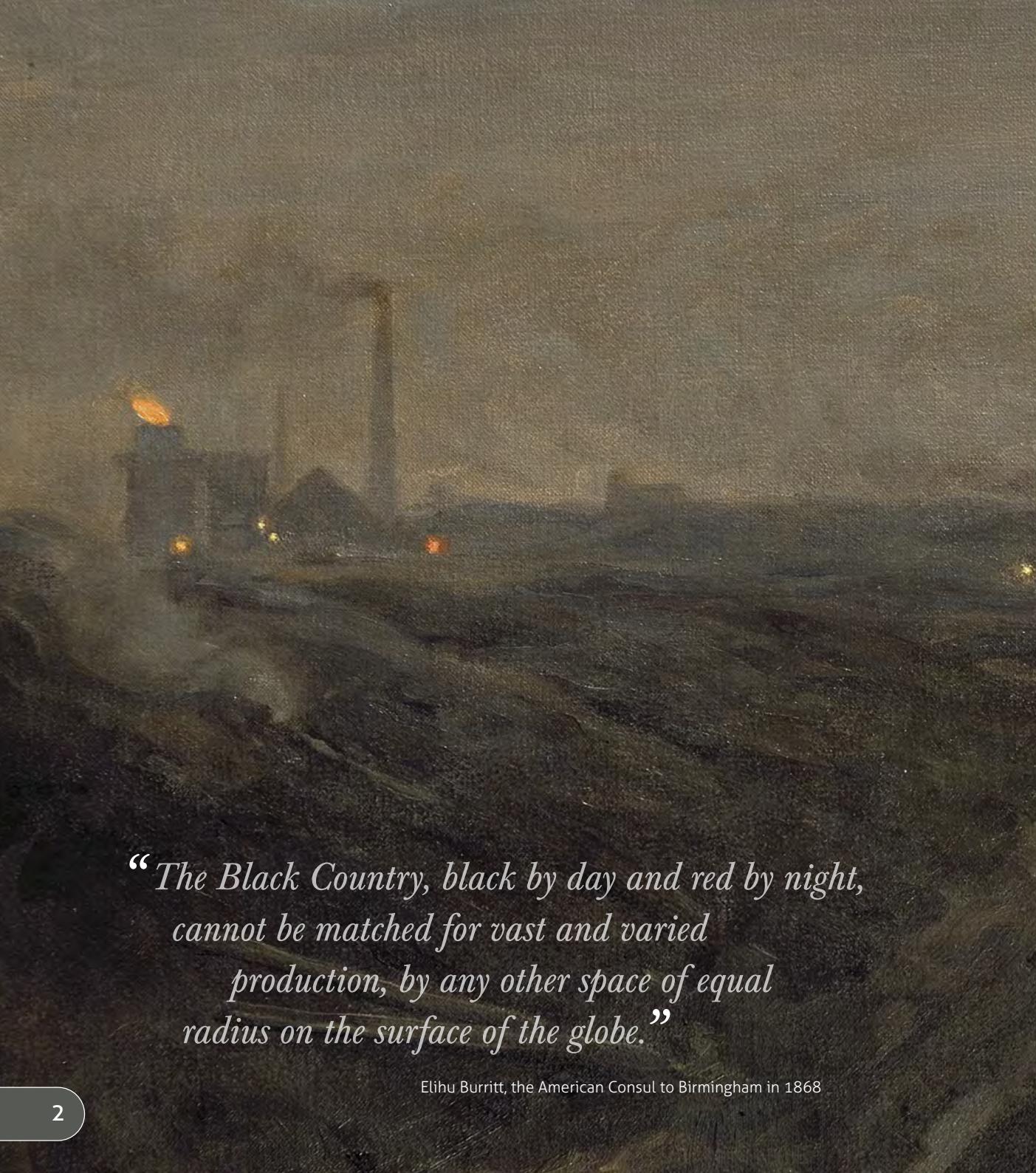




# annual review

for the year ending 31 December 2014



# Welcome

Delivering a compelling visitor experience, day-in-day-out, is the most critical and challenging thing the Museum does and so it is encouraging that a comprehensive market research project undertaken in 2014 has shown that we're getting it right and that our ratings are continually improving.

