arts council of Northern Ireland

Arts Council of Northern Ireland

Annual Report 2004-2005

Belfast Exposed: Sun City by Peter Granser. Courtesy Kamel Mennour, Paris

Front Cover: Riverside Theatre, The Nightingale by Hans Christian Anderson

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NDPB Arts Council of Northern Ireland Annual Report and Accounts for the year ended 31st March 2005

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Introduction

The Arts: Inspiring the Imagination, Building the Future

The Arts Council of Northern Ireland is the lead development agency for the arts in Northern Ireland and the main support for artists and arts organisations throughout the region in a wide variety of artistic disciplines.

The Arts Council is an executive Non-Departmental Public Body (NDPB) which receives its core funding through the Department of Culture, Arts and Leisure (DCAL). We have our own accountability arrangements regulated by a Management Statement and Financial Memorandum and are separately accountable to the Secretary of State for Culture, Media and Sport for our lottery functions. We establish our priorities, policies and funding programmes for the arts in Northern Ireland within the overarching framework of Government objectives.

We enshrine in our priorities and strategies the principle that the arts enrich the lives of everyone in Northern Ireland. In our *Five Year Arts Plan 2001-2006*, we address key areas for action, including: increasing opportunities for artists locally and internationally; strengthening the arts infrastructure; encouraging the creativity of children and young people; enhancing the quality of access for disabled people, and; engaging with community arts and the voluntary sector to develop new audiences and to expand the range of contexts in which artists work.

The Playhouse

Chairman's Foreword April 2004 – March 2005

It is my pleasure to present this annual report for 2004-2005. It represents a strong body of work from artists and arts organisations, of which everyone can be proud. That Northern Ireland has a vibrant engaged arts sector cannot be in doubt. We all know of the impact that arts and artists from Northern Ireland have made on the world stage; that it far exceeds what might be expected of a small region; that Northern Ireland is, and has been a cradle of considerable creativity, boasting some of the finest writers, actors, artists and musicians in the world.

There are also of course, our home grown theatre companies, circus, and orchestra who have also achieved international success, helping to draw the attention of the world to the creative resources of Northern Ireland and serving to move and change the stereotypical image that the world has of this place. In the year under review the Ransom company funded by the Arts Council took "Hurricane" to Broadway; we announced that Northern Ireland would be part of that great showcase of contemporary art (for the first time) " The Venice Biennale"; and Cahoots Northern Ireland took "The Magic Hat" to Korea.

Other artists have carved a different role for themselves, diversifying to meet the increasingly wide-ranging demands of a society in transition. You will still find them occupying the traditional high ground as social commentators and visionaries, but they are also influencing and shaping society directly, working at local community level or in our schools and hospitals; in Arts Council partnership initiatives such as "Creative Youth Partnerships" and "Art of Regeneration" aimed at developing creativity in young people and local communities.

The creative industries are also growing and contributing to the re-generation of our economy and society in designing sympathetic public spaces; creating intricate pieces of craft, embracing commerce and technology through state-of-the-art website production. It is a rich and ever changing scene.

It is, therefore, of considerable concern that our per capita spend, which is lower than that of the rest of the UK, continues to take its toll on this struggling infrastructure, which is already suffering from decades of chronic under-funding. The Arts Council appreciates the promised sizeable injection of much needed Government money into the capital infrastructure in Belfast. However, given the inherent value of arts to society in enriching lives, and providing inspiration and stimulus to the young (so essential if we are to build an informed, inclusive, prosperous, society) it is of concern that Government funding has been reducing, and, particularly, that it falls so far short of that available to other parts of the United Kingdom.

It is important that the sector continues to speak with one voice at many different connection points in order to continue to draw this anomaly to the attention of government, local politicians and civil servants.

Possibly the most important task that this Council will undertake during its term is the development of the next five year strategy to cover the period 2006-2011. This work is well underway with wide ranging input from artists and arts organisations across the sector. The full consultation process will take place over the spring and summer, to conclude in the autumn of 2006.

Council is committed to upholding the highest standards of public service ensuring compliance in line with all government requirements. Considerable effort has gone into strengthening business processes and practices and building a robust evidence base in the last year. This has resulted in a more client focused organisation, with management and data collection systems being developed that will not only deliver a swifter, more supportive service to clients, but also offer both the Council and the executive a wider more in depth range of information required to take a fully informed strategic overview.

Rosemary Kelly
Chairman, Arts Council of Northern Ireland

The Council

The Arts Council of Northern Ireland is a statutory body under the Arts Council (NI) Order 1995. The Chairperson is appointed by the Secretary of State and the Vice-Chairperson and members of Council are appointed by the Minister for Culture, Arts and Leisure.

Ms Rosemary Kelly was appointed Chairman of the Arts Council of Northern Ireland in 2003. The appointment is effective for four years.

Rosemary Kelly is a member of the Content Board of Ofcom; a Governor of the Irish Times and a member of the Council of the University of Ulster. She is a former Head of Public Affairs and Company Secretary for BBC Northern Ireland. Ms Kelly is also a former Chairman of the Ormeau Baths Gallery, Belfast, from 1995 until 2000. She is currently Chairman of Help the Aged, Northern Ireland, and a Trustee of the charity in London. Ms Kelly is also a former Deputy Chairman of the Ulster Orchestra and President of AUDF.

Fourteen members of Council, including the Vice-Chairman Martin Bradley, were drawn from a broad cross-section of representatives from the arts and cultural sector; and were appointed in 2003 to serve a four-year term. The appointments are made in accordance with the guidance of the Commissioner for Public Appointments for Northern Ireland. Council members continue their development in various aspects of corporate governance by undertaking relevant training and by their attendance at events throughout the year.

The Council provides leadership for the executive body, in particular in defining and developing its strategic direction. It monitors performance in order to ensure that the Arts Council fully meets its aims, objectives and performance targets, and acts in a way that promotes the highest standards of public finance.

Council Responsibilities

The Chairman and members of Council have individual and collective responsibility to the Minister for Culture, Arts and Leisure through 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, provide 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.

Committees and Remits

The Audit Committee ensures that the internal control systems, including audit activities, are monitored actively, independently and objectively in order to promote and to ensure high standards of propriety, accountability and financial management within the Council.

The Lottery, Grants and Capital Committee reviews the programmes, policies and procedures relating to the disbursement of exchequer and Lottery grants, including capital grants. The Committee also advises on policy and strategy relating to arts funding.

The Finance Committee proposes the annual budget to Council for approval; it provides financial advice to Council and it reviews information relating to the budget and financial resources for both exchequer and Lottery funding.

The Remuneration & Staffing Committee ensures that all selection and appointment procedures of the Council reflect best practice and comply with all relevant employment legislation.

The Strategy Committee makes recommendations to Council on policy and planning issues particularly with regard to the Annual Business Plan and Objectives. It also plans the annual review of progress.

The North/South Committee is a joint committee of the Arts Council of Northern Ireland and An Chomhairle Ealaíon. It makes recommendations on issues of mutual interest in the advancement of arts on the island of Ireland.

The Aquisitions Committee agrees the purchasing, showcasing and documentation of works of art as laid out in the Acquisitions Policy.

Council Members of the Arts Council of Northern Ireland

The Council of the Arts Council of Northern Ireland for the year ended 31 March 2005 is shown below.

Ms Rosemary Kelly
Chairman

Mr Martin Bradley
Vice Chairman

Mrs Eithne Benson

Ms Kate Bond

Mr Will Chamberlain

Ms Lucy Finnegan

Mr Raymond Fullerton
From March 05

Ms Jill Holmes

Mr Anthony Kennedy

Mr Tim Kerr

Mr Brendan Milligan

Mr William Montgomery

Mr Gearóid ÓhEara

Ms Sharon O'Connor

Mr Peter Spratt

Chief Executive's Introduction

During the year 2004-2005 the Arts Council made awards totalling £10,633,842 to artists and arts organisations. The distribution of funding addressed the strategic directions of the Council's Five Year Arts Plan 2001-2006 and the declared needs of the sector itself.

We continued to strengthen the infrastructure of the arts through the Annual Support for Organisations Programme (ASOP), securing funding of £7.63 million for 130 major organisations delivering arts programmes on a year-round basis.

A further £963,852 was distributed through the Support for the Individual Artist Programme (SIAP), which offers a package of national and international opportunities for practising artists. An independent review of the effectiveness of the SIAP programme yielded encouraging conclusions, and the recommendations of that review will inform the future development of the programme.

The Council also continued to consult widely with the arts sector on the development of its art form policies. A priority identified was the need to stabilise the support base for Northern Ireland's craft designers and makers. Alongside initiatives to raise the awareness, profile and understanding of crafts, applied arts and contemporary design, we laid the foundations for a new craft development agency for the region. When launched in winter 2005, the new development agency, Craft Northern Ireland, will champion the needs of the individual designer/makers and businesses in growing their practice, income and audiences.

There is undoubtedly an imperative to increase the audience base across all the arts in Northern Ireland, and we must explore innovative ways to encourage new people to attend arts events, whilst holding onto existing audiences.

We consider audience development for the arts here so important that we made it a strategic priority during the life of our current five year plan for the arts. This theme has occupied us and played a major role in the distribution of our funding and in the developmental initiatives we have pursued.

In the year under review, the Council drove forward new ticketing and marketing initiatives, enabling arts venues to access a computerised ticketing network and allowing the Council to develop measured baselines for audience participation across the region. In August, we established an independent dedicated audience development agency, Audiences NI, which will now take the lead role.

Arts organisations here appreciate the importance of enhanced audience development to long-term sustainability - our future as a thriving arts community in the face of a shrinking public budget depends upon it.

Due to spending reductions announced in the NI budget for the arts for the coming year, 2005-2006, the Arts Council introduced new revenue funding arrangements. As a measure to protect the considerable investment made in the arts infrastructure over recent years and to ensure the continued stability of our major clients, we re-profiled our Annual Support for Organisations Programme and introduced a new three-year support programme through our National Lottery resource.

We continue to refine elements of our staffing structure and to examine the roles of our officers in response to the developing needs of the sector. We invested in improving our grants management system and in staff training through an accredited Grants Skills Training Programme, and we are confident that we will achieve our aim to attain Investor in People recognition in the year ahead.

