





annual report 2001/02

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preface

Most public sector bodies, at one time or another, have made the claim that it was in the process of 'significant and far-reaching change'. But I think that few chairpersons would be able to report on such change with the conviction I do at the end of a year which was pivotal in the social, cultural and political history of Northern Ireland and of the relationships among the populations in these islands.

The extent of that change and the determination of our 15-strong Council, appointed in March 2000, to see it through in detail and without undue delay took some observers by surprise, particularly in the months after the annual revenue announcements were made in January 2001.

I described those allocations at the time as "an inspired budget for the arts in what is still a climate of under-funding". Arts Council staff responded quickly to the priorities set by the new Council and found ways to increase support for cutting-edge and community-based arts, as well as stabilising the larger arts organisations traditionally supported by us.

By being imaginative and forward-looking with our Lottery capacity, we released a higher percentage of our revenue funds directly to arts organisations from within our existing budget, over and above our grant from the Department of Culture, Arts & Leisure. In total, we released a further £800,000.

The result of these and other alterations was the most comprehensive systemic and systematic reorganisation since the Council's foundation in 1942. We reconstructed, from first principles, the destination of historical funding, those patterns of financial support inherited from the past which have bound up so large a proportion of our funds from government. We identified at an early stage the key areas for development and, importantly, began that process there and then. We began the integration of Lottery funding into achieving art form objectives and we also began to work-up schemes to assist arts organisations develop new audiences for their work.

I am delighted to present this report to government, the arts community and the wider public.

A handwritten signature in blue ink that reads "Brian Walker". The signature is written in a cursive style with a long horizontal flourish underneath the name.

Professor Brian Walker
Chairman

Note on Lottery figures

This annual report contains references to Lottery funded projects and initiatives. The Arts Council of Northern Ireland receives Lottery proceeds and distributes these on behalf of the arts in Northern Ireland. A separate annual report and accounts was prepared for Lottery distribution activities and was audited by the Comptroller and Auditor General. The accounts contained in this report refer only to the non-Lottery funded activities of the Arts Council. A copy of the annual report and accounts on Lottery distribution activities can be obtained from the Arts Council of Northern Ireland. For information, the Chief Executive's note to the Annual Report is attached as Appendix D.

expectations and outcomes at the micro-level. Very real shifts of funding reflect very real shifts of perspective in the global view held by the Arts Council; and the funds have been channelled along routes marked out by a strategy which listened to what the sector had to say. That strategy, published as **The Arts: inspiring the imagination, building the future**, was the result of extensive consultation with our parent department, Culture, Arts & Leisure (DCAL), with our partner agencies in cultural and arts funding right across Northern Ireland, and, crucially, with the arts sector.



At the heart of the strategy was the insight that the arts enrich our lives, power creativity and self-fulfilment, build confidence and inspire hope in communities. We believe the arts can fuel the regeneration of communities and of society. In the key visionary documents published early in the life of our Assembly, the **Programme for Government, Unlocking Creativity**, DCAL's own five-year strategy and the **FutureSearch** symposium, the recognition of the power of the imagination to transform environments, create employment and restore confidence was clear and central. Our plan focused that vision squarely on the arts and placed them at the heart of endeavours to create a new Northern Ireland.

The Council emerged from its deliberations on the strategy with seven objectives for the period 2001-2006. They are: to increase opportunities for artists, to strengthen the arts infrastructure, to engage with community arts, to engage with voluntary arts, to increase access for disabled people, to enhance young people's access and to increase audiences for the arts.

This document now before you appropriately takes these headings as the basis for reporting on the year's achievements. My colleagues on the Executive of the Council have reported in detail on the day-to-day impact of these objectives on the workings of the Council and of the arts during the year. What they have to say, and, crucially, what the accounts themselves make clear, is that our objectives are being met and that those objectives match the mood of the times with regard to what the arts are for, and who they are for.

The new Northern Ireland government has a commitment, expressed in the **Programme for Government** generally, and in the strategy of our parent department in particular, to developing the creative skills of individual artists. It has become recognised that as a vision of future creativity, as an act of faith in young people, as a generator of confidence as well as skills leading to employment, the involvement of all our people in creative activity represents precisely the added value of the arts: inward investment, enhanced creative skilling for our young people, a boosted cultural profile at local level, and, with them, the capacity to attract visitors and their incomes from elsewhere and retain for ourselves the amenities which transform quality of life in a very real, tangible and visible way. There is a direct relation between how a society involves its people creatively and inventively, how it harbours and supports that involvement, and the importance in which that society holds its own future.

One of the advantages of the Arts Council as a development agency, rather than as a simple funding body, is that it allows for, and operates by means of, a global view of the arts, one which includes an accurate, coherent narrative of the growth of particular arts practice over time and which can put in place directions or signposts to further growth in the future.

The gradual coming into focus of the arts as an important economic tool, as well as an indispensable source for confidence-building, training, skilling and team-working, among young people, has established, it is clear to me, the conventions of a principle crucial to the very survival and regeneration of the entire arts sector as a whole. The Arts Council has fixed that principle firmly in the front line of funding policy for the next five years.

There are still fundamental strategic issues to be resolved, with budget lines attached. We have responded to the **Programme for Government** by renovating our systems of support for the individual artist, particularly those who have a commitment to their locale and its community.

We are overhauling our procedures for the allocation of funds right across the board, looking for and achieving fluidity in our capacity to respond to and help seed and generate arts activity in areas where it may not have a historical root.

Standards themselves, Partnership, Creativity, Equality of Opportunity, Good Community Relations, the interests of Children and Young People and the development of employable skills - these demand the most thorough and detailed planning and grasp of detail and local environments to deliver and they are impossible to imagine without an enriched relationship between the Arts Council, artists and a convinced, responsive and sympathetic public.

The reprofiling of Arts Council funding across key priority areas in the immediate term, and the strategic redefining of the Council's role over the next five years called for a strategy which contains elements both immediately effective and which can mature and deliver on targets and objectives in the longer term. A major part of it will be the placing of the new strategy not simply as a strategy for the Arts Council and, by extension, for its clients, but as a strategy for the arts in Northern Ireland.

I see this as central to maximising the role of the Council as a development agency, with influence in society beyond the reach of its own direct funding, punching above its weight, with the inauguration of strategic partnerships, as well as playing a pivotal role in the sector's relationship with government.

The only organisation in Northern Ireland capable of satisfying all these public reprofiling demands is the Arts Council. It is another benefit of an agency focused on development, with a corporate memory which can track the experiences of growth in the sector and with a vision for planned growth in the future.

The Arts Council wants and needs to achieve a society where the arts are no longer for the few, but give everyone the chance to express their own creativity and reach across community divisions, where artists can thrive and win the respect, both at home and abroad, that their talents deserve, and where theatres, arts centres and art galleries become every community's natural focus. And we mean this.

It is a vision, certainly, but upon it depends every value we might place on the arts themselves and on all those of us whose creativity we seek to encourage, nurture and expand.



Roisín McDonough
Chief Executive

brief history & statutory background

The Council, presently known as the Arts Council of Northern Ireland, is the statutory body through which public funding for the arts in Northern Ireland is channelled. It was established by the Arts Council (Northern Ireland) Order 1995 and came into existence on September 1st 1995. The Council took over the assets and liabilities of the Arts Council of Northern Ireland 1994 Limited which was a company limited by guarantee established in 1994 as an interim body between the previous Arts Council and the new statutory body.

The Arts Council dates from 1943 when it was set up as the Council for the Encouragement of Music and the Arts in Northern Ireland. Initially funds were provided by the Pilgrim Trust and matched by the Ministry of Education for Northern Ireland. The Arts Council is funded via grant-in-aid by the Department of Culture, Arts & Leisure. The affairs of the Council are managed by a Council consisting of 15 members appointed in March 2000. The Chief Executive is the principal executive officer of the Council and is supported by a professional staff responsible for subject and functional areas of the Council's programme.

principal functions

The Arts Council of Northern Ireland is charged with four statutory functions under the Arts Council (Northern Ireland) Order 1995. These are:

- (a) to develop and improve the knowledge, appreciation and practice of the arts;
- (b) to increase public access to, and participation in, the arts;
- (c) to advise the Department of Culture, Arts & Leisure and other government departments, district councils and other bodies on matters relating to the arts; and,
- (d) such other functions as are conferred on the Council by any other statutory provision.

In addition, the Arts Council of Northern Ireland is charged under the National Lottery etc. Act 1993 with responsibility for distributing Lottery proceeds allocated to the arts in Northern Ireland.

what we do

We provide valuable information services to the arts community and play an important part in encouraging support for the arts from others: district councils, the education sector, economic development agencies, private sponsors and charitable trusts. We commission and disseminate research, demonstrating the importance of evidence not only for policy creation but also for advocacy. We communicate the benefits that the arts bring to wider society.

The Arts Council is also responsible for funding and developing contemporary arts in Northern Ireland, being the principal channel for government funding through its revenue and Lottery funds.

We support arts and arts activities wherever they may occur, be they in traditional venues and spaces such as galleries, theatres, studios and arts centres, as well as in youth clubs, community halls, hospitals, schools and workplaces. We make the arts accessible to different audiences in different contexts.

We also provide awards, bursaries, fellowships, travel and research grants to visual artists, craftspeople, writers, musicians, playwrights, dancers and arts administrators, amongst others.

Conscious of the growing international significance and impact of the arts, we work with other partners to promote abroad the work of artists from Northern Ireland.

priorities for the next five years

The plan of the Arts Council of Northern Ireland is **The arts: inspiring the imagination, building the future**. Over the five years of the plan, we are committed to winning greater recognition of the contribution the arts make to our cultural, social and economic well-being. To achieve this, we will give priority to artists, arts organisations, arts initiatives and partnerships which:

- (a) increase opportunities for creative participation in the arts;
- (b) develop new audiences for the arts and build on existing ones;
- (c) extend opportunities for artists to develop their work and practice;
- (d) strengthen the capacity of arts organisations to deliver quality experiences of the arts.

In accordance with the values set out in its strategy (see **The Arts: Inspiring the Imagination, Building the Future**, the Arts Council's five year arts plan 2001-2006), the Arts Council is committed to accountability, responsiveness, transparency, openness and good grant-making. Copies of the plan with full details of the consultation process involved in developing the plan and amplifying the themes and priorities are available.

aspects of the arts council's work

Key to the Council's work is ongoing support for the artistic infrastructure across Northern Ireland. Currently, the Council has almost 150 annual or revenue clients on its list of funded organisations: these range across the whole spectrum of the arts, from major performance venues to smaller-scale community based outreach organisations. Some examples of the Council's key investments are:

The Grand Opera House (currently in receipt of grant aid of £508,400) has been presenting theatrical entertainment since 1895 in the building designed by the greatest of British theatre architects, Frank Matcham, a real gem of the artistic and architectural heritage of Belfast. The contemporary programme presents quality live theatre 49 weeks of the year ranging from opera and ballet to children's and family shows, drama and popular musicals.

The Playhouse (grant-aid of £85,000) in Derry City enables access to all the arts from a very early age to aid the development of creative talent, particularly in young people. The ethos is to develop skills relative to communication as well as practice, by drawing on the rich and widespread heritage, offering diversity of knowledge and cross fertilisation of all art forms.

The Nerve Centre in Derry City (grant-aid of £55,000)

Taking a leading role in nurturing the creative technologies in Northern Ireland, the Nerve Centre organises regular events at their venue (700 capacity) and screening room/theatre (60 capacity), providing performance opportunities for young, inexperienced bands throughout Northern Ireland and also professional acts from around the world.

The Nerve Centre has developed a full media education programme over the last few years, which includes music and moving image and introduces visually literacy. Work with school groups and teacher training takes place on a regular basis on how this work is integrated into the National Curriculum.



Voluntary Service Belfast (VSB) - Sticky Fingers

The Council's work in education includes initiatives such as the production of Sticky Fingers, a resource pack for primary schools. Sticky Fingers, part of VSB, exists to provide artistic and creative opportunities to children across Northern Ireland. With particular emphasis on early years, children are provided with opportunities throughout the programme to explore through creative arts-based play.

Within a structured framework, the programmes provided for children contain activities that stimulate natural curiosity and creativity, encourage exploration and enrich the understanding and ability to express ideas and communicate feelings.

supporting individual artists

The Council responded to the **Programme for Government** by renovating our systems of support for individuals, particularly those artists with a commitment to quality, to their locale and its community. These channels of funds, amounting to an expenditure of nearly half a million pounds under the general heading of Support for the Individual Artist Programme, also offered opportunities for education and training schemes (specifically the new Professional Training Scheme) to help artists develop their potential.

To help meet the growing demand for professional artists in schools, the Council set up in partnership with the five Education and Library Boards a new Artists in Education Scheme. Thirty applications were received and five awards, each of £10,000, were distributed throughout Northern Ireland.

The Council initiated a revised Travel Awards Scheme, to replace ArtFlight which had been managed by An Chomhairle Ealaíon, to enable artists from Northern Ireland to travel abroad. More than £30,000 was spent in this scheme. The new simplified scheme will be managed by the Council and will give priority to local artists and arts workers to gain artistic experience and contacts around the globe.

More than £223,000, in sums of up to £3,000, was spent on assisting individual artists in the practice of their art. This General Arts Awards Scheme proved immensely popular and received more than 200 applications of which 133 were successful.

The Council also created four major personal awards, involving the substantial sum of £10,000 per award, to assist and recognise established artists at a pivotal point in mid-career and enable them to develop extended or ambitious work. The four Major Individual Awards in 2001-2002 were given to Brian Irvine, Rita Duffy, Susan MacWilliam and Colin Teevan and took into account past achievement and current excellence.

