



2007 – 2008 ANNUAL REPORT

MYSTIC
SEAPORT®

The Mystic Seaport Annual Report is a publication of
Mystic Seaport – *The Museum of America and the Sea.*

MYSTIC SEAPORT

THE MUSEUM OF AMERICA AND THE SEA

President

Stephen C. White

Executive Vice President

Susan Funk

Senior Vice President of Marketing & Communications

Robert L. Potter

Director of Development

Donna Bellantone

Photography

Dean Digital Imaging

Mystic Seaport Photography Department

Photos © Mystic Seaport, Mystic CT



The CHARLES W. MORGAN is the last surviving wooden whaleship in the world. A National Historic Landmark, she is truly an icon in maritime history. Mystic Seaport is currently restoring the vessel, which was built in 1841, in its Henry B. duPont Preservation Shipyard. The project is expected to last three years.

A MESSAGE FROM THE CHAIRMAN OF THE BOARD OF TRUSTEES

Dear Fellow Mystic Seaport Members and Friends:

If you visited last summer or plan to come this winter and spring, you'll see four new exhibits, each representing a different and compelling slice of our maritime heritage—ranging from “Frozen In: Captain Comer and the Hudson Bay Inuit” to the incredible 19th-century marine paintings of James E. Buttersworth, to the story of lighthouses and the history of rowing in America.



With so much to see, attendance last year increased to more than 300,000 — the first increase in many years — and our membership grew to more than 18,200. We are demonstrating an increasing ability to educate and connect with new generations of visitors of all ages and tell the maritime stories that underlie our national character.

YOUR CRITICAL ROLE IN SUPPORTING MYSTIC SEAPORT

Your support is the reason we can sustain and expand our educational programs, put on great exhibits, invest in the Shipyard and take care of our collections and ships. About 40% of our revenue comes from contributions. This past year alone, with your help, the Museum raised \$1.1 million in unrestricted Annual Fund support. However, our needs are outpacing your generosity and this year promises to be especially challenging. Thus, it is not only important for you to renew your membership, but to recruit others to join us in this vitally important enterprise.

THE FUTURE

We have begun the major restoration of the *Charles W. Morgan* after years of preparing our Shipyard for this effort. The new shiplift, complete with haul ashore capabilities, is a model for environmental compliance in the state. Visitors have the opportunity to observe work in areas of the ship that have been untouched since she was built in 1841.

The last wooden whaleship in the world, the *Morgan* is the heart and soul of Mystic Seaport and the icon of our American maritime heritage. We believe that every American has a stake in this historic restoration.

SETTING A NEW COURSE

Our President and Director Douglas Teeson retired at the beginning of 2009. Doug brought a level of passion and commitment to his role as president that none of us could hope to match. He navigated Mystic Seaport successfully through many difficult challenges and set a new course for the Museum for decades to come.

On behalf of the trustees, members and staff of Mystic Seaport, I express our gratitude and heartfelt thanks to Doug and his wife, Phyllis, as they set their new course. From all of us, “fair winds and following seas.”



Richard R. Vietor

A LETTER FROM THE PRESIDENT



Dear Members and Friends of Mystic Seaport:

I am very pleased to present you with Mystic Seaport's Annual Report for the 2007-2008 fiscal year, which ended April 30, 2008. Because of your efforts and support, the Museum continues to provide its members and visitors with unforgettable experiences through new exhibitions, expanded education offerings and year-round Museum activities.

This past year exemplified the Museum's commitment to new programs and events. We attracted a record number of visitors, particularly among families with children, growth in membership, and increased awareness through major coverage in local, regional and national media. The continued development and enhancements of the Museum's website afforded a worldwide audience with access to all that Mystic Seaport has to offer.

During '07-08, the Museum's stewardship of its historic vessels was further advanced by the completion of a major capital improvement project: the Hays and Ros Clark Shiplift's companion haul-ashore capability. A model of environmental compliance, this state-of-the-art facility supported the full restoration and re-launch of the fishing vessel *Roann* and the haul ashore of *Sabino* to prepare this National Historic Landmark steamship for its 100th year. The shiplift is instrumental in the planned three-year restoration of the *Charles W. Morgan*, the last wooden whaling ship in the world.