The Council has maintained the important work during the year of strengthening relationships with our local authorities and the Forum for Local Government and the Arts. These relationships promise to be of growing consequence as we prepare for the Government's Review of Public Administration in 2006, which will introduce a new era for the provision of the arts, and public services in general, across Northern Ireland.

Roisín McDonough
Chief Executive

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 and can be viewed at www.artscouncil-ni.org. For information, an edited copy of the Chair of the Arts Council Lottery Sub-Committee's note to the Lottery Annual Report is attached as Appendix C.

An Overview of the Council's Activities during the Year

OBJECTIVE ONE

Increase opportunities for artists working to the highest standards and in innovative ways

In this, the fourth year of the Support for the Individual Artist Programme which forms the foundation of Council's response to objective one of its strategy document, Council commissioned an external review as planned when the programme was established in 2001. It was undertaken by Bearing Point Consultants between October and December 2004 and through a process of desk research and public consultation, the consultants delivered a document which included eight main recommendations. These recommendations will inform aspects of the programme for 2005-06. The overall conclusion of the review provided this encouraging statement: "the programme is providing opportunities that the artists would not have otherwise had without SIAP….This illustrates the success of the programme….overall there are positive comments about the support and its effects for artists" *(Bearing Point "Review of the SIAP")*.

The total budget available for SIAP in 2004-05 was £1,050,000 with an available amount of £50,000 additional from DCAL for the Arts and Artists Abroad, prioritised but not specifically for work in the rest of the island of Ireland and the rest of the UK. As usual, advertisements in the press were placed for all schemes under the programme.

SIAP was further profiled in *Article,* the programme-specific magazine produced by the Arts Council. The Arts Council also produced *Imprint,* a publication specifically designed for the US market and distributed worldwide by the British Council. It followed an earlier publication called *Export* which dealt with a more contemporary view of the arts in Northern Ireland. Postcards advertising the SIAP schemes were also distributed.

There were sixteen schemes (including each individual "arranged" residency scheme) available under the current Support for the Individual Artist Programme; eleven of these schemes come under the International programme heading. A total of 453 applications were received during the year under review.

With two entry points per year and the flexibility of the criteria for eligibility, the General Arts Awards Scheme is still by far the most "popular" in the programme; it offers awards of up to £5,000 per individual applicant. Materials have a maximum limit of £3,000. Within that overall limit, Equipment (IT, laptops, PCs etc) is limited to £1,000 unless an exceptional case is made for specialist need. Professional Services are limited to £2,000; this category includes CD making as well. Of a total of 234 applications received 106 received awards.

The three recipients of the Major Individual Awards were **Patricia Craig** (Literature), **Dan Shipsides** (Visual Arts) and **Colin Darke** (Visual Arts).

A new bi-annual scheme, the Young Artists' Platform, was introduced in 2004/05 in partnership with the BBC and aimed at young musicians who have completed their initial graduate course of study. The three Arts Council of Northern Ireland awards of £5,000 each are designed to help the recipient follow a course of study abroad while the BBC's contribution is a series of broadcast recitals and an opportunity to appear as a soloist with the Ulster Orchestra. Seven applications were received for this scheme and the three recipients of this award were; cellist **Jonathan Byers**, pianist **Cathal Breslin** and opera singer **Rebekah Coffey**.

Cathal Breslin. Photo Brendan O'Neill Photography

OBJECTIVE TWO

Strengthen the arts infrastructure

The Arts Council meets this objective primarily through the development of the various art forms and support for key arts organisations. The highlights and achievements of our partner organisations, by art form, follow below.

Drama & Dance

Drama in Northern Ireland has continued to break through the boundaries of creativity and inspire audiences and practitioners. Tinderbox Theatre Company successfully delivered its *Dramaturgy* project which was supported by the Arts Council. This method aims to improve the quality of script development within the independent theatre sector. The project has been a successful mechanism for delivering excellence in new writing across the theatre sector. In a first for Northern Ireland, Big Telly Theatre Company produced its adaptation of '*The Little Mermaid*', which was set in swimming pools throughout Northern Ireland. Spectacle, visual effects and music were used to re-tell the story of '*The Little Mermaid*', which went on to tour internationally to Taiwan, Denmark and Shanghai.

Home-grown dance has been created, produced and presented throughout the year under review. Maiden Voyage toured the contemporary dance piece *Wanderlust*, *Kentucky* choreographed by dance artist Jodie Melnick who is a Bessie Award winner. Echo Echo Dance Theatre Company continued to create professional performance pieces as well as expanding the development of dance in the North West region of Northern Ireland through an extensive teaching and development educational programme with local organisations, community groups, schools and education institutions.

Music

The Sonic Arts Research Centre at Queen's University Belfast was officially opened during the Sonorities Festival of Contemporary Music in May. One of the highlights of this Festival was undoubtedly the series of concerts by renowned composer Karlheinz Stockhausen. During the year under review, Belfast was the recipient for the BBC Music Live extravaganza. This two-week celebration of music throughout Northern Ireland culminated in a grand finale concert outside Belfast City Hall, featuring artists such as Alanis Morrisette, Bob Geldolf and Katie Melua. In collaboration with the BBC, the Arts Council of Northern Ireland facilitated a number of local showcases leading up to the final event.

In line with its Opera policy, the Arts Council provided funds to Opera Theatre Company, Castleward Opera, Opera Fringe Festival and Welsh National Opera. Regularly funded organisations such as the Ulster Orchestra and Moving on Music continued to provide varied programmes of high quality music.

Visual Arts and Crafts

The Arts Council continued to purchase works in line with its acquisitions policy, with a budget allocation of £50,000 in 2004/05. Works were purchased from artists such as Sophie Aghajanian, Ian Charlesworth, Emma Connolly, Barbara Freeman, Struan Hamilton, Conor Kelly, Brian McClelland, and Peter Meanley amongst others. The Open Submission Scheme was held in March, when artists had the opportunity to submit works for consideration for purchase; works by Cain Donnelly and Gary Shaw were acquired in this way. In the course of the year works from both the historic and new collections were presented at the Millennium Court Arts Centre and the National Gallery of Ireland.

The seven dedicated galleries supported by the Arts Council of Northern Ireland continued to offer a diversity of programmes with shows that were often challenging and innovative. Amongst many highlights were Willie McKeown at the Golden Thread Gallery, a major Dermot Seymour retrospective at Millennium Court and new work by Sharon Kelly and Amanda McKittrick at OBG. Both Perspective and the 2nd Textile Biennale at OBG received a high level of submissions (local, national and international) and led to engaging shows. In January 2005, The Void Arts Centre in Derry opened its doors. With two dedicated gallery spaces, a café area, eight artists studios, meeting facilities and office space this will clearly be a significant facility for the visual arts in the Derry area. The proposed programme has an international perspective as signified by the opening show which featured work by Frances Hegarty, Ghazel and Vong Phaophanit.

Brian McClelland, W5 Large Window, from the Arts Council Collection

Major Individual awards of £15,000 were made to Dan Shipsides and Colin Darke in recognition of their achievements in and contributions to visual art. That both are working to a high standard with international reputations is testament to the strength and depth of practice from Northern Ireland. A significant development in terms of international profile and opportunities for artists was undoubtedly the decision in partnership with the British Council to pursue a Northern Ireland presence at the Venice Biennale 2005. In May, Hugh Mulholland was appointed commissioner and his bold selection of fourteen artists and twin programming of gallery and site specific interventions promises to be a high spot for 2005.

The Arts Council of Northern Ireland continued to offer the Lottery Special Initiative on Craft, Applied Art and Design aimed at raising the awareness, profile and understanding of crafts, applied arts and contemporary design within the public. Through this initiative grants to Fermanagh Craft Consortium and County Down Crafts helped to stabilise local provision to Northern Ireland's designer/makers. Exhibitions of craft and applied art at Clotworthy Arts Centre and OBG showcased innovative work of an international standard and were well received by local audiences.

Architecture & Public Art

The Council continued to develop its role in the promotion of design quality for the public realm. Intergal to this has been the Council's support for the PLACE Built Environment Centre, now into its second year of existence. The Council also continued its sponsorship of a Civic Trust Northern Ireland Public Realm Special Award to reward excellence in design of the urban fabric and raise awareness on a national level; the winner of the 2005 award was the dignified regeneration of Armagh Mall by Alastair Coey Architects. Collaboration with Queen's University's School of Architecture continued through the 'Connections' project which engaged architecture students with primary school children in Belfast in innovative projects connecting with the curriculum. The Council's Architecture Special Initiative grants of 2004 bore fruit in 2005, not least in projects developed by the University of Ulster, such as 'Site Screening' using the hoardings around the rebuilding of Belfast's Art College and an associated website to engage interactively with artists, architects, students, construction professionals and the public, and the 'Positively Architecture' programme of talks in Belfast and Derry, which brought design commentator Wayne Hemingway to talk about the complexities of designing agreeable homes.

In public art there is an increasing recognition of the importance of integrating art into capital projects, not least those forming the physical arts infrastructure being facilitated through the Council's Capital Programme, such as at the Grand Opera House extension, and Omagh, Strabane and Ballymena Arts Centres all currently underway.

Architectural rendering of the new Ballymena Arts Centre (Consarc Design Group). Image Big Lolly.

Literature and Language Arts

The Language Arts received a significant boost with comprehensive consultations with the sectors into the Audit and Needs Analysis of the Arts in Irish and Ulster Scots. These are important areas of development for the Council and the reports on the consultations will form the basis for strategic action in the near future.

Established providers continued to service the sector. In the Annual Support for Organisations Programme, the Aspects Festival, the Verbal Arts Centre and the Linen Hall Library had productive years. *Irish Pages* and *An tUltach* made important contributions to critical debate and coverage – augmented by a development grant to the bi-monthly literary supplement in the Irish-language newspaper *Lá*.

Blackstaff Press and Lagan Press were joined by Guildhall Press in Derry as key producers of new work across a range of genres.

