

Arts Council of Wales Lottery Distribution Account 2015-16

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Arts Council of Wales Lottery Distribution Account 2015-16

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What we do...

The Arts Council of Wales is the country's official public body for funding and developing the arts.

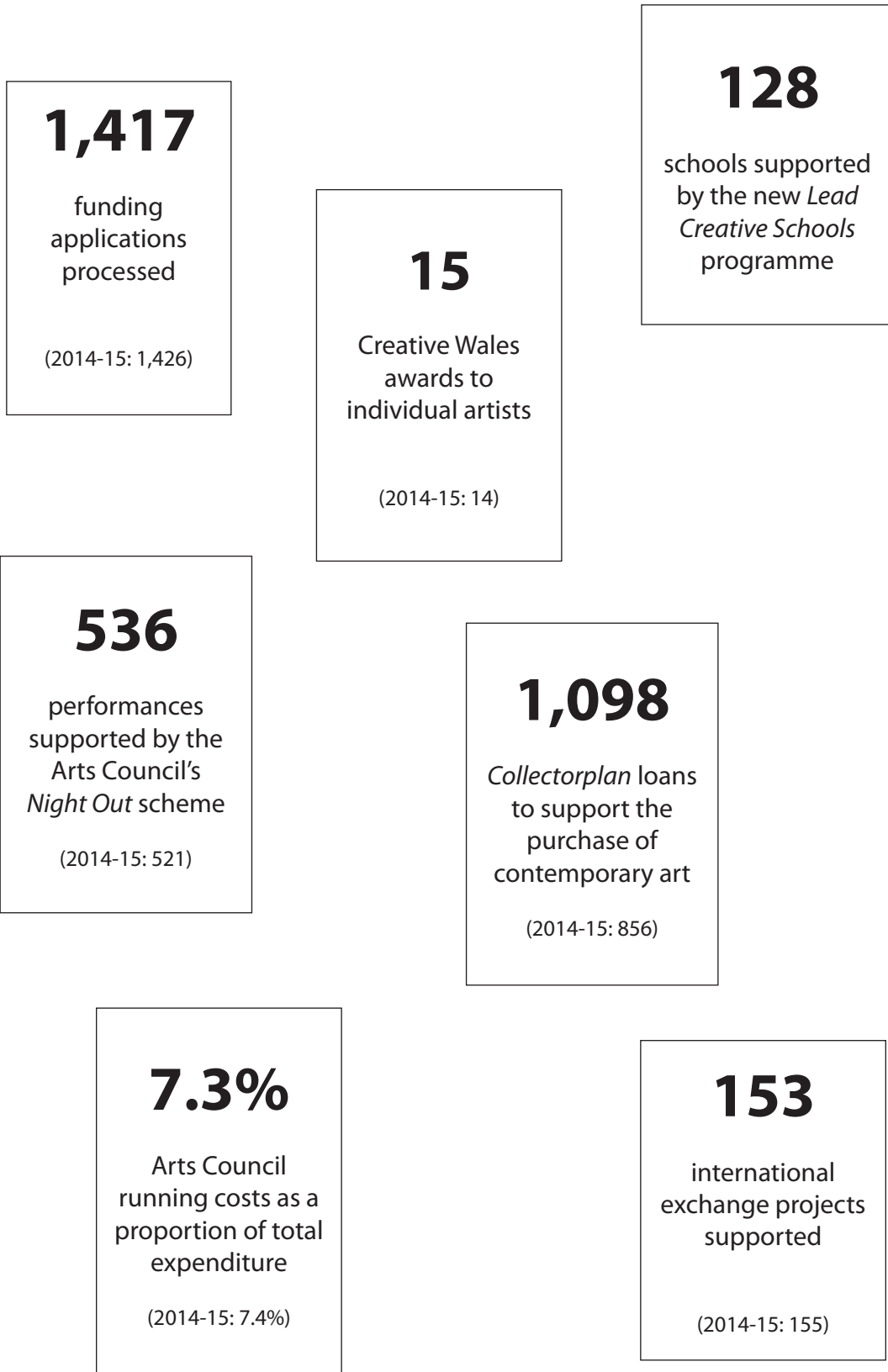
Every day, people across Wales are enjoying and taking part in the arts in Wales. We help to support and grow this activity by using the public funds that are made available to us by the Welsh Government and by distributing the proceeds we receive from the National Lottery.

By managing and investing these funds in creative activity, the Arts Council contributes to Wales's cultural, social and economic well-being.

Take a look at our short animation explaining why *The Arts Matter*

<http://www.arts.wales>

Arts Council of Wales at a glance



Introduction

Resilience and creativity in spite of economic austerity

The arts in Wales continue to be a great success story.

More people than ever are enjoying and taking part in the arts. This is not an accident – it is the result of growing public interest, right across Wales. It has been supported by more than a decade of sustained public and lottery investment in our cultural life.

Arts organisations have repaid this public investment by feeding the creative industries with talent and ideas, inspiring our young people, persuading people to take part in the arts and enhancing the well-being of citizens across Wales.

But the publicly funded arts in Wales remain at risk.

This isn't because people don't care about them – the public are enjoying and taking part in the arts in record numbers. It isn't because the work is poor – critical acclaim and international distinction tells us differently. The arts are at risk because continuing economic pressures are forcing uncomfortable choices about which areas of civic life are most deserving of support.

The pressure on public funds is relentless. In this report you'll find out how we have responded to this challenge in 2015-16. We explain what we've done, highlight some of our achievements and identify where we've fallen short, in a small number of areas, of the targets we had hoped to achieve.

But as we continue to wrestle with the continuing challenges of economic austerity, let's not lose sight of the imaginative, reflective and inspirational power of the arts. Yes, the arts bring life and give meaning to a wide range of strategies that underpin public policy. From community arts to the creative industries, arts and health to cultural tourism, public art to town centre re-generation, the arts bring meaning and enjoyment to our everyday lives. They create and sustain jobs, enrich education services and bring people together.

But the arts matter most because they excite, inspire and entertain, and in doing so they improve our quality of life.

Chair's statement

Building on strong foundations

As the Arts Council of Wales's new incoming Chair, I have the great good fortune to inherit the legacy of my predecessor, Prof Dai Smith whose tenure as Arts Council Chair ended in March 2016. Dai is a towering figure in the cultural life of Wales. He has transformed the Arts Council into a confident and authoritative organisation, and his landmark report on supporting creativity in schools unlocked an unprecedented five-year Government investment in the creative futures of our young people in Wales.

Our Annual Report for 2015-16 highlights this and many other successes during 2015-16. These achievements are the practical manifestation of our belief in a simple credo – that creativity and artistic reflection should be at the centre of a humane, vibrant and healthy vision of society. That's where we start. Public funding for the arts continues to prove itself crucial in supporting and stimulating artistic excellence and innovation – but it also democratises both the access and the opportunity for getting involved with artistic creation, especially in the face of social inequalities that limit those opportunities.

However, the enjoyment of cultural opportunities provides social and economic benefits only to those they touch. A generous, fair-minded and tolerant society values and respects the creativity of all its citizens, and it is the Arts Council's job as a public body to ensure that we make this happen. It was a commitment that drove the work of my predecessor. It will be just as important to me.

Phil George
Chair

Performance Report

79%

of adults in Wales
attended the arts

(2014-15: 80%)

Source: Wales Omnibus Survey

89%

of children in
Wales attended
the arts

(2014-15: 86%)

Source: Children's Omnibus Survey

85%

of adults believe
that arts and culture
make Wales a more
interesting and
vibrant place to live

Source: Arts in Wales Survey

83%

of adults believe
there should be
public funding of
arts and cultural
projects

Source: Arts in Wales Survey

40%

of adults in Wales
took part in arts
activity

(2014-15: 37%)

Source: Wales Omnibus Survey

89%

of children in
Wales took part
in arts activity

(2014-15: 82%)

Source: Children's Omnibus Survey

79%

of adults believe
that if their area lost
its arts and cultural
activities the people
living there would lose
something of value

Source: Arts in Wales Survey

Chief Executive's statement

Resilience and creativity at a time of economic austerity

They say that desperate times require desperate measures, and there might well be those who would consign the arts to the box marked "nice to have" – not a priority for support in these testing times. I'd argue that now is precisely the time to be investing in the arts, and not just because of their contribution to social and economic outcomes (important though these are).

It's often in times of stress and difficulty that people need the insights, the enjoyment and the communitarian sense of well-being that the arts can give. So we mustn't let something that gives so much meaning, richness and enjoyment to people's lives slip through our fingers, even though maintaining public support for the arts has tested us during 2015-16 and will continue to do so in the years ahead.

Our artists and arts organisations are working hard to squeeze every bit of value out of the public investment they receive. They're building audiences, creating employment, promoting our culture, and celebrating our creativity on the world stage. They're also working hard to make themselves more resilient, profitable and accessible.

This has required us all to be innovative and to take risks. We're not afraid, when it's right, to take a few risks. And we expect those who we invest in to do the same – not haphazardly or irresponsibly, but knowingly and confidently, equipped with their best instincts, knowledge and expertise. A strong, resilient, inclusive future for the arts depends on it.

During 2015-16 we examined in detail the funding that we allocate to major arts organisations. We made changes. The arts change and evolve, as does the world around us. Our funding has had to reflect that. Now we look to our own organisation as we seek out operational cost savings through simplifying processes, utilising the best that technology can offer us, and by creating an environment where we habitually review the cost effectiveness of what we do.

We are expected to operate effectively and efficiently. But we should spend no more on ourselves than is absolutely necessary. We are the champion for the arts in Wales. Because it's the arts in Wales that are the proper focus for the investment of the public's money. This annual report explains what this investment achieved in 2015-16.

Nick Capaldi
Chief Executive

Our Priorities

Our priorities are described through our 8 corporate objectives

The Welsh Government is the largest sponsor of the Arts Council's activities. Our strategy therefore reflects the broader vision and ambition of the Government.

The Welsh Government's expectations of us are set out in an annual Remit Letter. The Remit Letter describes the priorities of the Welsh Government. These are delivered through Council's corporate objectives.

- | | |
|---------|---|
| Make | 1 Creating the environment for the arts to flourish |
| | 2 Increasing the value of international working in the arts – culturally, socially and economically |
| Reach | 3 Finding new opportunities, ways and places for people to enjoy and take part in the arts |
| | 4 Developing the creativity of children and young people |
| Sustain | 5 Encouraging innovation, resilience and sustainability |
| | 6 Protecting and growing the economic base for the arts in Wales |
| | 7 Demonstrating the value of the arts |
| | 8 Making the Arts Council an efficient and effective public body |



Principal risks and uncertainties

“Council takes a considered view of risk. This reflects our responsibilities as a charity and publicly-funded body, and the nature of the sector we serve.

Any ambitious developmental strategy has to accept the potential of some risk of failure. Our aim is to promote a more innovative, less risk-averse culture in order that we can support artists, organisations and projects to deliver our objectives.”

Lesley Hodgson

Chair, Audit & Risk Assurance Committee

Taking risks: a balanced approach

We need to balance our duty to innovate with the ever-increasing need to maximise the benefits of our investment for the sector and for the public. We need to take appropriate but informed risks on occasions, and to acknowledge that there might be occasional failures. However, we would not behave recklessly; neither would we wilfully squander public money nor endanger our reputation for prudence.

We therefore have a system of internal control designed to identify and prioritise the risks that could prevent us achieving Council’s policies, aims and objectives. It evaluates the likelihood of the risks being realised, considers the impact should they occur, and seeks to manage them efficiently, effectively and economically. However, we recognise our system of internal control can only manage risk to a reasonable and appropriate level, and can therefore only provide reasonable and not an absolute assurance of effectiveness.

We are continually seeking to improve our internal control systems. Our Corporate Assurance Framework is used to identify the robustness of the underlying controls and assurance processes. Any aspects that need to be strengthened are highlighted in order that appropriate action can be taken. The Audit & Risk Assurance Committee and Council receive periodic updates on this and our Corporate Risk Register.

Financial risk and capital management

The Council mainly holds financial instruments to finance its operations, for example trade debtors and trade creditors, and cash balances arising directly from its operations. The financial risk management of exposures arising from trading financial instruments, primarily trade debtors and trade creditors, is through a series of policies and procedures.

These risks are managed as follows:

Liquidity risk – the Council does not consider that its Lottery Distribution function is exposed to any significant liquidity risks, and is satisfied that the balance within the National Lottery Distribution Fund and projected future Lottery proceeds are sufficient to meet its grant commitments.

Interest rate risk – cash and cash equivalent balances, which are drawn down from the National Lottery Distribution Fund to pay grant commitments and operating costs, are held in instant access variable rate bank accounts which on average carried an interest rate of 0.38% (2014-15: 0.38%) in the year. Surplus daily funds invested in the Public Sector Deposit Fund on average carried an investment return of 0.42% in the year (2014-15: 0.37%).

The year-end cash balance held by the Council in the bank was £2,822,000 (2015: £1,645,000). The Council does not consider that its Lottery Distribution function is exposed to significant interest rate risks.

Foreign currency risk – the Council is not exposed to any significant foreign exchange risks.

Cash flow risk - The Council is not exposed to any significant cash flow risks.

The risks to our performance: what they are and how we deal with them

| Principal risks | Key mitigating actions |
|---|---|
| <p>Governance</p> <p>Poor management results in a significant failure to deliver the key objectives in corporate and operational plans</p> | <p>Rigorous project management disciplines are in place. A formal progress report is presented to Council each quarter. This report also forms the basis for Quarterly Monitoring Meetings between Council's senior management team and officials of the Welsh Government.</p> |
| <p>Funding</p> <p>Cuts in public sector funding could damage the arts across Wales</p> | <p>We have once again had to reduce the level of funding to our portfolio of revenue-funded organisations (RFOs), as well as finding further savings in our own running costs. Local Authorities have also had to take difficult decisions. We are working with local authority partners to explore alternative strategies for protecting support for creative activity.</p> |
| <p>Key arts organisations fail as a consequence of funding cuts</p> | <p>Our portfolio of RFOs is closely monitored by officers, and regular reports showing the risk assessment of each of our annually funded RFOs is provided to Council. When necessary, we take a pro-active approach to organisations that experience difficulties, and invest time and energy to help them to resolve matters of concern.</p> |
| <p>Our Investment Review is poorly managed leading to controversy around the decisions</p> | <p>Given the Investment Review's complexity and potential for reputational damage the process was robustly managed by a special team of Arts Council officers. Only one organisation out of five sought to appeal the decision and their appeal was rejected by the Independent Complaints Reviewer.</p> |
| <p>Grants management</p> <p>Poor or fraudulent funding applications mean that public funds are not used for the purposes intended</p> | <p>We take a risk-based approach to our assessment of applications and monitoring of grants awarded. We use information collected from grant recipients as part of our monitoring procedures to ensure that the stated outcomes for which we provided funding were, in the end, actually achieved. Council takes fraud, corruption and maladministration very seriously and has policies to prevent, and deal with, such occurrences, including "Whistle-blowing" and Anti-fraud policies. These were reviewed during the year.</p> |
| <p>Corporate projects</p> <p>The Welsh Government loses confidence in our management of the Creative Learning programme</p> | <p>Creative Learning is a partnership project with the Welsh Government totalling £20 million of investment over 5 years. A joint project team has been established with a rigorous monitoring regime and independent evaluation. Management of the project has been reviewed by the Arts Council's internal auditors and 'substantial' assurance given.</p> |
| <p>Poor management of key Lottery Capital projects causes delays that place additional funding burdens on the Arts Council</p> | <p>We operate rigorous processes for project monitoring and the release of payments. Contractual agreements are in place protecting the Arts Council's investment and funding is paid out against certificated claims for work completed. Expert independent assessors provide technical reports that are used to brief Capital Committee (and ultimately Council).</p> |
| <p>IT</p> <p>Unforeseen or unexpected outages compromise business continuity</p> | <p>A full emergency plan is in place and tested annually. Should an incident arise, alternative offsite IT facilities are available. Cyber security and IT penetration tests are conducted annually.</p> |

| Principal risks | Key mitigating actions |
|--|---|
| <p>Staffing Recurrent pressure to cut costs reduces staff capacity to an unacceptable level</p> | <p>Delivering an expanding programme of activity with fewer staff is a continuing and regular concern for Council. Every effort is made to implement efficient business practices and the potential of digital technology. Council is also exploring opportunities to share services and costs with other organisations.</p> |
| <p>Personal Data Personal data is lost, compromised or stolen</p> | <p>The Council has controls and policies in place to ensure data integrity. Encrypted ICT systems ensure that the physical security of data is tightly controlled.</p> |
| <p>Welsh Language The new Welsh Language Standards increase costs and impede operational efficiency</p> | <p>Council adopts a progressive and forward-looking approach to the Welsh Language Measure. We believe that we will be able to implement the greater majority of the Standards. A small number of the Standards could potentially cause us difficulties, depending on their definition. We are currently in discussion with the Welsh Language Commissioner to explore what steps can be taken to mitigate potential risks.</p> |

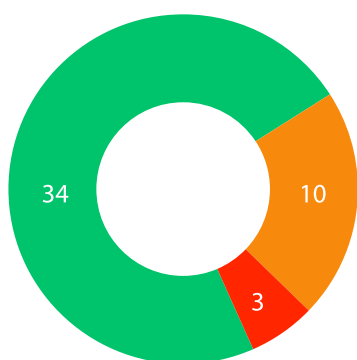
Our performance overall

A year of strong performance against our corporate objectives

Our Operational Plan for 2015-16 contained 47 corporate tasks, each with its own targets. Progress is monitored throughout the year through quarterly progress reports that are presented to Council.

Overall, Council welcomed the fact that the majority of our tasks in 2015-16 were successfully completed. At the end of the year:

- 34 tasks had been successfully completed
- 10 tasks were substantially complete
- 3 tasks had not been completed



Council noted that the number of tasks substantially – but not fully – completed by the year end (10) had increased in comparison with 2014-15 (2). In most cases the difference in timing between the year end and completion of the target was not material. However, Council has been concerned for some time that year on year reductions in staffing might impact on our capacity to deliver Council's agreed programme of activity. Council prides itself on efficient and effective working. Issues of delivery and capacity will therefore be kept under close review during 2016-17.

Council notes that we did not achieve our targets in 3 areas. These were:

- **our recruitment of National Advisers** – our volunteer advisers help us to see, assess and report on the arts across Wales. In spite of several recruitment campaigns we have struggled to find appropriately qualified individuals in all parts of Wales (especially those who are Welsh speaking). Recruitment continues in 2016-17
- **implementation of our Equalities action plans** – we set ambitious targets in our action plans (Equalities, Welsh Language and Sustainability). Although we met the majority of targets, we did not see the increased engagement of people from 'protected characteristic' groups that we had hoped to see. The fact that we could not evidence a more complete picture of achievement led Council to conclude that progress overall had not been satisfactory
- **efforts to reduce levels of staff absence and sickness** – Council is committed to reducing levels of staff sickness and absence. Council was therefore disappointed to see the level of sickness and absence at 584 days (2.61% of working days). This is an increase of 0.37% on the previous year's figures, although 1.32% related to long term absence. Renewed effort will be made in 2016-17 to manage absence and to support staff well –being

We exceeded expectations in a number of areas:

- our nation-wide network of **major arts organisations** – by helping to bring the arts within reach of more people across Wales. Attendance and participation has increased
- the **Creative Learning through the Arts** Programme is now firmly established. This major new five– year schools partnership with the Welsh Government has been rolled out to more schools than we had anticipated in our original targets
- we have been able to do more to **encourage families to enjoy and take part in the arts** – our Family Arts Campaign exceeded its target for family friendly events
- we have made it easier **for disabled people across Wales to attend the arts** – our Hynt Disability Ticketing scheme has grown significantly since its launch last year to include 5,500 members
- our **broadcast partnerships** with BBC Cymru Wales and S4C opened up new opportunities to develop and promote Welsh creative talent
- **we received excellent feedback** on our Advocacy Toolkit, our information resource for local authority funding partners providing facts and figures about arts investment
- our projects to help **promote Welsh art across the world** achieved high profile outcomes, with projects supported as part of the Patagonia 150 anniversary, the internationally important British Dance Edition hosted in Cardiff, and the largest ever audiences for the Wales exhibition at the Venice Biennale of Art
- our Collectorplan scheme broke all previous records, generating **nearly £1 million of sales of artists' work**

Operational Review

Key performance measures

The impact of our activities is assessed through the aggregation of performance data that is collected internally by ourselves and externally by independent third parties.

