CYNGOR CELFYDDYDAU CYMRU

England & Wales · Charity number 1034245

Details

Other names	THE ARTS COUNCIL OF WALES
Status	Registered
Legal form	Other
Registered	1994-03-02
Register	View on the Charity Commission register

Contact

Address	The Arts Council of Wales Bute Place Cardiff CF10 5AL
Phone	03301242733
Email	comms@arts.wales
Website	www.arts.wales

Activities

Objects: A. TO DEVELOP AND IMPROVE THE KNOWLEDGE, UNDERSTANDING AND PRACTICE OF THE ARTS. B. TO INCREASE THE ACCESSIBILITY OF THE ARTS TO THE PUBLIC.

Activities: The Arts Council of Wales is responsible for developing and funding the arts in Wales for the benefit of people throughout Wales. We formulate arts strategies, undertake research, and provide recurrent and one-off grants to organisations and individuals. We also manage a range of non-grant activities and services, often in partnership with local authorities and others.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Other Finance, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Arts/culture/heritage/science
- **Who:** Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

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Geography

- Throughout Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£57,739,000	£56,399,000	£8,534,000	81
2024-03-31	£61,311,000	£62,100,000	£7,194,000	86
2023-03-31	£78,547,000	£79,163,000	£7,983,000	86
2022-03-31	£65,466,000	£71,678,000	£8,599,000	80
2021-03-31	£72,366,000	£68,358,000	£14,811,000	75

Trustees

Name	Role	Appointed
Margaret-Anne Russell	Chair	2023-04-01
Amanda Morgan Thomas		2025-04-01
Christina Macaulay		2025-10-01
Dr Margaret Elid Cleaton Morris		2025-04-01
Dr Sarah Louise Pace		2025-04-01
Emily Florence Hutchings BA Hons MA		2023-06-12
Emily Jane Bamkole		2025-04-01
Ffion Haf Evans		2025-04-01
Jonathan Christopher Pugh		2024-09-02
Keith Murrell		2021-04-01
Nan Williams		2025-04-01
Prudence Mary Thimbleby		2021-04-01
Ruth Vivienne Fabby		2021-04-01
Sarah Boswell		2024-09-02
Wesley Bennett-Pearce		2025-04-01

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CYNGOR CELFYDDYDAU CYMRU

England & Wales - Charity number 1034245

Accounts

Cyngor Celfyddydau Cymru
Arts Council of Wales

General Activities and Lottery Distribution

Report and Financial Statements for the year ended 31 March 2025

Noddir gan **Lywodraeth Cymru**
Sponsored by **Welsh Government**

Yn dyfarnu arian / Awarding funds from
Y LOTERI GENEDLAETHOL
THE NATIONAL LOTTERY®

Cover: *Out of this World*, Heather Phillipson, Glynn Vivian Art Gallery (Image: Polly Thomas)

Charity number 1034245

This document is available in Cymraeg: www.celf.cymru

Arts Council of Wales is committed to being open and accessible and will endeavour to provide information in languages other than Welsh or English on request.

disability confident EMPLOYER

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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.

Established by Royal Charter on 30 March 1994, we exist to support and develop the arts in Wales for the benefit of people throughout Wales, and to support Welsh arts 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.

Chair's foreword

I am delighted to introduce the annual accounts, reflecting a year of significant change, strategic progress, and dedicated efforts to support and develop the arts and culture sector in Wales.

Despite the financial challenges posed by a 10.5% budget reduction, ACW has maintained robust governance, streamlined operations, and continued to invest in key initiatives that promote sustainability, inclusion, and international engagement.

We appreciate the uplift that has been announced for 2025/26 that will support us to deliver our commitment and invest in the sector, to help make it a sustainable and resilient force, both within Wales and on the international stage.

We value the continued positive relationships with Welsh Government in what has been a significant period of change in Ministers, and welcome the additional support received during the year, including Job Protection and Resilience funding and Investment in theatres.