So too is the level of visitor attendance, with numbers bouncing back very substantially in 2014 to 271,467; 13% higher than 2013 and well above what we hoped to achieve. This more buoyant attendance was reflected in another year-on-year improvement to our financial performance with a trading surplus before depreciation of £128,540.

**“Getting the Museum back to generating financial surpluses is a strategic objective to help our long-term sustainability, and it is very satisfying that this is now happening.”**

John H Hughes, Chair

*“The Black Country, black by day and red by night, cannot be matched for vast and varied production, by any other space of equal radius on the surface of the globe.”*

Elihu Burritt, the American Consul to Birmingham in 1868

The year hasn't been without its challenges though and we've had a particularly torrid time with our tramway which was recognised as being in need of serious repair at the end of 2013. Despite a wonderfully generous donation of track from Transport for London, we failed to get our trams up and running in 2014. However, we hope to return them to our visitor offer by the summer of 2015 thanks to some recent donations from our transport volunteers and the Friends of the Museum.

We welcomed a host of VIPs to the Museum during the period of review: our Patron, HRH The Duke of Gloucester visited in October, planting a tulip tree in Folkes' Park to commemorate the centenary of the First World War; and Sir Peter Bazalgette, Chairman of ACE toured the site as part of the successful Association of Independent Museums' national conference, hosted by the Museum in June.

This year was a time of significant change for our trustees; a new relationship was established with the Association of Black Country Authorities which now nominates a trustee to serve on the Board; our long-standing and hugely supportive Honorary Company Secretary, John Polychronakis, and two other trustees retired; and our Chairman since 2006, John Hughes, and founding trustee, David Owen OBE both announced their retirement, effective later in 2015.

As we initiate an open recruitment process to appoint new trustees in 2015 we want to offer our heartfelt thanks and admiration for everything our retiring trustees have achieved.

It has been great to see the development of Castle Hill, our adjacent hinterland, gathering pace this year, including the new and much needed car and coach parks starting to become available to visitors to the Museum, Zoo and Dudley Canal. We are looking forward to the Museum's new entrance from Castle Hill for visiting schools opening in September 2015 and we continue to be an active partner in the work Dudley Council is pursuing to improve perceptions of Dudley, of which the progressing development of Castle Hill is key.

One of the major – but most rewarding – tasks in 2014 was the development of a new strategic plan for the Museum (2015-20). It has clarified our thinking with six new strategic aims and set us on a clear path going forward to fulfil our new vision and mission,



*“our staff live in the Museum to welcome you into the inspiring stories of real people, their streets and homes, work and daily lives, so you too can see, taste, feel, smell, hear and join in 300 years of Black Country history.”*

The Museum Team



# Achievements

The enormous collective effort from all tiers of the organisation that led to the adoption of our new strategic plan (2015-20) was a huge achievement in 2014. With the visitor experience at the heart of this plan, it was encouraging to see that as part of the market research project undertaken over the summer, 95% of visitors said they were either very likely (66%) or quite likely (29%) to return.

It was equally pleasing to see the Museum maintain quality approvals from key visitor-trusted organisations such as Tripadvisor – being awarded a TripAdvisor Certificate of Excellence for the third time in a row; Telegraph Travel – being named one of its 50 Great Days Out in the UK for the second year running; and Visit England (VE) – passing the VE accreditation and achieving 82% in the new scoring scheme.

We continued to work hard to improve the visitor offer by enhancing what we already have on site and by improving and growing our events programme. The transformation of the previously static bicycle shop display into a fully interactive WW1 Greengrocer's shop in July 2014 for example, gave visitors a new chance to learn about WW1 in its centenary year

**“ Brilliant! Educational, full and fun day out going back in time. Will go back again ”**

Joanne Hargreaves-Tang, Facebook, June 2014



through stories of the local Adey family. Similarly, making some thoughtful and beneficial planning decisions led to a 35% increase in attendance at events with some very positive visitor feedback received. In particular, it was hugely encouraging to see a 29% rise, to just short of 11,000, at our five Christmas Evenings; all of which were sold out.

