

THE HORNIMAN PUBLIC MUSEUM AND PUBLIC PARK TRUST

Report and Consolidated Financial Statements
31 March 2007

Company Registration Number: 2456393

THE HORNIMAN PUBLIC MUSEUM AND PUBLIC PARK TRUST

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REFERENCE AND ADMINISTRATIVE DETAILS

COMPANY REGISTRATION NUMBER

2456393

CHARITY REGISTRATION NUMBER

802725

DIRECTORS AND TRUSTEES

Timothy Hornsby*, Chairman

Jocelyn Barrow

Kate Buchanan,

Steve Bullock

Robert Crawford

Paul Henderson *

Lynton Jones*

John Mack

Sue Minter*

Clare Paterson

Rosamund Sykes,

Genie Turton

* nominated by the Secretary of State for Culture, Media & Sport

AUDIT COMMITTEE

Rosamund Sykes, Chairman

John Mack

Colin Gentile (external member)

REMUNERATION COMMITTEE

Timothy Hornsby, Chairman

Genie Turton

SECRETARY

Grace Conacher

MUSEUM DIRECTOR

Janet Vitmayer

REGISTERED OFFICE

100 London Road

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LONDON SE23 3PQ

BANKERS

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London SW1Y 4ND

SOLICITORS

Currey & Co

21 Buckingham Gate

London SW1E 6LS

AUDITORS

BDO Stoy Hayward LLP

Chartered Accountants

Emerald House, East Street

Epsom, Surrey KT17 1HS

INTERNAL AUDITORS

Bentley Jennison

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TRUSTEES' REPORT for the year ended 31 March 2007

The Trustees present their annual report and the audited consolidated financial statements for the year ended 31 March 2007.

STRUCTURE, GOVERNANCE AND MANAGEMENT

BACKGROUND

The Horniman Museum and Gardens were given in 1901 to the London County Council in trust, as representing the people, by Frederick John Horniman MP. They were dedicated to the public forever as "a Free Museum for their Recreation, Instruction and Enjoyment" and were registered as a charity from the outset (The Horniman Museum and Public Park Foundation).

The Museum is housed in a striking art nouveau building by Charles Harrison Townsend with recent additions and set in sixteen acres of beautiful Gardens.

The collections include musical instruments, ethnographic collections and natural history.

GOVERNING DOCUMENT

The Trust was incorporated on 29 December 1989 as a company limited by guarantee and is governed by its Memorandum and Articles of Association. On 1 April 1992, following the abolition of the Inner London Education Authority, the Trustees' functions relating to The Horniman Museum and Public Park Foundation ("the Foundation") were transferred to the new charity (The Horniman Public Museum and Public Park Trust) and the trust property of the Foundation was vested in the new charity, to be held on existing trusts, under the terms of Statutory Instrument No. 437. In addition, the Statutory Instrument transferred certain former local authority property to The Horniman Public Museum and Public Park Trust free of trusts. The Charity Commissioners have agreed that the Foundation may be treated as a subsidiary charity of the charitable company that administers the property of both charities and is funded by the Department for Culture, Media and Sport (DCMS).

TRUSTEE APPOINTMENTS

There are up to twelve Trustees, four of whom, including the Chairman, are nominated by the Secretary of State for Culture, Media and Sport. They serve for a four-year term, after which they may be re-elected for a further four years at the Annual General Meeting (AGM) of the Trust held in September. A job description and person specification is drawn up for each vacancy which arises and these are advertised. A selection process is held which considers applications against the agreed criteria for the vacancy.

During the year Ms Kate Buchanan and Professor John Mack were re-elected at the AGM for a further term.

None of the Trustees has any material interest in the charity, or any company directorships or other significant interests that may cause conflict with their duties as trustees. A Register of Trustees' Interests can be viewed on the company's website at www.horniman.ac.uk. Trustees receive no payment but may claim travel and subsistence expenses for attending meetings.

TRUSTEE INDUCTION AND TRAINING

All new Trustees receive a pack with all the relevant governing documents and policies relating to the Trust. In addition they are invited to spend time with the Director to be shown the Museum and meet senior staff as well as to receive a briefing on major issues. Invitations to attend externally provided training for trustees are also circulated from time to time.

ORGANISATION

The Board of Trustees, which meets quarterly, is responsible for the charity. The Museum Director is appointed by the Board and she has delegated authority, within the terms of delegation approved by the Trustees, for operational matters. The Director is also the appointed Accounting Officer and as such is responsible for the proper use of the grant-in-aid given by the DCMS.

THE HORNIMAN PUBLIC MUSEUM AND PUBLIC PARK TRUST

TRUSTEES' REPORT for the year ended 31 March 2007 (continued)

REMUNERATION COMMITTEE

The Remuneration Committee is responsible for considering matters relating to the remuneration of the Museum Director and making recommendations to the Board thereon. It may also consider matters relating to remuneration of other senior staff if requested to do so by the Board as well as considering and advising the Board on the general terms of any pay settlement proposed for staff as appropriate.

AUDIT COMMITTEE

The Audit Committee is responsible to the Board of Trustees for ensuring that the requisite systems of control of the Trust's business and its records thereof are established and maintained. This includes the detailed perusal of the Annual Accounts and Schedules thereto, and consideration of Internal Audit Reports. As well as the regular annual reports of assurance to the Accounting Officer on the systems of internal controls, the following reviews were accepted: Fundraising, Treasury Management, Estates Management, Staffing Matters, Budgetary Control, Education Statistics, Complaints, VAT, Corporate Management, Fraud Policy.

RISK MANAGEMENT

Trustees review the major risks to which the Trust is exposed and the measures taken to mitigate them, at their regular meetings. The Senior Management Team reviewed these risks regularly during the year and risks are identified and regularly monitored for each area of operation as well as for major projects and significant new activities.

GROUP STRUCTURE

The Trust owns 100% of the issued share capital of Horniman Museum Enterprises Limited, which was incorporated on 19 August 2004. The subsidiary began trading on 1 April 2005 and its results have been consolidated from that date.

OBJECTIVES AND STRATEGIES

The principal activity of the Trust is the provision of a public, educational Museum and Gardens. Its aim is:

' to use our worldwide collections and the Gardens to encourage a wider appreciation of the World, its peoples and their cultures, and its environments.'

To achieve this the Trust has 3 key objectives:

ACCESS

to use the collections to stimulate curiosity and wonder, promoting opportunities for people of all ages, abilities and backgrounds to participate in and enjoy exhibitions, educational programmes, activities and events;

The Horniman's audience is local, national and international and it actively seeks to attract users of all ages, backgrounds and abilities. It is a much loved community resource for London and the South East. The Horniman aims to provide a high quality and responsive public service consistent with national best practice. It has an exceptional record of educational achievement having directly taught children from South London schools for over 50 years. The Museum works with a range of partners to develop its education work and encourage participation from as wide a range of people as possible.

The Museum has set up an internal group to explore ways of making the buildings, gardens and collections as physically and intellectually accessible as possible to all its users. The group has developed an action plan which will be implemented over several years and includes items such as the provision of large print and Braille exhibition and What's On guides, disability awareness training for all new staff and the development of regular dialogue with disabled users to ensure that our services meet their needs.

COLLECTIONS

to make the collections as accessible as possible now and in the future through their effective management, care, research and development;

Our collections, our estate and our website are the means by which we communicate with our public and a core aspect of our work remains looking after and developing these for current and future generations.

The Museum Collections cover Ethnography (80,000 objects), Natural History (250,000 objects) and Musical Instruments (14,000 objects). Among our very rich collections, our Ethnographic and Musical Instrument Collections are designated as being of national and international importance. These collections, combined with our 16 acres of gardens, provide the unusual opportunity to draw together in an innovative way issues and stories relating to the environment at a local, national and international level.

The collections are a living entity and have been systematically added to over the last 100 years, through fieldwork, transfer from other institutions, purchase and donation.

We have a long and consistent record of field collecting. This gives the Horniman's collections a continuing contemporary relevance and enables it to represent changing cultural and musical traditions from around the world, helping us to build and maintain close international contacts.

ENABLING

to secure and effectively manage financial, human and other resources in order to provide high quality services for the benefit and enjoyment of visitors;

To achieve our objectives we need to generate income additional to our grant-in-aid. We also need to use all our resources in a cost effective way. The physical infrastructure must provide the appropriate conditions for the collections, visitors and staff and our ICT provision must be able to support the Horniman's needs both at present and into the future. In addition, measures have to be put in to provide a safe and secure environment for our visitors and staff.

In a constant effort to improve and develop services, the organisation participates in a variety of schemes designed to provide outside validation of standards and where appropriate, it will embark on new additional schemes. The essential work undertaken by many of our staff does not appear within the activities and programmes highlighted in this Annual Report. However, without the essential 'behind the scenes' work of Finance, Personnel, Administration, Facilities and ICT, the Museum and Gardens could not function.

Our objectives can only be achieved with the full support and commitment of our staff. All staff have been given the opportunity to contribute their ideas to the development of the Horniman and we recognise the importance of developing our staff and hold the Investor in People award.

In addition, an increasing range of formal and informal external partnerships and collaborations bring new ideas and resources, enabling the Horniman to both contribute to the wider cultural scene and offer its own visitors an enhanced experience.

Funding Agreement

Our Funding Agreement with DCMS summarises the strategic priorities and programme for the Horniman and includes a set of key targets and performance indicators which are monitored and reported on.

REVIEW OF THE YEAR, 2006/2007

OVERVIEW

Visitors

The Horniman experienced its best year ever in terms of visitor numbers to the Museum and Gardens. In total 603,000 visits were made to site including 430,000 to the Museum and 173,000 additional visits to the Gardens only.

Visits have doubled since our Heritage Lottery funded Museum Centenary extension was completed in 2002. The new spaces, facilities, and link to our 16 acres of Gardens created by the extension provided the backdrop against which our latest development – the new Horniman Aquarium– was cast. The Aquarium opened on 14th July attracting excellent PR, appeared on the prestigious Gulbenkian prize list and has proven to be an outstanding success.

Evolution 2010

The Trust committed itself to continue working on refreshing and developing its assets for public benefit through the development of two important areas that follow on naturally from the successful completion of the Aquarium. The Horniman created an intellectual brief and began to develop a design scheme for the redisplay of the Natural History collection that would be able to engage and educate a modern audience. At the same time, plans to make educational links between the new Gallery and the tremendous 'outside' resource of the Horniman Gardens were developed. This work was able to inform plans for redeveloping the Gardens which were furthered, in consultation with users, thanks to a Project Planning Grant of £47,250 from the Heritage Lottery Fund.

The parallel development of plans for both the Natural History Gallery and the Gardens moved on substantially this year, putting the Trust in a position to submit bids to relevant funding bodies in 2007/8. The Trust has created an umbrella for the phase of development encompassing its work relating to the Nature in the Aquarium, Natural History Gallery and the Gardens under the banner of 'Evolution 2010'. The Trust hopes to complete this phase of its development by the year 2010, if sufficient funding can be secured.

Trustees are overseeing and supporting these developments via their Board, supported by the creation of a Gardens Project Board and a Fundraising Strategy Committee.

Partnerships

The Horniman is a member of the London Regional Hub with the Museum of London as lead and other partners being London's Transport Museum and the Geffrye Museum. A Business Plan for the years 2006/7 and 2007/8 was approved in the course of the year (total allocation to the Hub of £5.8m). The allocation to the Horniman in 2006/7 of £272k enabled very significant new education services to be developed and delivered and planning to be undertaken for future developments. The Hub was reorganised in the course of the year to encourage more working across the four Museums, better partnership working with the Regional Agency for Museums, Libraries and Archives, and more involvement from the wider Museum community in London. The intention is to maximise the benefit of the major funding of £4.038m available to the Hub in 2007/8.

Our partnership with the British Museum within the framework of the British Museum Partnership UK scheme continued to develop this year with loans of objects, exchange of expertise and collaboration on international working.

Governance

Following a period of consultation in Summer 2006 regarding the possible transfer of the Horniman to the Greater London Authority, Government took the view that the Horniman should remain as a sponsored body of the Department for Culture, Media and Sport.

ACHIEVEMENT OF OBJECTIVES

1. ACCESS

1.1 MAJOR PROJECTS

In terms of capital projects designed to enhance access, the Trust prioritised the redevelopment of its Natural History Gallery and its Gardens.

Natural History

The Natural History Gallery at the Horniman is much loved by the Museum's visitors. However, the Gallery itself has not seen any major reinterpretation since the late 1950's. In the intervening decades science has moved on and as a result some of the label information is no longer scientifically accurate. Many of the taxonomic specimens are in need of cleaning and conservation and there is a basic lack of interpretation in the Gallery for our mainly family audience.

During 2006/7 progress was made on the development of the curatorial concepts for the Gallery. Our curatorial concept envisages looking at the gallery through the broad prism of biodiversity. Within the five main themes, diversity of life, strategies for survival, evolution, changes to biodiversity and understanding biodiversity we plan to give the visitor a contemporary understanding of the issues and themes that impact on biodiversity today. We will look to develop thematic links with our Gardens, which provide a wonderful opportunity for the public to explore and discover more about their immediate environment in a relaxed and informal setting.

Funding from the Government's Renaissance in the Regions programme has enabled us to appoint exhibition designers (Ralph Appelbaum Associates), as well as a project manager and quantity surveyor, who started work in early 2007. Work will include the development of the concept and detailed designs, and ensuring that cases, lighting, environmental controls, graphics and mounts are all designed appropriately for our audiences. This work will be informed by the front-end evaluation that has already been carried out with user groups and we will be undertaking further consultation as the design progresses.

We plan to have the concept designs completed by November 2007 with the intention of approaching funding bodies in winter 2007.

Gardens

In December 2006 we secured a Project Planning Grant from the Heritage Lottery Fund (HLF) to enable us to develop the many pieces of work required for an application to the 'Parks for People' funding stream which we plan to submit in September 2007. This work will include a Conservation Management Plan, Training Plan, Access Plan, Audience Development Plan and outline designs for the refurbishment of the gardens.

To enable us to get a thorough understanding of what our users think of the Gardens, how they are used now and how they should be developed, Alice Bigelow and her colleagues were appointed in January 2007 to carry out consultation with a wide range of users and non-users and to write the Audience Development Plan. The information gathered during the consultation period between February and June 2007 will provide the context for the master plan of the Gardens.

We appointed a team of landscape consultants who will help us with the development of the Conservation Management Plan and the master plan. The company 'Land Use Consultants' have worked on many public parks in London, including Telegraph Hill, Bushy Park, Alexandra Palace Park and Dulwich Park. They were also involved with the Eden project in Cornwall.

We anticipate that our re-development project will include improvements to the Gardens infrastructure including paths, fences, signage, toilets, bandstand, greenhouses and services such as drainage, electricity and water. We hope to re-landscape areas of the gardens to rationalise the ethno-botanic planting, picnic areas, activity areas and quiet spaces and to improve our provision for events. We are also keen to build in

TRUSTEES' REPORT for the year ended 31 March 2007 (continued)

sustainability and resource efficiency wherever possible and to develop our educational activities and horticultural training facilities on site.