Council is delighted to sign off another full set of clean financial statements which is a testament to the expertise and governance of the dedicated staff working across the organisation.

This year has seen the appointment of new Council members and leadership staff, the launch of strategic plans aligned with our core principles, and the commissioning of important reviews to enhance our delivery and impact.

I want to thank my colleagues on Council, past and present and welcome the 8 new members who will join us in April 2025. We are grateful for their expertise and commitment and their profiles are published on our webpage.

Small Word Theatre, WAHWN

I particularly want to acknowledge the hard work of ACW staff, throughout this year of change and challenge. Through their efforts our work has impacted locally, nationally and internationally.

It is also a moment to note significant changes in our leadership team and staff, to both thank those that have left after many years of dedicated service and to welcome our new colleagues whose work will shape the future direction of the organisation.

As we consider the future, we are aware that significant change is still to come. We continue to maximise our own operational efficiencies to offer both a service and leadership role for the vital arts sector in Wales.

These accounts encapsulate our financial performance, governance framework, and strategic initiatives, illustrating our dedication to supporting the arts community in Wales and ensuring a vibrant cultural landscape for future generations.

Warm regards,

Maggie Russell

Maggie Russell

Chair

Trustees' Report and Management Commentary

81

Organisations were supported through Multi Year Funding as a result of investment review

(2023-24: 67 Arts Portfolio Wales)

Romeo a Juliet yn y Globe, Theatr Cymru
(Image: Marc Brenner)

Chief Executive

We were delighted to launch our ten-year strategy during this year that underpins our mission to Develop and improve the knowledge, understanding and sustainable practice of the arts. To Connect by working together to improve the opportunity for the people of Wales to experience and enjoy the arts. To Promote in collaboration with partners to promote a Wales of vibrant culture and thriving Welsh Language. Alongside this we also published three supporting strategies on Climate Justice, the Welsh language and our international work. All will be reviewed and evaluated regularly but it gives us a focus, a direction of travel as we work to ensure that all the communities of Wales are rightly served with ambitious, accessible and affordable arts and participation opportunities of the highest quality.

This has been a year of change on many levels and I must thank the hard-working staff at the Arts council and those delivering on our priorities in the sector for their support, diligence and commitment to delivering high quality arts and activities throughout Wales in a year when we all had to adjust to the realities of a 10.5% cut in funding.

Internally interim measures were introduced as staff took on additional responsibilities following a Voluntary Redundancy and Executive Leadership re-structure which meant the loss of 13 posts within the organisation – and I thank the staff for their commitment that ensured that we continued to service the arts in Wales with more than 90% of our income distributed to organisations and individuals across Wales. Appointing a new Executive Leadership Team in Lorna Virgo as Director of Finance and Business Services and Catryn Ramasut as Director of Arts signalled a new beginning, and both have contributed enthusiastically and knowledgably as we re-imagine the organisation and the sector.

We saw change at a government level too as Ministers changed more than once during the year bringing new and interesting priorities to the brief before a more settled appointment with the current Minister Jack Sargeant.

The sector faced many challenges as the difficult economic climate had its effect, and we were delighted to work with the Minister on the Job Protection and Resilience funding package of 3.6 million that we distributed to organisations across Wales that were facing the risk of closure without emergency support.

We faced another change with the introduction of Allwyn as the Lottery Distributor after winning the contract through open tender from Camelot. The importance of lottery funding cannot be over emphasised and is key to our support for the arts across Wales from individual artists, community projects both large and small and support for targeting funding that is distributed by delegated authority by organisations such as Tŷ Cerdd, Literature Wales and Ffilm Cymru. The original growth forecasts of income by Allwyn have not been realised to the original timescale but we are content that the change has not led to a reduction in our Lottery Income and we are still hopeful that we will see significant growth as Allwyn and their team settle.

One thing is clear there has never been a more important time to advocate for the arts as the public purse is being squeezed and our Economic Impact Report commission and publish to maximise our advocacy for the sector was well received. Even in these difficult economic times for each £1 of public money invested there is a return of £2.51.