Educational visits remained strong for the Museum in 2014, providing learning programmes and resources for 62,739 region-wide school and college-age children and students, 8% more than in 2013. However, the change in curriculum introduced in September, for which the Museum joined a national effort to try to change during the Government's consultation period, did seem to have a negative impact on the level of school bookings in the autumn term and this is something we will need to keep a close eye on in 2015.

The success of our application to Arts Council England (ACE), along with Culture Coventry, to become a Major Partner Museum as the West Midlands Museum Partnership (WMMP) was another huge achievement in 2014. We were not in a position to submit a credible application in 2012, when ACE last sought applications for the equivalent regional museum funding programme, and it is a testament to everyone at the Museum just how far we have come to submit a successful bid, against national competition.



*“ This year, it feels like the Museum has regained its stride, energy and confidence as we achieved success on many fronts.”*

Andrew Lovett, Chief Executive (Museum Director)



*“Absolutely love it here, especially enjoy the evening events had a brilliant time Sat at the Family Fun night!!”*

Laura Dance, Facebook, August 2014



From 2015–18 WMMP will use this investment to support ACE's 5 goals and will offer national leadership in Goal 1, 'Excellence is thriving and celebrated in the arts, museums and libraries, with reference particularly to use of collections', and Goal 3, 'The arts, museums and libraries are resilient and environmentally stable'. The investment will focus on developing our exhibitions and interpretation; building on the positive work that has already begun in areas such as audience development and growing our volunteer base; and improving our resilience through greater fundraising capacity and diversifying our income streams.

In 2014, we were also delighted at the success of the first Museums & Resilient Leadership programme. As a fully independent Museum, we were especially keen to share and use our own experiences as an example of how independent museums in receipt of little or no public revenue, have to manage their affairs, in good times and bad. Funded by ACE, and drawing on our wide network of contacts to deliver learning sessions to 14 aspiring leaders from across the West Midlands, the programme was highly innovative, coining the phrase 'culture and enterprise to be proud of'. We look forward to welcoming a new cohort in 2015 as part of the MPM programme,

putting the Museum at the forefront of leadership development in the sector.

It's now two years since the launch of the [bclm.com](http://bclm.com) website and we were pleased to see that visits to the site increased again in 2014 attracting 33% more visitors

*“However many times I go to BCLM I always discover something I didn't see on a previous visit. A great day out.”*

Pam E, Tripadvisor, September 2014

than 2013. We also significantly strengthened our social media engagement with almost 24,000 likes on Facebook at the end of the year and over 6,500 followers on Twitter. Our online conversion rates are also improving year on year with 11% more visitors purchasing tickets online in 2014 compared with 2013. We made huge steps in further diversifying our income streams this year, not least with the increase in the use of the Museum as a filming location during closed and quieter times, achieving an income from this of £56k compared to £12k in 2013 - plus the subsequent invaluable national press coverage. The efforts of our on-site trading outlets were also exemplary in 2014, with profits rising by 6.4% to £411,103 before group charges and we saw the continued success of the Museum's membership scheme, now with 1,700 members.

Finally, as an independent museum, external funding is important to us to achieve a whole range of projects outside the scope of our trading revenues. In 2014 a total of £378,020 of fundraising income was secured from an enormous range of trusts, public bodies, businesses and individuals for exciting future projects including the new schools' entrance building, the restoration of narrowboat, Kildare and the new introductory gallery and film.

90% of visitors continued to rate their visit as **excellent** or **very good** in 2014

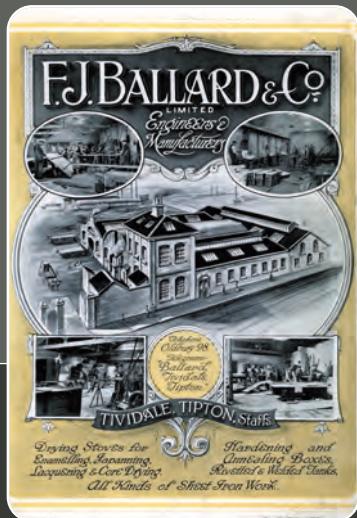
**Tripadvisor**

*“My time at MRL has been a transformational experience that has now equipped me with high level skills and experiences that will enable me to provide resilient leadership within the heritage and cultural sector as a head of an organisation.”*