Key providers in publishing and creative writing met frequently through the year under the aegis of a 'Publishers' Platform' hosted by the Council, developing ideas and proposals for improving the literary infrastructure in Northern Ireland.

Individual writers at all levels of achievement continued to find SIAP a useful source of funding support – most notably, a Major Individual Award of £15,000 went to the critic Patricia Craig to assist with the compiling of material for a proposed anthology of writing from Ulster.

Traditional Arts

The year under review saw greater traditional music content in The Cathedral Quarter Arts Festival and Belfast Festival at Queen's as well as a growth in dedicated traditional arts festivals such as The Open House Festival, The Lagan Fleadh, The William Kennedy Piping Festival and Celtic Fusion. More and more school children have been introduced to the delights of traditional music, song and dance with a growth amongst facilitators such as the Jig Time and All Set schools programmes, The Ulster Scots Folk Orchestra and The Armagh Rhymers. 2004/05 saw another epic publication of traditional dance tunes collected over the last 50 years by South Armagh fiddler Josephine Keegan. Many up and coming musicians have received funding for recordings and new instruments as well as towards performing on the international stage. In early 2004, it was announced that Northern Ireland would be the primary focus for the 2007 Smithsonian Institution's Folk Life Festival in Washington DC. Traditional music, song and dance from Northern Ireland will be a major contribution to this event.

Altnaveigh House

OBJECTIVE THREE

Engage with community arts to increase opportunities for creative participation, to develop new audiences and to expand the range of contexts in which artists work

Community arts continue to expand the reach of its activities into areas such as youth arts, arts and disability, arts and health, as well as the engagement with community groups. Of particular note during the year under review was the New Belfast Community Arts Initiative's Summer Mural Festival which worked with groups from interface areas displaying paramilitary iconography. The project produced 15 new community murals city wide which in many cases replaced highly controversial politicized murals. The Beat Initiative organized the second highly successful Lantern Carnival Parade in East Belfast. This event brought together diverse communities in the city for a unique celebration of culture. The Indian Community Centre initiated Belfast's first Mela Festival in Botanic Gardens. Combining a rich mix of ethnic cultures and promoting Belfast as a truly multi-cultural city, it is set to become an annual event of significance.

In February, the Arts Council launched its £2.4 million Art of Regeneration Programme to support local authorities throughout Northern Ireland in the development and delivery of arts projects that tackle issues of concern to local communities, such as good relations, the environment and anti-social behavior. The needs of victims and survivors were addressed through a dedicated scheme which enabled participants to explore issues relevant to their experience through the medium of the arts. The Inter-Culturalism Programme, developed in partnership with the Community Relations Council sought to promote greater awareness and understanding of the contribution made to wider society by the arts and cultural expressions of black and minority communities. Working in partnership with local community and voluntary groups the programme aims to develop understanding, tolerance, trust and co-operation.

Derry continues to provide a richness of creative experiences for dozens of community groups and individuals through activities such as the Bluebell Arts project at the Gasyard Centre, the Playhouse and the Waterside Theatre which both have outreach schemes and last but not least Eden Place which was the first arts centre in Derry to offer participative programmes. A carnival training programme was funded in Derry resulting in the establishment of the North West Carnival Initiative, which organized a highly successful St. Patrick's Day Carnival.

Rural community arts prospered during this period. Of note was a major carnival initiative in Castlederg and skills development workshops for young people in Fermanagh through the Sliabh Beagh Cross Border partnership. A partnership with the Rural Community Network was designed to explore how arts projects can increase confidence in small communities isolated both on geographic and religious boundaries.

OBJECTIVE FOUR

Engage with voluntary arts to increase opportunities for creative participation, to develop new audiences and expand the range of contexts in which artists work

The Arts Council continued to fund Voluntary Arts Ireland as the umbrella organisation working with voluntary arts groups. The Voluntary Arts Ireland website was expanded and updated; the number of subscribers to the email newsletter increased and, in addition to liaising with and supporting artform umbrella groups, the organisation began to set up a range of troubleshooting workshops offering practical support to small groups. 2004 saw the start of YAVA, a new project to increase the involvement of young adults in voluntary arts activity. The YAVA co-ordinator worked with eight local authorities and a range of voluntary arts groups on a province-wide basis. The aim is to increase, by 20%, the number of young people engaged in the activities of the client groups supported.

OBJECTIVE FIVE

Increase the quality of access for disabled people to the arts

The *Arts & Disability* Awards Ireland fund, operated in partnership with An Chomairle Ealaíon, continued to attract high quality applications on an all-Ireland basis. The Accessibility Awards continued for a second year and Adapt NI administered a £400,000 ring-fenced amount for arts venue to make capital alterations improving disabled people's access to the arts.

A new Arts & Disability Equality Charter setting 'kitemark' standards for arts and disability in Northern Ireland grew out of the 03-04 Good Better Best conference. After a launch in May, the Arts Council collaborated with the Arts and Disability Forum, Adapt NI and Open Arts to plan practical delivery mechanisms for the Charter and consider training requirements for the arts sector.

Several new projects and organisations started up with support under the Council's Access lottery scheme, including Stage Beyond, which aims to become a professional touring theatre company of people with learning disabilities.

Work began on planning an updated all-Ireland Arts & Disability handbook in collaboration with An Chomhairle Ealaíon. The handbook will be converted to a searchable electronic publication available via both websites. Work also commenced on research to establish a baseline for the level of disabled people's involvement in the arts – as artists, audience members and project participants.

OBJECTIVE SIX

Enhance children and young people's access to creative expression through the arts, in contexts of their own choosing, and increase opportunities for participation as they grow and develop

The formation of the Creative Youth Partnerships Programme (CYP) in 2004, as a pilot initiative, over a three year period, had as a central aim the further development of youth arts by increasing access to, and participation in the arts by young people throughout Northern Ireland. Throughout the year CYP has supported a range of arts led creative projects to be delivered in Schools and in a variety of non-traditional learning environments e.g. youth clubs, community centres etc. In all a total of 229 projects were successfully delivered across the 5 Education and Library Boards spanning a wide number of art genres e.g. music, dance, film & video, visual arts, drama. Art projects undertaken included 122 Individual Artist Programmes, 67 Touring Programmes and 31 Action Zone Programmes. CYP continued during this operational period to provide training to artists and the artist database increased to 96. In January 2005, the Education and Training Inspectorate commenced their evaluation of CYP, the Interim Report is due in September 2005.

In March 2005, the Early Years Arts Programme was launched, this new fund was established to support arts projects in partnership between schools and pre-school groups in both the statutory and voluntary sectors. The Early Years Arts Programme is a strategic intervention to help develop and enhance the network of Key Stage 1 and Pre School arts provision across Northern Ireland. Recognising the right of children and young people to feel safe, respected and to have fun while taking part in arts programmes, negotiations with the Volunteer Development Agency were undertaken to take forward a review of child protection policies and procedures of core funded organisations within the Council's ASOP and MAP funding streams and to obtain a series of recommendations with regard to future action in relation to both the safety and well being of children and vulnerable adults.

Creative Youth Partnerships

OBJECTIVE SEVEN

Increase Audiences for the Arts

In the financial year 2004-05, the Arts Council carried out the first dedicated survey of attendance at, participation in and attitudes towards arts and culture in Northern Ireland since the early 1990s. The report which represents a baseline of activity will enable us to compare trends in the arts in subsequent years. The research shows that the proportion of adults attending at least one arts or cultural event in the last year was 73%, a figure comparable with similar surveys commissioned by the Arts Councils in England, Scotland and Wales. Young people aged between 16 and 24 were particularly likely to attend, with 90% indicating they had attended an event within the last year. Other findings indicate strong support for public funding of the arts with 78% of people agreeing that it is right there should be public funding of arts and culture projects.

The value of the survey lies primarily in the use to which it is put and during the year the Arts Council took steps to publish the findings and provide information which will assist the work of arts organisations. The success of this research, and the subsequent study to identify actual and perceived barriers to publicly funded arts, assists our understanding of key characteristics of the arts market, and therefore supports other measures and initiatives to develop new audiences for the arts. During the year the Arts Council established a dedicated audience development agency for the region (Audiences Northern Ireland) and introduced a grants programme to develop an integrated on-line ticketing network. In July, the Arts Management Association (AMA) held its annual conference in Belfast which proved to be an effective networking event for arts organisations.

Ima Pico

OBJECTIVE EIGHT

To modernise the delivery of Arts Council services

Throughout the year the Council continued with the development of its people; the implementation of new technologies in the delivery of its services; the promotion of excellence and value for money in the delivery of those services; and the demonstration of the principles of openness and transparency in the Council's work.

Staff and Organisational Development

Staff training and development continued throughout the year. Officers and support staff attended modules of the Grant Skills Training Programme (GSTP) an accredited training programme offered by the Chartered Institute of Public Finance & Accountancy (CIPFA). Additional modules, specific to the needs of Council staff, were completed during the year.

Staff development was underpinned through the introduction of the new Performance Management System. The process links individual objectives to those of the Council; it helps identify individual and team development needs; and provides a basis for evaluating the effectiveness of the Council's people management policies.

Management development took a variety of forms. Principal among these was a 360 degree appraisal process undertaken by all managers in the organisation. This proved very beneficial, if challenging, to all involved viz managers, peers and reporting staff. All these initiatives are building blocks to the Council's objective of being recognised as an Investor in People (IiP). We are confident that this will be achieved in the year ahead.

A number of important new posts were created during 2004-05, two of these at senior manager level. The Communications Manager is responsible for all aspects of the Council's communications and public relations activity. The Finance Manager is responsible for all aspects of both the Exchequer and National Lottery income and expenditure and the production of the annual accounts. A new post of Operations Officer was created within the Arts Development department to manage some of the ever increasing workload. Finally, a new Director of Corporate Services was appointed during the year following the resignation of the previous director.

Overall the Council increased its spending significantly on staff development during 2004-05 to £58,901 (up from £37,519 in 2003-04).

An organisation chart showing the Council's staff structure as at March 2005 can be viewed in Appendix A. A full list of all staff employed by the Council during the year is at Appendix B.