Drawing on its vast maritime collections and recent acquisitions, the Museum continued to celebrate the stories of America and the Sea in new exhibitions which included marine art by 19th-century painter James E. Buttersworth, a chronicle of the life of whaling captain George Comer and his relationship with the Inuit people of the Arctic, a celebration of America's rowing history in the new home of the National Rowing Hall of Fame and an audio-visual exhibition in the Museum's replica of Nantucket's picturesque Brant Point Lighthouse.

Despite the daunting economic challenges which have intensified since the period of this annual report, Mystic Seaport remains on course for an exciting future. Over the past year, working with leading exhibition and architectural designers, the Museum completed the first phase of its plans for a new exhibition center that will dramatically expand its ability to showcase its vast maritime collection.

We are extremely grateful to the people named here for their support throughout fiscal year 2007-2008. The leadership provided by the Board of Trustees, the newly formed International Council of Advisors and the Museum's dedicated staff — augmented by the volunteer corps — exemplifies their commitment to the proud heritage and inspiring future which Mystic Seaport represents. My sincere thanks to each of you for your continuing support of our great Museum.

Cordially yours,

A handwritten signature in dark ink that reads "Douglas H. Teeson". The signature is written in a cursive, slightly slanted style.

Douglas H. Teeson, RADM USCG (Ret)
President and Director

PRESIDENT'S REPORT

Over the past year, Mystic Seaport deepened its commitment to the vision of its founders, whose declared intentions were that the Museum “be educational in its purpose, national (and sometimes beyond) in its scope, and an inspiring force for the future.” Members and visitors from across the country and around the world experienced memorable ways to discover America’s seafaring heritage through new exhibits and publications, enhancements to our collections and research accessibility and the Museum’s educational and outreach programs. This report highlights many of these achievements, as well as the contributions of our dedicated staff, Board of Trustees, International Council, volunteers and generous supporters.

NEW EXHIBITIONS

The Museum showcased its vast collections and recent acquisitions, and celebrated the American spirit of exploration, discovery, innovation and fine art in a number of new exhibitions.

A new exhibit chronicled the remarkable life of whaling captain George Comer, and his extraordinary relationship with the Inuit people of Hudson Bay.



Frozen In: Captain Comer and the Hudson Bay Inuit

After decades of research, Curator Fred Calabretta teamed up with our Exhibitions Director Jonathan Shay and his staff, to present this very unique exhibit in the Schaefer Building. It brings to life the world of late 19th-century whaling in the Canadian Arctic and chronicles the extraordinary life work of Captain George Comer. Comer documented the Inuit people in pioneering anthropological field-work. He not only collected thousands of Inuit objects, he recorded their voices in song, cast plaster life masks of their faces and took photographs of them and their timeless way of life. This exhibition was generously supported by the Connecticut Humanities Council, the Anderson-Paffard Foundation, the Edgard & Geraldine Feder Foundation and the Connecticut Maritime Heritage Trust Fund. Special thanks to the Comer family of East Haddam, Connecticut for loaning objects and personal effects associated with their ancestor, and to Bernadette Dean, the project’s Inuit advisor.

Illuminating the Sea: The Marine Paintings of James E. Buttersworth (1844 -1899)

Inspired by the work of Andrew German and Janet Schaefer in preparing to publish a new edition of Rudolph J. Schaefer's comprehensive book, *J. E. Buttersworth: 19th-Century Marine Painter*, this exhibition was unveiled in the Mallory Building. It displays the pride of our maritime painting collection, including Buttersworth paintings donated by the Schaefer family over the years, as well as many of the 24 Buttersworth paintings added to the Museum's collection by a generous gift of the McGraw family. The exhibition will travel to the Bruce Museum in Greenwich, CT in spring 2009. The "Art Spot" creative center, also in the Mallory Building, provides aspiring young artists the opportunity to create their own works of maritime art. Complementing the Buttersworth exhibit was the opening of the 29th Annual Modern Marine Masters exhibition and sale in the Rudolph J. Schaefer Maritime Gallery, which showcased the works of more than 80 leading contemporary marine artists.