Aquarium

The Aquarium opened successfully on the 14th July 2006. Three opening events were held: for the local community and staff, a late afternoon event for press and funders with families, and the Private View attended by Minister for Culture David Lammy MP and many of the project sponsors. All of these events were a great success. We estimate that the new Aquarium has received over 200,000 visitors since opening.

The new Aquarium focuses on local and global environments, with the exhibits split between British and non-British environments, including a tropical rainforest, coral reef, mangrove swamp, rock pools, jellyfish and a pond. The Aquarium emphasises the importance of conservation and sustainability, with animals and plants acquired from sustainable sources as far as is possible. It also includes strong national curriculum links and interactive activities for families as well as an ongoing education programme for a variety of audiences.

Aquarium staff have worked extremely hard to maintain and develop the new Aquarium. They have been gradually introducing new specimens as the different environments stabilise and getting to grips with the husbandry of animals that they have not kept before, for example the jellyfish, which have taken some time to develop effective feeding and care routines for. The tanks and living specimens are becoming richer and more colourful as specimens are gradually added to the tanks and as the displays start to mature. We have held several Aquarium post project review meetings and will use the feedback from these to inform our maintenance and development of the Aquarium and the development of new projects.

1.2 MARKETING

The Horniman achieved a record year in 2006/7 with its highest ever visitor numbers for the Museum and Gardens, a high presence in the media, and recognition via an award and two high profile nominations.

An excellent media presence was achieved throughout the year via concerted public relations activity. More than 800 different pieces of media coverage were generated during the 12 month period. Broadcast coverage included pieces on BBC1 and ITV London News, BBC2 Gardeners World, BBC London Radio and a dedicated 15 minute slot on the Horniman on BBC2's The People's Museum. Press coverage included extensive coverage on the new Aquarium and the Great White Bear exhibition in national, regional and local press including a double page feature in the Daily Mail, and full page reviews in The Times and the Times Literary Supplement.

The public relations campaign for the Aquarium was followed up with an extensive promotional campaign which included bus, tube and magazine advertising, and leaflet distribution to family venues. Further promotional campaigns were launched around the 'Amazon to Caribbean' and 'Walking with Beasts' exhibitions including bus, magazine and press advertising plus targeted leaflet distribution.

The Horniman was awarded a Bronze at the Visit London Awards for its Africa 05 programme, and the Aquarium was on the list for the Gulbenkian Prize and shortlisted for The Guardian Family Friendly Museum of the Year.

A visitor survey was undertaken to aid future planning and add to our understanding of existing visitors, while focus groups were conducted with potential audiences for the Gardens to ensure visitors were at the heart of redevelopment plans. Visitor comment cards also continued to be used to monitor the visitor experience.

The Museum produced 4 What's On Guides and a number of improvements were made as a result of comments from visitors and staff in the previous year. A new generic leaflet was produced to target domestic/foreign tourists and groups.

The mailing list increased to 7,500 individuals by the end of the year and an e-marketing bulletin was further developed to communicate regularly with 2,000 e-mail contacts.

TRUSTEES' REPORT for the year ended 31 March 2007 (continued)

A more dynamic home page was developed for the website to raise the profile and attract visitors to exhibitions and special events.

1.3 EVENTS

The Horniman ran an ambitious programme of high quality events in 2006/7, which attracted a large and diverse audience.

A key aspect was a programme in the Gardens during the summer linked to the 'Amazon to Caribbean' exhibition. A crowd of 7,200 people were attracted to 'Caribfest', a one day festival across two stages supported by the Arts Council, which included live Caribbean music, dance, street theatre, children's performances and parades by renowned carnival group South Connections. More than 5,500 people enjoyed 'Jerk Cook Out', a one day food and music festival on a Caribbean theme in collaboration with The Write Thing organisation.

Other large scale events included the Horniman Christmas Concert which drew 4,500 people to the Gardens, Forest Hill Day, run by the Forest Hill Traders Association, and a Friends of the Horniman Plant Sale, both of which attracted 2,500 visitors.

Smaller scale events ran successfully throughout the summer months. A series of outdoor interactive children's events drew an audience of 2,700 people, with 'Amazon to Caribbean' and the Aquarium as the inspiration. Summer music concerts on the Bandstand were also well attended and reflected the diversity of the music collection with world, jazz and brass band music represented. The Horniman participated in the renowned Music Village festival, after a seven year absence, by hosting concerts from Yemeni and Moroccan musicians in the Conservatory, while the Gardens was the venue for outdoor film screenings on a Caribbean theme.

The Museum hosted a number of smaller scale events throughout the year as a complement to Family and Community Education activities. These included an Architecture Week event in collaboration with the Laban Dance Centre, a lecture on Phillip Henry Gosse by award winning author Ann Thwaite, and Thursday Lates, a regular programme of evening adult events which included film screenings, an African Worlds gallery tour during Black History Month, and an artist talk on the 'Great White Bear' exhibition.

Concerts

The Horniman Conservatory was a popular venue for Sunday afternoon concerts in May and September, organised by staff in the Musical Instrument section. The May series marked the centenary year of Frederick Horniman, and featured instruments similar to those in the collection that he gave to the public in 1901. In September the Museum hosted performances by musicians from West and South Asia, as part of the nationwide 'Festival of Muslim Cultures'.

1.4 PERMANENT GALLERIES

Music Gallery: 'Boosey & Hawkes'

November 16th 2006 saw the launch of the re-display of one side of the central case in the Music Gallery. The focus of the new exhibition is the story of Boosey & Hawkes, Britain's largest maker of musical instruments, who produced over 1,000 instruments every week at the peak of their success in the 1960's. The closure of the factory at Ealing in 2001 and the buy-out by Buffet Crampon (in 2006) marked the end of large-scale manufacture of musical instruments in Britain. The exhibition entitled 'Sound designs: the story of Boosey & Hawkes' includes 123 objects and explores the heritage and changing landscape of musical instrument manufacturing and performance practice in Britain.

Funding from the DCMS/Wolfson Foundation Museums and Galleries Improvement Fund enabled us to introduce audio-visual material into the case and gave us the opportunity to display many of the instruments acquired by the Museum in 2003 with assistance from the Heritage Lottery Fund and the National Art Collections Fund.

1.5 TEMPORARY EXHIBITIONS

'Amazon to Caribbean': Early Peoples of the Rainforest

This exhibition opened to the public on 1 October 2005 and closed on the 7 January 2007 and was very popular with our visitors. Visitor satisfaction was very high with 55% rating the exhibition very good, 36% rating it good, and no-one rating it worse than average. The exhibition received high ratings with visitors for the exhibits/displays (94% rated very good or good), labels (74%) and interactivity (76%). As a way of informing the development of future exhibitions, research was carried out into the way visitors use the interactive exhibits. Research was commissioned to look at the potential for touring this and other temporary exhibitions generated by the Horniman. This project was made possible by funding from the Renaissance in the Regions initiative.

During September and October 2006, two artist's work linked to the "Amazon to Caribbean" exhibition was shown in Gallery Square. Funded by the Arts Council, Oswald Hussain created beautifully carved wooden objects inspired by the 'Amazon to Caribbean' exhibition and his homeland of Guyana and Dr Fiona Wilkes provided a video and sound art installation which engaged with Caribbean communities and addressed the historical movement of peoples from the Amazon into the Caribbean.

'Walking with Beasts'

Our bought-in temporary exhibition "Walking with Beasts" opened to the public on the 10th February 2007 and runs until 2nd November 2007 and has proved popular with our family audience so far.

The exhibition is based on the BBC 'Walking with Beasts' series. The technology from the series has been used to make some extinct mammals 'live again'. Starting in the Eocene period and finishing in the Pleistocene, at the start of the Ice Age, the exhibition explores the development of mammals such as dogs, cats, bears, elephants and apes, as well as the habitats that they lived in. The exhibition includes a range of touch screen interactives as well as original material.

Balcony Exhibitions:

Khmer Silks:

This exhibition ran from the 14th April 2006 to the 25th February 2007 and showcased our costume and textile collections from Cambodia. It explored the symbolic role that textiles play in the ceremonial and religious life of the country, displaying a wide range of exhibits including a wedding costume, Ramayana dance costume and a set of monk's robes. The exhibition also included a textile commissioned from contemporary weavers depicting scenes from the life of Buddha. Themes within the exhibition included Buddhism, silk production in Southeast Asia and animal symbolism, with the use of video and handling materials to augment the text.

The Crow: 21st Century Native Americans

This photographic exhibition ran from the 6th May to the 15th October 2006 and documented the daily, ceremonial and spiritual life of the Crow Indians in 2003. The exhibition showcased the work of photographer Alberto Arzoz, using 40 of his images to highlight the challenges that the Crow face within American society as they strive to preserve their unique cultural heritage.

Great White Bear

This primarily photographic exhibition ran from the 21st October 2006 to the 25th March 2007. It explored the polar bear through a series of 32 photographs taken by Bryndis Snaebjornsdottir and Mark Wilson as part of a project to photograph every taxidermied polar bear in a UK collection. To enhance the exhibition several key objects from our Inuit collections were put on display as well as a polar bear, borrowed from a private collection. Text focused on the survival of polar bears, taxidermy and the case of the Horniman Museum's missing polar bear, which was sold in 1948. This aspect of the exhibition generated a great deal of local and national publicity for the Museum.

Gallery Square Exhibitions:

Music in the World of Islam: Photographs by Jean Jenkins

This photographic exhibition ran between 21st October and 10th December 2006 and was part of the 2006 Festival of Muslim Cultures. The photos were taken by Jean Jenkins, the first Musical Instrument curator at the Horniman Museum, as part of a commission by the World of Islam Festival Trust during the early 1970's.

Thai Film Posters

This exhibition ran between 6th January and 4th February 2007 and explored the unique art form of Thailand's film posters illustrating versions of films from Hollywood, Thailand, Hong Kong and Japan between the 1940's to 1980's.

1.6 EDUCATION

The Education Section had a very productive year offering a broad range of schools, family, adult and community programming. The section contributed to the ongoing work of the London Hub and team members participated in many Museum project teams including the Aquarium team, the Natural History and Gardens Project teams and the Audience Advocacy Group. In all 79,213 learners were served by the Education team, of which 53,788 were aged 15 and under.

1.6.1 Teaching Service

The schools service delivered its usual high standard of curriculum related handling sessions in this period. On average the section taught 28-30 sessions each week across a range of topics resulting in a high enjoyment and satisfaction rate, a testament to the quality and dedication of staff.

New sessions were produced for themed weeks held throughout the year, including National Storytelling Week, Science Week and Chinese New Year. Other tailor-made sessions were also devised and delivered, including sessions on Japan and Rainforest peoples and animals. The Department also delivered the introductory handling session and trail on West African identity for the schools Fante Flag project, which was displayed in the African Worlds Gallery in May 2007 as part of the Museums contribution to the programme for the commemoration of the parliamentary abolition of the slave trade.

A Hub funded Education Officer was recruited to develop the schools science learning programmes at the Museum ahead of the Natural History Gallery and Gardens redevelopment plans. To date, an Aquarium session and materials have been completed, marketed and were received. Secondary science learning is underway for the new academic year.

The Education team continued to offer INSET training sessions for teachers on approaches to learning from objects. This included trainee teachers from the Institute of Education and South Bank University. The Department also supported 2 students on an Additional Education Setting placement as part of their teacher training qualification. Another INSET was conducted in collaboration with 2 artists working with an Essex school funded by the Creative Partnerships programme to develop their existing school Museum as a more central resource for pupils and teaching staff. The department continue to share their good practice with post graduate MA students.

1.6.2 Family & Community Education

Community Education ran a wide range of family, adult and community based programmes during the course of the year.

Family and half term events had high levels of take up and we continued to expand our provision for under fives with additional story telling sessions being made available.

Caribbean and African Dance courses remained popular for children, as did the adult Dance evening classes. Throughout much of the year the family based performance activities and art and craft sessions were linked to the 'Amazon to Caribbean' exhibition with activities such as Amerindian stories and songs and

TRUSTEES' REPORT for the year ended 31 March 2007 (continued)

making Amerindian belts in the drop-in art and craft sessions. 'Discovery for All' sessions in the Hands On Base continued to be very popular throughout the year.

1.7 LIBRARY

The Library went through a period of change in 2006/7. In September David Allen, the Horniman Librarian for some 27 years retired. The Assistant Librarian Caroline Brick was appointed as Acting Librarian and continued the task of reorganising the Library in its relatively new home in the former CUE building. During the course of the year the staff and volunteers continued the task of re-shelving and assigning new book locations on the computer system as well as dealing with users queries.

1.8 GARDENS

Recognition of the high standards achieved in the Gardens was given through our retention of the prestigious Green Flag Award. Our Gardens Manager continued to act as a Green Flag Award Assessor as well as a judge for the London in Bloom competition.

Our partnership with the Trust for Urban Ecology (TRUE) in maintaining and developing the Railway Nature Trail as an educational facility continued to develop throughout the year and a quarterly newsletter was published, giving visitors information about the Trail. The hard work throughout the year of the staff and volunteers from TRUE continued to help to improve the trail. A notable improvement was the relining and filling of our pond to make it accessible for pond dipping and other educational activities.

The South Asian border (opened in summer 2005) and the African Garden (opened in 2006) continued to prove popular with our visitors. The African Garden in particular which flourished during the Summer of 2006 was one of the most heavily used areas of the Gardens.

During 2006 and 2007 the Gardens team participated enthusiastically in the planning for the new Gardens redevelopment project.

1.9 WEBSITE

The website continues to develop. All content has been reviewed and out of date copy has been refreshed or removed, with new content developed for the textiles and archaeology collections. The Exhibitions and events information has been developed with more information on upcoming exhibitions and the addition of a monthly events calendar. Improvements to functionality and accessibility have been made to make the site easier to navigate.

A web survey was conducted which gave useful feedback from users which is being used to inform the development and launch of a new website in 2007/8.

2. COLLECTIONS

2.1 RESEARCH AND ACADEMIC PARTNERSHIPS

2.1.1 Natural History

The Keeper of Natural History Dr Jim Brock retired in 2006 after 15 years in post and was replaced in 2007 by Jo Hatton, previously Deputy Keeper. The focus of Natural History research during the period has been the redisplay of the Natural History collections. The Keeper has been heavily engaged in the concept development phase of the Gallery development, research on aspects of the collection, and the inventory of the collections both in the exiting Gallery and at the Study Collections Centre.

The research for the new gallery included organising several visits to other recent gallery re-developments in the UK.

The Keeper continued to be been actively involved in collaborative projects linked to her role as Secretary of Natural Sciences Collections Association (NATSCA) and also worked with the Conservation Department on

two Natural History conservation projects – one looking at the Hart bird collection and the other our holdings of pressed plants.

