



west midlands
the regional council
for museums libraries
and archives

*Formerly West Midlands Regional
Museums Council (WMRMC)*

Annual Report

2003/2004

Annual Report and Accounts 2003/2004
Year Ended 31 March 2004

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Museums, Libraries and
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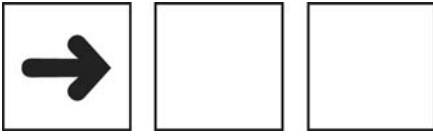
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GLOSSARY ...

AWM	Advantage West Midlands
CILIP	Chartered Institute of Library and Information Professionals
DfES	Department for Education and Science
HLF	Heritage Lottery Fund
MLA-WM	MLA West Midlands: the regional council for museums, libraries and archives
NVQ	National Vocational Qualification
MLA (Council)	The Council for Museums, Archives and Libraries (Abbreviated to MLA Council to avoid confusion with MLA West Midlands)
TLP-WM	The Libraries Partnership West Midlands
WMRAC	West Midlands Regional Archives Council
WMRMC	West Midlands Regional Museums Council



MISSION STATEMENT AND AIMS ...

MLA West Midlands: the regional council for museums, libraries and archives is the regional strategic development agency for the sector in the West Midlands of England, UK. It is core funded and supported by the Museums, Libraries and Archives Council (MLA Council).

MLA West Midlands and MLA Council share the following vision:

“Museums, libraries and archives connect people to knowledge and information, creativity and inspiration.”

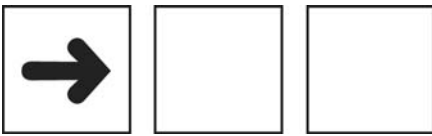
MLA West Midlands Mission Statement

MLA West Midlands is working for the region to promote and develop excellent museum, library and archive services and to ensure that they are available to everyone, today and in the future.

We will do this by supporting and championing the development of museums, libraries and archives, to encourage them to inspire, enrich and record the life, environment and works of all its people and to enhance the cultural, social, educational and economic life of the region.

Shared Outcomes

- MLA Council and the nine regional agencies are all working towards the following outcomes:
- **Communities:** Museums, libraries and archives are at the heart of their communities, providing ready access to knowledge and information, contributing to community cohesion, reaffirming community identity and responding to local circumstances and needs.
- **Learning and Skills:** People develop the skills, knowledge and qualities needed for life and work, through formal education and lifelong learning, by using the collections and services of museums, libraries and archives.
- **Creativity:** People use the collections and expertise of museums, libraries and archives as an inspiring source of creative energy, innovation and ideas.
- **Economy:** Museums, libraries and archives are recognised as central to the knowledge economy, as main drivers of cultural tourism, and as being at the forefront of the digital revolution.



INTRODUCTION

Professor Judith Elkin, Chair, MLA West Midlands

I am honoured to have been the first Chair of MLA West Midlands and am pleased to report on progress over its formative year 2003/4. We have largely met our targets which fell into three broad areas –

- Building the foundations of a viable organisation (developing cohesion and ownership in the entirely new Board, concluding the merger and dealing with harmonisation issues including re-skilling the workforce)
- Establishing our profile in the region (forging links with high level regional bodies and establishing partnerships, undertaking work which ensures the credibility of the new agency in museums, libraries and archives and consulting widely on the future)
- Initiating and running programmes and projects (delivering projects to which we were already committed, delivering initiatives for other bodies and piloting a grants scheme and evaluating its success before developing a three year programme)

However, this bald description does not do full justice to the work that the Board and staff have done in building the foundations for this new agency. We represent a sector where regional working is already well established and we made it a fundamental rule to build upon what is already good, offering support to exploit the synergies provided by bringing museum, library and archive advocacy together.

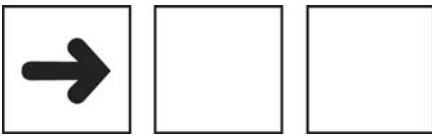
We enter our second year with the building blocks in place, working relationships in action and a clear sense of direction formulated by the sector in the region.

CHIEF EXECUTIVE'S REPORT ...

Kathy Gee, Chief Executive, MLA West Midlands

We are fortunate to be working in a region where the legacy of The Libraries Partnership (TLP-WM), the Regional Museums Council (WMRMC), and the Regional Archives Forum (WMRAC) is so positive and where there was a strong will for shared working to succeed. Specialist Domain Forums for the three domains are now up and running and we continue to maintain active links with professional groups in the region in order to ground our policy development in reality.

The work of MLA West Midlands over the year under review is described in detail in pages five to eleven. Although the organisation officially started in April 2003, operationally; we tend to date it from August when we finally came together in a single office in Birmingham. Staff changes were inevitable after such major change and we did have periods when key posts were not filled causing us to delay the start of initiatives. Never the less, I believe that the "review" firmly demonstrates the range and quality of the work begun.



REVIEW 2003-2004 ...

The Board of Directors received reports every two months upon the progress against the nine areas of activity in the business plan's objectives. This is a summary of achievements during the year.

Access

Museums, libraries and archives were supported in their work around cultural diversity, social inclusion and disability. We adopted an inclusive definition of cultural diversity, assisted in the production of a cultural diversity toolkit, co-ordinated a cultural Diversity Festival, launched the New Audience and Access Network (NAAN), launched the Disability database and became the regional host for Culture Online BBC People's War

In consultation with regional library bodies, public libraries were supported to improve as described in Framework for the Future (F4F) and the action plan. Discussions with the regional Arts and Business office resulted in a proposal to run a

seminar for senior public library representatives on the relationship with business.

We have identified groups of non-local authority libraries with which to work, specifically in Health and Further Education. Higher Education (university) library services were key stakeholders in the creation of TLP and subsequently MLA-WM. They were strongly involved in the AWM Libraries Challenge, INSPIRE and the issue of regional storage

In order to make more archives available through improving cataloguing, a grant of £378,000 from the Heritage Lottery Fund was secured to fund the cataloguing of 17 archive collections, held in 14 record offices.

Learning

Inspiring Learning for All is an online resource offering museums, libraries and archives the opportunity to develop and reform services for learning within a best-practice framework. It contains support tools, advocacy materials, activities and evaluation/measurement techniques and guidelines. It is now available at: www.inspiringlearningforall.gov.uk. The delay of the launch until March 2004 delayed our intention to ensure that regional organisations were supported in implementing Inspiring Learning.

We contributed to raising literacy skills by managing Lit-Net which is a "virtual literature centre" for the region, showcasing library and non-library readers & writers' events and activities (including Poetry on Loan centres). It also provides an on-line discussion forum for publishers, writers, arts professionals and librarians. A successful bid was submitted to the Arts Council's Grants for the Arts programme by MLA West Midlands for a further one year's funding.

The "Developing Together in Literature" promotion supported the training of public library staff on a collaborative basis (funded by Arts Council West Midlands). A programme of 12 courses on basic reader development work in libraries took place across the public library authorities of the region.

Up to 200 members of staff attended and course material will be available for future induction training through the virtual training website being developed with the region's NOF Special Fund allocation.

We co-ordinated and monitored joint contracts for libraries and assisted in co-operative library schemes.

