect small items such as pictures and documents of interest during the year.

The tug Bantam IV spent some days in dry dock receiving some major maintenance. Welding repairs were carried out to the hull and superstructure and the hull was treated with preservative as is necessary every few years on all boats.

The museum's collection of horse tack was taken to a professional conservator for cleaning and some repairs, following which it was redisplayed.

Boat Sponsorship

The Trust continued to sponsor two boats in the National Collection, *Ferrett*, and *Ilkeston*, by providing funding, largely for the purchase of materials, in a partnership of three organisations, the Boat Museum Society, the National Waterways Museum and ourselves. During the year the restoration of *Ilkeston*, a 1912 horse boat that once traded between London and the north of England, was substantially completed. We were pleased to be able

to help with the care and upkeep of these two boats, which would otherwise have been at risk of deterioration due to the financial pressures on The Waterways Trust.

Building Improvements

A major project was completed towards the end of the financial year to make improvements to the appearance of the building's main staircase. The staircase was considered something of a weak point in the presentation of the historic building. The main piece of work was the cleaning of 1950s paint from the brick walls adjoining the stairs. This was followed by selective re-pointing work to restore the wall to natural brick appearance. Where crude patches had been applied in the 1950s, some further restoration work was carried out using reclaimed matching bricks. The wall restoration was carried out by specialist contractors and was accompanied by repainting of the ceiling and another wall. Following these works a water pipe was re-routed and a complete new lighting installation was fitted using the latest LED technology to greatly improve the appearance of the area with reduced visible conduits and pipes on the wall combined with better lighting that is more accessible for any future maintenance.



Staffing

Overview

The trust's employed staff remained stable with one part-time Education Officer and one part-time Volunteering Manager employed.

The museum's team of volunteers are committed to the aims and objectives of the museum. They enable the museum to open six days per week and to offer wide-ranging activities to all our visitors. The Trustees are grateful to all the volunteers for their continued support.

The aim of the volunteer programme for 2011-2012 was to maintain the stability achieved in 2010-2011 and to encourage volunteers to be involved in more than one role offered across the museum. Volunteering numbers remained stable and at any one time we had at least six volunteers undertaking more than one role.

During the year we introduced a text messaging system. This proved to be a valuable tool in reminding volunteers of their commitments and in urgent communications such as the arrangement of unscheduled relief cover.

The newsletter continued to be a welcomed communications tool and volunteers were encouraged to provide content.

Training

In addition to the two core training sessions developed in 2010-2011 (*'H&S-Prevention through Observation & Dealing with Emergencies'* and *'Customer Care'*), an additional training session *'Child Protection'*, has been developed and delivered.

These core training sessions take place twice a year, March and October, and all sessions remain open to all the volunteers in the museum. New starters are particularly encouraged to attend all sessions within one year.

We developed an induction training manual with consultancy support from the Regional Volunteer Management Advisor, located at the Museum of London. New staff are expected to complete the induction training programme over their first five shifts at the museum. The aim of the manual is to encourage new volunteers to be inquisitive, to take responsibility for their own learning, and to enable them to be trained more quickly. At the end of the trial period, new volunteers are able to appreciate the level of knowledge and skills they have achieved in a short period, but also understand the areas in which they need to continue to develop.

Reward and Recognition

The museum continued to provide a varied programme of social events, which were well attended including a Christmas party and a summer boat trip.

At Christmas, a small gift was given to all volunteers, along with a "thank you" card for their continued time and support.

Community Support

The museum is part of more than one community, and was able to offer support to these communities by the provision of free or heavily discounted meeting space. We hosted meetings for:

- Inland Waterways Association (canal community)
- Friends of the Regent's Canal (canal community)
- Basin moorings residents (local and canal community)
- Residents of neighbouring property (local community)
- Waterway Recovery Group (canal community)

CHARITY REGISTERED NUMBER:277484

THE CANAL MUSEUM TRUST

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2012

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THE CANAL MUSEUM TRUST
LEGAL AND ADMINISTRATIVE INFORMATION

Registered Charity Number: 277484

Chairman: M Sach

Treasurer: M Gee

Trustees
M Sach
R Squires
M Tucker
T Lewis
W Davidson
M Gee
M Hashemi
K Doyle

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: Cooperative Bank plc
Delf House
Southway
Skelmersdale
WN8 6WT

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 2012

I report on the accounts, which are set out on pages 11 to 18.

Respective responsibilities of the trustees and examiner

The trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. It is my responsibility to:

- Examine the accounts under section 145 of the 2011 Act;
- Follow the procedures laid down in the general directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act; and
- State whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. 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 no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention;

1. Which gives me reasonable cause to believe that in any material respect the requirements.
 - To keep accounting records in accordance with section 130 of the 2011 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 my opinion, attention should be drawn in order to enable a understanding of the accounts to be reached



Pauline McAlpine
SBM & Co, Chartered Accountants
117 Fentiman Road
Vauxhall
London
SW8 1JZ

Dated: 11th January 2013

THE CANAL MUSEUM TRUST

BALANCE SHEET

AT 31 MARCH 2012

	Note	2012	2011
		£	£
Current assets			
Stocks	3	10,887	11,728
Debtors	4	1,139	5,800
Bank Accounts		53,046	35,719
		<u>65,072</u>	<u>53,247</u>
Creditors			
Amounts falling due within one year	5	<u>8,996</u>	<u>5,279</u>
Net current assets		<u>56,076</u>	<u>47,968</u>
Total assets less current liabilities		<u>56,076</u>	<u>47,968</u>
Net assets		<u>£ 56,076</u>	<u>£ 47,968</u>
Capital funds			
Unrestricted funds		<u>56,076</u>	<u>47,968</u>
Total funds		<u>£ 56,076</u>	<u>£ 47,968</u>