Composer Brian Irvine's award was based on the writing, development and performance of a major new composition, combining musicians and people of all ages, backgrounds and abilities in both writing and performing. The large-scale piece is conceived as a suite of eight pieces and will last around one hour.

Painter Rita Duffy's award was based on a major cross-artform project at Armagh Women's Prison, involving a new body of work in collaboration with a theatre professional, transforming and opening a particular series of narratives.

Artist Susan MacWilliam's award was based on a series of projects examining how 3D and moving images are constructed.

Playwright Colin Teevan's award was based on his new version of **The Bacchae**, to be directed by Peter Hall on the Olivier stage of the National, and his new works **Monkey** and **In The Suburbs of Your Good Pleasure** for the Young Vic and the National Theatre respectively.

Amongst the other schemes under this programme were Arts Criticism Awards, Arts & Disability Awards, University Residencies, Self-arranged Residencies, and specially arranged residencies in Banff, Rome, New Hampshire and New York State.



Susan MacWilliam, *After Image*. Video still courtesy the artist

strengthening infrastructure

In the first year of implementing our arts plan for 2001-2006, there have been significant developments towards the key objective of 'strengthening the arts infrastructure'. Central to this was the lifting of the moratorium on new-build capital projects, and the introduction of a new 'small awards' scheme using Lottery funds.

Capital

Under Capital, the Council committed £467,925 to the Grand Opera House Trust for a three-year major refurbishment of the front of house and auditorium. A building of great architectural standing, and a key venue for drama, music and opera, the Grand Opera House is a jewel in the crown of local arts provision in Northern Ireland. The Nerve Centre was granted £562,500 for the purchase from the Inner City Trust of the building the Centre currently occupies on Magazine Street. Coleraine District Council was the recipient of a grant of £1,387,875 for a much needed extension to the Flowerfield Arts Centre. In addition, £250,000 went to Conway Mill in west Belfast for the conversion and refurbishment of its listed linen mill into a multi-purpose arts centre with studios, gallery space and equipment for ceramics, foundry work, metalwork jewellery-making, as well as an IT room for design and communication.

Awards for All

The introduction of **Awards for All**, the new small grants scheme involving various Lottery distributors, released £300,000 (previously allocated to such small projects from the Council's conventional revenue funds), which we immediately redeployed to core annual clients. The £750,000 we made available under

Awards for All permitted significant increases in project funding for different artforms - for example a 300 per cent increase in project funding for the traditional arts (£140,000).

Traditional Arts

The Council made significant changes in its funding of organisations in the traditional arts and cultural traditions, reallocating, for example, the £250,000 received from the Department of Education for cultural traditions in order to place organisations devoted to traditional music education on a more stable footing. The Northern Ireland Piping & Drumming School, the Andersonstown Traditional and Contemporary Music School and the Belfast Set Dance and Traditional Music Society all received significant increases in their core funding. This reallocation increased monies to Irish language arts organisations in Belfast, Derry City and Dunloy. It also funded a new organisation, the Mid Armagh Community Network, the first venue for traditional music education devoted exclusively to Ulster Scots traditions in Northern Ireland.

Crafts

With a specific focus on the development of the art form, the Council organised a crafts conference in Londonderry in November. Attended by more than 200 practitioners and representatives of development agencies, this highly successful event helped launch our policy on Crafts, Applied Arts & Design, as well as an accompanying £500,000 Lottery Special Initiative Fund. This is a clear expression of the Council's commitment to the sector by providing the necessary resources for both the development of the infrastructure and the pursuit of excellence. The year also saw a marked increase in the number and quality of applications from the crafts sector to the Support for the Individual Artist Programme and the various Lottery schemes. This - along with our support for Craft Connections in Ballycastle and major grants to the crafts capital developments at Conway Mill and Flowerfield Arts Centre - demonstrates the significance of Arts Council's support for the crafts sector.

Alongside these advances, the Council took the lead in facilitating an inter-agency working party to consider strategic intervention within the craft sector broadly defined. As a result, the need for continued dialogue and cross-agency co-ordination was recognised in the agreement, in principle, to a Crafts Development Unit for Northern Ireland, which should be in place by April 2003.

The Council currently supports several key organisations through its conventional revenue as well as Lottery funds. These clients constitute the core arts infrastructure in Northern Ireland.



Ulster Orchestra

The Ulster Orchestra continued to make a significant artistic contribution to the world of professional music in Northern Ireland through its regular concerts, its partnership with the BBC and its education and outreach programme. During the year Thierry Fischer was appointed as the orchestra's new Principal Conductor and Artistic Director. In December 2001, David Fisk left the Orchestra as Chief Executive and Financial Manager Colin Crummie acted as temporary Chief Executive for some months.

The Public Eye

In association with Ormeau Baths Gallery, the Council was pleased to present, in January 2002, a major exhibition drawn from its collection. **The Public Eye: 50 years of the Arts Council Collection** included works by the major figures in the visual arts in Ireland since the Second World War. Among the artists represented were Colin Middleton, T P Flanagan, Dan O'Neill, William Scott, John Luke, Basil Blackshaw, Rita Duffy, Micky Donnelly and Dermot Seymour.

Belfast Festival

The Belfast Festival at Queen's underwent major changes in terms of staffing and strategic direction. The newly-appointed Director, Stella Hall, initiated a new strategic plan which presented persuasive arguments for audience development and community outreach. The festival itself built on its previous international strengths, while nurturing and encouraging local talent.

Theatre

Theatre companies produced a number of new plays during the past year, all of which benefited considerably from the Arts Council Lottery's **New Works** Programme. Tinderbox Theatre Company, for instance, produced Tim Loane's **Caught Red Handed**, presented in the old Northern Bank building in Donegall Street and Dubblejoint produced **The Life and Work of Christy Moore** at Amharclann na Carraige.



Literature

In literature, the Irish language poet Nuala Ní Dhomhnaill (pictured above) was named as the second Ireland Professor of Poetry. The announcement was made at a reception in the headquarters of the Arts Council/An Chomhairle Ealaíon in Dublin. Ms Ní Dhomhnaill succeeded Professor John Montague, the first incumbent, who was awarded the three-year Chair in 1998. The Chair was established by the Arts Councils in partnership with Trinity College, Dublin, The Queen's University of Belfast and University College Dublin, to honour the standing of Ireland's poets on the world literary stage.



Partnerships

The Arts Council of Northern Ireland joined with An Chomhairle Ealaíon in hosting the 25th joint meeting of the councils. An important forum for sharing ideas and problems, the meeting discussed joint areas of co-operation in the arts, research, cross border touring and the needs of the arts infrastructure on the island.

In July, the Council launched its events listing website, www.art.ie, a ground-breaking collaboration with An Chomhairle Ealaíon to establish a major web presence for culture and the arts in Ireland, north and south.

The Council also joined with An Foras Teanga, the ULTACH Trust, the Boord o Leid and the Department of Culture, Arts & Leisure to initiate the first comprehensive audit and needs analysis of the Irish and Ulster Scots sectors in the arts. The report of this project is due in spring 2003.

In October, the Arts Council threw its weight behind Belfast's bid to be European Capital of Culture in 2008.

Now in the second year of a three-year funding agreement, Arts & Business has been responsible for a number of partnership schemes including Professional Development Programmes (Skills Bank, Board Bank and Mentoring) which enable business managers to make a vital contribution to the arts organisations by volunteering their skills and time. In addition, Arts & Business has delivered a Board Development Programme as a result of Arts Council funding. The main purpose of the programme is to assist arts organisations develop boards that run efficiently, govern effectively and advocate enthusiastically. This programme offers arts organisations the option of participating in a bespoke course designed around their particular needs as well as courses on the role of the chair and board retreats.

Opera

Professional opera was performed in Northern Ireland by three opera companies: Opera Theatre Company, Castleward Opera and Welsh National Opera. Of particular interest during the summer was Welsh National Opera's youth opera course at the Grand Opera House, which involved more than 120 young people, aged from 15 to 21.

Local Government

Another partnership key to strengthening the arts infrastructure, that between the Arts Council and the Forum for Local Government and the Arts (FLGA), continued with the Forum's Annual Conference. **Mainstreaming the Arts** combined a range of issues with prominent speakers and thinkers from cultural life. The conference underscored the importance of cultural planning, from vision to delivery. Interesting perspectives on cultural diversity were provided Dr Maurna Crozier, Policy Advisor to the Department of Arts Culture and Leisure; Doreen Nteta, Chief Executive of the Arts Council of South Africa; and Aodán Mac Póilin, from The ULTACH Trust.

arts & disability

People with disabilities comprise 19.2 per cent of the population of Northern Ireland, the highest in the United Kingdom. Added to this figure is the fact that all of these people have family and friends making the sector of substantial importance. Furthermore it is a sector which has traditionally been underrepresented and marginalised within society.

Addressing issues in the disability sector touches on many of the Arts Council's objectives, increasing opportunities for artists, strengthening the arts infrastructure, increasing the quality of access and increasing the audience for the arts.

In the year under review Council increased funding support to its arts and disability clients, thereby encouraging greater stability in the sector. Legislation in the form of the Disability Discrimination Act also gave added impetus to quality Lottery capital applications encouraging a more rigorous approach to access issues.

The Arts Council formed a disability access group, which was comprised of both sectoral and council membership. The group was responsible for identifying access issues. To this end, and in partnership with Lottery, a process was initiated which established a select list of specialist individuals and organisations to which clients could refer when making applications relating to physical access to venues or disability equality training.

The Arts Council of Northern Ireland supports the social model of disability, as opposed to the medical model of disability. The arts and disability sector, with whom we work closely, has issues around the medical model of disability, which has focused on the disability and some claim has led to the low self esteem of disabled people.



Launch of Arts & Disability Awards 2001

Arts & Disability Awards Ireland

The Arts Council substantially increased its support to the Arts & Disability Awards Ireland, which is jointly funded with the Arts Council/An Chomhairle Ealaíon. The awards are organised in partnership with Arts and Disability Forum, the umbrella organisation for the sector. The awards are part of the Support for the Individual Artists Programme and attract applications from creative people with disability from across the island. The awards are open to artists from all artforms and writers, painters, musicians and a librettist have benefited from them.

Organisations

The Council works closely with arts and disability organisations and in particular with the Arts and Disability Forum. The Forum and other organisations, such as Open Arts, Drake Music and ADAPT, were represented on the Council's newly formed Arts & Disability Advisory Group, chaired by Judith Jordan, Arts Council member. The group devised the **Widening Access** programme in association with the Department of Culture Arts & Leisure. This initiative was developed to highlight the talent and potential of creative disabled people and address issues of disability equality training at arts venues throughout Northern Ireland.

Arts & Healthcare

There have been very positive developments in the sector during the year. The Arts Council works closely with ArtsCare (the arts & healthcare umbrella organisation) and the various hospital trusts, which use professional artists in hospitals and healthcare venues throughout Northern Ireland. ArtsCare supports the social model of disability and employs some 12 artists-in-residence working in hospitals and healthcare centres throughout Northern Ireland. They also have a network of some 22 local committees delivering arts programmes throughout Northern Ireland. Work has begun with ArtsCare and the Council on the evaluation and monitoring of arts projects in hospitals and research for this and the development of performance indicators is ongoing. These pieces of work will have an impact on advocacy for the arts and making supporting arguments for greater support within the healthcare environment.

Public Art

Significant developments occurred through the Arts Council Lottery supporting integrated public art projects in hospitals, with two notable and substantial projects in Belfast: the Royal Victoria Hospitals Trust and the Mater Infirmorum Trust. Both hospitals employed arts co-ordinators to oversee the development of creative integrated artworks. These developments have created an impressive and positive reaction from both clients and staff.

voluntary arts

A significant step forward was taken in the development of an integrated and strategic approach to the voluntary arts. After a measure of involvement in Northern Ireland, Voluntary Arts Network committed itself to developments here by establishing Voluntary Arts Ireland. VAI has begun to work strategically in the delivery of common objectives with the Arts Council, involving research and gapping exercises to increase opportunities for creative participation, develop new audiences and expand the context in which artists work.

community arts

Thinking about the role of community arts in society perhaps invokes a re-consideration of the concept of the 'applied arts'. At one time, this was the area in which arts and manufacture were linked. Today we find that the 'application' of the arts to community development, community relations, individual confidence building and health is recognised as a valid process towards changing people's lives, thus developing social cohesion (theoretically) and developing human capital.

Common Purposes

New relationships were set up this year to widen the range of connections between agencies which felt that the arts, while not their core business, had a positive contribution to make to their own strategic objectives. Development agencies, the main focus of which would have been tourism- and economic development-driven, found common purpose and entered into partnership. The Community Development and Health Network took an active and continuing interest in the relationships between the arts and health, and other government agencies (such as the Rural Development Council) began introducing the arts into their strategic



Ridiculusmus, Paranoid Household. Photo - Sean McKernan

plans. The relationship between environmental issues and the arts began to be discovered by the Northern Ireland Environment Link and this led to a plan to examine the relationship and potential benefits between the arts and the crisis in the agricultural sector.

Workshops Model

All was not, however straightforward. The limitations placed on the modalities used in these programmes exposed the critical nature of participatory activity. Less emphasis was placed upon a swathe of potential arts-working by individual artists or arts organisations, affecting theatre companies presenting plays and orchestras producing concerts, for example. The workshops model run by professionally trained artists/facilitators (in effect, the community arts model of practice) predominates in which the process of investigation using creative techniques is at least as important as the outcome. The ideal is that all three modes, i.e. quality inputs (good facilitation), quality processes (good skills development and good learning techniques) and quality outcomes (work produced being of sufficient quality to exhibit, share, or perform). To date, some projects and programmes have achieved modest success. Research using creative techniques has produced more interesting in-depth information, arts 'groups' have emerged in rural areas, new skills have been introduced and community confidence for those participating has increased. A body of anecdotal evidence regarding the benefits of community arts has been established but is yet to be formalised.