2.1.2 Anthropology

Work to identify the large number of unidentified items and to catalogue other items in the Asian and European collections continued throughout the year. Fiona Kerlogue, the Deputy Keeper, supervised work on adding existing catalogue descriptions for Indian items from 1947 to the present day; a long standing volunteer completed the typing of these and started work on the data relating to the Turkish and English collections. A new volunteer started work on upgrading the archaeology records, which have now been transferred to the Museum's main database.

Funding from the Daiwa Anglo-Japanese Foundation enabled Fiona Kerlogue to visit Japan for three weeks to undertake a short period of fieldwork, visiting Japanese colleagues, observing, photographing and filming textile techniques in various parts of Japan, and collecting additional material for the exhibition 'Wrapping Japan', which opened in March 2007. She also prepared a catalogue for the exhibition, funded by the Great Britain Sasakawa Foundation.

Funding from the Daiwa Anglo-Japanese Foundation also enabled us to invite two visiting research associates, Yukiko Hashimoto from the Edo Tokyo Museum and Kumiko Doi from the Osaka Municipal Museum of Art to visit the Museum for a combined total of six weeks to work on early items in the Japanese collections which had only scanty descriptions and to provide descriptions for Japanese material with no identification. They were assisted by student volunteers from the University of Krakow and Leicester University.

Plans to research and photograph items from the Chinese anthropology collections funded by the Designation Challenge Fund got under way, together with preliminary work on a planned exhibition on Chinese embroidery for the South Hall balcony to open in March 2008.

Curatorial work on the re-labelling of both the 'African Worlds' and 'Centenary' Galleries was completed. Work continued on plans to reinterpret aspects of the African Worlds Gallery as part of the commemoration of the Bi-Centenary of the Abolition of the Trans-Atlantic Slave trade. The first phase of this work was completed in early 2007.

During the year, 2006/7, the Anthropology section undertook various other activities besides the 'ongoing' curatorial work based around the collections.

The Section continued to offer help to the Musical Instruments section with identification and research of items for possible inclusion in the forthcoming exhibition 'Utsavam - Music in India'.

2.1.3 Musical Instruments

The development of the collections and concepts for the Boosey & Hawkes exhibition, together with activities associated with its very successful launch constituted the main focus of the work of Bradley Strauchen, the Deputy Keeper of Musical Instruments, during 2006. She gave many interviews to the press generated by the wealth of media interest for this event. Articles about the display appeared in *The Guardian*, *The Independent* and *Classical Music Magazine*. Interviews were broadcast on BBC Radio 3.

Development work was completed by the Deputy Keeper on a project to inspire and educate young people to compose and perform their own music, on instruments they have made themselves, using the Horniman permanent and handling collections as a resource for teaching and learning. The display of the Boosey & Hawkes Collection has been an impetus for this project. Subject to available funding, the project will be run in collaboration with Opera House Music Projects and the Horniman Museum Education department. Three Lewisham primary schools hope to participate in the project: Myatt Garden, St Stephen's and Ashmead School.

Work on the concept for the Museum's forthcoming major temporary exhibition 'Utsavam - Music in India' was a major and ongoing project for the Keeper of the Musical Instrument Department, who completed the

TRUSTEES' REPORT for the year ended 31 March 2007 (continued)

work of finalizing object lists for the exhibition. Rolf Killius made a number of the fieldwork collections to be featured in the exhibition and joined the Department for this period of the project as curatorial consultant, with special responsibility for developing outreach with London communities of South Asian heritage.

A notable recent addition to the holdings of Museum is the collection of over 40 instruments from Punjab, documented by video footage, which was acquired as part of a fieldwork project by the Keeper of Musical Instruments. Musical instrument makers' workshops in Punjab and Assam were collected for the exhibition. Two presentations were given to Museum staff regarding the project.

Both curators served on expert panels: the Keeper continued her work as Reviews Editor of the *Galpin Society Journal* and refereed articles for the publication, while the Deputy Keeper provided input into CIMCIM's Brass Terminology Working Group glossary. Dr Strauchen referred articles for the *RMA Research Chronicle* and the *Journal of the Royal Musicological Association*.

Bradley Strauchen taught part of a course in The History of Performance Practice, as a visiting lecturer at Goldsmiths College. She and Stephen Cottrell (Goldsmiths) submitted a successful joint application for an AHRC Collaborative PhD Studentship Award to fund a student to work with the Boosey & Hawkes archival materials and collection at the Horniman. The working title of the project is 'Winds of Change: Wind Instrument Design and the Changing Sound of British Orchestras and Bands between c.1890 and c.1950'.

A technical drawing of the Horniman Museum's German baroque lute by Johann Christian Hoffmann, made in Leipzig in the 1740s was prepared by the lute and guitar maker Tony Johnson, with assistance from Bradley Strauchen who supervised its production and printing, and helped prepare the handbook with the drawing. This instrument is the only lute from the time of J.S. Bach to survive in original condition. The project to publish the technical drawing, from which faithful copies of the lute can be made, was kindly funded by the Friends of the Horniman.

2.1.4 Research enquiries and visitors

The musical instrument section undertook research into the Museum's collections during the course of responding to over 230 written and telephone enquiries. They were received from the UK, France, Belgium, Germany, Italy, Norway, the USA, Australia, and Canada. By far the largest number of enquiries related to the records of serial numbers of musical instruments in the Boosey & Hawkes archive. Materials studied by researchers visiting the Museum and SCC in person included Javanese *gambus* lutes, the violone in the Dolmetsch collection, the violoncello by Tielke, mechanical musical instruments for a loan to Tower Bridge, traditional Romanian musical instruments, Maori musical instruments, Northumbrian smallpipes, horns, and the trombones and clarinets in the Boosey & Hawkes Collection. Research in the Boosey & Hawkes archives was also undertaken by a large number of visitors.

Organised tours of collections in the SCC were given by the Keeper of Musical Instruments for delegates to two community groups: Pro Patrimonia Romania (traditional Romanian musical instruments), and the London Sitar Ensemble (19th century sitars). Tours of the music gallery were arranged by the Keeper and Deputy Keeper respectively for a number of groups, staff from the Handel House Museum, staff from the Indian High Commission, the Incorporated Society of Musicians, the Bamboo Society, the London Sitar Ensemble and the Friends of the Dulwich Picture Gallery.

The Museum developed further its links with East African Museums over the course of the year. Director-General Dr. Idle Farah of the National Museums of Kenya visited the Museum to discuss continued partnership between the National Museums of Kenya and the Horniman Museum. A member of his team Mr. Martin Tindi completed an attachment to the Conservation department in the latter half of the year.

Dr Hassan Arero completed a three month sabbatical leave in March 2007 during which time he continued with his study of the Borana-Oromo pastoralists of Marsabit. During this period he visited the National Archives in Nairobi, carried out oral interviews with elders and made contact with fellow researchers in Norway and Kenya. Dr Arero intends to publish the findings of his doctoral thesis in a book.

2.2 PUBLICATIONS

2.2.1 Anthropology

Fiona Kerlogue published an edited volume: *Kinship and Food in Southeast Asia* (Studies in Asian Topics no. 38) NIAS Press (co-edited with Monica Janowski).

She also submitted a paper on the Horniman's Japanese collections for a book on Japanese Collections in European Museums to be published by the University of Bonn. An article on Cambodian textiles was published in the textile journal *Textile Perspectives* and one on Japanese textiles was submitted to the same journal.

Hassan Arero published an article on 'Negotiated Spaces: African and UK Museums in the 21st Century', *ICOM UK Newsletter*, Spring 2006, and 'Seeing Africa' in *ICOM Newsletter*, Autumn 2006.

2.2.2 Collections Conservation and Care

Tamar Maor, UCL Conservation Intern, and Dylan Cox, Conservation Officer, produced 'Packing Chain Mail Armour: A Simple Solution for Gaining Space and Maximizing Support', *ICON News* July 2007

2.2.3 Musical Instruments

2007 Bradley Strauchen-Scherer and Arnold Myers. 'A Manufacturer's Museum: The Collection of Boosey & Hawkes' in *Musique, Images, Instruments. Revue française d'organologie et d'iconographie musicale*. Les collections d'instruments de musique (2^e partie), ed. Florence Gétreau. Paris: Centre national de la recherche scientifique

2006 Bradley Strauchen "Nomen est omen": the "French horn" in England during the nineteenth and first half of the twentieth century'. *Jagd- und Waldhörne. Geschichte und musikalische Nutzung. Michaelsteiner Konferenzberichte 70*, ed. Monika Lustig. Augsburg and Michaelstein.

2006 Bradley Strauchen: Review of Deborah Rohr, *The Careers of British Musicians, 1750–1850: A Profession of Artisans*, (Cambridge: 2001) for *Nineteenth-Century Contexts*.

Galpin Society Journal LIX 2006 - Margaret Birley edited the 10 reviews of organological publications and guest-edited the *Galpin Society Newsletter*, May 2006

2.2.4 Natural History

2006 Jo Hatton *The history of Horniman Natural History Gallery and Collections 'Taxidermist' magazine*

2.2.5 Horniman Publications

Wrapping Japan, a catalogue to accompany the Japanese textile exhibition, was published in March 2007. There are plans to review the series *Contributions in Critical Museology and Material Culture*.

2.3 LECTURES SEMINARS AND CONFERENCE PAPERS

2.3.1 Anthropology

A collaborative workshop with the British Museum's Africa section, on 'Enhancing the Contemporary Use of African Artifacts' was held on Tuesday 9th May 2006. Hassan Arero presented a paper entitled 'Soddu Stones and Grave Posts as Indices of Memory'.

In November, Hassan Arero presented a paper entitled 'Kiriwanhee: Balance and Transformations Among the Amerindians of Guyana' at the post-graduate seminar series of the World Art and Museology School at the University of East Anglia, Norwich.

2.3.2 Musical Instruments

A project to create a new Museum of music in Istanbul is underway, and an international conference (29-31 May) entitled 'Musical Culture in Turkey throughout History and the Museum of Music' was convened as part of the planning process by Bilkent University, with the support of the Ministry of Culture and Tourism of

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TRUSTEES' REPORT for the year ended 31 March 2007 (continued)

Turkey. The Keeper was invited to speak on the subject of 'The Music Museum and its Structures' to scholars of musical cultures of Turkic speaking peoples and government officials at the Istanbul conference.

The Keeper presented a summary of work in progress on the 2008 exhibition 'Utsavam - Music from India' exhibition at the annual conference of the Museum Ethnographers' Group at the Museum and Art Gallery, Birmingham (18-19 May).

The Deputy Keeper presented a paper entitled 'Winds of Change: the 1838 Classical Concerts for Wind Instruments and orchestral wind sound in late 19th/early 20th century London', at the AMIS/Galpin Society/CIMCIM meeting, at the National Music Museum in Vermillion, South Dakota USA (19-22 May).

Dr Strauchen also gave a paper entitled 'Survival of the fittest? Instrumental paradoxes during the age of Darwin' at the international conference on instrumental music and the industrial revolution in Cremona, Italy in July 2006.

The Deputy Keeper and Keeper delivered lectures in the Music Gallery to a number of visiting university and college classes, including those from Trinity College of Music, Canterbury Christ Church University, Goldsmiths College, London Metropolitan University, Merton University and the Cambridge University Cabinet of Natural History (research seminar).

As part of the Museum's outreach programme, both the Keeper and Deputy Keeper of Musical Instruments gave talks to community groups including the John Paul Association at St Thomas Moore's Church in Lordship Lane and the Sydenham Society.

2.3.3 Natural History

The Keeper organized the Natural Sciences Collections Association (NatSCA) conference at World Museum Liverpool. The conference theme was 'Developing ideas and concepts for Natural History Re-displays'. She also organized NatSCA Taxidermy workshop in conjunction with Guild of Taxidermist's at Lancashire County Museums service.

During the year the Keeper participated in a number of highly successful public events at the Horniman including sessions on Amazon animals, and a special event introducing Taxidermy concepts to a general audience which was programmed as part of science week. The Keeper also worked closely with the Education Department in delivering a special A-level science study day.

2.4 DOCUMENTATION OF THE COLLECTIONS

Thanks to funding from the London Museums Hub, the Anthropology inventory project has been completed, with the creation or updating of 17,435 object records during 2006/7. This means we now have computerised Collections Management records for virtually all of the anthropology collections held at the Museum and the Study Collections Centre. This improved documentation has enabled us to identify areas of the collection that would benefit from further research and development. It has significantly improved the effectiveness of collections auditing procedures, as well as facilitating the work of our curatorial staff when developing exhibitions, collection research, publications and making the best use of voluntary staff.

During this year, significant progress was made on the documentation of the Natural History collections. There are now over 10,000 specimens with computerised records. This data was transferred to MIMSY XG and will be used to provide object information for the re-design of the Natural History Gallery.

Our up-graded collections management system MIMSY XG proved very useful to staff and was used to record conservation treatments and loan administration as well as acquisition, inventory and catalogue information.

2.5 CONSERVATION

The work of the Collection Conservation and Care Section (CCC) has concentrated on the conservation of objects for the Boosey & Hawkes exhibition, the forthcoming 'Utsavam – Music in India' exhibition, Japanese

TRUSTEES' REPORT for the year ended 31 March 2007 (continued)

textiles and objects for loans out. Monitoring and control of the environment continues at the Museum and the Study Collections Centre, to ensure the long-term preservation of the collections.

The CCC has maintained academic links with professional conservation training courses both in the UK and Europe, hosting internships and student placements from institutions such as University College London, the RCA/V&A, The London Metropolitan University and The Textile Conservation Centre (University Southampton).

The Head of Collections Conservation and Care, Louise Bacon, visited Addis Ababa, Ethiopia with Helen Wolfe from the British Museum in November 2006 to carry out a training needs assessment for a course on Collections Care, at the National Museum of Ethiopia in 2007. The visit enabled them to assess all the institutions involved and meet the participants in their work place providing the opportunity to identify areas of need and improve understanding of the sometimes complex issues involved. The visit was supported by the Department for Culture, Media and Sport.

The CCC collaborated with the Education Section to provide outreach sessions during Science Week and holiday periods with hands-on sessions around the use of X-ray's and the safe packing of objects. The section also ran training days for Horniman staff on pest control and materials characterisation. Object handling training was given to all new members of staff, volunteers, students and interns.

2.6 COLLECTIONS STORAGE AND MANAGEMENT

Storage space at the Study Collections Centre continues to be at a premium, with staff constantly exploring new techniques of improving storage capacity and making the best use of the space available. The Collections Management team continue to effectively manage all loans in and out of the Museum as well as the storage of new acquisitions and the movement and location of the collections. Throughout the year they have assisted with exhibition projects such as Utsavam - Music in India, Cambodian and Japanese textiles and the development of the Natural History re-display. They work closely with curators to facilitate the arrival of all fieldwork acquisitions.