Museums education services were improved through our management of the Museums and Galleries Education Programme MGEP2. We assisted in delivering learning elements of the Renaissance programme for the West Midlands Hub by being involved at all stages of the preparation of their Education Programme Delivery Plan (EPDP) and have held discussions to discuss links with Hub Business Plan project to increase capacity in the region.

A partnership between INSPIRE West Midlands (managed by MLA and funded via Resource from DfES/Empowering the Learning Community) and INSPIRE England (managed by SCONUL and funded by DfES directly) was launched as a regional scheme to assist lifelong learners to access HE library services in a managed way. Joint recruitment of capacity to carry out the work supported pilot projects in Coventry, Stoke-on-Trent and Wolverhampton.

Collections

In order to give access to collections, it is necessary to have good catalogues. We have begun work on identifying the scale of cataloguing backlogs.

Working towards a regional stewardship strategy a database was compiled of regional conservation facilities and expertise including expertise both within the public and private sector. The initial mapping exercise has been completed, and an action plan agreed, particularly in partnership with the Hub. We have promoted the value of stewardship and raised awareness of issues among governing bodies, for example, a conference was held for MLA Managers in local government who do not necessarily have a background in museums, libraries or archives.

It is important that Archives collections are more highly valued and that new philosophies are

shared. Archives Awareness Month was supported in September 2003 and there are plans for another campaign in autumn of 2004. Over the year we contributed to the Archives Task Force report which was finally published in March 2004

Following the change from the West Midlands Regional Museums Council, it was recognised that small and voluntary museums needed support to develop new relationships. Through the Museums Development Fund a wide-ranging programme of activity was supported across all 5 shire counties funded partly via an MLA grant and the MDF. In consultation with County Museums Officers, we developed a project for the Hub Business Plan which aims to increase capacity in museums outside the Hub and Metropolitan areas.

Information Society

We inherited from TLP-WM the development of a model architecture for an outline access portal to the regions museum, library and archive collections. Collection level descriptions are now available through Crossroads and the model has been adopted nationally in Cornucopia.

In order to ensure that the sector in the region has an ICT strategy within which to work on individual projects, a clear picture needed to be gained of the level of access by museums and archives to the internet. The Netbase survey was introduced from Jan 04 and the regional ICT Strategy now has to roll forward into 2004/2005. However, we are co-ordinating discussions within the sector regarding a 'vision' for e-Content. We expect the development of an e-Content strategy to be a major piece of work in 2004-5.

Broadband internet services were piloted in the Shropshire Records & Research Centre and Shrewsbury Museum Service and showed the benefit of widening broadband connectivity through the sector. These pilots should be complete in June 2004. A third pilot of wi-fi technology is in development with Herefordshire Museums Service. This will allow wireless laptops to be used within the museum using a hotspot in the nearby library.

Ultimately, collections should be available electronically to everyone. We have built up a

regional overview of content creation in the sector with a draft report listing digitisation projects and initiatives which will be used to assess the extent of collections available electronically and also consider the findings from the cataloguing backlog review.

We actively support the continued development of People's Network and its associated services and are particularly involved in electronic content creation. The Advantage West Midlands (AWM) Libraries Challenge is managed by us and involves 5 consortia projects including Bits; Chrysalis; Creation Zone; Shropshire Roots to Roots; Ticket to Find have been successfully delivered as sophisticated on-line resource through the *Chrysalis* portal www.chrysalisinfo.org.uk. We are now exploring the longer-term potential for building on the AWM Libraries Challenge to the benefit of all three domains.

Efficient communication with the sector is critical. We have established our requirements for, and development of, the MLA Website which will go live in July 2004. The MLA-WM newsletter is being sent out quarterly. We are working on reducing the number of hard copies and increasing those distributed by email. We have also initiated a monthly MLA-Alert service available by email only.

Leadership and Advocacy

We provide advocacy for the sector, championing its contribution to social and economic regeneration as well as the cultural agenda. Working contacts are now in place with a wide range of regional cultural and economic bodies and presentations about the new agency and the work of the sector are given regularly. The preparation of a regional advocacy toolkit, planned for 2003/4, has not been achieved due to a paucity of reliable data and statistics. However, we were able to provide evidence to support effective partnerships and advocacy with businesses in regions. The INTER-ALL project (ERDF) started in 1999, was handed on to TLP-WM and until December 2003 is MLA-WM's responsibility to monitor. It has developed new ways of delivering business information electronically across the region's (old) Objective 2 areas in 12 authorities and via 12 pilot library service-points. It has created a website, now managed for the region by Birmingham Central Library Business Insight (<http://www.bestforbusiness.com>). It has now met over 90% of its required outputs, almost 2000 SMEs having been assisted by the project.

On behalf of our sector, we monitor the effect of government initiatives and report upwards. This year we have participated in both Continuous Performance Assessment of local authorities and Regular Performance Assessment (RPA). The Audit Commission is preparing to introduce a new assessment regime for local authorities which, for the first time, covers all of culture (instead of just libraries and sport). We were asked to participate by providing "commentaries" on 7 authorities, the highest of any region.

We promote and disseminate examples of best practice in facilities and services. Case studies are being submitted to the MLA Council database, regional projects are showcased at all our events and articles appear in our newsletter and e-alerts. MLA West Midlands has and will continue to cooperate with CILIP in the arrangements for a seminar to promote best practice in library layout and display, stock and other services in each region.

We constantly promote investment to sustain core museum, archive and library services aiming to convince bodies which run m,l,a's (among other functions) that they are a priority. However, an objective to issue a report on funding needs was found to be too ambitious and we are now seeking a centralized response from MLA Council. Individual, confidential advice has been given to local authorities and Higher Education institutions.

MLA West Midlands' approach to marketing has been developed since January with support from external consultancy and through involvement

with regional partners (Arts & Business + Birmingham Arts Marketing). The immediate foci are to develop joint approaches for the whole museums domain in the region in partnership/discussion with the Hub, exploration of public library priorities in consultation with SCL-WM members or representatives (related to Framework for the Future) and starting work on an archives marketing approach addressing issues coming out of the Taskforce report in consultation with Regional Archives Forum.

External funding must be attracted by the sector in the region and a map of external funding opportunities was prepared and published as '101 Opportunities' - Index of Funding Sources. Discussions are underway nationally to produce a national, online resource which includes self-training toolkits. Three Funding Surgeries were organized to develop the ability of the sector to prepare successful funding bids. We have negotiated an understanding with the Heritage Lottery Fund which encompasses sharing staff intelligence and provision of training. Through an agreed process, we also assess bids from our sector.

The Board of MLA West Midlands has endorsed the Hub's vision for museums in the West Midlands and agreement was negotiated about the respective roles of the Hub/MLA West Midlands. Joint Business planning resulted in shared responsibilities and involvement in initiatives. Senior Development staff at MLA West Midlands have been members of the Executive Board of the Hub and been involved in four areas of the Hub Business Plan covering education, workforce development, Registration and increasing capacity in the region.

MLA West Midlands has good working relationships with the independent domain forums. The establishment of the Museums Policy Forum required supportive input from MLA West Midlands and it was finally established in January with its first formal meeting on 6th May 2004. The Libraries Forum which held its first major event on 19th November on the theme of "Profession of Choice?". At its February meeting the RLF considered its engagement with MLA West Midlands under the headings of "consultation, communication and comment". A Libraries Forum "open" event is to be planned annually. The Regional Archives Forum is meeting quarterly and was the driving force behind the Pay and Power cataloguing project which is being managed by MLA West Midlands.