Arts Care Gofal Celf,
Pembrokeshire Fashion Show

Mabon by Osian Meilir, NDC Wales
(Image: Jorge Lizalde)

Following on from our Investment Review we also commission three significant reports – the English Language theatre review, the Dance Review and a review into traditional music in Wales. The recommendations of these reviews will influence not only our future spending priorities in these genre specific fields but also in changes to the way we work in terms of increasing specialist knowledge in the Arts Council. Alongside this we reviewed our priorities on Lottery spend but also in the way that we deliver. The aim is for a simpler, more easily managed bespoke art form grant rounds that will be less resource heavy on both the sector and the Arts Council of Wales.

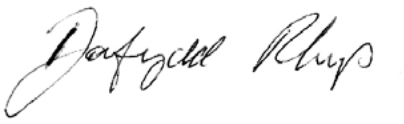
Alongside these important pieces of work we developed a new Capital strategy that will deliver increased opportunities and funding to enhance and improve the capital infrastructure of the arts estate in Wales. Reflecting our responsibilities to assist the sector in reducing the carbon footprint.

We have continued our partnership working in our respected Arts and Health initiative and we announced a three-year agreement with the Baring foundation to fund activities on mental health issues with young people. Our partnership with the schools of Wales has gone from strength to strength with 881 of the schools in Wales engaging with Creative learning through the Arts.

We have reached the final year of our Widening Engagement action plan with Amgueddfa Cymru which has led to the development of our Strategic Equalities objectives for 2024-28 and we are determined that we will continue our partnership with the Amgueddfa on this important work. We are key partners with Amgueddfa Cymru and the National Library of Wales as we deliver CELF the National Contemporary Art Gallery of Wales and we have also signed an MOU with Creative Wales as we look to work more closely on training opportunities, international music and film initiatives.

Creating opportunities and changing the culture within the arts on many levels is key for us, as an organisation this year we launched Craidd (formerly known as RAMPS Cymru), our initiative to improve the representation of disabled people across the theatre sector in Wales. This is a key partnership with Theatr Clwyd, the Sherman in Cardiff, Pontio in Bangor, the Torch Theatre Milford Haven and the Royal Welsh college. This will be such a positive shift for the theatre sector in Wales and in this year of change it is so wonderful to see the seeds of this important change in practice beginning to bear fruit.

As one wonders at times what other changes one might expect, the technological development of AI has to be considered in terms of usage and how it will undoubtedly have an effect on the arts and artists. In this ever changing politically volatile world where freedom of speech, the freedom of artistic expression and the freedoms that we have come to expect are now it seems being challenged we have to remain resolute, true to our values as an organisation, and we must continue to develop and advocate the arts – for we all know that the arts has the ability to change the lives of the people of Wales for the better.



Dafydd Rhys

Chief Executive

£28.5M

Total Value of grants given to Multi Year Funding Organisations

(2023-24: £27.18M Arts Portfolio Wales)

Posh Club Pink Suit, Common/Wealth
(Image: Jon Pountney)

Our 10-year strategy

NDC Wales (Image: Elly Welford)

Our Vision

The arts are part of the daily lives of the people of Wales, connecting us to each other, integral to our wellbeing, and inspiring us for generations to come.

Jukebox Collective

Our Mission

The role of the Arts Council of Wales is to create an environment where the knowledge, understanding and practice of the arts can flourish and where everybody in Wales can engage with the arts.

Our aspiration is a Wales of ambition and fairness where the most exciting arts are created; arts that are integral to the health and wellbeing of the nation, relevant to all communities and where opportunities exist for the voices of Wales to inspire the World.

NDC Wales Young Associates

Our Approach

Our Strategy is a framework, to be flexible and responsive to the changes – planned and unplanned – we will inevitably experience. The last few years have demonstrated how change, often unpredicted, forms a significant part of our lives and how we must adapt and reprioritise in response.

For this reason we have identified both immediate commitments and those we will seek to build over the longer term, at a time when necessary foundations have been laid and they will provide the greatest contribution.