Let Her Run

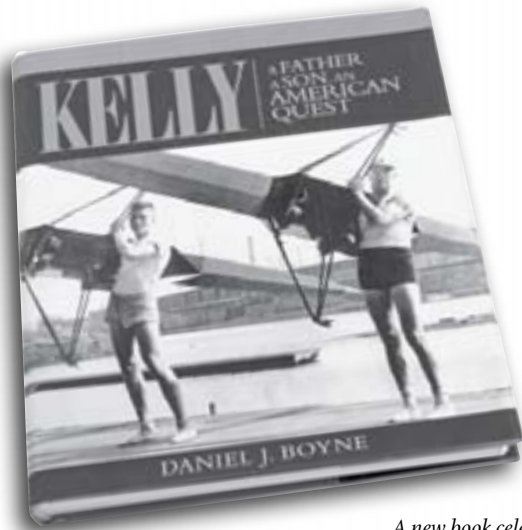
The north wing of the G.W. Blunt White Building was elegantly refurbished as a pocket gallery for a new exhibit featuring a treasure trove of memorabilia of America's rowing history. A unique assortment, loaned by Friends of Rowing History, the National Rowing Foundation and from the Museum's collection, comprises the exhibit, which adjoins the new home for the National Rowing Hall of Fame. Mystic Seaport is indebted to Hart Perry, executive director of the National Rowing Foundation, rowing historians and curators Thomas Weil and Bill Miller and the many volunteers who created this exhibition. Also, in the Cruising Club of America's Olin J. Stephens II Reading Room, an exhibition featuring many of his best works was presented. Mystic Seaport was deeply saddened Olin's passing this fall and will be forever grateful for his enduring vision and inspiration.

Sentinels of the Sea

On Lighthouse Point, in the Museum's replica of Nantucket's picturesque Brant Point Lighthouse, final preparations were underway for a summer opening of a state-of-the-art audio-visual exhibition, funded by longtime Museum trustee emeritus C.S. "Butsy" Lovelace and his family, and by Museum trustee Wade Thompson.

For the first time, visitors now have access to our lighthouse exhibit. The highlight? Two custom-made videos about lighthouses displayed on the state-of-the-art monitors, providing visitors of all ages with a unique perspective on the history and role of lighthouses.





A new book celebrates the life of three-time Olympic gold medal rower Jack Kelly, the father of Princess Grace of Monaco.

LIBRARY AND PUBLICATIONS

Under the able guidance of Paul O’Pecko, Vice President for Collections and Research, the G.W. Blunt White Library collections were permanently relocated to climate-controlled spaces in the Collections and Research Center. Thanks to clever “movable stacks,” approximately three miles of new shelving take up a mere 3,000 square feet of floor space.

Thanks to the extraordinary dedication of Mary Anne Stets, curator of Photography and director of Intellectual Property, the Museum added a number of new books to its distinguished collection of works in print. These included *Pirates, Jack Tar and Memory*, a scholarly look at seamen in the age of sail, *Shanghaied in San Francisco*, a classic retelling of the men kidnapped for a voyage at sea, and *Kelly: A Father, A Son, An American Quest* which chronicles the inspiring story of Jack Kelly. Also in progress for publication is *Coastal Schooners of New England*, featuring the photographs and slides of Robert H. I. Goddard, whose body of work documents the story of the last commercially viable sailing vessels in the U.S.

Chairman Dick Vietor and Museum President Doug Teeson present honoree David McCullough with the second annual America and the Sea Award – a Simon Pearce glass sculpture titled “Flame.”



CELEBRATIONS, SPECIAL EVENTS AND OUTREACH

Growing new friends of the Museum is an important goal, especially where we can reach out to potential supporters in major cities and cultural centers. In October 2007, the Museum’s second annual *America and the Sea* gala award dinner was held in New York City at the famed Rainbow Room. It honored Pulitzer-prize winning historian David McCullough, the most renowned historical author now living in the U.S.. In 2006, the Museum honored Olin Stephens.

The Museum’s professional stature was enhanced by several conferences and symposia in the spring of 2008. Notable among these was the 10th anniversary of the Outdoor History Museum Forum. The Forum provides insights into the challenges and opportunities facing outdoor history museums around the country.

Energy conservation remains a key goal of the Museum under the able guidance of Facilities Manager Bill Parent. The recent completion of the new James T. Carlton Marine Science Center crowned the Museum’s 30-year partnership with Williams College and was constructed with “green” building elements wherever possible. The Connecticut Clean Energy Fund provided significant tax credits for the installation of photovoltaic panels on the building’s roof. These panels generate 22,000 kW hours of electricity annually, saving the equivalent of 10 tons of CO² from being released into the atmosphere (the environmental impact of planting 90 trees or not driving an automobile for 20,000 miles).

The Museum honored its longest-serving employee Howard Davis for his 50 years of service. He joined the Shipyard in 1958, retired after 31 years on August 30, 1989 and re-joined as an interpreter the next day. Howard is fond of saying “I used to be a caulker, now I’m a talker.”

