

Arts Council of Northern Ireland
National Lottery Fund
Annual Report 2004/2005

Session 2005-06

Presented to Parliament Pursuant to Section 34(3) of the National Lottery Act 1993

[Incorporating HC 422: Accounts for 2004–05 of the Arts Council of Northern Ireland Lottery Distribution, with the Report of the Comptroller and Auditor General thereon, as ordered by the House of Commons to be printed on 20th July 2005]



National Chamber Choir

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Sonorities Festival of Contemporary Music

Chairman's Foreword



The Arts Council is the statutory body which, since the inception of the National Lottery in 1994, has been responsible for the administration and distribution of Lottery funds to the arts in Northern Ireland. Funding decisions are guided by the directions contained in the National Lottery Act and by the strategic priorities published in the Council's current five-year plan for the arts, 2001-2006.

The Council is advised on Lottery matters by its Lottery Committee. The Committee's role is to advise on policy issues relating to the Council's National Lottery Fund; to advise on, review and monitor all matters relating to the administration of the Council's National Lottery Fund; and to take decisions on grant aid within delegated financial limits set by Council. The Committee presently has full delegated authority to award grants to applicants where the award is within the delegated band of £25,000 - £50,000.

A handwritten signature in blue ink that reads "Rosemary Kelly". The script is fluid and cursive.

Rosemary Kelly
Chairman, Arts Council of Northern Ireland



NIPPA - The Early Years Organisation. Karen Mahon/Monkstown Community Playgroup

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 & 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



Cahoots NI. Conrad Kemp

Chief Executive's Introduction



During the year under review, the Council commissioned a benchmarking exercise of its processes against other similar grant-giving bodies. This examined issues such as processing times, grant assessment procedures, conflicts of interest and applicant feedback. A number of issues raised by the benchmarking exercise will be examined further during the incoming year.

The Council also continued to review its policy for managing the balance of its National Lottery Distribution Fund (NLDF) account. The aim of this policy is to ensure that best use is made of the Lottery funds available to the Council and to ensure that money pledged to clients is released as quickly as possible. A range of measures were introduced to achieve a progressive reduction of the amount of Council money in the fund, including a realignment of annual income drawn down and distributed, the redistribution of decommitted funds to other programmes, and the development of new Lottery funding programmes.

Financial statements

The financial statements on pages 66 to 69, together with the Foreword and other statements on pages 71 to 81 and the Certificate of the Comptroller and Auditor General on pages 63 to 64, reproduce in full those included in the Accounts for the Arts Council of Northern Ireland Lottery Distribution Account for 2004-05 laid before the Houses of Parliament on 20 July 2005 under reference HC 422. Pages 1 to 53 of this Annual Report provide additional information, for which I am responsible, that is not included with those accounts. The auditor is required by auditing standards to read other information in documents containing audited financial statements and to consider the implications for his audit opinion. A supplementary statement has accordingly been provided by the Comptroller and Auditor General at page 65 in respect of his reading of the additional information.

A handwritten signature in blue ink that reads 'Roisín McDonough'.

Roisín McDonough
Chief Executive

The Council

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

Council from 1 July 2003:

Ms Rosemary Kelly (Chairman)
Mr Martin Bradley (Vice Chairman)
Mrs Eithne Benson
Mrs Katherine Bond
Mr Will Chamberlain
Ms Lucia (Lucy) Finnegan
Ms Jill Holmes
Mr Anthony Kennedy
Mr Tim Kerr
Mr Raymond Fullerton (appointed Feb 05)
Mr Brendan Milligan
Mr William Montgomery
Mr Gearóid Ó hEara
Ms Sharon O'Connor
Mr Peter Spratt

The members of the Council's Lottery Sub Committee during the year are shown below.

From 8 January 2004:

Martin Bradley (Chair)
Kate Bond
Eithne Benson



L to R: Lucy Finnegan, Kate Bond, Martin Bradley (Vice Chairman), Will Chamberlain, Eithne Benson, Peter Spratt, Rosemary Kelly (Chairman), Sharon O'Connor, Jill Holmes, William Montgomery



Raymond Fullerton



Tim Kerr



Brendan Milligan



Tony Kennedy OBE



Gearóid ÓhEara

Grants Awarded 1 April 2004 to 31 March 2005

During the year 2004/05, 582 applications were received seeking grants of £17,937,183. By the end of the year 239 grants had been awarded through the main programmes, receiving a total of £13,121,306. In addition, through Awards for All the Council made 185 awards totalling £685,870.

ACCESS

Organisation	Area	Project	Artform	Award
Replay Productions	Belfast	Theatre Squad	Drama	75,000
Cumann Culturtha Mhic Reachtaí	Belfast	Access	Combined	10,000
Glenshee Music Collective	Newry & Mourne	5 day Summersong music course	Music	11,720
Omagh Arts Committee	Omagh	Omagh Arts Festival	Combined	16,500
Ormeau Baths Gallery	Belfast	Access-education and community outreach	Visual Arts	37,190
Rathlin Island Co-Operative Society	Moyle	'Arts on Rathlin Island'	Combined	40,000
Donaghcloney Rural Needs Devel	Craigavon	Access	Combined	19,619
Amber Community Development Agency	Belfast	'Community Arts Project'	Combined	73,854
An Droichead	Belfast	Dance, drama, crafts and music programme	Combined	40,500
Border Arts	Strabane	Marching Puppet Bands for Carnivals and Festivals	Other	44,000
Northern Ireland Visual Arts Forum	Belfast	Extension of Development Officer Project	Visual Arts	25,700
Northern Visions	Belfast	Voluntary Arts Initiative	Film	40,224
The Nerve Centre	Derry	Access and Development Programme	Music	41,800
Old Museum Arts Centre	Belfast	Education projects/Education Officer	Combined	11,730
Larne Borough Council	Larne	Public Art Project	Visual Arts	19,628
Live Music Now! Ireland	Belfast	Music workshops/auditions	Music	10,953
Ashton Community Trust	Belfast	Community Youth Engagement in the Arts	Combined	120,000
Schomberg Society	Newry & Mourne	Schomberg Ulster Scots Academy Project	Music	20,176
Ulidian Youth Drama Group	Derry	Drama School	Drama	21,720

Organisation	Area	Project	Artform	Award
Creative Writers Network	Belfast	CWN New Project for 2004/05	Literature	8,800
Twisting Yarn Theatre Company	Other	Touring Yann Martel's novel "Life of Pi"	Drama	28,000
Maydown Youth Training Project	Derry	The Waterside Theatre Community Arts Development Prog.	Combined	96,735
Mandarin Speakers Association	Antrim	Root & Leaves-Chinese Traditional and Contemporary Arts	Combined	39,963
Island Youth Theatre (IYT)	Lisburn	Pilot six month programme	Drama	24,320
Alternative Ulster	Belfast	One year magazine funding	Music	26,500
Ulster Scots Dance Alliance	Belfast	Employ 2 full-time teachers and an administrator	Dance	32,250
Greater Shantallow Community Assoc	Derry	Community Arts Programme	Combined	90,000
Arts & Disability Forum	Belfast	3 year organisational funding	Other	104,141
Classical Music Society	Derry	Three Year Arts Programme	Music	29,750
Down District Council	Down	The Celtic Fusion International Musical Arts Festival	Combined	25,000
Queen Street Studios	Belfast	Part-time employment of the Digital Studios Administrator	Visual Arts	11,538
Down Community Arts	Down	Community arts programme for 15 months	Visual Arts	47,080
Spanner in the Works Theatre Co	Belfast	Rural Theatre and workshops project	Drama	13,400
Youth Action Northern Ireland	Belfast	Develop quality of training programmes	Drama	45,000
Seacourt Print Workshop	N-Down	Continuation of Access to Printmaking Project	Visual Arts	22,023
NIPPA - The Early Years Organisation	Belfast	Develop and Implement an Accredited Training Prog.	Combined	95,500
Open Arts	Belfast	Funding for Open Arts Choir	Music	86,000
John Hewitt Society	Belfast	John Hewitt International Summer School	Literature	16,850
New Belfast Community Arts Initiative	Belfast	Expansion of Integrated Access Programme	Combined	38,411
Open House Traditional Arts Festival	Down	Two-year programme funding	Traditional	74,838
Indian Community Centre	Belfast	Three-year Indian Arts and Cultural Development Prog.	Combined	125,000

Organisation	Area	Project	Artform	Award
Compantas Amharclainne Ababu	Belfast	Tour the Irish Medium Sector	Drama	135,000
Royal Scottish Pipe Band Assoc	Lisburn	Full-time Project Manager	Music	19,847
The Linenhall Library	Belfast	John Boyd: A Light in a Dark Place	Literature	43,950
Dance Northern Ireland	Belfast	Earthquake Festival - bringing dance to the people	Dance	24,300
Play Resource Warehouse	Belfast	The Creative Paths Programme	Youth Arts	23,234
Children's Express Foyle Bureau	Derry	3-year Express Youth FM programme	Combined	41,972
North Down Borough Council	N-Down	Aspects Irish Literature Festival	Literature	11,448
Golden Thread Gallery	Belfast	Outreach programme	Visual Arts	41,901
Opera Theatre Company	Other	Opera access projects for young people	Opera	42,275
North West Carnival Initiative	Derry	To establish a tiered series of carnival skills programmes	Other	45,000
Creggan Education & Research Services	Omagh	3-year arts programme at An Creagan Visitor Centre	Combined	90,000
KIC (Kids in Control)	Belfast	Piranha - to develop stories to a full-scale production	Drama	19,946



Northern Ireland Music Industry Commission. Astromech

NEW WORK – COMMISSIONS

Organisation	Area	Project	Artform	Award
Golden Thread Gallery	Belfast	Collective Histories of Contemporary Northern Irish Visual Artists	Visual	8,549
University of Ulster	Belfast	Art in Architecture	Visual	14,475
Sticky Fingers Early Years Art	Newry & Mourne	Commission - Virginia Radcliffe	Drama	5,755
Cahoots NI	Belfast	BUGS - new writing project	Drama	10,708
Youth Action Northern Ireland	Belfast	A new innovate musical	Music	16,553
Tinderbox Theatre Company	Belfast	Two year theatre programme	Drama	15,750
Omagh Community House Ltd	Omagh	Public Art Commission	Visual	5,050
Echo Echo Dance Theatre Co	Derry	Research & develop a new dance work	Dance	19,800
Classical Music Society	Derry	Commission four works	Music	12,725
Live Music Now! Ireland	Belfast	New Commission by Brian Irvine	Music	7,700
Wildfowl and Wetlands Trust	Ards	Music compositions for Castle Espie	Music	7,100
The Lyric Theatre	Belfast	Development of new play "Walker between Worlds"	Drama	8,540
Big Telly Theatre Company	Coleraine	Commissioning of "The Little Mermaid"	Drama	7,000
Dubbeljoint Theatre Company	Belfast	Commission play written by Brian Campbell	Drama	5,001
Belfast Festival at Queen's	Belfast	New Work - Journeys and Migrations	Combined	8,740
Belfast Community Circus School	Belfast	Professional Circus Ensemble Production	Combined	27,000
North of Ireland Bands' Assoc	C'fergus	To commission two new original compositions for brass band	Music	9,000
European Union Chamber Orchestra	Other	2 New Work Commissions in 2005	Music	5,004
Ninth World Harp Congress	Other	To promote the work of composers based in Northern Ireland	Music	7,370
Belfast City Council	Belfast	Public Art	Visual	21,500
North & West Belfast HSST	Belfast	6 permanent artworks	Visual	7,000

Organisation	Area	Project	Artform	Award
Fermanagh District Council	Fermanagh	Commissioning new dance work by Dylan Quinn	Dance	5,075
Ransom Productions Ltd	Belfast	To commission two new writers	Drama	10,350
Ballynaveigh Community Dev. Assoc	Belfast	“Vote Gatecrasher” musical drama	Drama	9,200
Opera Theatre Company	Other	Three commissions – Brian Irvine, Jules Maxwell, Andrew Synott	Opera	16,582
South Lough Neagh Regeneration	Craigavon	South Lough Neagh Arts Initiative - to involve the community	Visual	24,000



Context Galleries: Multiplicity

NEW WORK – PRODUCTIONS

Organisation	Area	Project	Artform	Award
The O'Brien Press Ltd	Other	New Work - 'Something beginning with P'	Literature	20,000
Ormeau Baths Gallery	Belfast	New Work - Four Exhibitions	Visual	32,175
PVA Medialab	Other	Multimedia lab in Belfast August 2004	Visual	15,000
Belfast Exposed Community Photography	Belfast	Exclusive Interiors; The Lisburn Road, Belfast	Visual	10,725
Catalyst Arts	Belfast	Fix04	Visual	18,185
Context Gallery	Derry	Exhibition Programme	Visual	27,855
Feile an Phobail	Belfast	Documentary film with live music score	Music	9,450
Portadown 2000	Craigavon	"Inverting Conventions"	Visual	26,550
Prime Cut Productions	Belfast	Produce Irish Premiere of Caryl Churchill's "A Number"	Drama	24,836
Beat Initiative	Belfast	Storybook Street Theatre	Combined	26,900
North West Play Resource Centre	Derry	Production of 'Flight'	Drama	30,585
Belfast Festival at Queen's	Belfast	New Work-Journeys and Migrations	Combined	82,120
CIRCA Art Magazine	Other	"Space: Architecture for Art"	Visual	14,720
Verbal Arts Centre (NI) Ltd	Derry	Anthology of contemporary poetry	Literature	12,151
Lyric Theatre	Belfast	World premiere of "1974 - The End of the Year Show"	Drama	30,000
Cahoots NI	Belfast	Production of 4 minute animation by Hazel Webb Crozier	Drama	32,000
Replay Productions	Belfast	"Meg's Head" premiere	Drama	25,544
Big Telly Theatre Company	Coleraine	"Little Mermaid" - theatre set in a swimming pool	Drama	47,790
Ormeau Baths Gallery	Belfast	Four Exhibitions from February - September 2005	Visual	13,100
Portadown 2000	Craigavon	"Human Condition: Human Responses" exhibitions	Visual	10,100
Context Gallery	Derry	A 6-month series of exhibitions and public art	Visual	14,934
Iomairt Cholm Cille (Columba Initiative)	Belfast	A touring visual arts exhibition based upon An Leabhar Mor	Visual	15,000
Belfast Exposed Community Photography	Belfast	To present 3 contemporary photography exhibitions	Visual	12,935

AUDIENCE DEVELOPMENT

Organisation	Area	Project	Artform	Award
Golden Thread Gallery	Belfast	Contemporary visual arts touring product	Visual Arts	45,125
Factotum	Belfast	Appointment of part-time Audience Development Officer	Combined	31,000
PLACE	Belfast	To raise public awareness of the value of good design	Architecture	77,800
Association of Regional Theatres	Cookstown	Audience development	Drama	59,342
Audiences Northern Ireland	Belfast	Facilitating collaborative marketing & audience development	Other	450,000
Linenhall Library	Belfast	The appointment of an Audience Development Officer	Other	30,200

CAPITAL – BUILDING

Organisation	Area	Project	Artform	Award
North West Play Resource Centre	Derry	Refurbishment	Combined	1,000,000
Grand Opera House Trust	Belfast	New Building extension	Combined	2,000,000