Research and Development

It is our role to communicate and interpret information and data relevant to the sector and partners in the region. We aim to act as a co-ordination centre of data collection for the sector in the region. An internal survey to establish the in-house research needs of MLA West Midlands was shared with MLA Council and a research and data collection "position statement" was issued for consultation. An agreement was reached with West Midlands Life for joint research into

feasibility of a regional cultural research network and a pilot case study of patterns of cultural involvement and expenditure at the local level.

MLA West Midlands provides strategic support through a Development Fund. This was run as a pilot year, evaluated and a new scheme developed for 2004/5. Details of awards are on pages ten to twelve.

Standards

There are many standards with which our sector should comply. Our first year has included mapping of the region's Library Position Statements in order to identify areas of strategic development need.

We are the regional agent for MLA Council's Registration scheme. The situation as at 31st March was:

- 132 fully Registered (phase 2)
- 10 provisionally Registered (phase 2)

The new Registration Standard is likely to be announced in Autumn 04 for roll-out towards the end of the year. Due to this changeover new museums are not able to join the scheme at present, however, in the interim, we are working with those which have expressed an interest in joining the scheme. A meeting with all museums holding designated collections was convened by

Birmingham Museum and Art Gallery and resulted in a joint approach to submitting bids.

A response was submitted to The National Archive (TNA) 'Framework of Standards Draft' on behalf of MLA West Midlands. This consultation was instigated to find a standards framework for the developing TNA inspection regime.

The re-designed website brief stipulated that MLA website must fully adhere to Egif and interoperability standards. The consultants appointed (Reading Room) have the proven ability to deliver compliance.

As a contribution to improving standards in infrastructure, discussions were held with English Heritage about preparing a joint statement/ programme for the modernisation of urban listed buildings occupied by libraries and archives.

Workforce Development

Progress has been made towards integrating museums, archives and libraries into the regional skills development programme. In consultation with the sector, priority areas have been identified building on the results of "Skills for the 21st Century". Labour Market Intelligence was identified as a research priority for the agency and consultants have been commissioned to work in September 2004 building upon work in the South East.

We intended to focus on transferable skills, leadership and cross-sector training, but our ambition to produce a Workforce Development Strategy for the sector in the region was delayed by the postponement of a national strategy by MLA Council. MLA West Midlands will then develop a regional strategy which will mesh with this and other West Midlands regional strategies e.g. the AWM Leisure and Tourism Cluster Workforce Development Strategy.

We encourage the use of e-learning packages by the m+I+a workforce with particular success in the libraries domain. The Training Development Group (TDG) Virtual Learning Environment (VLE)

provides a portal to exchange training resources to meet the advanced outcomes of the New Opportunity Fund training for libraries. The site is being held on the Worcestershire CC site and is password protected for the use of TDG members and their staff only. The remaining £10,000 of NOF money has been used to commission 12 workbooks to be used as content for the Libraries TDG Virtual Learning Environment. The workbooks will address outcomes from the NOF Peoples Network project and will currently only be available for use by libraries in the region.

We wish to improve take-up of NVQs by improving regional accessibility and funding and have made progress towards a Regional Cultural NVQ Consortium. We support "self learning" networks in the region. The ICT Network has set up a website to provide a one stop shop for information about ICT projects within m+I+a in the region, notices of funding or partnership opportunities, relevant meetings and other news. The site can be found at www.mlaictwm.org.uk. The website and discussion group are both supported by MLA West Midlands.

The Museums Retail Officers network is self supporting and the Hub has signed up to supporting it through its workforce development project.

Training opportunities from a wide range of suppliers are advertised in the Newsletter and e-alerts. Despite advertising their availability, bursaries are only being applied for by museums at the present time, the Workforce Development Officer will work with the domain leads and TDG to rectify this. Although we have not run training courses for museums this year, the Museum

Development Fund has ensured provision in the Counties. The Workforce Development Officer has attended a number of meetings with members of the hub partnership to discuss Hub participation in meeting the skills development needs of the museums domain in the region. The HUB proposes to employ a Skills Development Officer to identify and facilitate the delivery of skills for workforce development programmes directly linked to supporting the Hub business plan projects and the wider delivery of the Renaissance agenda.

Enabling infrastructure (internal)

Governance - During the set up phase, meetings were held monthly for the first six months and then alternate months. One hour induction sessions are held before each Board meeting which are held in museum, library or archive facilities. Corporate Governance protocols have been adopted, policy consultations are all discussed by the Board in detail and progress against objectives was monitored at each meeting.

Personnel - Due to delays in finding premises and bringing staff together into one building the Harmonisation Committee (HC) had its first meeting on the 7 January, holding meetings once a week until June 04. It has discussed 25 policies. An Equal Opportunities Policy has been adopted.

New appointments during the year:

- Knowledge Development Manager
- Standards and Stewardship Officer
- Access and Learning Development Officer

New posts (fixed term contracts):

- Project Manager, Pay and Power
- Two Project Assistants, Pay and Power

Knowledge Management - Due to delays in finding premises and bringing staff together into one building full knowledge management systems were not fully in place by the end of the year. The Freedom of Information Act publication scheme has been submitted.

Monitoring and Evaluation – We are committed to deliver agreed outcomes to all external funding bodies and maintain correct financial procedures. All reports were submitted to time and accepted. Our financial procedures and corporate governance systems were examined and assessed by MLA Council staff on 24 February 2004. Their only recommendation was that we adopt a procurement policy. Our VAT practices are being reviewed by the relevant VAT Inspector. An initial meeting took place on 3 March 2004 and this process will continue in 2004.

Heritage Lottery Funding Grants ...

	£
Birmingham City Archives/Black Pasts, Birmingham Futures Group, Making Connections Birmingham Black Int History	23,683
Birmingham City Council, James Watt Sale	990,000
Birmingham City Council, Discovery Centre (Thinktank) at Millennium Point	85,900
Birmingham Museum and Art Gallery, Picture Frame Conservation	49,000
Birmingham Pen Trade Heritage Association, 'Write Here, Write Now'	90,000
Cannock Chase Council, Chase Heritage Trail, Cannock	16,500
Dudley Metropolitan Borough Council, The Race Cameo Glass Vase	45,000
Herefordshire Council, Friar Street Resource and Learning Centre, Hereford	545,000
Modern Records Centre, Univ of Warwick Library, 'On yer bike' Cataloguing of the National Cycle Archive and Library	37,338
Museum of British Road Transport (Coventry Transport Museum), 'Landmark' Frontage and Entrance	999,000
Mythstories, Museum of Myth and Fable, Myths for all the Family, Shropshire	11,980
Sandwell MBC, The Learning Game	90,000
Shropshire Records and Research Centre, Seven Ages of Man: Access to Archives (A2A) in the West Midlands	49,000
Smethwick Heritage Centre Trust, Establishment of Smethwick Heritage Centre	275,000
Stoke-On-Trent Museums Service, Acquisition of Highlights from the Former Minton Museum Collection	521,000
The Barber Institute of Fine Arts, Johan Christian Clausen Dahl, Mother and Child by the Sea	200,000
The Charles Parker Archive Trust, A Future for Ordinary Folk	50,000
The Hereford Waterworks Museum Ltd, New Development Project	345,000
The Shakespeare Birthplace Trust, Anne Hathaway Virtual Reality Disability Access	47,000
Warwick DC, From Baths to Books: Enhancing Access to the Heritage Resources of the Royal Pump Rooms	67,200
Worcester Cathedral Library Collection	44,500



MLA WEST MIDLANDS GRANTS 2003-2004 ...