Meanwhile, Bill Healy received the William C. Noyes 2007 Volunteer of the Year Award in recognition of his 20 years of volunteering. Mystic Seaport is deeply grateful for its more than 1,200 volunteers guided by Rhoda Hopkins Root, coordinator of volunteer services.

WATERCRAFT PRESERVATION AND ACTIVITIES

The preservation of our historic vessels is foremost among the Museum's stewardship responsibilities. Under the skilled direction of Dana Hewson, Vice President for Watercraft Preservations and Programs, and Shipyard Director Quentin Snediker, the H.B. duPont Preservation Shipyard continued to be a center of activity in this regard. The Museum is thankful to the Connecticut Department of Economic and Community Development which approved the final \$1 million installment of its \$4 million state funding, matched 1:1 by private donations, for Phase II of the Hays and Ros Clark Shiplift. Important preservation efforts were undertaken, including the full restoration and re-launch of the fishing dragger *Roann* under the skilled direction of Lead Shipwright Walter Ansel and his dedicated team of volunteers led by Dick Wing. The National Historic Landmark steamship *Sabino* was hauled and readied for a season celebrating its 100th anniversary.

We extend our grateful thanks and appreciation to the Connecticut Commission on Culture and Tourism for their generous 2007 Historic Restoration Fund grant award in support of the Morgan Restoration Project and to Tourism Cares, serving tourism-related nonprofits worldwide, for their support of the interpretive exhibit *Restoring an Icon* which will be installed in the Shipyard Gallery during the restoration project.

EDUCATION

Under the direction of Vice President for Education and Public Programs Susan Funk and Director of Education Lisa Marcinkowski, the Museum continued to develop new programs to enhance its educational offerings to meet changing curriculum requirements. Through the Museum's annual Educator's Weekend, which drew almost 2,000 educators and their families and the *Black Hands, Blue Seas* teacher institute, funded by the Connecticut Humanities Council, Mystic Seaport broadened its role as a regional, national and international learning resource through these and other maritime history and science outreach programs. This year's Orion Award for Teaching Excellence was awarded to Wendy Halsey of the Montville, CT High School for her introduction of a new course in maritime literature that included the works of Homer, Joseph Conrad and Patrick O'Brien. This award recognizes exceptional teachers who infuse history, math, science and literature with a maritime focus.

The statewide Connecticut History Online consortium (CHO), of which Mystic Seaport is a partner, has embarked on a collaboration with a major new project of the Connecticut Humanities Council, the *Encyclopedia of Connecticut History Online (ECHO)*. Connecticut History Online (www.cthistory-online.org) is a searchable, web-based primary source repository of more than 15,000 photographs, maps, drawings, manuscripts, oral histories and artifacts documenting Connecticut's people, places and events. Other CHO partners include the Connecticut Historical Society, the Connecticut Humanities Council, the Connecticut State Library and University of Connecticut's Thomas J. Dodd Research Center. With funding from the State of Connecticut, CHO and ECHO will now be linked through software that will provide access to expanded digital content and search capabilities.

MARKETING, MEMBERSHIP AND PUBLIC RELATIONS

Under the direction of Bob Potter, Vice President of Marketing and Communications, the Museum continued to increase awareness and attendance for its many new programs and events. The 2007 season saw the first increase in annual visitors in over a decade. The three-day WoodenBoat Show drew more than 13,000 visitors and secured its return to Mystic Seaport for the next two years. Joint promotions with the Mystic Aquarium provided additional opportunities to reach the family and children's market. A grant from the Connecticut Commission on Culture & Tourism supported the Museum's event advertising campaign this summer. The Museum expanded its audience with new visitors from the major cruise ships now docking routinely in New London. Establishing a new Central Reservations Department provided greater customer service and enrollment support. Enhancements to the Museum's website continued under new Web Director Carrie Modon. Online donations and membership enrollment were launched through new web applications, and online ticketing was launched to support Museum events. In February 2008, over 1000 of the Museum's local members attended the world premiere of "The Real McCoy," a documentary on local rum-running during Prohibition. This was one of the many year-round Membership programs created by Cheryl Mattson, director of Membership and Program Manager Karin Soderberg — programs which have helped grow membership to more than 18,000 members. The Museum was prominently featured in local, regional and national media thanks to the efforts of Director of Public Relations Michael O'Farrell. Publicity highlights included the new *Mystic Country* magazine, which reaches over 365,000 homes, featured the *Sabino's* 100th anniversary, *The New York Times* coverage of the Comer exhibition and a *Martha Stewart Living* magazine feature on the time-honored 19th-century skills preserved at Mystic Seaport.