CAPITAL – EQUIPMENT

Organisation	Area	Project	Artform	Award
Blast Furnace Recording Studio	Derry	Recording equipment	Music	20,700
Sticky Fingers Early Years Art	Newry & Mourne	Office equipment	Combined	9,698
Seacourt Print Workshop	N-Down	Print making/office equipment	Visual Arts	9,148
Queen Street Studios	Belfast	Equipment for loan to studio members	Visual Arts	5,903
Fermanagh District Council	Fermanagh	Lighting/sound equipment	Combined	40,250
Feile an Phobail	Belfast	Office/technical equipment	Combined	5,100
Vision ... Applied Arts & Craft	Belfast	Equipment for a series of classes/ master classes	Combined	12,352
Factotum	Belfast	Equipment	Combined	5,261

Organisation	Area	Project	Artform	Award
Glens of Antrim Branch, Comhal	Moyle	Equipment - musical instruments	Music	7,875
Flaxart Studios	Belfast	Replacement equipment	Visual Arts	6,288
Lisnaskea Lambeg Drumming Club	Fermanagh	Equipment-purchase of Lambeg drums	Music	5,175
Belfast Community Circus School	Belfast	Equipment	Community	14,848
Newcastle Comhaltas Ceoltoiri	Down	Equipment-musical instruments	Combined	5,250
The Linenhall Library	Belfast	Lighting, Rostra, Staging	Other	7,144
Play Resource Warehouse	Belfast	Office equipment	Other	10,436
Opera Theatre Company	Other	Technical/production equipment	Opera	5,559
Dance Northern Ireland	N-Down	Office equipment	Dance	8,270
Cahoots NI	Belfast	Office/technical equipment	Drama	7,825
The Void Art Centre	Derry	Computer equipment	Visual Arts	28,619



Belfast Exposed: Daniel Jewesbury and Ursula Burke, Archive | Lisburn Road

ON-LINE TICKETING SYSTEMS

Organisation	Area	Artform	Award
Fermanagh District Council	Fermanagh	Drama	40,414
Cookstown District Council	Cookstown	Drama	40,367
Derry Theatre Trust	Derry	Drama	14,943
Old Museum Arts Centre	Belfast	Combined	32,163
Feile an Phobail	Belfast	Combined	39,463
Lisburn City Council	Lisburn	Combined	35,301
Down District Council	Down	Combined	32,969
Antrim Borough Council	Antrim	Combined	8,982
Culturlann McAdam O'Fiaich	Belfast	Combined	41,324
Belfast City Council	Belfast	Combined	142,095

MUSICAL INSTRUMENTS FOR BANDS

Organisation	Area	Award
Lord Londonderry's Own CLB Flute Band	Derry	15,000
Corkley Pipe Band	Armagh	8,836
Queen Elizabeth Pipe Band	Magherafelt	14,768
Albertbridge Accordion Band	Belfast	14,700
Riada Concert Group	Ballymoney	14,960
Articlave Flute Band	Coleraine	15,000
Ballee Blues and Royals Flute Band	Ballymena	6,946
Holy Cross Accordion Band	Newry & Mourne	18,458
Legananny Accordion Band	Banbridge	10,733
Barron Accordion Band	Strabane	29,995
Drumderg Flute Band Keady	Armagh	5,357
Pride of the Lagan Valley	Castlereagh	16,115
The Erne Islands Marching Band	Fermanagh	12,735
Fardross Pipe Band	Dungannon	15,255
Garvetagh Pipe Band	Strabane	15,583
Banbridge Pipe Band	Banbridge	13,120
St Michael's Scout Brass Band	Fermanagh	27,567
Stronge Memorial Accordion Band	Armagh	15,750
Church Hill Silver Band	Fermanagh	35,375
St Mary's Pipe Band	Fermanagh	9,000
Drumlough Pipe Band	Down	15,709
Kilskeery Silver Band	Fermanagh	14,027

MULTI-ANNUAL PROGRAMME

Organisation	Area	Award
MADD Enterprises Ltd	Antrim	45,000
Ards Arts	Ards	36,501
Banbridge District Council	Banbridge	30,003
Audiences Northern Ireland	Belfast	60,000
Belfast Music Society	Belfast	56,000
Bruiser Theatre Company	Belfast	60,000
Catalyst Arts	Belfast	40,000
Children's Express	Belfast	60,000
Creative Writers Network	Belfast	60,000
East Belfast Arts Collective	Belfast	57,000
Factotum	Belfast	48,000
Fenderesky Gallery at the Crescent Arts Centre	Belfast	20,700
Golden Thread Gallery	Belfast	57,400
Indian Community Centre	Belfast	60,000
Irish Pages Ltd	Belfast	51,000
Linen Hall Library	Belfast	60,000
New Belfast Community Arts Initiative	Belfast	60,000
Northern Ireland Music Industry Commission	Belfast	40,000
PLACE (Planning Landscape Architecture Community Environment)	Belfast	56,470
Ransom Productions Ltd	Belfast	58,500
Partisan Productions	Belfast	57,000
Sonorities Contemporary Music Festival	Belfast	60,000
Source/Photo Works North	Belfast	57,000
Spanner in the Works	Belfast	34,340
Youth Action Northern Ireland	Belfast	34,045
Best Cellars Music Collective Ltd	Castlereagh	58,400
Castlereagh Borough Council	Castlereagh	30,003
An tUltach	Coleraine	48,000
Coleraine Borough Council	Coleraine	36,200
Craigavon Borough Council	Craigavon	30,003
Eden Place Arts Centre	Derry	60,000
Guildhall Press	Derry	60,000
Dungannon & South Tyrone Borough Council	Dungannon	42,000
Discovery 80 Ltd. Share Centre	Fermanagh	60,000
Soundlines	Lisburn	45,000
Maiden Voyage (NI) Ltd	North Down	48,000
Omagh District Council	Omagh	40,000

Organisation	Area	Award
Association of Ulster Drama Festivals A.U.D.F.	Other	34,500
Books Review Ireland Limited	Other	35,500
Circa Art Magazine	Other	30,000
Dance United	Other	60,000
Ireland Literature Exchange	Other	59,000
Irish Traditional Music Archive	Other	60,000
Kids' Own Publishing Partnership	Other	60,000
National Deaf Children's Society (NDCS)	Other	40,000
Share Music	Other	69,000
The Contemporary Music Centre Ltd	Other	40,000
The National Chamber Choir Ltd	Other	60,000
The Sculptors' Society of Ireland	Other	60,000
Youth Music Theatre	Other	27,000
Border Arts	Strabane	60,000
The Pushkin Trust	Strabane	52,500



Youth Action Northern Ireland: The Rainbow Factory, Peter Pan

AWARDS FOR ALL

Organisation	Area	Project	Artform	Award
Bbeyond	Belfast	Asian performance	Combined	4,644
Newtownards Camera Club	Ards	Photography equipment	Visual	4,601
Newcastle Pub Fest	Down	Music festival	Music	1,800
CCE (Ards Branch)	Ards	Book of traditional songs	Traditional	4,200
Mid Ulster Magic Circle	Magherafelt	Hallowe'en convention	Other	1,480
Larne Alive Committee	Larne	Workshops and professional fees	Drama	5,000
Iadder	Belfast	Recitals	Music	1,500
Killen Pipe Band	Strabane	Musical equipment/travel	Music	1,200
CCE Ballycastle Branch	Moyle	Ballycastle Fleadh	Traditional	3,813
Arts for Older People	Belfast	Seminars, exhibitions and workshops	Combined	4,851
Killaloo Accordion Band	Derry	Concert activities	Music	725
St Teresa's Youth Centre	Belfast	Musical equipment	Music	2,064
Ulster Youth Orchestra	Belfast	Conductors fee	Music	5,000
The Charles Wood Summer School	Armagh	Artist fees, accommodation, catering	Music	4,200
Pobal	Belfast	Video Conferencing and fees for artists	Visual	5,000
Scoil Samhraidh Willie Clancy Teoranta	Other	Summer School tutor fees	Traditional	1,500
CCE Down County Board	Newry & Mourne	Costs for Fleadh	Traditional	2,500
CCE Portmor	Armagh	Armagh Fleadh	Traditional	3,860
Greencastle Community Association	Omagh	Cultural event	Combined	500
Maghera Traditions Group	Craigavon	Music classes/workshops/masterclasses	Music	5,000
Rathlin Co-Operative Society	Moyle	Television equipment, venue hire	Visual	4,500
Moyraverty Arts and Drama Society	Craigavon	Drama performances	Drama	2,232
Ulster Scots Cultural Development Trust	Antrim	Lambeg Drums/fifes/tutors	Traditional	5,000
Randalstown Arches' Association Ltd	Antrim	Circus workshops	Other	1,941
Bard of Armagh Cultural Traditions Group	Armagh	Adjudicators, entertainment, judges	Other	500

Organisation	Area	Project	Artform	Award
Kilcranny House Limited	Coleraine	Theatre workshop expenses, B&B and meals	Drama	1,912
J2Z Festival Association	Belfast	5 day festival	Music	4,850
Green Shoot Productions	Belfast	Play	Drama	4,900
CCE Newcastle	Down	Tutors venue hire	Traditional	4,947
CCE Ulster Fleadh Committee	Newry & Mourne	Adjudicators, artists and bands	Traditional	3,700
Gig 'n the Bann Festival Committee	Ballymena	Artists fees	Traditional	3,000
Kabosh	Belfast	Artists fees and wages, publicity, transportation, space hire	Drama	5,000
Armagh Old Boys Silver Band (and Social Club)	Armagh	Summer Schools Concerts	Music	5,000
Armagh Traditional Singing Festival	Armagh	Professional singers and lecturers for festival	Traditional	5,000
Black Mountain Review/Black Mountain Press	C'fergus	Two volumes of poetry	Literature	4,000
Letterbreen & Mullaghduin Partnership	Fermanagh	Mobile stage unit	Drama	5,000
The Greengraves Youth Drama Group	Castlereagh	Stage production costs	Drama	4,994
Midlands Arts Club	Belfast	Art equipment and materials	Visual	2,494
Twisters Youth Dance Club	Strabane	Dance and movement training, education and performance	Dance	5,000
Roe Valley Folk Club	Limavady	Festival costs, workshops, folk performances	Traditional	5,000
The Northern Amateur Theatre Association	Belfast	Theatre skills, summer school costs, food	Drama	4,950
Y.E.A.T.S.	Moyle	Xmas pantomime production costs	Combined	1,950
Team Spirit' Youth Group	Ards	Summer dance, drama and art workshops	Combined	4,920
Tievmore Pipe Band	Fermanagh	Tuition, equipment, admin	Music	4,195
Derg Valley Arts and Leisure Group	Strabane	Workshops, performer fees	Combined	4,500
Antrim Art Group	Antrim	Display, training, equipment	Visual	2,010
Springfarm and District Community Association	Antrim	Camera Club expenses, paving yard area	Visual	4,046
Patrician Youth Centre	Down	Creative Arts Programme (drama, art and dance)	Combined	4,365
Prison Arts Foundation	Belfast	Office equipment and computer	Combined	2,422

Organisation	Area	Project	Artform	Award
Falls Community Council	Belfast	Songwriting workshops, masterclass & junior song school	Music	4,000
Ard Eoin Fleadh Project	Belfast	Arts, crafts and music materials for a carnival parade	Combined	5,000
Discovery '80 Limited	Fermanagh	Contemporary dance for youth and daycares	Dance	4,000
Greater New Lodge Festival Committee	Belfast	Artist fees, materials, entertainers, refreshments	Combined	3,950
Youth Music Theatre	Other	Workshops	Music	3,640
Fermanagh Traditional Music Society	Fermanagh	Producer, recording studio, graphics, manufacturing	Traditional	1,500
Spanner in the Works Theatre Company	Belfast	Productions costs	Drama	5,000
Ballysillan Highland Dancers	Belfast	Tutors, insurance, travel, outfits	Dance	2,750
Dunmore Rural Association	Down	Tuition classes to develop musical skills	Music	3,840
Ceol Camloch	Newry & Mourne	Music festival	Traditional	4,940
Heart of Down Highland Dancers	Down	Running and teaching Highland dance classes	Dance	5,000
Newtownhamilton Community Association	Newry & Mourne	Writing and recording an album and perform a concert	Music	5,000
Cuisle an Cheoil Ltd	Belfast	Traditional arts event for young people	Traditional	5,000
Ards Art Collective	Ards	Craft and art skills awareness classes	Craft	2,829
Conlig Drumming Club	N-Down	Drums, lambegs, fifes, drum canes	Traditional	1,764
Irish Association of Change Ringers	Ards	Purchase a mini rig of bells	Music	5,000
Newpoint Players	Newry & Mourne	Summer Shakespearean Theatre School	Drama	4,100
South Belfast Cultural Society	Belfast	School of dance classes	Combined	5,000
Camerata Ireland	N-Down	Camerata at Clondeboy Arts	Music	5,000
Open House Traditional Arts Festival	Belfast	Literary Events	Traditional	5,000
Mourne Youth Community Association	Newry & Mourne	Administration, materials, premises hire, accommodation	Combined	4,205
Glasgowbury	Magherafelt	Contemporary music festival	Music	3,072

Organisation	Area	Project	Artform	Award
Portglenone Senior Citizens Arts and Crafts Club	Ballymena	Tutors, rent, art books, videos, materials	Visual	1,046
Whitehead Primary School Parent Teacher Assoc	C'fergus	Workshop costs, artist fees, materials, equipment	Visual	2,500
Donegall Pass Community Group	Belfast	Classes - tutor fees, material costs	Visual	2,600
Comhaltas Ceoltori Eireann	Fermanagh	Seminars in traditional music	Traditional	2,700
The Coleraine District Camera Club	Coleraine	Festival of photography, exhibition and workshops	Visual	3,327
Down District Woodturners Group	Down	Equipment, tutors costs	Traditional	3,826
Cuidechta Cheoil Cholm Cille	Magherafelt	Masterclasses in traditional music	Traditional	5,000
Ballydonaghy Pipe Band	Antrim	Local Schools Access Programme	Music	5,000
Ardmore Craft Club	Craigavon	Start up costs, training and equipment	Visual	4,710
Musical Expressions	Craigavon	Writing and producing a CD	Music	5,000
Daly Park & Moylin Close Community Association	Newry & Mourne	Record, edit and produce DVD of community issues	Community	4,750
Ballykeel Accordion Band	Lisburn	Community events - practices, performances	Traditional	1,430
Loughside Chamber Choir	N'abbey	Performance of music of Gyorgy Orban	Music	4,242
Screenwriters.Ink	Belfast	Equipment to write and produce short films	Visual	4,548
Cello Productions	Belfast	Staging Endgame for Belfast Festival at Queen's	Drama	4,800
Mourne Rock and Blues Festival Committee	Newry & Mourne	Two day music event	Music	2,000
Belfast Activity Centre	Belfast	Drumming workshops for socially isolated children	Music	3,094
The Rainbow Club	Newry & Mourne	Art project for children with disabilities	Visual	3,350
Tullyvallen Silver Band	Newry & Mourne	To improve group's video library	Visual	4,305
Aghavilly Accordion Band	Armagh	Musical training sessions	Music	1,885