Developing Skills

Importantly, the range of community arts continued to expand. Users could develop circus skills through Belfast Community Circus or Streetwise. Video and film could be explored through workshops offered by Northern Visions and the Nerve Centre among others. The more traditional art forms, such as theatre, were being developed into new areas working with marginalised young people by organisations such as Kids in Control and Belfast Community Theatre. Creative writing was being developed by major initiatives such as the New Belfast Community Arts Initiative and the Creative Writers' Network.



Green Orange Productions. Photo - Sean McKernan

Cocktail Funding

A critical feature of community arts at this time was the nature of 'cocktail funding', in which the Arts Council was a funding partner, sometimes a minor but critical partner, in major enterprises such as the ARTS programme promoted by the Strabane Lifford Commissions and the Sliabh Bheag Development Association's arts training programme which reached across the border from south-east Fermanagh to Cavan. Other boundaries were pushed back. A working group to investigate the potential of new technology to use as a community arts development tool was set up and its findings will inform pilot programmes.

Who are they for?

'What community arts are for?' may remain to be answered, but 'Who are they for?' is perhaps more easily dealt with, in that the participants in community arts would not usually be frequent arts attendees or even members of amateur arts organisations. The growth of this participative creative activity has been quite extraordinary. In the local context, it occasionally finds itself embroiled in the larger debate concerning cultural identity. As demand increases, pressure on resources increases and thus the dilemma of sustainability comes to the fore. Questions must be asked regarding the period of intervention in community arts practice. Should it be of sufficient duration for a skills transfer to take place so that the facilitator becomes redundant? Can increasing pressure on the quality of outputs lead participants towards the world of the committed amateur? Is there potential for participants to re-engage with formal education or training in an arts related field?

These are only some of the questions being asked in an increasingly dynamic and diverse field of activity.

young people

Education & Library Boards

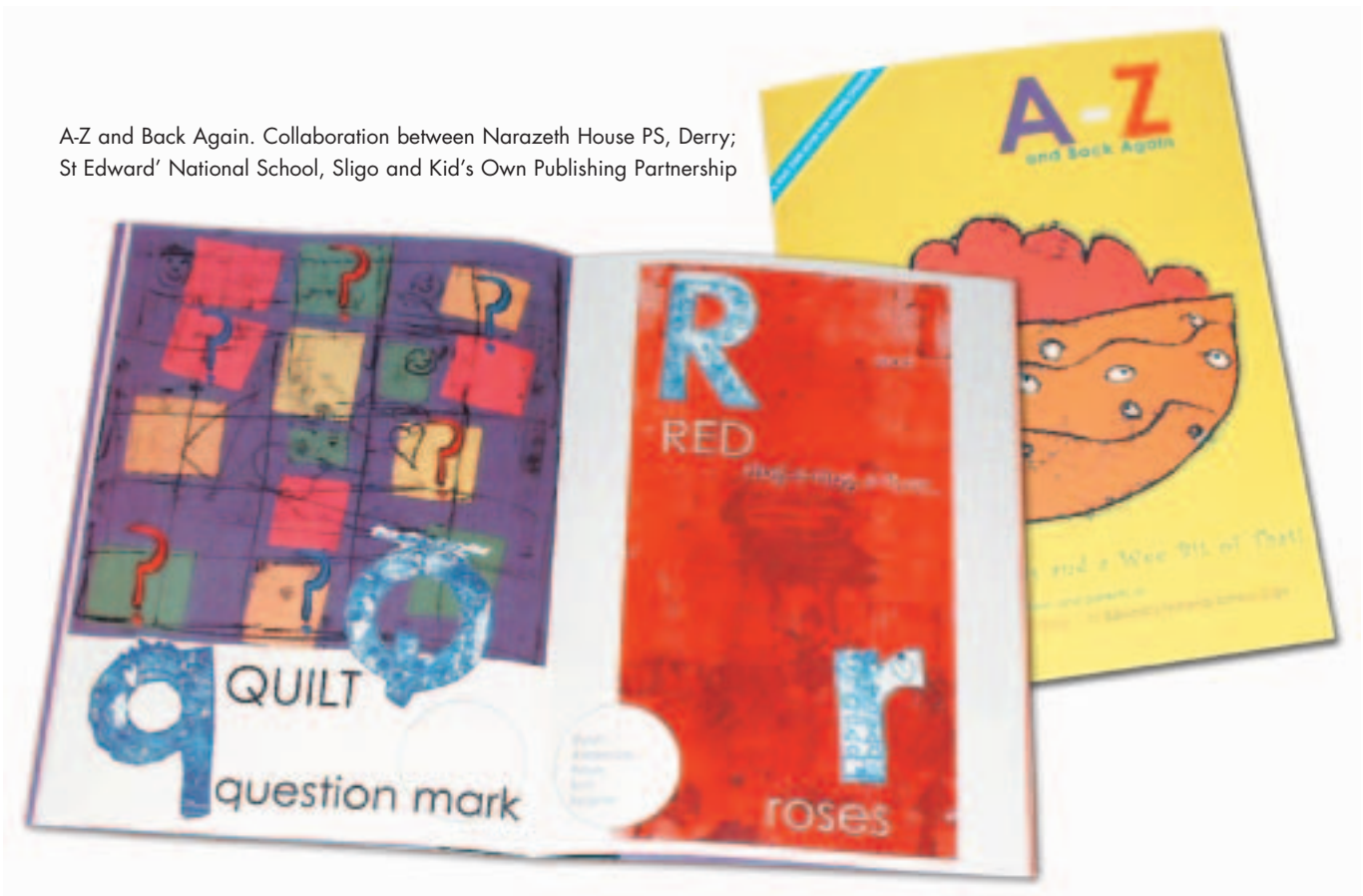
The Arts Council of Northern Ireland and the individual Education and Library Boards have had a long association through common initiatives, support for each other's projects and co-operation in areas of mutual interest. Inter-agency strategies are beneficial in ensuring coherence, enhancing effort, maximising investment and improving co-operation and trust. However, it is particularly apt to consider how such partnerships can be strengthened at a time when there have been recent changes and fresh challenges, such as the Curriculum Review and the **Unlocking Creativity** initiative.

Unlocking Creativity, published in November 2000, presents robust challenges to established thinking and practice and suggests how the creative abilities and cultural understanding of all our people can be harnessed, especially the young, through both formal and informal education. The reawakened interest in creativity provides a new climate for partnership and it is within this context that the Arts Council and the Education and Library Boards have set about delivering a joint strategy for the future. An inter-agency working group of officers was set-up, initially to examine areas of common interest including curriculum, staff development and training, research and programmes, but from these discussions a framework for co-operation was developed to increase opportunities for creativity and the arts.

Creativity Consortium for Children and Young People

To do this effectively, it was proposed that this consortium be established with representatives from a range of organisations within the formal and informal education and arts sectors. It would act as a catalyst for change, in support of **Unlocking Creativity** and linking schools with their communities and to cultural organisations. The policy framework will provide a basic structure to deliver local partnership projects. It will build on existing best practice such as the Arts Council's own **Artists in Schools Directory** and artist residencies, and it should also create new opportunities for participation, by increasing the range and quality of arts projects or, for example, by increasing the number of youth workers using the arts through improved provision and support. To take these ideas forward, Creative Arts Co-ordinators, one for each

A-Z and Back Again. Collaboration between Narazeth House PS, Derry; St Edward' National School, Sligo and Kid's Own Publishing Partnership



participating ELB, will be appointed to develop a network, linking formal and informal education providers, artists and arts organisations and to act as local co-ordinators.

Youth Arts

Work continued this year with the Youth Council and representatives of arts organisations and providers to develop the context and the business case for a Youth Arts Unit.

Northern Ireland New Generation Audiences

Young people represent a new generation of audiences and need to be offered a varied experience of live events to support their creative and cultural education. By giving a small part of their spare capacity to schools and colleges, venues are making a potential investment in the future. Successfully matching the needs of schools and cultural organisations is the cornerstone of the New Generation Audiences scheme, which was piloted for the first time in Northern Ireland this year. Encouraging schools to take children to live arts events, and doing so in a way which is incorporated into the school's teaching programme, helps to tackle some of the barriers experienced by young people in accessing the arts and establishes effective partnerships with the cultural organisations which contributed the tickets. The NGA pilot is supported in Northern Ireland by website-based technology that allows students and teachers to plan their cultural visits and after the event to share their reflections and learning which is then offered as a resource to others.

Directory of Artists in Schools

The Directory has maintained its role as one of the most effective programmes developed and run by the Arts Council. A register of artists, writers, musicians, performers and representatives of other artforms is available for accessing by schools throughout Northern Ireland. This year, there were 324 workshops in 132 participating schools, involving a total of 19,017 children.

increasing audiences

A new audience development programme was introduced in April 2001. This programme offers grants of up to £100,000 per year for three years and was developed to provide arts organisations with additional funds to identify and develop their audiences in a period of static or, in some cases, decreasing funding from the Council's conventional stream. Twelve awards were made this year, amounting to £1,761,409.

Some examples, of a large, medium and small-scale project will illustrate the breadth of the programme.

Grand Opera House

The Grand Opera House (awarded £288,762) intends to increase annual attendance at all performances to 305,000 in 2004, from a base of 286,300 in 2001. This will produce an annual average attendance of over 80 per cent, further enhancing the Grand Opera House's performance. To do so, it wishes to supplement its current marketing activities with a range of new projects designed to extend its audience base.

These include research amongst existing theatre goers and non-theatre goers, to determine how far the theatre's programme and services meet expectations, and what would persuade non-theatre goers to attend. Initiatives include new promotional and sales activity via the internet (including real-time on-line ticket sales) to attract new customers, as well as making it easier for existing customers to book, large-scale advertising campaigns in public spaces to reach those not on the theatre's customer database and the development of sales to groups.

The success of many of these schemes will rely on continuous development of staff sales technique, and customer service delivery. Therefore new training programmes will underpin the new marketing initiatives.



Grand Opera House, Belfast



Philip Hesson, artist, at launch of the Arts Plan. Photo - Phil Smyth

Young At Art

Young at Art (awarded £173,330) proposes an initiative that will involve an integrated touring/marketing/outreach strategy designed to take place over a three-year period from January 2002 to December 2005. The project is targeted at young people (2 years upwards) and their guardians throughout Northern Ireland. The aim is to instil a sense of ownership and knowledge about the arts in such a way that being an audience member or participant becomes a natural part of cultural life.

The project will be run by Young at Art staff as well as local artists. It includes additional practical workshops in schools and youth groups, the production of new technologies to promote the arts, 'tool boxes' of ideas and exercises, an annual arts and youth campaign, a school-friends scheme and the development of the **Young Review**. Young at Art will tour to schools with local and international performances from its festival and has agreed to tour to five regional venues to develop relationships with schools and youth organisations in tandem with the strategies of local venue managers.

Alongside this practical component, audience development research will be developed with effective assessment and analysis.

New Belfast Community Arts Initiative

The New Belfast Community Arts Initiative (awarded £53,266) aims to create a poetic dialogue across Belfast and beyond, involving all ages, gender and political and religious affiliations. Poetry writing will be introduced to people who may not have considered it, school children and the general public for example. In addition, poetry will be published, displayed and performed across the city and at regional festivals.

The main components of the programme are (a) a schools' project in collaboration with the Belfast Education and Library Board, whereby local poets will be sent in to 50 schools and community groups across Belfast to run poetry workshops; (b) a public project to challenge members of the general public to reflect on a possible theme, for example 'The Architecture of a City' or 'Heresies of Hope'. Entries will be published in a variety of formats such as posters on public transport in collaboration with Translink, poetry performances, and the creation of a Poetry Wall.

corporate matters

Following the review of the Arts Council five-year strategy **To The Millennium**, published as **Opening Up the Arts** in May 2000, the Council decided to assess its staffing structure to ensure that it was organised in such a way as to maximise its operational efficiency and effectiveness. The necessity for such assessment was underlined when the Council launched its new five-year strategy in July 2001. The work on structure was commenced late in 2001 with the assistance of the Business Development Service of the Department of Finance and Personnel. The staffing structure recommended by this review is due to be completed during the first quarter of 2002-03.

Grant Management

During the year, the Council developed a Grant Management System (GMS) based on Microsoft's FoxPro database software. When this is fully operational it will enable the Council to track all grants and to collate information on grants applied for and awarded both efficiently and cost effectively. The development of the GMS was complemented by the development of a Geographical Information System which enables the Council to map where its funding is going throughout Northern Ireland. This will assist the Council to review the disbursement of its funds and to demonstrate its compliance with both Equality and TSN duties.

Equality

In June 2001, the Equality Commission for Northern Ireland formally approved the Council's Equality Scheme. The Scheme sets out the areas in which the Council will conduct Equality Impact Assessments on a five-year timetable. The first impact assessments were begun at the end of 2001.



Kabosh Productions, Sleep Show. Photo - Sean McKernan

Skills & Training

To ensure that its staff was equipped with the skills required to deliver the five-year strategy, the Council embarked upon the process of obtaining Investors in People (IiP) accreditation. The Council is aware of the need to invest in its staff and it is planned that expenditure on training in the year (£10,252) will be surpassed in 2002-03 and in subsequent years.