The 100th birthday of the SABINO was featured on the cover of the new Mystic Country magazine.

FINANCE

Guided by Marcy Withington, Vice President and CFO and Caroleen Frey, Director of Finance, the Museum instituted a new accounting system to make financial information easily accessible to managers, helping them better monitor their business operations.

INSTITUTIONAL ADVANCEMENT

The new International Council was launched under the leadership of its Chairman George C. White, a Trustee Emeritus of Mystic Seaport and founder of the renowned Eugene O'Neill Theater. The Council replaces the National Council of Advisors founded by the late Donald C. McGraw, Jr. The primary role of the International Council will be that of ambassadors, helping to advance global recognition of the Museum. Public and private programs were launched to increase awareness for the planned three-year restoration of the 167-year-old National Historic Landmark Vessel *Charles W. Morgan*. In April 2008, a champagne reception was held to celebrate the opening of the Buttersworth exhibition with members of the Schaefer and McGraw families, Trustees and other patrons of the arts. Thanks to the recent gift of 24 Buttersworth paintings from the McGraw family and an additional two Buttersworth paintings from Janet Schaefer, the Museum is now the steward of the largest public collection of works by this famed 19th-century maritime artist.

COLLECTIONS

Senior Curator William Peterson was named the Carl C. Cutler Chair of Maritime History and continued to guide the Museum's acquisition program. A table once used aboard the schooner *Atlantic* was added to the museum's collection of objects and documents relating to this storied trans-Atlantic racing yacht. The donation of a digital camera by Janet Schaefer gives the Museum instantaneous publications-quality photography capabilities. Enhancements to the Collections-related websites account for more than 20% of the Museum's web traffic. Congratulations to Dan Harvison in the Museum's Film and Video Production Team who won the prestigious bronze Telly Awards for the production of *Erik Ronnberg, Jr, Modelmaker* and *Charles W. Morgan, The Last of Her Kind*.

LOOKING TO THE FUTURE

The Museum welcomed Mr. Richard R. Vietor as its new Chairman in 2008. Dick brings nearly 25 years of experience as a Mystic Seaport Trustee to his new role, and will lead the Museum's ongoing quest for renewal and transformation for the 21st century. He has already made a significant impact by recruiting new Trustees, expanding the International Council and enhancing the Museum's role as a leading regional, national and international learning center for maritime history.

Mystic Seaport continued its strategic goal of transformation to a year-round all-weather, world-class museum. Architectural schematic renderings of the envisioned Maritime Exhibition Center were completed, along with exhibition design concepts that showcase the Museum's vast maritime collection in new and innovative ways that will engage 21st-century audiences.



Steve White brings a life-long love of sailing and a distinguished career in education and development to his new role as President of Mystic Seaport.

As this past year has been one of continued transformation for the Museum, it has also been a year of transition for me as Mystic Seaport's president and director, in light of my announced plans to retire in early 2009. I am very pleased to welcome Stephen C. White, who — after a nationwide search — was recently selected to be the Museum's next president. Steve's distinguished background in development and education, and great love of sailing, will enable him to build on the significant progress that the Museum has made. I have had the privilege of leading Mystic Seaport for the past seven and a half years, and am enormously proud of the accomplishments of the staff, Trustees, members and the Museum's many volunteers. I thank you deeply for your support, dedication and guidance.

A handwritten signature in black ink, appearing to read "Doug Teeson".



Doug Teeson welcomes Steve White as the new President of Mystic Seaport in front of a painting of Museum co-founder Carl C. Cutler.

MYSTIC SEAPORT MUSEUM FISCAL YEAR 2007-2008 FINANCIAL REPORT

On behalf of the Finance Committee of The Board of Trustees, I am pleased to provide a report on the fiscal year that ended on April 30, 2008 (hereafter referred to as “fiscal 2008”).

The value provided by the Museum and its staff to individuals, our society and the world at large, is difficult to quantify. While operating and financial results do not fully capture these core contributions, these are important and serve as a critical gauge of success in the execution of the institution’s mission. I am pleased to report that key operating indicators of the Museum improved in fiscal 2008. Attendance increased to more than 300,000 visitors, the first increase in 10 years. While favorable weather was a key factor, it is terrific to see this after nearly a decade of decline. Membership in the Museum also increased by 5%, to 18,246.