2.7 LOANS

2.7.1 Loans from Other Institutions

During the year we returned items we had borrowed in 2005 from Birmingham Museum, Glasgow Museum, the British Museum, the British Library, Natural History Museum and the October Gallery for the 'Amazon to Caribbean' exhibition.

We also borrowed 41 items from the Edinburgh University Collection of Historic Musical Instruments for the Boosey & Hawkes exhibition as well as a Giant Tuba, and a Polar Bear for the Great White Bear exhibition.

2.7.2 Horniman Collection Loans

During the year we sent loans out to seven organisations, including the Museum on the Mound in Scotland (2 objects for their currency exhibition), Brent Museum (6 objects for their 'Toytastic' exhibition), Taplow Court, Maidenhead (7 instruments for their exhibition 'Harmonious History: Music through the Ages'), Dorman Museum, Middlesbrough (24 objects for their 'Designed for Africa' exhibition), Wilberforce House, Hull (4 objects for their West African Cultures Gallery), The Victoria and Albert Museum (1 object for their 'Asante Gold Weights' exhibition) and the Tower Bridge Experience (3 objects for their 'Mechanical Music Hall Bonanza').

We also have long-term loans out to Birmingham Museum & Art Gallery, Dean Heritage Museum Trust, Empire and Commonwealth Museum, Bristol, Geffrye Museum, Hat Works Stockport, Museum of World Cultures Sweden and the William Herschel Museum.

2.8 SUSTAINABLE DEVELOPMENT POLICY

A Sustainable Development Policy was approved by the Board of Trustees in December 2006. This will be backed up by a more detailed and comprehensive Action Plan. We continued to operate a green housekeeping policy, purchasing green cleaning products and stationery whenever possible and recycling paper, cardboard and plastics in collaboration with the London Borough of Lewisham. The Museum also recycled IT equipment such as printer cartridges and computer equipment and maintained its policy of recycling garden waste. The Carbon Trust undertook an energy audit of the Museum during the year and follow up to this will be included in the Sustainable Development Action plan.

Our staff are involved with the DCMS Sustainable Development Forum, giving us contact with National Museums who are further advanced with their strategies, thus enabling us to learn from good practice.

3. ENABLING

3.1 FUNDRAISING

A major challenge for the year was to raise the remainder of funds needed to support the Aquarium development. We are especially grateful to the City Bridge Trust for their grant of £100,000 to this project. For this, and the support the City Bridge Trust has shown for other projects at the Horniman over the years, the Trusts is most grateful.

To complete the Aquarium campaign the Museum organised a public appeal, led by Horniman Patron, actor Timothy Spall. This prompted a valued response from the Museum's public, clearly demonstrating the Aquarium's popularity with visitors. To the many people – young and old – who gave to this appeal, we extend our heartfelt thanks. In total, £1,384,336 was raised over the last 2 years for the Aquarium campaign.

Away from the Aquarium, the Museum continued to enlist support for other important work. We had a number of projects organised to complement our major exhibition *'Amazon to Caribbean'*. Thanks to support from Arts Council England and Visiting Arts, artists Oswald Hussein and Fiona Saffron-Wilkes were able to create artworks to stand alongside the exhibition. Thanks too to a grant from the Heritage Lottery Fund, the Museum was able to stage another lively and successful summer event – *Caribfest* – showcasing some of the many different aspects of Caribbean carnival culture here in the UK.

The Museum was able to maintain its commitment to exhibiting its own collections. In November the Boosey and Hawkes factory collection of wind instruments, acquired with a grant from the Heritage Lottery Fund and The Art Fund, went on display. And in March, as a result of funding from The Daiwa Anglo-Japanese Foundation and The Great Britain Sasakawa Foundation, an exhibition of Japanese textiles and lantern slides opened.

The Horniman public too continued to show its support. Donations to the collection boxes was £32,757, showing a tremendous willingness on the part of visitors to help the work of the Museum.

Since its launch in 2004, the Horniman Benefactors Scheme has provided the Museum with a valuable source of unrestricted income, while at the same time bringing some of the Museum's most committed supporters closer to the Museum's work. A strategy was devised in 2006 to recruit more Benefactors and to grow current annual income from just over £8,000 to £12,000 over the next two to three years. A new Benefactor's leaflet was launched at the opening of the Japan Textile exhibition at the end of March, ahead of a recruitment drive in April.

3.2 COMMERCIAL ACTIVITIES

Commercial activities are carried out through Horniman Museum Enterprises Limited (HME), a wholly owned subsidiary of the Trust.

TRUSTEES' REPORT for the year ended 31 March 2007 (continued)

The commercial hire business was run throughout the year by Suzanne James Ltd who managed the letting of the Conservatory as well as providing catering and event management. This has proved to be a successful partnership. The Museum shop, which is a joint venture between HME and the Museum of London, has also had a successful year as a result of the increase in visitor numbers and popular lines of merchandise. This has resulted in a profitable year for HME which then Gift Aided £44,085 to the Trust.

3.3 THE ESTATE

With a record number of visitors to the Museum, the management and maintenance of the estate has been demanding. The Facilities team provided support for emergencies, as well as undertaking regular maintenance and the refurbishment included in the 10 year buildings management plan.

In addition, major works completed in 2006/7 included the refurbishment of the external South and East faces of the Study Collections Centre (SCC), upgrading the external closed circuit television (CCTV) system at SCC to digital and providing remote viewing by Security staff at the main Museum building. New container storage was also provided at SCC. At the main Museum site, extensive repairs were made to the brick work in the Sunken Gardens following vandalism, and the Museum CCTV system was also upgraded to digital format.

3.4 HEALTH AND SAFETY

This has been a demanding year from a Health and Safety perspective with the growth in visitor numbers and the opening of the new Aquarium putting particular demands on the team. This ranged from the need for new Dive Emergency Procedures to the challenges of dealing with the high number of visitors and the summer heatwave. New procedures were put in place and there were new training requirements for Aquarium staff. The operation of the new Aquarium has now been inspected and confirmed as acceptable by the Health and Safety Executive.

Health and Safety Courses such as induction, Safe Child Awareness and Fire Safety continued throughout the year with new staff, volunteers and students attending. The Health and Safety Policy was reviewed, updated and circulated to all Sections. The Regulatory Reform Order (Fire Safety) 2006 was fully implemented with the employee training programme and evacuation procedures developed to meet its needs.

We have had successful visits from the Fire Service, Lewisham Health and Safety Officer and the Police. We have followed up on the advisory visit from a British Safety Council Auditor by developing improved procedures and records.

On-going work such as statutory inspections of fire extinguishers took place along with portable appliance testing and ladder checks. The positive culture in Health and Safety is firmly maintained throughout the Horniman both proactively and responsively with record keeping, risk assessments and reporting of incidents being the norm for all sections.

3.5 INFORMATION AND COMMUNICATIONS TECHNOLOGY

We continued to upgrade and extend the IT network with nearly all staff and volunteers now on the network.

We participated in the development of an ICT strategy for the London Museums Hub and will be working with the new Hub ICT Strategy manager to develop an ICT strategy for the Horniman.

We worked with the Federation Against Software Theft (FAST) to ensure that we adopt high standards in the use of licensed software.

3.6 MLA ACCREDITATION SCHEME

The Horniman Museum application for Museum Accreditation was considered by the Accreditation panel of the Museums, Libraries and Archives Council (MLA) on the 18th May 2006 and Full Accreditation Status was awarded.

TRUSTEES' REPORT for the year ended 31 March 2007 (continued)

As part of the accreditation process the panel identified several developmental areas for the Museum that they wish to monitor and these are as follows:

- Major redisplay of the Natural History Gallery:
- Documentation of the collections
- Efforts to address seasonal high temperatures at the Study Collections Centre.

Full Accreditation demonstrates that the Museum meets the minimum standards of operation in the areas of governance and Museum management, user services, visitor facilities and collections management. Accreditation is an important benchmark in the Museum's sector and is recognised as a key indicator of responsible management and a Museum's state of health by many funding bodies.

3.7 STAFFING

There have been a significant number of staff changes during the year with recruitment of new staff to work on Hub funded posts as well as an increase in staff turnover in other areas (16.42% in 2006/7 compared with 11.19% in 2005/6)

3.7.1 Investors in People (IiP)

The Trust has held IiP status since 2000. In July 2006 we were assessed against the new Investors in People criteria and achieved full IiP status for a further 3 years.

The Trust continues to devote both time and resources to the training and development of staff to enable staff and managers to understand the requirements imposed by new legislation, to develop the generic and specific skills needed to meet institutional objectives and to provide for continuing personal development and academic achievement.

3.7.2 Management/Staff Consultation Arrangements

Regular Meetings of the Joint Management Staff Consultative Committee (JMSSCC) were held at which matters affecting staff were discussed and agreement was reached on the establishment of a new Staff Council to replace JMSSCC which will act as an Information and Consultation Forum in line with changes to legislation.

All negotiations with regard to pay were carried out between management and the recognised trade union (GMB).

Communication and consultation generally took place through a cascade of meetings through Senior Management, Heads of Section and team meetings as well as broader consultation with all staff on the corporate planning process which took place through "Vision Days".

Communication also occurs through the regular Staff Newsletter and regular coffee mornings to which all staff are invited.

3.7.3 Organisation Structure

The current staff structure is shown in Appendix III.

3.7.4 Equal Opportunity and Disability Policies

The Trust pursued a policy of equal opportunity both with regard to staff and to visitors to the Museum and Gardens.

Good practice in recruitment, including equal opportunities monitoring, was carried out. In 2006/7 our workforce included 17% staff from ethnic minorities. We continue to assess the suitability of the placement of our recruitment advertising in relation to the success in attracting applicants representative of our local community.

Our Disability Policy and an initial Action Plan to enable the Trust to meet its specific duty to promote disability equality has been published on the website and will continue to be developed and implemented.

TRUSTEES' REPORT for the year ended 31 March 2007 (continued)

3.7.5 Volunteers

Volunteers are encouraged across the Museum and Gardens. Valuable assistance has been received in areas such as Conservation, the Curatorial sections, Marketing, Education, Personnel and the Aquarium. The Gardens in particular have benefited from regular help both on the Nature Trail and in the main Gardens through Saturday sessions and during the week. The Friends of the Horniman Museum have been active in providing volunteer support and fundraising.

3.7.6 Placement Students

The Museum's reputation nationally and internationally has encouraged a large number of applications from students for placements within our education, exhibition, conservation, curatorial and marketing sections. The Museum seeks to place students who will be able to work into an area that complements their area of study while also assisting us to progress some elements of our own work programme.

FINANCIAL REVIEW

The Trust's main source of income continues to be the grant-in-aid received from the DCMS. This helps the Trust to meet its targets as set out in the Funding Agreement with DCMS. The performance against targets is set out in the Annex on page 24. Other significant donors during the year were the London Hub, the Designation Challenge Fund, the Arts Council and the DCMS/Wolfson Museums & Galleries Improvement Fund, all of which provided funding essential for the achievement of the Trust's objectives. The ReDiscover Fund provided the main funding for the completion of the Aquarium and other notable gifts are mentioned in the Fundraising section above. Income from lettings and revenue from the shop and café were also important sources of revenue.

Expenditure on charitable activities increased during the year as set out in note 8. Expenditure is itemised under the objectives of *Access* and *Collections* as described earlier in the report. In addition, there are *Major Projects revenue costs* arising principally from the Aquarium, Gardens and North Hall Redevelopment Projects, which contribute to the achievement of both these objectives. *Support Costs*, which are allocated across the other activities, together with *Costs of Generating Funds* and *Governance costs*, as required by SORP05, and together these correspond with expenditure on the *Enabling* objective.

Despite a fall, as identified in the Statement of Financial Activities, in Net incoming resources before other recognised gains and losses, the income and expenditure account (page 30) shows an operating surplus of £221,457 in 2006-7 (2005-6 operating deficit of £126,825). This is due to significantly more income having been set against capital projects in the previous year, over £1m in 2005-6 compared with £462,734 of current year income used to finance capital expenditure on the Aquarium and other capital projects. This operating surplus is an improvement on the budgeted position for the year, due to actual earned income exceeding anticipated levels, efficiency savings, and restricted income being received in advance of expenditure for some areas of activity; £136,093 of the surplus relates to restricted funded activities. The surplus will be carried forward to support major projects in 2007/8.

Reserves Policy

At 31 March 2007 the balance on General Reserves stood at £523,009. The Trustees consider that, given the virtual certainty of the receipt of the Museum's annual grant-in-aid before budgets are set, the risk of income not meeting expenditure each year is low and therefore the level of reserves required is minimal. Accordingly they have resolved that £100,000 of the general funds will be retained as a contingency fund to cover uninsured losses and any other unforeseen circumstances not likely to be met by the DCMS. The surplus over £100,000 will be used as seed funding for grant applications for future projects and to fund essential expenditure, not met by grant-in-aid and other income.

There was a negative balance of £2,075,000 on the Pension Reserve at 31 March 2007 due to the current deficit on the pension scheme under FRS17 (note 24). This was an improvement on the previous year due to changes in assumptions, market improvements and an additional lump sum payment. The FRS17 valuation is based on the triennial valuation at 31 March 2004 and the Museum is awaiting the results of the triennial valuation at 31 March 2007, which will give a more accurate position of the pension scheme. The trustees

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TRUSTEES' REPORT for the year ended 31 March 2007 (continued)

are continuing the process of assessing future obligations and considering various options to reduce the deficit and control costs, which will be informed by the triennial valuation.

Investment Policy

The Company's Memorandum of Association gives the trustees the power to 'invest the monies of the company not immediately required for the furtherance of its objects in or upon such investments, securities or property as may be thought fit, but so that the company shall have no power to grant loans by way of investment otherwise than a commercial rate of interest and upon security bearing a least the full value of the loan'.

Due to the dependence upon external funding, which frequently cannot be claimed until after the expenditure has been incurred, the Trust needs to maintain a high level of liquidity. The investment policy is therefore to invest surplus funds, above the amount needed for monthly working capital purposes, in instant access deposit accounts in approximately equal proportions with at least two top rated institutions in order to spread risk. The aim is to maximise the rate of return whilst maintaining a high level of liquidity. Funds that are judged by management to be unlikely to be required for at least six months may be invested in term deposits if higher rates of return are available.

Payment Policy

As a result of the introduction of The Late Payment Of Commercial Debts (Interest) Act 1998, which came into force on 1 November 1998, the Trust has adopted the Better Payment Practice Code, replacing the previous CBI Prompt Payment Code. Accordingly all contracts entered into on or after 1 November 1998 have complied with the Act. No interest payments have been made under the terms of the Act.

The Trust undertakes to pay all bills, except for those under dispute, in accordance with the contract terms or otherwise within 30 days. Payment procedures are to be agreed with suppliers before goods and/or services are ordered. In practice, invoices are paid weekly, except where more immediate payment is required.