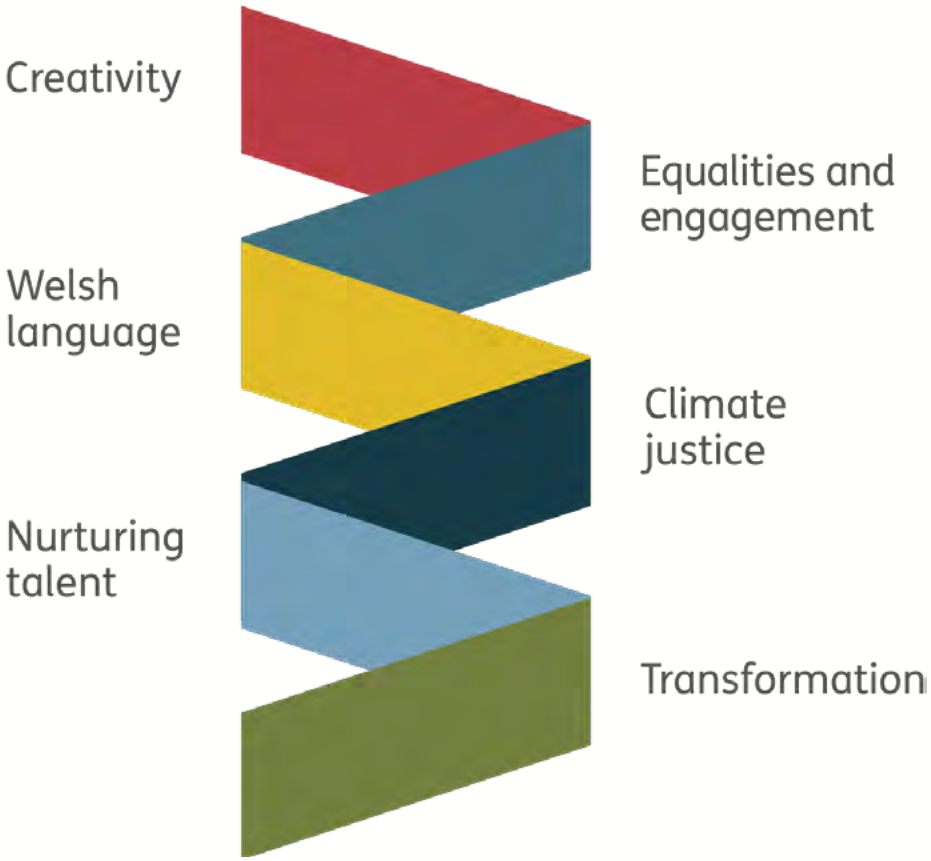
Our Strategy will be reviewed at regular intervals throughout its term, the impact of progress will be reported and evaluated, and key tasks reprioritised to ensure our direction of travel remains truly effective and appropriate to the successful delivery of our goals, and achievement of our mission is evident.

Querin Bach
(Image: Alex Hullah)

Our Principles

Our Strategy is shaped by the six principles developed during our Investment Review consultation which are also our published Well-being Objectives: creativity, equality and engagement, Welsh language, climate justice, develop talent, transform. The Well-being of Future Generations Act underpins the principles which also align with the Welsh Government's key commitments.

Please use this link to explore our published Strategy.



14,876
arts events were run by our portfolio of funded organisations, generating attendances of
3,414,614

78,083
participatory sessions were run by our portfolio of funded organisations, resulting in attendances of
665,251

16,046
participatory sessions were run by our portfolio of funded organisations in Welsh, resulting in attendances of
74,821

9,778
participatory sessions run by our portfolio of funded organisations were targeted at people in the protected characteristics group

2024/25

19,876
arts events were run by our portfolio of funded organisations, generating attendances of
3,703,702

84,018
participatory sessions were run by our portfolio of funded organisations, resulting in attendances of
779,761

13,139
participatory sessions were run by our portfolio of funded organisations in Welsh, resulting in attendances of
84,999

13,473
participatory sessions run by our portfolio of funded organisations were targeted at people in the protected characteristics group

2023/24

Public benefit

At the Arts Council of Wales, our mission is deeply rooted in the belief that the arts have the power to enrich lives, inspire creativity, and strengthen communities. We are committed to ensuring that the arts are accessible, inclusive, and contribute to the well-being and prosperity of all people in Wales.