Information Technology

The development of the Council's IT support systems and infrastructure continued throughout the year. Upgrades to the hardware and software used across the organisation have enhanced the stability, efficiency and security of the IT systems.

During the year, the Council invested in improvements to its Grants Management Systems. The GIFTS system was installed over the summer months and went live in November 2004. This system stores a broad range of information relating to all grants administered by the Council. This includes contact details, payments, correspondence, assessments, project summaries, and equality data amongst other information. This has enabled improvements to the reporting and monitoring capabilities of the Council. It is planned that during 2005/2006 further enhancements to this system will allow applicants to apply for funding through the Arts Council website.

In March 2005, the website was re-launched with an improved design, enabling information from the 1,000+ pages of the site to be located as easily as possible. The site received over a quarter of a million hits per month during the year. The Council continued to update the free arts listings service www.artslistings.com and information on the youth arts site www.cypni.org.

As part of the Council's plans to improve public access to the arts, the Council invested in new Collection Management Software. Work commenced on photographing the entire visual arts collection and compiling a database of information relating to each piece held in the collection. It is planned that this database will be made available through the Arts Council web site in the future.

These projects are in line with the government's target that all public services will be available electronically by 2005. The Council has also made funding available to arts organisations to enable them to sell tickets online to further enhance the public accessibility of the arts sector.

Administrative Expenditure

At the beginning of the year, the Council agreed the administrative budget for 2004-05. This totalled £1,368,351 excluding depreciation. The net administrative expenditure was £1,417,169, thereby overspending the target by £48,818. This Council expended just 12 per cent of its total DCAL funding in the year for administration and overheads, thus achieving significant value for money in the delivery of the Council's services.

Publications

Publications of note for the year under review included the *Public Art Handbook*; *Economic and Social Impact Reports* (Ulster Orchestra, Grand Opera House and Subsidised Theatre); *Article* (the twice-yearly broadsheet promoting funding opportunities available through the Support for the Individual Artist Programme). Publications also included *Imprint*, an international showcase publication promoting the arts in Northern Ireland and *Building for the Arts: Ten Years of Lottery Funding* (with accompanying exhibition) highlighting the Arts Council's Capital building projects.

Open Arts

ARTS EXPENDITURE 2004-05

ARTS DEVELOPMENT FUND

Aisling Ghear	7,500
Civic Trust Award	16,450
Connections/Architecture in Schools	12,500
Carnival Training	6,642
Victims Support	8,325
BME Groups Project	35,340
CAF Global Community Arts Conference	2,000
Disability Training for Artists	4,400
Dramaturgy	30,000
BBC Music Archive	19,532
Clown Doctors	15,000
Literature projects: La & CWN	50,200
Stranmillis College Residency Programme	15,000
Arts Marketing Conference	12,500
Promotion of "Exploring Trad" DVD	10,834
Venice Biennale	50,000
Holy Cross Girls PS	1,000
Rural Isolation Project	4,300
Q. en Criese Network	6,100
University of Ulster Craft Master Class	900
Book Zone Feasibility Study	10,000
Cinnilingus Fire Damage	8,859
Beat Initiative/Sproai Exchange	5,000
Ulster-Scots Study	5,741
Econ Appraisals Lyric, Crescent, Scoping	23,318
Establishment of Crafts Development Unit	80,419
Artslistings website	23,437
Artslistings website	4,449
ANI Costs	50,470
Prior Year Adjustments	(34,259)
TOTAL ARTS DEVELOPMENT FUND	485,957

ASOP

Architecture

Royal Society of Ulster Architects	19,000
	19,000

Community Arts

Streetwise Community Circus	18,000
Belfast Circus School	75,000
Blathanna Arts (An Gaelaras Ltd)	25,000
Feile an Phobail	85,000
Maydown Youth Training	28,600
Best Cellars Music Collective	12,000
The Nerve Centre	79,000
Prison Arts Foundation	23,000
Community Arts Forum	74,000
Eden Place Arts Centre	20,000
The Beat Initiative	60,000
The Playhouse	115,000
Crescent Arts Centre	120,000
Old Museum arts centre	205,000
Culturlann McAdam O Fiaich	148,680
New Belfast Community Arts	7,500
	1,095,780

Dance & Drama

Maiden Voyage (NI) Ltd	8,000
Dance United	10,000
Dance Northern Ireland	40,000
Echo Echo Dance Theatre Company	20,000
Kabosh Theatre	75,000
Sole Purpose Productions	25,000
Spanner in the Works Theatre Co.	10,200
Belfast Theatre Company	8,750
Ransom Productions	15,000
Compantas Amharclainne Aisling Ghear	71,500
Bruiser Theatre Company	12,000
Big Telly Theatre Company	75,000
Irish Theatre Magazine Limited	5,000
Prime Cut Productions	75,000
Association of Ulster Drama Fests.	9,600
DubbelJoint Theatre Company Ltd	75,000
University of Ulster (Riverside)	45,000
Belfast Comm.Theatre/Partisan Prods.	15,000
Tinderbox Theatre Company	110,138
The Lyric Players Theatre	509,488
Grand Opera House	458,400
Derry Theatre Trust	186,000
Prior Year Adjustments	(548)
	1,858,528

Tinderbox, Family Plot by Daragh Carville. Photo: Phil Smyth

HV&D

Dungannon Community Arts Studio	7,000
Open Arts	45,000
Adapt NI	30,000
ArtsCare	25,000
Soundlines Project	15,000
Share Music Trust	18,000
Arts & Disability Forum	50,000
Drake Music Project Northern Ireland	35,000
Share Discovery 80 Ltd	15,000
Voluntary Arts Network (for VAI)	54,300
	294,300

Literary Arts

An tUltach	6,000
Tyrone Guthrie Centre	70,000
Books Ireland Ltd	6,650
Fortnight Publications	13,500
The Gallery Press	15,000
Poetry Ireland Ltd	11,898
Lagan Press Ltd	30,000
Children's Express	15,000
CLE	6,000
Ireland Literature Exchange Ltd	10,000
Linen Hall Library	20,000
Irish Pages	7,000
Blackstaff Press Ltd	60,000
The Irish Writers Centre Ltd	8,000
Guildhall Press	7,600
Verbal Arts Centre (NI) Ltd	130,000
Prior Year Adjustments	(807)
	415,841

Music

Moving on Music Ltd	60,000
Belfast Music Society	17,000
Sonorities Festival of Contemp. Music	20,000
Opera Theatre Company	120,000
Classical Music Society	25,000
The National Chamber Choir Ltd	10,000
Castleward Opera	150,000
Ulster Orchestra Society Ltd	1,740,700
	2,142,700

Other

Omagh District Council	6,000
Cathedral Quarter Arts Festival	30,000
Fermanagh District Council	45,000
Banbridge District Council	5,000
Ards Arts	7,500
Lisburn City Council	12,000
Flowerfield Arts Centre	5,000
Down District Council Arts Service	12,000
Cookstown District Council	25,000
Armagh City & District Council	45,000
Antrim Borough Council	12,000
Castlereagh Borough Council	5,000
Belfast Festival at Queen's	182,000
Prior Year Adjustments	(2,000)
	389,500

Traditional Arts

Irish Traditional Music Archive	20,000
	20,000

Visual Arts

Arts of Irish & Ulster Scots	753
Seacourt Printworkshop	26,518
Portadown 2000	35,000
Circa Art Magazine	15,000
Photoworks North	18,000
Factotum	5,300
Northern Visions	60,000
Array Studios	5,000
East Belfast Arts Collective	14,000
Fenderesky Gallery	8,800
Flax Arts Studios	25,200
The Void Art Centre	30,000
Belfast Exposed Photography	35,000
Creative Exchange	5,000
Belfast Print Workshop	60,000
Golden Thread Gallery	17,500
Orchid Studios	5,000
Cinnilingus	7,500
Northern Ireland Visual Arts Forum	20,000
Context Gallery	28,200
Paragon Studios Ltd	5,000
Catalyst Arts	20,000
Queen Street Studios	25,000
Sculptors Society of Ireland	12,000
Ormeau Baths Gallery	250,000
	733,771

Susan MacWilliam, Girl on Ground, from Stereoscopes 2001, Girl Standing, Girl on Ground, Dress Detail.
From the Arts Council Collection

Youth Arts

Kids' Own Publishing	20,000
Youth Action NI	15,000
Kids in Control	22,000
VSB Wheelworks	43,000
Sticky Fingers Early Years Art	30,000
Cahoots NI Ltd	30,000
Young At Art Ltd	50,000
Ulster Association of Youth Drama	43,000
Play Resource Warehouse	30,000
Replay Productions Ltd	130,000
Prior Year Adjustments	(2,220)
	410,500

Strategy

UO Impact Study	1,007
Cultural Diversity	2,500
Compliance	11,459
SIAP Review	17,349
Disability Baseline Study	58,227
Community/Voluntary Arts Framework Phase 11	29,682
Vfm Review	11,691
Arts Council Strategy 01-06 Review	6,000
Future Directions For Gallery Provision In Belfast	4,003
Birmingham Symposium Expenses	1,621
Barriers To Publically Funded Arts	5,136
Publication/Impact Studies	4,580
Prior Year Adjustments	(1,365)
Total Strategy	151,890
TOTAL ASOP	7,531,810