This includes:

- Council's quarterly monitoring of performance against the tasks in our **Operational Plan**. This information is also reviewed in quarterly meetings with the Welsh Government
- our **Survey of Revenue– Funded Organisations** – a comprehensive analysis, undertaken every six months, on data provided by our portfolio of organisations
- internally compiled **business intelligence** on how we have distributed our funding (by programme, by beneficiary and by geographic locality)
- **specialty commissioned research** – for example, the independently prepared evaluation of our presence at the Venice Biennale of Art
- our independently commissioned **Omnibus Surveys** of Adults' and Children's attendance and participation
- the **internal audit programme**, reporting to our Audit Committee on the effectiveness of our delivery

Performance highlights against key objectives

| Objective | Progress during 2015-16 |
|---|--|
| <p>Creating the environment for the arts to flourish</p> <p>Remit Letter: 1, 3, 6</p> | <p>We want the arts in Wales to have a positive impact, with artists and arts organisations able to create their best work and to sustain themselves through the quality of their activities.</p> <p>Attendance at events promoted by portfolio organisations was 3.95 million, exceeding the target by 150,000. Participation levels of 1.12 million saw an increase on 2014-15, exceeding target by 80,000.</p> <p>Our Investment Review resulted in a new portfolio which it is hoped will be sustainable on the reduced levels of funding that are available.</p> <p>During the year we undertook a comprehensive review of our support to individual artists. Funding criteria have been simplified, and a new Creative Professionals programme has been introduced.</p> <p>Our capital investment in venues makes a significant contribution to improving the cultural infrastructure across Wales. Pontio in Bangor opened to great acclaim in February 2016, and the Glynn Vivian Gallery in Swansea is on target to open in Autumn 2016.</p> <p>As part of our quality monitoring processes we recruit National Advisers to see and assess work that we fund. The lack of appropriately skilled advisers across all parts of Wales meant that we did not meet our target in this area. Addressing this will be a priority in 2016-17.</p> |
| <p>Increasing the value of international working in the arts – culturally, socially and economically</p> <p>Remit Letter: 3, 5, 6</p> | <p>We want our leading artists and arts organisations to realise their international ambitions by exploring new international markets and connecting with new partners. In an increasingly globalised world we want the arts in Wales to be able to operate effectively in the global market place by encouraging the increased mobility of artists.</p> <p>Welsh artists attended a range of international showcases/trade fairs, including South by South West, WOMEX, Canadian Music Week, Celtic Connections and the Lorient Festival. And working in partnership with the British Council we delivered 3 'signature' events as part of Patagonia 150.</p> <p>Helen Sears was the featured artist at the Venice Biennale of Art. Attendances exceeded previous levels by 22% and our Invigilator Plus programme provided 15 Welsh students with an unparalleled opportunity for professional development.</p> <p>With Arts Council support we were able to attract British Dance Edition (a major international showcase event) to Cardiff in March 2016.</p> |

| Objective | Progress during 2015-16 |
|--|--|
| <p>Finding new opportunities, ways and places for people to enjoy and take part in the arts</p> <p>Remit Letter: 1, 2, 3</p> | <p>We are committed to ensuring that the Council's funding is accessible and of benefit to all the citizens of Wales. Ensuring greater access to the arts is a natural priority for a body, such as us, that is in receipt of public funds.</p> <p>We are fully committed to removing the barriers that prevent and impede people from enjoying and taking part in the arts. We are especially keen to attract those from economically disadvantaged communities and our survey work during 2015-16 shows that the gap in attendance and participation between the most and least affluent in Welsh society is narrowing.</p> <p>Our Family Arts Festival exceeded targets in delivering 142 events across Wales in October 2015. We fell just short of our target for Night Out community events, with 536 performances achieved (against a target of 550).</p> <p>We have detailed action plans for Equalities, Welsh Language and Sustainable Development. 20% of the 119 actions contained in these action plans were not completed by the year end. We have therefore had to recognise that we have not met this important target and Council will expect improved performance in this area in 2016-17.</p> |
| <p>Developing the creativity of children and young people</p> <p>Remit Letter: 1, 2</p> | <p>We want all young people to have the opportunity to enjoy high quality arts and to develop their own talents. Our key priority in 2015-16 was working together with the Welsh Government on the establishment of our major partnership project, <i>Creative Learning through the Arts</i>.</p> <p>The project is proceeding to plan, with all key milestones met. We almost doubled our target number of participating schools, with 105 recruited to the programme during the year.</p> <p>We are also continuing to target the effects of cultural poverty with programmes to support NEET young people. During 2015-16 our <i>Momentum</i> programme engaged with 314 'at risk' youngsters.</p> |
| <p>Encouraging innovation, resilience and sustainability</p> <p>Remit Letter: 1, 3, 6, 7</p> | <p>Resilience will be key to arts organisations' future survival. We want to deliver a strategy for the Arts Council, and the arts in Wales, that encourages innovation and entrepreneurship and that enables the work of our artists and arts organisations to become more resilient and sustainable.</p> <p>During the year we have been developing a programme of business development support for our key organisations. The aim is to enhance their business capability so that they are less dependent on public funding. We also promoted the development of digital capability and expertise, supporting 9 pilot projects that explore new approaches to raising income.</p> |

| Objective | Progress during 2015-16 |
|--|---|
| <p>Protecting and growing the economic base for the arts in Wales</p> <p>Remit Letter: 1, 2, 3, 4, 6</p> | <p>These are challenging times for public funding. Local authorities – our traditional partners in arts funding and development – face increasing difficulties in maintaining current levels of funding.</p> <p>Our priority during 2015-16 was to work with local authorities to find more sustainable solutions that meet their local needs. We are also trialling new models of community engagement and investment through our Ideas: People: Places programme with 7 major projects being piloted across Wales.</p> <p>We supported Arts and Business Cymru to develop engagement with the private sector and this delivered a range of benefits including training, mentoring and cash sponsorship.</p> |
| <p>Demonstrating the value of the Arts</p> <p>Remit Letter: 1-7</p> | <p>We want to promote a positive and engaging view of the arts in Wales, making sure that the arts sector and the wider public in Wales understand what we, the Arts Council, are trying to achieve.</p> <p>We manage a research programme that helps us to be better informed about the arts in Wales. In 2015-16 we published 2 Omnibus Reports, a Local Authority Expenditure Survey, and our Revenue-Funded Organisation Survey. We also began analysis of the results of our major five year study, The Arts in Wales.</p> <p>Our quarterly e-Newsletters and social media tweets keep people informed about the arts in Wales. We also organise our own conferences, symposia and events, and have a presence at other national events (such as the National Eisteddfod and Urdd Eisteddfod).</p> |
| <p>Making the Arts Council an efficient and effective public body</p> <p>Remit Letter: 1-7</p> | <p>As a public body we have a responsibility to create a strong, confident organisation providing services that are relevant and useful. We provide professional services across a range of disciplines. We do so in ways which reduce cost and recognise our responsibility to become a more environmentally sustainable organisation.</p> <p>Financial transactions and supplier payments are made promptly. In 2015-16 we exceeded our targets with 97% of invoices paid within the suppliers' terms (target 93%) and 88% paid within 10 days (target 85%).</p> <p>We deal efficiently with Complaints and Freedom of Information (FoI) requests. 19 FoI requests were received this year, all of which were dealt with in full and within the required timescale.</p> |

Financial and business review

The Council has two principal funding sources: grant-in-aid from the Welsh Government; and, as one of the bodies responsible for the distribution of funds for good causes, a share of the proceeds raised by the National Lottery. The Council is required to account separately for its lottery distribution activities.

Grant making policies

The Council invites applications for recurrent and one-off grants from organisations and individuals and monitors the proper and effective use of those grants. As well as meeting the Council's strategic aims, applications must demonstrate benefit to the people of Wales across all regional, cultural and economic sectors. Recurrent grants are funded from grant-in-aid only but one-off grants may be funded from grant-in-aid or Lottery income. Under the terms of its Lottery Policy Directions the Council makes grants in support of capital and other projects under revenue schemes relating to the arts in Wales.

Capital grants, to organisations only, support the purchase, improvement, restoration, building or creation of an asset that will be used continuously.

Council has delegated its grant making in a number of strategic areas to Ffilm Cymru Wales, Nesta, BBC Cymru Wales, Literature Wales, and Tŷ Cerdd. The terms of the external delegation are set out in formal agreements and satisfy the conditions of the Council's Statement of Financial Requirements. The obligations of the Council's Accounting Officer are unchanged by the delegation but he has satisfied himself that the organisations and their systems are suitable to undertake the delegated functions, including: the assessment of applications for funding; holding, accounting for and distributing Lottery money allocated to them by the Council for that purpose; and monitoring funded projects. The delegation agreements allow for appropriate access to the delegates by the Council's internal auditors and by the Comptroller and Auditor General for the review of the operation of the delegated functions.

Revenue scheme grants are available to help fund time-limited artistic projects of high quality which best meet the Council's funding priorities. On-going monitoring of our grant aid programmes alerts us to any specific risk issues. Identified risks lead to an escalation of the level of monitoring and, if necessary, can result in the payment of funding being with-held and/or deferred.

Grants processed

| | 2015-16 | 2014-15 |
|---|---------------|---------------|
| Number of applications received: | | |
| Capital schemes | 16 | 25 |
| Revenue schemes | 1,061 | 1,227 |
| | <u>1,077</u> | <u>1,252</u> |
| Number of grants made: | <u>589</u> | <u>717</u> |
| Value of grants made: | £000 | £000 |
| Capital schemes | 2,640 | 3,451 |
| Revenue schemes | 12,201 | 13,786 |
| | <u>14,841</u> | <u>17,237</u> |
| Grants payable at 31 March: | | |
| Capital schemes | 6,404 | 7,763 |
| Revenue schemes | 11,307 | 11,212 |
| | <u>17,711</u> | <u>18,975</u> |

Investment

Investment powers are governed by the Trustee Act 2000, the Framework Document issued by Welsh Ministers and the Financial Directions issued by the Secretary of State for Culture, Media and Sport. The Council's policy is to achieve the maximum return within these terms. Interest at a negotiated rate linked to bank base rate is received on all credit balances in the Council's current accounts. From time to time, higher rates may be available for restricted funds on long term deposit.

From October 2013 until March 2016, to minimise risk to our charitable and public funds whilst retaining the control and flexibility needed for day-to-day operations, the Council had accounts with CCLA Investment Management Limited which allowed us to make daily transfers of surplus funds between their Public Sector Deposit Fund and our bank current accounts. The Fund is AAmmf rated by Fitch Ratings.

The Council tendered its banking services during the year and, with effect from 1 April 2016, transferred its accounts to Santander UK plc.

Balances held in the National Lottery Distribution Fund remain under the stewardship of the Secretary of State for Culture, Media and Sport so, although the Council receives investment income on its share of such balances, the Council has no investment powers over the Fund.

Payment of creditors

Under the Late Payment of Commercial Debts (Interest) Act 1998, and the UK Government's Better Payment Practice Code, the Council is required to pay suppliers' invoices not in dispute within 30 days of receipt of goods or services or valid invoice, whichever is the later.

The Council aims to pay 100% of invoices, including disputed invoices once the dispute has been settled, in line with these terms. During the year ended 31 March 2016, the Council paid 97% (2014-15: 97%) of all invoices within the terms of its payment policy. In line with Welsh Government policy, the Council has a further aim to pay invoices within 10 days. For 2015-16 88% (2014-15: 91%) of invoices have been paid within 10 days. It is not anticipated that our policy will alter in future years and we will continue to adopt challenging performance targets.



Financial results

| | 2015-16 | 2014-15 |
|--|----------------|---------|
| | £000 | £000 |
| The Lottery Distribution accounts show: | | |
| Share of proceeds from the National Lottery | 19,233 | 18,031 |
| Refund from the Olympic Lottery Distribution Fund | – | 1,487 |
| Net grants made | 13,695 | 16,865 |
| Excess of income over expenditure/(expenditure over income) for the year | 1,016 | (1,016) |
| Balance held in the National Lottery Distribution Fund at 31 March | 21,377 | 22,358 |
| Reserves at 31 March | 5,095 | 4,079 |

Our share of National Lottery proceeds increased by 6.7% and was above the original forecast.

We have ring-fenced approximately £22 million for our capital grants programme for the five years from 2012-13 to 2016-17. There can be a long lead time from the registration of a major capital project to the issue of a formal offer and this often impacts the total value of grants made each year and the overall net income or expenditure. For 2015-16 we expected to make capital grants of around £5 million but offered £2.6 million, which is reflected in the reduction in net grants made compared with the previous year.

At year-end grants payable totalled £17.711million (2014-15: £18.975 million). Undrawn funds in the National Lottery Distribution Fund plus cash and cash equivalents totalled £24.199 million (2014-15: £24.003 million). The National Lottery Distribution Fund balance decreased by approximately 4% from £22 million at the beginning of the year to £21million, however this was balanced by a 71% increase in cash and cash equivalents, largely due to the timing of our capital grants programme.

Equalities

"We adopt an inclusive and broad approach to equality and diversity – one that includes all the protected characteristics covered by the Equality Act 2010. A fair-minded and tolerant society values and respects the needs, interests and creativity of everybody. And the arts in Wales will be stronger, more exciting and relevant to more people if we embrace diversity."

Richie Turner
Chair, Equalities Monitoring Group

Data and information

We take an active and engaged approach to meeting our Equalities targets. We have improved our collection of information and data about people in the 'protected characteristic' groups, we have also offered advice, guidance and information on making arts venues and activities more accessible. Improving our services in these areas will continue.

Our most recent survey results show that there has been a substantial increase in the number of arts events targeted at people in the protected characteristics groups (72%), resulting in an increase of over one fifth (22%) in attendance.

At the beginning of the year we launched our Equalities Guide and ran three training workshops across Wales.

Hynt – our Disabled Visitors Card scheme – goes from strength to strength with almost 6,000 cards issued by the end of March 2016.

Achieving a clearer focus

In spite of these examples of success, we feel we have fallen short of achieving our equality objectives as described in our Strategic Plan first developed in 2012.

Our evidence tells us that we need to do more to raise the profile of our equality objectives both within our organisation and across the sector. We made noticeable progress in our work through discussion and consultation with the people and communities we aim to reach, but our monitoring of grant applications and levels of interest in roles within the organisation would suggest that we need to reconnect with these communities in a more meaningful and proactive way.

For example, although there has been some progress in diversifying the arts workforce, there is still work to do. Of particular concern in 2014-15 was the decrease in the number of disabled people employed by our funded organisations. We are pleased to report that there was an increase in 2015-16 of 57%. However, given the numbers of actual people that this represents is 102 (2014-15: 65), we still believe there is work to do. Tackling this will continue to be a priority for our work in 2016-17.

Welsh language

“Nothing makes Wales more distinctive than the Welsh language. The language provides the means to understand and enjoy an extraordinarily rich literature and culture. The arts thrive on this and are a key component in continuing the Welsh language’s vital role at the heart of Welsh life.”

Marian Wyn Jones
Chair, Welsh Language Monitoring Group

A fundamental commitment

We adopt an inclusive and broad approach to Language. As a bilingual organisation, our commitment to the Welsh language is integral to our work. Wales is a bi-lingual nation – legally, socially, culturally, and as individuals and communities.

Around half of the Arts Council’s staff are Welsh language speakers. And we promote vigorously the right of people to explore their own culture, their own creativity through the language of their choice, whether as consumer, participant or artist.

Responding to the new Welsh Language Standards

This has been a dominant topic for discussion during the year within our Welsh Language Monitoring Group.

Since 2014 the Welsh Government and the new Welsh Language Commissioner have been consulting on new arrangements for protecting and promoting the status of the Welsh Language.

The Standards are designed to ensure that the Welsh language should be treated no less favourably than the English language; and, that people in Wales should be able to live their lives through the medium of the Welsh language if they choose to do so.

The legislative process for Phase 2 of the Welsh Language (Wales) Measure was completed in February 2016 with the publication of new Standards for Phase 2. As one of the designated bodies affected by the legislation, we are required to comply with these Standards.

Although there are 168 Standards, we do not have to comply with all of them. Some Standards are reliant on others and there is scope for differentiation. Other Standards require differing levels of compliance depending on the size and type of organisation. On 31 March 2016, we received our draft Compliance Notice starting formal consultation.

Developing the arts through the medium of Welsh

For us, engaging with the Welsh Language is not a matter of compliance – it is a deeply cultural issue. Nothing makes Wales more distinctive than the Welsh Language. It provides the means to understand and enjoy an extraordinarily rich literature and culture. The arts thrive on this and are a key component in continuing the Welsh language’s vital role at the heart of Welsh life. Our funding and strategy supports this.

The year ahead

We remain focused on our mission and objectives. Encouraging more people, from across Wales' diverse communities, to enjoy and take part in the arts remains our main goal. We will be placing particular emphasis on tackling the barriers, social, cultural and economic that prevent our achievement of this goal.

Council will continue to organise its programme of work for 2016-17 around its eight corporate objectives.

The Welsh Government is the largest sponsor of Council's activities

As such, our business strategy reflects the broader vision and agenda of the Government. In May 2016 there was an Election for the National Assembly for Wales. An incoming Welsh Government set a new Programme for Government.

The framework for this new Programme is informed by the Well-being of Future Generations Act

The arts self-evidently contribute to our Well-being and quality of life. And we know that the arts can bring substance and imagination to the delivery of a wide range of civic strategies. Ensuring that we make a positive contribution to the Well-being agenda will be a priority that informs all aspects of our work in 2016-17.

As a Welsh Government Sponsored Body we work within a strategic framework agreed with the Government

The Welsh Government's expectations of us are set out in an annual Remit Letter. A copy of our Remit Letter for 2016-17 can be found on our website.

Our Remit Letter sets out ten areas of priority.

- 1 **Well-being of Future Generations Act** – we will be required to ensure that our policies and our activities align with the themes and goals of the Act. We anticipate no difficulties with this – indeed, this emphasis is consistent with our existing priorities, as articulated in *Inspire...*
- 2 **Being creatively active** – a long standing priority for the Arts Council, we are fully committed to working in partnership with the Welsh Government to deliver this priority. We want as many people as possible to experience and enjoy the arts: to be inspired by imagination and creativity, excited by ambition and spectacle, intrigued by the new and unfamiliar. We will therefore build on the successes of the key organisations that we fund, encouraging them to continue to reach out to new organisations.
- 3 **Education and skills** – we will continue to work in partnership with the Welsh Government to implement our joint strategy *Creative Learning through the Arts*. We will also be looking more broadly at skills development to explore ways in which creativity can provide young people with the capability to succeed in the world of work.
- 4 **Tackling poverty** – we are working to create more opportunities to introduce people who currently feel excluded from the arts to the benefits of creative activity. Over the past five years, we have seen more people from disadvantaged communities taking part in the arts. But we're determined to ensure that we play our part in bringing high quality arts opportunities within reach of more of the most disadvantaged people in our most deprived areas. We expect our work in this area to contribute positively to the implementation of the Government's Child Poverty and Families First strategies.
- 5 **Sustainability and maximising the return on public investment** – one of our long-standing priorities has been to work with our funded organisations to increase earned income and reduce the level of dependency on public funding. As we plan for the future, we will work to ensure that the arts – and the Arts Council itself have the resilience to weather the current economic pressures. We are committed to doing what we can to raise funds from other sources, and encouraging our Portfolio Organisations to do likewise, to expand the economy of the arts in Wales.

- 6 **Safeguarding the arts infrastructure** – Wales is experiencing a period of sustained economic difficulty. The partnership between the Arts Council of Wales and local government provides the foundation for the funding and development of the arts in Wales. We will work closely with local authorities to find ways of protecting important activity.
- 7 **Brand Wales/Themed Years** – the arts are a highly effective way of raising a country’s visibility and reputation. Through our international division, Wales Arts International, we’ll continue to foster international artistic excellence in Wales and will work with our international partner, the British Council, to vigorously pursue such opportunities. We will also work to improve the international impact and recognition for the arts and culture of Wales on the world stage, bringing national and international cultural events to Wales.
- 8 **Developing the partnership with Economy, Science and Transport** – we will develop stronger and more wide ranging relationships with our sponsor Department. This includes colleagues in Major Events, Visit Wales and the Creative Industries.
- 9 **Digital technology** – new technology offers exciting opportunities for creativity, society and the economy. We will help the arts to build the capacity and skills to understand what new technology has to offer for exploiting creative opportunities.
- 10 **Arts and Health** – we have received positive encouragement to renew our (lapsed) strategic partnership with the Department of Health. We will be pursuing this as a priority.