As stewards of public funds, we recognise our responsibility to deliver tangible and meaningful benefits to the public. We believe that the arts play a fundamental role in enhancing the quality of life for individuals, fostering social cohesion, and driving economic growth.

In setting our objectives, and in the planning of our work, Council members have given serious consideration to the Charity Commission's general guidance on public benefit. Public benefit is at the centre of all aspects of our work. This commitment is strengthened by the Welsh Government's Well-being of Future Generations legislation.

Arts Connection, St Myllin's Day

Other Voices Cardigan, Theatr Mwldan
(Image: Jennie Caldwell)

As a Welsh Government Sponsored Body (WG S B) we allocate taxpayers' money for the benefit of the Welsh public.

The funding that we distribute has a number of public purposes:

- it helps to make sure that Welsh audiences can enjoy and take part in high quality arts activities;
- it enables investment in the commissioning, production and exhibition of the arts, helping to sustain the careers of creative professionals in Wales;
- it makes the arts more affordable, bringing them within reach of more people;
- it encourages innovation and risk-taking, raising the quality and diversity of the arts made and promoted in Wales;
- it furthers the cultural, social and economic priorities in the Programme for Government.

Public funding also helps to address 'gaps' in the market by investing in those activities that the commercial sector either won't, or isn't able to, support. In all aspects, our funding is intended to encourage the best of the arts and to enable as many people as possible to enjoy and take part in these activities.

We undertake detailed research each year to assess the extent to which we're achieving these goals. In the pages that follow, we set out the key highlights of our work during 2024/25 and the public benefit that these activities deliver.

2,229 funding applications processed (2023/24: 2,614)

881 schools have participated in Lead Creative Schools Scheme projects since 2015

3,975 creative practitioner engagements with the Creative Learning programme since 2015

1,900 plus visits to high-quality events supported through Go and See since 2015

8,254 teacher engagements with the Creative Learning programme since 2015

370,285 learner engagements with Creative Learning activities since 2015

543 performances supported by the Arts Council's Night Out scheme (2023/24: 489)

7% Arts Council running costs as a proportion of total income (whole Council) (2023/24: 8%)

Green Dragon Level 5 We retained this highest category of environmental performance

492 Collectorplan loans to support the purchase of contemporary art (2023/24: 845)

Creative learning through the arts

Creative learning through the arts: an action plan for Wales was launched in 2015 as an initial five-year programme. The programme has transformed the learning experiences of learners across Wales by placing the arts and creativity at the heart of education. Through the development of new approaches to curriculum design and exploring innovative approaches our learners have become more independent, creative individuals, who are more engaged, more confident, and higher achievers.

It is aligned to the delivery of the Programme for Government 2021-2026, providing opportunities for our most vulnerable young people to achieve their potential in learning and, through our curriculum enrichment offer, provides cultural experiences to all young people throughout Wales.

2022-2025 marks the end of the latest phase of opportunities supporting teachers to explore and develop new approaches to curriculum design through a creative learning pedagogy.

Lead Creative Schools
(Image: Jake Ryan)

2015-2025: What we've achieved

- Involved **881** schools in intensive creative learning enquiries through the **Lead Creative Schools Scheme**.
- Supported **Cynefin: culturally and ethnically diverse Wales** enquiries in **114 schools**.
- Worked with **93** school leaders to explore creative leadership and share best practice.
- Supported **54** Early years settings to explore ways of developing learning environments and experiences that stimulate the development and natural curiosity of children aged 3-5.
- Supported over **1,900** visits to high-quality arts and cultural events in galleries, theatres, arts centres and other venues through **Go and See**.
- **207** funded opportunities for teachers and learners in our schools to work with artists and arts/cultural/heritage organisations on a range of expressive arts activity through **Have a Go**.