Creativity In Education

Creative Youth Partnerships	253,535
Youth Opera	20,000
	273,535

District Challenge Fund

District Council Challenge Fund	696
	696

Access

Access	345,846
	345,846

SIAP

Major Individual Awards

Patricia Craig	15,000
Colin Darke	15,000
Dan Shipsides	15,000
	45,000

Play Resource Warehouse

Arts & Disability Awards Ireland

Arts & Disability Awards Ireland	50,000
	50,000

University Residencies

University Residencies	27,000
	27,000

Chair of Poetry

Chair of Poetry	6,000
	6,000

Servicing the Collection

Servicing the Collection	7,802
	7,802

Instrumental Maintenance

Instrumental Maintenance	2,039
	2,039

Talks On Scheme

Talks On Scheme	4,264
	4,264

SIAP Profile Budget

SIAP Profile Budget	33,050
	33,050

General Arts Awards

Stephen Wilson	1,500
Carlo Gebler	3,150
Peter Meanley	5,000
John Dorins	3,330
Anne Gilpin	2,800
Seamus Harahan	2,699
Aileen Kelly	3,000
Deirdre McKenna	376
Jonny Bell	470
Gerard Murphy	1,600
Jarlath Thomas Rice	1,204
Frank Ormsby	1,500
Paula Cunningham	2,100
Gearoid Mac Lochlainn	2,000
Mary McNally	2,800
Roma Tomelty	3,000
Mark Hanvey	1,200
Andrea McCullough	1,000
Lorraine Burrell	1,600
Oliver Jeffers	2,000
Ciaran O'Dochartaigh	2,800
Karl Harron	3,000
Sarah Perry	3,180
Veronica Tate	2,851
Lisa Malone	2,130
Helen Sharp	920
Sandra Johnston	1,480
Leonita Flynn	2,500
Stuart Cairns	3,000
Eimear Elizabeth Cradock	2,200
Sharon Kelly	2,000
John Duncan	2,280
Malachi O'Doherty	2,800
Conor McFeely	2,000
Josephine Keegan	5,000
Carol Freebairn	800
Beverly Walker	900

Dylan Quinn	2,120
Chris Wilson	2,600
Aisling O'Beirn	3,000
Moyra Donaldson	2,450
Ian Charlesworth	3,775
Andrene Elizabeth Bolger	500
Glenn Marshall	3,000
Mark McCreevy	1,830
Susan Joy Connolly	825
Michael David Sampson	2,700
Jennifer Trouton	3,000
Janet Preston	3,230
Colin Davis	2,600
Garath Hughes	1,500
Cian Donnelly	3,000
Angela Hackett	820
Tim Millen	1,500
Gareth Pyper	1,000
Joanne Logan	1,040
Andrea Spencer	5,000
Cheryl Brown	600
Bruce McClements	1,000
Piers Hellawell	2,000
Anne Anderson	750
GOH (Brian Forsythe)	5,000
David Dubose	1,529
Fiona Larkin	560
Elina Hartzell	660
Ima Pico Cardenas	792
Nancy Law	861
Anna Fitzsimons	895
Rachel Red O'Neill	900
Anne Clarke	919
James Allen	990
Struan Hamilton	1,000
Nicholas Topping	1,000
Robin Cordiner	1,000
Fergus Jordan	1,000
Claire Whitten	1,265
Nicola Curry	1,430
Sam Millar	1,500
Csilla Toldy	1,500
Elise Lucia Taylor	1,562
Joanna Karolini	1,580
Chris Corrigan	1,718
Jane Swanston	1,900
Heather Richardson	2,000
Robbie Hannan	2,000
Fintan Joseph McManus	2,000
Robin Doherty	2,000
Paul McCarroll	2,000
Jackie Rainey	2,000
Una Walker	2,050
Jill McKeown	2,184
John Brown	2,500
Sean Lynch	2,640
Flora Herberich	2,800
Creg Caffrey	2,800
Sean Campbell	2,800
Colin Reid	2,800
Lurach Bredin	2,835
Gordon Delap	3,000
Phil Kieran	3,000
Mary McIntyre	3,145
Anita Woods & Simon Llewellyn	3,800
Dearbhia McNally	4,000
Martin Wedge	4,300
Eddie Doherty	4,913
Jackie Doyle	5,000
Other	150
	228,288

Art & Artists Abroad

Nicholas Keogh	1,125
Maydown Youth Training Project Ltd	6,615
Sole Purpose Productions	3,200
Cahoots NI	13,497
Flax Art Studios	2,600
Crafts Council of Ireland	4,986
Paragon Studios	700
Different Drums of Ireland	3,063
Leslie Nicholl	1,470
Open Arts	6,713
Kevin Killen	869
Liam Kelly	4,220
Golden Thread Gallery	21,600
Ian Charlesworth	3,613
Queen Street Studios	2,200
Liam Brendan de Frinse	1,223
	77,694

Arts & Disability Networking Abroad

Aidan Shortt	5,000
	5,000

Self-Arranged International Residiencies

Clive Murphy	2,900
Mark Clare	1,800
Valerie Giannandrea	795
	5,495

International Residiencies

Banff Residency	5,221
Skidmore Residency	1,000
British School at Rome	9,015
New York Residency	8,971
Malta Residency	4,725
International Artists Profile	10,000
	38,932

International Profile Budget

	33,674
	33,674

Other

British Council Officer	24,775
Visiting Arts	7,500
Cross Border Touring UK	200,000
Cross Border Touring Ireland	9,745
British Council	59,344
	301,364

Travel Awards

Gary Duffy	250
Ann McKay	200
Josephine McCormick	800
Padraigin Ni Uallachain	400
Ali Fitzgibbon	650
Celine Traynor	300
Christopher McGuigan	300
Terry McAlister	100
Raymond Watson	250
Gearoid Mac Lochlainn	400
Richard West	300
Stella Hall	500
Margaret Doris	600

Aidan Mulholland	250
William Kelly	500
Donal McCrisken	250
Marilyn McLaughlin	250
Jan Caspers	300
Darragh MacIntyre	500
Hugh O'Donnell	250
Donald Gillis	500
Jude Collins	600
Mark Madden	200
Liam Kelly	800
Christina Nelson	250
Colomba Damiani	250
Royce Harper	200
Michael Moore	250
Conor O'Doherty	750
Kevin Traynor	500
Pedro Rebelo	600
Sean Campbell	200
Paddy Bloomer	250
Lewis Smith	650
Amanda Dunsmore	250
Brendan O'Hare	250
Christine Dowling	250
Mark McCreevy	100
Karen Downey	250
Grant Goldie	800
Tina Segner	800
Carolyn Jess	800
Pauline Hadaway	250
Brian Drysdale	600
Hugh Brown	650
Alessandro Negrini	250
Lisa Malone	250
Susan Enan	300
Victor Sloan	250
Jarlath Henderson	400
Robert Peters	600
Angela Darby	600
Colum Sands	330

Michael Longley	400
Edna Longley	400
Brian Kennedy	250
Bronagh Wright	600
Jim McKevitt	10,000
Teresa Duggan	10,000
Berni Sutton	10,000
Paul Hutchinson	10,000
Frances Quinn	10,000
Rebekah Coffey	4,917
Jonathan Byers	4,882
Cathal Breslin	4,825
Prior Year Adjustments	(25,214)
	62,390
International Artist Website Development SIAP	20,135
International Showcase	15,725
TOTAL SIAP	963,852

CULTURAL TRADITIONS

Armagh Pipers Club	18,000
Mid Armagh Community Network	20,500
NI Piping & Drumming School	32,500
The Armagh Rhymers Workers Co-Op	65,000
The Nerve Centre	11,000
Belfast District Set Dancing	16,000
The Francis McPeake School of Music	25,000
Altnaveigh House Cultural Society	12,000
Andersonstown Trad/Contemp Music	50,000
	250,000

INYEAR CAPITAL

Golden Thread Feasibility Study	8,000
Dance NI Feasibility Study	7,500
Lyric Theatre	4,000
Crescent Arts	25,000
Ulster Orchestra	185,296
Mid-Ulster Community Arts Trust	153,000
Establishment of Craft Development Unit	161,738
Online Ticketing Systems Costs	237,612
	782,146

The Beat Initiative

THE ARTS COUNCIL OF NORTHERN IRELAND

Accounts For The Year Ended 31 March 2005

Opera Theatre Company

Foreword

History and 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 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 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 2005 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 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. 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 £74,341. Its Capital and Reserves on the Balance Sheet increased from £557,239 to £829,033.

Review of grant-in-aid activities

During the year 2004-2005, the Arts Council made awards totalling £10,633,842 to artists and arts organisations. This represents an uplift of over £0.7 million on the previous year. The distribution of funding followed the strategic directions in the Council's Five Year Arts Plan 2001-2006.

This year, the Arts Council has been able to strengthen the infrastructure of the arts through ASOP, securing funding of £7.63 million for 130 major arts organisations delivering arts programmes on a year round basis.

In August 2004, Audiences NI was legally established and one of its first responsibilities was to oversee the installation of on-line ticketing systems funded by the Arts Council in major venues throughout Northern Ireland. Future activities will include the establishment of an integration portal, the introduction of new audience development activities to include evidence based research for the benefit of its membership and to assist the Arts Council in the establishment of measured baselines for audience participation in Northern Ireland.

Of particular note during the year was the establishment of new programmes which are targeted to meet the needs of specific vulnerable groups in our society. Firstly, Council introduced its Victims and Survivors programme aimed at affording participants the opportunity to explore issues relevant to their experience through the medium of the arts. Secondly, the Promoting Inter-Culturalism Programme, organised in partnership with the Community Relations Council, which provided opportunities for black and minority ethnic communities to work with local communities on arts. Additionally, this programme helped to promote inter-cultural understanding and celebrate the contribution that black and minority ethnic communities' arts and cultural expression make to the wider society.

Throughout the year CYP supported a variety of non-traditional learning experiences in, for example, youth clubs and community centres as well as schools. Two hundred and twenty nine projects were delivered across the 5 Education and Library Board areas which included 122 Individual Artist Programmes, 67 Touring Programmes and 31 Action Zone Programmes.

Following wide consultation with the Community Arts sector, the Council launched an Evaluation Toolkit developed by Annabel Jackson Associates. This will assist arts organisations to adopt a methodological approach to evaluating the impact and outcomes of their work and levels of participation and satisfaction. This toolkit has been adopted by the Council as its survey of Regularly Funded Organisations which will be completed on an annual basis and will assist the Council in better analysing arts activity across Northern Ireland.

Fixed assets

The movement on fixed assets is reported upon in note 6(a). Assets to the value of £289,558 were purchased during the year.