RING FENCED PROJECTS – Cultural Diversity

Organisation	Project Details	Total cost of Project	Grant offer	Capacity Building	Access & Learning		Knowledge Management	Total claim
					Learning	Access		
Coventry Libraries	"One world many voices"	6289	3500		3500			3500
Dudley Library & Archive Service	"Black Roots" - history of black people in Britain	1918	1343			1201		1201
Herefordshire County Council	Museum on the Move Exhibition 2004 Cultural Diversity	20435	5000		5000			5000
Mythstories, Museum of Myths	"Asian Extensions"	4070	2849			2849		2849
Sandwell Libraries	ICT and learning for ethnic minority communities of Smethwick	4959	3471		3471			3471
Staffordshire Library Service	"Blaze on!" Black and Asian Arts - Stoke-on-Trent and Staffordshire	4200	2940		2280			2280
Walsall Libraries and Heritage	Transition	1500	1050		1003			1003
					15254	4050	0	19304

LARGE PROJECTS – Consortium Bids

Name of Organisation	Project Details	Total cost of Project	Grant offer	Capacity building	Access & Learning		Knowledge Management	Total claim
					Learning	Access		
Worcestershire County Museum (Marches Curators Group)	Establishment of Marches Museum Development Officers	62700	37620					37620
<i>organisations involved in the Consortium:</i>								
	Shropshire CC			6360				
	Warwickshire CC			6090				
	Worcestershire CC			9078				
	Staffordshire CC			10002				
	Herefordshire CC			6090				

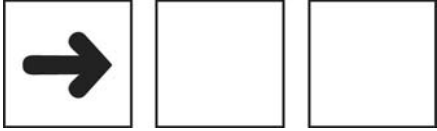




SMALL PROJECTS

Name of Organisation	Project Details	Total cost of Project	Grant offer	Capacity Building	Access & Learning		Knowledge Management	Total claim
					Learning	Access		
Birmingham Libraries	Service improvement to people with mental health problems	10000	7000		7000			7000
Black Country Living Museum	New site signage & orientation panels	2604	1823			1823		1823
Cannock Chase (Museum of)	'Houses from History' audio interpretation	2074	1452			866		866
Coventry Archives	Coventry Cathedral archives	14000	8400				6283	6283
Forge Mill Museum & Bordesley Abbey Visitor Centre	Archaeology back pack project	1000	900		832			832
George Eliot NHS Hospital Museum	Learning equipment	1953	995		995			995
Malvern Museum	Installation of security alarm	973	875			777		777
Marches School and Technology College Library	Carnegie Shadowing ** (recommend 70% of reduced total)	3200	1750 **		990			990
Media Archive for Central England	Developing a home for the media heritage	10000	5000				3873	3873
Newcastle Borough Museum & Art Gallery	Newcastle on film	4560	3192		2930			2930
Newman College of Higher Education	Through the looking glass	11155	6693		6693			6693
Rugby Art Gallery & Museum	Improved service for schools	10000	7000		3861			3861
Samuel Johnson Birthplace Museum	Supply and installation of audio equipment to tableaux room settings	2795	1957			1186		1186
Shakespeares Birthplace Trust	Launch of online catalogue of Shakespeare Birthplace Trust archival collections	9448	6614				6611	6611





Name of Organisation	Project Details	Total cost of Project	Grant offer	Capacity Building	Access & Learning		Knowledge Management	Total claim
					Learning	Access		
Shropshire Records and Research Centre	Ludlow history access project	20320	7500			5267		5267
Staffordshire Arts & Museum Service	Local studies toolkit	6400	4480	4480				4480
Staffordshire Regiment Museum	Installation of induction loops	600	540			540		540
Staffordshire and Stoke-on-Trent Archive Service	Staffordshire places	8598	6019				5902	5902
Walsall Museum & Walsall Central Library	Amongst the books	9174	6422			6422		6422
Warwickshire Libraries	Opportunities for a lifetime – advocacy campaign	9674	6772		5867			5867
Wolverhampton Archives & Local Studies (Black Country Archive Service)	Improving Access for wheelchair users	4432	3102			3102		3102
Dudley Museums Service joint with Black Country Living Museum	Pump primed post - lifelong learning and access co-coordinator (year two @ 40%)	23806	9522			7934		7934

4480 29168 27917 22669 84234
 Training Bursaries 960
 85194





SECRETARY'S REPORT ...

Board Meetings

The Board met on 8 occasions during the year and had the opportunity of visiting a variety of venues within the region.

The Board discussed a wide range of issues during the year including *Renaissance in the Regions*, *Framework for the Future* and their implementation, relationships with our funding body and with the museums Hub.

General Meetings

The Annual General Meeting was held on 26 November 2003 at the Lanchester Library at Coventry University. It was resolved at the Annual General meeting:-

- to approve the Accounts for the year ended 31 March 2003, together with the Balance Sheet as at 31 March 2003 and the Directors and Auditors Reports;
- to appoint Messrs Homer Gittins as Auditors of the Company to hold office from the conclusion of the meeting until the conclusion of the next General Meeting of the Company at which a copy of the Accounts are laid before the Company;
- that the remuneration of the Auditors be fixed by resolution of the Board of Directors;
- that Marilyn Lewis be re-elected as a Director of the Company;
- that Olivia Spencer be re-elected as a Director of the Company;
- that Professor Judith Elkin be re-elected as a Director of the Company;
- that Graham Allen be re-elected as a Director of the Company; and
- that Sarah Campbell be re-elected as a Director of the Company.

Constitutional Issues

During the year one change was made to the Articles of Association of the Company to add a new clause 9.6 to ensure that individuals cease to be a member of the Company on their retirement as a director. This change was effected in order to ensure consistency between the present board of directors and the membership of the company.

The Board resolved at their meeting of 23 March 2004 to remove all current Associate Members of the Company so that no such members will be in existence after 31 March 2004. The only members of the Company now in existence are the Company Law Members who are the same persons as the board of directors.

Appointments and resignations

As at 1 April 2003 the Board of Management (who are the directors and charity trustees of MLA West Midlands) was comprised as detailed in the "Board of Management" on page 17. However, during the year 1 April 2003 to 31 March 2004, Peter Phillips resigned with effect from 26 November 2003.

Corporate Governance

A paper covering Corporate Governance of the company was adopted by the Directors at their meeting on 22 January 2004. The paper establishes the roles and responsibilities of the Directors and Senior Management team and it was agreed that this would be subject to regular monitoring to ensure compliance and effectiveness.