Organisation	Area	Project	Artform	Award
Newry & District Gateway and Community Club	Newry & Mourne	Art classes, public performances, exhibition	Visual	4,798
The William Carleton Summer School Committee	Dungannon	Public display and archive works of William Carleton	Literature	3,500
Bangor Operatic Society	N-Down	Week's production of Calamity Jane	Music	5,000
Royal Scottish Country Dance Soc., Belfast Branch	Lisburn	One day workshop to learn Scottish country dance	Dance	793
Sciolto	Belfast	Commission three short pieces of music	Music	700
Dungiven Community Sets Club	Limavady	To promote the art of set dancing	Dance	1,335
Best Cellars Music Collective	Castlereagh	Purchase costumes and teach new dance routines	Dance	820
Maghera Community Group	Down	Mural	Visual	2,960
Derry Youth Dance	Derry	Bring in dance tutor Carrie Houston	Dance	2,900
Claddagh School of Irish Dancing	Larne	New equipment	Dance	1,250
Drama in Hand/ Handful Productions	Derry	The writing and production of two community plays	Literature	3,520
Compantas Amharclainne	Belfast	To present two plays	Drama	3,983
Third Age Arts	Coleraine	To produce a newsletter	Visual	4,550
Killinchy and District Community Dev. Assoc. Ltd	Ards	Various performing arts and dance workshops	Dance	4,600
Antrim Glens Traditions Group	Moyle	A programme fostering the traditional arts in the Glens	Traditional	4,616
Trillick Pipe Band	Omagh	To train young people in piping and drumming	Traditional	4,275
Maine Valley Accordion and Fiddle Club	Ballymena	To hold a traditional Irish and Scottish music event	Traditional	5,000
Blue Eagle Productions	Derry	Production of the Beaux Stratagem	Drama	5,000
St Canice's Accordion Band	Limavady	Providing tutors	Music	5,000
BOTHA CCE	Fermanagh	To teach and develop new dancing and musical skills	Dance	5,000
St Ergnat's Accordion Band	Antrim	Music instruction	Music	3,635

Organisation	Area	Project	Artform	Award
Institute of Feminism & Religion in Northern Ireland	Belfast	Workshops	Combined	1,200
Hollywood Music Festival	Belfast	Music Festival	Music	2,000
Hollywood Arts Trust	N-Down	Public artworks throughout	Visual	5,000
Maguiresbridge Highland & Scottish Country Dancing Group	Fermanagh	Highland dancing sessions	Dance	5,000
Fortwilliam Musical Society	Belfast	Production of Anything Goes	Drama	5,000
CAW 2000	Derry	Music workshop	Music	5,000
The Hedge Art Space	Belfast	2 exhibitions	Visual	930
Gran Quilters	Magherafelt	Classes in decoupage, silk embroidery, etc	Craft	1,800
Geordie Hanna Traditional Singing Society	Dungannon	3 day traditional singing event	Trad	4,460
Arts and Crafts Consortium	Strabane	Extend the provision of quality arts and crafts training	Craft	4,045
Factotum	Belfast	Distribution of a news sheet	Literature	3,600
Abridged	Derry	Twice yearly publication called New Writing	Literature	2,332
Dance Sensation Committee	Derry	Music equipment and equipment for costume makers	Dance	809
Old Museum Arts Centre	Belfast	Two day workshop for adults with learning difficulties	Drama	2,730
Bright Lights School of Drama	Castlereagh	Tutors to teach highland dancing, tap and ballet	Dance	4,760
Waringsford Pipe Band	Banbridge	Music workshop for young local people over 35 weeks	Music	3,000
Tannamore Cosy Corner Craft Club	Dungannon	Tutors and materials in patchwork, ceramics and mosaic	Craft	4,468
Culture Beat	Newry & Mourne	Musical education classes	Music	4,830
Belleek Developmental Community Arts Network	Fermanagh	Production and staging of a Halloween show in 2005	Drama	4,935
Bannside Scribblers	Craigavon	The production of CDs of poetry set to music	Literature	5,000
Paragon Studios Ltd	Belfast	Run a series of exhibitions	Visual Art	5,000

Organisation	Area	Project	Artform	Award
Magherafelt Highland and Country Dancing Group	Magherafelt	Hire a tutor and musicians to develop its dancing techniques	Traditional	3,960
Moyle Music Collective	Moyle	Equipment for training purposes	Music	2,000
Omagh Community Arts Initiative	Omagh	Life drawing classes and an exhibition	Visual Art	3,176
Cooneen Pipe Band	Fermanagh	Tuition in piping and drumming	Music	3,600
Ulster Scots Heritage Council Limited	NI Wide	Ulster Scots musical and cultural event	Traditional	2,300
Big Telly Theatre Company	NI Wide	Research a short film about the travelling community	Film	4,325
Donaghadee Male Voice Choir	Ards	Portable Stage	Music	4,971
Panarts	N-Down	Host the Belfast Nashville Songwriters festival	Music	5,000
Mid Armagh Community Network	Armagh	Ulster Scots fiddle classes	Traditional	5,000
Fusion Theatre	Lisburn	Local youth in a production of Les Miserables	Music	5,000
Plain Speaking Community Arts Project	Omagh	Community based panto Aladdin Jan 2005	Drama	4,189
Belfast Exposed	Belfast	An exhibition by Jo Spence	Visual	5,000
Comhaltas Dun Lathai	Ballymoney	Musical Tuition to young people in traditional instruments	Traditional	4,940
Hollywood Speech & Drama Festival	N-Down	Adjudicator's fees & expenses	Drama	2,620
Glengormley Irish Traditional Music School	N'abbey	Tutors' fees	Traditional	5,000
Wynchurch Art Group	Castlereagh	Tutorials, demos, workshops and venue hire	Visual	1,490
Erne Art Group	Fermanagh	Tutor costs, materials, venue hire and transport	Visual	1,640
Live Music Now! Ireland	Larne	Brian Irvine workshops	Music	4,400
Moneygore Pipe Band	Newry & Mourne	Tutors' fees	Traditional	4,500
Contemporary Music Centre Ltd	Other	CD of Irish composers	Music	4,900
Howard Memorial Pipe Band	Dungannon	Tutors' fees	Traditional	5,000
Competing Soloists Organisation	NI wide	Launch costs of new organisation	Traditional	2,110

Organisation	Area	Project	Artform	Award
Derry Film Initiative	Derry	Completion costs of "Hamlet"	Film	4,000
Fermanagh Choral Society	Fermanagh	"Requiem" by John Rutter	Music	4,150
Skys the Limit Drama Group	Belfast	Drama & history project with learning disability group	Drama	4,200
Federation of WI's - Broughshane Branch	Ballymena	Materials for craft classes	Craft	3,960
Ceol Cois Feabhail	Derry	Three traditional music concerts	Traditional	4,175
Markethill Art Club	Armagh	Materials and tutors fees for art classes	Visual	2,704
Poyntzpass Silver Band	Armagh	Music cases and stands	Music	2,038
Merville, Newtownabbey AV Group	N'abbey	Digital production equipment	Visual	5,000
Belfast Operatic Society	Belfast	Production of "Titanic, The Musical"	Music	5,000
Vishan Drama Group	Belfast	Travel, tutor fees, refreshments	Drama	1,020
Larne Musical Festival Association	Larne	Music project costs and expenses	Music	925
Magheragall Pipe Band	Lisburn	Community musical festival	Music	3,094
Ceili Club Tir Eoghain	Dungannon	Tutors, workshops, equipment and rent	Traditional	3,930
Damhsa	Magherafelt	Dance activities	Traditional	4,250
The Lagan Fleadh	NI Wide	Fleadh 2005	Traditional	4,900
Strangford Community Association	Down	Series of arts activities	Visual	4,500
CCE (Galbally Branch)	Dungannon	Tyrone County Fleadh	Traditional	4,620
The City of Derry Guitar Festival	Derry	Concerts and education programme	Music	5,000
Rawlife Theatre Company	Belfast	Production of "A Clockwork Orange"	Drama	5,000
The Harmony Youth Big Band	Newry & Mourne	Equipment	Music	2,300
CCE Down County Board	Newry & Mourne	Co. Down Fleadh	Traditional	2,527
CCE Clanbrassil Branch	Craigavon	Music classes and Armagh Fleadh	Traditional	3,763
C21 Theatre Company	Belfast	Performance of "The Maids"	Drama	4,890
The Lurig Drama Group	Moyle	Lighting & Sound equipment	Drama	5,000
First Call Theatre	Derry	Youth drama programme	Drama	5,000
Falls Women Centre Ltd	Belfast	Design and art project	Visual	2,500

Organisation	Area	Project	Artform	Award
The Making Music Workshop Ltd	Armagh	Admin & CD production costs	Music	2,700
St Agnes Choral Society	Belfast	Coaching, costumes, venue	Music	5,000
The Sculptors' Society of Ireland	Dublin	Series of seminars	Visual	5,000
ADAPT NI	Belfast	Arts Forum	Other	5,000



North Down Borough Council: Aspects Irish Literature Festival

ARCHITECTURE SPECIAL INITIATIVE

Organisation	Area	Project	Award
Ulster Architectural Heritage Society	Belfast	Publication of Modern Architecture in Ulster	40,000
University of Ulster	Derry	Site screening	10,000
University of Ulster	Belfast	Stengthening civil society through the built environment	39,100
PLACE	Belfast	Yearbook to record activities of PLACE	30,500
University of Ulster	Belfast	Public Lectures on role of architecture	10,000
Belfast City Council	Belfast	Exhibition of Public Spaces in Belfast	5,123
Portadown 2000 (Millennium Court)	Craigavon	Frank Gehry, Architect: Designs for Museums	30,000
Red Lead Arts	Belfast	East Belfast Contemporary Architecture and Urban Environment	13,512

CRAFT SPECIAL INITIATIVE

Organisation	Area	Project	Award
University of Ulster	Coleraine	Ceramics CD Rom	14,821
Rathlin Island Co-Operative Soc	Moyle	Special Crafts Initiative	27,500
Comhchoiste na Gaeilge Aontroim	Ballymoney	Recognised Centre for the arts and crafts in North Antrim	27,189
Ormeau Baths Gallery	Belfast	2nd International Biennale of Textile Art	21,200
Ards Arts Collective	Ards	Skills development	30,100
University of Ulster	Belfast	Exhibition "Irish Linen: Inspiration-Transformation"	27,550

FILM

(Awards made under delegation arrangements by the Northern Ireland Film and Television Commission)

Organisation	Area	Project Title	Application Type	Award
Green Park Films Ltd	Belfast	Frankenstein In Ireland	Development	£20,000
Manifesto Ltd	Other	Jellybaby	Short Film	£22,500
Powerstone Entertainment	N-Down	Black Harvest	Development	£20,000
Dolly Pictures Ltd	Belfast	Genesis	Documentary	£4,500
Nua Media Ltd	Belfast	Danny From Bandon	Documentary	£22,500
The Slemish Players	Ballymena	Depression With A Bike	Short Film	£4,495
Borderline Productions Ltd	Belfast	Pretty Face	Short Film	£22,500
Bandigital Ltd	Belfast	Hitch	Short Film	£4,500
Borderline Productions	Belfast	Johnny Was	Feature Film	£100,000
Perfect Cousins Productions	Derry	"No Go" - The Free Derry Story	Documentary	£30,000
About-Face Media (Tv) Ltd	Belfast	Blind Ambition	Documentary	£25,000
Samson Films	Other	The Honeymooners	Distribution	£5,000
Notasuch Films Ltd	Belfast	Linnet	Short Film	£22,500
Minh Productions Ltd	Other	The Rehearsal	Development	£11,429
Green Park Films	Belfast	Cadenza	Development	£12,500
Bandigital Ltd	Belfast	Mccarthy's War	Development	£20,000
The Celtic Quide Co	Omagh	The Laughter Club (Doc)	Documentary	£23,635
Make Films Ltd	Belfast	The Divine Details	Short Film	£11,250
Straight Face Productions	Belfast	Sexton - Episode 1	Development	£10,488
Straight Face Productions	Belfast	Sexton - Episode 2	Development	£10,488
Flickerpix Ltd	Belfast	Horn Ok Please	Short Animation	£22,000
Magma Films Ltd	Other	Is Glad Lad Na Cnoic	TV Series	£18,425
Mac Dara O'curraidhin	Other	Aka Plann O'Brien and Myles Na Gcopaleen	Documentary	£12,500
Borderline Productions	Belfast	The Voyage Of The Antelope	Development	£15,363
Minh Productions	Other	The Rehearsal	Documentary	£50,000

Organisation	Area	Project Title	Application Type	Award
Parallel World Productions	Belfast	Everlasting	Development	£20,000
Treasure Entertainment	Other	Shrooms (Dev)	Development	£20,000
Dc Media Ltd	Belfast	Falling	Short Animation	£16,200
Straight Face Productions	Belfast	Game Of All Games	Development	£10,000
Street Monkey Ltd	Belfast	The Tooker Men	Short Film	£22,451
Youth Action	Belfast	Youth On Trial	Short Film	£3,500
Project Interference Ltd	Belfast	Country Lane	Short Film	£15,000
Garry McGovern	Fermanagh	A Fine Feathered Foe	Short Film	£1,125
Make Films	Belfast	Sugar	Distribution	£5,000
Waldovision Ltd	Fermanagh	The Charge Of The Bike Brigade	TV Series	£25,000
Carbon Media Ltd	Other	Jump UK	Documentary	£20,000
Make Films Ltd	Belfast	Make Films Dvd	Distribution	£5,000
4x4 Production & Post	Belfast	NOT A WORD	Short Film	£22,226
Underdog Media Ltd	Belfast	The Sidekick	Short Film	£7,500
Raw Nerve Productions	Derry	Loocy And The Moon	Short Film Animation	£22,210
Scannain Aisling Ghea	Belfast	Tomas O'Faich	Documentary	£5,000
Imagine Media Productions Ltd	Belfast	A Kinship Drum For A Troubled Community	Documentary	£20,700
Lucid Dreams Media Ltd	Down	A Tree Story	Short Film	£4,500
Westway Film Productions	Derry	A Sense Of Belonging	Documentary	£25,000
Flickerpix Ltd	Belfast	Minkey	Short Film Animation	£4,500
Underdog Media	Belfast	Peter	Short Film	£9,600
Joe Mcstravick	Belfast	Murphy 711	Short Film	£860
Chistera Prod	Belfast	A Multitude Of Sins	Documentary	£25,000
Tobar Productions	Belfast	Cloigini Gorma Ar An Sliabh Dubh	Documentary	£4,500
Silver Films	Other	Endgame	Promotion	£3,000
Make Films Ltd	Belfast	Lingling	Development	£15,000
New Moon Pictures Ltd	Belfast	Clarissa And The Castle	Development	£20,000
Bandigital Ltd	Belfast	Bundy	Short Film	£23,510