Future grant-in-aid activities

Priorities for 2005-06 will include Northern Ireland's first presence at the Venice Biennale in June 2005, where 14 of Northern Ireland's best contemporary artists will present new work in arguably the world's most renowned visual arts event. In further developing opportunities for individual artists a new residency in Winnipeg, Canada will be offered during the incoming year. Of major significance for Community Arts will be the Community Art Forum's international conference facilitated by grant-in-aid from the Arts Council. On the theme of conferences the Arts Council will organise its first annual conference for the arts sector scheduled to take place in Derry in June. Council will continue to lay the foundations for the establishment of a dedicated independent body to promote the craft sector in Northern Ireland. The development of the capital arts infrastructure in Belfast will be a strategic focus for the incoming year, necessitating close collaboration between the Arts Council and the Department of Culture, Arts and Leisure.

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.

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 [51] to [69].

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 financial statements are audited by the Comptroller and Auditor General (C&AG) in accordance with the Arts Council (Northern Ireland) Order 1995. He is Head of the Northern Ireland Audit Office and he and his staff are wholly independent of the Arts Council of Northern Ireland. He reports his findings to Parliament.

The audit of the financial statements 2004-05 resulted in an audit fee of £11,330. This cost is included in other operating costs in the financial statements.

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 90% of the bills were paid within this standard. The comparative figure for 2003-04 was 93%.

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.

Political and Charitable Donations

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

Roisín McDonough
Accounting Officer **29 March 2006**

Susan MacWilliam, Stereoscopes, 2001, Girl Standing, Girl on Ground, Dress Detail from the Arts Council Collection

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. Her relevant responsibilities as Accounting Officer, including her responsibility for the propriety and regularity of the public finances for which she is answerable and for the keeping of proper records, are set out in the Non-Departmental Public Bodies' Accounting Officer Memorandum, which is issued by the Department of Finance and Personnel.

Statement on Internal Control

1. **Scope of Responsibility**
   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 Northern Ireland.

2. **Purpose of the System of Internal Control**
   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 and prioritise the risks to the achievement of Council policies, aims and objectives, to evaluate the likelihood of these risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. To support the achievement of the Council's objectives, the Council carried out an exercise to formally identify the significant risks that may affect the achievement of those objectives and have identified the most appropriate control strategy for each of the significant risks. An integral part of this exercise included the allocation of responsibility for the management of the identified risks, to the most appropriate staff. The risk framework was developed and in place by 31 March 2003 in line with Department of Finance and Personnel (DFP) guidance. The framework is being used as a risk management tool during 2004-05 and beyond.

3. **Capacity to Handle Risk**
   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 to monitor progress on key projects.

4. **The Risk and Control Framework**
   In addition to the actions mentioned above, in the coming year the Council plans to:

   - review and update the risk framework and other records of risk;
   - ensure that the Council's Audit Committee reviews the risk framework at each of its meetings;
   - 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 in 2004-05, which operates to standards defined in the Government Internal Audit Manual. They submitted regular reports which included 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. Post year-end, a joint internal audit position between the Arts Council and Sports Council was filled and from 2005-06 the function will be fulfilled internally.

   During the year progress has been made in the improvement of the Council's grant monitoring procedures. However, further improvements are required. I have been assured by my executive managers that the procedures being developed for the monitoring and management of grants will ensure that all grants receive sufficient and consistent scrutiny in line with policy and financial directions.

5. **Review of Effectiveness**
   As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. 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. I am advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board and the Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Roisín McDonough
Accounting Officer **29 March 2006**
Arts Council of Northern Ireland

The Certificate of the Comptroller and Auditor General to the House of Commons and the Northern Ireland Assembly

I certify that I have audited the financial statements on pages 51 to 69 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 and the accounting policies set out on pages 55 and 56.

Respective Responsibilities of the Council, Chief Executive and Auditor

As described on page 46 the Council and Chief Executive are responsible for the preparation of the financial statements in accordance with the Arts Council (Northern Ireland) Order 1995 and 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 I have regard to the standards and guidance issued by the Auditing Practices Board and the ethical guidance applicable to the auditing profession.

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 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 Parliament 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 47 and 48 reflects the Council's compliance with the Department of Finance and Personnel's guidance on the 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. I am not required to consider, nor have I considered whether the Accounting Officer's Statement on Internal Control covers all risks and controls. I am also not required to form an opinion on the effectiveness of the Council's corporate governance procedures or its risk and control procedures.

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 Parliament 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 2005 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 Parliament and the financial transactions conform to the authorities which govern them.

J M DOWDALL CB
Comptroller and Auditor General

Northern Ireland Audit Office
106 University Street
Belfast BT7 1EU

18th April 2006

ARTS COUNCIL OF NORTHERN IRELAND

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2005

Income	Notes	2005 £	*2004 £*
Department of Culture, Arts and Leisure	2(a)	11,711,360	*10,997,600*
Other Income	2(c)	506,097	*455,877*
		12,217,457	*11,453,477*
Expenditure			
Staff Costs	3	850,250	*892,281*
Depreciation	6(a)	92,105	*39,092*
Expenditure on the Arts	4	10,633,842	*9,917,275*
Other Operating Costs	5(a)	566,919	*520,584*
		12,143,116	*11,369,232*
Surplus / (Deficit) for year before notional costs		74,341	*84,245*
Notional Cost of Capital	1(f)	24,260	*18,068*
Surplus / (Deficit) for year after notional costs		50,081	*66,177*
Adjustment for Notional Cost of Capital		24,260	*18,068*
Amount transferred to Income and Expenditure Reserve	9	74,341	*84,245*

The notes on pages 55 to 69 form part of these accounts.

All amounts above relate to continuing operations of the Council.

ARTS COUNCIL OF NORTHERN IRELAND

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	Notes	2005 £	*2004 £*
Surplus / (Deficit) for the financial year		74,341	*84,245*
Re-lifting of fixed assets		-	-
Total recognised gains and losses relating to the year		74,341	*84,245*

The notes on pages 55 to 69 form part of these accounts.

ARTS COUNCIL OF NORTHERN IRELAND

BALANCE SHEET AS AT 31 MARCH 2005

Fixed Assets	Notes	2005 £	2004 £
Tangible	6(a)	368,776	171,323
Current Assets			
Debtors	7	121,857	207,433
Cash at bank and in hand		2,067,732	1,036,087
		2,189,589	1,243,520
Creditors amounts falling due within one year	8	1,729,332	857,604
Net Current Assets		460,257	385,916
Total Assets Less Current Liabilities		829,033	557,239
Deferred Income			
Deferred Purchases and Commissions Account	6(c)	17,683	17,683
Reserves			
Income and Expenditure Reserve	9	442,574	368,233
Grant Reserve	10	368,776	171,323
		829,033	557,239

Roisín McDonough
Accounting Officer

29 March 2006

The notes on pages 55 to 69 form part of these accounts.

ARTS COUNCIL OF NORTHERN IRELAND

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2005

	Notes	2005 £	2004 £
Net cash inflow/(outflow) from continuing operating activities	12(a)	1,031,645	309,058
Capital Expenditure			
Purchase of tangible fixed assets		(289,558)	(59,184)
Net cash inflow/(outflow)		742,087	249,874
Grants received	12(b)	289,558	36,872
Increase/(decrease) in cash in the year	12(c)	1,031,645	286,746

The notes on pages 55 to 69 form part of these accounts.

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.

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 and Fittings	10%, 4%
MacNeice House - Tenant's Works	20%, 16⅔, 14¼ & 10%
Theatrical, film, art and music equipment	3⅓%
Computer equipment	14¼, 20% & 33⅓ %

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 against DCAL recurrent grant income in the Income and Expenditure Account in the year of expenditure and the amount is recorded on a separate Art Asset Register and Capital Grant Account at cost, with both of these being maintained outside of the accounting system as per Note 6(b) below. 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) Payment of Grants
Grants awarded to arts organisations and individuals are charged to the Income and Expenditure account in the year to which they relate. Any amounts of unpaid grant at 31 March each year are included as creditors in the balance sheet.

(f) 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 3.5% of the average capital employed over the financial year.

(g) 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 :

	2005	***2004***
	£	**£**
Basic Revenue Grant	10,961,770	*10,997,600*
In Year capital	749,590	-

DCAL provided a total of £11,949,223 grant in the period. An amount of £124,712 deferred from 2003-04 was taken into account in the year. A total of £22,500 was deferred to 2005-06. A sum of £289,558 was used for the purpose of purchasing fixed assets and £289,558 was transferred directly to the Deferred Capital Grant Account. An amount of £50,517 was allocated from grant income and used for additions to the art collection. The remaining balance of £11,711,360 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	£11,711,360	-
(ii)	Amount carried forward	£ 2,067,733	-
(iii)	% carried forward	17.7%	
(iv)	% limit of carry forward	2.0%	
(v)	£ limit of carry forward	£ 234,227	

The amount carried forward exceeded the 2% permitted. The 17.7% carry forward has been calculated on a cash basis. When the figures are calculated on an accruals basis, the amount carried forward is a surplus of £74,342 which represents 0.6% of the total grant-in-aid.

Cahoots NI, Flea Circus

(c) Other Income

	2005 £	*2004 £*
Department of Education (Cultural Traditions Grant)	250,000	*250,000*
National Lottery Recharge	147,006	*140,827*
Release from Deferred Capital Grant Account	92,105	*39,092*
Grant refunded	-	*892*
Development and Arts Conference	-	*10,100*
Education	-	*2,399*
Northern Ireland Tourist Board	10,000	*10,000*
Administrative & Miscellaneous	2,622	*2,276*
Arts and Disability	3,600	-
Miscellaneous	398	-
Interest	366	*291*
	506,097	*455,877*

3. Staff Costs

(a) Analysis of Staff Costs

	2005 £	*2004 £*
Salaries & Wages	684,704	*702,578*
Social Security Costs	55,044	*54,465*
Other Pension Costs	62,279	*110,009*
Temporary Staff Costs	48,223	*25,229*
Total	850,250	*892,281*

(b) Average Number of Persons Employed

During the year the Arts Council of Northern Ireland employed an average total of 41.5 full-time (2003-04: 43.5) and 3 part-time (2004-05: 3) 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 £12,415 as detailed below.

	Chairman £	Vice Chairman £
R Kelly	8,415	
M Bradley		4,000

(d) Chief Executive's Remuneration

The Chief Executive's contract is for a period of five years and 4 years and 5 months had expired at 31 March 2005. The Chief Executive's total remuneration during the year, including pension contributions and employers' national insurance, was £88,788. The Chief Executive is an ordinary member of the Northern Ireland Local Government Officers Superannuation Committee (NILGOSC) pension scheme.