MRL Programme Participant, 2013–2014



# The year in numbers...



**300...**

trade catalogues accessioned this year

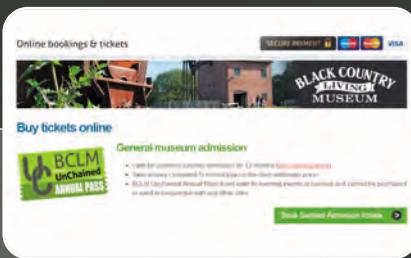
**1118...**

educational group visits



**29,731...**

visitors purchased tickets online



**630...**

metres of rail bought to repair our tram track and renew our tram service



**1212...**

tonnes of household coal burnt on site



**149...**

hours steaming our Newcomen Engine



**2500...**

hours worked on restoring our rare wooden day-boat, Birchills

**3**





**2.8 million**

page views on [bclm.com](http://bclm.com)



**10,208...**

New 'likes' on Facebook



**928...**

Black Country Flags sold



**634...**

visitors embarked on a hunt for Santa!



**3...**

new corporate sponsorships established (Thomas Dudley, ERA and H&R ChemPharm)



**819...**

public enquiries to our collections enquiry service



**271,467...**

visitors welcomed!

# Grants & Donations

Thank you to all the organisations which have provided generous financial support to the Museum during the year. In particular:

Arts Council England  
The Black Country Society  
Friends of the Black Country Living Museum  
Black Country Living Museum Transport Group  
Garfield Weston Foundation  
Ernest Cook Trust  
J M Ramsey in memory of Mr Richard Abbott  
The Edward & Dorothy Cadbury Trust  
The Lord Austin Trust  
The Grantham Yorke Trust  
The Dumbreck Charity  
The Michael Marsh Charitable Trust  
Salamander Trust  
Chatwin Trust  
Royal Society of Chemistry  
Baron Davenport's Charity  
Arts Connect West Midlands  
Thomas Dudley Limited  
The Douglas Turner Trust  
Birmingham Common Good Trust  
The Aurelius Charitable Trust  
H&R ChemPharm (UK) Limited  
Mr A F George MBE TD DL  
Pertemps People Development Group



# Enhancing the Museum's Collections

The Museum's entire collections are Designated by Arts Council England, recognising their quality and national significance. The Museum now holds a resource of considerable value, for authenticating the sense of regional identity and also for placing the full historical and cultural significance of the Black Country in a national context. Buildings, machines and other 'things' hold stories which attest to the national and international significance of the Black Country, chiefly spanning the years 1800-1950.

The Museum develops its collections through purchases, gifts, bequests, or occasionally with time-limited loans, and when doing so takes into account a number of criteria, including an item's provenance, subject matter and date.

During this year, the Museum has continued to develop its collection by acquiring a number of significant objects, including:

- Two complete 1930s Salvation Army uniforms with Dudley provenance.
- A wage tin once used at Lench's Oliver Shop, now relocated on the Museum site.
- A 1915 wedding dress with an Oldbury provenance including veil and headdress and wedding photographs.
- A small cast-iron cauldron manufactured by T. Holcroft, Wolverhampton.
- A cast-iron coffee grinder, manufactured by A. Kendrick, West Bromwich, with support from the Friends of the Black Country Living Museum.
- A Ruskin Pottery vase, 1932, with support from the Friends of the Black Country Living Museum.
- A cast-iron kitchen range made in Cradley Heath.



# Future Plans

## Strategic Aim One

### Develop Our Distinctiveness and Brand

- ① To develop a HR strategy, underpinned by a robust policy framework, which focuses on the effective recruitment, reward, leadership and management, engagement and development of our staff.
- ② To continue to strengthen the Board of Trustees with the appointment of at least three new Trustees during the course of 2015, in order to replace retirees and plan for succession.