New Posts

A number of new posts were established to reflect the Council's expanding areas of responsibility. An Equality Officer was appointed to take forward the work detailed in the Council's Equality Scheme. The Council was also aware of the need to improve the evidential base upon which policy is developed and a Research & Policy Officer was appointed. The Council was also concerned at the lack of organisation and focus in the crafts sector in Northern Ireland and appointed a Craft Co-ordinator to examine the feasibility of establishing an independent Craft Development Unit.

accounts
for year ended
31 march 2002



OTIS
Council
of Northern Ireland

foreword

history & statutory background

The Council, presently known as the Arts Council of Northern Ireland, is the statutory body through which public funding for the arts in Northern Ireland is channelled. It was established by the Arts Council (Northern Ireland) Order 1995 and came into existence on 1 September 1995. The Council took over the assets and liabilities of the Arts Council of Northern Ireland 1994 Limited which was a company limited by guarantee established in 1994 as an interim body between the previous Arts Council (established in 1943) and the new statutory body.

The Arts Council dates from 1943 when it was set up as the Council for the Encouragement of Music and the Arts in Northern Ireland. Initially funds were provided by the Pilgrim Trust and matched by the Ministry of Education for Northern Ireland. At the present time the Arts Council is funded via grant-in-aid by the Department of Culture, Arts and Leisure. The affairs of the Council are managed by a Council consisting of fifteen members. The current Council members are listed below. The Chief Executive is the principal executive officer of the Council and is supported by a professional staff responsible for subject and functional areas of the Council's programme.

principal functions related to grant-in-aid activities

The Arts Council of Northern Ireland is charged with four statutory functions under the Arts Council (Northern Ireland) Order 1995. These are:

- (a) to develop and improve the knowledge, appreciation and practice of the arts;
- (b) to increase public access to, and participation in, the arts;
- (c) to advise the Department of Culture, Arts and Leisure and other government departments, district councils and other bodies on matters relating to the arts; and,
- (d) such other functions as are conferred on the Council by any other statutory provision.

The Council performed its functions during the year ending on 31 March 2002 by making grants to organisations engaged in the arts either on a revenue or on a project basis; by granting awards and bursaries to individuals engaged in the arts; by organising tours of performing and creative artists; by organising and participating in the Forum for Local Government and the Arts; and by advising the Department of Education Northern Ireland/Department of Culture, Arts and Leisure and various other public and private bodies on a range of issues relating to the arts. The Council is also one of the distributing bodies of the National Lottery. Its Lottery distributing activities are reported upon separately under the National Lottery Etc. Act 1993.

financial results

At the end of the year the Council realised a surplus of £36,564. Its Capital and Reserves on the Balance Sheet increased from £486,594 to £516,297.

review of grant-in-aid activities

Following a period of eighteen months review and consultation, the Arts Council published its five year strategy for the arts: "Inspiring the imagination, building the future". The strategy detailed the values, priorities and objectives agreed by the Arts Council for the period 2001-2006.

The strategy has a given priority to extend opportunities for artists to develop their work and practice. Many opportunities are available for employment of artists under, for example, the Arts Council's Lottery funded programmes such as the Access Programme and the New Work Scheme. However, from its exchequer funding the Arts Council established a new funding programme, Support for the Individual Artist, which included the following awards: General Art Awards of up to £3,000; Major Individual Awards of up to £10,000; Travel Awards of up to £800; International Residency Awards of up to £5,000; and, Arts & Disability Awards of up to £5,000.

In association with the Department of Culture, Arts and Leisure, and the Arts and Disability sector, the Arts Council launched its Widening Access programme. This was a programme of roadshows, performances, workshops, new funding and strategic initiatives which is designed to inform, promote, educate, stimulate and celebrate the concept of access to the arts for everyone. The programme will continue into 2002-03.

Other highlights in the year included the development of the Council's policy on Crafts, Applied Arts and Contemporary Design which was put out to public consultation, and the approval of the council's Equality Scheme by the Equality Commission.

fixed assets

The movement on fixed assets is reported upon in note 6(a). Assets to the value of £12,599 were purchased during the year.

future developments in grant-in-aid activities

The Arts Council intends to extend opportunities for artists to work in the community. The proposed Artists in the Community Scheme will offer artists and community organisations the opportunity to interact over an extended period thereby offering a full appreciation of the role of the artist in a community context. Artists may approach community groups or organisations such as The Rural Community Network with a view to developing a programme proposal. Alternatively community organisations may approach an artist who they feel could make a positive contribution to community life. It is hoped that through this scheme artists can demonstrate how community involvement can make a positive contribution to their own work.

The Arts Council will also seek applications from organisations to develop pilot projects in community arts using new technologies and particularly the internet. Through this programme arts organisations which can demonstrate expertise in training and project development will be invited to apply for an award to provide training for artists who will then work with community groups. It is anticipated that a network of groups will be set up which can communicate and which can pool their expertise. The award will include a sum to be set aside for equipment necessary for the groups to undertake projects.

The Widening Access programme developed to encourage both the involvement of disabled people in the arts and the improvement of access at arts venues will be continued. A showcase celebration of work by disabled artists and performers is planned which will be a springboard for a series of disability arts workshops and disability awareness training to occur later in the year.

The Arts Council also plans to define its role in raising awareness and the quality of architecture and the built environment, and to bring issues of national importance to the attention of Government. The Council's Architecture Working Party will put forward policy, strategies and actions to address this area. The policy will be issued for public consultation during 2002-03.

In the area of drama and theatre, the Council intends to carry out a North-South Touring Review and to perform a Needs Analysis for Professional Independent Theatre. A report on both areas will be published during 2002-03.

council members of the arts council of northern ireland

The Council of the Arts Council of Northern Ireland for the year ended 31 March 2002 is shown below. All members were appointed on 1 March 2000 for a three year term unless stated otherwise. Those marked with an asterisk had served a previous term which commenced on 1 September 1996.

Prof. Brian Walker (Chairman) (from 1 August 1998 for three years)
Mrs Maureen Armstrong
Mr David Boyd
Cllr Martin Bradley *
Dr Maurna Crozier
Mr Ronnie Dunn OBE
Dr Tess Maginess *
Mr David Hyndman
Ms Judith Jordan
Mr James Kerr
Prof. Brian McClelland
Ms Gerri Moriarty
Ms Eilis O Baoill (Vice-Chairman)
Mr Aidan Shortt *
Mrs Margaret Yeomans

The appointment of Council members is approved by the Minister of Culture, Arts and Leisure. The Chair and members of the Council have individual and collective responsibility to the Head of the Department of Culture, Arts and Leisure:

- to provide effective leadership for the Council, in particular in defining and developing its strategic direction and in setting challenging objectives;
- to act in a way that promotes high standards of public finance, including the promotion of regularity, propriety and value for money;
- to ensure that the Council's activities are conducted in an efficient and effective manner;
- to ensure that strategies are developed for meeting the Council's overall objectives in accordance with the policies and priorities established by the Minister;
- to monitor the Council's performance to ensure that it fully meets its aims, objectives and performance targets;
- to ensure that the Council's control, regulation and monitoring of its activities as well as those of any other bodies which it may sponsor or support, ensure value for money within a framework of best practice, regularity and propriety;
- to participate in the corporate planning process; and,
- to appoint a Chief Executive.

accounts and appointment of auditors

The accounts of the Arts Council of Northern Ireland are prepared in a form directed by the Department of Culture, Arts and Leisure with the consent of the Department of Finance and Personnel in accordance with Article 8 of the Arts Council (Northern Ireland) Order 1995. The accounts direction is reproduced as an appendix to these accounts.

Under the Arts Council (Northern Ireland) Order 1995 the Comptroller and Auditor General examines and certifies the statement of accounts submitted to him by the Council.

policy on disabled persons

The Arts Council of Northern Ireland is committed to equality of opportunity between persons of different religious belief, political opinion, gender, marital status, disability, ethnic origin or sexual orientation. The Council has implemented equality legislation and codes of practice to ensure that procedures and policies are fair and lawful. The Council actively encourages this within its client/partner network. The Council particularly supports equality of opportunity in training and employment for disabled people.

employee consultation

On matters of policy and procedure which affect the employees of the Arts Council, the Council normally consults with the recognised trade union of which the staff are members. This trade union is also a member of the Whitley Council which negotiates on the terms and conditions of members with the Northern Ireland Department of Finance and Personnel.

payment of suppliers

The Arts Council is committed to the prompt payment of bills for goods and services in accordance with the Confederation of British Industry's Prompt Payment Code. Unless otherwise stated in the contract, payment is due within 30 days of receipt of the goods or services, or presentation of a valid invoice or similar demand, whichever is later.

A review conducted at the end of the year to measure how promptly the Arts Council paid its bills found that 88% of the bills were paid within this standard. The comparative figure for 2000-01 was 85%.

political and charitable donations

The Arts Council of Northern Ireland made no political or charitable donations during the year.

post balance sheet events

There have been no post balance sheet events which would affect the reader's understanding of the financial statements on pages 36 to 37.



Róisín McDonough
Accounting Officer

24 March 2003

statement of the arts council of northern ireland's and chief executive's responsibilities

Under Section 8 of The Arts Council (Northern Ireland) Order 1995 the Arts Council of Northern Ireland is required to prepare a statement of accounts for each financial year in the form and on the basis determined by the Department of Culture, Arts and Leisure with the approval of the Department of Finance and Personnel. The accounts are prepared on an accruals basis and must show a true and fair view of the Council's state of affairs at the year end and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

In preparing accounts the Arts Council of Northern Ireland is required to:

- observe the accounts direction issued by the Department of Culture, Arts and Leisure including relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards have been followed, and disclose and explain any material departures in the financial statements;
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Arts Council of Northern Ireland will continue in operation.

The Accounting Officer for the Department of Culture, Arts and Leisure has designated the Chief Executive of the Arts Council of Northern Ireland as the Accounting Officer for the Arts Council of Northern Ireland. His relevant responsibilities as Accounting Officer, including his responsibility for the propriety and regularity of the public finances for which he is answerable and for the keeping of proper records, are set out in the Non-Departmental Public Bodies' Accounting Officer Memorandum, which is issued by the Department of Finance and Personnel.

statement on internal control

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of Council policies, aims and objectives, set by the Council in consultation with our sponsoring Department, whilst safeguarding the public funds and Council assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Government Accounting.

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives; it can, therefore, only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify the principal risks to the achievement of Council policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. I expect to have the procedures in place in March 2003 necessary to implement Department of Finance and Personnel (DFP) guidance. This takes account of the time needed to fully embed the processes which the Council has agreed should be established and improve their robustness.

I am aware that the Council's grant monitoring procedures have not been applied consistently to all its grant sponsored bodies. I have reviewed this area and have been assured by my executive managers that the procedures being developed for the assessment of applications and the management of grants should

ensure that all applications and awards receive sufficient, consistent processing in line with policy and financial directions.

To further support the achievement of the Council's objectives, we plan to carry out an exercise to formally identify the significant risks that may affect the achievement of those objectives and will be ensuring that the most appropriate control strategy is determined for each of the significant risks. An integral part of this exercise will include the allocation of responsibility for objectives and the management of the associated risks, to the most appropriate staff.

The identification and impact of risk has already begun to be incorporated into the corporate planning and decision making processes of the Council. Consequently the Council ensures that there are procedures in place for verifying that internal control and aspects of risk management are regularly reviewed and reported on. The Council currently receives periodic reports concerning internal control and steps are being taken to manage risks in significant areas of responsibility and monitor progress on key projects.

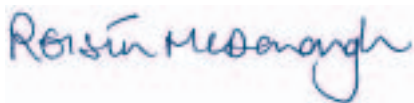
The full risk and control assessment exercise that will be carried out before reporting on the year ending 31 March 2003, will further ensure that risk management is fully incorporated into the corporate planning and decision making processes of the Council. Hence, further work will be undertaken to ensure that there will be consistency in the way in which the Council treats risks.

In addition to the actions mentioned above, in the coming year the Council plans to:

- identify and record the risks facing the organisation;
- develop and maintain an organisation-wide risk register;
- review and update the risk register and other records of risk;
- set up a system of key performance and risk indicators; and
- arrange for reports from the various Directorates of the Council on internal control activities.

The Council has an Internal Audit Unit, provided by PricewaterhouseCoopers, which operates to standards defined in the Government Internal Audit Manual. They submit regular reports which include the Head of Internal Audit's independent opinion on the adequacy and effectiveness of the Council's system of internal control together with recommendations for improvement.

My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive director within the Council who has responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports.



Roisín McDonough
Accounting Officer for the Council

24 March 2003

the certificate of the comptroller and auditor general to the northern ireland assembly

I certify that I have audited the financial statements on pages 36 to 49 under the Arts Council (Northern Ireland) Order 1995. These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets (up to 31 March 2000), and the accounting policies set out on pages 39 and 40.

respective responsibilities of the council, the chief executive and auditor

As described on page 32, the Council and the Chief Executive are responsible for the preparation of the financial statements in accordance with the Arts Council (Northern Ireland) Order 1995 and the Department of Culture, Arts and Leisure directions made thereunder and for ensuring the regularity of financial transactions. The Council and Chief Executive are also responsible for the preparation of the other contents of the Annual Report. My responsibilities as independent auditor are established by statute and guided by the Auditing Practices Board and the auditing profession's ethical guidance.

I report my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Arts Council (Northern Ireland) Order 1995 and the Department of Culture, Arts and Leisure directions made thereunder, and whether in all material respects the expenditure and income have been applied to the purposes intended by the Northern Ireland Assembly and the financial transactions conform to the authorities which govern them. I also report if, in my opinion, the Foreword is not consistent with the financial statements, if the Council has not kept proper accounting records, or if I have not received all the information and explanations I require for my audit.