Environmental and sustainability issues

"Climate change and environmental protection are, without question, amongst the most important issues of our time. However, unless we attach equal importance to issues of wider Well-being, we'll fail in our attempts to build strong, vibrant and ultimately sustainable communities."

Melanie Hawthorne
Chair, Sustainable Development Monitoring Group

Sustainability

The Arts Council's Sustainable Development Monitoring Group was set up in 2013. Its role is to ensure that we are well prepared for the introduction of the Well-being of Future Generations Act and to take on a leadership role in championing the importance of this agenda in our work.

Although legal compliance with the legislation is not mandatory until April 2017, we have been voluntarily complying with the Act and continuing the process of adapting and renewing our policies and ways of working to reflect the Well-being requirements.

From the day-to-day management of our offices to the conduct of policy reviews (such as our Investment Review), we have placed sustainable development at the heart of our thinking.

All capital projects in which Council invests are expected to meet BREEAM sustainability standards.

We have established an ambitious Environmental Policy for our own operations and are have achieved Green Dragon Level 5 Accreditation for our efforts.

As champions of good practice we have worked with members of our portfolio of key organisations to share best practice and peer-to-peer learning. We have supported an Environmental Leadership network for venues in Wales through Creu Cymru and have supported a Leadership Development Programme for emerging arts managers based on Sustainable Development principles developed by Welsh organisations Lucid and PIRC.

Environmental performance

We take our environmental performance seriously and have, in recent years, focussed our efforts on initiatives that offer longer term benefits.

We have concentrated on extending the use of our information technology infrastructure to provide business and environmental benefits. All staff are able to access our systems remotely, via secure links, and have full electronic access to all systems and supporting documents. This has enabled us to reduce the volume of paper we process and store.

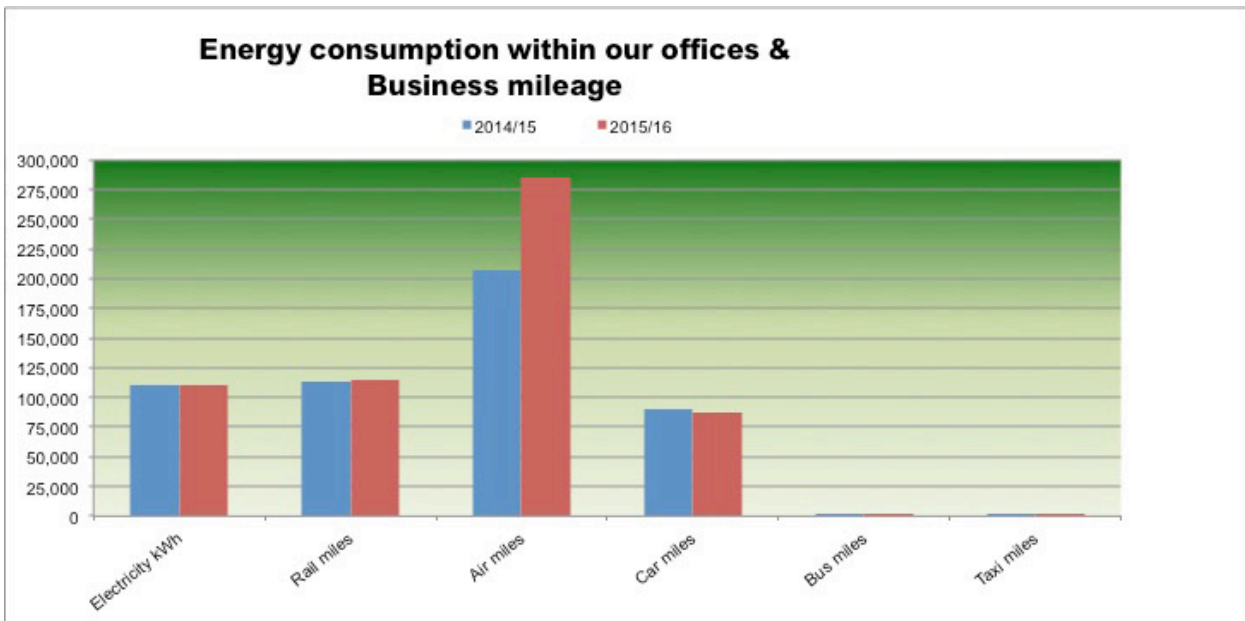
We are continuing to promote changes in behaviour. The vast majority of our arts development teams are equipped with laptops and smartphones, enabling them to operate on a mobile basis. This has helped reduce travel to work journeys for some of our staff, and enables more effective travel to clients. We have invested in high quality video conferencing capacity in all three offices and actively promote its use as an alternative to travel. We are able to link to any public sector location in Wales, and further afield, including internationally. This enables staff, either using the high quality equipment in our offices or via their laptops, to participate in meetings with colleagues and a wide range of clients and stakeholders without the need to travel.

We promote the minimisation of waste amongst our staff by encouraging reduction, reuse and recycling and waste separation, thus reducing the amount sent to landfill. We reuse or recycle our surplus and redundant IT and office equipment. We use licensed and appropriate organisations to dispose of our waste.

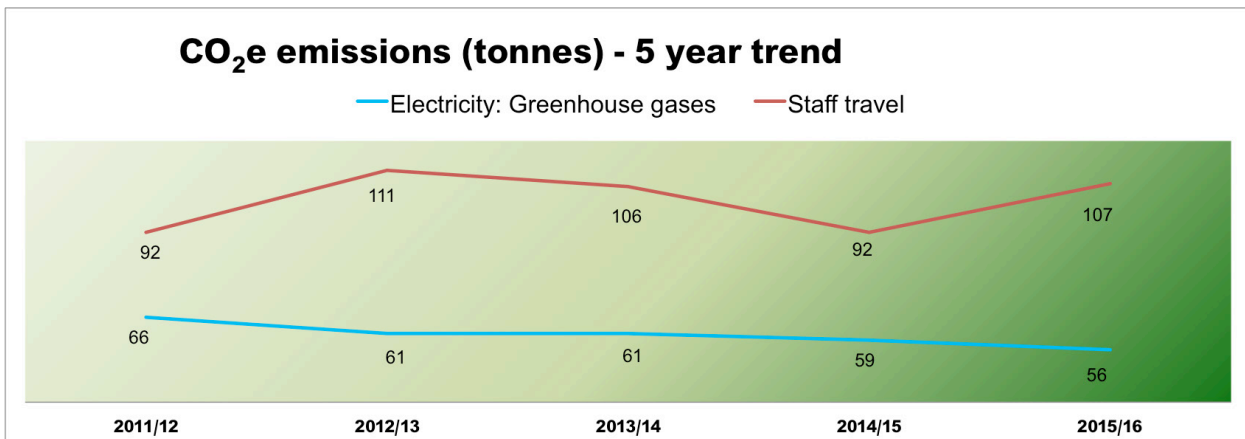
All our major suppliers of office equipment and supplies have environmental policies and reporting mechanisms in place, and we consider environmental performance and awareness when selecting contractors and suppliers.

In addition to the environmental benefits these various initiatives offer they also enable us to operate with greater efficiency than would otherwise be the case.

Managers and staff are provided with monthly reports analysing printing and copying activity, to encourage lower overall usage. Our internal reporting systems enable us to capture and measure details of our use of consumables, waste, energy, and staff travel, and thus our carbon dioxide equivalent (CO₂e) emissions. However, as all three of our offices are leased on a shared occupancy basis, with certain costs included within our service charges, this continues to restrict our ability to accurately assess our total environmental impact. There has, however, been a steady reduction in our electricity consumption, over which we have direct control, as the graph below indicates.



We promote the use of environmentally friendly means of transport, and encourage staff to make journeys by the most efficient means possible, taking account of both environmental and financial considerations. However, we have to balance this against the delivery of our strategic priorities to develop the arts in Wales, and to promote Welsh arts and artists internationally. As a result, there are inevitable fluctuations in the level of CO₂e emissions attributable to travel, especially when we are active internationally. During this year, complementing Welsh Government priorities, we worked in India, China and Patagonia.



Our Creative Learning through the Arts Programme, which began in 2015-16, is delivered through schools across the whole of Wales. This inevitably adds to our levels of travel and amounted to 6 tonnes of CO₂e included in our reported totals for 2015-16.

| | 2015-16 | 2014-15 |
|---|----------------|---------|
| Waste: | | |
| Non-financial (tonnes) | | |
| Landfill – <i>estimate</i> | 0.12 | 0.12 |
| Reused/recycled – <i>estimate</i> | 1.43 | 3.25 |
| | | |
| Energy: | | |
| Greenhouse gas emissions (CO ₂) in tonnes | | |
| Gross emissions, scope 2&3 (indirect) | 56 | 59 |
| | | |
| Energy consumption (Kwh) | | |
| Electricity (non-renewable) | 111,033 | 110,373 |
| Electricity (renewable) | N/A | N/A |
| Gas | 941 | 1,263 |
| | | |
| Financial indicators (£) | | |
| Expenditure – energy | 13,448 | 13,390 |
| Water supply costs (office estate) – currently unable to assess, included in service charge | N/A | N/A |
| | | |
| Staff Travel: | | |
| Travel emissions (CO ₂) in tonnes | | |
| Rail | 8 | 9 |
| Air ¹ | 71 | 54 |
| Car/vans | 28 | 29 |
| | | |
| Travel cost (£) | | |
| Rail | 27,364 | 30,431 |
| Air | 24,788 | 19,791 |
| Car/vans | 39,889 | 41,424 |
| | | |
| Travel (miles) | | |
| Rail | 114,171 | 113,832 |
| Air | 284,562 | 206,500 |
| Car/vans | 86,644 | 89,851 |

- 1 Includes the influence of radiative forcing in air travel emissions to capture the maximum climate impact. Radiative forcing is a measure of the environmental impact of emissions of NO_x (nitrous oxides) and water vapour when emitted at high altitude.

Nicholas Capaldi
Accounting Officer

16 September 2016

Endorsed on behalf of Council:
Phil George
Chairman

16 September 2016

Accountability Report

Corporate Governance

Our Trustees

Council Members who served since 1 April 2014 were:

| | Attendance at meetings during 2015-16 | | | |
|---|---------------------------------------|----------------------------------|-------------------|-----------------------------|
| | Council | Audit & Risk Assurance Committee | Capital Committee | HR & Remuneration Committee |
| | Number of meetings held: | | | |
| | 8 | 6 | 5 | 1 |
| Professor Dai Smith, Chair from 1 April 2004 to 31 March 2016 Chair of HR & Remuneration Committee (to 31 March 2016) | 8 | | | 1 |
| Phil George, Chair from 1 April 2016 | | | | |
| Dr Kate Woodward, Vice Chair from 1 April 2008 Chair of Wales at the Venice Biennale of Art Committee | 6 | | | |
| Dr John Geraint from 1 April 2010 to 31 March 2016 Chair of Audit & Risk Assurance Committee (to 31 March 2016) Member of HR & Remuneration Committee (to 31 March 2016) | 6 | 6 | | 1 |
| Michael Griffiths OBE from 1 April 2012 Member of Audit & Risk Assurance Committee Member (from 1 April 2016) of HR & Remuneration Committee | 6.5 | 5 | | |
| Melanie Hawthorne from 1 April 2012 Chair of Sustainability Monitoring Group | 7 | | | |
| Dr Lesley Hodgson from 1 April 2012 Member (Chair from 1 April 2016) of Audit & Risk Assurance Committee | 6 | 5 | | |

| | Attendance at meetings during 2015-16 | | | |
|--|--|---|--------------------------|--|
| | Council | Audit & Risk Assurance Committee | Capital Committee | HR & Remuneration Committee |
| | Number of meetings held: | | | |
| | 8 | 6 | 5 | 1 |
| Margaret Jervis MBE DL from 1 April 2008 Member (Chair from 1 April 2016) of HR & Remuneration Committee | 6 | | | 1 |
| Marion Wyn Jones from 1 April 2012 Chair of Welsh Language Monitoring Group | 5.5 | | | |
| Andrew Miller from 1 April 2012 Member (from 1 April 2016) of HR & Remuneration Committee | 6.5 | | | |
| Richard Turner from 1 April 2010 Chair of Equalities Monitoring Group | 5 | | | |
| Alan Watkin from 1 April 2010 Member of Capital Committee | 7 | | 5 | |
| Professor Gerwyn Williams from 1 April 2010 to 31 March 2016 Chair of Capital Committee (to 31 March 2016) | 8 | | 5 | |
| John C Williams from 1 April 2010 Member (Chair from 1 April 2016) of Capital Committee | 5.5 | | 5 | |

| | Attendance of independent Committee members during 2015-16 | | |
|--|---|--------------------------|--|
| | Audit & Risk Assurance Committee | Capital Committee | HR & Remuneration Committee |
| | Number of meetings held: | | |
| | 5 | 5 | 1 |
| Andrew Butler from 9 October 2015 | 4/4 | | |
| Gareth Jones to 31 August 2015 | 1/2 | | |
| Katrina Michael from 9 October 2015 | 3/4 | | |
| Arwel Thomas from 9 October 2015 | 3/4 | | |

| | Attendance of independent Committee members during 2015-16 | | |
|------------------|---|--------------------------|--|
| | Audit & Risk Assurance Committee | Capital Committee | HR & Remuneration Committee |
| | Number of meetings held: | | |
| | 5 | 5 | 1 |
| Ruth Cayford | | 4 | |
| Mark Davies | | 4 | |
| Roland Wyn Evans | | 1 | |
| Alan Hewson | | 5 | |
| Philip Westwood | | | 1 |

In accordance with the Council's Code of Best Practice, members of Council and independent Committee members make declarations of interest in respect of directorships, memberships of boards of management (or equivalent) or employment which may conflict with their Arts Council of Wales' responsibilities. The register of interests of Members of Council and of independent Committee Members is available for public inspection, by appointment, at each of the Council's offices during normal working hours.

All financial transactions between members and the Council are disclosed in note 12 to the financial statements, *Related party transactions*.

Personal data related incidents

The Council has controls and policies in place to ensure data integrity. ICT systems ensure that the physical security of data is tightly controlled. As far as we are aware, no loss of data occurred during the period under review.

Our Chief Executive and Accounting Officer

Nicholas Capaldi

Our Offices

Mid and West Wales:
The Mount
18 Queen Street
Carmarthen
SA31 1JT

North Wales:
Princes Park II
Princes Drive
Colwyn Bay
LL29 8PL

South Wales and national office:
Bute Place
Cardiff
CF10 5AL

Auditor

Comptroller and Auditor General
157-197 Buckingham Palace Road
London
SW1W 9SP

Internal auditors

Deloitte LLP
5 Callaghan Square
Cardiff
CF10 5BT

Solicitors

Geldards LLP
Dumfries House
Dumfries Place
Cardiff
CF10 3ZF

Bankers

Santander UK p.l.c.
9 Queen Street
Cardiff
CF10 2UD

Statement of Council's and the Accounting Officer's responsibilities

Under Section 35 of the National Lottery etc. Act 1993 (as amended) the Council is required to prepare for each financial year a statement of accounts for its Lottery distribution activities in the form and on the basis determined by the Secretary of State for Culture, Media and Sport. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Council and of its income and expenditure, changes in equity and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the *Government Financial Reporting Manual* and in particular to:

- observe the Accounts Direction issued by the Secretary of State for Culture, Media and Sport, 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 as set out in the *Government Financial Reporting Manual* have been followed, and disclose and explain any material departures in the financial statements; and
- prepare the financial statements on a going concern basis.

The Principal Accounting Officer for the Welsh Government has designated the Chief Executive as the Accounting Officer of the Council. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Council's assets, are set out in *Managing Public Money* published by HM Treasury.

Nicholas Capaldi
Accounting Officer

16 September 2016

Endorsed on behalf of Council:
Phil George
Chairman

16 September 2016

Accounting Officer's confirmations

In accordance with the National Lottery etc. Act 1993 (as amended) the Comptroller and Auditor General conducts the Council's external audit on terms approved by the Secretary of State for Culture, Media and Sport.

So far as I am aware, as the Accounting Officer, there is no relevant audit information of which the Council's auditor is unaware. I believe that I have taken all the steps that would be expected of me as Accounting Officer to make myself aware of any relevant audit information and to establish that the Council's auditor is aware of that information.

I consider that the annual report and financial statements as a whole are fair, balanced and understandable and I take personal responsibility for them and the judgments required for determining that they are fair, balanced and understandable.

Nicholas Capaldi
Accounting Officer

16 September 2016

Governance Statement

This Governance Statement is the personal responsibility of me, Nicholas Capaldi, the Arts Council of Wales' Accounting Officer and Chief Executive. It sets out the governance arrangements of the Arts Council of Wales.

It also describes how I have discharged my responsibilities for ensuring that we conduct our business, in respect of both exchequer and lottery activity, in accordance with the law. This includes providing the necessary assurances that we are adhering to proper standards and establishing the necessary safeguards to protect the use of public money.

I explain how these funds are properly accounted for, and used economically, efficiently and effectively to support the delivery of our plans and priorities.

About the Arts Council of Wales

The Arts Council of Wales – Cyngor Celfyddydau Cymru – was established by Royal Charter on 30 March 1994, and exists to support and develop the arts in Wales. It does so for the benefit of people throughout Wales, and to support Welsh art internationally.

We are also a Welsh Government Sponsored Body (WGSB), a National Lottery Distributor, and a registered charity (number 1034245).

Our Royal Charter sets out our objectives. They are to:

- develop and improve the knowledge, understanding and practice of the arts;
- increase the accessibility of the arts to the public;
- work through the Welsh and English languages; and,
- work with other public bodies in Wales, and with the other Arts Councils in the UK, to achieve these aims.

A copy of our Royal Charter can be found on our website.

The legislative framework

We operate within a carefully prescribed and regulated legal environment. The Arts Council of Wales is accountable to the Welsh Government's Minister for Economy and Infrastructure. We work within a framework that sets out the terms and conditions under which Welsh Ministers provide our grant-in-aid funding, and how we are able to use this funding. We manage our funds with probity and in the public interest and, along with other public bodies in Wales, adhere to the principles contained in *Managing Welsh Public Money*.

As a distributor of Lottery funds under the National Lottery etc. Act 1993 (as amended), we are accountable to the UK's Secretary of State for Culture, Media and Sport. Our financial directions are issued by the Secretary of State, and our policy directions by the Welsh Ministers. These set out how we must operate in respect of Lottery distribution activities.

We are required to account for Lottery distribution activity separately from the rest of our work, and we have appropriate arrangements in place to ensure that we produce two sets of published accounts. Our Lottery Distribution accounts are audited under an arrangement with National Audit Office by the Wales Audit Office. The Wales Audit Office also audits our General Activities account.

As a charity we have to ensure that we comply with the requirements of the Charities Acts 1960, 2006 and 2011. As such, we follow guidance issued by the Charity Commission, acting solely to further our chartered and charitable objectives.

The activities we carry out in connection with our *Collectorplan* scheme are subject to the Consumer Credit Act and guidance issued by the Financial Conduct Authority.

We have designed our systems, processes and controls to take account of these various responsibilities. Within these frameworks we make independent decisions regarding the strategic direction of the organisation, grant funding, and other financial decisions.

Risk assessment is fundamental in our operations and this Governance Statement should be read in conjunction with the *Principal risks and uncertainties* section of the Performance Report.

Should the need arise, the Public Services Ombudsman for Wales, the Parliamentary Commissioner for Administration, the Charity Commission, the Financial Conduct Authority, the Information Commissioner, the National Audit Office, and the Wales Audit Office are all able to investigate the Council's affairs.