## Strategic Aim Two

### Safeguard, Enrich and Use Our Collections

- ③ To ensure continuous focus on the new strategy (2015-2020) by developing management reporting to highlight progress against each of the six new strategic aims, and to map out financial forecasts for the Museum over the same period.
- ④ To have completed the restoration of the Museum's tramway and returned it to full operation by June 2015 and of Tram 5 by the end of the year.
- ⑤ To undertake the development stage of the Harnessing Steam project, having identified funding, including from the Heritage Lottery Fund, as a major contribution to improving the visitor experience.
- ⑥ To improve the visitor experience by significantly increasing the number of trained volunteers engaged with living interpretation and demonstrations.



## Strategic Aim Three

### Transform the Visitor Journey

- ⑦ To complete and adopt a new spatial plan for the open-air site of the Museum, in parallel with determining the future use of all land holdings.

## Strategic Aim Four

### Increase Visitor Attendance

- ⑧ To adopt a new Communications & Marketing strategy.

## Strategic Aim Five

### Achieve National and International Impact

- ⑨ To successfully complete, as scheduled and within the allocation of restricted funds, the first year of the Major Partner Museum programme, and further detail activity plans years 2 and 3.

## Strategic Aim Six

### Grow and Diversify Our Income

- ⑩ To strengthen the Museum's financial position by achieving visitor attendance of at least 265,000 for the year to 31 December 2015 and with the continued growth of profits from trading operations.

There are complex inter-relationships between these objectives. They support each other, and success in one objective supports success in others.

# Financial Review

The summary financial statements set out in this review may not contain sufficient information to allow for a full understanding of the financial affairs of the Museum. The financial statements are a consolidation of the financial statements of the Museum and its subsidiary trading company. For further information, the full annual accounts, the auditors' report on those accounts and the Trustees' report should be consulted; copies of these can be obtained from the Museum or downloaded from [www.bclm.com](http://www.bclm.com) or the charity commissions.

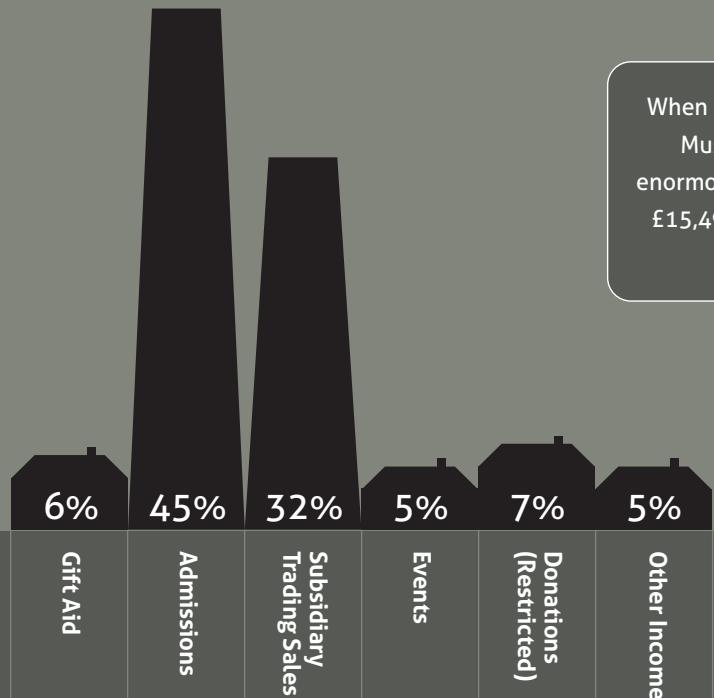
The full financial statements, together with the report of the Trustees of the Museum, for the year ended 31 December 2014, were approved by the Board of Trustees and signed on its behalf by the Chairman on 28 May 2015.

Statutory accounts for the year ended 31 December 2014 have been delivered to the Register of Companies and the Charity Commission. The Museum's auditor, CK Audit, has reported those accounts and their report was unqualified.