Meetings April 2003 – March 2004

Board Meetings

2003:	Venue
3 April	West Midlands Room, Institute of Directors
14 May	Wolverhampton Museum and Art Gallery
16 June	Birmingham Botanical Gardens
14 July	Birmingham Central Library
22 Sep	MLA Offices
2004:	Venue
22 Jan	Birmingham Museum and Art Gallery
23 March	Harrison Learning Centre, Wolverhampton

Development Fund Panel

Panel appointed 3 April 2003

2003:
28 May
18 June
6 October
2004:
10 March 2004

Establishment Panel

Panel appointed 16 June 2003

2003:
24 July



BOARD OF MANAGEMENT ...

MLA West Midlands: the regional council for museums, libraries and archives
{Limited by Guarantee}

Report of the Board and Financial Statements for the year ended 31 March 2004

Registered Company No. 1688880

The Board submits its report and the audited financial statements for the year ended 31 March 2004. Board Members during the period were:

Appointed Seats

Appointed by	Name	Designation
West Midlands Regional Archives Council (WMRAC)	David Owen	Company Director
	Marilyn Lewis	Assistant Director, Cultural Services, Shropshire CC
	Roger Vaughan	Arts and Heritage Officer, Coventry MBC
Society of Chief Librarians – WM (SCL)	Olivia Spencer	County Librarian, Staffs CC
Chartered Institute of Library Information Professionals – WM (CILIP)	Kate Millin	Assistant Head of Libraries, Dudley MBC
West Midlands Higher Education Association - Libraries Group (WMHEA)	Pat Noon	University Librarian, Coventry Univ
West Midlands Local Government Association (WMLGA)	Carl Rice	Birmingham CC Councillor
	Peter Phillips	Shropshire County Councillor
	Adrian Gregson	Worcester City Council, District Authority Councillor
West Midlands Higher Education Association (WMHEA)	Prof Judith Elkin (Chair)	University of Central England
Advantage West Midlands (AWM)	Not taken up	
Association of Independent Museums (AIM)	Glen Lawes	Chief Executive, Ironbridge Gorge Museums Trust
Midlands Federation of Museums	David de Haan	Deputy Director, Ironbridge Gorge Museums Trust
Museum Hub WM	Graham Allen (Vice Chair)	Senior Assistant Director, Museums and Heritage Projects, Birmingham CC

Advertised Seats

Michael Messenger	Retired (County Librarian and Arts Officer, Hereford and Worcester CC)
Sarah Campbell	Chief Cultural Services Officer, Wolverhampton
Peter Vigurs	Retired (Leisure and Cultural Services Director, Stoke-on-Trent)
Jerry Murland	Head Teacher, The Meadows School, Coventry



BOARD REPORT 2003-2004 ...

**MLA West Midlands: the regional council for museums, libraries and archives
(formerly West Midlands Regional Museums Council {Limited by Guarantee}
Report of the Board and Financial Statements for the year ended 31 March, 2004 (continued)**

Corporate Status

The Company is a private company limited by guarantee and not having a share capital. The Company is registered as Charity No. 513708. The registered office is 2nd Floor, Grosvenor House, 14 Bennetts Hill, Birmingham B2 5RS.

Change of the Name

On 1 April 2003 the name of the Company changed from West Midlands Regional Museums Council to MLA West Midlands: the regional council for museums, libraries and archives.

Results

The surplus for the year amounted to £126,524 (2002/2003 £173,749).
A total of £142,118 was paid out to beneficiary organisations.

Activities

The objects of the Charity ("the Objects") are to advance the education of the public and to further any other purpose which may be charitable according to the law of England and Wales which relates to the establishment, maintenance, operation and development of museums, art galleries, heritage bodies, libraries and archives (which are either public or from which the public may benefit) and related services and activities in the area now or at any time in the future represented by the counties of Herefordshire, Shropshire, Staffordshire, Warwickshire, Worcestershire and the Metropolitan Districts in the West Midlands and any local authority areas therein.

Reserves Policy

As a company limited by guarantee and a registered charity it is prudent for the Council to hold reserves and for their use to be governed by a reserves policy approved by the Board of management. Details of the reserves held at the end of each accounting period are set out in the Statement of Funds which form part of the accounts. To make provision for unforeseen events the Council has traditionally aimed to maintain unrestricted general reserves at a level of at least 10% of turnover.

Risk Management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Council and are satisfied that systems are in place to mitigate exposure to the major risks.

Auditors

The auditors to the Company are Homer Gittins, Chartered Accountants and Registered Auditors, 402/403 Stourport Road, Kidderminster and a resolution concerning their re-appointment will be submitted to the annual general meeting on 26 November 2003. The remuneration of the auditors will be approved by the Board of Management.

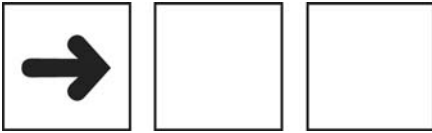
Bankers

The Council banks with National Westminster Bank Plc., 24 High Street, Kidderminster, Worcestershire.

By order of the Board

Professor Judith Elkin
Director

Date:



Statement of Board Members Responsibilities

We were required under company law to prepare financial statements for each financial year which gives a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing those financial statements we were required to:

- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

We were also responsible for:

- keeping proper accounting records;
- safeguarding the Company's assets;
- taking reasonable steps for the prevention and detection of fraud.



FINANCIAL ACTIVITIES ...

	Notes	Restricted Funds £	General Funds £	Total 2004 £	Total 2003 £
Incoming Resources					
<i>Activities in Furtherance of the Charity's Objects</i>					
Grants from MLA Council (nee Resource)	2	123,417	856,000	979,417	939,455
Other Grants	3	314,524	39,714	354,238	40,852
Fees for Services		59,611	13,150	72,761	20,577
Membership Subscriptions		-	-	-	35,230
Contribution to Pay & Power Project		31,250	-	31,250	-
Other Income		-	851	851	-
Investment Income		-	16,815	16,815	8,257
Total Incoming Resources		528,802	926,530	1,455,332	1,044,371
Resources Expended					
<i>Costs of Generating Funds</i>					
Fund-raising and Publicity		-	-	-	-
<i>Charitable Expenditure</i>					
Project Grants		66,667	129,085	195,752	109,912
Advice, Information & Marketing		-	-	-	248,429
Marketing		-	20,058	20,058	-
Training and Volunteer Development		-	-	-	42,618
Education		-	-	-	102,864
Resource Partnership Fund		-	-	-	83,414
Funding		-	51,564	51,564	-
Workforce Development		15,981	57,967	73,948	-
Access & Learning		181,127	187,258	368,385	-
Knowledge Management		236,981	136,242	373,223	-
Support Costs		-	131,560	131,560	125,032
Management and Administration		367	113,951	114,318	158,353
Total Resources Expended	4	501,123	827,685	1,328,808	870,622
Net Incoming Resources for the Year	5	27,679	98,845	126,524	173,749
Funds at 1st April 2003:					
WMRMC		55,056	282,193	337,249	163,500
TLP		50,979	13,063	64,042	
Funds at 31st March 2004		133,714	394,101	527,815	337,249

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 14 to the financial statements.



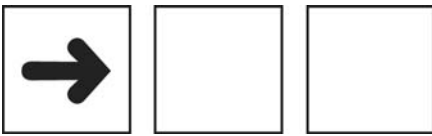
BALANCE SHEET ...