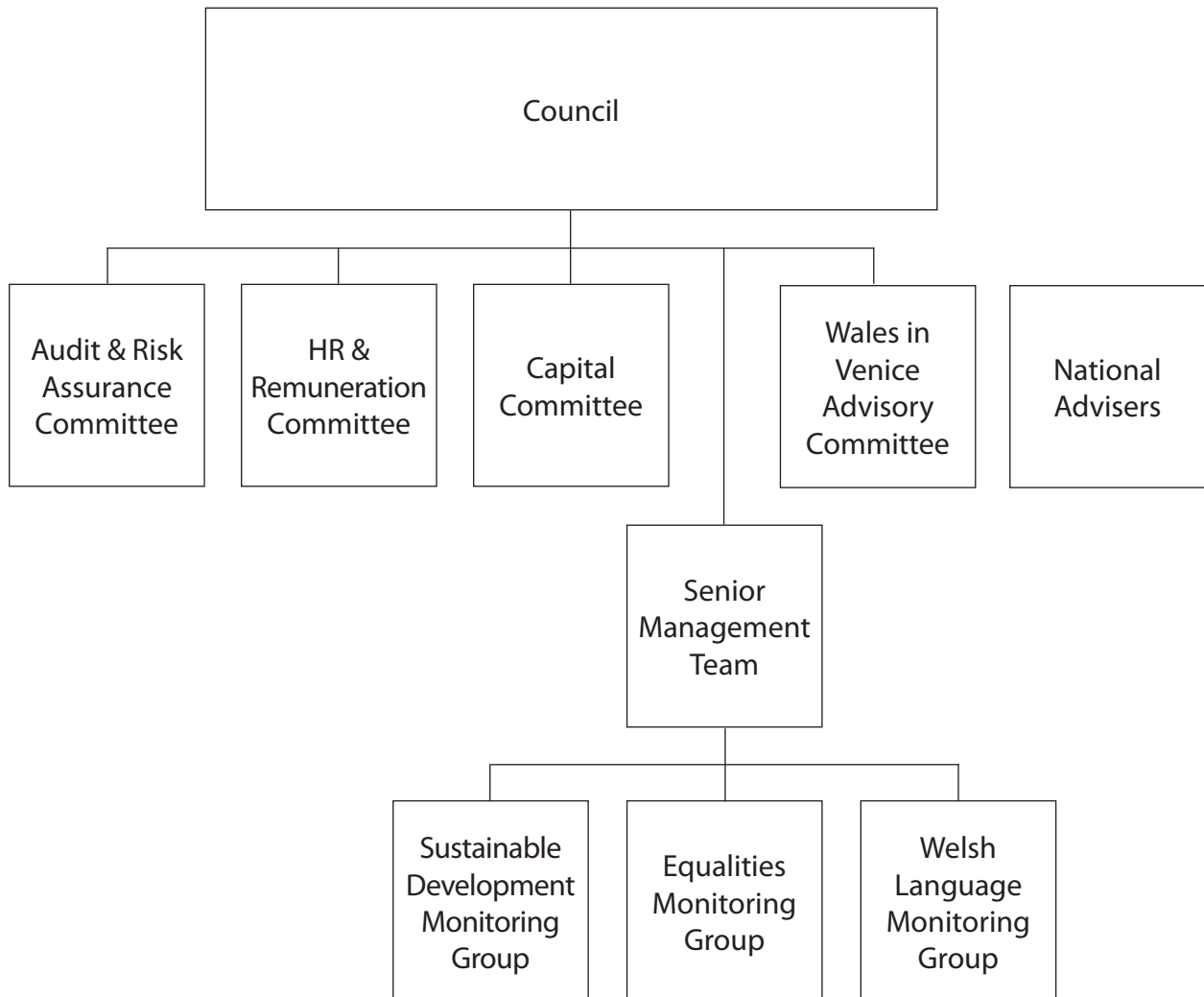
Our Governance structure

We are governed by a Board of Trustees – Council – which consists of a Chair and up to seventeen other independent members, one of whom is appointed as Vice-Chair. Each Trustee brings specific expertise and knowledge to the oversight and development of our activities. At the end of March 2016, our Council comprised of the Chair, plus twelve members. Following the expiry of the terms of office of some members, at the time of signing these accounts Council comprised of the Chair plus ten members.

Our Governance arrangements

Our Trustees are appointed by the Minister for Economy and Infrastructure through an open selection process, conducted in accordance with Nolan principles. Appointments are usually for a three year term, renewable for a maximum of two additional terms.

The Chair of Council is a remunerated position, at a rate set annually by Welsh Government. All other Trustees provide their time and expertise on a voluntary basis. However, they are reimbursed for out-of-pocket expenses incurred on Council business, a summary of which is contained in the Remuneration and Staff Report.



Council

| | |
|---------------------------------------|---|
| Responsibilities | <p>Council is responsible for the strategic direction and management of our organisation. It is also responsible for ensuring that we, through me as Chief Executive, operate within the various accountabilities required of us.</p> <p>Council members are responsible for key decisions on corporate policy: the formulation of our Corporate and Operational Plans, and any major alterations to the terms and conditions of service for staff. They set the annual budget, decide on the annual allocation of grants to organisations in the Arts Portfolio Wales, and approve all grants over £50,000 or, in the case of Lottery funded capital projects, over £250,000. Decisions below these thresholds are delegated to authorised staff and to the Capital Committee, respectively.</p> <p>Members attend arts events across Wales as representatives of Council.</p> |
| Summary of Discussions during 2015-16 | <p>As part of its ongoing scrutiny of Governance, Council reviewed our Corporate Assurance Framework and risk register and completed an assessment of its own performance. It prepared and monitored the Corporate and Operational Plans, and received updates on key areas of performance including the Equalities, Sustainable Development and Welsh Language Plans.</p> <p>The focus of policy during the year was the development and launch of our new arts strategy <i>Inspire: creativity and the arts</i>. Council also endorsed the new arts and education partnership with the Welsh Government and oversaw the development of our international partnership agreement with the British Council.</p> <p>The strategy informed Funding decisions, particularly Council's major examination of support to its revenue-funded organisations, its Investment Review. Council set and monitored the annual budget, agreed levels of funding to key organisations and monitored their performance throughout the year.</p> <p>Council monitored the progress of strategically important projects, including our <i>Creative Learning through the Arts</i> programme (a partnership project with Welsh Government).</p> |
| Frequency of meetings and attendance | <p>Council met 8 times during 2015-16 to discharge its responsibilities. During the year, members in total attended meetings on 83 out of a possible 104 occasions. Council meetings are normally held approximately every 6 weeks, but additional meetings were held in connection with the Investment Review. Copies of agendas and minutes of our Council meetings can be found on our website.</p> |

To help support its work, Council has appointed three committees to provide specialist advice. These are: Audit & Risk Assurance; Capital; and the HR & Remuneration committees. It also has an ad hoc advisory committee, to advise on Wales' presence at the international Biennale of Art in Venice, and three internal monitoring groups.

Each Committee includes Council members, one of whom acts as Chair, and independent committee members appointed through an open selection process for their specialist skills and experience. The minutes of each Committee meeting are provided to Council for discussion and approval. Terms of reference for each committee can be found on our website. Terms of reference are reviewed annually.

All new members of Council and of each Committee undergo an induction process appropriate to their role, and are encouraged to continue their development during their period of appointment.

Our three internal monitoring groups are – Equalities, Sustainable Development and Welsh Language. These help drive forward Council's agenda in these areas. Council received minutes of each meeting.

Our National Advisers support us in our work, offering their time and expertise on a voluntary basis. Their specialist knowledge and help contributes to policy development, the assessment of grant applications, and advice to officers. They are appointed through an open recruitment process.

Audit & Risk Assurance Committee

| | |
|---------------------------------------|--|
| Responsibilities | Audit & Risk Assurance Committee is responsible for providing assurance to Council on the effectiveness of our governance, risk management and internal control arrangements. It scrutinises the organisation's management and administration to test that processes and procedures are being operated to the high standard that Council expects. |
| Summary of Discussions during 2015-16 | <p>New members joined the Committee during the year. Thorough induction and regular training is provided to all Committee members.</p> <p>An important aspect of the Committee's work is scrutiny of the Corporate Assurance Framework and Corporate Risk Register. Together these documents provide assurance to Council that the systems, processes and behaviours that exemplify good governance and effective operation are in place.</p> <p>A key issue for Committee during the year was ensuring that the Arts Council's policy and strategy for preventing fraud was fit for purpose. An alleged fraud and potential associated loss came to light in October 2015, perpetrated by a third party against organisations in receipt of Lottery grant funding. An internal investigation, according to the Council's established procedure, was instigated promptly. This led to the matter being reported to the police followed by the successful prosecution of an individual on a number of counts of fraud and money laundering. Council members/trustees, the Committee, external auditors and all relevant external bodies were kept fully informed.</p> <p>As part of our investigation the Committee called for a review by the internal auditors and convened a special meeting to consider matters. A further review will be carried out in order to help inform the Serious Incident Report the trustees are required to make to the Charity Commission.</p> <p>The Committee receives all internal audit reports and monitors the progress of any recommendations that have been raised. In 2015-16 9 reports were presented. Of the areas reviewed, 5 were given a 'substantial' assurance rating, 8 'moderate' and 1 'limited'. A total of 4 advisory reports were also presented.</p> |
| Frequency of meetings | The Committee met 6 times during 2015-16 to discharge its responsibilities. During the year, members in total attended meetings on 27 out of a possible 32 occasions. Committee meetings are normally held quarterly, with an additional meeting in early Summer. The Committee also held a special meeting in connection with the alleged fraud. |

Capital Committee

| | |
|---------------------------------------|---|
| Responsibilities | Capital Committee is responsible for advising Council on the development of policy on all aspects of capital development, including funding priorities and schemes. Council delegates to the Committee the authority to make funding decisions on lottery capital grants from £50,001 to £250,000, and for making recommendations on larger capital grants to Council. The Committee is responsible for monitoring live projects and advising Council accordingly. |
| Summary of Discussions during 2015-16 | <p>The Committee's principal activity during the year was monitoring delivery against Council's current five year Capital Development strategy (2012-2017).</p> <p>Council is currently investing in a variety of large and complex capital projects. Some projects, such as Pontio in Bangor, presented particular challenges during the year and the Committee assisted officers in ensuring that Council's requirements were met. (Pontio opened in February 2016.)</p> <p>The Committee also considered projects in development, ensuring that there was an appropriate match between applications in the pipeline and the funds needed to support those applications.</p> <p>The drawdown of funds continues to present issues. Under Lottery rules a full commitment of funds must be accounted for at the time of award. However, applicants' problems in securing the required partnership funding is meaning that projects are taking longer to realise. This has implications for Lottery capital balances.</p> <p>A new area of activity for the Committee has been the monitoring role it has taken on for Council's new community regeneration programme, Ideas: People: Places.</p> <p>An annual report of the Committee's work was presented to Council.</p> |
| Frequency of meetings | The Committee met 5 times during 2015-16 to discharge its responsibilities. During the year, members in total attended meetings on 29 out of a possible 35 occasions. Committee meetings are held approximately every 2 months, but with fewer meetings during the summer. |

HR & Remuneration Committee

| | |
|---------------------------------------|---|
| Responsibilities | The HR & Remuneration Committee has responsibility for agreeing the level of remuneration for the Chair, within the limits determined by the Welsh Ministers; for setting the Chief Executive's annual objectives and reviewing his performance; for the appointment of senior roles within the executive; and for the oversight and monitoring of HR matters on behalf of Council. |
| Summary of Discussions during 2015-16 | <p>The Committee's principal activities during the year involve oversight of Council's HR policies, and management of pay policies. Council also reviewed management information outlining our performance against HR objectives.</p> <p>Council specifically sets the remuneration of the Chair and Chief Executive, under guidance issued by the Welsh Government. The Pay Remit covers all other salaried members of staff and is submitted to the Welsh Government for approval.</p> <p>A key issue for future Committee meetings will be the Council's re- organisation of staff, its Organisational Review.</p> <p>An annual report of the Committee's work was presented to Council.</p> |
| Frequency of meetings | The Committee met once during 2015-16 to discharge its responsibilities. Members in total attended on 4 out of a possible 4 occasions. |

"The public rightly demands that the institutions they finance are efficient and cost effective. Those who we work with expect us to get the basics right and to ensure that we manage our affairs in a straightforward and business-like way. We aspire to the highest standards of management and accountability."

John Williams
Chair, Capital Committee

We promote values of good governance

We observe Lord Nolan's seven Principles for Public Life and strive to ensure that all of our employees, Trustees, Committee members and National Advisers understand, apply and adhere to these Principles.

To support this, we have a Code of Best Practice which helps to ensure that the roles and responsibilities of members and officers are clearly defined. It also contains the expected standards of propriety that members and staff should adhere to. The Code was reviewed and updated during the year. You can find a copy on our website.

Each member of Council, of each Committee, and all National Advisers and staff are required to complete an annual Declaration of Interest statement, and to ensure that changes in circumstances are notified promptly. The register of interests of Members of the Council, Committees and National Advisers is available for public inspection, by appointment, at each of the Council's offices during normal working hours.

Council and the Audit & Risk Assurance Committee each carried out an annual self-assessment review of its performance. Overall, the findings of these evaluations were positive during 2015-16. Areas identified for improvement are captured in action plans. In particular, Council's own annual self-assessment review concluded that the vast majority of its indicators of effectiveness had been met.

Council was content with progress made during the year to address areas identified in last year's review. Council recognised the importance of ensuring an appropriate mix of arts expertise and skills on the Trustee Board as new members are appointed. Particular areas of focus will include quality monitoring, encouraging further commitment to the Welsh language amongst funded organisations, and the effective use of information and communication technology.

The Corporate Governance code issued by HM Treasury does not directly apply to the Arts Council of Wales. However, as Accounting Officer, I am satisfied that the arrangements we have in place reflect good practice. I also believe that the Arts Council has complied with the principles of accountability, effectiveness, and leadership expressed within the Treasury's Code, in so far as they are relevant to Welsh Government Sponsored Bodies and Lottery Distributors. Council endorses this view.

Whistle-blowing

The Council has an established whistle-blowing policy which is brought to the attention of staff at induction and available within the Council's operational handbook and intranet. The policy is reviewed at least every three years. There were no reported incidents during the year.

Taking informed decisions

The decisions taken by our Council and Committees are informed by advice provided by staff of the Arts Council. Papers and reports produced by officers are expected to show clearly all the relevant information that is needed to enable informed decisions to be taken. All key papers highlight: financial, HR and environmental implications; risks; and an assurance statement.

Papers are circulated in advance of each Council and Committee meeting, for consideration by members, with tabled items and verbal reports only accepted in exceptional circumstances. Council was content during the year with the timeliness and quality of data and information provided for its use. In the rare instances where the information provided does not meet the required standards, the paper is rejected and a replacement commissioned.

Where appropriate, advice from officers is supplemented with specialist advice from our National Advisers and, where relevant, with specialist expert advice and legal opinions. Council will continue to ensure that it has sufficient time and information to properly debate policy and consider the future direction of the organisation.

Key policy proposals are put out to public consultation. Responses and feedback further inform discussions at Council before policies are finalised.

We provide funding to third parties

One of the most important duties of the Arts Council is the distribution of funding to develop and support the arts in Wales. We are a major distributor of funding – from the Welsh Government, the National Lottery and other sources, including, where applicable, European funds. We take our responsibilities very seriously.

We have developed robust and accountable systems and procedures to support this key activity. Our grant making and monitoring processes are reviewed annually by our internal auditors to ensure they remain fit for purpose. The Wales Audit Office also examines our grant making activities each year. All recommendations made by our internal and external auditors are monitored by our Audit & Risk Assurance Committee to ensure they are implemented on a timely basis.

Decisions to award an organisation revenue funded status and admission to the newly designated Arts Portfolio Wales (APW) are taken by Council based on the advice of, and supported by, rigorous assessments carried out by officers. Following completion of our Investment Review – a major examination of our funding – during 2015, we now have a new portfolio of APW organisations that will take us into the future.

Security of data

We hold large amounts of data, and treat our obligations under the Data Protection Act seriously. Our ICT systems and rules ensure that the security of data is tightly controlled. We regularly assess our security arrangements and have taken steps to make them more robust. We will continue to monitor them closely.

Neither the high level review over IT controls carried out by our external auditors, nor our programme of internal audit reviews carried out during the year, nor the annual security review on behalf of Welsh Government, highlighted any matters of serious concern in this area. To the best of my knowledge and belief, no loss of data occurred during the year.

Ministerial directions

As a Welsh Government Sponsored Body we are subject to non-statutory instruments, containing appropriate directions. No Directions were issued to us during the year, nor were we issued with any Ministerial Directions in respect of our Lottery activities.

Audit outcomes

The findings of the National Audit Office and Wales Audit Office annual audits are reported in a Management Letter addressed to Council. Our Audit & Risk Assurance Committee considers the findings and monitors them to ensure appropriate action is taken on a timely basis. Grant making will continue to be a primary focus of management and the Committee's attention.

Overall assessment of governance and internal control

In my opinion, the Arts Council of Wales' systems of governance and internal control are sufficient to enable me to discharge my responsibilities as Accounting Officer.

Nicholas Capaldi
Accounting Officer

16 September 2016

Phil George
Chairman

16 September 2016

"Based on the work we have undertaken during the year, other than for the systems of internal control in relation to Grant Funding, we are able to conclude that the Arts Council has a basically sound system of internal control, which should provide moderate assurance regarding the achievement of the Arts Council's objectives.

We raised two medium priority recommendations in 2015-16 in relation to Grant Funding and re-raised two further medium priority recommendations in relation to Grant Funding which remained outstanding from 2014-15. This gave rise to a limited assurance rating. We are satisfied with the management responses in relation to these high priority issues, and note that management has prioritised implementation of these recommendations."

Internal Audit Annual Report
Deloitte LLP, Internal Auditor

Remuneration and Staff Report

The terms of appointment of the Chairman and Chief Executive are agreed with the Welsh Government.

The Council remunerates its remaining staff in accordance with an agreed pay and grading system.

Each year, in consultation with the recognised trade union, a pay remit is produced and submitted to the Welsh Government for approval. The resultant pay and conditions package is binding on the whole of the Council until the next round of negotiation. Increases under the pay remit are dependent upon performance established by the Council's system of personal development reviews.

With the approval of the Charity Commission the Chairman is remunerated at a rate determined by the Welsh Government which reflects a minimum time commitment to Council business. Annual increases of the Chairman's salary are also advised by the Welsh Government but he receives no bonus payments and is not a member of the pension scheme.

The Chief Executive's remuneration consists of a basic salary plus eligibility for an annual bonus. Annual bonuses are recommended to Council by the HR & Remuneration Committee in consideration of the performance of the Chief Executive against a set of predetermined objectives. The Committee's recommendation that the Chief Executive be offered a full bonus was endorsed by Council. However, the Chief Executive waived his entitlement to a non-consolidated bonus for 2015-16 and accepted the same level of consolidated increase as other eligible members of staff.

Council members are appointed by the Welsh Ministers for a period of three years and may be re-appointed for a further period. The current Chairman, Phil George, took over the chairmanship on 1 April 2016.

The Chief Executive and Directors – the Senior Management Team – are all employed on permanent contracts on the Council's standard terms and conditions. They are entitled to thirteen weeks' notice of termination of employment.

The dates of commencement of employment are:

| | |
|---|------------------------------------|
| Prof Dai Smith Chairman | 1 April 2006 (to 31 March 2016) |
| Phil George Chairman | 1 April 2016 |
| Nicholas Capaldi Chief Executive | 15 September 2008 |
| David Alston Director of Arts | 1 July 2005 |
| Dr Katherine Davies Director of Investment and Funding Services from 1 February 2012 | 24 August 1998 |
| Diane Hebb Director of Engagement and Participation from 1 February 2012 | 13 January 1992 |
| Siân Tomos Director of Enterprise and Regeneration from 1 February 2012 | 3 May 1994 |
| Hywel Tudor Director of Finance and Resources | 21 January 2002 |

Staff costs (subject to audit)

| | | | 2016 | 2015 |
|---|-------------------------|-----------|--------------|--------------|
| | Permanently employed | Other | Total | Total |
| | £000 | £000 | £000 | £000 |
| Wages and salaries charged to Lottery distribution activity | 874 | 44 | 918 | 838 |
| Social security costs | 75 | 3 | 78 | 65 |
| Other pension costs | 201 | 5 | 206 | 180 |
| Agency costs | - | - | - | 12 |
| | 1,150 | 52 | 1,202 | 1,095 |

Staff numbers (subject to audit)

The average number of staff (full time equivalents) employed across the whole Council during the year was:

| | No | No | No | No |
|---|-----------|-----------|-----------|-----------|
| Direct delivery of our activities | 9 | 7 | 16 | 11 |
| Recharged to direct delivery and in support of our operations | 65 | 3 | 68 | 64 |
| Agency staff costs | - | - | - | 1 |
| | 74 | 10 | 84 | 76 |

Based on time apportionments, the average number of staff (full time equivalents) employed on Lottery distribution during the year was:

| | | | | |
|------------------------------|-----------|----------|-----------|-----------|
| In support of our operations | 26 | 2 | 28 | 22 |
|------------------------------|-----------|----------|-----------|-----------|

The balance of 56 (2014-15: 54) staff were employed on general activities.