(e) Pension Commitments

Main assumptions:	
Rate of return on investments per annum	6.3%
Rate of general increase in salaries per annum	4.4%
Rate of pension increases per annum	2.9 %
Market value of scheme's assets (excl. AVCs)	£2,152,290,000
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.	85%

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

	2004-05 £	*2003-04* £
Employer's	112,710	*109,485*

Consent to disclose the real change in the value of accrued pension at 31 March 2005 for senior employees has been withheld. Salary details noted below for the Chief Executive include a backdated pay settlement and performance related bonus for prior years.

	Age	Salary including performance pay	Real increase in pension and related lump sum at age 60	Total accrued pension at age 60 at 31/03/05 and related lump sum	CETV at 31/03/04	CETV at 31/03/05	Real Increase In CETV
R McDonough Chief Executive		£73,384					Consent to disclose withheld
N McKinney Director of Arts Development							Consent to disclose withheld.
P Hammond Director of Arts Development							Consent to disclose withheld.
P Burns (appointed June 2004) Director of Corporate Services							Consent to disclose withheld.
W Lyttle (resigned June 2004) Director of Corporate Services							Consent to disclose withheld.
N Livingston Director of Strategic Development							Consent to disclose withheld.

CETV refers to the cash equivalent transfer value. It is the actuarially assessed capitalised value of the pension scheme benefits accumulated by a member at a particular point in time. The real increase in CETV is calculated after adjusting for inflation and changes in market investment factors. None of the above received any benefits in kind during the year.

4. Expenditure on the Arts

ASOP	2005 £	*2004 £*
Architecture	19,000	-
Community Arts	1,095,780	*1,039,879*
Drama & Dance	1,858,528	*2,193,891*
Health, Disability & Voluntary Arts	294,300	*279,000*
Literary Arts	415,841	*416,200*
Music	2,142,700	*2,025,000*
Traditional Arts	20,000	*20,000*
Visual Arts	733,771	*774,065*
Youth Arts	410,500	*514,100*
Other	389,500	*477,800*
Strategy	151,890	*125,182*
Arts Development	485,957	*351,852*
Creativity in Education	273,535	*89,663*
Infrastructure (Accessibility)	345,846	*209,414*
District Council Challenge Fund	696	*2,885*
SIAP	963,852	*1,132,613*
Other Artform	-	*10,731*
Cultural Traditions	250,000	*255,000*
Capital	544,534	-
Online Ticketing	237,612	-
	10,633,842	*9,917,275*

5. Other Operating Costs

(a)

	2005 £	*2004 £*
Premises Costs	189,821	*165,971*
Artslink & Public Affairs	24,955	*24,620*
Expenses & Hospitality		
Artform Officers	36,726	*33,535*
Council & Panel Members	16,718	*13,419*
Administrative Staff	3,721	*8,721*
Other Core Expenses	17,415	*18,858*
Insurances	26,502	*53,284*
Telephone & Postage	31,199	*25,712*
Equipment	61,727	*34,544*
Legal & Consultancy Fees	36,621	*34,021*
Stationery	14,315	*12,983*
Training	58,901	*37,519*
Honoraria	12,415	*12,433*
Publications & Advertising	31,627	*28,476*
Central Advisers	4,256	*3,155*
Equality Costs	-	*27*
Bad Debts Written Off	-	*325*
Miscellaneous	-	*13,306*
Release from Bad Debt provision	-	*(325)*
	566,919	*520,584*

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 £	*2004 Total £*
Arts Development Officers	34,802	1,924	36,726	*28,292*
Council & Panel Members	10,704	6,014	16,718	*13,419*
Administrative Staff	3,501	219	3,720	*5,830*
	49,007	8,157	57,164	*47,541*

The Honoraria payments have been detailed in Note 3 (c). The Legal & Consultancy total of £36,621 includes an external audit fee of £11,330 in respect of the Northern Ireland Audit Office.

(b) Losses

Losses	£0
i. Bad debts written off	£0

6 (a) Tangible Fixed Assets

	MacNeice House Tenant's Works £	Furniture, Fixtures & Fittings £	Theatrical, Art & Music Equipment £	Computer Equipment £	CYP Website £	Other Equipment £	ACNI Website £	Total £
Valuation								
At 1 April 2004	97,429	48,256	164,929	63,581	7,272	1,626	-	383,093
Additions at cost	12,722	340	79,507	192,583	-	-	4,406	289,558
Disposals	-	-	-	-	-	-	-	-
At 31 March 2005	110,151	48,596	244,436	256,164	7,272	1,626	4,406	672,651
Depreciation								
At 1 April 2004	64,633	15,861	84,469	44,058	2,424	325	-	211,770
Charge for period	13,476	2,544	8,148	64,307	2,424	325	881	92,105
Disposals	-	-	-	-	-	-	-	-
At 31 March 2005	78,109	18,405	92,617	108,365	4,848	650	881	303,875
Net book value								
At 31 March 2005	32,042	30,191	151,819	147,799	2,424	976	3,525	368,776
Net book value								
At 31 March 2004	32,796	32,395	80,460	19,523	4,848	1,301	-	171,323

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 would like to transfer ownership of the major part of the Art Collection to registered museums and other recognised public bodies with the approval of the Department of Culture, Arts and Leisure. Parliamentary approval for gifting is also required. Work on an inventory to verify the holding and reconciliation of records is ongoing. As this has not yet been completed, it is, therefore, still 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 and the Council placed a valuation on its Collection of £1,327,729. The valuation has been amended in light of known market changes and now stands at £1,952,872. The historic cost of the Art Collection is shown below. The staff involved in the on-going revaluation are Ms. Noírín McKinney, Arts Development Director and Dr. Suzanne Lyle, Collection Curator.

	Works of Art	Partnership Purchase of pictures	
	£	£	£
At 1 April 2004	428,743	31,606	*460,349*
Additions at cost	50,517	-	*50,517*
At 31 March 2005	479,260	31,606	*510,866*

Capital Reserve Account

	£
Balance at 1 April 2004	*460,349*
Grant allocated to art purchases	*50,517*
Balance at 31 March 2005	510,866

6 (c). Deferred Purchases & Commissions Account

The Deferred Purchases & Commissions Account represents the balance of proceeds remaining with the Council from the auction of works of art during 1993-94. The proceeds may only be used by the Council for the purchase of works of art. The movement in the account during the year is detailed below.

Deferred Purchases and Commissions Account

	£
Balance at 1 April 2004	*17,683*
Less: Release for art purchases in year	
Balance at 31 March 2005	*17,683*
Represented by cash at bank	17,683

7. Debtors

	2005	*2004*
	£	£
Sundry Debtors & Accrued Income	93,278	*185,870*
Prepayments	28,579	*21,563*
	121,857	*207,433*

8. Creditors

	2005	*2004*
	£	£
Grants Payable	1,572,307	*576,364*
Other Creditors	121,888	*143,891*
Deferred Income	35,137	*137,349*
	1,729,332	*857,604*

9. Income and Expenditure Reserve

	2005	*2004*
	£	£
Balance at 1 April	368,233	*283,988*
Surplus for year	74,341	*84,245*
Balance at 31 March	442,574	*368,233*

10. Grant Reserve

	2005	*2004*
	£	£
Balance at 1 April	171,323	*151,231*
Add Capital grant	289,558	*36,872*
Release for art purchased	-	*22,312*
Transfer to Income & Expenditure Account		
- Depreciation on assets	(92,105)	*(39,092)*
Balance at 31 March	368,776	*171,323*

11. Capital Commitments

There were no capital commitments at 31 March 2005.

12. Notes to the Cash Flow Statement

(a) Net Cash Flow from Operating Activities

	2005	*2004*
	£	£
Operating surplus/(deficit)	50,081	*66,177*
Notional Costs	24,260	*18,068*
Depreciation	92,105	*39,092*
Release from Deferred Capital Grant Account	(92,105)	*(39,092)*
(Increase)/decrease in debtors	85,576	*136,106*
Increase/(decrease) in creditors	871,728	*88,707*
Net cash inflow from continuing operating activities	1,031,645	*309,058*

(b) Grants Received

Deferred Capital Grant Account - grants received	289,558	*36,872*

(c) Reconciliation of Net Cash Flow to Net Movement in Funds

	2005	*2004*
	£	£
Increase in cash in period	1,031,645	*286,746*
Net funds at 1 April 2004	1,036,087	*749,341*
Net funds at 31 March 2005	2,067,732	*1,036,087*

Analysis of changes in net funds	2005	*2004*
Cash at bank and in hand	£2,067,732	*£1,036,087*

13. Financial Commitments

At 31 March 2005 the Arts Council of Northern Ireland has annual commitments under operating lease agreements as set out below.

Agreements which expire:

	Land & Buildings	Other	Total	*2004* Other
	£	£	£	£
Within one year	-	17,589	17,589	*5,794*
Between two and five years	135,801	4,981	140,782	*15,666*
Over five years	-	1,771	1,771	*137,520*
	135,801	24,341	160,142	*158,980*

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 as reconciled in Note (2) above. The Arts Council received funding of £250,000 from the Department of Education ring-fenced for a Cultural Traditions programme. During the year, the Arts Council also made grant payments to ELBs under the Creative Youth Partnerships programme as follows: SEELB £49,886, SELB £49,637, WELB £50,000, BELB £50,000 and NEELB £50,000. The Arts Council's National Lottery Distribution Account is also regarded as a related party to this account. At 31 March 2005 a total of £67,800 was owed by the National Lottery Distribution Account to this account in respect of salary and other administrative costs incurred. This amount is included in the Sundry Debtors and Accrued Income figure of £93,278 shown in note 7 above.