Balance Sheet as at 31st March 2004

	Note	2004 £	2003 £
Tangible Fixed Assets	8	80,407	6,625
Current Assets			
Debtors	9	20,995	231,206
Cash at Bank and in Hand		<u>897,173</u>	<u>335,728</u>
		918,168	566,934
Creditors: amounts falling due within one year	10	<u>(470,760)</u>	<u>(236,310)</u>
Net Current Assets		447,408	330,624
Net Assets	13	<u>527,815</u>	<u>337,249</u>
Funds			
Restricted funds		133,714	55,056
Unrestricted funds:			
Designated funds		-	18,441
General funds		394,101	263,752
Total Funds	14	<u>527,815</u>	<u>337,249</u>

The Financial Statements on pages 18 to 31 were approved by the Board on
and signed on their behalf by

Professor Judith Elkin, Chair
Director



NOTES ...

Statement of Financial Activities for the year ended 31st March 2004

1 Accounting Policies

a) Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and follow the recommendations in Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2000) and the Companies Act 1985.

b) Incoming resources

All income is accounted for on a receivable basis except for donations which are recognised when received. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

c) Expenditure

Expenditure is included on an accruals basis.

Fund-raising and publicity costs are those incurred in seeking voluntary contributions for the Council and in publicising the Council itself.

Charitable expenditure and administration costs comprise direct expenditure including direct staff costs attributable to the activity. Where costs cannot be directly attributed, they have been allocated on a basis consistent with staff time as follows:

Project Grants	8%
Marketing	2%
Funding	6%
Workforce Development	7%
Access & Learning	29%
Knowledge Management	20%
Support Costs	23%
Management and Administration	5%

Support costs include charitable expenditure incurred in supporting the provision of the Council's programmes and other charitable activities such as administrative and technical support.

Management and administration costs are those incurred in connection with the management of the Council's assets, organisational administration and compliance with constitutional and statutory requirements.

d) Fund Accounting

General funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Council

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purpose and use of the designated funds are set out in the notes to the financial statements.

Restricted funds are funds subject to specific restriction imposed by funders.

e) Grants payable

Grants are charged to expenditure when the conditions attaching to the grant have been fulfilled by the recipient. Where a grant has been awarded subject to the fulfilment of conditions, the amount of the grant is transferred to designated funds.

Grants to be paid for out of the income of future years where payment is subject to conditions being met are disclosed but not matched by a transfer from existing general funds to designated funds. These have been disclosed in note 12.

f) Tangible fixed assets

Tangible fixed assets are stated at cost. Only assets costing over £500 are capitalised on the balance sheet. Depreciation is provided on all tangible assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Leasehold Improvements	Over lifetime of lease
Computer Equipment	Over 3 years
Office Equipment	Over 5 years

g) Leases

The Council 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.

h) Pension costs

The Council belongs to the Birmingham City Council Superannuation Scheme, a defined benefit pension scheme. The regular pension cost is charged to the profit and loss account and is based on the expected pension costs over the service life of the employees. The assets of the scheme are held in a separate trustee administered fund (Note 16).

2 Grants from MLA Council (nee Resource)

	2004 Restricted £	2004 Unrestricted £	2004 Total £	2003 Total £
Core Grant	-	856,000	856,000	542,000
Museum Development Fund	66,667	-	66,667	-
Cultural Diversity Network	2,500	-	2,500	10,000
Crossroads/Cornucopia	5,000	-	5,000	27,000
Broadband Pilot	7,500	-	7,500	-
Archive Task Force	1,000	-	1,000	-
Inspire-Empowering the Learning Community	15,000	-	15,000	-
Regional Agency Sharing Skills	750	-	750	2,250
MGEP 2	25,000	-	25,000	50,000
Projects and Transitional Grant	-	-	-	279,000
Finds Liaison Officer	-	-	-	26,955
Regional Database Disability	-	-	-	2,250
	<hr/> 123,417	<hr/> 856,000	<hr/> 979,417	<hr/> 939,455

3 Other Grants

	2004 Restricted £	2004 Unrestricted £	2004 Total £	2003 Total £
Policy Officer	-	-	-	3,200
Sandwell Project	-	-	-	5,000
Common Threads in Cyberspace	-	39,714	39,714	12,652
Invisible Women	-	-	-	20,000
Lit Net	5,582	-	5,582	-
AWM Library Challenge	305,000	-	305,000	-
NOF Training	942	-	942	-
Archives Awareness Month	3,000	-	3,000	-
	<hr/> 314,524	<hr/> 39,714	<hr/> 354,238	<hr/> 40,852

4. Total Resources Expended

	Fundraising and Publicity £	Project Grants £	Marketing £	Funding £	Workforce Development £	Access & Learning £	Knowledge Management 60 £	Support Costs £	Management and Administration £	2004 Total £	2003 Total £
Staff Costs (Note 6)	-	41,164	13,663	39,491	44,081	128,302	123,563	94,380	31,061	515,705	395,676
Agency Staff	-	-	-	-	-	-	-	1,327	-	1,327	37
Recruitment	-	417	104	313	365	1,512	5,144	1,199	261	9,315	3,140
Staff Training	-	539	135	405	472	1,955	1,349	1,551	337	6,743	12,111
Travel and Subsistence	-	305	76	2,948	1,015	5,767	3,784	877	190	14,962	25,879
Premises	-	5,750	1,438	4,313	5,031	20,844	14,375	16,531	3,594	71,876	27,976
Office Running Costs	-	5,124	1,281	3,843	4,484	70,238	24,255	14,733	3,235	127,193	84,992
Legal and Professional	-	-	-	-	-	-	-	-	11,632	11,632	10,840
Audit Fees	-	-	-	-	-	-	-	-	3,250	3,250	1,480
Seminar Costs	-	-	-	-	2,226	-	-	-	-	2,226	-
Grants Payable (Project Grants Note 7)	-	142,118	-	-	-	111,980	173,921	-	-	428,019	120,881
Depreciation	-	335	84	251	293	1,214	837	962	9,475	13,451	11,965
Consultants	-	-	3,277	-	15,981	26,573	25,995	-	17,546	89,372	101,397
Transitional costs	-	-	-	-	-	-	-	-	33,737	33,737	74,248
	-	195,752	20,058	51,564	73,948	368,385	373,223	131,560	114,318	1,328,808	870,622



5 Net Incoming Resources for the Year

This is stated after charging:

	2004	2003
	£	£
Depreciation	13,450	11,965
Trustees' Remuneration	Nil	Nil
Trustees' Reimbursed Expenses	Nil	Nil
Auditor's Remuneration	3,250	1,480
Operating lease rentals:		
Property	51,666	21,750
Hire of plant and Equipment	7,349	2,652
and crediting:		
Bank Interest Received	16,815	8,257

6 Staff Costs and Numbers

	2004	2003
	£	£
Wages and salaries	419,404	340,471
Social Security costs	33,259	18,227
Pension costs	63,042	36,978
	<u>515,705</u>	<u>395,676</u>

One employee earned more than £50,000 during the year.