Organisation	Area	Project Title	Application Type	Award
Make Films Ltd	Belfast	Armaghian Gothic	Short Film	£6,500
Make Films Ltd	Belfast	Rain	Short Film	£6,500
Morrow Communications	N-Down	Wake	Short Film	£6,500
Underdog Media Ltd	Belfast	3 Seconds My Ass	Short Film	£6,500
Borderline Productions Ltd	Belfast	Rick's Head	Short Film	£6,500
Make Films Ltd	Belfast	The Cat	Short Film	£6,500
Make Films Ltd	Belfast	Snooze	Short Film	£6,500
Make Films Ltd	Belfast	Big Phil's Piggy Back Ride	Short Film	£6,500
Grand Pictures Ltd	Other	Dead Long Enough	Feature Film	£150,000
Besom Productions Ltd	Derry	Wave Riders	Feature Film	£150,000
				£1,249,955



Northern Ireland Film and Television Commission: Horn Ok Please

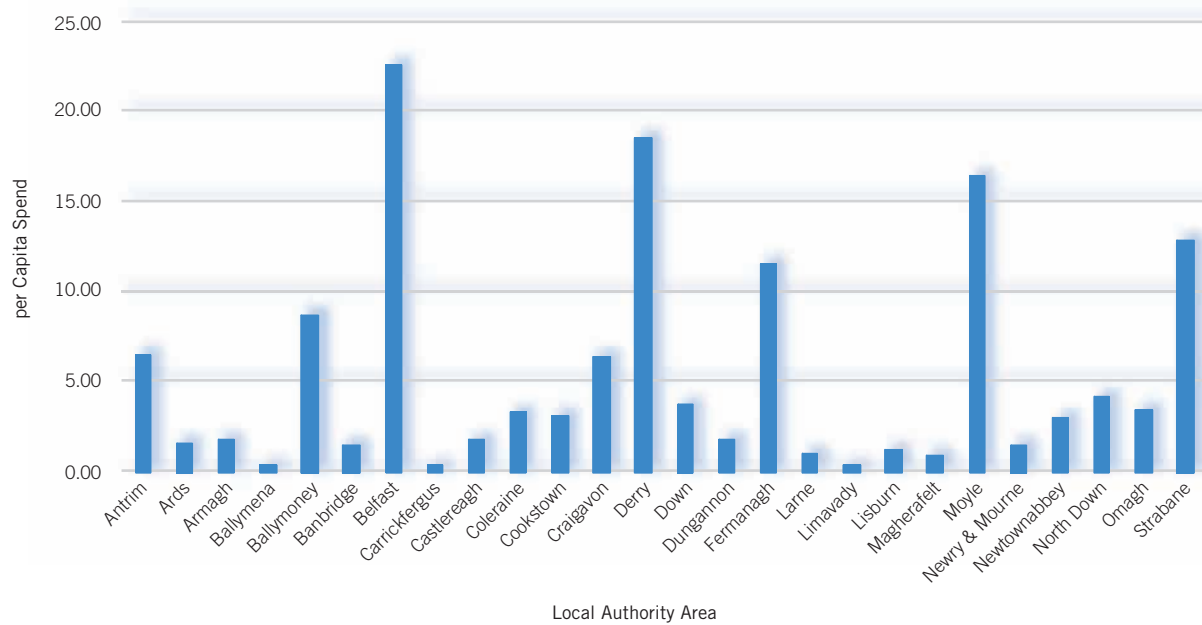
Breakdown of Awards 2004/05

BREAKDOWN OF AWARDS BY LOCAL AUTHORITY AREA 2004/05

(excluding in-principle awards and awards made under delegation arrangements by the Northern Ireland Film and Television Commission)

Local Authority Area	Total No of Awards	Total Value of Awards	% of Value Awarded	Population	Per capita
Antrim	10	317,327	2.30	48,500	6.54
Ards	10	104,822	0.76	66,700	1.57
Armagh	14	97,330	0.70	52,500	1.85
Ballymena	5	19,952	0.14	57,500	0.35
Ballymoney	4	215,539	1.56	24,600	8.76
Banbridge	4	56,856	0.41	37,300	1.52
Belfast	151	6,694,855	48.49	296,700	22.56
Carrickfergus	3	15,500	0.11	34,900	0.44
Castlereagh	7	116,582	0.84	63,400	1.84
Coleraine	10	182,925	1.32	54,100	3.38
Cookstown	2	99,709	0.72	31,300	3.19
Craigavon	13	502,658	3.64	78,100	6.44
Derry	33	1,913,004	13.86	102,800	18.61
Down	14	232,084	1.68	60,700	3.82
Dungannon	8	83,233	0.60	46,800	1.78
Fermanagh	22	630,638	4.57	54,700	11.53
Larne	5	31,203	0.23	30,000	1.04
Limavady	3	11,335	0.08	32,422	0.35
Lisburn	8	134,785	0.98	106,000	1.27
Magherafelt	7	34,330	0.25	37,000	0.93
Moyle	10	244,469	1.77	14,800	16.52
Newry & Mourne	20	123,612	0.90	84,100	1.47
Newtownabbey	4	235,592	1.71	78,600	3.00
North Down	12	310,273	2.25	74,000	4.19
Omagh	8	163,690	1.19	46,900	3.49
Strabane	10	464,823	3.37	36,100	12.88
Other	25	770,050	5.58		
TOTAL	422	13,807,176	100.00	1,649,000	

Lottery Spend Per Capita by Local Authority Area 2004/05



Border Arts

BREAKDOWN OF AWARDS BY ART FORM 2004/05

(excluding in-principle awards and awards made under delegation arrangements by the Northern Ireland Film and Television Commission)

Artform	Total Value	Total Number
Architecture	312,505	10
Combined	7,229,255	73
Craft	137,912	10
Dance	241,712	21
Drama	1,134,131	56
Film	48,549	3
Literature	560,351	19
Music	1,376,337	99
Opera	64,416	3
Traditional Arts	509,194	42
Visual Arts	1,233,831	68
Other	958,983	18
	13,807,176	422



Prime Cut: A Number by Caryl Churchill. Photo: Ros Kavanagh

BREAKDOWN OF AWARDS BY APPLICATION TYPE 2004/05

(excluding in-principle awards and awards made under delegation arrangements by the Northern Ireland Film and Television Commission)

Application Type	Total Value of Awards	Total Number of Awards
Access	2,300,286	53
Art of Regeneration	2,400,000	10
Audience Development	693,467	6
Building	3,000,000	2
Equipment	988,711	51
New Works	848,182	49
Craft Special Initiative	148,360	6
Architecture Special Initiative	178,235	8
Multi-Annual Programme	2,564,065	52
Awards for All	685,870	185
	13,807,176	422



Audiences Northern Ireland launch

Breakdown of Awards 1995-2005

TOTAL AWARDS BY LOCAL AUTHORITY AREA 1995 – 2005

(excluding in-principle awards and awards made under delegation arrangements by the Northern Ireland Film and Television Commission)

Local Authority Area	Total No of Awards	Total Value of Awards	% of Value Awarded	Population	Per Capita
Antrim	40	720,066	0.91	48,500	14.85
Ards	45	637,953	0.81	66,700	9.56
Armagh	71	4,587,162	5.82	52,500	87.37
Ballymena	37	2,425,524	3.08	57,500	42.18
Ballymoney	21	493,471	0.63	24,600	20.06
Banbridge	16	167,804	0.21	37,300	4.50
Belfast	727	30,639,024	38.90	296,700	103.27
Carrickfergus	14	183,698	0.23	34,900	5.26
Castlereagh	33	1,012,081	1.29	63,400	15.96
Coleraine	49	2,165,993	2.75	54,100	40.04
Cookstown	32	1,535,650	1.95	31,300	49.06
Craigavon	62	2,185,537	2.78	78,100	27.98
Derry	179	11,344,090	14.40	102,800	110.35
Down	64	1,145,538	1.45	60,700	18.87
Dungannon	51	640,927	0.81	46,800	13.70
Fermanagh	98	2,576,710	3.27	54,700	47.11
Larne	17	406,237	0.52	30,000	13.54
Limavady	14	68,541	0.09	30,900	2.22
Lisburn	36	1,931,672	2.45	106,000	18.22
Magherafelt	41	278,483	0.35	37,000	7.53
Moyle	31	569,312	0.72	14,800	38.47
Newry & Mourne	100	1,619,075	2.06	84,100	19.25
Newtownabbey	18	375,040	0.48	78,600	4.77
North Down	54	932,025	1.18	74,000	12.59
Omagh	43	4,780,768	6.07	46,900	101.94
Strabane	47	1,551,812	1.97	36,100	42.99
Other	104	3,779,636	4.80		
TOTAL	2,044	78,753,829	100	1,649,000	47.76

TOTAL AWARDS BY ART FORM 1995 – 2005

(excluding in-principle awards and awards made under delegation arrangements by the Northern Ireland Film and Television Commission)

Artform	Total Value of Awards	Total Number of Awards
Architecture	337,743	12
Combined	39,114,294	333
Community Arts	2,139,793	52
Craft	513,272	47
Dance	1,648,466	66
Drama	9,569,257	287
Film	4,296,342	104
Literature	2,266,101	76
Music	8,707,554	521
Opera	943,396	26
Traditional Arts	1,614,195	185
Visual Arts	6,023,191	296
Other	1,580,225	39
	78,753,829	2,044



Rawlife Theatre Company: A Clockwork Orange

TOTAL AWARDS BY APPLICATION TYPE 1995-2005

(excluding in-principle awards and awards made under delegation arrangements by the Northern Ireland Film and Television Commission)

Application Type	Total Value of Awards	Total Number of Awards
Access	11,073,742	272
Advancement (note 1)	1,953,785	7
Art of Regeneration	2,400,000	10
Audience Development	4,716,993	45
Building	31,716,786	55
Design Comp (note 2)	25,244	3
Interim Funding Scheme (note 3)	47,627	3
Equipment	8,110,305	412
Feasibility studies (note 2)	192,383	25
Film	3,706,013	79
Millennium Festival (note 4)	158,154	25
New Works	8,262,394	310
Awards for All	2,592,589	719
Craft special initiative	305,514	13
Architecture special initiative	178,235	8
Dance special initiative (note 5)	250,000	1
Education special initiative (note 6)	500,000	5
Multi-Annual Programme	2,564,065	52
	78,753,829	2,044

Notes:

1. One-off programme offered in 1997/98
2. Programmes ceased in 2001. Figures now included in Building section
3. Programme offered 1998-2000.
4. One-off programme offered in 1999/2000 to celebrate the Millennium
5. One-off programme offered in 2003/04
6. One-off programme offered in 2002/03



Belfast Festival at Queen's: Day of the Dead

Policy and Financial Directions

Statement of the Arts Council of Northern Ireland's performance in complying with Policy and Financial Directions issued under section 26 of the National Lottery etc. Act 1993 (as amended by the National Lottery act 1998).

POLICY DIRECTIONS

The Arts Council of Northern Ireland shall take into account the following matters in determining the persons to whom, the purposes for which and the conditions subject to which it distributes money under section 25 (1):

A The need to ensure that money is distributed under section 25(1) for projects which promote the public good or charitable purposes and which are not intended primarily for private gain:

“Projects must be for the public good” is one of the published criteria which are used to assess each application. Every successful applicant demonstrated the benefit to the community which would result from their projects. This might have been substantial community use or in the case of a commercial organisation that the project would promote the public good rather than its own restricted commercial interests.

B the need to ensure that it considers applications which relate to the complete range of activities falling with section 22(3)(a) and in respect of which it has power to distribute money, taking into account:

- i. its assessment of the needs of the arts and its priorities for the time being for addressing them;
- ii. the need to ensure that all parts of Northern Ireland have access to funding;
- iii. the scope for reducing economic and social deprivation at the same time as creating benefits for the arts;

The Arts Council of Northern Ireland carefully monitors all applications on both an art form and geographic basis.

Applications continue to be received for projects in all art forms – music, drama, architecture, literature, craft, visual art, dance, opera and film – as well as cross-art (combined) form activities. The distribution of awards reflects the size of the individual artform sectors. The Council has taken steps to address artform areas which appear under-represented and in 2004/05 introduced a special initiative for architecture. Following this seed funding to the sector it is hoped that applications will be received under the main Lottery programmes.

“To seek equitable distribution of funds taking into account the demand for arts provisions in areas or sections currently under-represented” is one of the 8 key published strategies which are common to all funding programmes and which influence all areas of operation and decision making.

Area	Robson Index	No. of Apps Received	Value of Apps Received	No. of Apps Rejected	No. of Apps Awarded	Value of Apps Awarded	% Successful
Antrim	17	2	223,030	0	2	210,732	100
Ards	22	4	173,576	2	2	46,579	50
Armagh	13	8	101,089	7	1	12,078	13
Ballymena	19	6	63,885	6	0	0	0
Ballymoney	12	4	208,171	2	2	195,639	50
Banbridge	18	7	407,753	5	2	34,413	29
Belfast	2	74	5,778,093	19	55	4,410,233	74
Carrickfergus	21	1	9,000	0	1	9,000	100
Castlereagh	25	1	55,187	1	0	0	0
Coleraine	20	6	516,264	3	3	114,584	50
Cookstown	8	5	226,830	2	3	110,882	60
Craigavon	15	8	154,159	5	3	370,781	38
Derry	3	19	2,406,502	9	10	1,398,255	53
Down	16	8	160,180	4	4	96,747	50
Dungannon	5	9	137,147	8	1	11,811	11
Fermanagh	6	14	601,657	4	10	527,191	71
Larne	14	1	5,000	1	0	0	0
Limavady	11	1	3,908	1	0	0	0
Lisburn	23	3	94,901	1	2	51,010	67
Magherafelt	10	0	0	0	0	0	0
Moyle	7	5	180,202	3	2	155,090	40
Newry & Mourne	4	4	125,242	4	0	0	0
Newtownabbey	24	5	298,659	4	1	221,350	20
North Down	26	5	377,916	0	5	297,131	100
Omagh	9	7	276,503	6	1	90,000	14
Strabane	1	6	361,600	5	1	248,000	17
Other	0	17	613,631	8	9	227,357	53

C the need to promote access to the arts for people from all sections of society;

“To support arts projects aimed at reducing the effects of social and economic deprivation and addressing the needs of people from all sections of society” is one of the 8 key published strategies which are common to all funding programmes and which influence all areas of operation and decision making. Each successful Lottery applicant is required to demonstrate that it has addressed the issue of access for people from all sections of society to both the facilities and services which would be provided within the project.

Projects which improve access for disabled people are considered a priority for Lottery funding. Each successful Lottery applicant is required to demonstrate that it has addressed the issue of access for people with disabilities to both the facilities and services which would be provided within the project. The Council continued to offer a premium payment which enables successful applicants to draw down an additional £3,000 to deliver services to project beneficiaries/participants with additional needs, eg crèche facilities, transport for participants from rural areas, translation services.

In addition to an Equality of Opportunity statement and/or policy all applicants are required to adopt a Good Relations Commitment confirming their intention to promote good relations between all sections of society.

D the need to promote knowledge of and appreciation of the arts by children and young people;

“To support the involvement of children and young people” is one of the 8 key published strategies which are common to all funding programmes and which influence all areas of operation and decision making. In addition to its general funding of projects involving children and young people, 2004/05 saw the first year of operation of a major 3-year programme (grants awarded in 2003/04) in association with the Education & Library Boards, the Department of Culture, Arts and Leisure and the Department of Education. Towards the end of the year the Council also launched its Early Years Programme in which consortia of schools and nursery schools will work in partnership on projects for 3-7 year-olds. Decisions on this programme are due to be taken in June 2005.