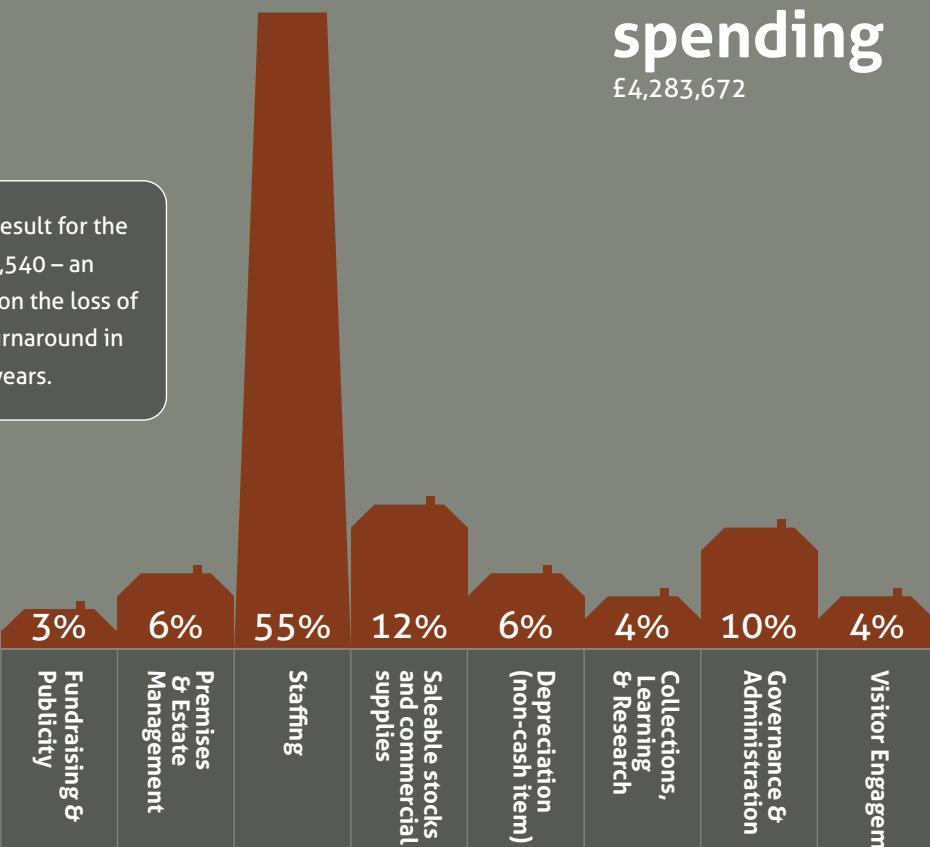
## income

£4,045,779



## spending

£4,283,672



When stripped down, the trading result for the Museum was a surplus of £128,540 – an enormously positive improvement on the loss of £15,491 in 2013, and a notable turnaround in fortunes over the last few years.