Pension costs (subject to audit)

Most employees are members of the Arts Council Retirement Plan 1994 (ACRP). The fund is a defined benefit scheme. It is also a multi-employer scheme so the Council is unable to identify its share of the underlying assets and liabilities. The scheme has therefore been accounted for as if it were a defined contribution scheme, in accordance with IAS 19.

An independent actuarial valuation of the ACRP normally takes place every three years. The most recent valuation, as at 31 March 2013, came into effect on 1 April 2014. The valuation introduced new contribution rates for the Council in respect of accruing benefits, and also requires a minimum level of payment to be made each year towards the past service deficit, at a rate advised by the scheme actuary. In order to eliminate the deficit, the actuary recommended increased employer contributions over the next 9 years, compared to the 13 years used previously.

On the assumption that the recommended amounts would be paid to the Plan, the actuary's opinion was that the resources of the scheme are likely in the normal course of events to meet in full the liabilities of the scheme as they fall due. The main actuarial assumptions used were: that price inflation would be 2.75% per annum; pay increases would be 1.5% per annum for the first 5 years and 3.5% thereafter; pension increases would be 2.75% per annum on pensions in excess of Guaranteed Minimum Pensions (GMPs); pension increases of deferred pensions would be 2.75% per annum on pensions accrued before April 2009 and 2.5% on pensions accrued after that date, both subject to statutory revaluations; the past service discount rate would be 4.8% per annum and the future service discount rate would be 4.8% per annum.

Contributions by the Council and its employees were:

| For staff joining the Plan: | Council | | Employees | |
|--|----------------|-------|------------------|------|
| | 2016 | 2015 | 2016 | 2015 |
| on or before 31 August 2006 | 22.0% | 22.0% | 1.5% | 1.5% |
| from 1 September 2006 to 31 March 2010 | 20.0% | 20.0% | 3.5% | 3.5% |
| on or after 1 April 2010 | 17.5% | 17.5% | 6.0% | 6.0% |

The Council was also required to contribute a minimum payment of £48,700 towards the deficit during 2015-16 (2014-15: £48,700).

There had been no changes to these contribution rates up to the date of approval of these financial statements.

The Council also pays 0.2% of pensionable salary in respect of each life assurance only member.

Under Auto Enrolment legislation all eligible employees are required to join a qualifying pension scheme, unless they formally opt out. We have introduced a defined contribution scheme, The People's Pension, as an alternative option for employees that were not members of the ACRP.

We auto-enrolled all eligible employees into The People's Pension on 1 May 2014, our official staging date. The Council contributes 4% and the employee 1%. These rates will change in the future, in line with the requirements of the legislation.

The Chief Executive and Directors are responsible for directing the Council's activities. Their actual emoluments and pension benefits were as shown in the following tables.

The amount of pension benefits for the year which contributes to the single total remuneration figures is calculated in a similar way to the method used to derive pension values for tax purposes, and is based on information received from the actuary of the Arts Council Retirement Plan 1994.

The value of pension benefits is calculated as follows:

$(\text{real increase in pension} * x 20) + (\text{real increase in any lump sum}) - (\text{contributions made by member})$

*excluding increases due to inflation or any increase or decrease due to a transfer of pension rights

This is not an amount which has been paid to an individual by the Council during the year, it is a calculation which uses information from the pension benefit table. These figures can be influenced by many factors, e.g. changes in a person's salary, whether or not they choose to make additional contributions to the pension scheme from their pay, and other valuation factors affecting the pension scheme as a whole.

The single total remuneration figures of the Senior Management Team (subject to audit):

| Name Position | Emoluments band £'000 | Pension benefits £'000 | 2016 | Emoluments ¹ band £'000 | Pension benefits £'000 | 2015 |
|---|--------------------------------------|---------------------------------------|--|--|------------------------------|--|
| | | | Single total remuneration £'000 | | | Single total remuneration £'000 |
| Nicholas Capaldi Chief Executive | 95-100 | 27 | 120-125 | 90-95 | 24 | 115-120 |
| David Alston Director of Arts | 70-75 | 22 | 90-95 | 65-70 | 19 | 85-90 |
| Katherine Davies Director of Investment and Funding Services | 65-70 | 54 | 120-125 | 60-65 | 49 | 110-115 |

| Name Position | Emoluments band £'000 | Pension benefits £'000 | 2016 | | | 2015 | |
|--|-----------------------------|------------------------------|---------------------------------------|--|------------------------------|---------------------------------------|--|
| | | | Single total remuneration £'000 | Emoluments ¹ band £'000 | Pension benefits £'000 | Single total remuneration £'000 | |
| Diane Hebb Director of Engagement and Participation | 65-70 | 38 | 100-105 | 60-65 | 34 | 95-100 | |
| Siân Tomos Director of Enterprise and Regeneration | 65-70 | 48 | 110-115 | 60-65 | 41 | 100-105 | |
| Hywel Tudor Director of Finance and Resources | 70-75 | 24 | 90-95 | 65-70 | 19 | 85-90 | |

The pension benefits of the Senior Management Team (subject to audit):

| Name Position | 2016 | 2016 | 2016 | 2015 | 2016 |
|---|--|---|--|---|--|
| | Real increase in pension and related lump sum at age 65 £'000 | Total accrued pension at age 65 as at 31/03/16 and related lump sum £'000 | Cash Equivalent ¹ Transfer Value at 31/03/16 £'000 | Cash Equivalent Transfer Value at 31/03/15 £'000 | Real increase ² in Cash Equivalent Transfer Value £'000 |
| Nicholas Capaldi Chief Executive | Pension 0-2.5 Lump sum 2.5-5 | Pension 5-10 Lump sum 25-30 | 167 | 138 | 25 |
| David Alston Director of Arts | Pension 0-2.5 Lump sum 2.5-5 | Pension 5-10 Lump sum 25-30 | 187 | 159 | 25 |
| Katherine Davies Director of Investment and Funding Services | Pension 0-2.5 Lump sum 5-7.5 | Pension 20-25 Lump sum 70-75 | 437 | 379 | 55 |
| Diane Hebb Director of Engagement and Participation | Pension 0-2.5 Lump sum 5-7.5 | Pension 10-15 Lump sum 35-40 | 252 | 212 | 38 |
| Siân Tomos Director of Enterprise and Regeneration | Pension 2.5-5 Lump sum 7.5-10 | Pension 15-20 Lump sum 55-60 | 361 | 300 | 46 |
| Hywel Tudor Director of Finance and Resources | Pension 0-2.5 Lump sum 2.5-5 | Pension 10-15 Lump sum 40-45 | 268 | 238 | 27 |

1 **Cash Equivalent Transfer Values** - A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Arts Council Retirement Plan 1994. They also include any additional pension benefit accrued to the member as a result of their purchasing additional pension benefits at their own cost. CETVs are calculated within the guidelines and framework prescribed by

the Institute and Faculty of Actuaries and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are drawn.

- 2 **Real increase in CETV** - This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

The Chairman is remunerated for his services but receives no bonus payments and is not a member of the pension scheme. Other Council and Committee Members receive no payment for their services. An aggregate amount of £13,759 (2014-15: £14,169) was reimbursed to 13 (2014-15: 14) Council members for travel and subsistence costs incurred on Council business. The aggregate amount allocated to Lottery Distribution activities was £6,654 (2014-15: £5,787).

The total actual emoluments of the Chairman and Chief Executive were made up of (subject to audit):

| | 2016 | 2015 |
|---------------------------------|----------------|---------|
| | £000 | £000 |
| Chairman | | |
| Salary | 43,810 | 43,810 |
| Chief Executive | | |
| Salary | 95,248 | 93,380 |
| Employer's pension contribution | 19,050 | 18,676 |
| | 114,298 | 112,056 |

Reimbursed travel and subsistence expenses incurred and defrayed whilst on Council business:

| | | |
|-----------------|---------------|--------|
| Chairman | £2,217 | £2,947 |
| Chief Executive | £5,925 | £6,117 |

35% (2014-15: 35%) of the Chairman's and Chief Executive's emoluments are charged in these financial statements and the remainder to general activities.

The median annual remuneration (full time equivalents) at 31 March was (whole Council) (subject to audit):

| | |
|----------------|---------|
| £31,700 | £31,072 |
|----------------|---------|

The range of annual remuneration (full time equivalents) at 31 March was (whole Council) (subject to audit):

| | |
|-------------------|------------|
| £19,752 | £19,752 |
| to £95,248 | to £93,380 |

The ratio between the median annual remuneration and the annual remuneration of the highest paid member of staff was (whole Council) (subject to audit):

| | |
|------------|-----|
| 1:3 | 1:3 |
|------------|-----|

Staff composition at 31 March

(full time equivalents)

| | 2016 | | | | | 2015 |
|--|-------------|---------------|--------------|------|--------|-------|
| | Male | Female | Total | Male | Female | Total |
| Senior Management Team | 3 | 3 | 6 | 3 | 3 | 6 |
| Portfolio Managers/Heads of Department | 6 | 10 | 16 | 6 | 8 | 14 |
| Senior Officers | 7 | 7 | 14 | 3 | 3 | 6 |
| Officers/Development Officers | 11 | 22 | 33 | 9 | 23 | 32 |
| Team Co-ordinators/Personal Assistants | 5 | 14 | 19 | 4 | 14 | 18 |
| | 32 | 56 | 88 | 25 | 51 | 76 |
| | 36% | 64% | | 33% | 67% | |

The staffing of the *Creative Learning through the Arts* Programme resulted in the creation of twelve new fixed term roles in 2015-16.

Staffing

“The Council’s staff represent an invaluable source of knowledge and expertise. Council owes a duty of care. We want our staff to be confident, competent and fulfilled, given every opportunity to succeed in their work.”

Margaret Jervis
Chair, HR & Remuneration Committee

The HR & Remuneration Committee members who served since 1 April 2015 were:

Professor Dai Smith (Council member)
to 31 March 2016

Margaret Jervis MBE DL (Council member)

Dr John Geraint (Council member)
to 31 March 2016

Michael Griffiths OBE (Council member)
from 1 April 2016

Andrew Miller (Council member)
from 1 April 2016

Philip Westwood (independent member)

Equal opportunities

The Council is committed to a policy of equality of opportunity in its employment practices. In particular, the Council aims to ensure that no potential or actual employee receives more or less favourable treatment on the grounds of age, disability, ethnic or national origin, gender, marital or parental status, nationality, political belief, race, religion or sexual orientation.

The Council is committed to ensuring that appropriate facilities are available for disabled employees. Public signage also promotes Council as a bilingual organisation.

Council operates a number of HR policies that reflect its legal obligations as an employer. Policies are reviewed on a regular basis and updated to reflect any relevant changes in legislation. The management of Council’s HR policies is monitored by the HR & Remuneration Committee.

Employee communication

Council’s recognised trade union is Unite, with which it has established a procedural agreement; representatives of management and union meet regularly to discuss matters of current concern.

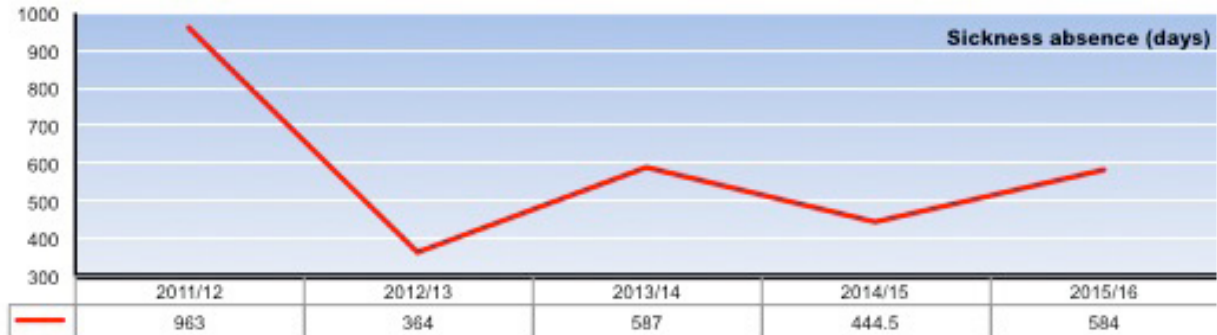
Pension scheme

Most employees are members of the Arts Council Retirement Plan 1994 (ACRP). The fund is a defined benefit scheme. It is also a multi-employer scheme so the Council is unable to identify its share of the underlying assets and liabilities. In accordance with the Council’s accounting policies, the scheme has therefore been accounted for as if it were a defined contribution scheme, in accordance with IAS 19.

The Council has also introduced a defined contribution scheme, The People’s Pension, as an alternative option to meet the needs of Auto Enrolment legislation. The scheme is accounted for in accordance with IAS 19.

Sickness absence

During 2015-16 staff sickness absence totalled 584 days (2014-15: 444.5 days). This represented 2.61% (2014-15: 2.24%) based on 249 working days, including 1.32% (2014-15: 0.74%) as a result of long term absence (over 28 days).



Consultancy

During 2015-16 the Council paid consultancy costs of £12,000 (2014-15: £5,000) in relation to expert advice and opinion obtained to assist in strategic decision-making. £8,000 (2014-15: £2,000) is charged in these financial statements and the remainder related to the Council's general activities.

Parliamentary Accountability and Audit Report

Long term expenditure trends

The framework that governs our activities establishes an empirical link between the income we receive and the funding that we are able to distribute.

Levels of grant-in-aid are affected by the importance that the Welsh Government attaches to investment in culture and the arts. The continuing pressure on public funding means that we are having to operate within a context in which public funding is more likely to continue to decrease rather than increase. Nevertheless, we present robust submissions to Government making the case for the arts.

The future prospects for receipts from the National Lottery are even more difficult to predict. DCMS projections have not always been entirely accurate and the funding to good causes can be altered at a stroke (as was seen in 2015-16) as a consequence of the increased number of players attracted to high value prize draws.

Looking into the future, National Lottery operator Camelot is becoming increasingly concerned about the potential impact of other Lottery organisations (who are not linked to the legally established 'good causes'). Although Camelot had a record year for ticket sales in 2015-16, it is signalling that this will be very difficult to repeat. We are taking account of these factors in our longer term planning.

Nicholas Capaldi
Accounting Officer

16 September 2016

Endorsed on behalf of Council:
Phil George
Chairman

16 September 2016

The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament and the Members of the National Assembly for Wales

I certify that I have audited the financial statements of the Arts Council of Wales Lottery Distribution Account for the year ended 31 March 2016 under the National Lottery etc. Act 1993. The financial statements comprise: the Statements of Comprehensive Net Income, Financial Position, Cash Flows, Changes in Equity; and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration and Staff Report and the Parliamentary Accountability disclosures within the Accountability Report that is described in that report as having been audited.

Respective responsibilities of the Council, Accounting Officer and Auditor

As explained more fully in the Statement of Council's and the Accounting Officer's Responsibilities, the Arts Council of Wales and the Accounting Officer are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the National Lottery etc. Act 1993. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Arts Council of Wales Lottery Distribution Account's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Arts Council of Wales; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Report accompanying the financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Opinion on regularity

In my opinion, in all material respects the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of the Arts Council of Wales Lottery Distribution Account's affairs as at 31 March 2016 and of the net income for the year then ended; and
- the financial statements have been properly prepared in accordance with the National Lottery etc. Act 1993 and Secretary of State directions issued thereunder with the approval of HM Treasury.

Opinion on other matters

In my opinion:

- the part of the Remuneration and Staff Report and the Parliamentary Accountability disclosures to be audited has been properly prepared in accordance with Secretary of State directions made with HM Treasury approval under the National Lottery etc. Act 1993; and
- the information given in the Performance and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the part of the Remuneration and Staff Report and the Parliamentary Accountability disclosures to be audited are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Report

I have no observations to make on these financial statements.

Sir Amyas C E Morse KCB
Comptroller and Auditor General

13 October 2016

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

Statement of Comprehensive Net Income for the year ended 31 March 2016

| | Notes | 2016 £000 | 2015 £000 |
|---|-------|---------------|----------------|
| Expenditure | | | |
| Management and administration: | | | |
| Staff costs | 2a | 1,202 | 1,095 |
| Other operating costs | 2b | 711 | 601 |
| | | <u>1,913</u> | <u>1,696</u> |
| Irrecoverable grants: | | | |
| Irrecoverable grants written off | | - | 24 |
| Increase/(Decrease) in provision for doubtful debts | | (4) | (20) |
| | | <u>(4)</u> | <u>4</u> |
| Expenditure on the arts: | | | |
| Grants made | | 14,841 | 17,237 |
| Less: Lapsed and revoked grants | | (1,146) | (372) |
| Net grants made | 7 | 13,695 | 16,865 |
| Delegated distributors | 9 | 2,528 | 1,781 |
| Other arts awards | 3 | 190 | 270 |
| Direct costs of grant making | 2c | 36 | 26 |
| | | <u>16,449</u> | <u>18,942</u> |
| Total expenditure | | <u>18,358</u> | <u>20,642</u> |
| Income | | | |
| Share of proceeds from the National Lottery | 4 | 19,233 | 18,031 |
| Investment income on balances in the National Lottery Distribution Fund | 4 | 78 | 79 |
| Refund from the Olympic Lottery Distribution Fund | 4 | - | 1,487 |
| Interest receivable | | 9 | 8 |
| Grants recoverable | | 54 | 21 |
| Total income | | <u>19,374</u> | <u>19,626</u> |
| Net income/(expenditure) | | 1,016 | (1,016) |
| Other Comprehensive Income | | | |
| Net unrealised gain/(loss) on the revaluation of investment in the National Lottery Distribution Fund | 4 | - | - |
| Total Comprehensive (Expenditure)/Income for the year | | <u>1,016</u> | <u>(1,016)</u> |

There are no discontinued activities and there have been no acquisitions during the year.

There are no gains or losses other than those shown above.

The notes on pages 56 to 66 form part of these financial statements.

Statement of Financial Position as at 31 March 2016

| | Notes | 31 March 2016 £000 | 31 March 2015 £000 |
|--|-------|--------------------------|--------------------------|
| Non-current assets: | | | |
| Trade and other receivables | 5a | 150 | 150 |
| Current assets: | | | |
| Financial assets: | | | |
| Investments – balance held in the National Lottery Distribution Fund | 4 | 21,377 | 22,358 |
| Trade and other receivables | 5b | 3 | 1 |
| Cash and cash equivalents | 8 | 2,822 | 1,645 |
| Total current assets | | 24,202 | 24,004 |
| Total assets | | 24,352 | 24,154 |
| Trade payables and other current liabilities – amounts falling due within one year: | | | |
| Trade and other payables | 6 | (377) | (216) |
| Other liabilities: | | | |
| Delegated distributors | 6, 9 | (1,169) | (884) |
| Grants | 6, 7 | (12,621) | (14,969) |
| Total payables and other current liabilities | | (14,167) | (16,069) |
| Non-current assets plus net current assets | | 10,185 | 8,085 |
| Trade payables and other liabilities – amounts due after more than one year: | | | |
| Grants | 7 | (5,090) | (4,006) |
| Assets less liabilities | | 5,095 | 4,079 |
| Equity/Reserves: | | | |
| Net Expenditure account | | 5,095 | 4,079 |

The notes on pages 56 to 66 form part of these financial statements.

The financial statements were approved by the Arts Council of Wales and signed on its behalf by

Nicholas Capaldi
Accounting Officer
16 September 2016

Phil George
Chairman
16 September 2016

Statement of Cash Flows for the year ended 31 March 2016

| | 2016 | 2015 |
|---|---------------------|--------------|
| Notes | £000 | £000 |
| Cash flows from operating activities | | |
| Net income/(expenditure) | 1,016 | (1,016) |
| Bank interest | (9) | (8) |
| (Increase)/Decrease in the balance held in the National Lottery Distribution Fund | 981 | (2,094) |
| (Increase)/Decrease in trade and other receivables | (2) | 76 |
| Increase /(Decrease) in trade and other payables and other liabilities | 446 | 376 |
| Increase/(Decrease) in grants payable | (1,264) | 2,995 |
| Net cash inflow/(outflow) from operating activities | <u>1,168</u> | <u>329</u> |
| Cash flows from investing activities | | |
| Bank interest | 9 | 8 |
| Net cash inflow from investing activities | <u>9</u> | <u>8</u> |
| Cash and cash equivalents | | |
| Net increase/(decrease) in cash and cash equivalent balances | 1,177 | 337 |
| Balance at 1 April | 1,645 | 1,308 |
| Balance at 31 March | <u>2,822</u> | <u>1,645</u> |

Statement of Changes in Equity for the year ended 31 March 2016

| | 2016 | 2015 |
|---------------------------------------|---------------------|--------------|
| | £000 | £000 |
| Balance at beginning of year | 4,079 | 5,095 |
| Net income/(expenditure) for the year | 1,016 | (1,016) |
| Balance at end of year | <u>5,095</u> | <u>4,079</u> |

The notes on pages 56 to 66 form part of these financial statements.