During the year 95% of invoices not in dispute were paid within 30 days or supplier terms (2006 – 97%).

Budget managers are required to inform suppliers immediately they become aware of any query or dispute involving one of their invoices and every effort should be made to resolve the problem before the due date. The Finance Section should be notified of any invoices which cannot be approved for payment within 7 days, together with the nature of any dispute and progress made in resolving it. Any complaints or enquiries made direct to the Finance Section are followed up and resolved, within 3 days whenever possible. Suppliers are kept informed of any problems leading to a delay in resolving the matter.

REMUNERATION REPORT

The Board's remuneration committee considered the pay award for the Museum Director. The Museum Director is appointed on a fixed term contract until June 2008. It considered the Museum Director's performance against agreed objectives and following consultation with DCMS made a recommendation for the Director's salary review and bonus to the Board which was agreed and implemented. The remuneration of the Museum Director and the salary costs of staff are stated in Note 12 to the Accounts.

FUTURE DEVELOPMENTS

The importance of maintaining and developing our audience and collections and making the very best use of our fine buildings, galleries and Gardens remains at the forefront of our attention both in the short and longer term. In particular, over the next few years we are looking to realise projects aimed at using the unique combination of our collections and gardens to engage and encourage debate on the links between people and the environment. We will also be seeking to build opportunities for the links between the collections and live performance to be enjoyed by the public.

We will continue to place a strong emphasis in the coming years on developing further our role within the London Museums Hub and also our membership of the British Museum's 'Partnership UK.' The London Museum Hub is a key area of activity in 2007/8 and we expect to be working from Autumn 2007 on the next business plan for

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TRUSTEES' REPORT for the year ended 31 March 2007 (continued)

2008-10, assuming that funding is allocated to this initiative in the Government's Comprehensive Spending Review (CSR). We will work to develop our relationship with our Hub partners, Museum Libraries and Archives London and Central and with other Museums in London in order to contribute to the delivery of innovative and attractive new opportunities for Londoners to become more involved in their Museums. We continue to develop our relationship with the British Museum in order to benefit from a broader range of academic expertise and wider range of objects for the public benefit and to enhance our ability to become involved in international projects.

Significant challenges for 2007/8 are:

- to deliver all services and developments agreed in return for the £986,000 Renaissance in the Regions Hub funding the Horniman is responsible for spending in 2007/8;
- to submit high quality capital bids to the Heritage Lottery Fund for the redevelopment of the Natural History Gallery and the Gardens;
- to progress fundraising strategies and plans to generate support for our two capital projects and to develop our ability to raise unrestricted income;
- to respond effectively and strategically to the outcome of the Comprehensive Spending Review.

Key areas of delivery for 2007/8 are:

- to achieve at least 350,000 Museum visitors and 175,000 Garden only visitors for the year; making a total site figure of 525,000;
- to provide a stimulating visit to 48,000 children via our educational programming;
- to provide a community education experience to 40,000 visitors;
- to engage in a major community education partnership project;
- to continue to develop an attractive and successful temporary exhibition programme and to continue to identify sources of funding and build partnerships to realise this programme;
- to develop our strategic approach to ICT with support from the Hub;
- to improve the reach and impact of our website;
- to develop our ability to generate unrestricted income via commercial activities and fundraising.

It is essential that we continue to develop and refresh the Museum and Gardens to ensure that the Horniman is able to meet the demands of our audience and our sector in the 21st Century. To this end we will continue to seek funds and partnerships that will enable us engage in new development and enhance public programming that cannot be met from grant-in-aid alone. The outcome of the CSR and of our bids to the Heritage Lottery Fund will be the critical factors affecting our ability to maintain the very significant headway we have made in transforming the Museum and Gardens into such a popular and valued 21st century institution.

FORM OF ACCOUNTS AND TRUSTEES' RESPONSIBILITIES

The Trustees are required, under company law and in the form directed by the Secretary of State for Culture, Media and Sport with the consent of the Treasury, to prepare financial statements for each financial year. A copy of the Accounts Requirement may be obtained from the Company Secretary at the Company's registered office. The financial statements are prepared on an accruals basis and must show a true and fair view of the state of affairs of the company and the group at the year-end and of its income and expenditure and cash flows for the financial year.

In preparing those financial statements, the Trustees are required to:

- observe the Accounts Requirement issued by the Secretary of State, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;

THE HORNIMAN PUBLIC MUSEUM AND PUBLIC PARK TRUST

TRUSTEES' REPORT for the year ended 31 March 2007 (continued)

- state whether applicable accounting standards have been followed, and disclose and explain any material departures in the financial statements;
- prepare the financial statements on the going concern basis.

All of the current trustees have taken all the steps that they ought to have taken to make themselves aware of any information needed by the charity's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The trustees are not aware of any relevant audit information of which the auditors are unaware.

The Accounting Officer for the Department for Culture, Media & Sport has designated the Director of the Horniman Museum and Gardens as the Accounting Officer. Her relevant responsibilities as Accounting Officer, including her responsibility for the propriety and regularity of the public finances for which she is answerable and for the keeping of proper records, are set out in the Non-Departmental Public Bodies Accounting Officer Memorandum.

The Foundation has no income or expenditure of its own, its only assets having been given on permanent endowment. The Company administers the property of both charities on a combined basis and the Trustees of the Company consider it impractical to segregate the results of the two. Consequently the Foundation has been treated as a subsidiary of the Company and the results have been consolidated to represent their combined activities (described as 'Museum' in the accounts and notes). The collection of exhibits given in the original indenture are considered inalienable (see Note 1.f) on page 33). In addition the original property given under the endowment has been so fundamentally altered since 1901 that only an immaterial part of its carrying value relates to the original indenture property. The Trustees consider that the costs of establishing a separate value for this property would be onerous compared with the additional benefit. This entire property is therefore included in the value of the Museum's Freehold properties and is held as part of Designated Funds (Capital Projects Account).

Horniman Museum Enterprises Limited, a wholly owned subsidiary, began trading on 1 April 2005 and its results have been consolidated from that date.

AUDITORS

A resolution to reappoint BDO Stoy Hayward LLP as auditors will be proposed at the next annual general meeting.

Approved by the Trustees
and signed on their behalf

Timothy Hornsby
Chairman
10 August 2007

Janet Vitmayer
Accounting Officer

THE HORNIMAN PUBLIC MUSEUM AND PUBLIC PARK TRUST

ANNEX TO THE TRUSTEES' REPORT

The outturn against the 2006/7 targets in the Funding Agreement between the DCMS and the Horniman are set out below.

Key Funding Agreement Targets : 2006/7

	2005/6 Actual	2006/7 Target	2006/7 Actual
*Total no of visits to the Museum (excluding virtual visits)	282,856	290,000	429,866
No of unique users visiting the website	296,410	350,000	424,429
Number of adult UK visitors aged 16 and over from lower socio-economic groups attending the Museum (this is NS-SEC groups 5-8) **	20,589	26,900	44,005
Number of children aged 15 and under visiting the Museum	141,350	136,000	198,259
No of children aged 15 and under in on and off-site organised educational sessions	47,350	48,000	53,788
Net income from trading (including corporate hire)	51,311	52,000	78,291
Efficiency Savings	42,000	43,929	91,500

*The Horniman comprises both a Museum and 16 acres of Gardens and visits to the entire site were 603,221 for 2006/7.

** outturn figures for 2006/7 and 2005/6 are based on socio-economic groups C2, D & E

STATEMENT ON THE SYSTEM OF INTERNAL CONTROL

Scope of responsibility

As Accounting Officer and Trustees of the Horniman Museum, we have responsibility for maintaining a sound system of internal control that supports the achievement of the Horniman's policies, aims and objectives, whilst safeguarding the public funds and assets for which the Accounting Officer is personally responsible, in accordance with the responsibilities assigned in Government Accounting and ensuring compliance with the requirements of the Management Statement and Financial Memorandum.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Horniman's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place for the year ended 31 March 2007 and up to the date of approval of the Report and Consolidated Financial Statements, and accords with Treasury guidance.

Capacity to handle risk

Risk management is implicit in Horniman systems and procedures. The following responsibilities for managing risk have been established:

- the Board of Trustees sets key performance and risk indicators and reviews the major risks on a quarterly basis;
- the Audit Committee receives and reviews reports from internal audit and reports on major weaknesses in internal control to the Board. During the year it was decided to increase the number of Audit Committees per annum from two to three;
- the Accounting Officer is responsible for managing risk and ensuring that an effective system of internal control is maintained and operated within the Horniman;
- the Senior Management Team maintains a key risk list which is considered and updated at least quarterly and key changes reported to the Board;
- Section managers are responsible for maintaining key risk lists for their sections, which are updated at least quarterly and are available for viewing by all staff;
- Internal Audit's primary role is to give the Accounting Officer and Trustees an independent and objective opinion on the Horniman's risk management, internal control and governance;
- periodic risk awareness training is given to senior managers and section managers.

The risk and control framework

The system of control is based on a framework of management processes including regular management information, administrative procedures, and a system of delegation and accountability. In particular it includes:

- a Board of Trustees, which meets quarterly to consider the plans and strategic direction of the Trust;
- the establishment of key performance and risk indicators;
- comprehensive budgeting systems with an annual budget which is agreed by the Senior Management Team, and reviewed and approved by Trustees and incorporated in the corporate plan;
- monthly reviews by the Senior Management Team and quarterly reviews by Trustees of financial reports which indicate financial performance against budgets;
- regular reports from managers on the steps they are taking to manage risks in their areas of responsibility including progress reports on key projects;
- a system of delegation and accountability.

THE HORNIMAN PUBLIC MUSEUM AND PUBLIC PARK TRUST

Review of effectiveness

As Accounting Officer and Trustees, we are also responsible for reviewing the effectiveness of the system of internal control. Our review of the effectiveness of the system of internal control is informed by the work of the

STATEMENT ON THE SYSTEM OF INTERNAL CONTROL (continued)

internal auditors, the Audit Committee which oversees the work of the internal auditors, the Senior Management Team and section managers within the Horniman who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. We have been advised on the implications of the result of our review of the effectiveness of the system of internal control by the Board and the Audit Committee, and a plan to address any weaknesses identified and ensure continuous improvement of the system is in place.

The Horniman uses an externally provided internal audit service, which operates to standards defined in the Government Internal Audit Standard. The work of the internal auditors is informed by the analysis of risk to which the Horniman is exposed, and annual internal audit plans are based on this analysis. The analysis of risk and the internal audit plans are endorsed by the Audit Committee and approved by us. At least annually the Head of Internal Audit provides an independent opinion on the adequacy and effectiveness of the Horniman's system of internal control together with recommendations for improvement. This is reviewed by the Audit Committee and reported on to the Board of Trustees. The opinion given in the Annual Report of the Internal Audit Service for 2006/7 was: 'based on upon the controls evaluated during the year, for the 12 months ended 31 March 2007, Horniman Museum and Gardens has adequate and effective risk management, control and governance processes'. Additionally the report stated that no areas were found to be inadequate and ineffective.

Annual statements are also provided by section managers, confirming their awareness of their responsibilities in the areas of risk management and internal controls and giving assurance that they are unaware of any weaknesses in control or irregularities, which have not been notified.

In our view, the information we have received was sufficient to enable us to review the effectiveness of the Horniman's system of internal control and based on that information it is our opinion that an effective system of control was in place during the year.

Timothy Hornsby
Chairman
10 August 2007

Janet Vitmayer
Accounting Officer

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

We have audited the consolidated financial statements of The Horniman Public Museum and Public Park Trust for the year ended 31 March 2007 which comprise the consolidated Statement of Financial Activities, Balance Sheets, the consolidated Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective Responsibilities of the trustees, Accounting Officer and auditors

The responsibilities of the trustees, who are also the directors of the charitable company for the purposes of the Companies Act 1985, and of the Accounting Officer for the preparation of the financial statements in accordance applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), and for ensuring the regularity of financial transactions, are set out in the statement of trustees' responsibilities. The trustees and Accounting Officer are also responsible for the preparation of the contents of the Annual Report.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory 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, and whether in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. We also report if, in our opinion, the trustees' report is not consistent with the financial statements, if the company has not kept proper accounting records, or 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 other transactions is not disclosed.

We read the other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

We review whether the statement on pages 25 and 26 reflects the compliance with Treasury's guidance "Corporate governance: statement of internal control". We report if it does not meet the requirements specified by Treasury, or if the statement is misleading or inconsistent with other information we are aware of from our audit of the financial statements.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

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 directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS (continued)

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 error, or by fraud or other irregularity and that, in all material respects, expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. In forming our opinion we have also evaluated the overall adequacy of the presentation of information in the financial statements.

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 group and company's affairs as at 31 March 2007 and of its incoming resources and application of resources, including income and expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Trustees' Report is consistent with the financial statements.
- In all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

BDO Stoy Hayward LLP
Chartered Accountants and Registered Auditors
Emerald House
East Street
Epsom
Surrey KT17 1HS

15 August 2007

THE HORNIMAN PUBLIC MUSEUM AND PUBLIC PARK TRUST

CONSOLIDATED SUMMARY INCOME AND EXPENDITURE ACCOUNT

Year ended 31 March 2007

		2007	2006
	page note	£	£
Total income	30	5,039,424	5,250,761
Operating expenditure	30	<u>(4,953,479)</u>	<u>(4,725,657)</u>
Total surplus for the year	30	85,945	525,104
Less capital projects income (see note below)		(462,734)	(1,173,271)
capital charges (see note below)		<u>598,246</u>	<u>521,342</u>
Operating surplus/(deficit) on revenue income and expenditure		<u><u>221,457</u></u>	<u><u>(126,825)</u></u>

The capital projects income represents income received which the trustees have identified as being designated for current and future capital projects. In the year to 31 March 2007 this comprised £59,152 of unrestricted income (2006 - £150,000) and £403,582 of restricted income (2006 - £1,023,271).

Capital charges represent depreciation, revaluation losses and loss on disposal of fixed assets which are charged against capital projects income in the capital projects fund and restricted capital funds.

Capital expenditure during the year was funded as follows:

Current year capital projects income		462,734	1,173,271
Capital projects funded from prior year income		-	283,260
Total capital expenditure	15	<u><u>462,734</u></u>	<u><u>1,456,531</u></u>

The notes on pages 33 to 44 form part of these financial statements.