The Museum received many generous gifts and bequests which totaled \$14.7 million in fiscal 2008. This was not as large as in the 2007 fiscal year when approximately \$17 million was received, but it was at a very significant level. In fiscal 2006 the comparable amount was approximately \$8 million. A major component of the fiscal 2008 gifts was a challenge gift to provide initial financial support to the Museum’s strategic goal to create all-weather, all season, exhibition capability. This enables the Museum to conduct further planning and related work for this essential long term project, and is the cornerstone for additional related fund raising.

Total revenues were \$25.6 million, declining from \$33.6 million the prior year. The change in net assets (the Museum uses not for profit accounting, and this is revenues less expenses) was \$941 thousand, a substantially lower contribution than the prior year. This is the result primarily of stock market declines, which reduced the value of investment assets, and the lower, but still significant, gifts and bequests received than the prior fiscal year. The Museum engages in internally managed retail and wholesale merchandise operations (separate from outsourced food and other retail activities) which is being restructured and included a write-down of inventory of approximately \$1.5 million.

Museum operations continue to run at a deficit which totaled \$1.7 million on a net cash flow basis. This consists of the sum of cash receipts from ongoing Museum activities, including visits, educational programming, retail and food sales, licensing, plus gifts to the Annual Fund and donations and bequests without any restrictions on their use, less all cash operating disbursements, which excludes capital expenditures. Operating costs continue to be tightly managed and were largely flat on the prior year, but many categories (utilities, employee healthcare costs, etc.) increase at least at the rate of inflation, or higher. Nonetheless revenues did not keep pace with expense growth. New revenue initiatives are being undertaken.

Capital spending to safeguard core Museum assets continues to be a priority and a large user of capital resources. The Museum is in the middle of a five-year project centered on the restoration of the *Charles W. Morgan* and the upgraded infrastructure necessary to effectuate it (and to provide the capability to perform other important work in the future, including for the large vessels *L.A. Dunton* and *Joseph Conrad*). As of April 30, 2008 \$11 million has been spent on this project. An additional \$4 million is sought for funds to restore the vessel once it is hauled out, plus incremental funding of comparable magnitude for essential exhibition capability and educational programming.

The Museum's capital funds total approximately \$59 million, down slightly from the prior year. This reflects the timing of capital spending, which has outpaced the receipt of new gifts, resulting in the use of capital funds. Fund raising, including the Annual Fund, gifts, grants and bequests, is an overarching priority. Near term the focal points are completion of the *Morgan* project, and increasing the Museum's endowment.

Longer term, with success in attaining higher recurring levels of Annual Fund giving, a larger endowment, additional gifts to the *Morgan*, and to the strategically critical Transformation Project, the Museum will benefit from having a more favorable financial foundation. The Museum is entering a critical period at a time of deep-seated financial and economic challenges. This is a time for everyone committed to and concerned about the Museum to be as supportive as possible.

Together with the rest of the Trustees, I join our Chairman Dick Vietor in thanking key individuals, teams and constituencies. First, thanks to Marcy Withington, the Museum's new Chief Financial Officer, who has completed her first year, and also to the entire financial staff. Many financial control, reporting and other enhancements were completed during the year, including a systems conversion for internal accounting. Special recognition is also due to Doug Teeson, our President, and the rest of his senior team for the focus on cost efficiency (among other key things), and for the planning effort for the Transformation Project. Thanks are also due to Rob Rohn, my predecessor, and the Finance Committee, for their guidance and advice. Most importantly, special thanks to so many of our Trustees, whose generosity has provided the core of the Museum's financial stability, especially in these uncertain times. In the future, in order to better deliver on the Museum's potential, it will be essential to broaden the Museum's core support base beyond its Trustees and other important supporters.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Peter Gleysteen', with a long horizontal flourish extending to the right.

Peter Gleysteen
Treasurer

STATEMENT OF FINANCIAL POSITION (in 000s)

The consolidated financial statements presented below have been derived from the Museum's audited financial statements, copies of which are available upon request.