# Accounts

	Unrestricted Funds £	Restricted Funds £	December 2014 £	December 2013 £
<b>Statement of Financial Activities</b>				
<b>Incoming Resources</b>				
<b>Incoming resources from voluntary income:</b>				
Donated Admissions	1,178,049	-	<b>1,178,049</b>	1,096,266
Grants receivable	1,950	238,955	<b>240,905</b>	208,135
Charitable Donations	22,919	114,196	<b>137,115</b>	98,143
<b>Incoming resources from generated funds:</b>				
Income from subsidiary trading company	1,434,123	-	<b>1,434,123</b>	1,301,920
Parking, concessions and filming rights	191,128	-	<b>191,128</b>	129,442
Investment income	1	-	<b>1</b>	1
<b>Incoming resources from charitable activities:</b>				
Admission to the Museum	1,389,114	-	<b>1,389,114</b>	1,170,843
Other incoming resources	52,108	-	<b>52,108</b>	41,029
<b>Total Incoming Resources</b>	<b>4,269,392</b>	<b>353,151</b>	<b>4,622,543</b>	<b>4,045,779</b>
<b>Resources Expended</b>				
<b>Costs of generating voluntary income:</b>				
Fundraising and publicity costs	346,670	-	<b>346,670</b>	265,357
<b>Costs of generating funds:</b>				
Trading costs	1,032,679	-	<b>1,032,679</b>	930,335
Total cost of generating funds	1,379,349	-	<b>1,379,349</b>	1,195,692
<b>Net Incoming Resources</b>	<b>2,890,043</b>	<b>353,151</b>	<b>3,243,194</b>	<b>2,850,087</b>
<b>Charitable expenditure:</b>				
Charitable activities	2,569,178	324,994	<b>2,894,172</b>	2,890,923
Governance costs	201,496	5,000	<b>206,496</b>	197,057
Total charitable expenditure	2,770,674	329,994	<b>3,100,668</b>	3,087,980
<b>Total Resources Expended</b>	<b>4,150,023</b>	<b>329,994</b>	<b>4,480,017</b>	<b>4,283,672</b>
<b>Net movement in funds (excluding other recognised gains and losses)</b>	<b>119,369</b>	<b>23,157</b>	<b>142,526</b>	<b>(237,893)</b>
<b>Other recognised gains and losses:</b>				
Actuarial gain / (loss) on defined benefit pension	(240,000)	-	<b>(240,000)</b>	168,000
<b>Net Movement in Funds</b>	<b>(120,631)</b>	<b>23,157</b>	<b>(97,474)</b>	<b>(69,893)</b>
<b>Fund Balances at 1 January 2013</b>				
As previously reported	761,279	7,499,319	<b>8,260,598</b>	7,905,662
Prior year adjustment	-	17,416	<b>17,416</b>	424,829
<b>As restated</b>	<b>761,279</b>	<b>7,516,735</b>	<b>8,278,014</b>	<b>8,330,491</b>
<b>Fund Balances at 31 December 2014</b>	<b>640,648</b>	<b>7,539,892</b>	<b>8,180,540</b>	<b>8,260,598</b>

	£	December 2014 £	As restated December 2013 £
<b>Consolidated Balance Sheet</b>			
<b>Fixed Assets</b>			
Tangible assets		4,490,419	4,622,995
Heritage assets		5,161,729	5,204,188
		<b>9,652,148</b>	<b>9,827,183</b>
<b>Current Assets</b>			
Stocks of goods for resale	96,736		87,264
Debtors	88,269		99,470
Cash at bank and in hand	641,481		355,214
	<b>826,486</b>		<b>541,948</b>
Creditors: amounts falling due within one year	(447,666)		(395,546)
Net current assets		<b>378,820</b>	146,402
Total assets less current liabilities		10,030,968	9,973,585
Creditors: amounts falling due after more than one year		(344,428)	(375,571)
Net Assets (excluding pension liability)		<b>9,686,540</b>	9,598,014
Defined benefit pension liability		(1,506,000)	(1,320,000)
<b>Net Assets</b>	<b>8,180,540</b>		<b>7,516,735</b>
<b>Represented By:</b>			
Restricted funds		7,539,892	7,516,735
Unrestricted funds:			
Designated funds	2,026,422		2,055,882
General funds	120,226		25,397
Pension reserve	(1,506,000)		(1,320,000)
		640,648	761,279
		<b>8,180,540</b>	<b>8,278,014</b>

# Accounts (continued)



	Year ended December 2014	Year ended December 2013
	£	£
<b>Consolidated Cash Flow Statement</b>		
Net cash (outflow) / inflow from operating activities	<b>370,054</b>	169
Investment income	1	1
<b>Net cash inflow from returns on investments and servicing of finance</b>	<b>1</b>	1
<b>Capital expenditure</b>		
Payments to acquire tangible fixed assets	(53,545)	(76,940)
Disposal proceeds of fixed assets	400	-
<b>Net cash (outflow) / inflow from capital expenditure</b>	<b>(53,145)</b>	(76,940)
<b>Net cash outflow before financing</b>	<b>316,910</b>	(76,770)
<b>Financing</b>		
Long term bank loan	(30,643)	(15,639)
<b>Net cash (outflow) from financing</b>	<b>(30,643)</b>	(15,639)
<b>Decrease in cash</b>	<b>286,267</b>	(92,409)