THE HORNIMAN PUBLIC MUSEUM AND PUBLIC PARK TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

Year ended 31 March 2007

INCOME AND EXPENDITURE	page	note	Unrestricted Funds 2007	Restricted Funds 2007	Total Funds 2007	Total Funds 2006
Incoming Resources						restated
Incoming resources from generated funds			£	£	£	£
<i>Grant in Aid</i>	2		3,932,000	-	3,932,000	3,682,000
<i>Aquarium grants and donations</i>	3		-	430,825	430,825	953,511
<i>Other grants and donations</i>	4		77,351	450	77,801	52,010
Voluntary income			4,009,351	431,275	4,440,626	4,687,521
Activities for generating funds	5		76,031	-	76,031	74,549
Investment Income			23,474	3,539	27,013	28,909
			4,108,856	434,814	4,543,670	4,790,979
Incoming resources from charitable activities	6		80,903	414,851	495,754	459,782
Total incoming resources	29		4,189,759	849,665	5,039,424	5,250,761
Resources Expended						
Cost of generating funds	7		202,923	20,238	223,161	222,003
Charitable activities	8		4,083,142	545,413	4,628,555	4,387,018
Governance costs	9		63,763	-	63,763	59,636
Other resources expended: Pension finance costs			38,000	-	38,000	57,000
Total resources expended	29		4,387,828	565,651	4,953,479	4,725,657
Notional costs	11		291,650	-	291,650	280,866
Net (outgoing)/incoming resources after notional costs			(489,719)	284,014	(205,705)	244,238
Reversal of notional costs			291,650	-	291,650	280,866
Net (outgoing)/incoming resources before transfers			(198,069)	284,014	85,945	525,104
Transfers			31,724	(31,724)	-	-
Net (outgoing)/incoming resources before other recognised gains and losses	29		(166,345)	252,290	85,945	525,104
OTHER RECOGNISED GAINS AND LOSSES						
Net gains on revaluation of fixed assets for charity's own use			510,188	1,175,753	1,685,941	89,979
Actuarial gains and losses on defined benefit pension scheme			399,000	-	399,000	(159,000)
Net movement in funds			742,843	1,428,043	2,170,886	456,083
Fund balances brought forward			5,786,375	15,624,469	21,410,844	20,954,761
Fund balances carried forward			6,529,218	17,052,512	23,581,730	21,410,844

All operations of the Museum continued throughout both periods and no operations were acquired or discontinued in either period. There are no further recognised gains or losses in the current year or preceding year other than as stated in the statement of financial activities.

The movement in the Group's funds are detailed in note 22 to the accounts.

The notes on pages 33 to 44 form part of these financial statements.

THE HORNIMAN PUBLIC MUSEUM AND PUBLIC PARK TRUST

BALANCE SHEETS
At 31 March 2007

	note	Group 2007 £	Museum 2007 £	Group 2006 £	Museum 2006 £
FIXED ASSETS					
Heritage assets	15	213,413	213,413	183,413	183,413
Other tangible fixed assets	15	24,682,173	24,682,173	23,161,744	23,161,744
Investment in subsidiary	14	-	1	-	1
		<u>24,895,586</u>	<u>24,895,587</u>	<u>23,345,157</u>	<u>23,345,158</u>
CURRENT ASSETS					
Stocks		6,351	6,351	9,079	9,079
Debtors	17	123,830	131,174	323,931	337,081
Cash	18	964,930	938,599	543,078	512,799
		<u>1,095,111</u>	<u>1,076,124</u>	<u>876,088</u>	<u>858,959</u>
CREDITORS: amounts falling due within one year	19	<u>333,967</u>	<u>319,678</u>	<u>465,401</u>	<u>452,877</u>
NET CURRENT ASSETS		<u>761,144</u>	<u>756,446</u>	<u>410,687</u>	<u>406,082</u>
NET ASSETS excluding pension liability		<u>25,656,730</u>	<u>25,652,033</u>	<u>23,755,844</u>	<u>23,751,240</u>
Pension liability	24	<u>2,075,000</u>	<u>2,075,000</u>	<u>2,345,000</u>	<u>2,345,000</u>
NET ASSETS including pension liability		<u>23,581,730</u>	<u>23,577,033</u>	<u>21,410,844</u>	<u>21,406,240</u>
REPRESENTED BY:					
Designated funds	22	8,081,209	8,081,209	7,827,392	7,827,392
General funds	22	523,009	518,312	303,983	299,379
Unrestricted funds excluding pension liability		8,604,218	8,599,521	8,131,375	8,126,771
Pension reserve	24	<u>(2,075,000)</u>	<u>(2,075,000)</u>	<u>(2,345,000)</u>	<u>(2,345,000)</u>
Total unrestricted funds		<u>6,529,218</u>	<u>6,524,521</u>	<u>5,786,375</u>	<u>5,781,771</u>
Restricted funds	22	17,052,512	17,052,512	15,624,469	15,624,469
		<u>23,581,730</u>	<u>23,577,033</u>	<u>21,410,844</u>	<u>21,406,240</u>

These financial statements were approved and authorised for issue by the Trustees on 16 July 2007
Signed on behalf of the Trustees

Timothy Hornsby
Chairman

Janet Vitmayer
Accounting Officer

Rosamund Sykes
Audit Committee Chair

The notes on pages 33 to 44 form part of these financial statements.

THE HORNIMAN PUBLIC MUSEUM AND PUBLIC PARK TRUST

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 March 2007

	note	Group 2007 £	Museum 2007 £	Group 2006 £	Museum 2006 £
Net cash inflow from operating activities	23	825,073	829,021	1,190,066	1,159,787
Returns on investment and servicing of finance		27,013	27,013	28,909	28,909
Capital expenditure and financial investment	23	<u>(430,234)</u>	<u>(430,234)</u>	<u>(1,453,520)</u>	<u>(1,453,520)</u>
Increase/(decrease) in cash in the year	23	<u>421,852</u>	<u>425,800</u>	<u>(234,545)</u>	<u>(264,824)</u>

The notes on pages 33 to 44 form part of these financial statements.

NOTES TO THE ACCOUNTS
Year ended 31 March 2007

1. Accounting policies

a) Basis of Accounting

The financial statements have been prepared under the modified historical cost convention, in accordance with the Accounts Requirement issued by the Secretary of State for Culture, Media and Sport (a copy of which may be obtained from the Company Secretary at the Company's registered office) and comply with the Statement of Recommended Practice: "Accounting and Reporting by Charities" (Revised 2005) and applicable accounting standards.

b) Basis of consolidation

As explained in the Trustees' report the company administers the property of both the Foundation and the company on a combined basis and the Trustees consider it impractical to segregate the results of the two. Consequently consolidated accounts have been prepared for the Museum which includes the Foundation as well as the grant-in-aid account and restricted funds administered by the Museum. The accounts also consolidate the results of the wholly-owned subsidiary, Horniman Museum Enterprises Limited (HME), which commenced trading on 1 April 2005. The results of HME are consolidated on a line by line basis.

c) Incoming resources

All income is accounted for on a receivable basis. Grant-in-aid from the DCMS allocated to general purposes is taken to the income and expenditure account in the year it is received. Other grant income is recognised as income when the conditions for its receipt have been met. Legacies are credited to income when the Museum becomes entitled to the income and there is certainty of receipt.

d) Expenditure

Expenditure is classified under the principal categories of cost of generating funds, charitable activities and governance costs on the basis set out below.

- i) Cost of generating funds includes the direct costs and support costs of all activities included in generating income.
- ii) Charitable activities comprises direct expenditure and support costs including staff costs attributable to all activities in furtherance of the charity's objects.
- iii) Governance costs include the costs of governance arrangements which relate to the general running of the charity as opposed to the direct management functions inherent in generating funds, service delivery and programme or project work. This includes such items as internal and external audit, legal advice for trustees and costs associated with constitutional and legal requirements.

Direct costs have been allocated to an activity cost category where appropriate. Items of expenditure which contribute to more than one cost category have been apportioned on a reasonable, justifiable and consistent basis. Support costs represent the staffing and associated costs of personnel, finance, premises management, IT and general administration in supporting the operational programmes for which the charity is responsible. These have been allocated to the relevant cost area on the basis considered most appropriate to the cost involved, as shown in note 10. Depreciation, impairment losses and losses on the disposal of fixed assets have been attributed in accordance with the same principles.

e) Fund accounting

General funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Museum. Designated funds are funds which have been set aside at the discretion of the Trustees for specific purposes. Restricted funds are funds subject to restriction imposed by donors or by the purpose of the appeal.

f) Heritage assets

Additions to the collection acquired since 1 April 2001 are capitalised and recognised in the Balance Sheet as part of 'Tangible Fixed Assets', at the cost or value of the acquisition, where such a cost or valuation is reasonably obtainable and reliable and is greater than £2000 (£500 before 1 April 2005). Such items are not depreciated or revalued as a matter of routine. (The Museum's collection of exhibits held at 31 March 2001 has not been capitalised in the balance sheet due to the disproportionate cost of obtaining a valuation, relative to the benefit to users of the accounts.) Purchases for the collections were charged to the income and expenditure account in the year of acquisition.

THE HORNIMAN PUBLIC MUSEUM AND PUBLIC PARK TRUST

NOTES TO THE ACCOUNTS (continued) Year ended 31 March 2007

g) Tangible fixed assets

Assets comprising the freehold land and main Museum buildings at 100 London Road, Forest Hill, London SE23 3PQ are used to provide Museum and garden services and together with certain Museum artifacts and fixed assets form the permanent endowment of the Foundation.

A revaluation of all the Museum's freehold land and buildings was carried out at 31 March 2003 by external valuers from Wilks, Head and Eve, Chartered Surveyors, in accordance with the Statement of Assets Valuation Practice and Guidance Notes of the Royal Institution of Chartered Surveyors.

Wilks, Head and Eve carried out a review of these valuations as at 31 March 2007. The combined surplus on the revaluation of all the land and buildings has been taken directly to the Capital Projects Fund or the relevant Restricted Fund. The valuations and the treatment of the resulting surpluses are in accordance with FRS15.

Improvements to all buildings are capitalised where it is considered that future economic benefits in excess of the originally assessed standard of performance will flow as a result of that expenditure. The capitalisation threshold for all assets is £2000 (£500 before 1 April 2005).

Other tangible fixed assets are stated at modified historical cost as permitted under FRS 15. The resulting gains and losses have been taken directly to the Capital Projects Fund, or the appropriate Restricted Fund, in accordance with FRS 15.

Donated assets, qualifying as fixed assets, are revalued, depreciated and subject to impairment reviews in the same way as other fixed assets.

h) Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation of each asset evenly over its expected life, as follows:

Equipment and fixtures	3 – 20 years
Exhibitions	5 - 20 years
Freehold buildings	20 - 50 years

The main Museum building and Study Collection Centre are considered to have an existing life greater than 50 years and are subject to an annual impairment review and hence no depreciation is provided as permitted by FRS15.

i) Pension costs and any pension asset or liability

The Museum is a member of the London Pension Funds Authority superannuation scheme which provides benefits based on final pensionable pay. The provisions of FRS17 were fully implemented from the year ended 31 March 2004. The net pension liability and resulting reserve have been recognised in the Balance Sheet and movements in the liability are charged to the Statement of Activities in accordance with FRS17.

j) Stock

Stock is stated at the lower of cost and net realisable value and comprises publications for resale.

k) Leases

The Museum has no material finance leases. Costs in relation to operating leases are charged to the Statement of Financial Activities over the life of the lease.

l) Notional costs

In accordance with Treasury guidance, the notional cost of capital is charged in the Statement of Financial Activities in arriving at a net incoming resources figure. This is reversed so that no provision is included on the balance sheet.

m) Taxation

As a charity the Museum is exempt from corporation tax under Section 505 ICTA 1988.

n) Comparatives

THE HORNIMAN PUBLIC MUSEUM AND PUBLIC PARK TRUST

NOTES TO THE ACCOUNTS (continued)
Year ended 31 March 2007

A review of categories and direct cost allocation was carried out during the year with a view to aligning them more closely to Corporate Plan objectives. As a result a small number of changes were made to the classification of expenditure on charitable activities and accordingly the comparatives have been restated.

THE HORNIMAN PUBLIC MUSEUM AND PUBLIC PARK TRUST

NOTES TO THE ACCOUNTS (continued) Year ended 31 March 2007

2. Grant-in-aid

The Trust is a Non-Departmental Public Body (NDPB) sponsored by the DCMS. Grant-in-aid is available for running costs, capital improvements and collection purchases.

The core financial and non-financial targets and outturns against the Funding Agreement between the DCMS and the Horniman is summarised in the annex to the trustees' report on page 24.

	Group and Museum	
	2007	2006
	£	£
Rediscover grant	309,819	812,585
Other grants and donations	121,006	140,926
	<u>430,825</u>	<u>953,511</u>

In March 2005 the Trust secured funding of £1,122,404 from the Rediscover fund (comprising £952,404 from the Millennium Commission, £100,000 from the Wolfson Foundation and £70,000 from the Wellcome Trust) towards the new Aquarium. The final amount of £309,819 was received in the current year.

4. Other grants and donations

Donations in kind	34,000	21,455
Other grants and donations	43,801	30,555
	<u>77,801</u>	<u>52,010</u>

A list of major donors and sponsors can be found at Appendix I.

	Group 2007	Museum 2007	Group 2006	Museum 2006
5. Activities for generating income				
Contribution from Trading subsidiary	-	44,085	-	15,424
Letting income	38,489	-	42,505	-
Shop and café revenue	37,456	20,888	31,784	28,784
Miscellaneous income	86	2,286	260	2,460
	<u>76,031</u>	<u>67,259</u>	<u>74,549</u>	<u>46,668</u>

6. Incoming resources from charitable activities

	Group and Museum	
	2007	2006
<i>Restricted income</i>		
London HUB grants	280,000	283,000
Designation Challenge Fund grant	36,750	41,546
Wolfson grant	38,169	-
Arts Council grants	34,044	13,700
HLF Africa 2005 grant	-	36,276
Bridge House Trust grant	-	30,000
Other specific grants and donations	25,888	17,100
<i>Unrestricted income</i>		
Temporary exhibition income	40,496	-
Course fees	20,768	15,961
Miscellaneous income	19,639	22,199
	<u>495,754</u>	<u>459,782</u>

As a result of the Trust's membership of the London Museums HUB, grants were awarded, for the two year period ended 31 March 2008, towards various projects including Education projects, a temporary exhibition and the development of the North Hall Gallery.

A Designation Challenge Fund grant of £100,000 over two years was awarded in 2006 towards making the Trust's Chinese Collections accessible to the public.

In 2005 the Trust was awarded funding of £48,395 under the round 4 of the DCMS/Wolfson Museums & Galleries Improvement Fund, towards the 'Music making in London' display and improvements in the African Worlds Gallery.

During the year the Trust received awards from the Arts Council to support Arts in Residence and Caribfest (the summer Caribbean Carnival event in the gardens).

THE HORNIMAN PUBLIC MUSEUM AND PUBLIC PARK TRUST

NOTES TO THE ACCOUNTS (continued)
Year ended 31 March 2007

	Direct Costs £	Support Costs £	Group and Museum Total 2007 £	Total 2006 £
7. Costs of generating funds				
Costs of generating voluntary income	93,951	23,355	117,306	109,591
Fundraising trading: costs of goods sold and other costs	35,678	62,288	97,966	89,885
Charity total	129,629	85,643	215,272	199,476
Trading subsidiary costs	7,889	-	7,889	22,527
Group total	137,518	85,643	223,161	222,003

The cost of generating voluntary income also includes the cost of generating core funding.