E the need to further the objectives of sustainable development;

In common with other Lottery Distributors, and as part of Government's social policy, the Arts Council of Northern Ireland considers awards towards projects which contribute to sustainable development. The Arts Council recognises that the arts can contribute to a balanced and healthy society and a large number of grants, both capital and revenue, have already made significant contributions to these areas. During the year the Council launched its Art of Regeneration programme, one theme of which is how to address environmental issues using the arts and artists working with local communities.

Equipment and minor refurbishment grants made during the year have improved the social environment for a number of communities, both urban and rural.

The Arts Council will continue to support projects that contribute to these sectors but will not allow its funding to be diluted by awarding grants to schemes specifically developed to meet these objectives and where access to the arts is not the over-riding aim.

F the needs of projects relating to film and the moving image, and in particular the need to foster the development of sustainable structures in the film industry, by, among other things, supporting the development, distribution and promotion of films, as well as their production;

The Arts Council continued its 3-year delegation arrangement with the Northern Ireland Film & Television Commission under which NIFTC receives 13% of the Council's annual income. During the year NIFTC made 63 awards covering the areas of development, production and distribution/promotion. NIFTC continued to fund film in all forms from feature length to short films, documentaries, TV series and animation. Towards the end of the year the Council, in association with NIFTC and in consultation with the sector, reviewed the 3-year arrangement. In December 2004 the Council agreed to continue the delegation arrangements for a further 3 years.

G the needs of projects relating to crafts;

The Council continued to offer support through its Craft Special Initiative Programme which had commenced in 2002/03. With an original budget of £500,000 the scheme has awarded a total of 13 awards, 6 of which were made in the current year totalling £148,360. With the imminent establishment of a Craft Development Unit in Northern Ireland, the Council hopes to establish further links with the sector.

H the need for money distributed under section 25(1) to be distributed to projects only where they are for a specific, time-limited purpose;

To date, all awards made by the Arts Council of Northern Ireland have been strictly for time-limited projects.

I the need:

- i. in all cases, for applicants to demonstrate the financial viability of the project for the period of the grant;
- ii. where capital funding or setting-up costs are sought, for a clear business plan beyond the period of the grant incorporating provision for associated running and maintenance costs;
- iii. in other cases, for consideration to be given to likely availability of other funding to meet any continuing costs for a reasonable period after completion of the period of the Lottery award, taking into account the size and nature of the project, and for Lottery funding to be used to assist progress towards viability beyond the period of the grant wherever possible;

“Projects must be financially viable” is one of the published criteria which are used to assess each application. Each successful applicant is required to assure the Arts Council of Northern Ireland that funds will be available to meet the running costs of any development for a reasonable period of time following the completion of the project. Business plans and cash flow forecasts are required for all projects applying for Lottery funds over £100,000. All capital projects applying for Lottery funds over £100,000 are required to provide a fully worked up project and investment appraisal, cash flow forecast and business plan. In addition external assessment of all capital projects requesting over £100,000 is undertaken and this assessment frequently focuses on the financial viability of the project.

Together with the award recipient, the Arts Council will consider the likely availability of other funding to meet any continuing costs for a reasonable period after completion of the period of the Lottery award and, taking into account the size and nature of the project, may use Lottery funding to assist progress towards viability beyond the period of the award wherever possible.

J the desirability of supporting the development of long-term financial and managerial viability of organisations in the arts. In taking this into account the Arts Council shall have regard to Direction H;

The Council's new Multi-Annual Programme, which was launched in November 2004, offers 2 or 3-year funding to arts organisations to enable them to plan for the future with a greater degree of certainty.

During the year the Council carried out further research into its new Business Support programme which will offer arts organisations the opportunity to purchase training in business skills for Board and administrative staff members. In addition, the programme will offer possibilities of training for technical and artistic staff who can subsequently share the learning with the organisation. The scheme is due to be launched in 2005.

K the need to require an element of partnership funding and/or contributions in kind from other sources, commensurate with the reasonable ability of different kinds of applicants, or applicants in particular areas to obtain such support;

“Partnership funding must come from another source” is one of the published criteria which are used to assess each application. Each successful Lottery application is supported by some form of partnership funding – cash, grant, voluntary labour or in-kind support. This funding often demonstrates commitment from the local community.

As a general guide, under its capital programmes the Arts Council does not normally provide more than 75% towards the cost of any one project and, in the case of applications from local authorities or statutory agencies this is normally 50%. Under the Access to the Arts programme, which is entirely dedicated to arts which take place in a community context, the Arts Council of Northern Ireland expects only a minimum of 10% partnership funding.

During the year grants awarded by the Council provided leverage to the sector in attracting in excess of £25M in partnership funding from the private and public sectors.

L the desirability of working with other organisations, including other distributors, where this is an effective means of delivering elements of its strategy;

Since the establishment of its National Lottery Fund the Arts Council of Northern Ireland has worked closely with other organisations, most notably with the other Lottery distributors in examining policy and practice to more effectively distribute funds to its applicants.

“To collaborate with other funding agencies to achieve the highest support for an investment in the arts” is one of the 8 key published strategies which are common to all funding programmes.

The Northern Ireland Lottery Distributors meet regularly to discuss items of common interest and to organise joint information events, to promote the work of the Distributors and raise awareness of the availability of grants and the impact such grants are having on communities throughout Northern Ireland.

Two of the Council’s major programmes require close collaboration with other funding agencies. Art of Regeneration involves consortia of local authorities, other statutory agencies and community groups in addressing issues of social importance – the environment, good relations and anti-social behaviour. Creative Youth Partnerships involves Education & Library Boards, the Department of Culture, Arts and Leisure and the Department of Education in delivering a major programme for young people which, it is hoped, will be mainstreamed into the Education system at the end of the 3-year funding period.

M the need to ensure that its power to solicit applications under section 25 (2A) are used in connection with the pursuit of strategic objectives;

The Council’s procedures for solicitation ensure that:

- (a) there is a separate internal procedure for handling solicited applications to avoid actual or perceived conflict of interest;
- (b) the same application assessment processes are applied to solicited and unsolicited applications and that procedures are fair and seen to be fair.

The Council did not solicit any applications during the year.

N such information as it considers necessary to make decisions on each application, including independent expert advice where required.

The Arts Council's staff are employed on the basis of their expertise/knowledge in a range of artforms. In cases where expertise does not reside within the staff of the Council, assessors may be drawn from the Council's Central Listing of Advisers. All building applications requesting over £100,000 from the National Lottery Fund are externally assessed by an expert in whichever field is more relevant, eg. architect, accountant, etc.

In addition, the Council's staff involved in grant assessment and payment have undertaken a year-long Grant Skills Training Programme providing learning/training in a number of areas of work.



Open Arts Choir

Additional Considerations

The need for new buildings to be well-designed, fit for purpose and of high quality.

“High standards of design and architecture are to be applied” is one of the published criteria which are used to assess all relevant applications. High standards of design and architecture are also a significant priority in assessing applications for building projects. Applicants are encouraged to contact the Royal Society of Ulster Architects in order to seek early advice in order to develop schemes which make a significant and lasting impact on their surroundings and customers. An architectural design competition is considered essential for any new building project where Lottery funding is expected to contribute capital funds of £1,000,000 or more. Under Stage 2 of the capital programme, the Arts Council of Northern Ireland offers awards of up to 50% towards design development.

In January 2004 the Council launched its Architecture Special Initiative programme with a small budget of £190,000 to support and encourage development in the sector. This was distributed through four themes that reflect the Arts Council's area of interest and strategic objectives.

- Exhibitions
- Publications
- Education
- Lectures and seminars

The Council made 8 awards across the 4 themes totaling £178,235. The programme will not run in 2005/06 but it is envisaged that now that the pilot work has been done, new architecture projects will be forthcoming through the main Lottery programmes.

Financial Directions

- i **The Arts Council of Northern Ireland shall comply with the requirements contained within the Statement of Financial requirements ... when carrying out its functions under section 25 of the National Lottery etc. Act 1993 as amended by the National Lottery Act 1998. Wherever specified in that document, the Arts Council of Northern Ireland must obtain the consent of the Department of Culture, Arts and Leisure before carrying out certain activities.**

The Arts Council of Northern Ireland has complied with all requirements contained within the Statement of Financial Requirements. The Arts Council has also been externally audited by the National Audit Office on behalf of Parliament and internally audited by PricewaterhouseCoopers.

- ii **The Arts Council of Northern Ireland shall devise and abide by a procedure for handling potential conflicts of interest which may arise in the evaluation of applications by the Council or individual members of the Council. This procedure, together with a statement confirming that the arrangements have been applied, should be provided to the Department of Culture, Arts and Leisure before the distribution of any funds under section 25 of the Act, and thereafter at the beginning of each financial year.**

The Arts Council of Northern Ireland has Standing Orders which set out the code of best practice for members of the Arts Council of Northern Ireland. These govern the business and procedure at meetings of the Arts Council. These Orders include procedures which are strictly adhered to and which deal with applications where a conflict of interest might arise. The Arts Council of Northern Ireland also maintains a register of interests for all staff, committee and Council members.



Indian Community Centre

Additional Requirements

The recipients and award amounts for all projects for which £100,000 or more of Lottery funding has been approved in the year.

Organisation	Total Project Cost	Award	Project Title
Ashton Community Trust	156,006	120,000	Community Youth Engagement in the Arts
Arts & Disability Forum	136,782	104,141	3-year Organisational Funding
Craigavon Borough Council	448,908	336,681	Regenerate Project
Derry City Council	376,100	180,254	The Art of Regeneration
Moyle District Council	290,714	147,215	Spreading Wings
Belfast City Council	3,465,000	370,000	Made in Belfast 2006
Belfast City Council	230,417	142,095	On-line ticketing system
Ballymoney Borough Council	236,600	168,450	The Art of Recycling
Antrim Borough Council	269,000	201,750	Community safety and regeneration programme
North Down Borough Council	277,000	187,000	Addressing the legacy of Conflict
Strabane District Council	310,000	248,000	Connect Project
Fermanagh District Council	459,300	339,300	Grass Roots
Newtownabbey Borough Council	330,600	221,350	Regeneration of the Traditional Culture of SE Antrim
Indian Community Centre	220,900	125,000	3-year arts & cultural programme
Compantas Amharclianne Ababu	188,512	135,000	Irish Medium Children's theatre
Audiences Northern Ireland	1,400,712	450,000	3-year audience development programme
North West Play Resource Centre: The Playhouse	2,821,049	1,000,000	Major refurbishment programme
Grand Opera House Trust	9,107,635	2,000,000	New build and extension

A description of progress, current and future financing for all uncompleted projects involving £5,000,000 or more of Lottery funding.

The Arts Council of Northern Ireland has funded no projects which involve £5,000,000 or more of Lottery funding.

Monitoring & Evaluation

Details of project monitoring and evaluation activities.

The Council's monitoring schemes are designed to:

- a) Ensure that Lottery funding has been employed for the purposes for which the award was made;
- b) Determine if the project has delivered its original aims and objectives;
- c) Examine the impact of the Lottery award, not only on the individual project, but also on wider arts development in the area;
- d) Safeguard the reputation of the Arts Council as a responsible distributor of Lottery funds;
- e) Identify schemes which have been successful, and those which have had difficulties, to feed back experiences to future applicants for use in future decision making.

The Arts Council continued to employ expert independent Project Monitors to report on each new building project and major refurbishment project. These Monitors produce monthly reports certifying progress on all elements of the construction project ensuring that Lottery awards were spent on the element for which they were given. During the year Monitors reported on 6 major building projects in, Omagh, Ballymena, Portstewart, Larne, Belfast and Carrickmore.

Monitoring of projects other than buildings takes a number of forms:

- a) visits to randomly selected recipient organisations;
- b) self-completion questionnaires from applicants to verify the continued existence of assets and detailing their activities during the year;
- c) follow-up visits to organisations where problems have been identified from the self-completion questionnaires;
- d) attendance at performance events under the New Work programme.

In the year under review Council officers visited a random sample of equipment and new work grants. The majority of these visits proved satisfactory.

Targets for Administrative Efficiency

Target:

To maintain administrative expenditure for 04/05 at 10% of Lottery income.

Outcome:

The Council's total income for 04/05 was £7,886,058. Its administration costs totalled £990,486, 11% of income. Two issues affected the increase in expenditure in 04/05 – an additional charge for 03/04 which had not been indicated by Awards for All and therefore not accrued, and the cost of temporary staff. In previous years, temporary staff had been wholly attributed against Treasury funding. This practice is no longer tenable and therefore costs of temporary staff have been attributed on a pro rata basis against Lottery expenditure.

NLDF Balance Policy

It is a requirement of the Department of Culture Media and Sport (DCMS) (as outlined in National Lottery Guidance Note 1/03) that each Lottery Distributor has a policy for managing its National Lottery Distribution Fund (NLDF) balances and that it should publish an annual statement setting this policy out.

At 1 April 2004 the overall balance in the NLDF was £2,736m of which the Arts Council's share was £35.6m (1.3% of the total). The Council's hard and soft commitments totalled £22m and it had further funds earmarked totalling £8.7m, giving a total requirement of £30.7m. The free balance was therefore £4.9m.

In June 2004 the Council approved the following reduction policy and summary:

Target Reduction

The Arts Council will aim to reduce NLDF balances to less than half its current level (£17m) by 31 March 2007 providing the Arts Council continues to have sufficient assurance that this will neither compromise existing commitments nor unreasonably constrain its ability to make future commitments in accordance with policy directions.

This is a challenging target and progress will be reviewed on an annual basis. To ensure that the target is achieved the following steps will be taken. The Arts Council will:

- commit 100% of its annual forecast income each year and aim to draw down at least 75% of that income and distribute it during the year;
- keep under review and encourage applicants to draw down funds in line with projected timescales;
- decommit balances which are no longer required as soon as is practicable of this being known and redistribute the funds to other Lottery programmes;
- introduce new funding programmes; and,
- review and relax funding and contract requirements in line with the new financial directions to be issued during 2004-05.

Committing 100% of forecast income each year to 31 March 2007 will ensure that all Lottery proceeds are allocated to applicants within the year. The draw down of 75% of the proceeds will assist with the reduction of the overall balance and progressively smaller amounts will be added to the fund at the end of each of the three years. The main reduction in the balance will be achieved by ensuring that all hard commitments as at 31 March 2004 are drawn down in accordance with the expenditure profiles.

End of year review

The Council's closing balance in the NLDF account at the end of the 04/05 financial year was £35,415,180, a reduction of £228,396 on the opening balance. Two major factors contributed to this significant under-achievement.

(a) Forecast v Actual income

At 1 April 2004 the Council based its income on the DMCS forecast of £6,275,770. By 1 April 2005 the confirmed actual income for 04/05 was £7,886,371. Actual income was therefore £1,610,601 more than originally anticipated.

(b) Forecast v Actual drawdown

At 1 April 2004 the total drawdown figure for 04/05 was estimated at £15,296,999. The actual amount drawdown in the year was £8,247,763 which was £1,971,993 more than the anticipated income at the beginning of the year.