I read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. I consider the implications for my certificate if I become aware of any apparent misstatements or material inconsistencies with the financial statements.

I review whether the statement on pages 32 and 33 reflects the Council's compliance with the Department of Finance and Personnel's guidance "Corporate Governance: Statement on Internal Control". I report if it does not meet the requirements specified by the Department of Finance and Personnel, or if the statement is misleading or inconsistent with other financial information I am aware of from my audit of the financial statements.

basis of audit opinion

I conducted my audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Council and Chief Executive in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Council's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by error, or by fraud or other irregularity and that, in all material respects, the expenditure and income have been applied to the purposes intended by the Northern Ireland Assembly and the financial transactions conform to the authorities which govern them. In forming my opinion I have also evaluated the overall adequacy of the presentation of information in the financial statements.

opinion

In my opinion:

- the financial statements give a true and fair view of the state of affairs of the Arts Council of Northern Ireland at 31 March 2002 and of the surplus, total recognised gains and losses and cash flows for the year then ended and have been properly prepared in accordance with the Arts Council (Northern Ireland) Order 1995 and directions made thereunder by the Department of Culture, Arts and Leisure; and
- in all material respects the expenditure and income have been applied to the purposes intended by the Northern Ireland Assembly and the financial transactions conform to the authorities which govern them.

J M DOWDALL
Comptroller and Auditor General

24th April 2003

Northern Ireland Audit Office, 106 University Street, Belfast BT7 1EU

income and expenditure account for the year ended 31 march 2002

INCOME	Notes	2002 £	2001 £
Department of Culture, Arts and Leisure	2(a)	8,446,063	6,930,448
Other Income	2(c)	<u>583,965</u>	<u>613,740</u>
		<u>9,030,028</u>	<u>7,544,188</u>
EXPENDITURE			
Staff Costs	3	819,134	770,082
Depreciation	6(a)	24,896	25,105
Expenditure on the Arts	4	7,564,659	6,195,825
Other Operating Costs	5(a)	<u>584,775</u>	<u>474,667</u>
		<u>8,993,464</u>	<u>7,465,679</u>
Surplus for year before notional costs		36,564	78,509
Notional Cost of Capital	1(e)	<u>30,087</u>	<u>27,973</u>
Surplus for year after notional costs		6,477	50,536
Adjustment for Notional Cost of Capital		30,087	27,973
Amount transferred to Income and Expenditure Reserve	9	<u><u>36,564</u></u>	<u><u>78,509</u></u>

The notes on pages 39 to 49 form part of these accounts.

All amounts above relate to continuing operations of the Council.

statement of total recognised gains and losses

	Notes	2002 £	2001 £
Surplus/(deficit) for the financial year		36,564	78,509
Re-lifing of fixed assets	16	<u>5,436</u>	<u>3,733</u>
Total recognised gains and losses relating to the year		<u><u>42,000</u></u>	<u><u>82,242</u></u>

The notes on pages 39 to 49 form part of these accounts.

balance sheet as at 31 march 2002

	Notes	2002 £	2001 £
FIXED ASSETS			
Tangible	6(a)	<u>157,172</u>	<u>164,033</u>
CURRENT ASSETS			
Debtors	7	193,886	120,108
Cash at bank and in hand		<u>565,687</u>	<u>818,410</u>
		<u>759,573</u>	<u>938,518</u>
CREDITORS amounts falling due within one year	8	<u>400,448</u>	<u>615,957</u>
NET CURRENT ASSETS		<u>359,125</u>	<u>322,561</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>516,297</u>	<u>486,594</u>
DEFERRED INCOME			
Deferred Purchases and Commissions Account	6(b)	39,995	39,995
RESERVES			
Income and Expenditure Reserve	9	319,130	282,566
Grant Reserve	10	<u>157,172</u>	<u>164,033</u>
		<u>516,297</u>	<u>486,594</u>

The notes on pages 39 to 49 form part of these accounts.

Roisín McDonough
Accounting Officer

24 March 2003

cash flow statement for the year ended 31 march 2002

	Notes	2002 £	2001 £
Net cash inflow/(outflow) from continuing operating activities	12(a)	(252,723)	103,990
Capital Expenditure			
Purchase of tangible fixed assets		<u>(12,599)</u>	<u>(18,052)</u>
Net cash inflow/(outflow)		(265,322)	85,938
Grants received	12(b)	<u>12,599</u>	<u>18,052</u>
Increase/(decrease) in cash in the year	12(c)	<u>(252,723)</u>	<u>103,990</u>

The notes on pages 39 to 49 form part of these accounts.



A Christmas Carol, Northern Ballet Theatre - Grand Opera House

notes to the accounts

1. accounting policies

(a) Basis of Accounting

These financial statements have been prepared in accordance with the historical cost convention. However, the assets had previously been revalued as at 31 March 2000. The Accounts Direction issued by the Department of Culture, Arts and Leisure is reproduced as an appendix to these accounts.

Without limiting the information given, the financial statements meet the accounting and disclosure requirements of the Companies (Northern Ireland) Order 1986, Accounting Standards issued or adopted by the Accounting Standards Board and disclosure requirements issued by the Department of Finance and Personnel in so far as those requirements are appropriate.

(b) Tangible Fixed Assets

The minimum level for capitalisation as an individual or grouped fixed asset is £1,000. Items below the threshold of £1,000 are written off to the Income and Expenditure Account. Depreciation has been provided using the straight line method so as to write each asset off over its estimated useful life. Depreciation is charged in the year in which the asset is acquired; no depreciation is charged in the year in which the asset is disposed.

The rates of depreciation in use are as follows:

Furniture, Fixtures & Fittings	10%
MacNeice House - Tenant's Works	16 ² / ₃ %, 14 ¹ / ₄ % & 10%
Theatrical, film, art & music equipment	3 ¹ / ₃ %
Computer equipment	14 ¹ / ₄ %, 20% & 33 ¹ / ₃ %

Under existing Treasury Guidance some assets which had been fully depreciated were brought back onto the Balance Sheet and an estimate was made of their remaining useful lives.

The donated heritage asset is not depreciated.

(c) Works of Art and Partnership Purchase of Pictures

Works of Art are no longer capitalised and recorded in the Balance Sheet for the reasons stated in Note 6(b) below. Purchases of Works of Art are charged to the Income and Expenditure Account in the year of expenditure. The Council considers its Art Collection to be a non-operational heritage asset.

(d) Government Grants

Grants of a revenue nature are credited to income in the year in which they are receivable. Grants used to purchase fixed assets are transferred to the Grant Reserve Account and credited annually to the Income and Expenditure Account over the estimated useful life of the assets.

Grants received for the purchase of Works of Art are credited to the Purchases and Commissions Provision and released to the Income and Expenditure Account in the year of expenditure.

(e) Notional Cost of Capital

From the 1996-97 year, these financial statements make provision for the notional cost of capital employed by the Council. The Income and Expenditure Account includes the notional cost of capital employed by the Council calculated as 6% of the average capital employed over the financial year.

(f) Pension Costs

The pension cost in respect of employees is charged to the Income and Expenditure Account so as to recognise the cost of pensions in the year in which they are incurred.

2. income

(a) The Department of Culture, Arts and Leisure (DCAL) provided the following funding during the year:

	2002 £	2001 £
Basic Revenue Grant	8,446,063	6,930,448

The DCAL provided a total of £8,553,000 grant in the period. An amount of £11,000 deferred from 2000-01 was taken into account in the year. A total of £105,339 was deferred to 2002-03. A sum of £12,599 was used for the purpose of purchasing fixed assets and was transferred directly to the Deferred Capital Grant Account. The remaining balance of £8,446,063 was used to fund the revenue activities of the Council during the period.

(b) Grant-in-Aid Carry-Over

Paragraphs 2.9 and 2.10 of the Financial Memorandum require the Council to contain the amount of grant-in-aid carried forward into the new financial year within prescribed limits. Any unspent receipts may be carried forward with the agreement of DCAL.

	Grant-in-Aid	Other Income
(i) Grant-in-aid	£8,446,063	-
(ii) Amount carried forward	£565,687	-
(iii) % carried forward	6.69%	-
(iv) % limit of carry forward	2%	-
(v) £ limit of carry forward	£168,921	-

The amount carried forward exceeded the 2% permitted. The 6.69% carried forward has been calculated on a cash basis. When the figures are calculated on the accruals basis, the amount carried forward is £36,564 which represents 0.43% of the total grant-in-aid.

(c) Other Income

	2002	2001
	£	£
Department of Education (Cultural Traditions Grant)	250,000	250,000
National Lottery Recharge	193,480	198,636
Year of the Artist	34,288	2,119
Release from Deferred Capital Grant Account	24,896	25,105
Artslink/Art.ie	18,172	2,329
Development and Arts Conference	16,985	26,151
Language Project	12,500	-
Northern Ireland Tourist Board	10,000	20,000
Education	8,173	7,010
Craft Development Unit & Information Day	5,753	-
Administrative & Miscellaneous	4,907	9,099
Interest	2,811	3,146
Landseer Films	1,200	-
An Chomhairle Ealaíon	800	42,542
Music & Opera	-	14,250
Arts Council of England	-	10,000
Traditional Arts	-	1,500
Scottish Ballet Masterclasses	-	1,430
British Council	-	423
	<u>583,965</u>	<u>613,740</u>

3. staff costs

(a) Analysis of Staff Costs

	2002	2001
	£	£
Salaries & Wages	700,417	657,392
Social Security Costs	51,494	49,744
Other Pension Costs	67,223	62,946
Total	<u>819,134</u>	<u>770,082</u>

(b) Average number of persons employed

During the year the Arts Council of Northern Ireland employed an average total of 40 full-time and 4.5 part-time employees. The full- and part-time employees were all administrative staff.

(c) Council Members' Emoluments

No emoluments were paid to members of the Arts Council except for Honoraria to the Chairman and Vice Chairman who received £12,000 as detailed below.

	Chair	Vice Chair
	£	£
B Walker	8,000	
E O Baoill		4,000

(d) Chief Executive's Remuneration

The Chief Executive's contract is for a period of five years and 1 year and 5 months had expired at 31 March 2002. The Chief Executive's remuneration during the year was £60,289. The Chief Executive is an ordinary member of the Northern Ireland Local Government Officers Superannuation Committee (NILGOSC) pension scheme.

(e) Pension Commitments

The Arts Council participates in the Northern Ireland Local Government Officers' Superannuation Committee Scheme (NILGOSC) for 47 employees, 10 of which were employed within the Lottery Department. The NILGOSC scheme is a "multi employer", defined benefit scheme, which provides members of participating employers with the benefits related to pay and services at rates which are defined under statutory regulations. To finance these benefits, assets are accumulated in the scheme and are held separately from the assets of the employers. The scheme is funded by employers participating in the NILGOSC scheme who pay contributions at rates determined by an independent professionally qualified actuary on the basis of regular valuations using the projected unit method. The Arts Council is unable to identify its share of the scheme's underlying assets and liabilities on a consistent and reasonable basis. During the year ended 31 March 2002 male employees contributed 1.5% of gross salary to the scheme and the Arts Council contributed 9.1%. Female employees made no contribution and the Arts Council contributed 10.6% of gross salary. These rates remain unchanged for 2002-03. The results of the most recent valuation, which was conducted as at 31 March 2001, were as follows:

Main assumptions:

Rate of return on investments per annum	3.6%
Rate of general increase in salaries per annum	3.8%
Rate of pension increases per annum	2.3%

Market value of scheme's assets	£2,293,700,000
---------------------------------	----------------

Level of funding being the actuarial value of assets expressed as a percentage of the benefits accrued to members, deferred pensioners and members based on past service, and after allowing for future salary increase	121%
-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------

Contributions for the year based on the rates noted above were as follows:

	2002 £	2001 £
Employer's	63,817	59,667
Employees	5,161	7,991
Total	68,978	67,658

The real increase in the value of accrued pension at 31 March 2002 for senior employees is shown below. All those listed participate in the NILGOSC scheme with the exception of W Lyttle who contributed 6% of gross salary to a personal pension and the Arts Council contributed 9.1%. The employer's pension contribution over the year in respect of W Lyttle is shown in place of the total accrued pension at age 60 due to the difficulty in establishing this figure for a money purchase personal pension. The salary figures shown below includes a salary increase arising from the Arts Council's performance appraisal system. The total accrued pension figures were supplied by NILGOSC. The comparative figures have been restated to ensure consistency of disclosure with current year figures.

	Age	Salary £	Real increase in pension at age 60 £	Total accrued pension at 31/03/02 £
R McDonough, Chief Executive	50	50,297	7,218	18,303
P Hammond, Director of Performing Arts	50	38,904	581	17,812
N McKinney, Director of Creative Arts	41	34,194	486	14,539
T Greenfield, Lottery Director	39	31,000	390	11,021

			Employer's contribution in year £	
W Lytle Director of Finance, Personnel and Administration	44	39,194	3,406	n/a

N Livingston, Director of Strategic Development: consent to disclose withheld.