The average monthly number of employees (full time equivalent) during the year was as follows:

	2004	2003
	Number	Number
Project Grants	1.28	0.41
Advice, Information & Marketing	-	5.01
Training and Volunteer Development	-	1.08
Education	-	1.04
Resource Partnership Fund	-	2.71
Marketing	0.39	-
Funding	1.07	-
Workforce Development	1.26	-
Access & Learning	3.81	-
Knowledge Management	4.18	-
Support Costs	3.17	2.54
Management and Administration	0.76	0.90
	<u>15.92</u>	<u>13.69</u>

7 Project Grants Expenditure

	2004 £	2004 £	2003 £	2003 £
Capacity Building				
Shropshire County Council	6,360			
Warwickshire County Council	6,090			
Worcestershire County Council	9,078			
Staffordshire County Council	10,002			
Herefordshire Council	6,090			
Staffordshire County Council	4,480			
Sub Total		42,100		
Knowledge Management				
Coventry City Council	6,283			
Media Archive for Central England	3,873			
Shakespeare Birthplace Trust	6,611			
Staffordshire County Council	5,902			
Sub Total		22,669		
Access & Learning (previously Access)				
Shrewsbury & Atcham Borough Council			5,544	
Wolverhampton City Council	3,102		4,968	
Queens Royal Hussars Collection			3,975	
Stoke On Trent City Council			2,739	
Worcestershire County Council			2,565	
Cheddleton Flint Mill Museum			2,482	
Coventry City Council	3,500		1,920	
Worcester City Council			1,824	
University of Warwick			1,806	
Dudley Metropolitan Borough Council	9,135		1,500	
Walsall Metropolitan Borough Council	7,425		1,490	
Staffordshire Regimental Museum	540		1,468	
Shropshire County Council	5,267		1,380	
Stafford Borough Council			1,124	
Birmingham & Midland Motor			1,040	
Wedgewood Museum			1,000	
Herefordshire Council	5,000			
Mythstories, Museum of Myths	2,849			
Sandwell Metropolitan Borough Council	3,471			
Staffordshire County Council	2,280			
Birmingham City Council	7,000			
Black Country Museum Trust	1,823			
Cannock Chase Council	866			
Redditch Borough Council	832			
George Elliot Hospital	995			
Malvern Museum	777			
The Marches School	990			
Newcastle under Lyme Borough Council	2,930			
Newman College	6,693			
Rugby Borough Council	3,861			
Lichfield City Council	1,186			
Warwickshire County Council	5,867			
Sub Total		76,389		36,825

Management

Dudley Metropolitan Borough	12,836	
Worcestershire County Council	1,700	
Queens Royal Hussars Collection	1,250	
Sub Total		15,786

Preservation

Evesham Town Council	4,760	
The Lace Guild	4,640	
Lichfield City Council	4,310	
Waterworks Museum	3,966	
Ironbridge Gorge Museum Trust	2,380	
Staffordshire Regimental Museum	2,347	
Shropshire County Council	2,177	
Birmingham City Council	1,920	
Shakespeare Birthplace Trust	1,027	
Sub Total		27,527
Total	141,158	80,138

All other beneficiaries receiving under £1,000 in the year	960	16,221
	142,118	96,359
Cost of administering grants	53,634	13,309
	195,752	109,668

8 Tangible Fixed Assets

	Leasehold Improve- ments £	Fixtures and Office Equipment £	Total £
<u>Cost</u>			
1st April 2003	4,299	22,549	22,549
Additions	69,068	18,163	87,231
Disposals	-4,299	-	-
31st March 2004	69,068	40,712	109,780
<u>Depreciation</u>			
1st April 2003	4,299	15,923	15,923
Charged in year	5,755	7,695	13,450
Disposals	-4,299	-	-
31st March 2004	5,755	23,618	29,373
<u>Net Book Value</u>			
31st March 2004	63,313	17,094	80,407
31st March 2003	-	6,625	6,625

All tangible fixed assets are used for direct charitable purposes.

9 Debtors

	2004 £	2003 £
Trade debtors	13,351	218,872
Other Debtors	7,644	12,334
	20,995	231,206

10 Creditors: amounts falling due within one year

	2004 £	2003 £
Trade creditors	467,510	234,830
Accruals and deferred income	3,250	1,480
	<u>470,760</u>	<u>236,310</u>

11 Operating Lease Commitments

At 31st March 2004 the Council had annual commitments under non-cancellable leases as follows:

	2004 Land and Buildings	2003 Land and Buildings	2004 Other	2003 Other
Expiring:				
- within two to five years	-	-	7,349	2,652
- after five years	51,666	-	-	-
	<u>51,666</u>	<u>-</u>	<u>7,349</u>	<u>2,652</u>

12 Grant Commitments

In addition to the grant commitments included within creditors, the Trustees intend to pay a further £4,761 of grants (2003:£14,283) to beneficiary organisations subject to authorisation. The grants are payable out of the income of future years and have not been designated for this reason. These grants are payable as follows:

	2004 £	2003 £
Within one year	4,761	9,522
One to two years	-	4,761
After two years	-	-
	<u>4,761</u>	<u>14,283</u>

13 Analysis of Net Assets between Funds

Fund balances at 31st March 2004 are represented by:

	General Funds £	Designated Funds £	Restricted Funds £	Total 2004 £
Tangible Fixed Assets	80,407	-	-	80,407
Current Assets	784,454	-	133,714	918,168
Current Liabilities	(470,760)	-	-	(470,760)
	<u>394,101</u>	<u>-</u>	<u>133,714</u>	<u>527,815</u>

14 Statement of funds

	At 1st April 2003	Incoming Resources	Outgoing Resources	Transfers	At 31st March 2004
Unrestricted funds					
<i>Designated funds:</i>					
Project Grants for					
Museums	16,041	-	(16,041)	-	-
Profiles	1,400	-	(1,400)	-	-
Regional Archives Dev. Off	1,000	-	584	(1,584)	-
Total Designated Funds	<u>18,441</u>	<u>-</u>	<u>(16,857)</u>	<u>(1,584)</u>	<u>-</u>

<i>General funds:</i>					
WMRMC	263,752	926,530	(806,098)	1,584	385,768
TLP	13,063	-	(4,730)	-	8,333
Total General Funds	276,815	926,530	(810,828)	1,584	394,101
Total Unrestricted Funds	295,256	926,530	(827,685)	-	394,101
Restricted Income Funds					
Cultural Diversity	7,678	2,500	(10,178)	-	-
MGEP 2	45,128	25,000	(70,128)	-	-
Regional Database - Disability	2,250	-	(156)	-	2,094
Broadband Pilot	-	7,500	(3,750)	-	3,750
Archives Task Force	-	1,000	(1,000)	-	-
Crossroads/Cornucopia	-	5,000	(4,525)	-	475
Inspire	-	15,000	(13,600)	-	1,400
Lit Net	-	5,582	(5,582)	-	-
V3 Web	-	39,550	(39,550)	-	-
Museum Development Fund	-	66,667	(66,667)	-	-
SEALS	-	20,061	(16,261)	-	3,800
Pay & Power	-	31,250	(4,991)	-	26,259
Archives Awareness Month	-	3,000	(3,000)	-	-
Regional Agencies Sharing Skills	-	750	(368)	-	382
TLP Fund Balances:					
AWM Libraries Challenge	4,014	305,000	(219,714)	-	89,300
DTLP	4,411	-	(4,400)	-	11
Restricted Income Funds					
NOF Training	14,687	942	(11,581)	-	4,048
NOF Digi	25,672	-	(25,672)	-	-
TDG Trading Account	2,195	-	-	-	2,195
Total Restricted Income Funds	106,035	528,802	(501,123)	-	133,714
Total Funds	401,291	1,455,332	(1,328,808)	-	527,815

Purpose Of Designated Funds

The Project Grants for Museums fund represents a sum held to be spent on grants to Museums as agreed by the WMRMC Board. This sum equates to the budget underspend in 2002/03.