Approved by the trustees on 8th January 2013



M. Sach – Chairman



D. M. Gee - Treasurer

The annexed notes form part of these financial statements

THE CANAL MUSEUM TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2012

	Unrest'd Funds £	Total Funds 2012 £	Total Funds 2011 £
Incoming resources			
Incoming Resources from generated funds:			
Voluntary income	2,726	2,726	5,875
Activities to generate funds	96,307	96,307	92,825
Investment income	318	318	603
	<u>99,351</u>	<u>99,351</u>	<u>99,303</u>
Incoming resources from charitable activities	52,303	52,303	38,339
Total incoming resources	<u>151,654</u>	<u>151,654</u>	<u>137,642</u>
Resources expended			
Costs of generating funds	24,976	24,976	22,347
Charitable activities	116,970	116,970	152,917
Governance costs	1,600	1,600	1,049
Total resources expended	<u>143,546</u>	<u>143,546</u>	<u>176,313</u>
Net movement in funds	8,108	8,108	(38,671)
Total funds brought forward	<u>£ 47,968</u>	<u>£ 47,968</u>	<u>£ 86,639</u>
Total funds carried forward	<u>£ 56,076</u>	<u>£ 56,076</u>	<u>£ 47,968</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 2012

	2012		2011	
	£	£	£	£
General Fund				
Balance B/fwd	47,968		86,639	
Surplus/(Deficit) for the year	8,108		(38,671)	
	<u> </u>		<u> </u>	
		56,076		47,968
		<u> </u>		<u> </u>
Total funds at 31 March 2012		£ 56,076		£ 47,968
		<u> </u>		<u> </u>

THE CANAL MUSEUM TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

I. 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.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

Tangible fixed assets and depreciation

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.

Taxation

As a registered charity the Museum Trust benefits from rates relief and is generally exempt from Income Tax and Capital Gains Tax, but not from VAT. When applicable, irrecoverable VAT is shown as a separate expense in the Statement of Financial Activities rather than included in the cost of those items to which it relates. The trustees consider the cost of the detailed calculations and additional record keeping required to allocate VAT irrecoverable under the partial exemption regime would exceed the potential benefit.

THE CANAL MUSEUM TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

2. Investment Income

	2012	2011
	£	£
Interest	318	603
	<u> </u>	<u> </u>

3. Staff costs

	2012	2011
	£	£
Salaries	18,819	18,425
Employers' NICs	996	1,198
	<u> </u>	<u> </u>
	£19,815	£19,623
	<u> </u>	<u> </u>

No employee received remuneration exceeding £60,000.

The average number of employees during the year, employed in the operation of the charity was 2 (2011:2)

No trustees received any remuneration.

Trustees' expenses as volunteers are reimbursed.

THE CANAL MUSEUM TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2012

4. Stocks

	2012	2011
	£	£
Shop stock	10,887	11,728
	<u> </u>	<u> </u>

5. Debtors and prepayments

Amounts falling due within one year:

	2012	2011
	£	£
Prepayments and Accrued Income	1,139	1,652
Vat repayable	-	4,148
	<u> </u>	<u> </u>
	£1,139	£5,800
	<u> </u>	<u> </u>

6. Creditors

Amounts falling due within one year:-

	2012	2011
	£	£
Other Taxes & PAYE	2,900	-
Accruals And Deferred Income	6,096	5,279
	<u> </u>	<u> </u>
	£ 8,996	£ 5,279
	<u> </u>	<u> </u>

THE CANAL MUSEUM TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2012

7. Incoming resources

	Total Funds 2012 £	Total Funds 2011 £
Voluntary Income		
Donations	2,226	1,105
Grants	500	-
	<hr/> 2,726	<hr/> 1,105
Activities for generating funds		
Shop receipts	18,858	16,750
Moorings	15,365	14,699
Museum Hire	62,084	61,376
	<hr/> 96,307	<hr/> 92,825
Incoming resources from charitable activities		
Admissions and boat trips	51,532	36,963
Subscriptions	128	160
Other	643	1,216
	<hr/> 52,303	<hr/> 38,339
Investment income		
Interest	<hr/> 318	<hr/> 603

THE CANAL MUSEUM TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2012

8. Costs of generating funds

	2012	2012	2011
	£	£	£
Opening stock	11,728		12,059
Shop purchases	10,813		11,401
Closing stock	(10,887)		(11,728)
Costs associated with museum hire	5,498		5,672
Boat hire	7,824		4,943
	<hr/>		<hr/>
		24,976	22,347
		<hr/>	<hr/>

9. Charitable activities

	2012	2012	2011
	£	£	£
Development projects	-		22,573
Conservation and artefacts	10,489		208
Museum improvements	17,225		24,551
Education projects	783		7,414
Staff costs	19,815		16,203
Equipment and IT	8,419		14,685
Exhibitions	1,127		510
Premises costs	10,174		12,215
Building maintenance	6,928		10,855
Catering	2,633		1,670
Tug upkeep	1,342		764
Irrecoverable VAT	7,038		-
Advertising	14,239		17,878
Cleaning	4,538		5,019
Printing and stationery	772		992
Telephone	880		949
Travel	4,398		3,882
Sponsorship	1,851		4,726
Sundry	3,040		2,315
Bank charges	1,279		737
	<hr/>		<hr/>
		116,970	148,146
		<hr/>	<hr/>

10. Governance costs

	2012	2012	2011
	£	£	£
Accountancy	1,600		1,050
	<hr/>		<hr/>
		1,600	1,050
		<hr/>	<hr/>