4. expenditure on the arts

	2002 £	2001 £
Creative Arts		
Visual Arts	702,212	598,586
Literary Arts	209,911	282,101
Traditional Arts	22,623	107,760
Performing Arts		
Music & Opera	1,993,170	1,944,443
Drama & Dance	1,876,449	1,704,208
Strategic Development		
Community Arts	913,544	707,938
Education	82,543	187,427
Development	322,052	287,808
Strategy	228,028	132,308
Cultural Traditions	245,557	243,246
Support for the Individual Artist	468,570	-
Imagine Belfast 2008	500,000	-
Total	<u>7,564,659</u>	<u>6,195,825</u>

5. other operating costs

(a)	2002	2001
	£	£
Premises Costs	135,279	133,201
Artslink & Public Affairs	138,809	83,588
Expenses & Hospitality		
Artform Officers	31,720	31,295
Council & Panel Members	18,859	23,297
Administrative Staff	20,002	16,594
Telephone & Postage	32,810	33,426
Insurances	36,858	29,918
Legal & Consultancy Fees	76,057	33,091
Equipment	22,293	20,903
Stationery	13,961	14,092
Temporary Staff	19,957	6,974
Honoraria	12,412	12,442
Publications & Advertising	12,207	22,985
Training	10,252	11,833
Bad Debts Written Off	76	310
Miscellaneous	980	1,028
Release from Bad Debt provision	(76)	(310)
Central Advisers	2,319	-
	<u>584,775</u>	<u>474,667</u>

The above includes travel, subsistence and hospitality costs for staff, Council and Panel members. The total spent in the year on travel, subsistence and hospitality is as follows:

	Travel & Subsistence	Hospitality	Total
	£	£	£
Artform Officers	30,378	1,342	31,720
Council & Panel Members	10,686	8,173	18,859
Administrative Staff	5,214	492	5,706
	<u>46,278</u>	<u>10,007</u>	<u>56,285</u>

The Honoraria payments have been detailed in Note 3 (c). The Legal & Consultancy total of £76,057 includes an external audit fee of £9,500 in respect of the Northern Ireland Audit Office.

(b) Losses

Losses £76

i. Bad debts written off (one case) £76

6. (a) tangible fixed assets

	MacNeice House Tenant's Works	Furniture, Fixtures & Fittings	Theatrical, Art & Music Equipment	Computer Equipment	Total
	£	£	£	£	£
Valuation					
At 1 April 2001	89,025	16,952	164,929	34,488	305,394
Additions at cost	1,028	1,528	-	10,043	12,599
Disposals	-	-	-	(13,423)	(13,423)
At 31 March 2002	90,053	18,480	164,929	31,108	304,570
Depreciation					
At 1 April 2001	33,312	9,863	67,976	30,210	141,361
Charge for period	9,457	1,848	5,498	8,093	24,896
Disposals	-	-	-	(13,423)	(13,423)
Revaluation	-	-	-	(5,436)	(5,436)
At 31 March 2002	42,769	11,711	73,474	19,444	147,398
Net book value					
At 31 March 2002	47,284	6,769	91,455	11,664	157,172
Net book value					
At 31 March 2001	55,713	7,089	96,953	4,278	164,033

The Council possesses a violin manufactured by Joseph Gagliano between 1780 and 1782. The violin was donated to the Council in 1980. Due to the problems associated with the valuation of such an asset and to the fact that it may be regarded as a heritage asset, the Council has decided to disclose its existence in this note each year and not to include it in the Fixed Asset tabulation shown above.

6. (b) art collection

The Council's Art Collection was disclosed in the Balance Sheet as at 31 March 1996. From 1996-97 the Arts Council was required to value its fixed assets on the basis of modified historic costs. As it would have been impractical to record the Art Collection on this basis, and as the Council regards the Art Collection as a heritage asset, the Art Collection, valued at historic cost, (and its corresponding source of finance i.e. the Capital Reserve Account) was removed from the Balance Sheet. The Arts Council has taken the decision to transfer ownership of the Art Collection to other appropriate public bodies with the approval of the Department of Culture, Arts and Leisure. However, this has not been done as yet. It is, therefore, appropriate to continue to disclose the Art Collection details in the note below.

During 1999-2000 the Council carried out a valuation of the Art Collection. The valuation was conducted by Council staff with advice from Sotheby's. The Council believes that its staff is qualified to perform the valuation and to test and analyse valuations as advised by Sotheby's. The exercise was repeated for the purpose of updating the valuation in light of changing market circumstances as at 31 March 2002. The staff involved in the exercise were Ms Noírin McKinney, Director of Creative Arts and Dr. Suzanne Lyle, Visual Arts Officer. The 1999-2000 exercise placed a valuation on the Art Collection of £1,106,850. The recent exercise has placed a valuation on the Art Collection of £1,327,729. This represents an increase in the valuation of £220,879 or almost 20%. The historic cost of the Art Collection is shown overleaf.

	Works of Art £	Partnership Purchase of Pictures £	Total £
At 1 April 2001	393,653	31,606	425,259
Additions at cost	-	-	-
At 31 March 2002	<u>393,653</u>	<u>31,606</u>	<u>425,259</u>
Capital Reserve Account			
			£
Balance at 1 April 2001			425,259
Transfer from Deferred Purchases & Commissions Account			-
Balance at 31 March 2002			<u>425,259</u>
Deferred Purchases & Commissions Account			
			£
Balance at 1 April 2001			39,995
Less: Release for picture purchase in year			-
Balance at 31 March 2002			<u>39,995</u>
Represented by cash at bank			<u>39,995</u>

7. debtors

	2002 £	2001 £
Sundry Debtors & Accrued Income	178,034	102,244
Prepayments	<u>15,852</u>	<u>17,864</u>
	<u>193,886</u>	<u>120,108</u>

The Sundry Debtors figure above is stated after making a provision for bad debts of £2,114.

8. creditors

	2002 £	2001 £
Grants Payable	175,238	490,572
Other Creditors	85,922	41,367
Deferred Income	<u>139,288</u>	<u>84,018</u>
	<u>400,448</u>	<u>615,957</u>

9. income and expenditure reserve

	£
Balance at 1 April 2001	282,566
Surplus for year	<u>36,564</u>
Balance at 31 March 2002	<u>319,130</u>

10. grant reserve

	£
Balance at 1 April 2001	164,033
Add Capital Grant	12,599
Transfer to Income & Expenditure Account	
- Amortisation of grant	(24,896)
- Gain on relifing of assets	5,436
Balance at 31 March 2002	<u>157,172</u>

11. capital commitments

There were no capital commitments at 31 March 2002.

12. notes to the cash flow statement

(a). Reconciliation of operating surplus to net cash outflow from continuing operating activities

	2002	2001
	£	£
Operating surplus	6,477	50,536
Notional Costs	30,087	27,973
Depreciation	(24,896)	(25,105)
Release from Deferred Capital Grant Account	24,896	25,105
(Increase)/decrease in debtors	(73,778)	(39,178)
Increase/(decrease) in creditors	(215,509)	64,659
Net cash inflow from continuing operating activities	<u>(252,723)</u>	<u>103,990</u>

(b). Grants received

Deferred Capital Grant Account - grants received	<u>12,599</u>	<u>18,052</u>
--------------------------------------------------	---------------	---------------

(c). Reconciliation of net cash flow to movement in net funds

	2002	2001
	£	£
Increase/(decrease) in cash in period	(252,723)	103,990
Net funds at 1 April 2001	818,410	714,420
Net funds at 31 March 2002	<u>565,687</u>	<u>818,410</u>

Analysis of changes in net funds

	2002	2001	Change
Cash at bank and in hand	£565,687	£818,410	(£252,723)

13. financial commitments

At 31 March 2002 the Arts Council of Northern Ireland has annual commitments under operating lease agreements as set out below.

Agreements which expire:

	Land & Buildings	Other	2002 Total	2001 Total
	£	£	£	£
Within one year	-	5,630	5,630	5,872
Between two and five years	-	9,742	9,742	13,491
Over five years	100,374	1,669	102,043	101,902
	<u>100,374</u>	<u>17,041</u>	<u>117,415</u>	<u>121,265</u>

14. related party transactions

The Arts Council of Northern Ireland is a Non Departmental Public Body sponsored by the Department of Culture, Arts and Leisure (DCAL). DCAL is regarded as a related party and during the year the Council had various material transactions with DCAL.

Several members of the Arts Council and members of key management staff are also involved with other arts organisations in Northern Ireland either directly or indirectly as a result of a family relationship, a close friendship or business relationship. These individuals make an annual declaration of their interests and do not take part in discussions and decisions to make grant awards to those organisations with which they have a declared interest. A list of awards made to the organisations concerned and details of who made the declaration of interest is detailed below. All of the transactions relating to the organisations were conducted at arms length by the Council.

Organisation	Amount	Interested Party
ADAPT N.I.	£10,000	J Jordan
Ards Arts Centre	£8,500	E O Baoill
Arts and Disability Forum	£28,500	A Shortt
Belfast City "ArtsCare"	£1,000	R Dunn, J Kerr & P Hammond
Belfast Festival at Queen's	£107,500	T Maginness & B Walker
Catalyst Arts	£12,000	E O Baoill
Chris Agee	£600	N McKinney
Circa Art Magazine	£12,000	J Kerr
Classical Music Society	£15,000	J Kerr
Clotworthy Arts Centre	£10,000	M Armstrong
Community Arts Forum	£50,000	D Boyd & D Hyndman
Kaleidoscope Arts Ltd	£40,000	J Kerr
Millennium Forum	£50,000	M Bradley
Northern Ireland Visual Arts Forum	£8,000	B McClelland
Northern Visions	£48,000	D Hyndman
Open Arts	£29,000	A Shortt
Orchard Gallery	£62,000	M Bradley
Ormeau Baths Gallery	£331,000	B McClelland
Prison Arts Foundation	£13,000	M Armstrong
Queen's University English Society	£7,000	T Maginness & B Walker
SELB	£3,000	M Yeomans
The Beat Initiative	£45,000	D Boyd
University of Ulster	£2,000	B McClelland

15. value added tax

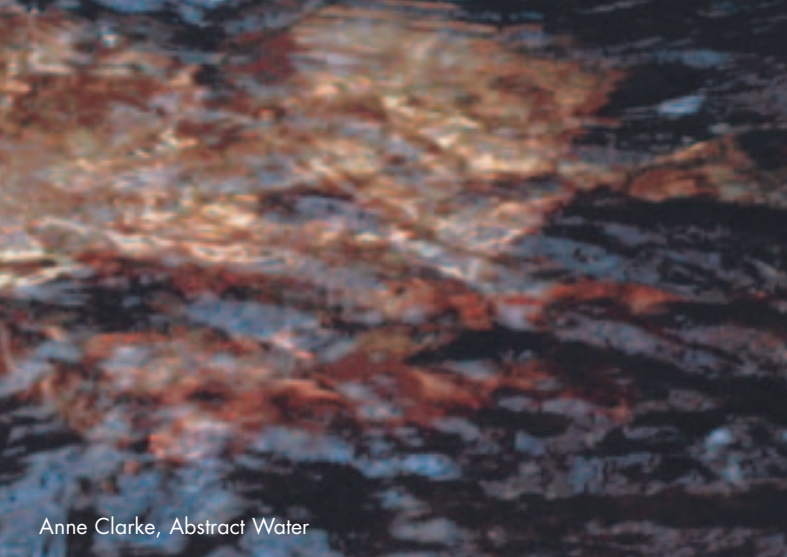
The Arts Council is VAT registered. The input VAT on all trading areas is fully recoverable and, therefore, the expenditure in these areas is included in the accounts net of VAT. The expenditure in all other areas includes VAT which is irrecoverable.

16. unrealised gain on relifing of fixed assets

This represents a depreciation gain as a result of relifing four assets of £5,436 (see Note 6a).

17. key corporate financial target

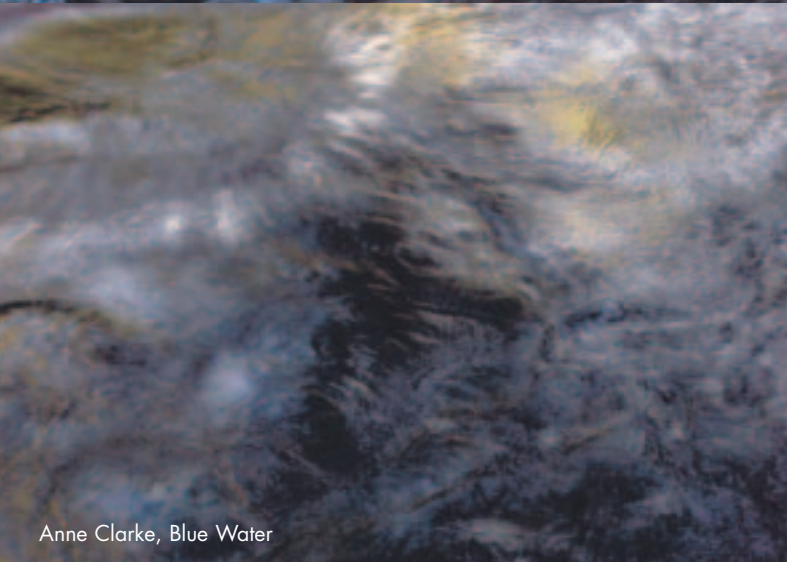
The administrative expenditure budget at the beginning of the year was £1,260,927. The Council's gross administrative expenditure was £1,403,909. Income totalling £229,371 was received in the year which related to activities which were administrative in nature. The net administrative expenditure was, therefore, £1,174,538. The Council maintained its administrative expenditure within its budget and was able to exceed the target by £86,389 or 6.85%.