Notes forming part of the Financial Statements

1 Accounting policies

a Basis of preparation

These financial statements are prepared under the historical cost convention. They have been prepared in a form directed by the Secretary of State for Culture, Media and Sport with the consent of HM Treasury, in accordance with Section 35(3) of the National Lottery etc. Act 1993, and with the consent of Welsh Ministers.

These financial statements have been prepared in compliance with International Financial Reporting Standards (IFRS).

b Recognition of income and expenditure

All income is accounted for on an accruals basis. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

c General activities

These financial statements do not cover the Council's general activities, funded mainly by grant-in-aid, for which separate financial statements have been prepared.

d Grants

Grants are accounted for as expenditure in the Statement of Comprehensive Net Income/Expenditure and, until paid, as liabilities in the Statement of Financial Position if:

- (i) they have been formally approved by Council, or under delegated authority; and
- (ii) formal written notification (including email or other electronic communication) has been issued to the intended recipients; and
- (iii) the offers are free from any conditions under the Council's control.

Grants payable within one year of the year end are recognised in the Statement of Financial Position as current liabilities. Those payable more than one year after the Statement of Financial Position date are shown as such.

Grants which have been formally approved by Council, or under delegated authority, which do not meet the definition of liabilities are not included in expenditure in the Statement of Comprehensive Net Income/Expenditure or as liabilities in the Statement of Financial Position but are disclosed in note 7.

e 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 Council is as shown in the accounts at market value and, at the Statement of Financial Position date, has been certified by the Secretary of State for Culture, Media and Sport as being available for distribution by the Council in respect of current and future commitments.

It is appropriate to classify the National Lottery Distribution Fund investments as 'available for sale', being in line with the Department for Culture, Media and Sport accounting policy, and this accounting treatment is appropriate to the Council. The policy is that investments are held at fair value with any unrealised profit or loss recognised through reserves.

f Pensions

The Council is an admitted employer of the Arts Council Retirement Plan 1994. The pension scheme provides defined benefits to Council employees. The costs of the Council's contributions are charged to the Statement of Comprehensive Net Income/Expenditure so as to spread the cost of pensions over employees' working lives.

The fund is a defined benefit, multi-employer scheme so the Council is unable to identify its share of the underlying assets and liabilities. The scheme has therefore been accounted for as if it were a defined contribution scheme, in accordance with IAS 19.

The Council has also introduced a defined contribution scheme, The People's Pension, effective 1 May 2014, as an alternative option to meet the needs of Auto Enrolment legislation. The scheme is accounted for in accordance with IAS 19.

g Taxation

Non-recoverable Value Added Tax arising from expenditure is charged to the Statement of Comprehensive Net Income/Expenditure or capitalised as a fixed asset where applicable.

h Apportionment of management and administration costs from the General Activities Account

The Council incurs costs which support both its general activities and Lottery distribution functions. In accordance with its Financial Directions the Council apportions indirect costs properly between these two areas of activity with reference to the time spent on, or the consumption of, the relevant resources by the respective activities.

i Financial Instruments

Financial assets: Trade receivables and other current assets do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Cash and cash equivalents comprises cash in hand and cash at bank and on short term deposit on instant access terms.

Financial liabilities: Trade payables and other current liabilities are not interest bearing and are stated at their nominal value.

2 Costs in support of our operations

a Management and administration: Staff costs

| | Permanently employed £000 | Other £000 | 2016 Total £000 | 2015 Total £000 |
|---|--|-----------------------|--------------------------------|-----------------------|
| Wages and salaries charged to Lottery distribution activity | 874 | 44 | 918 | 838 |
| Social security costs | 75 | 3 | 78 | 65 |
| Other pension costs | 201 | 5 | 206 | 180 |
| Agency costs | - | - | - | 12 |
| | 1,150 | 52 | 1,202 | 1,095 |

b Management and administration: Other operating costs

| | | |
|---|------------|-----|
| Staff related costs | 51 | 55 |
| Infrastructure | 328 | 261 |
| Lottery promotion | 12 | 13 |
| Office running costs | 18 | 27 |
| Professional fees | 120 | 93 |
| Irrecoverable VAT | 90 | 74 |
| Charge for use of fixed assets | 39 | 33 |
| Auditor's remuneration – Audit ¹ | 19 | 19 |
| Internal audit | 15 | 10 |
| Council meetings, including Members' travel and subsistence | 19 | 16 |
| | 711 | 601 |

1 The audit fee is for audit services and no non-audit services were provided.

Management and administration costs are apportioned between the Council's general activities and Lottery distribution accounts with reference to the time spent on, or the consumption of, the relevant resources by the respective functions. The rates applied differ according to the expenditure heading and geographical region but the average charge to Lottery activities was 48% (2014-15: 41%).

c Expenditure on the arts: Direct costs of grant making

| | 2016 £000 | 2015 £000 |
|---|----------------------|--------------|
| Assessors' fees | 35 | 23 |
| Creative Wales Awards – scheme expenses | 1 | 3 |
| | 36 | 26 |

3 Other arts awards

| | 2016 | 2015 |
|---|-------------------|------------|
| | £000 | £000 |
| Cross Border Touring | 150 | 150 |
| Beyond Borders awards in association with PRS Foundation | 40 | – |
| Unlimited awards in association with Arts Council England | – | 120 |
| | <u>190</u> | <u>270</u> |

4 National Lottery Distribution Fund

| | 2016 | 2015 |
|--|----------------------|---------------|
| | £000 | £000 |
| Balance held in the National Lottery Distribution Fund (NLDF) at 1 April | 22,358 | 20,264 |
| Allocation of Lottery proceeds | 19,233 | 18,031 |
| Investment income receivable | 78 | 79 |
| Refund from the Olympic Lottery Distribution Fund | – | 1,487 |
| Unrealised gain/(loss) on investment in NLDF during the year | – | – |
| Drawn down in the year | (20,292) | (17,503) |
| Balance held in the National Lottery Distribution Fund at 31 March | <u>21,377</u> | <u>22,358</u> |

The balance in the National Lottery Distribution Fund at 31 March 2016 is in accordance with the Interim Certificate issued by the Department for Culture, Media and Sport.

5 Trade and other receivables

| | 2016 | 2015 |
|---|-------------------|------------|
| | £000 | £000 |
| <i>a Non-current assets</i> | | |
| Analysis by type | | |
| Other receivables | <u>150</u> | <u>150</u> |
| Intra-government balances | | |
| Balances with bodies external to government | <u>150</u> | <u>150</u> |
| <i>b Current assets</i> | | |
| Analysis by type | | |
| Grants recoverable | 3 | 5 |
| Less: Specific provision for doubtful debts | – | (4) |
| | <u>3</u> | <u>1</u> |
| Intra-government balances | | |
| Balances with bodies external to government | <u>3</u> | <u>1</u> |
| | <u>3</u> | <u>1</u> |

6 Trade payables and other current liabilities – amounts falling due within one year

| | 2016 | 2015 |
|---|-------------------|------------|
| | £000 | £000 |
| <i>a Analysis by type</i> | | |
| Trade and other payables: | | |
| Trade payables | 5 | – |
| Due to the Arts Council of Wales General Activities account: | | |
| for apportioned costs ¹ | 184 | 191 |
| for the Creative Learning through the Arts Programme | 170 | – |
| Accruals and deferred income | 18 | 25 |
| Sub-total: Trade and other payables | 377 | 216 |
| Other liabilities: | | |
| Delegated distributors ² | 1,169 | 884 |
| Grants (note 7) | 12,621 | 14,969 |
| Sub-total: Other liabilities | 13,790 | 15,853 |
| Total current liabilities | 14,167 | 16,069 |
| 1 The amount due to the Arts Council of Wales General Activities account is made up of: | | |
| Recharges of apportioned costs | | |
| – Staff | 100 | 107 |
| – Overheads | 45 | 51 |
| – Charge for use of assets | 39 | 33 |
| | 184 | 191 |
| 2 The Council has delegated Lottery funds (note 9) to the following distributors: | | |
| Undrawn funds at 1 April | | |
| – Ffilm Cymru Wales (for film) | 789 | 677 |
| – BBC Wales (for the Horizons scheme) | 300 | 150 |
| – Literature Wales (for writers' bursaries) | 80 | 57 |
| | 1,169 | 884 |
| <i>b Intra-government balances</i> | | |
| Balances with central government bodies | 1,744 | 198 |
| Balances with local authorities | 2,049 | 3,575 |
| Balances with NHS bodies | 15 | 55 |
| Balances with public corporations | 300 | 150 |
| Sub-total: Intra-government balances | 4,108 | 3,978 |
| Balances with bodies external to government | 10,059 | 12,091 |
| Total creditors | 14,167 | 16,069 |

7 Grants

| | £000 | £000 | 2016 £000 | 2015 £000 |
|---|----------------|----------------------------|----------------------|--------------|
| | Capital | Revenue schemes | Total | Total |
| Payable at 1 April | 7,763 | 11,212 | 18,975 | 15,980 |
| Grants made in the year | 2,640 | 12,201 | 14,841 | 17,237 |
| Amounts not taken up | (1,019) | (127) | (1,146) | (372) |
| Charged to Statement of Comprehensive Net Expenditure ¹ | 1,621 | 12,074 | 13,695 | 16,865 |
| Grants paid in the year | (2,980) | (11,979) | (14,959) | (13,870) |
| Payable at 31 March ² | 6,404 | 11,307 | 17,711 | 18,975 |
| Falling due within one year to: | | | | |
| Other central government bodies | - | 1,390 | 1,390 | 7 |
| Local authorities | 935 | 1,114 | 2,049 | 3,575 |
| NHS bodies | - | 15 | 15 | 55 |
| Bodies external to government | 1,947 | 7,220 | 9,167 | 11,332 |
| | 2,882 | 9,739 | 12,621 | 14,969 |
| Falling due after more than one year to: | | | | |
| Other central government bodies | - | - | - | - |
| Local authorities | 1,750 | 324 | 2,074 | 768 |
| NHS bodies | - | - | - | 5 |
| Bodies external to government | 1,772 | 1,244 | 3,016 | 3,233 |
| | 3,522 | 1,568 | 5,090 | 4,006 |
| Total | 6,404 | 11,307 | 17,711 | 18,975 |
| 1 Grants to public bodies | | | 5,297 | 2,051 |
| Grants to private bodies | | | 8,398 | 14,814 |
| | | | 13,695 | 16,865 |
| 2 Ageing of grants payable: | | | | |
| 2015-16 | - | - | - | 14,969 |
| 2016-17 | 2,882 | 9,739 | 12,621 | 2,643 |
| 2017-18 | 2,567 | 1,450 | 4,017 | 1,360 |
| 2018-19 | 955 | 86 | 1,041 | 3 |
| 2019-20 | - | 32 | 32 | - |
| | 6,404 | 11,307 | 17,711 | 18,975 |
| Grants approved but not formally offered at 31 March which are not recognised in the Statement of Comprehensive Net Expenditure and Statement of Financial Position | | | 50 | 71 |

8 Cash and cash equivalents

| | |
|-------------|------|
| 2015 | 2016 |
| £000 | £000 |

The following balances at 31 March were held at:
Commercial banks, deposit funds and cash in hand

| | |
|--------------|--------------|
| 2,822 | 1,645 |
|--------------|--------------|

9 Delegated Lottery distributors

The Council has fully operational delegation agreements in place with the following bodies for the distribution of Lottery funds:

| | Ffilm Cymru Wales for film £000 | Nesta for Digital R&D projects £000 | BBC Cymru Wales for the Horizons £000 | Literature Wales for writers' bursaries £000 | Tŷ Cerdd for amateur music £000 | 2016 Total £000 | 2015 Total £000 |
|--|--|--|--|---|--|--------------------------------|--------------------------------|
| Undrawn funds at 1 April | 677 | – | 150 | 57 | – | 884 | 462 |
| Delegated for the year | 1,400 | 700 | 300 | 96 | 32 | 2,528 | 1,781 |
| | 2,077 | 700 | 450 | 153 | 32 | 3,412 | 2,243 |
| Drawn down in the year | (1,288) | (700) | (150) | (73) | (32) | (2,243) | (1,359) |
| Undrawn funds at 31 March | 789 | – | 300 | 80 | – | 1,169 | 884 |
| Grants recorded as payable by the delegated distributors at 31 March | 1,202 | 21 | – | 89 | – | 1,291 | 1,348 |

Full lists of the grants administered by the delegated distributors during 2015-16 are included in the annexes to this Annual Report.

10 Events after the reporting period**EU Referendum**

The result of the referendum held on 23 June 2016 was in favour of the UK leaving the European Union. This is a non-adjusting event. A reasonable estimate of the financial effect of this event cannot be made.

Authorisation of these financial statements for issue

The financial statements were authorised for issue by the Accounting Officer on the same date as the Comptroller and Auditor General certified them.

11 Financial instruments

International Financial Reporting Standard 7, Financial Instruments: Disclosures, requires disclosure of the role which financial instruments have had during the period in creating or changing the risks the Council's function faces in undertaking its role.

Liquidity risks – In 2015-16 £19,233,000 or 99.3% of the Council's Lottery distribution income was derived from the National Lottery (2014-15: £19,518,000 or 99.5%). Of the remaining income £78,000 or 0.4% was derived from investment returns from the balance held with the National Lottery Distribution Fund (2014-15: £79,000 or 0.4%) and £63,000 or 0.3% from other investment income and sundry income (2014-15: £29,000 or 0.1%). The Council does not consider that its Lottery Distribution function is exposed to any significant liquidity risk, and is satisfied that the balance within the National Lottery Distribution Fund and projected future Lottery proceeds are sufficient to meet its hard commitments.

Interest rate risks – The financial assets of the Lottery 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. Cash and cash equivalents 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 0.38% in the year (2014-15: 0.38%). Surplus daily funds invested in the Public Sector Deposit Fund on average carried an investment return of 0.42% in the year (2014-15: 0.37%). The cash and cash equivalents balance at the year end was £2,822,000 (2015: £1,645,000). The Council does not consider that its Lottery Distribution function is exposed to significant interest rate risks.

Foreign currency risk – The lottery distribution function of the Council is not exposed to any significant foreign exchange risks.

Cash flow risk – The Council is not exposed to any significant cash flow risks.

12 Related party transactions

Public bodies

The Council is a Welsh Government sponsored body.

The National Assembly for Wales/Welsh Government is regarded as a related party and details of transactions with the National Assembly for Wales/Welsh Government are given in the separate accounts covering the Council's general activities.

The National Lottery Distribution Fund is administered by the Department for Culture, Media and Sport which is regarded as a related party. During the year the Council had no material transactions with the Department for Culture, Media and Sport other than those shown in the Statement of Comprehensive Net Income.

Delegated Lottery distributors

As disclosed in note 9, Ffilm Cymru Wales, Nesta, BBC Cymru Wales, Literature Wales and Tŷ Cerdd are delegated distributors of the Council's Lottery funding. During the year the Council had no material transactions with them other than those shown in the Statement of Comprehensive Net Income.

Individuals

Members of Council, Committees, staff or other related parties (being close family members) undertook financial transactions (listed below) with the Council in its role as Lottery distributor during the year.

Where the individuals and/or their close family were members of the Boards of Management (or equivalent) or were senior employees of organisations offered Lottery grants or other Lottery payments by the Council in 2015-16 in all such cases, in accordance with the Council's Code of Best Practice, the individual concerned withdrew from any meeting where there was a discussion or decision regarding funding.

Financial transactions with the Council in respect of its general activities are recorded in the separate accounts covering those activities.

Council members

| Member Role | Organisation | Transaction (number) | Total value £ | Balance outstanding at 31 March 2016 £ |
|--|--|-----------------------------|----------------------|---|
| Marian Wyn Jones Council member | Bangor University | Grant (4) | 129,999 | 116,499 |
| Trustee | Bangor New Music Festival | Grant (1) | 28,000 | 2,800 |
| Employment | Eryri National Park | Grant (1) | 4,200 | Nil |
| Andrew Miller Employment | Royal Welsh College of Music & Drama | Grant (2) Invoice (1) | 135,200 180 | 121,520 Nil |
| Richard Turner Chairman | South Wales Intercultural Community Arts | Grant (1) | 12,500 | Nil |
| Employment | Royal Welsh College of Music & Drama | Grant (2) Invoice (1) | 135,200 180 | 121,520 Nil |
| Employment | Artis Community Cymuned | Grant (1) | 15,000 | 15,000 |
| Business consultant | Operasonic | Grant (1) | 5,000 | Nil |
| Prof Gerwyn Williams Employment | Bangor University | Grant (4) | 129,999 | 116,499 |
| John C Williams Employment | Theatr Iolo | Grant (1) | 4,200 | Nil |
| Chairman | TaikaBox | Grant (1) | 4,000 | Nil |
| Board member | Run Ragged Productions | Grant (1) | 25,623 | 2,562 |
| Associate Director (unpaid) | Sherman Cymru | Grant (2) | 41,219 | 29,491 |
| Dr Kate Woodward Committee member | Aberystwyth University (including Aberystwyth Arts Centre) | Grant (1) | 11,899 | 11,899 |
| (Temporary) employment (Family member) | Theatr Genedlaethol Cymru | Grant (3) | 154,078 | 140,578 |
| Temporary employment (Family member) | Arad Goch | Grant (1) | 97,547 | 9,755 |

Committee members

| Member Role | Organisation | Transaction (number) | Total value £ | Balance outstanding at 31 March 2016 £ |
|--|---|-----------------------------|----------------------|---|
| Ruth Cayford Employment | Cardiff Council | Grant (1) | 70,000 | 70,000 |
| Mark Davies Employment | BBC Cymru Wales (including BBC National Orchestra of Wales) | Delegated funding | 300,000 | 300,000 |
| Alan Hewson Exhibitions Curator (Family member) | Aberystwyth University (including Aberystwyth Arts Centre) | Grant (1) | 11,899 | 11,899 |

Staff

| Member Role | Organisation | Transaction (number) | Total value £ | Balance outstanding at 31 March 2016 £ |
|---------------------------------------|---|-----------------------------|----------------------|---|
| Dan Allen | | | | |
| Previous Employment | NoFit State Circus | Grant (2) | 89,866 | 49,427 |
| Previous Employment | National Theatre Wales | Grant (1) | 2,182 | Nil |
| Previous Employment | Royal Welsh College of Music and Drama | Invoice (1) | 180 | Nil |
| | | Grant (2) | 135,200 | 121,520 |
| Emrys Barnes | | | | |
| Previous Employment | Arts Active Trust | Grant (2) | 38,465 | 33,465 |
| Nathalie Camus | | | | |
| Board member (Family member) | Mostyn Gallery | Grant (2) | 80,000 | 80,000 |
| Freelance Consultancy (Family member) | Helfa Gelf | Grant (2) | 42,000 | 17,700 |
| Mark Condron | | | | |
| Employment (Family member) | Urdd Gobaith Cymru | Grant (1) | 30,000 | 3,000 |
| Kath Davies | | | | |
| Employment (Family members) | Cardiff Council (including St David's Hall) | Grant (1) | 97,000 | 97,000 |
| Employment (Family member) | Ballet Cymru | Grant (1) | 24,715 | 24,715 |
| | | Invoice (1) | 150 | Nil |
| Osian Gwynn | | | | |
| Employment (Family member) | Sherman Cymru | Grant (2) | 41,219 | 29,491 |
| Director (Family member) | Cwmni Pluen | Grant (1) | 10,407 | Nil |
| Nia Wyn Jones | | | | |
| Freelance employment | We Made This | Grant (2) | 35,000 | 30,000 |
| Freelance employment | Run Ragged Productions | Grant (1) | 25,623 | 2,562 |
| Ruth Lloyd | | | | |
| Freelance employment | CELF O Gwmpas | Grant (2) | 22,613 | 9,900 |

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|--|--------------------------------|------------------------|------------------|-----------------|
| Leanne Rahman Panel member Committee member | Voluntary Arts Ballet Nimba | Grant (1) Grant (2) | 48,660 54,950 | 4,866 49,950 |
| Elen Roberts Band members (Family members) | HMS Morris | Grant (1) | 3,178 | Nil |
| Ani Saunders Grant recipient (Family member) | Gwenno Saunders | Grant (1) | 3,160 | Nil |
| Rebecca Scotcher-Jones Consultancy | BBC Horizons | Delegated funding | 300,000 | 300,000 |
| Daniel Trivedy Freelance employment | Mission Gallery | Grant (1) | 160,480 | 88,264 |
| Siân Tomos Employment (Family member) | BBC Cymru Wales | Delegated funding | 300,000 | 300,000 |

Annexes to the Annual Report (not forming part of the financial statements)

National Lottery Policy Directions

The Welsh Ministers, in exercise of the powers conferred by section 26(1) of the National Lottery etc. Act 1993, and having consulted with the Arts Council of Wales pursuant to Section 26(5) of that Act, have issued the following Directions:

- 1 In these Directions any reference to a section is a reference to a section of the National Lottery etc. Act 1993 as amended by the National Lottery Act 1998.
- 2 The Arts Council of Wales 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):-

Generic

- 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 public gain;
- B the need to ensure that it considers applications which relate to the complete range of activities falling within section 22(3)(b) and in respect of which it has the power to distribute money, taking into account:
 - i its assessment of the needs of the arts and arts activities and its priorities for the time being for addressing them;
 - ii the need to ensure that all regions of Wales have access to funding;
 - iii the scope for reducing economic and social deprivation at the same time as creating benefits for the arts;
- C the need to further the objectives of sustainable development;
- D the need for money distributed under section 25(1) to be distributed only to projects where they are for a specific, time-limited purpose;
- E 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;
- F 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 D;
- G 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 application, or applicants in particular areas to obtain such support;
- H the desirability of working with other organisations, including other distributors, where this is an effective means of delivering elements of its strategy;

- I the need to ensure that its powers to solicit applications under section 25(2)(A) are used in connection with the pursuit of strategic objectives;
- J the need to obtain such information as it considers necessary to make decisions on each application, including independent advice when required;
- K the need to operate within the distinctive policy context in Wales, adding value where appropriate to Welsh Government strategies, to enable the development of opportunities for everyone to flourish within a more successful and sustainable Wales;
- L the need to promote access to the arts for people from all sections of society;
- M the need to promote knowledge of, and interest in, the arts by children and young people;
- N the need to encourage new talent, innovation, and excellence, and to help develop new skills;
- O the need to support volunteering and encourage volunteering in the arts;
- P the need to involve the public and local communities in making policies and setting priorities;

Specific

- Q the need to promote and support throughout Wales the cultural significance of the Welsh language and the bilingual nature of Wales, including giving effect to the principle of equality between the English and Welsh languages. This should include the addition of specific conditions on the Welsh language in grant offers, an effective monitoring and overseeing of the performance of grant recipients with regard to those conditions;
- R the need to ensure coherent monitoring, evaluation and reporting systems that support quality service delivery, and to maintain accountability by providing an annual report on the Arts Council of Wales' lottery funding activity to the Welsh Government. This report should include an analysis of grants made, and the distribution of these by size, type, geographical area, and art form.