One reason for the non-realisation of the drawdown was the delay in commencing a number of major capital projects, particularly Omagh and Ballymena. These are now underway. However, the investment of time limited funds by Central Government in a number of other Lottery supported projects will have a subsequent effect on the Council's ability to decrease its NLDF balance.

Other issues

During the year, and although the practice has a negative bearing on future grant giving policy, Council endeavoured to follow DCMS direction to over-commit against forecast income. During the year Council made awards of 13,121,306 from its main programmes – more than double its original estimated income. As with the capital programme, these funds, even if cash-profiled over 3 years are committed from the Council's current balance.

Revised Policy

In light of the above, Council agreed to continue to implement its policy as originally stated and carry out a further review of the allocation of its funds for the remainder of the licence period during 2005/06.



Opera Theatre Company. Photo: Patrick Redmond

National Lottery Distribution Account

Ordered by the House of Commons to be printed 20 July 2005 – HC 422

LOTTERY DISTRIBUTION ACCOUNT FOR THE YEAR ENDED 31 MARCH 2005

Foreword

The Arts Council of Northern Ireland

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

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

Statutory Background

The Arts Council of Northern Ireland is a statutory body established by the Arts Council (Northern Ireland) Order 1995.

The National Lottery was established by the National Lottery etc. Act 1993 to raise money for "good causes" through the sale of lottery tickets. The Arts Council of Northern Ireland is charged under the Act with responsibility for distributing Lottery proceeds allocated to the arts in Northern Ireland. Lottery proceeds are also distributed through other distributing bodies to Sport, National Heritage, Charities, Millennium Projects, and to the Arts in England, Scotland and Wales. From 1998-99 Lottery proceeds were also distributed to the New Opportunities Fund (NOF) and to the National Endowment for Science, Technology and the Arts (NESTA).

Principal functions related to National Lottery distribution activities

The Arts Council is responsible for the administration and distribution of funds raised by the National Lottery. The Council made its first awards to applicants for Lottery funding in 1995-96. The principal

function is to fund applications for a broad range of capital and revenue projects in the Arts which will make an important and lasting difference to the quality of life of the people in Northern Ireland.

Financial results

The Arts Council of Northern Ireland's Lottery Distribution results are set out in the Income and Expenditure Account. Total proceeds received from the National Lottery totalled £7,886,371. During the year the Arts Council awarded grants to Lottery applicants of £13,807,176. In 2004-05, £7,201,327 was paid to applicants. The total administrative costs to the Arts Council of its distribution activities, including staff costs, were £859,266 (excluding depreciation). This represents approximately 10.9% of the total proceeds received in the year.

Review of National Lottery distribution activities

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

The Council launched 3 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 3 years.

Early Years Arts – inviting partnership projects from the voluntary and statutory sectors working with 3-7 year-olds.

The Council also carried out a benchmarking exercise of its processes against other similar grant-giving bodies, the findings of which will be further developed during the incoming year.

Significant changes in fixed assets

The movement on fixed assets is set out in note 5 to the financial statements. There were no significant changes during the year. The net book value of the fixed assets decreased from £2,533 to £1,997 following a depreciation charge of £536 for the year.

Retained funds at the year end

At the end of the year the Lottery Distribution Account showed a decrease in funds of £1,600,811 after making a provision for all hard grant commitments outstanding at the year-end. At the end of 2004-05 the retained funds totalled £15,263,559. This amount will be carried forward to the 2005-06 financial year and will be available for distribution.

Future Developments in National Lottery Distribution Activities

The Council will launch its new Business Support programme early in 2005/06 to provide training opportunities in a range of management and governance issues to a broad spectrum of organisations. The Council will also introduce Art in Contested Spaces aimed specifically at the development of community based arts projects, with a particular emphasis on the replacement of existing paramilitary murals and other offensive items with new and more positive imagery. For a limited period the Council will offer a small grants programme – Lottery Arts Projects 2005 – running from May 2005 to March 2006. This programme will offer awards to organisations seeking grants between £5,000 and £10,000. It is anticipated that this programme will then be amalgamated into the new Awards for All programme from April 2006.

The main priority during 2005/06 will be evaluation of the current Lottery strategy which ends in March 2006 and consultation on a strategy for the next five years.

Council members of the Arts Council of Northern Ireland and members of its Lottery Committee

The Minister of Culture, Arts and Leisure approves the appointment of the Chairman, Vice Chairman and members of the Council. The Chairman and members of the Council have individual and collective responsibility to the Minister as Head of Department:

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

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

Council from 1 July 2003:

Ms Rosemary Kelly (Chairman)	Mr Tim Kerr
Mr Martin Bradley (Vice Chairman)	Mr Raymond Fullerton (appointed Feb 05)
Mrs Eithne Benson	Mr Brendan Milligan
Mrs Katherine Bond	Mr William Montgomery
Mr Will Chamberlain	Mr Gearóid Ó hEara
Ms Lucia (Lucy) Finnegan	Ms Sharon O'Connor
Ms Jill Holmes	Mr Peter Spratt
Mr Anthony Kennedy	

The members of the Council's Lottery Committee during the year are shown below.

From 8 January 2004:

Martin Bradley, Chair
Kate Bond
Eithne Benson

Appointment of auditors

Under the National Lottery etc. Act 1993 the Comptroller and Auditor General examines and certifies the financial statements of each of the National Lottery distributing bodies and lays copies of the statements and his report before Parliament.



Rathlin Co-operative Society: Ceramics by Penny Sewell. Photo: Desima Connolly

Policy on disabled persons

In setting out Policy Guidelines for the distribution of Lottery funds, the Secretary of State has asked the Arts Council to ensure that there is suitable access for people with disabilities to any assets, new or improved facilities which receive Lottery funding. The Arts Council requires all applicants for Lottery funding to demonstrate that they have addressed the issue of access for people who have a disability, and other people for whom physical access is a difficulty, to both facilities and the services within them with regard to the project proposed. Applicants are asked to indicate, under a range of headings, the facilities they intend to provide. In considering the needs of people who have a disability, applicants are reminded not only about the needs of people with mobility difficulties, but also the needs of people with visual and hearing impairments. A checklist of topics to be considered in this area is included as part of the pack which each applicant receives.

Employee consultation

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

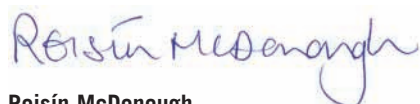
Payment of Suppliers

The Arts Council is committed to the prompt payment of bills for goods and services in accordance with the Better Payment Practice 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 93% of the bills were paid within this standard. The comparable figure for the previous year was 88% paid within the standard.

Political and Charitable Donations

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



Roisín McDonough
Accounting Officer for the Council

29th June 2005

Statement of the Council's and Chief Executive's Responsibilities

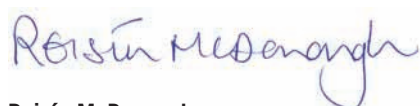
Under section 35(2) & (3) of the National Lottery etc. Act 1993 the Arts Council of Northern Ireland is required to prepare a statement of accounts for each financial year in the form and on the basis determined by the Secretary of State, with the consent of Treasury.

The financial statements are prepared on an accruals basis and must show a true and fair view of the state of affairs of the Arts Council of Northern Ireland's lottery distribution activities at the year end and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

In preparing the financial statements the Council is required to:

- observe the accounts direction issued by the Department of Culture, Arts and Leisure on behalf of the Secretary of State for Culture, Media and Sport (formerly National Heritage), including the 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 a going concern basis, unless it is inappropriate to presume that the body 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 Council. Her relevant responsibilities as Accounting Officer, including her responsibility for the propriety and regularity of the 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 issued by the Northern Ireland Department of Finance and Personnel, the guidance contained within 'Government Accounting Northern Ireland' also issued by the Department of Finance and Personnel, and in the Financial Directions issued by the Department of Culture, Arts and Leisure on behalf of the Secretary of State for Culture, Media and Sport under s26(3) of the National Lottery etc. Act 1993.



Roisín McDonough

Accounting Officer for the Council

29th June 2005

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 the Arts Council of Northern Ireland's policies, aims and objectives, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Government Accounting Northern Ireland.

I act in accordance with both the Council's Management Statement and Financial Memorandum which sets out the accountability arrangements surrounding my role and the DFP Memorandum, "The Responsibilities of an NDPB Accounting Officer", which sets out my accounting responsibilities. I am responsible for ensuring that the Council produces a three year corporate plan and an annual business plan within the timescales set by the Council's sponsoring Department. Progress against the plans are reviewed regularly by senior management and by the Council's Strategic Sub Committee. Progress is reported to the Department at quarterly accountability meetings which are held with officials from the Department.

2. The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all 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 the Arts Council of Northern Ireland's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Arts Council of Northern Ireland for the year ended 31 March 2005 and up to the date of approval of the annual report and accounts, and accords with HM Treasury guidance.

3. Capacity to handle risk

The senior management team takes responsibility for the overall risk management process. It reviews the risk framework and all recommendations received from both the internal and external auditors. Controls are enhanced or introduced as necessary.

Individual members of staff formally identify specific training needs relating to their roles each year. The training needs would include areas relating to risk management where appropriate. All training needs are collated into an overall training plan for the Council which is delivered throughout the year. As the Council disburses public funds in the form of grants it was considered appropriate to train all

relevant staff in grant administration processes. The Grant Skills Training Programme, delivered by the Chartered Institute of Public Finance and Accountancy/Institute of Public Finance Northern Ireland and accredited by the Institute of Administrative Management, was commenced during the financial year 2003-04 and is currently being completed. This will result in a Certificate in Management Practice (Grant Skills), equivalent to NVQ level 3, for participating staff or in a Diploma in Management Practice (Grant Skills), equivalent to NVQ level 4, for members of staff who complete additional modules.

To ensure that staff has ready access to the financial procedures and requirements in place within the Council, guidance was placed on the intranet during the year. In addition to the Council's financial procedures the intranet also contains the Council's Business Ethics, Fraud and Irregularity Policy, its Standing Orders and the Management Statement and Financial Memorandum.

A training needs analysis of Council members was undertaken during the latter part of the 2004-05 financial year, with the findings of same to be incorporated into a cohesive strategy in conjunction with the Chair of Council.

4. The risk and control framework

The Council established a risk framework at the end of the 2002-03 year, with comprehensive work being done to formalize the ownership of identified risks during 2004-05. The risk framework is a formal item on each agenda of the Audit Committee and on the Council's agenda for its last meeting of each financial year. As such it has been reviewed by both the Audit Committee and the Council during the year. It is kept under review by executive management and is formally reviewed prior to each meeting of the Audit Committee. The framework is amended if necessary following each review.

The framework identifies a series of risks facing the Council and these have been categorised under eight broad headings. The framework shows the assessment of both the likelihood and the impact of the risk, the risk owner and the controls put in place to mitigate the risk. An assessment of the residual risk i.e. the likelihood of the risk occurring in light of the actual controls in place, is also included.

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 managers within the Arts Council of Northern Ireland who have 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 have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Council, the Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

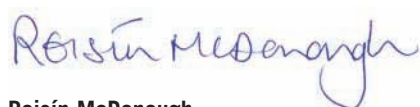
I believe that during the year continuing improvements have been made to the Council's grant administration and monitoring procedures. There is scope to achieve further improvement and the training programmes which have been put in place during the year will help ensure the achievement of this improvement. I have also been assured by my executive managers that all grants receive sufficient and consistent scrutiny in line with policy and financial directions.

The Council discharges its responsibility for reviewing the system of internal control through its Audit Committee. The Audit Committee met on four occasions during the year and received reports from both the Council's external auditor for the year ending 31 March 2004 and its internal auditor for the 2004-05 year. The Audit Committee reported back to the Council following each of its meetings.

Following a meeting of the Audit Committee in December 2003 its terms of reference were assessed against the ten policy principles set out in HM Treasury's Audit Committee Handbook issued in October 2003. The outcome of this assessment was presented to the Audit Committee in March 2004 and it accepted the recommended amendments to its terms of reference, with further amendments due for consideration during the 2005-06 year.

The Council has a risk framework in place which is reviewed regularly by the senior management team. It is also reviewed by the Audit Committee at each of its meetings. It is reviewed by the Council annually and the last review took place in May 2005.

Internal audit activity during 2004-05 generally concluded that the operations of the Council are well controlled when assessed against established assurance criteria. Towards the end of the financial year, a successful appointment was made to the role of a joint SCNI-ACNI internal auditor. To-date, the appointee has been making good progress on establishing a framework for future internal audit activity, using the results of past work, internal expertise and with a view to assessing the governance needs and concerns of Council.



Roisín McDonough
Accounting Officer for the Council

29th June 2005

The Certificate of the Comptroller and Auditor General to the Houses of Parliament

I certify that I have audited the financial statements on pages 66 to 81 under the National Lottery etc. Act 1993 (as amended). These financial statements have been prepared under the historical cost convention and the accounting policies set out on pages 71 and 72.

Respective responsibilities of the Council, the Chief Executive and Auditor

As described on page 59, the Council and Chief Executive are responsible for the preparation of the financial statements in accordance with the National Lottery etc. Act 1993 (as amended) and the Department of Culture, Arts and Leisure directions made thereunder on behalf of the Secretary of State for Culture, Media and Sport 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 National Lottery etc. Act 1993 (as amended) and the Department of Culture, Arts and Leisure directions made thereunder, and whether in all material respects the expenditure and income have been applied to the purposes intended by 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 60 to 62 reflects the Council's compliance with Treasury's guidance on the Statement on Internal Control. I report if it does not meet the requirements specified by Treasury, or if the statement is misleading or inconsistent with other 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 Lottery Distribution activities at 31 March 2005 and of the decrease in funds, total recognised gains and losses and cash flows for the year then ended and have been properly prepared in accordance with the National Lottery etc. Act 1993 (as amended) and directions made thereunder by the Department of Culture, Arts and Leisure on behalf of the Secretary of State for Culture, Media and Sport; 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.

I have no observations to make on these financial statements.

Sir John Bourn
Comptroller and Auditor General

18th July 2005

National Audit Office
157-197 Buckingham Palace Road
Victoria
London SW1W 9SP

Supplementary statement by the Comptroller and Auditor General in respect of material included at pages 1 to 53 of this Annual Report, not included with the financial statements to which the audit opinion above relates.

In respect alone of my responsibility under United Kingdom auditing standards to read the other information included with financial statements on which I express an audit opinion, I have read the additional information on pages 1 to 53 which was not included with the financial statements on which I reached the audit opinion set out in my Certificate above and considered whether it is consistent with the audited financial statements. I have considered the implications for my audit opinion if I have thereby become aware of any apparent mis-statement or material inconsistencies with the financial statements. I have not considered the effects of any events since the date of my Certificate.

In this regard, my audit opinion on the financial statements is unchanged.

Sir John Bourn
Comptroller and Auditor General

National Audit Office
157-197 Buckingham Palace Road
Victoria
London SW1W 9SP

17th October 2005

Income and Expenditure Account for the year ended 31 March 2005

	Notes	2004-05 £	2003-04 £
Proceeds from Lottery	2	7,886,371	7,135,816
Other Income	3	29,850	133,615
Total Income		7,916,221	7,269,431
Grants paid in year		7,201,327	6,358,455
Provision for decrease in value of investments		-	2,706
Provision for grant commitments in future years		1,455,903	1,574,624
Staff costs: Recharge	4	481,291	413,477
Depreciation: tangible assets	5	536	6,518
Other operating costs : Direct Costs	6	220,238	317,051
: Recharge	6	157,737	155,627
Total Expenditure		9,517,032	8,828,458
Decrease in Funds		(1,600,811)	(1,559,027)
Notional Costs - capital	14	(15,596)	(7,656)
Decrease in Funds including notional costs		(1,616,407)	(1,566,683)
Reversal of Notional Costs		15,596	7,656
Decrease in Funds		(1,600,811)	(1,559,027)

The income and expenditure relate to continuing activities.