	Direct Costs £	Support Costs £	Group and Museum Total 2007 £	Total 2006 restated £
8. Charitable Activities				
<i>Major Projects:</i>				
Current year revenue costs	144,816	15,426	160,242	162,531
<i>Access</i>				
Major galleries & exhibitions	1,329,142	633,026	1,962,168	1,813,189
Learning	360,062	155,523	515,585	451,025
Library	93,102	49,982	143,084	157,863
Marketing and communications	301,302	53,032	354,334	307,408
Gardens	338,830	70,475	409,305	379,858
	2,422,438	962,038	3,384,476	3,109,343
<i>Collections</i>				
Object purchase	14,289	-	14,289	26,967
Collections management & care	357,933	324,518	682,451	727,256
Curatorial	299,733	87,364	387,097	360,921
	671,955	411,882	1,083,837	1,115,144
	3,239,209	1,389,346	4,628,555	4,387,018

	Group 2007	Museum 2007	Group 2006	Museum 2006
9. Governance costs				
Strategic planning and risk management	24,280	24,280	20,612	20,612
Statutory accounts	5,389	5,374	4,750	4,750
External audit	12,075	11,300	11,500	10,750
Internal audit	13,080	13,080	12,205	12,205
Trustee expenses	1,798	1,798	1,675	1,675
Support costs	7,141	7,141	8,894	8,887
	63,763	62,973	59,636	58,879

All auditors' remuneration was in respect of audit work.

THE HORNIMAN PUBLIC MUSEUM AND PUBLIC PARK TRUST

NOTES TO THE ACCOUNTS (continued)
Year ended 31 March 2007

10. Support cost allocation

Support cost	Income generation	Major projects	Access	Collections	Governance	Total	Basis of allocation
Finance	2238	2129	38216	10794	1037	54414	% spend
Personnel	4805	1201	126511	35315	577	168409	head count
ICT	7602	1267	71784	35476	608	116737	work stations
Mgt & admin	5974	6937	114194	30704	2520	160329	% spend
Premises	64529	3923	611716	299674	2399	982241	floor area
Total	85148	15457	962421	411963	7141	1482130	

	Group and Museum	
	2007	2006
	£	£
11. Notional costs		
Cost of capital	291,650	280,866

Notional cost of capital is calculated as 3.5% of the average capital employed by the Museum in the year.

	Group and Museum	
	2007	2006
	£	£
12. Salaries and pension costs		
Wages and salaries	2,477,429	2,380,356
Social security costs	204,499	199,457
Other pension costs	268,108	213,957
	<u>2,950,036</u>	<u>2,793,770</u>
Less: Project staff costs	(147,953)	(138,662)
	<u>2,802,083</u>	<u>2,655,108</u>

The Trustees neither received nor waived any emoluments during the year (2006 - nil). Expenses amounting to £840 (2006 - £385) were reimbursed to 2 Trustees (2006 - 2) during the year.

The salary and pension entitlements of the Chief Executive were as follows:

	31 March	31 March
	2007	2006
Janet Vitmayer - <i>Museum Director</i>		
Age	54	53
Salary	£75,930	£71,312
Real increase in pension	£1,089	£834
Total accrued	£10,830	£9,505

"Salary " includes gross salary and bonuses. No other payments or benefits in kind were received. Pension benefits are provided through the London Pensions Fund Authority Scheme, of which the Director is a member on the same terms as other employees (see note 24).

No other person received emoluments in excess of £60,000.

THE HORNIMAN PUBLIC MUSEUM AND PUBLIC PARK TRUST

NOTES TO THE ACCOUNTS (continued)
Year ended 31 March 2007

13. Staff Numbers

The average number of employees during the year, including 8 temporary project contracts, was 122 (2006 - 117.5).

The number of full time equivalent employees at 31 March 2007 was 97.3 (2006 - 95.3) analysed into the following categories:

	Group and Museum	
	2007	2006
Exhibitions	5.0	6.0
Collection Management & Documentation	6.6	7.7
Collections Conservation & Care	3.0	3.0
Aquarium	4.0	3.0
Education	8.0	6.1
Information & Library	1.3	2.5
Natural History	1.0	2.0
Anthropology	2.0	2.0
Musical Instruments	2.0	2.0
Visitor services	18.8	17.0
Gardens	9.6	10.0
Facilities & ICT	19.3	19.3
Finance, Personnel & Administration	7.7	6.7
Development & Marketing	5.0	4.0
Management	4.0	4.0
	<u>97.3</u>	<u>95.3</u>
Less: project contracts	8.6	6.6
	<u><u>88.7</u></u>	<u><u>88.7</u></u>

14. Trading Subsidiary

a) Investment in trading subsidiary

The Museum owns 100% of the issued share capital of Horniman Museum Enterprises Limited, which was incorporated on 19 August 2004. The subsidiary began trading on 1 April 2005 and its results have been consolidated from that date.

b) Results of trading subsidiary

	2007	2006
	£	£
Turnover	55,057	45,505
Cost of sales	(4,766)	(7,006)
Gross profit	<u>50,291</u>	<u>38,499</u>
Administrative expenses	(6,113)	(18,471)
Operating profit	<u>44,178</u>	<u>20,028</u>
Contribution to the Museum	(44,085)	(15,424)
Surplus retained in company	<u><u>93</u></u>	<u><u>4,604</u></u>

THE HORNIMAN PUBLIC MUSEUM AND PUBLIC PARK TRUST

NOTES TO THE ACCOUNTS (continued)

Year ended 31 March 2007

15. Tangible fixed assets	Heritage	Computers	Exhibitions	Staff	Freehold	Assets in the course	Total
	Assets	Equipment & Fixtures		Dwellings	Land & Buildings	of construction Aquarium project	
<i>Cost or valuation</i>	£	£	£	£	£	£	£
At 1 April 2006	183,413	1,708,737	3,210,582	540,000	18,912,866	1,211,876	25,767,474
Additions	30,000	78,519	-	-	-	354,215	462,734
Disposals/transfers	-	(12,132)	1,566,091	-	-	(1,566,091)	(12,132)
Revaluation	-	71,653	230,261	35,000	1,399,450	-	1,736,364
At 31 March 2007	213,413	1,846,777	5,006,934	575,000	20,312,316	0	27,954,440
<i>Depreciation</i>							
At 1 April 2006	-	767,774	1,654,543	-	-	-	2,422,317
Provided in year	-	129,204	389,255	10,800	68,987	-	598,246
Disposals	-	(12,132)	-	-	-	-	(12,132)
Revaluation	-	31,688	98,522	(10,800)	(68,987)	-	50,423
At 31 March 2007	-	916,534	2,142,320	-	-	-	3,058,854
<i>Net book value</i>							
At 31 March 2007	213,413	930,243	2,864,614	575,000	20,312,316	0	24,895,586
At 31 March 2006	183,413	940,963	1,556,039	540,000	18,912,866	1,211,876	23,345,157
The comparable amounts of tangible fixed assets determined according to the historical cost convention are:							
Cost	213,413	1,580,602	4,327,030	238,224	13,904,623	-	20,263,892
Accumulated depreciation	-	935,873	1,751,442	42,693	439,894	-	3,169,902
NBV at 31 March 2007	213,413	644,729	2,575,588	195,531	13,464,729	0	17,093,990
NBV at 31 March 2006	183,413	727,668	1,369,750	200,295	13,526,064	1,114,998	17,122,188

Note: All the fixed assets are used for charitable purposes. A revaluation of all the Museum's freehold land and buildings was carried out at 31 March 2003 by external valuers from Wilks, Head and Eve, Chartered Surveyors, in accordance with the Statements of Assets Valuation Practice and Guidance Notes of the Royal Institution of Chartered Surveyors. Wilks, Head and Eve carried out a review of these valuations as at 31 March 2007. Other tangible fixed assets are stated at modified historical cost using appropriate indices.

THE HORNIMAN PUBLIC MUSEUM AND PUBLIC PARK TRUST

NOTES TO THE ACCOUNTS (continued)
Year ended 31 March 2007

16. Capital Commitments

The Museum had no capital commitments at 31 March 2007.

	Group 2007	Museum 2007	Group 2006	Museum 2006
	£	£	£	£
17. Debtors				
Trade and sundry debtors	29,888	37,232	99,220	112,370
VAT debtor	36,803	36,803	134,146	134,146
Prepayments	57,139	57,139	90,565	90,565
	<u>123,830</u>	<u>131,174</u>	<u>323,931</u>	<u>337,081</u>

As at 31 March 2007 the Group had no intra-Government balances above £1 million.

18. Cash

Short term deposits

CAF Deposit Fund	24,578	24,578	23,592	23,592
COIF Deposit Fund - Dolmetsch Fund	24,105	24,105	23,013	23,013
COIF Deposit Fund - Development Fund	683,278	683,278	222,277	222,277
	<u>731,961</u>	<u>731,961</u>	<u>268,882</u>	<u>268,882</u>
Cash at bank and in hand	232,969	206,638	274,196	243,917
	<u>964,930</u>	<u>938,599</u>	<u>543,078</u>	<u>512,799</u>

Short term deposits are repayable on demand, without penalty.

19. Creditors: amounts falling due within one year

Trade & sundry creditors	82,240	68,701	203,139	190,615
Retentions	30,601	30,601	45,401	45,401
Taxation and social security	66,252	66,252	61,832	61,832
Accruals	154,874	154,124	155,029	155,029
	<u>333,967</u>	<u>319,678</u>	<u>465,401</u>	<u>452,877</u>

No balances fall due after more than one year.

As at 31 March 2007 the Group had no intra-Government balances above £1 million.

20. Contingent Liabilities

There were no contingent liabilities at 31 March 2007.

21. Analysis of group net assets between funds

	Unrestricted funds	Restricted funds	Total 2007
	£	£	£
Fund balances at 31 March 2007 are represented by:			
Fixed assets	8,081,210	16,814,376	24,895,586
Current assets	734,974	360,137	1,095,111
Current liabilities	(211,966)	(122,001)	(333,967)
Pension liability	(2,075,000)	-	(2,075,000)
Total net assets	<u>6,529,218</u>	<u>17,052,512</u>	<u>23,581,730</u>

THE HORNIMAN PUBLIC MUSEUM AND PUBLIC PARK TRUST

NOTES TO THE ACCOUNTS (continued)
Year ended 31 March 2007

22. Statement of Group Funds

	1 April 2006 £	Income & transfers £	Revaluation surplus/deficit £	Expenditure £	31 March 2007 £
Unrestricted funds					
<i>Designated funds:</i>					
Capital projects fund	7,827,392	86,214	510,188	(342,585)	8,081,209
<i>General funds:</i>					
Income and expenditure	303,983	4,135,270	-	(3,916,244)	523,009
Unrestricted funds excluding pension reserve	8,131,375	4,221,484	510,188	(4,258,829)	8,604,218
<i>Pension reserve</i>	(2,345,000)	399,000	-	(129,000)	(2,075,000)
Total unrestricted funds	5,786,375	4,620,484	510,188	(4,387,829)	6,529,218
Restricted funds					
<i>Donated assets reserve</i>					
2001 project - HLF grants	11,971,824	-	908,107	(131,865)	12,748,066
2001 project - other grants	1,676,094	-	127,185	(18,468)	1,784,811
Conservatory	352,939	-	45,209	(17,647)	380,501
CUE development	63,988	-	8,414	(3,393)	69,009
South Hall improvements	131,366	-	10,301	-	141,667
SCC Development	63,732	-	5,771	-	69,503
MultiMIMSY	29,701	-	1,153	(7,297)	23,557
Textiles project	34,193	-	4,261	(10,067)	28,387
Exhibitions equipment	54,207	-	2,023	(13,362)	42,868
Aquarium	969,098	354,215	62,695	(50,672)	1,335,336
Boosey & Hawkes instruments	164,149	-	-	-	164,149
Gallery improvements	-	22,306	444	(1,835)	20,915
Other capital donations	6,472	-	190	(1,055)	5,607
Total donated assets reserve	15,517,763	376,521	1,175,753	(255,661)	16,814,376
<i>Revenue grants/donations</i>					
Dolmetsch fund	21,072	970	-	(160)	21,882
Apostle clock	20,091	1,378	-	(480)	20,989
HUB projects	31,560	280,904	-	(191,506)	120,958
Chinese project	-	36,750	-	(309)	36,441
Slavery project	-	19,350	-	(350)	19,000
Other grants and donations	33,983	102,068	-	(117,185)	18,866
Total restricted funds	15,624,469	817,941	1,175,753	(565,651)	17,052,512
Total funds	21,410,844	5,438,425	1,685,941	(4,953,480)	23,581,730

The capital projects fund represents income which the Trustees have identified as being designated for capital projects.

The donated assets reserve represents fixed assets donated by third parties, either by gift of the asset or by way of funds for the asset. All funds donated for this purpose were fully utilised during the year.

The balance on both the capital projects fund and the donated assets reserve are represented by the book value of assets and will be written down to nil over the lives of the assets.

The Dolmetsch Fund represents money donated for the maintenance of the Dolmetsch collection of musical instruments.

The Apostle Clock fund represents donations made by the public for the ongoing maintenance of the Apostle Clock.

THE HORNIMAN PUBLIC MUSEUM AND PUBLIC PARK TRUST

NOTES TO THE ACCOUNTS (continued)
Year ended 31 March 2007

The Museum is a member of the London Museums Hub, which awarded grants in 2006 for the two year period 2006-2008 for a number of Educational and other projects .

The Chinese project, which commenced at the end of the year and is due for completion by 31 March 2008, will make the Museum's Chinese collections accessible to the public for the first time. This is being largely funded by the Designation Challenge Fund.

The Slavery project involves various events and activities around the Abolition of Transatlantic Slavery Commemorations 2007 and is largely funded by the Heritage Lottery Fund, the Arts Council and the Henry Moore Foundation.

Other revenue grants and donations are monies or gifts-in-kind donated by third parties for the specific purposes described. Balances are outstanding at 31 March 2007 where those purposes were not fully completed at that date. It is expected that most of these funds will be utilised during the coming year.

The rest will be spent at the earliest appropriate opportunity in accordance with the donors' wishes.