Dated: 1 October 2012

Lottery Distribution – Grants 2015-16

net of offers not taken up or withdrawn

Grants to organisations

Capital grants

| | |
|------------------------------------|-------------------|
| Blaenavon Workmen's Hall Committee | £2,364 |
| Galeri Caernarfon Cyf (2 awards) | £198,775 |
| Ignition | £2,035 |
| Neuadd Buddug (2 awards) | £37,652 |
| The Other Room | £3,774 |
| Theatr Brycheiniog | £33,832 |
| Theatr Harlech | £2,200 |
| Ucheldre Centre | £30,000 |
| Vale of Glamorgan Council | £25,000 |
| Wrexham County Borough Council | £2,300,000 |
| | £2,635,632 |

Large grants (over £5,000)

| | |
|--------------------------------------|----------|
| 3 G's Development Trust | £30,000 |
| Aberjazz | £12,500 |
| Aberystwyth Arts Centre | £11,899 |
| Aberystwyth Music Fest | £30,000 |
| African Community Centre | £29,955 |
| AGE Cymru | £60,000 |
| Anglesey Arts Forum | £25,500 |
| Arad Goch | £97,547 |
| Arcadecardiff C.I.C. | £30,000 |
| Articulture | £30,000 |
| Artis Community Cymuned | £15,000 |
| Arts & Business Cymru (2 awards) | £55,000 |
| Arts Active Trust | £33,465 |
| Arts Alive | £29,950 |
| Arts Development UK | £100,000 |
| August 012 Limited | £12,000 |
| Awen Cultural Trust (2 awards) | £52,869 |
| Ballet Cymru | £24,715 |
| Bangor New Music Festival Society | £28,000 |
| Bangor University (4 awards) | £129,999 |
| Barnardo's | £18,000 |
| Beyond the Border | £100,000 |
| Black Sheep Theatre | £30,000 |
| Blackwood Miners' Institute | £11,040 |
| Blaenau Gwent County Borough Council | £25,760 |
| blinc CIC | £30,000 |
| Bombastic | £40,420 |
| Borough Theatre Abergavenny | £25,305 |
| Brecon Beacons Music Trust | £13,000 |

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| Bridgend Town Council | £29,775 |
| Butetown Artists | £29,565 |
| Canoe Theatre | £24,300 |
| Cardiff Council | £70,000 |
| Cascade Dance Theatre | £60,000 |
| Celf O Gwmpas | £18,000 |
| Celtic Neighbours | £11,856 |
| Chapter Cardiff Ltd (3 awards) | £146,933 |
| City and County of Swansea | £25,000 |
| Cofis Bach | £30,000 |
| Coleg Cambria | £25,000 |
| Community Music Wales | £18,945 |
| Conwy Arts Trust | £30,000 |
| Cowbridge Music Festival | £30,000 |
| Creu Cymru (2 awards) | £103,808 |
| Cwlwm Celtaidd Wales' Interceltic Festival | £10,000 |
| Cwmni Mega Cyf (2 awards) | £110,000 |
| Cwmni Pendraw | £13,715 |
| Cwmni Pluen Company | £10,407 |
| Cwmni'r Frân Wen (3 awards) | £74,224 |
| Dance Blast | £42,750 |
| Dawns i Bawb | £13,750 |
| Denbighshire County Council (2 awards) | £40,000 |
| Difficult Stage (2 awards) | £41,849 |
| Earthfall Dance Ltd. | £17,325 |
| Eisteddfod Genedlaethol Cymru | £70,000 |
| engage (National Association for Gallery Education) | £1,065 |
| Equinox Theatre | £10,000 |
| Familia de la Noche | £12,000 |
| Fieldwork | £9,315 |
| Fishguard Music Festival | £50,000 |
| Flintshire County Council (2 awards) | £29,475 |
| Flying Diplodocus | £17,000 |
| Focus Wales | £30,000 |
| Fuel | £30,000 |
| g39 (2 awards) | £60,000 |
| Gagglebabble (2 awards) | £42,000 |
| Galeri Caernarfon Cyf (2 awards) | £50,515 |
| Give It A Name | £20,000 |
| Glynn Vivian Art Gallery | £28,000 |
| Grand Theatre Swansea (3 awards) | £66,850 |
| Green Man Trust Ltd | £60,000 |
| Gregynog Festival | £50,000 |
| Groundwork Pro | £16,987 |
| Gwyn Emberton Dance | £30,000 |
| Gwyn Hall | £25,000 |
| Hafren | £30,000 |
| Hay Festival of Literature and the Arts Ltd | £70,000 |

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| Helpa Gelf Cyfyngedig (2 awards) | £42,000 |
| Hijinx Theatre (4 awards) | £152,000 |
| Invisible Ink | £30,000 |
| It's My Shout Productions Ltd | £29,043 |
| JOIO Cyf. | £28,410 |
| Kitsch & Sync Collective | £21,500 |
| Laugharne Literary Festival | £28,000 |
| Lighthouse Theatre Ltd | £30,000 |
| Literature Across Frontiers | £30,000 |
| Literature Wales | £30,000 |
| Live Music Now Wales | £10,500 |
| Llangollen Fringe Festival | £20,000 |
| Llangollen International Musical Eisteddfod | £100,000 |
| Llantarnam Grange Arts Centre | £9,975 |
| Locws International | £30,000 |
| Mai oh Mai Productions | £25,961 |
| Makers Guild in Wales | £30,000 |
| Menter Caerdydd | £30,000 |
| Menter Mon Cyf | £30,000 |
| Menter Y Felin Uchaf Cyf | £20,785 |
| Mercury Theatre | £28,552 |
| Mid Wales Arts | £17,920 |
| Mid Wales Music Trust | £14,000 |
| Migrations | £200,000 |
| Miles Productions | £12,500 |
| Mission Gallery | £160,480 |
| MOSTYN (2 awards) | £80,000 |
| Motherlode Theatre Ltd | £15,115 |
| Museum of Modern Art, Wales | £21,000 |
| National Dance Company Wales | £100,000 |
| Neontopia Cyf (2 awards) | £42,000 |
| NEW Dance | £30,000 |
| NoFit State Community Circus Ltd (2 awards) | £89,866 |
| North Wales International Music Festival | £50,000 |
| Omidaze Productions (2 awards) | £60,000 |
| Oriel Davies Gallery | £30,000 |
| Oriel Plas Glyn-y-Weddw Cyfyngedig | £38,000 |
| Oriel Wrecsam (2 awards) | £208,230 |
| Playwrights' Studio Wales (PSW) | £30,000 |
| Pontardawe Arts Centre (2 awards) | £37,630 |
| Porthcawl Jazz Festival | £15,000 |
| Powys County Council | £60,000 |
| Presteigne Festival of Music and the Arts Ltd | £37,550 |
| Queens Hall (2 awards) | £43,100 |
| Re-Live (2 awards) | £110,000 |
| Rhondda Cynon Tâf County Borough Council | £30,000 |

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| Royal Cambrian Academy | £17,000 |
| Royal Welsh College of Music and Drama (2 awards) | £135,200 |
| Rubicon Dance | £13,002 |
| Run Ragged Productions | £25,623 |
| Ruthin Craft Centre | £16,773 |
| Sesiwn Fawr Dolgellau | £18,000 |
| Shakespeare Schools Festival (2 awards) | £96,700 |
| Sherman Cymru (2 awards) | £41,219 |
| Sinfonia Cymru | £85,000 |
| Sistema Cymru Codi'r To | £49,000 |
| Small World Theatre Ltd | £27,500 |
| Sound Affairs | £30,000 |
| Span Arts Ltd | £30,000 |
| Spectacle Theatre | £29,753 |
| St. Davids Cathedral Festival | £30,000 |
| St. David's Hall | £97,000 |
| Standpoint | £5,150 |
| Stiwrt Arts Trust Ltd. | £30,000 |
| Swansea City Opera (2 awards) | £79,500 |
| Swansea Festival of Music and the Arts Ltd | £70,000 |
| Swansea Jazzland | £27,500 |
| Taking Flight Theatre Company (2 awards) | £122,067 |
| The Aloud Charity | £30,000 |
| The Cory Band (2 awards) | £52,904 |
| The Escape Artists North Wales CIC | £17,500 |
| The Kickplate Project | £15,625 |
| The Other Room (2 awards) | £42,000 |
| The Riverfront | £45,000 |
| The Romani Cultural Arts Company | £23,690 |
| Theatr Bara Caws | £87,528 |
| Theatr Colwyn | £30,000 |
| Theatr Genedlaethol Cymru (3 awards) | £154,078 |
| Theatr Harlech | £100,000 |
| Theatr Mwldan (2 awards) | £92,034 |
| Theatr na n'Óg | £100,000 |
| Theatr Pena | £82,000 |
| Theatrau Sir Gar | £30,000 |
| THIS Project | £27,625 |
| TRIONGL | £15,450 |

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| Turnstile TEMS LLP | £10,050 |
| UCAN Productions | £21,700 |
| Urdd Gobaith Cymru | £30,000 |
| Vale of Glamorgan Festival | £70,000 |
| Venue Cymru | £100,000 |
| Voluntary Arts Network | £48,660 |
| Waking Exploits | £30,000 |
| Wales Arts Review | £12,095 |
| Wales Millennium Centre (2 awards) | £250,000 |
| We Made This | £30,000 |
| Winding Snake Productions | £22,500 |
| Wye Valley Area of Outstanding Natural Beauty (AONB) | £30,000 |
| X-10 | £30,000 |
| Young Music Makers of Dyfed | £26,000 |
| Ysgol Cedewain | £12,000 |
| Ystradgynlais Miners' Welfare and Community Hall Trust Ltd | £30,000 |
| | £8,030,876 |

Small grants (up to £5,000)

| | |
|--|--------|
| 3 Crate Productions | £2,400 |
| Aber Taiko | £4,011 |
| Action For Arts | £4,590 |
| Age Alive | £3,130 |
| Andrew Logan Museum of Sculpture | £4,947 |
| Arts Active Trust | £5,000 |
| Arts Alive | £5,000 |
| Asking 4 It | £5,000 |
| Awdurdod Parc Cenedlaethol Eryri | £4,200 |
| Axon Theatre | £3,316 |
| Ballet Nimba | £5,000 |
| Barry Arts Festival | £5,000 |
| Be Aware Productions LTD | £5,000 |
| Beyond the Border | £3,500 |
| Brecon and Hay Dementia Supportive Community | £2,603 |
| Brecon Jazz Club | £2,268 |
| Caerphilly County Borough Council | £3,000 |
| Canoe Theatre | £5,000 |
| Celf O Gwmpas | £4,613 |
| Change Wrexham For Our Future | £3,000 |
| Chapter Cardiff Ltd. | £5,000 |
| Citrus Arts | £5,000 |
| Company of Sirens | £4,200 |
| Criccieth Arts Association | £5,000 |
| Crickhowell Choral Society | £4,900 |
| Curious Seed | £5,000 |
| Cwmni Pen Draw | £3,000 |
| Cymru Pride Wales | £1,900 |
| De Oscuro | £5,000 |

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| Deeside Community Arts | £5,000 |
| Devauden Music Fest | £1,850 |
| Disability Arts Cymru | £9,880 |
| Elfed High School | £2,940 |
| English Folk Dance and Song Society (EFDSS) | £5,000 |
| ESTRONS | £2,545 |
| Familia de la Noche (2 awards) | £9,405 |
| Ffilm Cymru Wales | £3,881 |
| Fishguard Folk Festival | £4,800 |
| Focus Wales | £5,000 |
| Gagglebabble | £4,490 |
| Gower Folk Festival | £4,500 |
| Gwledd Conwy Feast CIC | £5,000 |
| Gwyl Arall | £5,000 |
| Hay Music | £4,658 |
| Invisible Ink | £4,805 |
| Learning Disability Wales | £4,999 |
| Learning Links International | £5,000 |
| Life Venture Arts | £5,000 |
| Lighthouse Theatre Ltd | £5,000 |
| Literature Across Frontiers | £5,000 |
| Machynlleth Comedy Festival | £4,000 |
| Media Academy Cardiff | £4,859 |
| Menter Iaith Bro Morgannwg | £3,398 |
| Merthyr Rising Festival | £5,000 |
| Mid Border Community Arts Ltd | £5,000 |
| Mid Powys Youth Theatre | £5,000 |
| Monmouth Savoy Trust | £2,990 |
| Mr and Mrs Clark | £4,993 |
| Music Venue Trust | £3,900 |
| Neontopia Cyf | £5,000 |
| North East Wales Sinfonia C.I.C. | £5,000 |
| Nurture Creative Dance Theatre | £5,000 |
| NWAMI | £5,000 |
| October Sixty Six Productions LLP | £5,000 |
| operasonic cyf | £5,000 |
| Oriel Davies Gallery | £4,104 |
| Penarth Pier Pavilion | £4,481 |
| Pigtown Theatre CIC | £2,909 |
| Pontardawe Arts Centre | £5,000 |
| Pop Up Projects CIC | £5,000 |
| PuppetSoup | £5,000 |
| RainbowBiz Limited | £4,310 |
| Right Hand Left Hand | £5,000 |
| RSPB Cymru | £5,000 |
| Sinfonia Cymru | £5,000 |
| Small World Theatre Ltd | £5,000 |
| Snowdonia Nights Out Group (SNOG) | £4,333 |

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| Spit & Sawdust | £5,000 |
| St John Lloyd RC Primary School | £1,800 |
| STAR Communities First | £2,320 |
| Stiwt Arts Trust Ltd. | £4,556 |
| Striking Attitudes | £4,432 |
| Stroke Association | £4,860 |
| Table#21 Productions | £3,070 |
| TaikaBox | £4,000 |
| Taking Flight Theatre Company (2 awards) | £11,380 |
| The Aloud Charity | £5,000 |
| The Cory Band | £4,500 |
| The Echo and The Always | £5,000 |
| The Other Room (2 awards) | £6,500 |
| Theatr Felinfach | £4,500 |
| Theatr Gwalia | £4,000 |
| Theatre Versus Oppression | £4,500 |
| Tredeggar House Folk Festival | £5,000 |
| TRIONGL | £5,000 |
| Vale Jazz Weekend | £5,000 |
| Visiting Arts | £5,000 |
| Warriors International | £3,500 |
| We Made This | £5,000 |
| Women Connect First | £4,561 |
| Woodlands High School | £1,460 |
| yello brick | £5,000 |
| Ysgol Dewi Sant | £5,000 |
| Ysgol Gymunedol T Llew Jones | £3,870 |
| Ysgol Gynradd Gymunedol Aberteifi | £4,800 |
| Ysgol Hafod Lon | £360 |
| Ysgol Hen Felin School | £4,687 |
| Ysgol Nant y Coed | £5,000 |
| Ysgol Trelogan | £5,000 |
| | £491,264 |

Training grants

| | |
|---|-----------------|
| Clore Leadership Programme | £40,200 |
| Community Music Wales | £21,795 |
| Crafts Council | £30,000 |
| engage (National Association for Gallery Education) | £30,000 |
| Mess up the Mess Theatre Company | £18,484 |
| Northern Film & Media | £15,000 |
| Plymouth Arts Centre | £4,331 |
| trac - Music Traditions Wales | £15,810 |
| TYA UK | £10,000 |
| Venue Cymru | £7,500 |
| | £193,120 |

Strategic Grants

| | |
|--|-----------------|
| Cyfnewidfa Lên Cymru | £47,916 |
| Hay Festival of Literature and the Arts Ltd (2 awards) | £50,000 |
| The British School at Rome | £46,000 |
| | £143,916 |

International Opportunities Fund

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|--------------------------------|----------------|
| Calan | £4,767 |
| Doppelgangster | £1,864 |
| HMS Morris | £3,178 |
| Lighthouse Theatre Ltd | £4,750 |
| Literature Across Frontiers | £3,230 |
| National Theatre Wales | £2,182 |
| tactileBOSCH Studios | £5,000 |
| The People The Poet (2 awards) | £8,200 |
| Theatr Harlech (2 awards) | £2,000 |
| Theatr Iolo | £4,200 |
| Tŷ Cerdd - Music Centre Wales | £653 |
| Vertical Dance Kate Lawrence | £3,851 |
| Wales PEN Cymru (2 awards) | £4,280 |
| | £48,155 |

Transition Funding

| | |
|--------------------------|-----------------|
| Arts & Business Cymru | £30,000 |
| Dawns TAN TAN Dance Ltd. | £29,943 |
| Earthfall Dance Ltd. | £25,235 |
| SWICA Carnival | £12,500 |
| Theatr Ffynnon | £30,000 |
| Touch Trust Ltd. | £29,934 |
| | £157,612 |

Creative Steps

| | |
|-------------------------------|-----------------|
| Ballet Nimba | £49,950 |
| g39 | £25,000 |
| Taking Flight Theatre Company | £49,626 |
| | £124,576 |

Creative Learning through the Arts Programme

| | |
|--|-------------------|
| Arts Council of Wales (General Activities) | £1,890,000 |
| | £1,890,000 |

Total Grants to Organisations

| | |
|-----------------------|--------------------|
| Grants to individuals | £13,715,151 |
|-----------------------|--------------------|

Small grants (up to £5,000)

| | |
|------------------|--------|
| Allison, Justine | £1,600 |
| Ashton, Kenneth | £2,000 |
| Ball, Dave | £4,983 |
| Berry, Jo | £1,165 |
| Bonada, Marja | £4,927 |
| Bonello, Gareth | £5,000 |