Anne Clarke, Abstract Water



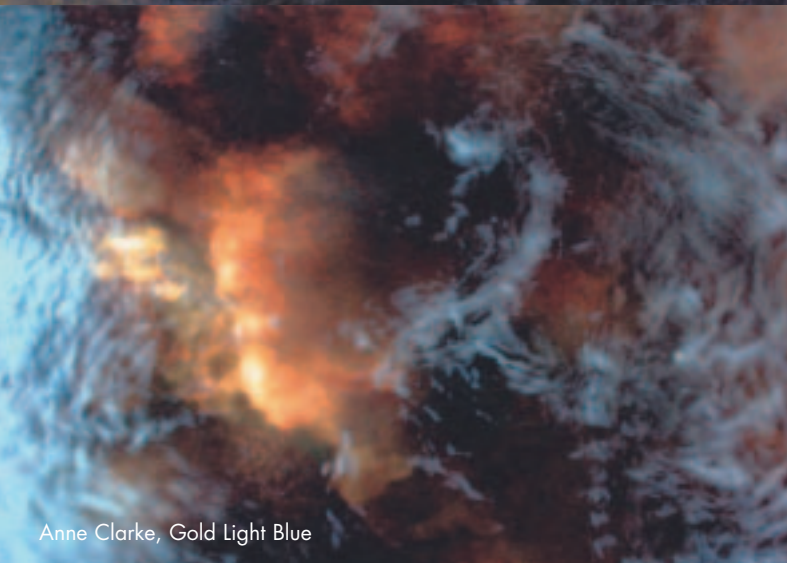
Anne Clarke, Blue Fog



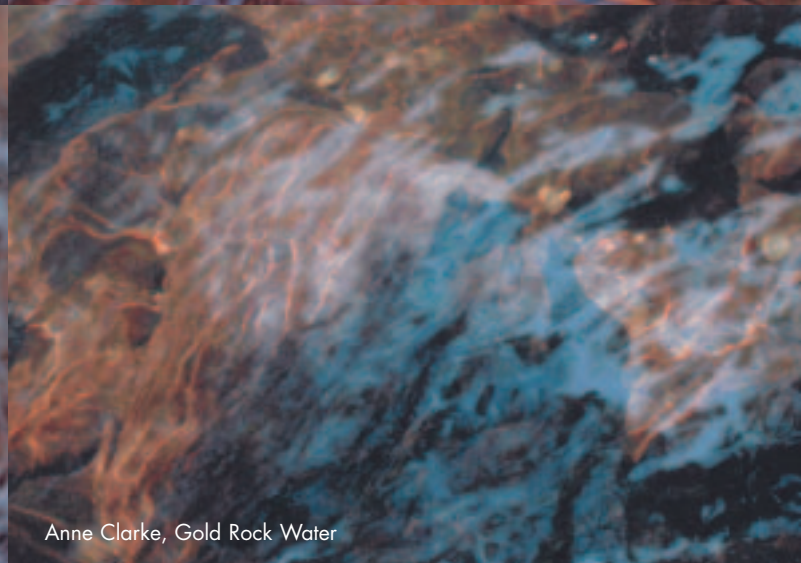
Anne Clarke, Blue Water



Anne Clarke, Blue Green Water



Anne Clarke, Gold Light Blue



Anne Clarke, Gold Rock Water



Anne Clarke, Silver Miist



Anne Clarke, Water After Monet

appendix a

accounts direction issued by the department of culture, arts and leisure

direction given by the department of culture, arts and leisure with the approval of the department of finance and personnel in accordance with article 8 of the arts council (northern ireland) order 1995

1. The Arts Council of Northern Ireland ("the Council") shall prepare accounts for the financial year ended 31 March 1997 and subsequent years comprising:
 - a. a foreword;
 - b. an income and expenditure account;
 - c. a balance sheet;
 - d. a cash flow statement; and
 - e. a statement of total recognised gains and losses,including such notes as may be necessary for the purposes referred to in the following paragraphs.
2. The accounts shall give a true and fair view of the income and expenditure and cash flows for the financial year, and the state of affairs as at the end of the financial year.
3. Subject to this requirement, the accounts shall be prepared in accordance with:
 - a. generally accepted accounting practice in the United Kingdom (UK GAAP);
 - b. the disclosure and accounting requirements contained in "The Fees and Charges Guide" (in particular those relating to the need for appropriate segmental information for service provided) and in other guidance which DFP may issue from time to time in respect of accounts which are required to give a true and fair view;
 - c. the accounting and disclosure requirements given in "Government Accounting Northern Ireland" and in "Executive NDPBs: Annual Reports and Accounts Guidance", as amended or augmented from time to time,insofar as these are appropriate to the Council and are in force for the financial year for which the statement of accounts is to be prepared.
4. Clarification of the application of the accounting and disclosure requirements of the Companies (Northern Ireland) Order and accounting standards is given in Schedule 1 attached. Additional disclosure requirements are set out in Schedule 2 attached.

5. The income and expenditure account and balance sheet shall be prepared under the historical cost convention modified by the inclusion of:
 - a. fixed assets at their value to the business by reference to current costs; and
 - b. stocks valued at the lower of net current replacement cost (or historical cost if this is not materially different) and net realisable value.
6. This direction shall be reproduced as an appendix to the accounts.

Signed by authority of the Department of Culture, Arts and Leisure.

R J Jordan

Dated 20th October 1997

schedule 1

application of the accounting and disclosure requirements of the companies (northern ireland) order and accounting standards

Companies (Northern Ireland) Order

1. The disclosure exemptions permitted by the Companies (Northern Ireland) Order shall not apply to the Council unless specifically approved by DFP.
2. The Companies (Northern Ireland) Order requires certain information to be disclosed in the Directors' Report. To the extent that it is appropriate, the information relating to the Council shall be contained in the foreword.
3. When preparing its income and expenditure account, the Council shall have regard to the profit and loss account format 2 prescribed in Schedule 4 to the Companies (Northern Ireland) Order.
4. When preparing its balance sheet, the Council shall have regard to the balance sheet format 1 prescribed in Schedule 4 to the Companies (Northern Ireland) Order. The balance sheet totals shall be struck at "Total assets less current liabilities".
5. The Council is not required to provide the additional information required by paragraph 33(3) of Schedule 4 to the Companies (Northern Ireland) Order.
6. The foreword and balance sheet shall be signed by the Accounting Officer and dated.

Accounting Standards

7. The Council is not required to include a note showing historical cost profits and losses as described in FRS 3.

schedule 2

additional disclosure requirements

1. The foreword shall, inter alia:
 - a. state that the accounts have been prepared in a form directed by the Department with the consent of DFP in accordance with Article 8 of the Arts Council (Northern Ireland) Order 1995;
 - b. include a brief history of the Council and its statutory background.
2. The notes to the accounts shall include details of the key corporate financial targets set by the Department together with the performance achieved.

appendix b

Below is the list of staff members who were employed throughout the year (unless otherwise stated) by the Council.

chief executive's office

Roisín McDonough	Chief Executive	
Brid O'Loan	PA to Chief Executive	
Belinda Conlan	Secretary to the Council	
Damian Smyth	Public Affairs Officer	
Matthew Hendry	Publications Officer	
Hilary Garner	www.art.ie Administrator	to 14 September 2001
Olive Harper	Art.ie	to 28 February 2002

creative arts department

Noirín McKinney	Director	
John Brown	Literary Arts Officer	
Martin Dowling	Traditional Arts Officer	
Iain Davidson	Craft Co-ordinator	from 2 July 2001
Paula Campbell	Visual Arts Officer	to 30 June 2001
Ted Hickey	Visual Arts Officer	from 1 June to 31 December 2001
Marianne O'Kane	Visual Arts Officer	from 25 February 2002
Suzanne Lyle	Collection Curator	from 25 February 2002
Carole McFarlane	Departmental Secretary	from 1 May 2001

performing arts department

Philip Hammond	Director
Imelda Foley	Drama & Dance Officer
Pam Smith	Music Officer
Wilma Haines	Departmental Assistant

strategic development department

Nick Livingston	Director	
Francis Murphy	Development Officer	
Ivan Armstrong	Community Arts Officer	
Patricia Morris	Education & Training Officer	
Ann Stewart-Gill	Research & Policy Officer	from 2 January 2002
Maria O'Kane	Departmental Secretary	
Debbie Mervyn	Departmental Secretary	

lottery department

Tanya Greenfield	Director	
Lorraine McDowell	Lottery Monitoring Officer	
Punam McGookin	Lottery Case Officer	
Toby Dennett	Lottery Case Officer	
Joe Kelly	Lottery Case Officer	
Dermot Gault	Lottery Officer	to 6 July 2001
Virginia Allan	Lottery Case Officer	from 10 December 2001
Marlyn Beck	Lottery Assistant	
Brendan Carson	Lottery Assistant	
Kerri Logan	Lottery Assistant	
Janice Taylor	Departmental Secretary	from 8 May 2001

finance, personnel & administration department

Billy Lyttle	Director	
Mary O'Mahony	Administration & Personnel Officer	
Ken Bartley	IT Officer	
Dominic McCanny	Equality Officer	from 12 December 2001
Jannette Kerr	Finance Officer	
Damien Rooney	Finance Assistant	
Anne Shipton	Registry	
Siobhan McDowell	Registry P/T	
Joanne Tabb	Reception	
Joe Reilly	Operational Support Assistant	
Anne Goodwin	Departmental Secretary	

appendix c

Below is the list organisations and individuals in receipt of grants from the Arts Council during 2001-02.

art expenditure schedules 2001-02

creative arts

Visual Arts

Ormeau Baths Gallery	331,000
Orchard Gallery	62,000
Belfast Print Workshop	50,000
Kaleidoscope Arts Ltd	40,000
Seacourt Printworkshop	30,000
Landseer Films	27,000
Arts of Irish & Ulster Scots (research)	25,000
Queen Street Studios	20,000
Arts Council Collection Exhibition (The Public Eye)	16,020
Context Gallery	16,000
Flax Art Studios	16,000
Catalyst Arts	12,000
CIRCA Art Magazine	12,000
Photoworks North/Source Magazine	12,000
Fenderesky Gallery	8,000
Northern Ireland Visual Arts Forum	8,000
East Belfast Arts Collective	5,000
CDU Business Plan	5,000
Orchid Studios	3,000
Paragon Artists Studios Ltd	3,000
Proposition Gallery	3,000
Servicing the Collection	3,000
Artwords	3,000
Array Studio Group	2,500
University of Ulster	2,000
Craft Information Day	1,644
Fermanagh District Council	1,500
Flax International Arts Centre	1,500
Not in Kansas	1,500
Cinilingus	1,500
Servicing the Collection	69
Release of prior year provision	(20,021)
	<u>702,212</u>

Literary Arts

Blackstaff Press Ltd	50,000
Lagan Press	30,000
Verbal Arts Centre (NI) Ltd	28,150
The Gallery Press	16,000
John Hewitt International Summer School	13,000
Poetry Ireland	9,000
Fortnight Publications	8,500
Queen's University English Society	7,000
An tUltach	6,000
Books Ireland	6,000
Crescent Arts Centre	6,000
CLÉ	5,000
Irish Writers' Centre	5,000
The Big Spoon	3,750
Fortnight Educational Trust	3,600
Honest Ulsterman Publications	3,000
The Irish Review	3,000
William Carleton Summer School	3,000
Club Leabhair Coisceim Feirste	2,000
Salmon Publishing Ltd	2,000
Black Mountain Press	1,000
Release of prior year provision	(1,089)
	<hr/> 209,911

Traditional Arts

Irish Traditional Music Archive	15,000
Ulster Scots Folk Orchestra	4,000
Iomairt Cholm Cille/Columba Initiative	3,000
Clare Festival of Traditional Singing	2,000
Greyabbey Ulster-Scots Country Dance Class	1,000
National Museums & Galleries NI	1,000
Co Antrim Fleadh Committee	500
CCE Newry	500
Panarts	500
Release of prior year provision	(4,877)
	<hr/> 22,623

performing arts
Music & Opera

Ulster Orchestra Society Ltd	1,417,000
Visiting Opera	185,000
Castleward Opera	150,000
Opera Theatre Company	45,000
Moving on Music	45,000
Ulster Orchestra New York Festival	30,000
Sonorities Festival of Contemporary Music	20,000

Ulster Youth Orchestra	20,000
Opera Development	20,000
Belfast Music Society	15,000
Classical Music Society	15,000
Contemporary Music Centre	14,000
Fermanagh Council	5,000
Armagh City & District Council	3,500
Share Music	3,500
Music Network	3,000
Instrument Maintenance	2,000
The Studio Symphony Orchestra	1,000
Instrumental Maintenance	130
Release of prior year provision	(960)
	<u>1,993,170</u>

Drama & Dance

Lyric Theatre	525,000
Grand Opera House	508,400
Replay Productions Ltd	109,500
Tinderbox Theatre Company	79,500
Prime Cut Productions	60,000
Big Telly Theatre Company Ltd	55,500
Ardhowen Theatre	51,000
Armagh Theatre	51,000
Riverside Theatre	51,000
Aisling Ghéar Theatre Company	50,000
Derry Theatre	50,000
DubbelJoint Productions	47,500
Kabosh Productions	41,000
Ulster Association of Youth Drama	38,000
Dance NI	22,500
Cookstown - Burnavon Centre	20,000
Centre Stage Theatre Company	20,000
Dance Tours	17,000
Association of Ulster Drama Festivals	14,000
North Face Theatre Company	13,900
Ridiculusmus	10,000
Belfast Theatre Company	10,000
The Stewart Parker Trust	7,000
Aisling Ghéar Theatre Company	7,000
Belfast Theatre Company	6,000
Echo Echo Dance	5,000
DubbelJoint Productions	5,000
Prime Cut Theatre Company	5,000
North/South Dance Initiative	2,475
Centre Stage Theatre Company	1,500
Irish National Youth Ballet Company	1,000
North/South Touring Drama	500
Scottish Ballet Masterclass Series	90
Release of prior year provision	(8,916)
	<u>1,876,449</u>

strategic development

Community Arts

Old Museum arts centre	185,000
Crescent Arts Centre	95,000
The Playhouse	85,000
An Chultúrlann	80,000
The Nerve Centre	55,000
Feile an Phobail	51,000
Community Arts Forum	50,000
Belfast Community Circus	49,000
Northern Visions	48,000
The Beat Initiative	45,000
Voluntary Service Belfast	31,000
Play Resource Warehouse	20,000
Belfast Exposed	20,000
Sole Purpose Productions	19,900
JustUs Theatre Company	15,000
Kids in Control	15,000
Prison Arts Foundation	13,000
Belfast Youth & Community Group	12,500
Eden Place Arts Centre	12,000
Belfast Community Theatre	10,000
Conradh na Gaeilge	8,300
Streetwise Community Circus	7,500
Shankhill Community Theatre	4,500
Cinemagic	2,000
Best Cellars Music Collective	1,500
Ards Arts Centre	1,500
Release of prior year provision	(23,156)
	<u>913,544</u>