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	Award Amount	Declared Interest
An Gaelaras	£25,000	Gearóid ÓhEara
Armagh City and District Council	£45,000	Jill Holmes
Arts Care	£43,900	Lucy Finnegan, Philip Hammond
Belfast Community Circus	£75,000	Will Chamberlain
Big Telly Theatre Co	£75,000	Jill Holmes
Cahoots NI	£43,497	Jill Holmes
Cathedral Quarter Arts Festival	£50,970	Will Chamberlain
Children's Express	£15,000	Tim Kerr
Derry Theatre Trust	£186,000	Martin Bradley, Kate Bond
Down District Council	£12,000	Sharon O'Connor
Irish Pages	£7,000	Noirin McKinney
Lagan Press	£15,000	Damian Smyth
SELB	£49,676	Eithne Benson
Ulster Orchestra	£1,740,700	Raymond Fullerton
University of Ulster	£45,000	Kate Bond, Tim Kerr, Gearóid ÓhEara
Verbal Arts Centre	£130,000	Kate Bond
Youth Action	£15,000	Tim Kerr
Totals	**£2,573,743**	

15. Value Added Tax

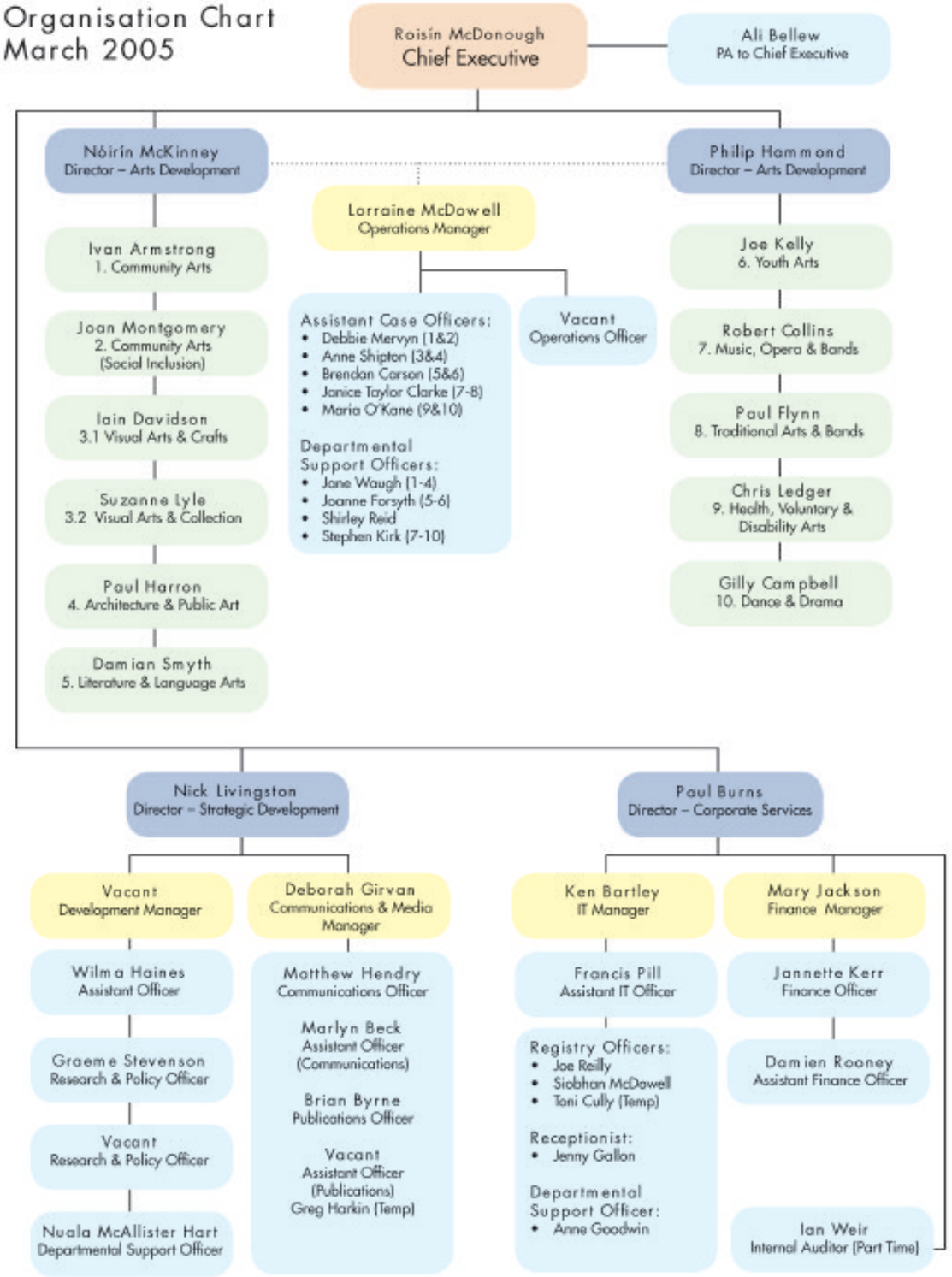
The Arts Council is VAT registered. The input VAT on all trading areas is fully recoverable and, therefore, the expenditure in these areas is included in the accounts net of VAT. The expenditure in all other areas includes VAT which is irrecoverable.

16. Key Corporate Financial Target

The administrative expenditure budget at the beginning of the year was £1,666,904. The Council's gross administrative expenditure was £1,417,168. Income totalling £159,628 was received in the year which related to activities which were administrative in nature. The net administrative expenditure was, therefore, £1,576,796. The Council maintained its administrative expenditure within its budget and was able to exceed the target by £90,108 or 5.4%.

APPENDIX A

Organisation Chart March 2005



APPENDIX B

STAFF LIST

Chief Executive's Department

Roisín McDonough	Chief Executive	
Alison Bellew	PA to the Chief Executive	

Arts Development Department

Philip Hammond	Arts Development Director	
Nóirín McKinney	Arts Development Director	
Lorraine McDowell	Operations Manager	

Arts Development Officers:

Ivan Armstrong	Community Arts	
Gilly Campbell	Drama & Dance	
Robert Collins	Music, Opera & Bands (Temporary)	
Iain Davidson	Crafts & Visual Arts	
Martin Dowling	Traditional Arts (on sabbatical)	
Paul Flynn	Traditional Arts (Temporary)	
Paul Harron	Architecture & Public Art	
Joe Kelly	Youth Arts	
Chris Ledger	Community Arts (Social Inclusion)	To 1 October 2004
	Health, Voluntary & Disability Arts	From 5 October 2004
Suzanne Lyle	Visual Arts & Collections	
Robbie Meredith	Literature/Language Arts	To 30 April 2004
Francis Murphy	Health, Voluntary & Disability Arts	To 30 September 2004
Julianne McCormick	Community Arts (Social Inclusion)	To 31 May 2004
Pamela Smith	Music (on sabbatical)	
Damian Smyth	Literature/Language Arts	
Deirdre Lavery	Business Support Officer	To 27 August 2004
Brendan Carson	Assistant Case Officer	
Maria O'Kane	Assistant Case Officer	
Deborah Mervyn	Assistant Case Officer	
Anne Shipton	Assistant Case Officer	
Janice Taylor Clarke	Assistant Case Officer	
Joanne Forsyth	Departmental Support Officer	
Stephen Kirk	Departmental Support Officer	
Shirley Reid	Departmental Support Officer	From 14 March 2005
Jane Waugh	Departmental Support Officer	

Corporate Services Department

William Lyttle	Corporate Services Director	To 30 June 2004
Paul Burns	Resources Manager	
	Director Corporate Services	From 9 September 2004
Ken Bartley	IT Manager	
Mary Jackson	Finance Manager	From 29 October 2004
Ian Weir	Internal Auditor (part time)	From 14 February 2005
Jannette Kerr	Finance Officer	
Francis Pill	Assistant IT Officer	
Damien Rooney	Finance Assistant	
Joseph Reilly	Registry Officer	
Siobhan McDowell	Administrative Officer Registry	
Jennifer Gallon	Receptionist	
Anne Goodwin	Departmental Support Officer	

Strategic Development Department

Nicholas Livingston	Director Strategic Development	
Deborah Girvan	Communications & Media Manager	From 14 April 2004
Tanya Greenfield	Development Manager	To 31 May 2004
Paul McGreevy	Equality & Compliance Officer	To 10 September 2004
Graeme Stevenson	Research & Policy Officer	
Matthew Hendry	Communications Officer	
Brian Byrne	Publications Officer	
Marlyn Beck	Assistant Officer	
Wilma Haines	Assistant Officer	
Nuala McAllister Hart	Departmental Support Officer	

APPENDIX C Lottery Sub-Committee Report 2004/2005.

During 2004-05 the Arts Council continued to work with the sector to develop new programmes and approaches to the distribution of Lottery funds, addressing both the strategic aims of the Council and the declared needs of the sector itself. Following this consultation the Council launched three new programmes during the year:

Art of Regeneration – a programme directed at Local Authorities working in partnership with other statutory and voluntary groups to support projects which connect the arts and artists with issues such as the environment, anti-social behaviour and good relations;

Multi-Annual Programme – aimed at sustaining the arts infrastructure and offering grants from £10,000 to £20,000 per year for up to three years. The first decisions on this programme were made in March 2005, offering 52 organisations the opportunity to plan with security over the incoming years;

Early Years Arts – inviting partnership projects from consortia of schools and nursery schools working in partnership on projects for 3-7 year-olds. Decisions on this programme are due to be taken in June 2005.

The joint distributor programme, Awards for All, reached the end of its first three-year cycle in March 2005. The programme has been a major success in delivering grants to small communities throughout Northern Ireland and the Council looks forward to continued success in the incoming three-year period when the maximum funding threshold will rise to £10,000.

During the year the Council also reviewed its three-year delegation agreement with the Northern Ireland Film and Television Commission under which the NIFTC receives 13% of the Council's annual forecast income. These funds are used to support the development, production and distribution of films which benefit Northern Ireland, either because they are made in Northern Ireland or have substantial Northern Irish input. A consultation with the sector indicated that it was in favour of continuing the delegation arrangement and subsequently the Council has agreed a further three-year contract with NIFTC.

During the year the Council received 582 applications seeking £17,937,183 across all its Lottery programmes, and made 422 awards totalling £13,807,176.

Martin Bradley
Chair of Arts Council Lottery Sub-Committee

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