# Reference & Administrative Information

Patron	HRH The Duke of Gloucester KG GCVO	
Trustees (Directors)	A David Owen OBE Fiona Toye John H Hughes (Chairman) Judy Foster Lowell Williams (Deputy Chairman) Dr Malcolm Dick Matthew Tanner MBE Mike Williams Paul Belford	
Chief Executive (Museum Director)	Andrew Lovett	
Charity Number	504481	Statutory Auditors CK Audit No 4 Castle Court 2 Castlegate Way Dudley West Midlands DY1 4RH
Company Number	1226321	Principal Solicitor Wragge Lawrence Graham & Co LLP 55 Colmore Row Birmingham West Midlands B3 2AS
Principal Address & Registered Office Dudley DY1 4SQ West Midlands	Black Country Living Museum Tipton Road	Principal Bankers Barclays Bank plc (Barclays Corporate) 1st Floor Queens Square Wolverhampton WV1 1DS
<sup>1</sup> Nominated by Association of Black Country Authorities		Black Country Living Museum Telephone 0121 557 9643 Email <a href="mailto:info@bclm.com">info@bclm.com</a> Website <a href="http://www.bclm.com">www.bclm.com</a> Facebook <a href="https://facebook.com/bclivingmuseum">@bclivingmuseum</a> Twitter <a href="https://twitter.com/bclivingmuseum">@bclivingmuseum</a>
<sup>2</sup> At the charity's AGM on 28 May 2015, Crowe Clark Whitehill LLP were appointed as auditors		All information is correct at time of publication. For more information please visit our website: <a href="http://www.bclm.com">www.bclm.com</a>

<sup>1</sup> Nominated by Association of Black Country Authorities

<sup>2</sup> At the charity's AGM on 28 May 2015, Crowe Clark Whitehill LLP  
were appointed as auditors

# Black Country Timeline

BLACK COUNTRY	1712 The world's first steam engine invented by Thomas Newcomen and installed in a mine at Coneygree, Dudley
BLACK COUNTRY	1769 First Black Country canal is constructed from Wednesbury to Birmingham
BLACK COUNTRY	1802 William Jones establishes the first Black Country brewery in Snow Hill, Wolverhampton
BLACK COUNTRY	1837 Railway arrives in the Black Country when the "Wednesfield Heath for Wolverhampton" station opens
BLACK COUNTRY	1842 The Earl of Dudley's massive new lime kilns become operational
BLACK COUNTRY	1846 19 killed and 3 seriously injured in explosion at Rounds Green Colliery, Oldbury
BLACK COUNTRY	1851 Great Exhibition London - Glass for the Crystal Palace supplied by Chance of Smethwick
BLACK COUNTRY	1857 The peak of Black Country iron production with between 120 and 130 blast furnaces producing 777,000 tons of iron
BLACK COUNTRY	1868 "Black by day and red by night", the American Consul describes his view of the Black Country
BLACK COUNTRY	1878 West Bromwich Albion Football Club formed by workers from Salter's Spring Works
BLACK COUNTRY	1909 Steam boat President is launched
BLACK COUNTRY	1910 Women chain makers of Cradley Heath successfully strike to enforce the first ever minimum wage
BLACK COUNTRY	1910 Baggeridge Colliery opens, tapping into the hidden reserves beyond the South Staffordshire Coalfield's Western Fault
BLACK COUNTRY	1911 Titanic's massive centre anchor made in Netherton and Halesowen
BLACK COUNTRY	1920 Sunbeam win a record breaking victory at the Isle of Mann T.T. with a top speed of 59.7 mph
BLACK COUNTRY	1926 Nationally, a General Strike is called when miners dispute pay cuts
BLACK COUNTRY	1950 1968 Baggeridge Colliery, the last Black Country coal mine closes
BLACK COUNTRY	1978 Black Country Living Museum officially opens its doors
BLACK COUNTRY	2013 The Museum welcomes its 8 millionth visitor



1800



1850



1900



1950



The Museum is proud to be recognised and supported by



BLACK COUNTRY  
LIVING  
MUSEUM

tel: 0121 557 9643  
[www.bclm.com](http://www.bclm.com)



Black Country Living Museum Trust is registered as an educational charity.  
Charity No. 504481. Company Registration No. 1226321 (England & Wales)

@bclivingmuseum