23. Cash flow information

	Group 2007 £	Museum 2007 £	Group 2006 £	Museum 2006 £
<i>a) Items reconciling surplus to cash flows from operating activities</i>				
Net incoming resources	85,945	85,852	525,104	520,500
Depreciation for the year	598,246	598,246	503,122	503,122
Profit on disposal of fixed assets	(2,500)	(2,500)	15,208	15,208
Donated assets	(30,000)	(30,000)	-	-
Investment income	(27,013)	(27,013)	(28,909)	(28,909)
Pension finance cost	38,000	38,000	57,000	57,000
Excess pension service cost over contributions	91,000	91,000	65,000	65,000
(Increase)/decrease in stock	2,728	2,728	4,549	4,549
(Increase)/decrease in debtors	200,101	205,907	(101,648)	(114,798)
(Decrease)/increase in creditors	(131,434)	(133,199)	150,640	138,115
Net cash inflow from operating activities	825,073	829,021	1,190,066	1,159,787
<i>b) Analysis of cash flows</i>				
Returns on investment and servicing of financing				
Interest received	27,013	27,013	28,909	28,909
Capital expenditure and financial investment				
Payments to acquire tangible fixed assets	(432,734)	(432,734)	(1,456,531)	(1,456,531)
Receipts from sales of tangible fixed assets	2,500	2,500	3,011	3,011
	(430,234)	(430,234)	(1,453,520)	(1,453,520)
<i>c) Reconciliation of net cash flow to movement in net funds</i>				
Movement in net funds in the period	421,852	425,800	(234,545)	(264,824)
Net funds at 1 April 2006	543,078	512,799	777,623	777,623
Net funds at 31 March 2007	964,930	938,599	543,078	512,799

		1 April 2006 £	Cash Flow £	31 March 2007 £
<i>d) Analysis of net funds</i>				
Cash at bank and in hand	Group	543,078	421,852	964,930
	Museum	512,799	425,800	938,599

THE HORNIMAN PUBLIC MUSEUM AND PUBLIC PARK TRUST

NOTES TO THE ACCOUNTS (continued)
Year ended 31 March 2007

24. Pension Scheme

The Company is a participant in the London Pensions Fund Authority Scheme. This is a statutory, funded pension scheme, which provides benefits on a "final salary" basis at the age of 65 and is available to all qualifying employees. Benefits accrue at the rate of 1/80th of pensionable salary for each year of service. In addition a lump sum equivalent to 3 years' pension is payable on retirement. Pensions increase in line with the Retail Price Index. On death, pensions are generally payable to the surviving spouse at a rate of half the member's pension. On death in service, the scheme pays a lump sum benefit of twice pensionable pay. Early retirement may be taken from age 60, or between the ages of 50 and 59 with the employer's consent, but the pension and lump sum may be reduced dependent on age and total membership. Medical retirement is possible in the event of serious ill health. In this case the pension and lump sum is payable immediately with service enhanced if total membership exceeds 5 years. The assets of the scheme are held in a separate trustee administered fund. The scheme is subject to triennial valuation by independent actuaries, the last valuation being carried out at 31 March 2004 using the "projected unit" method, in which the actuarial liability makes allowances for projected earnings. The valuation revealed a funding level of 74% for the active sub-fund and 91.5% for the pension sub-fund. As a result of this, on the recommendations of the actuary, the employers' contributions increased to 12.1% of earnings with effect from 1 April 2005 with an additional cash contribution of £116,088 payable over three years towards the funding deficit. Employees' contributions will remain at 6% of earnings.

Pension contributions made during the year were £176,271 (2006 - £148,957).

The valuation used for FRS 17 disclosures has been based on the most recent actuarial valuation as at 31 March 2004 and updated to take account of the requirements of FRS 17 in order to assess the liabilities of the scheme at 31 March 2007. Scheme assets are stated at their market value at 31 March 2007. Scheme liabilities were calculated using the 'projected unit' method and the following financial assumptions:

	31 March 2007	31 March 2006	31 March 2005
	% p.a.	% p.a.	% p.a.
Price increases	3.2%	3.1%	2.9%
Salary increases	4.7%	4.6%	4.4%
Pension increases	3.2%	3.1%	2.9%
Discount rate	5.4%	4.9%	5.4%

The estimated fair value of the scheme assets at 31 March 2007 (based on a proportion of the whole fund) and the expected rate of return were:

	31 March 2007		31 March 2006		31 March 2005		
	Long term	Fund value	Long term	Fund value	Long term	Fund value	
	rate of return		rate of return		rate of return		
	% p.a.	£	% p.a.	£	% p.a.	£	
Equities	7.7%	2,865,000	7.3%	2,633,000	Equities	7.7%	2,615,000
Target return funds	6.4%	1,028,000	6.0%	795,000	Bonds	4.8%	358,000
Alternative assets	6.8%	583,000	6.5%	492,000	Property	5.7%	236,000
Cash	4.9%	123,000	4.6%	256,000	Cash	4.8%	111,000
Total Estimated Asset Value		4,599,000		4,176,000			3,320,000
Present Value of Scheme Liabilities		6,674,000		6,521,000			5,384,000
Net Pension Liability		(2,075,000)		(2,345,000)			(2,064,000)

THE HORNIMAN PUBLIC MUSEUM AND PUBLIC PARK TRUST

NOTES TO THE ACCOUNTS (continued)
Year ended 31 March 2007

	2007	2006
	£	£
Movement in deficit during the year		
Deficit at 1 April	(2,345,000)	(2,064,000)
Current service cost	(261,000)	(213,000)
Employer contributions	170,000	148,000
Net return on assets	(38,000)	(57,000)
Actuarial gains/(losses)	399,000	(159,000)
Deficit at 31 March	(2,075,000)	(2,345,000)
Analysis of operating costs		
<i>Operating costs</i>		
Service cost	261,000	213,000
Past service cost	-	-
Curtailement and Settlements	-	-
Decrease in irrecoverable surplus	-	-
	<u>261,000</u>	<u>213,000</u>
<i>Finance income</i>		
Expected Return on Employer Assets	286,000	238,000
Interest on Pension Scheme Liabilities	(324,000)	(295,000)
	<u>(38,000)</u>	<u>(57,000)</u>
Net operating costs	<u>299,000</u>	<u>270,000</u>

History of experience gains and losses	31.03.07	31.03.06	31.03.05	31.03.04	31.03.03
	£	£	£	£	£
Difference between the expected and actual return on assets	41,000	542,000	92,000	420,000	(1,112,000)
Value of assets	4,599,000	4,176,000	3,320,000	3,257,000	2,596,000
Percentage of assets	0.9%	13.0%	2.8%	12.9%	(42.8%)
Experience gains/(losses) on liabilities	(1,000)	-	2,000	(5,000)	(6,000)
Present value of liabilities	6,674,000	6,521,000	5,384,000	5,205,000	4,566,000
Percentage of the present value of liabilities	0.0%	0.0%	0.0%	(0.1%)	(0.1%)
Actuarial (losses)/gains	399,000	(159,000)	8,000	147,000	(1,247,000)
Percentage of the present value of liabilities	6.0%	(2.4)%	0.1%	2.8%	(27.3%)

25. Related Party Transactions

The DCMS is regarded as a related party. During the year, the Museum has had various transactions with other entities for which the DCMS is regarded as the parent Department. The only material transactions were with the Heritage Lottery Fund, the Museums, Libraries and Archives Council (which administers the Designation Challenge Fund and the London Hub) and the DCMS/Wolfson Museums and Galleries Improvement Fund. Details of these transactions and outstanding balances are given in notes 6 and 21. In addition, the Museum has had a number of transactions with other Government sponsored bodies. However in many cases it is not practicable to quantify these as in many cases they involve the loan of objects, for which no values have been attributed.

None of the trustees, key managerial staff or other related parties has undertaken any material transaction with the Museum or its' subsidiary during the year.

26. Post Balance Sheet Events

There were no post balance sheet events other than the date the report and accounts were authorised for issue by the Trustees.

THE HORNIMAN PUBLIC MUSEUM AND PUBLIC PARK TRUST

**ADDITIONAL INFORMATION Group and Company
For the year ended 31 March 2007**

The additional information on pages 46 to 48 has been prepared from the accounting records of the company. While it does not form part of the statutory financial statements, it should be read in conjunction with them and the auditors' report thereon.

DONATIONS AND GRANTS: MUSEUM PROJECTS AND ACQUISITIONS

ReDiscover Award:

The Millennium Commission using National Lottery money
The Wellcome Trust
The Wolfson Foundation

Other Trusts and Organisations:

Arts Council England
Bristol Charitable Trust
Charities' Advisory Trust
The City Bridge Trust
The Designation Challenge Fund
Friends of the Horniman
The Great Britain Sasakawa Foundation
Heritage Lottery Fund
Horniman Café Ltd
The John Horseman Trust
London Borough of Lewisham
Museums, Libraries and Archives Council's Renaissance Programme
Visiting Arts

We are particularly grateful to the following individuals who have supported our work in the past year.

Ms Heather Bernard	Mr Hamish Parker
Mr Michael Bridgeland	Dr Emma Proctor
Mr Francis Carnwath CBE	Sir Denis Rooke OM CBE FRS FREng
Mrs M A Carey	Mr and Mrs J Sharman
Mr Rupert Evenett	Ms Rosamund Sykes
Mr Timothy Hornsby	Mr and Mrs Voltz
The Estate of Gertrude Hyman	Mr John B Ward
Mr Donald Kirkham CBE	Mrs Jessica Ann Wyatt
Mr J A W MacDonald	

We are also grateful to the following for the support in kind they have shown the Museum.

Blue Box Limited
JLW Flowers
Sainsbury's Supermarkets Ltd
Suzanne James Ltd

We would also like to thank those many other supporters who gave to the Museum and those donors who wish to remain anonymous.

THE HORNIMAN PUBLIC MUSEUM AND PUBLIC PARK TRUST

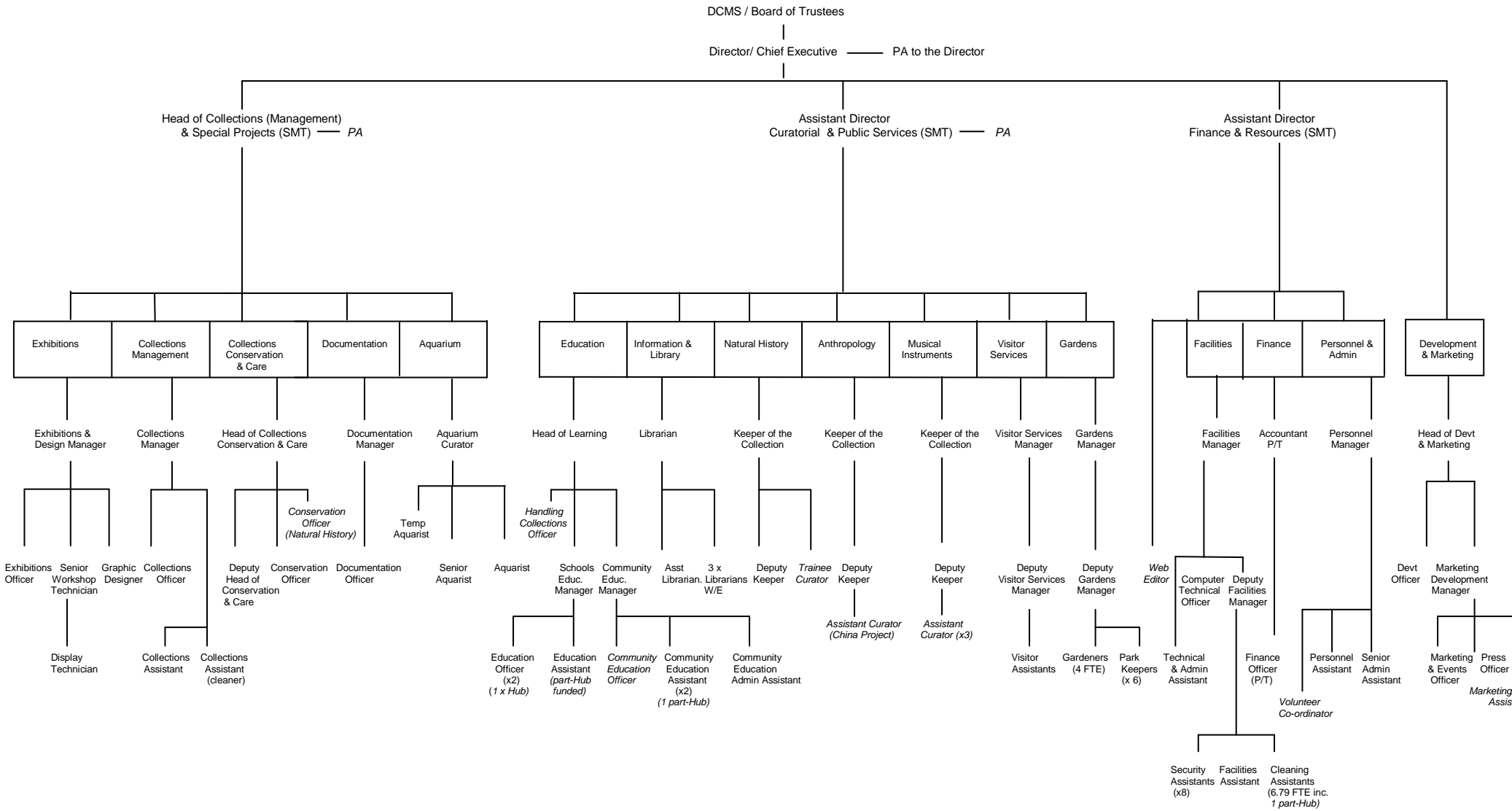
APPENDIX II: VISITOR NUMBERS
Group and Museum

Year ended 31 March 2007

	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	TOTAL
General Public	20,534	17,948	13,255	28,927	47,499	20,881	32,099	20,183	18,944	22,730	39,519	28,995	311,514
Child Education Visits	4,168	4,363	4,764	4,999	5,799	2,636	5,675	4,695	2,317	3,718	5,185	5,469	53,788
Other Group/Education Visits	3,016	2,804	2,583	2,824	5,331	1,746	4,036	2,724	1,443	2,311	3,772	3,662	36,252
Gardens/Conservatory Events	0	3,100	3,035	8,274	8,516	25	185	115	4,500	100	312	150	28,312
Museum Sub-Total	27,718	28,215	23,637	45,024	67,145	25,288	41,995	27,717	27,204	28,859	48,788	38,276	429,866
Additional Gardens Only Visits	20,085	24,263	24,289	21,222	12,751	22,327	7,756	6,267	5,394	7,277	12,166	9,558	173,355
Total 2006-2007	47,803	52,478	47,926	66,246	79,896	47,615	49,751	33,984	32,598	36,136	60,954	47,834	603,221
Museum sub-total 2005-2006	22,371	23,981	23,739	31,196	36,276	16,611	27,244	19,170	15,861	19,182	24,929	22,296	282,856
Additional Gardens only visits	15,857	22,699	12,467	15,552	7,184	20,039	6,979	9,450	11,727	13,249	11,904	13,458	160,565
Total 2005-2006	38,228	46,680	36,206	46,748	43,460	36,650	34,223	28,620	27,588	32,431	36,833	35,754	443,421

The Horniman Museum and Gardens

Organisational Chart – 1st July 2007



Posts shown in *italics* are fully or partially Hub funded.