The notes on pages 71 to 81 form part of these financial statements.

Statement of Total Recognised Gains and Losses for the year ended 31 March 2005

	Notes	2004-05 £	2003-04 £
Decrease in Funds excluding Notional Capital Costs		(1,600,811)	(1,559,027)
Provision for decrease in value of investments	11	(132,995)	(2,706)
Total recognised gains and losses relating to the year		<u>(1,733,806)</u>	<u>(1,561,733)</u>

The notes on pages 71 to 81 form part of these financial statements.

Balance Sheet as at 31 March 2005

	Notes	2004-05 £	2003-04 £
Fixed Assets			
Tangible assets	5	<u>1,997</u>	<u>2,533</u>
Current Assets			
Investments - Balance held in NLDF	7	35,282,185	35,643,576
Debtors & Prepayments	8	235,722	71,314
Cash at bank and in hand		<u>231,578</u>	<u>16,633</u>
		35,749,485	35,731,523
Creditors-amounts due within one year	9	<u>(11,620,792)</u>	<u>(10,681,462)</u>
Net Current Assets		<u>24,128,693</u>	<u>25,050,061</u>
Total Assets less Current Liabilities		24,130,690	25,052,594
Provisions for Liabilities & Charges			
Grant Commitments	10	(8,867,131)	(8,188,224)
Total Assets less Total Liabilities		<u><u>15,263,559</u></u>	<u><u>16,864,370</u></u>
Represented by:			
Reserves			
Income & Expenditure	11	<u><u>15,263,559</u></u>	<u><u>16,864,370</u></u>

Roisín McDonough
Accounting Officer

29th June 2005

The notes on pages 71 to 81 form part of these financial statements

Cash Flow Statement for the year ended 31 March 2005

	2004-05	2003-04
	£	£
Net cash inflow from operating activities (note 1)	185,095	(663,918)
Returns on investments and servicing of finance (note 3)	29,850	133,615
Increase/(decrease) in cash	214,945	(530,303)

Notes to the Cash Flow Statement**1. Reconciliation of increase / (decrease) in funds to net cash outflow from operating activities**

	2004-05	2003-04
	£	£
Decrease in funds	(1,600,811)	(1,559,027)
Depreciation charges	536	6,518
Interest and investment returns	(29,850)	(133,615)
(Increase) / Decrease in NLDF investments	361,391	(716,345)
(Increase) / Decrease in debtors	(164,408)	141,251
(Increase) / Decrease in creditors	939,330	(340,237)
Increase in provision for grants	678,907	1,937,537
	<u>185,095</u>	<u>(663,918)</u>

2. Reconciliation of net cash flow to movement in net funds

Increase / (Decrease) in cash in period	<u>214,945</u>	<u>(530,303)</u>
Changes in net funds	214,945	(530,303)
Net funds at 1 April 2004	<u>16,633</u>	<u>546,936</u>
Net funds at 31 March 2005	<u>231,578</u>	<u>16,633</u>

3. Returns on investments and servicing of finance

Interest received	14,408	15,945
Other Income	<u>15,442</u>	<u>117,670</u>
	<u>29,850</u>	<u>133,615</u>



Open House Traditional Arts Festival

Notes to the Accounts - 31 March 2005

1. Accounting Policies

(a) Basis of Accounting

These financial statements have been prepared in accordance with the historical cost convention and as directed in the Accounts Direction issued by the Department of Culture, Arts and Leisure.

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. Significant departures from accounting standards are disclosed and explained in the notes and the financial effects quantified where practicable.

(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:

Information Technology	
• Hardware & Software	33 $\frac{1}{3}$ %
• LAN Cabling	10%
Furniture, Fixtures & Fittings	10%

(c) 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 over the employees' working lives.

(d) Income

All income received, whether Lottery proceeds or other income, is credited to income in the year to which it is receivable.

(e) Notional Cost of Capital

From the 1996-97 year, these financial statements make provision for the notional cost of capital employed by the Council. The Income and Expenditure Account includes the notional cost of capital employed by the Council calculated as 3.5% of the average capital employed over the financial year.

(f) Balances held in the National Lottery Distribution Fund

Balances held in the National Lottery Distribution Fund remain under the stewardship of the Secretary of State for Culture, Media and Sport. However, the share of these balances attributable to the Arts Council of Northern Ireland is as shown in the accounts and, at the Balance Sheet date, has been certified by the Secretary of State for Culture, Media and Sport as being available for distribution by it in respect of current and future commitments.

2. Proceeds from Lottery

	2004-05	2003-04
	£	£
Proceeds from National Lottery	6,330,084	6,060,983
Investment Returns on Balances held at NLDF	1,556,287	1,074,833
	<u>7,886,371</u>	<u>7,135,816</u>

3. Other Income

	2004-05	2003-04
	£	£
Bank Interest	14,408	15,945
Other Income	15,442	117,670
	<u>29,850</u>	<u>133,615</u>

4. Staff Costs

	2004-05	2003-04
	£	£
Salaries	401,213	349,811
Social Security Costs	29,647	27,153
Other Pension Costs	50,431	36,513
	<u>481,291</u>	<u>413,477</u>

All of the staff costs were incurred by the Arts Council of Northern Ireland and recharged to the Lottery Distribution Account. The staff costs were recharged to the Lottery Distribution Account on the basis of average Lottery caseload from the Arts Development Department and on other appropriate bases from the rest of the Council. During the year the Arts Council employed an average of 44 staff. Temporary staff costs included in the above total of £481,291 amounted to £18,542, the comparable cost for 2003-04 was £0. An accrual for £10,540 in relation to the apportioned cost of a pension claim settlement has been included in other pension costs above.

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 remuneration, including backdated pay awards, during the year was £88,346. The Chief Executive is an ordinary member of the Northern Ireland Local

Government Officers Superannuation Committee (NILGOSC) pension scheme. A total of £35,338 of the Chief Executive's employment costs have been apportioned to the Lottery Distribution fund to cover time spent on Lottery activities. This amount is included in the staff costs recharge to the Lottery Distribution fund which totalled £481,291 as noted above.

Council Members' Emoluments

The Chairman and Vice-Chairman of the Council received honoraria totalling £12,415, including employer NIC costs, as follows:

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

Of this, £4,221 was apportioned to the Lottery Distribution Account. No emoluments were paid to other Council members in respect of Lottery activities. The Council does not pay any pension contributions on behalf of the Chair and Vice Chair. These individuals are not included, therefore, in the pension note below.

Pension Commitments

The Arts Council participates in the Northern Ireland Local Government Officers' Superannuation Committee Scheme (NILGOSC) and made contributions for 51 employees during the year (not all 51 were employed throughout the year). The NILGOSC scheme is a "multi-employer", defined benefit scheme, which provides members of participating employers with the benefits related to pay and services at rates which are defined under statutory regulations. To finance these benefits, assets are accumulated in the scheme and are held separately from the assets of the employers. The scheme is funded by employers participating in the NILGOSC scheme who pay contributions at rates determined by an independent professionally qualified actuary on the basis of regular valuations using the projected unit method. During the year ended 31 March 2005 the Arts Council contributed 10.6% of gross salary. The scheme is non contributory for members of staff. However, until 31 March 2003, male members of staff contributed 1.5%. The results of the most recent valuation, which was conducted as at 31 March 2004, were as follows:

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
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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	<u>112,710</u>	<u>109,485</u>

Consent to disclose the real change in the value of accrued pension at 31 March 2005 for senior employees has been withheld.

Age	Salary including performance pay	Real increase in pension and related lump sum at age 60	Total accrued pension at age 60 at 31/3/05 and related lump sum	CETV at 31/3/04	CETV at 31/3/05	Real increase in CETV
R McDonough Chief Executive						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.

5. Tangible Fixed Assets

	IT Hardware £	Furniture & Fittings £	Total £
At Cost			
At 1 April 2004	24,473	3,582	28,055
At 31 March 2005	24,473	3,582	28,055
Accumulated Depreciation			
At 1 April 2004	23,940	1,582	25,522
Charge for Year	178	358	536
At 31 March 2005	24,118	1,940	26,058
Net Book Value 31 March 2005	355	1,642	1,997
Net Book Value 31 March 2004	533	2,000	2,533

6. Other Operating Costs

	Total £	Direct £	Recharge £	2003-04 £
ACNI Admin. Apportionment	152,373	-	152,373	140,827
Film Delegation Administration	81,520	81,520	-	81,540
Awards for All Administration	65,281	65,281	-	60,341
Advancement	-	-	-	49,938
Audience Development Agency	-	-	-	43,332
Audit Fees	24,983	21,587	3,396	35,603
External Monitoring	32,872	32,872	-	19,915
Assessors Fees (External)	2,785	2,785	-	14,045
Consultants'/Professional Fees	6,345	6,345	-	13,144
Printing & Design	6,893	6,893	-	4,966
Travel	1,968	-	1,968	3,488
Marketing/Advertising	949	949	-	1,903
Equality Costs	-	-	-	1,767
Research/Reports	-	-	-	1,194
Sundries	1,450	1,450	-	573
Hospitality	96	96	-	102
Publications	460	460	-	-
	<u>377,975</u>	<u>220,238</u>	<u>157,737</u>	<u>472,678</u>

Of the total operating expenses of £377,975, £157,737 was incurred by the Arts Council of Northern Ireland and recharged to the Lottery Distribution Account at full economic cost.

The £152,373 administrative overhead apportioned to the Lottery Distribution fund comprised administrative costs and expenses incurred by the Council from which the Lottery benefited indirectly. It also contained the honoraria amount detailed in note 4. The apportionment was made at full economic cost and calculated on appropriate bases.

The audit fees total of £24,983 includes the external audit fee charged by the National Audit Office of £21,000.

7. Balances held in the National Lottery Distribution Fund

The funds held in the NLDF are invested on its behalf by the National Investment and Loans Office. Up to 1996-97 the Arts received 20% of the monies paid into the Fund by Camelot, the Lottery operator, after deduction of expenses incurred by the Department of Culture, Media and Sport in administering the Fund, and by the regulator, the Office of the National Lottery. This percentage was reduced to 16.67% by the National Lottery Act 1998. The Arts Council of Northern Ireland receives 2.8% of the sum allocated to the Arts. Interest earned on the sums invested is apportioned to each of the Lottery distributors on the basis of their percentage of the total remaining NLDF funds at the time the interest is received.

The closing market value of investments held at 31 March 2005 by NLDF under the National Lottery Act as amended on behalf of the Arts Council of Northern Ireland Lottery Distribution Account was £35,282,185. The cost value of these investments was £35,415,180.

8. Debtors

	2004-05	2003-04
	£	£
Sundry Debtors	25,587	578
Prepayments & Accrued Income	210,135	70,736
	235,722	71,314

The figure for Prepayments and Accrued Income represents cash held by the Northern Ireland Film and Television Commission on behalf of the Arts Council of Northern Ireland in respect of delegated Lottery distribution activities.

9. Creditors

	2004-05	2003-04
	£	£
Trade Creditors	816,132	630,615
Other Creditors	10,804,660	10,050,847
	11,620,792	10,681,462

The total includes £61,688 in respect of services and purchases rendered to or made on behalf of the Lottery Distribution Account by the Arts Council of Northern Ireland.

The Other Creditors figure contains £10,804,660 which represents the total of hard grant commitments payable during 2005-06 [see note 10].

10. Grant Commitments

	2004-05	2003-04
	£	£
Soft Commitments		
a. Soft commitments brought forward	3,801,780	939,771
b. Soft commitments transferred to hard commitments	(9,168,666)	(8,319,908)
c. Soft de-commitments	(293,924)	(309,991)
d. Soft commitments made in year	13,537,540	11,491,908
e. Soft commitments carried forward	<u>7,876,730</u>	<u>3,801,780</u>

Hard Commitments

a. Hard commitments brought forward	18,215,888	16,641,264
b. Hard commitments met in year	(7,201,327)	(6,358,455)
c. Hard de-commitments	(516,436)	(386,829)
d. Hard commitments made	9,173,666	8,319,908
e. Hard commitments carried forward	<u>19,671,791</u>	<u>18,215,888</u>

f. Profile of Hard Commitments over the next five years:

2004-05		10,027,664
2005-06	10,804,660	6,152,134
2006-07	7,602,082	2,036,090
2007-08	1,265,049	-
2008-09	-	-
2009-10	-	-
	<u>19,671,791</u>	<u>18,215,888</u>

Total grant commitments carried forward:

Soft	7,876,730	3,801,780
Hard	19,671,791	18,215,888
	<u>27,548,221</u>	<u>22,017,668</u>

The Hard Commitments total at 31 March 2005 is £19,671,791. The 2005-06 total of £10,804,660 is shown on the Balance Sheet within the “creditors – amounts payable within one year” figure of £11,620,791 [see note 9]. The balance of £8,867,131 is shown on the Balance Sheet as “Provisions for Liabilities and Charges : Grant Commitments”. The figure of £1,455,903 shown as the “Provision for grant commitments in future years” in the Income & Expenditure Account is the difference between the Hard Commitments Carried Forward totals at 31 March 2004 and 31 March 2005.

11. Reconciliation of Movement of Funds

	Balances held in NLDF	Balances held in ACNI	Provision for Grant Commitments	2004-05 Total	2003-04 Total
	£	£	£	£	£
Proceeds from Lottery	7,886,371			7,886,371	7,135,816
Drawn down in year by Arts Council	(8,247,762)	8,247,762			
Provision for increase/(decrease) in value of investments				0	(2,706)
Interest on cash balances		14,408		14,408	15,945
Other Income		15,442		15,442	117,670
Staff costs		(481,291)		(481,291)	(413,477)
Other operating costs		(377,975)		(377,975)	(472,678)
Depreciation of fixed assets		(536)		(536)	(6,518)
New grants paid in year		(7,201,327)		(7,201,327)	(6,358,455)
New grant commitments in year			(9,173,666)	(9,173,666)	(8,319,908)
Commitments written back			516,436	516,436	386,829
Grants paid from provision in year			7,201,327	7,201,327	6,358,455
Total increase/(decrease) in funds	<u>(361,391)</u>	<u>216,483</u>	<u>(1,455,903)</u>	<u>(1,600,811)</u>	<u>(1,559,027)</u>
Balance at 1 April 2004	<u>35,643,576</u>	<u>(563,318)</u>	<u>(18,215,888)</u>	<u>16,864,370</u>	<u>18,423,397</u>
Balance at 31 March 2005	<u>35,282,185</u>	<u>(346,835)</u>	<u>(19,671,791)</u>	<u>15,263,559</u>	<u>16,864,370</u>
Provision for (increase)/decrease in value of investments	132,995				
Cost at 31 March 2005	<u>35,415,180</u>				

12. Capital Commitments

There were no capital commitments as at 31 March 2005.