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|----------------------------|--------|
| Brunskill, Julie | £5,000 |
| Bryon, Laura | £5,000 |
| Buckingham, Sophie | £2,340 |
| Cameron, Sian | £2,520 |
| Campbell-Horner, Sarah | £1,500 |
| Cashmore, Jenny | £3,000 |
| Chamberlain, David | £1,500 |
| Chambers, Gareth | £1,460 |
| Coates, Mandy | £4,500 |
| Colquhoun, Morag | £2,978 |
| Coombs, Neil | £5,000 |
| Cotsen, Jonathan | £1,948 |
| Crawford, Kizzy | £5,000 |
| Davey, Holly | £1,246 |
| Davies, Huw | £8,000 |
| Davies, Ivor | £4,950 |
| Davies, Seiriol | £2,999 |
| Davies-Bond, Joanna | £3,000 |
| Davis, Pete | £4,483 |
| Devlin, Ronan | £4,950 |
| Dewhurst, Antonia | £4,180 |
| Dickinson, Ant | £5,000 |
| Dowmunt, Zosia | £3,000 |
| Dubois, Pascal-Michel | £1,310 |
| Easterby, Jonathan | £3,000 |
| Eastwood, Paul | £3,000 |
| Evans, Angharad | £5,000 |
| Evans, Catrin Llwyd | £3,000 |
| Evans, Lowri | £4,638 |
| Falcini, Anna | £4,734 |
| Fuller, George | £4,977 |
| Gelsthorpe, Bob | £2,668 |
| Griffiths, Tamsin | £3,000 |
| Hallas, Penny | £5,000 |
| Harris, Bryony | £1,475 |
| Hobson, Louise | £4,853 |
| House, Beth | £2,000 |
| Ifans, Mair Tomos | £3,000 |
| Iliffe, Tim | £3,000 |
| James, Catriona (2 awards) | £7,065 |
| Jones, David | £1,500 |
| Jones, Francesca | £1,000 |
| Jones, Leona | £3,000 |
| Jones, Meilyr | £5,000 |
| Jones, Richard | £5,000 |
| Jones, Steffan Hywel | £2,000 |
| Jones, Victoria J E | £3,789 |
| J-Wright, Ellis | £3,000 |

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|--------------------------|--------|
| Kane, Dominic | £3,000 |
| Larke, Suzannah | £3,000 |
| Lawrence, Wendy | £4,500 |
| Leon, Dalit | £4,500 |
| Lochhead, Alison | £3,000 |
| Loftus, Chloe (2 awards) | £4,593 |
| Maddocks, Hazel | £602 |
| Manby, Glen | £5,000 |
| Meinir, Sian | £3,045 |
| Mercer, Katie | £3,000 |
| Miller, Rachel | £3,000 |
| Morgan, Anne | £689 |
| Murphy, Ceri | £3,000 |
| Nadles, Jasna | £2,800 |
| Nash, Gareth | £3,700 |
| Newell, Eileen | £1,080 |
| Norton, John | £3,000 |
| O'Doherty, Sian | £5,000 |
| Owen, Rhodri | £5,000 |
| Owen, Sarah | £5,000 |
| Parsons, Alex Marshall | £3,000 |
| Pasotra, Tina | £2,900 |
| Perry, Samuel | £2,982 |
| Phillips, Lee John | £1,000 |
| Pope, Simon | £2,812 |
| Potter, Clare | £3,000 |
| Powlesland, Beth | £2,990 |
| Prangle, Gemma | £1,183 |
| Price, Rhian | £2,500 |
| Rees, Aled | £5,000 |
| Rees, Marc | £3,000 |
| Reynolds, Anthony | £5,000 |
| Reynolds, Nicola | £4,720 |
| Roberts, Huw Meredydd | £3,800 |
| Rogers, Sarah (2 awards) | £9,295 |
| Sainty, Peter | £395 |
| Scale, Suzanne | £1,616 |
| Shayek, Abdul | £1,780 |
| Skinner, Emily | £5,000 |
| Spaull, Lisa | £3,000 |
| Spooner, Rebecca | £4,950 |
| Stammers, Ben | £3,000 |
| Steed, Patrick | £2,720 |
| Steffan, Lleuwen | £3,000 |
| Stockwell, Alison Joan | £2,984 |
| Sven-Myer, Eifion | £4,684 |

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|---|-----------------|
| Swain, Mared | £3,000 |
| Thomas, Frank | £3,000 |
| Thomas, Julia | £3,000 |
| Thomas, Rebecca | £3,000 |
| White, Rhiannon | £3,000 |
| Whittaker, Paul | £3,000 |
| Williams, Catrin | £3,000 |
| Williams, Dafydd | £3,200 |
| Wright, Anthony | £2,652 |
| Wright, Catherine | £5,000 |
| Young, Joanna | £5,000 |
| | £378,910 |
| Large grants (over £5,000) | |
| Brett, Jessie | £24,305 |
| Cardwell, Bruce | £12,286 |
| Daman Thomas, Mark | £12,500 |
| Davey, Holly | £25,000 |
| Fong, Joanne | £21,944 |
| Gubb, Mark | £11,100 |
| Hall, Jenny | £20,274 |
| James, Richard | £25,000 |
| Jones, Kelly | £19,305 |
| Ladd, Eddie | £17,425 |
| Morgan-Bell, Rhiannon | £25,000 |
| Paton, Elaine | £25,000 |
| Scott, Peter | £15,296 |
| Sterly, Amy | £14,280 |
| Thomas, Mai | £13,477 |
| | £282,192 |
| International Opportunities Fund | |
| Ambrose, David | £525 |
| Bedwani, Jay | £3,260 |
| Berney, Hannah Katie (3 awards) | £10,171 |
| Bettridge, Dan (3 awards) | £12,018 |
| Bird-Jones, Christine | £2,200 |
| Bonello, Gareth | £3,140 |
| Bowen, Robin | £1,384 |
| Boyd, Patrick | £1,500 |
| Brett, Jessie | £3,248 |
| Cutler, Vanessa | £1,200 |
| Dafydd, Sian Melangell | £440 |
| Daniel, Rhodri | £2,750 |
| Davies, Phoebe | £4,750 |
| Dingley, Alex | £4,415 |
| Disson, Joseph | £3,205 |
| Dooley, Freya | £1,899 |
| Dyer, Kevin | £2,575 |

| | |
|--------------------------------|-----------------|
| Gibbard, Gwenan | £1,315 |
| Goddard Tom | £2,046 |
| Goulbourne, Alan | £2,760 |
| Gubb, Mark | £1,695 |
| Hobson, Louise | £3,350 |
| Jones, Andrew | £1,960 |
| Jones, Anthony | £980 |
| Jordao, Ariana | £1,800 |
| Keehan, Bridget | £2,150 |
| Leigh, Sarah Jane | £2,700 |
| Lewis, Llyr | £900 |
| Lizalde Cano, Jorge | £2,465 |
| Llewellyn, Richard | £2,408 |
| Llewelyn-Williams, Daniel | £3,000 |
| Lloyd-Jones, Jessica | £1,791 |
| Moorcraft, Gareth | £1,273 |
| Najera, Janire | £4,259 |
| Packham, Ruth | £500 |
| Parry-Jones, Clare | £2,808 |
| Rees, Aled | £5,000 |
| Rees, Daniel | £4,360 |
| Rhydderch, Francesca | £3,008 |
| Rhys, Marged | £3,500 |
| Rhys-James, Shani | £613 |
| Rowlands, Ian | £1,690 |
| Saunders, Gwenno | £3,160 |
| Steffan, Lleuwen | £3,031 |
| Stockford, Caroline (2 awards) | £2,111 |
| Turnbull, Stephanie | £685 |
| Tyson, James | £565 |
| Webster, Catrin | £3,885 |
| Williams, John | £2,500 |
| Younan, Sarah | £3,720 |
| | £136,668 |

Creative Wales awards

| | |
|------------------------|---------|
| Appleton, Melissa | £20,000 |
| Bowman, Robert | £20,000 |
| Burdis, Edwin | £21,700 |
| Cutler, Vanessa | £25,000 |
| Easterby, Jonathan | £24,700 |
| Fong, Joanne | £20,000 |
| Ghazoul, Rabab | £19,641 |
| Hasler, Samuel | £12,500 |
| Henry, Paul | £17,570 |
| Higson, Rauni | £15,353 |
| Lee, Angharad | £17,212 |
| Lopez-Norton, Mathilde | £20,000 |

| | |
|---|--------------------|
| Marlow, Bethan | £19,980 |
| Perry, Mike | £18,000 |
| Porter, Gavin | £12,831 |
| | £284,487 |
| Creative Wales Ambassadors | |
| Griffiths, Owen | £25,000 |
| | £25,000 |
| Total Grants to individuals | £1,107,257 |
| Total Grants offered net of offers not taken up or withdrawn | £14,822,408 |

Grants administered by Ffilm Cymru Wales

Development

| | |
|-------------------------------------|-----------------|
| Alexander, Rob | £17,000 |
| Arthur Cox Ltd | £18,000 |
| Bard Entertainments Ltd | £8,001 |
| Chewing Monkey Ltd | £15,000 |
| Fly Film Co Ltd | £1,825 |
| Gritty Realism | £11,000 |
| IE IE Productions Limited | £20,250 |
| Jigsaw Films Ltd | £20,000 |
| King, Jamie J | £6,285 |
| Kuti, Afolabi | £12,000 |
| Linstrum, Catherine | £12,500 |
| Look Out Point Ltd | £20,000 |
| Mad as Birds | £20,000 |
| Milkwood Film Production (2 awards) | £12,000 |
| Niton Films Ltd | £20,000 |
| Rosetta Productions | £18,000 |
| Samuelson Productions Ltd | £15,000 |
| Vox Pictures Ltd | £5,000 |
| | £251,861 |

Production

| | |
|---------------------------------|-----------------|
| Berens, Raymond | £150,000 |
| Glimmer Films | £7,500 |
| Humming Bird Films | £85,000 |
| Severn Screen Ltd (2 awards) | £205,000 |
| Shoot from the Hip | £20,000 |
| Truth Department (Dewi Gregory) | £25,000 |
| Wales Interactive | £49,999 |
| | £542,499 |

Education

| | |
|---------------------------------------|--------|
| Arts Jobs Online Ltd | £4,960 |
| Cardiff Community Housing Association | £7,000 |
| Gritty Realism | £4,800 |
| Iris Education Outreach | £8,019 |
| Lily Pad Films | £1,010 |

| | |
|-----------------------------------|----------------|
| Play Radnor - Thumbs Up | £4,211 |
| The Welfare Ystradgynlais | £5,000 |
| Wales One World Film Festival Ltd | £8,800 |
| | £43,800 |

Exhibition Cinema Funding

| | |
|-----------------------------|----------------|
| Aberystwyth Arts Centre | £16,000 |
| Chapter Arts Centre | £23,000 |
| Clwyd Theatr Cymru | £11,500 |
| Galeri Caernarfon | £3,000 |
| Memo Arts Centre | £2,000 |
| Neuadd Dwyfor | £2,000 |
| Penarth Pier Pavilion | £2,000 |
| Pontardawe Arts Centre | £3,500 |
| Riverfront Theatre | £2,200 |
| Taliesin Arts Centre | £8,000 |
| The Welfare Ystradgynlais | £2,000 |
| Theatr Mwldan | £9,351 |
| Theatr Ucheldre Development | £2,000 |
| Theatre Gwaun | £3,000 |
| Torch Theatre | £4,800 |
| Wyeside Arts Centre | £4,000 |
| | £98,351 |

Exhibition Festivals

| | |
|-----------------------------------|----------------|
| Aberystwyth Arts Centre | £15,000 |
| Bulldozer Films | £2,500 |
| Galeri Caernarfon | £5,500 |
| Hay Festivals - Borderlines | £7,500 |
| The Festivals Company Ltd | £9,000 |
| Wales One World Film Festival Ltd | £9,000 |
| Zoom Cymru | £10,000 |
| | £58,500 |

Flexible Education

| | |
|----------------|----------------|
| Ben Ewart Dean | £4,500 |
| Bigger Picture | £5,000 |
| Film Hub Wales | £826 |
| | £10,326 |

Total Grants from Ffilm Cymru Wales net of offers not taken up or withdrawn**£1,005,337**

Grants administered by BBC Cymru Wales

Horizons: Launchpad Fund

| | |
|--------------|--------|
| Afro Cluster | £1,900 |
| Aled Rheon | £1,550 |
| Anelog | £2,000 |
| Artefact | £1,250 |
| Astroid Boys | £2,000 |
| BUCK | £1,000 |

| | |
|--|----------------|
| Candelas | £2,000 |
| CASI | £1,000 |
| CaStLeS | £1,500 |
| Connah Evans | £1,300 |
| Dan Bettridge | £2,000 |
| David Ian Roberts | £960 |
| Delyth McLean | £2,000 |
| Dukes of Hafod | £1,050 |
| Eleri Angharad | £900 |
| Greta Isaac | £2,000 |
| Hannah Grace | £1,000 |
| Harri Davies | £800 |
| Henry's Funeral Shoe | £1,000 |
| Homes | £1,200 |
| HVNTER | £800 |
| Ifan Dafydd | £2,000 |
| Joe Kelly | £1,000 |
| Junior Bill | £2,000 |
| La Forme | £499 |
| Lily Beau | £1,000 |
| Mellt | £1,350 |
| Sam Parsons | £1,000 |
| The Cradles | £1,000 |
| The People The Poet | £2,000 |
| The Roseville Band | £700 |
| Tolerance | £1,830 |
| Violet Skies | £2,000 |
| Voes | £1,500 |
| Y Reu | £2,000 |
| | £49,089 |
| Total Grants from Ffilm Cymru Wales net of offers not taken up or withdrawn | £49,089 |

GRANTS ADMINISTERED BY LITERATURE WALES

Writers' Bursaries

| | |
|-----------------------|--------|
| Bullough, Tom | £4,000 |
| Coles, Sarah | £3,000 |
| Collins, Hannah | £2,000 |
| Davis, Martin | £3,000 |
| Dunham, Lucy | £4,000 |
| Edwards, Jonathan | £3,000 |
| Hodson, Megan | £5,000 |
| Holborow, Natalie Ann | £4,000 |
| James, Christine | £4,000 |
| John, Rebecca F. | £3,000 |
| Jones, Llion | £2,000 |
| Lyon, Nina | £2,000 |
| Morgan, Geraint | £4,000 |

| | |
|---|----------------|
| Northey, Sian | £3,000 |
| Pendry, Helen | £4,000 |
| Pyke, Tegan | £5,000 |
| Smith, Benjamin | £3,000 |
| Wakelin, Peter | £3,000 |
| Watson, Hilary | £4,000 |
| Williams, Aled Jones | £5,000 |
| | £70,000 |
| Other support to writers | |
| 185 awards | £15,000 |
| | £15,000 |
| Total Grants from Literature Wales net of offers not taken up or withdrawn | £85,000 |
| Grants administered by Tŷ Cerdd | |
| New music commissions | |
| Burry Port Brass Band | £2,000 |
| Cascade Dance Theatre | £1,000 |
| Lighthouse Theatre | £2,000 |
| Urdd Eisteddfod | £250 |
| Vale of Glamorgan Festival | £2,000 |
| | £7,250 |
| Youth funding | |
| Bangor Music Festival | £1,000 |
| | £1,000 |
| Programming Welsh composers | |
| Vale of Glamorgan Festival | £1,000 |
| Bangor Music Festival | £1,000 |
| Canolfan Gerdd William Mathias | £1,000 |
| Cardiff Bach Choir | £1,000 |
| | £4,000 |
| Support for Music in Wales | |
| Cardigan Community Choir | £500 |
| Montgomeryshire Music Festival | £500 |
| Blackwood Musical Theatre | £500 |
| Côr Bro Ogwr | £500 |
| Brynmawr Amateur Operatic | £500 |
| | £2,500 |
| Other funding support | |
| 33 organisations | £9,054 |
| | £9,054 |
| Total Grants from Tŷ Cerdd net of offers not taken up or withdrawn | £23,804 |

GRANTS ADMINISTERED BY NESTA

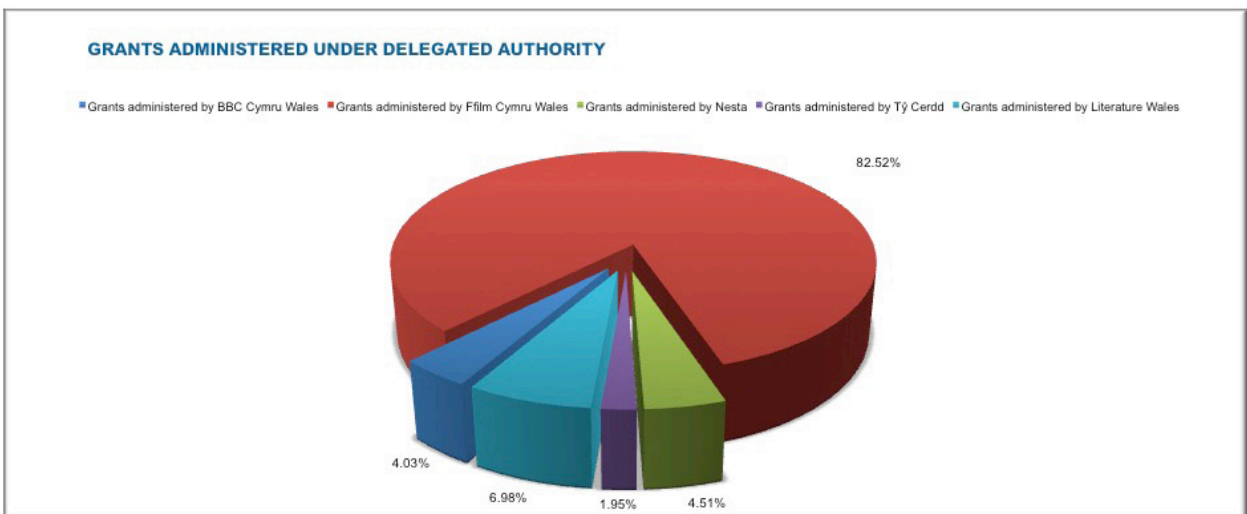
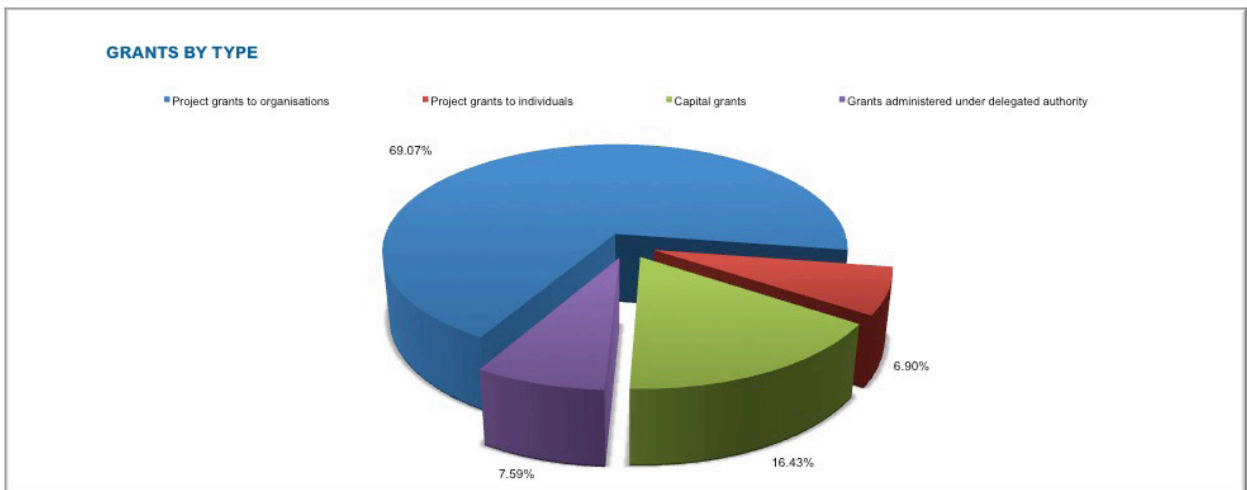
Digital Innovation Fund

| | |
|---------------------------------------|---------|
| Artis Community Limited | £5,000 |
| Arts Alive | £5,000 |
| Bombastic | £5,000 |
| Contemporary Temporary Artspace | £5,000 |
| Festivals Literature Charitable Trust | £5,000 |
| Glynn Vivian Art Gallery | £5,000 |
| Hijinx Theatre | £5,000 |
| Makers Guild Wales | £5,000 |
| Recordiau Blinc Cyf | £5,000 |
| UCAN Productions | £10,000 |

£55,000

Total Grants from Nesta net of offers not taken up or withdrawn

£55,000



For further information about the National Audit Office please contact:

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