Education

Tyrone Guthrie Centre	62,000
Resource Pack	22,397
Primary Schools (Tours)	3,658
North Eastern Education & Library Board (ELB)	3,000
South Eastern ELB	3,000
Southern ELB	3,000
Western ELB	3,000
Belfast ELB	1,140
Council of Europe Visit	435
Release of prior year provision	(19,087)
	<u>82,543</u>

Development

Belfast Festival at Queen's	107,500
Arts & Disability Forum	28,500
Conference/Forum for Local Government & the Arts	23,983
Open Arts	20,000
Drake Music Project	17,000
North West Fest	14,000
Island Arts Centre (Lisburn Borough Council)	13,000
Clotworthy Arts Centre	10,000
ADAPT NI	10,000
Dungannon Disability Arts Studio	10,000
Omagh Arts Festival	9,000
Armagh City & District Council	9,000
Down Arts (District Council)	8,000
Voluntary Arts Network	8,000
Cathedral Quarter Festival	7,000
Aspects Literature Festival	6,000
Ballymena Arts Festival	6,000
Ards Arts Centre	6,000
Talks On...	5,057
Young at Art	5,000
Limavady Arts Festival	5,000
Flowerfield Arts Centre	5,000
Craigavon Borough Council	4,000
Island Festival (Lisburn Borough Council)	2,500
Laganside Corporation	2,000
Protocol	2,000
Belfast City 'ArtsCare'	1,000
'lace' Drama Group	1,000
Release of prior year provision	(23,487)
	<u>322,052</u>

Strategy

Year of the Artist	34,288
Arts & Business	30,000
New Generation Audiences	25,000
Young at Art Ltd.	25,000
International & European Affairs	21,199
Development Partnerships with District Councils	16,240
Sticky Fingers [Green Fingers Project]	13,000
Cahoots (NI) Ltd.	13,000
Arts Research	10,988
Open Arts	9,000
Widening Access	8,580
Crescent Arts Centre	7,000
Derry Millennium Forum	7,000
Sticky Fingers [Shortcake Project]	6,000
Shankill Community Arts Network	6,000
Kids' Own Publishing Partnership	4,000
Panarts	3,500
Visiting Arts Office of GB&NI	3,200

North West Play Resource Centre	3,000
Phoenix Arts Connection	3,000
The Armagh Rhymers Workers Co-op Ltd	3,000
Wheatfield Primary School	3,000
Holy Cross Girls Primary	3,000
Council Member Training	2,807
Blathanna	2,000
Early Years Provision	1,842
Newtownstewart & District Ulster Scots Association	1,000
Ards Arts Committee	1,000
Federation for Ulster Local Studies	400
Release of prior year provision	(39,015)
	<u>228,028</u>

Cultural Traditions

The Armagh Rhymers	60,000
Conradh na Gaeilge, Derry	36,700
An Chultúrlann	20,000
Youth Drama	18,000
NII Piping & Drumming School	18,000
Andersonstown Contemporary&Traditional Music School	15,000
The Nerve Centre	15,000
Armagh Pipers Club	10,000
Kids' Own Publishing Partnership	10,000
Pushkin Prizes	10,000
Belfast & District Set Dancing	7,800
Frances McPeake School of Music	6,000
Mid Armagh Community Network	5,000
CCE Camlough (book)	4,500
CCE Armagh County Board	3,000
CCE Camlough (Ceol)	2,500
Antrim Glens Traditions Group	2,000
Mid-Armagh Community Network	2,000
The Armagh Harpers Association	2,000
Comhchoiste na Gaeilge	1,000
CCE Warrenpoint	900
Royal Scottish Country Dance Society (Portrush)	600
Scottish Ballet Masterclass Series	291
Release of prior year provision	(4,734)
	<u>245,557</u>

Support for the Individual Artist

Alice Berger Hammerschlag	650
The George Campbell Memorial Trust	1,200
The British School at Rome Fellowship	7,987
New York PSI	26,000
The Chair of Poetry	6,000
The Skidmore Jazz Studentship	1,600
The Banff Residency in the Leighton Studios	4,652
The Arts & Disability Awards Ireland	21,375

Artists in Education Scheme	50,000
University Residencies	27,700
Promotion	15,173

Major Individual Awards Scheme

Brian Irvine	10,000
Colin Teevan	10,000
Susan MacWilliam	10,000
Rita Duffy	10,000

Self-Arranged International Residency Scheme

Steve Burch	2,340
Clive Murphy	2,650

Outside Arts Awards

Amanda Montgomery	1,500
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Travel Awards

Steve Burch	600
Hamish Fyfe	250
Gerard Casey	250
Chris Agee	600
Bob Sloan	500
Aidan Mulholland	250
Mike McCann	500
Mairtin Crawford	500
Gearoid MacLochlainn	600
Janet Crymble	1,150
Joseph McBrinn	500
Chris Hillen	600
Clare Novaes	750
Flora Herberich	800
Tim Hannington	800
Michael Alcorn	550
Ken Fanning	800
Tina Segner	800
John Campbell	400
Len Graham	400
Una Walker	200
Louise O'Boyle	100
Raymond Watson	270
Robin Doherty	300
Brian Kennedy	400
Farhad Nargol-O'Neill	650
Terry Loane	200
Louise Harrington	650

British Council (UKwithNY)	13,000
Martin Mooney	300
David DuBose	300
Moyra Donaldson	300
Angela Ginn	650
Briega Murphy	600
Arran Towers	650
Joanne Quigley	400
Robbie Hannan	400
Jill McKeown	300
Liam Kelly	300
Ken Simpson	800
Helen O'Hare	800
NIMIC	3,000

General Art Awards

Paul John Murphy	3,000
Danny Morrison	3,000
Patrick Pearse Elliott	3,000
Paula Clamp	1,120
Cecilia McAllister	2,800
Philip McCann	3,000
Gavin Carville	1,500
Jo Baker	3,000
Ken Fanning	3,000
Caoimhe McGill	3,000
Tracey Gallogly	3,000
Jan Branch	430
Eddie Kerr	3,000
Vincent Higgins	3,000
Brenda McKee	763
Melissa Logan	400
Rowena Cairns	690
Linley P Hamilton	3,000
Jennifer Bourke	470
Ryan Molloy	850
Bernadette Brown	800
Carolyn Dobbin	900
Vedran Smailovic	1,000
Margaret Doris	2,590
Joanne Quigley	1,125
Leslie Nicholl	1,000
Aisling O'Beirn	3,000
Damian Magee	550
Richard Livingstone	1,000
Susan MacWilliam	3,000
Lisa Malone	700
Diane Henshaw	1,000
Joanne Logan	1,000
Eoghan McTigue	3,000
Karen Downey	1,867
Karl Harron	1,000

Gary Shaw	1,000
Ursula Burke	1,500
Conor Regan	1,000
John Duncan	2,952
Andrew Dobbin	250
Niamh O'Malley	3,000
Ruth Jones	2,886
Ciaran O Doherty	855
Elina Medley	825
Ian Charlesworth	3,000
Fiona Joyce	1,000
John Mathews	1,000
Gerard Devlin	1,400
Lorraine Burrell	670
Gail Prentice	1,000
Janet Preston	1,500
Josephine McCormick	1,000
Christopher Murphy	1,000
Jill McKeown	1,564
Conor McFeely	3,000
Linda Hamilton	176
Anne Denvir	176
Aberdeen International Youth Festival	450
Ken Jordan	1,000
Brian Hassan	960
Bernadette Comac	600
Colin Reid	3,000
Tom Watson	1,200
Paul O'Hagan	595
Debra Salem	3,000
Lewis Smith	3,000
Steve Burch	1,000
Cliona Doris	3,000
Emily McCullagh	3,000
Simon Llewellyn	3,000
Annie McCartney	3,000
Anne Harris	800
Brian Campbell	3,000
Sam Fleming	900
Gearoid MacLochlainn	3,000
Jean Bleakney	2,000
Raymond Henshaw	1,000
Jean Duncan	2,300
Robin Doherty	1,300
Brian Kennedy	1,000
Raymond Watson	1,000
Adrian O'Connell	2,900
Dan Shipsides	1,940
Gerard Murphy	950
Alberta Park	2,000
Angela Ginn	2,500
Namara Lindsay	1,000
Fiona Ní Mhaoilir	750
Gerry Gleason	1,000

Tony Bartley	1,000
Jamie Lemon	1,000
Darren Murray	2,000
Simon McWilliams	785
Terry McAllister	1,000
Mhairi Sutherland	1,195
Gail Kelly	1,000
Sally Young	1,000
Martin McParland	800
Katrina Moorhead	1,650
Andrea McCullough	1,000
Julie McGowan	2,000
Angela Darby	1,000
Ashley Holmes	1,000
Helen O'Hare	1,000
Joanne Vance	1,000
Frankie Quinn	2,400
Allan Hughes	1,600
Mary McIntyre	1,000
Ray Duncan	1,000
James Allen	1,000
Sam Fleming	1,000
Miriam Rogers	850
Anne Clarke	1,000
Claire Simpson	1,000
Corrina Askin	1,000
Sean McKernan	2,830
John Baucher	1,000
Seamus Harahan	1,770
Miriam de Burca	3,000
James Millar	1,000
Deirdre Robb	1,000
Michael O'Boyle	890
Deirdre McKenna	1,000
Moira McIver	2,500
Claire Gibson	500
Brian McAvera	3,000
Christina Reid	3,000
Gillian Jones	3,000
Ciara Bradley	3,000
David Woods	3,000
John McIlduff	2,050
Dan Gordon	3,000
Alan McKee	3,000
Paul McEneaney	2,300
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	468,570
Imagine Belfast 2008	500,000
TOTAL	<u><u>7,564,659</u></u>

appendix d

The following is the text of the Chief Executive's introduction to the Arts Council's Lottery Annual Report for 2001/02.

The Arts Council of Northern Ireland introduced major changes in the distribution of its National Lottery funds in 2001/02. New schemes were launched, the moratorium on new build capital projects was lifted and the Council undertook a review of its 1999-2002 Strategy.

On April 1st 2001 the Arts Council, in association with the Sports Council for Northern Ireland, the Community Fund and the Heritage Lottery Fund, launched a one-year pilot small grants programme - **Awards for All** - offering grants of up to £5000. During the year, the New Opportunities Fund also joined the programme augmenting the total funds available to £3,000,000. The Arts Council's contribution to this programme was £750,000 and 152 awards totalling £539,172 were made during the year for arts projects. **Awards for All** proved to be an enormous success in its pilot year and in February 2002 the Arts Council agreed a further three-year commitment to the programme.

Following consultation with the arts sector, the Council re-launched both its **Access** and **New Work** programmes. Since the re-launch, both schemes have attracted a large number of applications resulting in 32 **Access** awards totalling £1,502,739 and under the **New Work** programme 28 awards receiving £814,162.

A new **Audience Development** programme was also introduced in April 2001. This programme offered grants of up to £100,000 per year for 3-years and was introduced to provide arts organisations with additional funds to identify and develop their audiences in a period of static or, in some cases, decreasing funding from the Council's conventional stream. Twelve awards were made this year, amounting to £1,761,409.

Following a number of years in which moratoria existed, the Council re-introduced two programmes: **Capital New-Build & Major Refurbishment**; and **Musical Instruments for Bands**. The first decisions on the capital programme were made in December 2001, whilst the first decisions under the musical instrument programme will be made in April 2002.

The Arts Council also completed the delegation of its responsibility for film finance to the Northern Ireland Film and Television Commission (NIFTC). Under the delegation agreement the Arts Council will allocate 13 per cent of its annual income to the NIFTC for a pilot period of 3 years. These funds will be distributed initially for the purposes of production, development and distribution. Any additional programmes will be the subject of consultation and agreement between the Arts Council and the NIFTC.

During the final four months of the year, the Council consulted on the delivery and outcomes of its 1999-2002 **Strategy for the Distribution of National Lottery Funds** and on its new strategy for the period 2002-2006. There was acknowledgement from the arts sector that improvements had occurred during the life of the strategy - the introduction of a single application form, improved guidance notes and streamlined payment processes. There was general agreement that the programmes offered by the Arts Council were appropriately targeted and addressed the needs of the sector. However, the possible inability to maintain the opportunities for growth provided by new Lottery programmes was recognised as a major problem given the prediction of falling Lottery ticket sales over the life of the new Strategy.

The new strategy, to be published in April 2002, aligns the distribution of Lottery funds more closely with the Arts Council's overall objectives and priorities set out in its main strategy document, whilst maintaining the additionality principle which underlies all Lottery funding.



Ciaran O'Doherty, artist, at launch of the Arts Plan. Photo - Phil Smyth



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