13. Contingent Liabilities

There were no contingent liabilities as at 31st March 2005 other than the soft commitments disclosed in Note 10.

14. Notional Costs

Notional cost of capital is calculated as 3.5% of the average net assets employed by the Arts Council (Lottery Distribution) in the year, excluding the Balance in the Distribution Fund and hard grant commitments.

15. 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. During the year the Council has had various material transactions with DCAL.

Several members of the Arts Council, its Lottery Committee 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.

Application Ref	Organisation	Award Amount	Declared Interest
194/04	Derry Theatre Trust	14,943	Martin Bradley
269/04	Belfast Community Circus	14,848	Will Chamberlain
268/04	Belfast Community Circus	27,000	Will Chamberlain
378/03	University of Ulster	14,821	Katharine Bond, Tim Kerr + Gearoid O'hEara
109/04	University of Ulster	14,475	Katharine Bond, Tim Kerr + Gearoid O'hEara
110/04	University of Ulster	10,000	Katharine Bond, Tim Kerr + Gearoid O'hEara
117/04	University of Ulster	39,100	Katharine Bond, Tim Kerr + Gearoid O'hEara
328/04	University of Ulster	10,000	Katharine Bond, Tim Kerr + Gearoid O'hEara
399/04	University of Ulster	27,550	Katharine Bond, Tim Kerr + Gearoid O'hEara
294/04	Verbal Arts	12,151	Katharine Bond
185/04	Derry City Council	180,254	Katharine Bond + Gearoid O'hEara
322/04	North & West Belfast HSST	7,000	Lucy Finnegan
114/04	Cahoots NI	10,708	Jill Holmes
310/04	Cahoots NI	32,000	Jill Holmes
400/04	Cahoots NI	7,825	Jill Holmes
156/04	Big Telly Theatre Company	7,000	Jill Holmes
323/04	Big Telly Theatre Company	47,790	Jill Holmes
299/04	John Hewitt Society	16,850	Tony Kennedy
361/04	Children's Express Foyle Bureau	41,972	Tim Kerr
0143/05	Children's Express Foyle Bureau	60,000	Tim Kerr
115/04	Youth Action Northern Ireland	16,553	Tim Kerr
273/04	Youth Action Northern Ireland	45,000	Tim Kerr
0151/05	Youth Action Northern Ireland	34,045	Tim Kerr
148/04	Down District Council	25,000	Sharon O'Connor
201/04	Down District Council	32,969	Sharon O'Connor
TOTAL		749,854	

16. Derivatives and other Financial Instruments: Disclosures (FRS 13)

FRS 13 requires disclosure of the role which financial instruments have had during the period, in creating or changing the risks the Fund faces in undertaking its role.

Liquidity Risks

In 2004-05, £6,330,084 (79.96%) of the Arts Council's Lottery Fund's income derived from the National Lottery. The remaining income derived from investment returns from the balance held with the National Lottery Distributions Fund, £1,556,287 (19.66%), and from Bank Interest and Sundry Income, £29,850 (0.38%). The Council considers that the Fund is not exposed to significant liquidity risks, it is satisfied that it has sufficient liquid resources within the NLDF and in the bank of £35.2 million to cover all current contracted commitments of £20.5 million.

Interest Rate Risks

The financial assets of the Fund are invested in the National Lottery Distribution Fund, which invests in a narrow band of low risk assets such as government bonds and cash. The Council has no control over the investment of Funds in the National Lottery Distribution Fund. At the balance sheet date the Market Value of investment in the National Lottery Distribution Fund was £35.2 million. In the year the average return on these investments was 4.5%. Cash balances which are drawn down from the Fund to pay grant commitments and operating costs are held in an instant access variable rate bank account which on average carried an interest rate of 11.6% (2003-04: 3.87%) in the year. The cash balance at the year-end was £231,578. The Council considers that the Fund is not exposed to significant interest rate risks.

Foreign Currency Risk

The Fund is not exposed to any foreign exchange risks.



Big Telly Theatre Company: The Little Mermaid. Photo: Emma Critchley



Bruiser Theater Company: Confusions. Photo: Clare McKelvey

Appendix

ACCOUNTS DIRECTION 2004-2005

The Department of Culture, Arts and Leisure, on behalf of the Secretary of State for Culture, Media and Sport (formerly National Heritage), in pursuance of section 35 of the National Lottery etc. Act 1993, hereby gives the following Direction:-

1. The statement of accounts which it is the duty of the Arts Council to prepare in respect of its National Lottery distribution activities for the financial year ended 31 March 1995 and any subsequent financial year shall comprise:-

- 1.1 a foreword;

- 1.2 an income and expenditure account;

- 1.3 a balance sheet;

- 1.4 a cash flow statement;

- 1.5 a statement of total recognised gains and losses;

including in each case such notes as may be necessary for the purpose referred to in paragraphs 2 and 3 below. This statement, and all the elements thereof, must be prepared separately from, and must not be consolidated with any other accounts produced by the Arts Council.

2. The Accounting Officer for the Arts Council's National Lottery Fund shall observe all relevant accounting and disclosure requirements given in "Government Accounting", in the Treasury booklet "Trading Accounts: A Guide for Government Departments and Non-Departmental Public Bodies" and any other guidance issued by the Department, as amended and augmented from time to time.

3. The statement of accounts referred to above shall give a true and fair view of the income and expenditure, state of affairs and cash flow of the Arts Council in respect of its National Lottery distribution activities. Subject to the foregoing requirement, the statement of accounts shall also, without limiting the information given, and as described in Schedule 1 of this Direction, meet in so far as they are appropriate to the Arts Council's National Lottery Fund business:

- 3.1 the accounting and disclosure requirements of the Companies (Northern Ireland) Order 1986;

- 3.2 best accounting practice including accounting standards issued or adopted by the Accounting Standards Board currently in force, with the exception of the requirement contained in Financial Reporting Standard 3 (FRS 3) for inclusion of a note showing historical cost profit and losses;
 - 3.3 any disclosure and accounting requirements which the Treasury or the Department may issue from time to time in respect of the accounts which are required to show a true and fair view; and
 - 3.4 any additional disclosure requirements contained in “The Fees and Charges Guide” in particular those relating to the need for appropriate segmental information for services or forms of service provided for which a charge is made.
- 4. The statement of accounts mentioned in paragraph 1 shall also include the supplementary information set out in Schedule 2 of this Direction.
 - 5. The income and expenditure account and balance sheet shall be prepared under the historical cost convention modified by the inclusion of:
 - (a) fixed assets at their value to the business by reference to current costs; and
 - (b) stocks valued at the lower of cost, or net current replacement cost if materially different, and net realisable valuewhere these are materially different to their value under the historical cost convention.
 - 6. Fundamental or material changes in accounting policies, to the extent that they do not conform with U.K. generally accepted accounting practice, shall be discussed and agreed with the sponsoring Department and the Treasury before implementation.
 - 7. The accounts shall be signed in respect of the Arts Council's National Lottery Fund activities by the Arts Council's Accounting Officer and be sent in accordance with section 35 of the National Lottery Act 1993 to the Department and Comptroller and Auditor General as soon as possible after 31 March each year and no later than 30 September.

Signed by Authority of the Secretary of State for National Heritage on 26th April 1995.

Mr R Jordan

A Grade 5 Officer in the Department of Culture, Arts and Leisure

SCHEDULE 1

APPLICATION OF THE COMPANIES ORDER REQUIREMENTS

1. The disclosure exemptions permitted by the Companies (Northern Ireland) Order 1986 shall not apply to the body unless specifically approved by the Department of Culture, Media and Sport with the consent of the Treasury.
2. The Foreword shall contain the information required by the Companies (Northern Ireland) Order 1986 to be disclosed in the Directors' Report, to the extent that such requirements are appropriate to the National Lottery distribution activities of the body. In particular:
 - 2.1 brief history of the body
 - 2.2 statutory background and framework to the body and the National Lottery
 - 2.3 principal functions related to National Lottery distribution activities
 - 2.4 financial results
 - 2.5 review of National Lottery distribution activities
 - 2.6 significant changes in fixed assets
 - 2.7 any amount retained and carried to reserves
 - 2.8 future developments in National Lottery distribution activities
 - 2.9 names of the members of the body and any National Lottery sub-committees of the body
 - 2.10 appointment of auditors
 - 2.11 policy on disabled persons
 - 2.12 employee consultation
3. In preparing its income and expenditure account the body shall adopt format 2 prescribed in Schedule 4 to the Companies (Northern Ireland) Order 1986 to the extent that such requirements are appropriate to this Direction. This analysis should enable the user of the accounts to gain a proper appreciation of the principal elements of the income and expenditure of the body.
4. In preparing its balance sheet the body shall adopt format 1 prescribed in Schedule 4 to the Companies (Northern Ireland) Order 1986 to the extent that such requirements are appropriate to the body and taking account of the requirements of Schedule 2 to this Direction. The balance sheet totals shall be struck at total assets less current liabilities.



The Grand Opera House (extension)

SCHEDULE 2

ADDITIONAL DISCLOSURE REQUIREMENTS

1. This Schedule details the non standard accounting policies, any special treatment needed, and any disclosure requirements as agreed by the Treasury, the Department and the Arts Council in respect of the Arts Council's National Lottery Fund activities.
2. The Income and Expenditure Accounts shall show inter alia:
 - 2.1 the total amount of Lottery proceeds receivable;
 - 2.2 any other income (detailed between bank interest, recoveries of grant and other income);
 - 2.3 the total amount of new Lottery grants paid in the period (i.e. amounts paid in respect of projects which have been approved during the year);
 - 2.4 change in the provision for net grant commitments;
 - 2.5 the total expenses incurred by the body in respect of its National Lottery distribution activities, separately identifying direct costs and costs initially incurred elsewhere in the organisation and apportioned to the National Lottery distribution activity. The calculation of costs to the Arts Council's National Lottery activities will be on a full cost recovering basis as described in the Treasury "Fees and Charges Guide" and should cover all costs that are directly and demonstrably related to Lottery distribution activities.
3. The Balance Sheet shall show, inter alia:
 - 3.1 under the heading "Current assets": shown as an investment the balance held on behalf of the body at the National Lottery Distribution Fund;
 - 3.2 under the heading "Represented by":
 - a. the provision for grants committed on a hard basis and falling due for payment after more than one year (see note 5 below on commitments);
 - b. the balance on the Income and Expenditure Account.
4. The Notes to the Accounts shall include inter alia:

- 4.1 a statement of accounting policies. This must include a statement explaining the nature of the balances held on the Arts Council's behalf in the National Lottery Distribution Fund as follows:

"Balances held in the National Lottery Distribution Fund remain under the stewardship of the Secretary of State for Culture, Media and Sport. However, the share of these balances attributable to the Arts Council is as shown in the accounts and, at the balance sheet date, has been certified by the Secretary of State for National Heritage as being available for distribution by it in respect of current and future commitments."

- 4.2 an analysis of the income and expenditure relating to the Lottery;
- 4.3 an analysis of "other operating charges" over appropriate subject headings (to include write-offs, audit fee, leasing charges, travel, subsistence and hospitality costs for staff and body members should be separately identified);
- 4.4 any remuneration paid to the members of the Arts Council's Lottery fund;
- 4.5 the remuneration of the Director (or designated officer) of the Lottery Fund to be shown separately (or total remuneration and share accruing to the Lottery Fund of the individual chiefly responsible for Lottery matters if their duties are split between Lottery and non-Lottery functions);
- 4.6 the remuneration of the senior employees to be shown in bands of £10,000 starting from £40,000 upwards. Where staff are involved in Lottery and non-Lottery functions, their total salaries and the Lottery proportion (in cost and percentage terms) should both be identified;
- 4.7 the amounts "committed in respect of capital expenditure for administrative purposes", and "amounts authorised in respect of capital expenditure for administrative purposes but not contracted";
- 4.8 the amounts committed in respect of Lottery grants split between hard and soft commitments identifying the amount falling due (see note 5 below). Where these commitments exceed available resources shown on the Balance Sheet, there should also be a note explaining the rationale for the over-commitment in terms of the benchmark being applied and the assumptions behind it, taking into account any advice received from the Department as appropriate.
- 5 The nature of the Arts Council's Lottery activities means that it will be making commitment for future expenditure which will need to be shown in the annual financial statements. Commitments should be categorised and shown as follows:

5.1 Soft Commitments

These will occur when there is agreement in principle by the Distributing Body to fund a scheme and an offer made. Once a formal offer and acceptance of the terms and conditions of the grant has been concluded this will become a hard commitment. The total of soft commitments will be shown in a note to the balance sheet. Changes in soft to hard commitments which arise after the accounting year end and before publication of the accounts will not be adjusting events in terms of the Statement of Standard Accounting Practice 17 (SSAP 17). A tabulation should accompany the notes to the accounts and show:

- a. Soft commitments brought forward
- b. Soft commitments transferred to hard commitments
- c. Soft de-commitments
- d. Soft commitments made
- e. Balance of soft commitments outstanding carried forward
($e = a - (b+c) + d$)

5.2 Hard Commitments

A hard commitment is analogous to a commitment arising from a legally binding contract, carrying with it an obligation on the distributor to pay the agreed Lottery grant provided only that all the conditions of grant are met, and that the Lottery continues to operate. For the purpose of recording a charge in the income and expenditure account, a hard commitment arises when a firm offer of a grant from National Lottery proceeds has been made by the Arts Council and accepted in writing by the recipient. A firm offer will only be made if there is a reasonable expectation that conditions attached to the offer will be met. A provision for grant commitments should be shown on the balance sheet and would be written down as the commitments mature. As part of the notes to the balance sheet a tabulation illustrating the changes in hard commitments should be shown as follows:

- a. Hard commitments brought forward
- b. Hard commitments met in the last year
- c. Hard de-commitments (withdrawal of an offer)
- d. Hard commitments made
- e. Balance of hard commitments outstanding carried forward
($e = a - (b+c) + d$)
- f. A breakdown of the provision for grant commitments should be reported separately for each year up to and including 5 years, and for over 5 years.

5.3 De-commitments

5.3.1 Soft Commitments

If a soft commitment fails to become hard for any reason and there is no prospect of a formal offer letter being issued and accepted then the soft commitment should be deleted from the Arts Council's records. It will be shown in the table accompanying the notes to the balance sheet in the soft de-commitment line.

5.3.2 Hard Commitments (withdrawal of a commitment)

Should a hard commitment fail to become a cash payment within the expected time frame, and there is little possibility of it crystallising, the Arts Council may withdraw the offer formally in writing. A reverse entry to the commitment should then be made in the Income and Expenditure account. The Table in the notes to the accounts will correspondingly be reduced.

5.4 Repayments

The circumstances of a grant repayment are described in the Statement of financial Requirements. A repayment will not affect commitment unless the payment is part of a phased scheme for which commitments for later phases have been included in the balance sheet. A repayment will be reflected as an adjustment in the Income and Expenditure account. If a repayment occurs after the year end but before the accounts have been signed by the Arts Council's accounting officer and is material (5% of the total grants paid in the year or £1m whichever is the lower,) it will be necessary to treat the repayment as an adjusting event in terms of SSAP17.

Notes

Notes