The Profiles fund represents a sum set aside to complete the Profiles project, which explores the relevance of the region's collections to Black and Asian communities. The Regional Archives Development Officer fund represents a sum set aside to complete the work of the Regional Archives Development Officer in supporting regional archives development.

Purpose of Restricted Funds

The Crossroads/Cornucopia grant was given by MLA Council to establish an ICT platform for a future cultural gateway.

The Cultural Diversity grant was given by MLA Council towards developing the Cultural Diversity Network.

The Regional Agencies Sharing Skills grant was given by MLA Council for a joint training programme to widen the cross domain experience and understanding of the three bodies which became the single regional agency, MLA West Midlands.

The Museums and Galleries Education Programme Phase 2 (MGEP 2) grant was given by MLA Council to fund projects which will use the collections of museums and galleries to contribute to raising pupils' standards of achievement in schools.

The Regional Database of Disability Trainers and Auditors grant was given by MLA Council to create a regional database of disability trainers and auditors.

The Broadband Pilot grant was given by MLA Council to test out how archives and museums may be able to connect into the People's Network (developed for Public Libraries).

The Archives Task Force grant was given by MLA Council to manage the regional consultation for the proposed national initiative on archives.

The Inspire grant was made by DfES (through MLA Council) to support the West Midlands roll-out of the national scheme to develop managed access for learners between different kinds of libraries (e.g. Public, Higher Education, British Library).

The Lit-Net grant was made by Arts Council England to support the virtual literature centre for the West Midlands, marketing reading and writing activity in libraries, art centres, bookshops etc.

The V3 service was bought in from OCLC and then sold on to Public Library authorities, providing on-line location and management of inter-library loans of books between authorities in the West Midlands, London, the South East and Wales.

The Museum Development Fund grant was given by MLA Council to support training, collection management and other kinds of museum development across the West Midlands.

SEALS is a subscription service providing French, German, Italian and Spanish language fiction collections to Public Library authorities in the West Midlands.

The Pay & Power grant made by the Heritage Lottery Fund is to support an Archives to Archives (A2A) project, cataloguing selected archival collections across the West Midlands under an agreed theme.

The Archives Awareness Month grant was made by MLA Council to support the marketing and promotion of archive services in the West Midlands as part of a national campaign.

The AWM Libraries Challenge grant was made by AWM to encourage the wider take-up of broadband services in the West Midlands by making the content of library collections more available in digital form.

The Developing Through Literature Promotion grant was made by Arts Council England to support reader development training for Public Library staff.

The New Opportunities Fund (ICT Training) grant was made to support the implementation of the People's Network at regional level and relates to advanced skills.

The New Opportunities Fund (Digitisation of Learning Materials) was made to support the development of the Revolutionary Players website on the theme of the people of the Industrial Revolution in the West Midlands.

The Training Development Group fund is a trading account held by MLA West Midlands on behalf of the Group and used for supporting courses for Library staff in the region.

15 Contingent liability

At the Balance Sheet there is a contingent liability in respect of value added tax refunds received from HM Customs and Excise, which may have to be repaid. This liability amounts to approximately £63,000.

16 Pension costs

Following the introduction of FRS17 'Retirement Benefits', the Council is required to disclose information relating to its net asset or liability in relation to the retirement benefits given to its employees.

The Council is a member of the Birmingham City Council Superannuation Scheme which provides benefits based on final pensionable pay. This means the retirement benefits are determined independently of the investments of the fund and the Council has an obligation to make contributions where assets are insufficient to meet employee benefits.

The Council's share of the assets and liabilities of the Pension Fund at 31 March 2004 was as follows:-

	At year-end 31/03/04	At year-end 31/03/03
Total market value of assets	650,000	496,000
Actuarial value of liability	(980,000)	(869,000)
Net pension liability	(330,000)	(373,000)

The net pensions liability is a reflection of the extent to which the Pension Fund's existing assets do not meet accumulated future liabilities. The deficit excludes any future employee or employer contributions that will be made to fund fully all liabilities.

The Pension Fund liabilities have been assessed by Mercer Human Resource Consulting Limited, who are independent actuaries, and the major assumptions used in their calculations are as follows:-

	At year-end 31/03/04 %	At year-end 31/03/03 %
Rate of increase in salaries	4.30%	4.00%
Rate of increase of pensions in payment	2.80%	2.50%
Discount rate	5.50%	5.40%
Inflation assumption	2.80%	2.50%

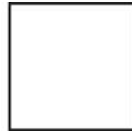
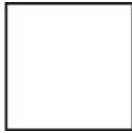
	Expected Rate of Return 31/03/04	Assets At year-end 31/03/04	Assets At year-end 31/03/03
Equities	7.50%	497,000	373,000
Government Bonds	4.70%	63,000	49,000
Other Bonds	5.50%	27,000	21,000
Property	6.50%	47,000	41,000
Other	4.00%	16,000	12,000
Total market value of assets		650,000	496,000

	Year to 31/03/04
Net pension liability 1 April 2003	(373,000)
Movement in year:-	
(Current service cost)	(62,000)
Contributions	70,000

(Past service costs)	-
Net return on assets/(interest cost)	(12,000)
Actuarial gain/(loss)	47,000
Net pension liability 31 March 2004	(330,000)

	Year to 31/03/04
Actual return less expected return on assets	82,000
Experience gains and losses on liabilities	-
Changes in assumptions	(35,000)
Actuarial gain	47,000

The pension charge for the year was £63,042 (2002 £36,978)



AUDITOR'S REPORT ...

Report of the Independent Auditors to the members of MLA West Midlands: the regional council for museums, libraries and archives {Limited by Guarantee} (formerly West Midlands Regional Museums Council {Limited by Guarantee}).

We have audited the financial statements of MLA West Midlands: the regional council for museums, libraries and archives for the year ended 31 March 2004 on pages 18 to 31. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described on page 17, the company's directors (who also acted as trustees for the charitable activities of MLA West Midlands: the regional council for museums, libraries and archives) are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared with the Companies Act, 1985. We also report to you if, in our opinion, the Board Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We are not required to consider whether the statement in the Board Report concerning the major risks to which the charity is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the charities risk management and control procedures.

We read the Board Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

We conducted our audit in accordance with Auditing Standards 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 judgements 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.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary to provide us with sufficient evidence to give a reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we 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 of the state of the Charitable Company's affairs as at 31 March 2004 and of its incoming resources and application of resources, including its income and expenditure for the year then ended and have been properly prepared in accordance with the provisions on the Companies Act, 1985.

Homer Gittins
Registered Auditors
Chartered Accountants, Kidderminster

9 September 2004