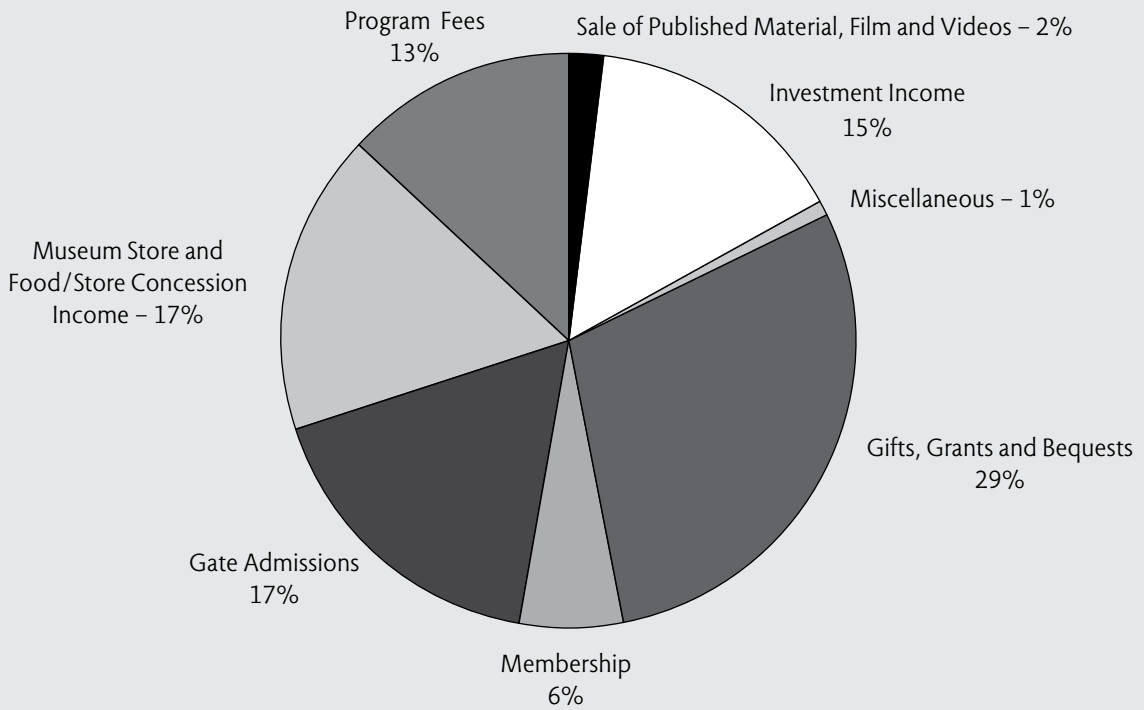
	April 30 2008	April 27 2007
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,403	\$ 527
Accounts, grants and interest receivable	3,653	3,669
Merchandise and other inventories, net of reserve	1,098	2,566
Promises to give, current	907	2,455
Prepaid expenses	308	430
	<hr/>	<hr/>
Total current assets	7,369	9,647
Promises to give, noncurrent	3,831	2,263
Investments	59,472	61,329
Perpetual trust held by others	2,094	2,193
Other inventories	149	313
Property, plant and equipment, net of accumulated depreciation	29,587	28,581
	<hr/>	<hr/>
Total assets	\$ 102,502	\$ 104,326
 LIABILITIES AND NET ASSETS		
Current liabilities:		
Notes payable	\$ 4,900	\$ 6,645
Accounts payable and accrued expenses	1,007	2,231
Deferred revenue	512	401
Other current liabilities	43	64
	<hr/>	<hr/>
Total current liabilities	6,462	9,341
Deferred revenue	2,697	2,581
Other liabilities	160	162
	<hr/>	<hr/>
Total Liabilities	9,319	12,084
 NET ASSETS		
Unrestricted	48,238	53,543
Temporarily restricted	14,545	10,196
Permanently restricted	30,400	28,503
	<hr/>	<hr/>
Total net assets	93,183	92,242
	<hr/>	<hr/>
Total liabilities and net assets	\$ 102,502	\$ 104,326

STATEMENT OF ACTIVITIES (in 000s)

	TOTAL UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TOTAL 2008	TOTAL 2007
REVENUE					
Gifts, grants and bequests	\$ 4,339	\$ 8,469	\$ 1,940	\$ 14,748	\$ 17,111
Gate Admissions	3,238			3,238	2,981
Program Fees	2,400	5		2,405	2,305
Museum Store Operations	1,913			1,913	2,205
Membership	1,205			1,205	1,188
Retail Stores rental income	899			899	873
Food services rental income	429			429	500
Sales of published material, film and videos	382	2		384	430
Other support:					
Net realized and unrealized gains/losses on investments	(683)	(559)	(99)	(1,341)	4,409
Investment Income	1,361	207	6	1,574	1,218
Other rental income and fees	84			84	110
Miscellaneous	66	2	8	76	70
Change in split interest agreements	(24)	(55)	42	(37)	203
Net assets released from restrictions	3,602	(3,602)			
Total Revenue and Other Support	19,211	4,469	1,897	25,577	33,603
EXPENSES:					
Program Expenses:					
Museum Store Operations	4,188			4,188	2,884
Visitor Experience	3,926			3,926	4,503
Curatorial, library and publications	3,368			3,368	3,197
Shipyard	3,294			3,294	2,803
Education	2,658			2,658	2,636
Support Expenses:					
Management and general	5,304			5,304	4,883
Fundraising	1,898			1,898	2,057
Total Expenses	24,636			24,636	22,963
Excess (deficiency) before transfers	(5,425)	4,469	1,897	941	10,640
Transfers - clarification of donor intent/ other transfers	120	(120)			
	120	(120)			
Changes in net assets	(5,305)	4,349	1,897	941	10,640
Net assets, beginning of year	53,543	10,196	28,503	92,242	81,602
Net Assets, end of year	\$ 48,238	\$ 14,545	\$ 30,400	\$ 93,183	\$ 92,242

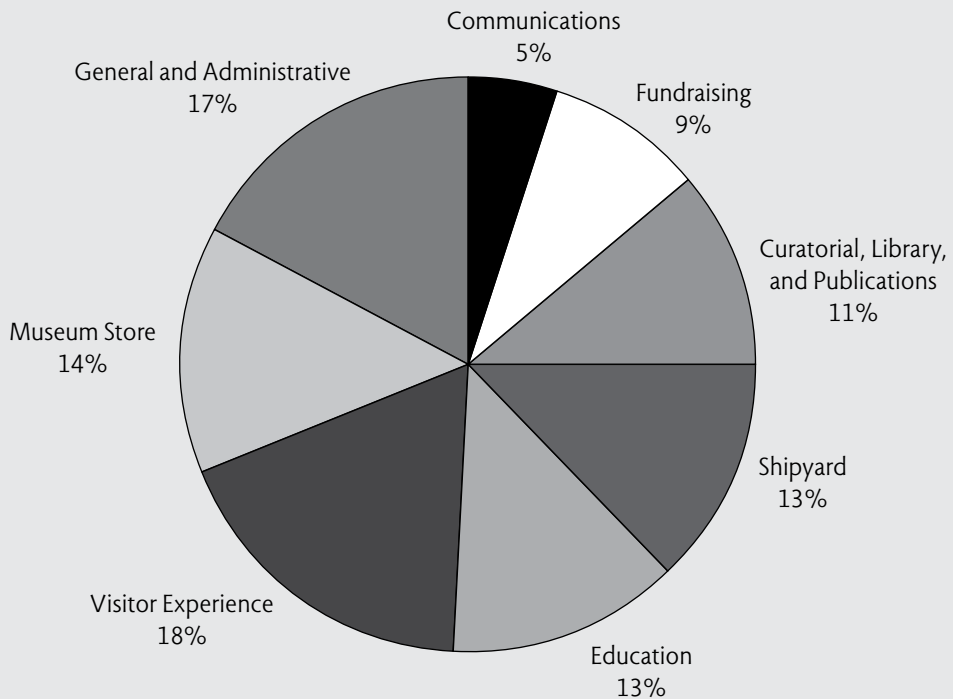
MUSEUM OPERATING INCOME

Fiscal Year 07-08



MUSEUM OPERATING EXPENSE

Fiscal Year 07-08



For more than **75**
years our mission has
been to preserve, protect and
present our priceless collection
of ships, boats, photographs
and maritime artifacts.

Your gift to the Annual Fund benefits thousands of members, students and visitors, each year and enables the Museum to pursue excellence in education, preservation, and research.

Donations to the Annual Fund are tax-deductible. Please mail your gift to 2008-09 Annual Fund, Mystic Seaport, 75 Greenmanville Avenue, Mystic, CT 06355 or call 860.572.5365 or visit www.mysticseaport.org.

Thank you!

preserve, protect & present



75 Greenmanville Avenue
P O Box 6000
Mystic, Connecticut 06355-0990

Nonprofit
U.S. Postage
PAID
Permit #119
Deep River, CT