Following Arts Council of Wales's recent successful application to the Curriculum for Wales grant support programme, **Creative Learning Cymru** is proud to unveil an exciting new chapter in its mission to place creativity at the heart of education. Building on a decade of impact and innovation, the new programme will support schools across Wales to reimagine curriculum design, deepen engagement, and unlock learner potential through bold, creative approaches.

This new initiative comes at a pivotal moment in Welsh education, aligning closely with the ambitions of the Curriculum for Wales. Through targeted grant funding, bespoke professional learning, and collaboration with creative professionals, schools will be empowered to develop imaginative, inclusive, and enquiry-driven learning experiences that foster progress across all Areas of Learning and Experience.

An investment of £3m of Welsh Government and Arts Council of Wales, National Lottery funding will run until March 2028.

Tŷ Cerdd, CoDI BWM!
(Image: Matthew Thistlewood)

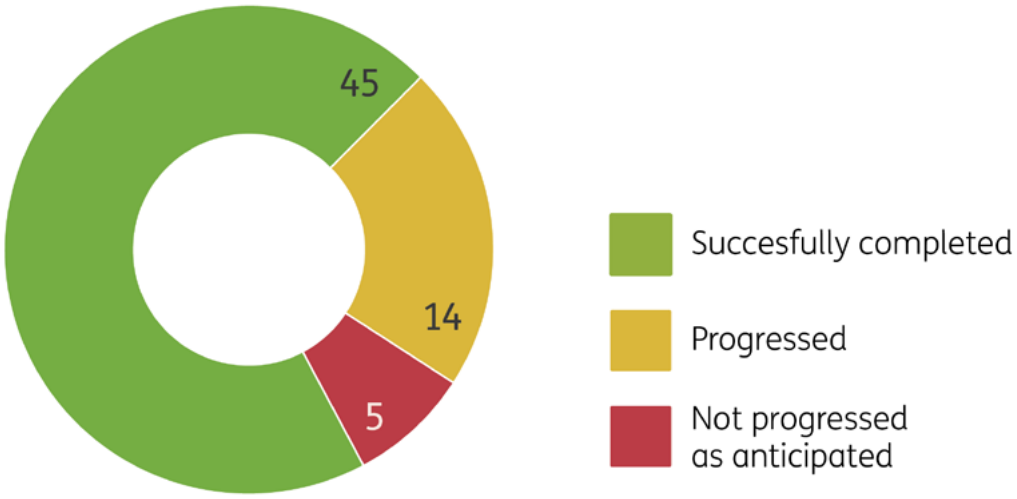
Our performance

A year of strong performance against our corporate objectives

Our Annual Plan 2024/25 represents the first year of our new 10-year Strategy. It presents the key tasks mapped against our 3 goals – Develop, Connect, Promote and our 12 published key commitments.

Progress was monitored throughout the year through quarterly progress reports presented to Council and Welsh Government. We also met quarterly with officials of the Welsh Government.

Hidden, Motionhouse, Aberystwyth Arts Centre



As at the end of the year, we had successfully delivered against 9 of the 12 key commitments:

- 45 out of 64 tasks had been successfully completed.
- 14 tasks were progressed.
- 5 tasks were not progressed as initially anticipated. These were:
  - **Publication of our Welsh Language Plan and delivery of its Year 1 commitments** – the plan was approved and year 1 commitments initiated, however, for capacity considerations, we were unable to publish the plan and fully achieve the year 1 commitments by the end of the financial year.
  - **Invest in opportunities for training, skills development and capacity building to support organisations and individuals to meet their commitments to climate justice** – we did not achieve this due to budgetary constraints. However, we provided additional training for staff in this area during this year.
  - **With Welsh Government, commission research to establish baseline data for carbon emissions** – This work was postponed, pending receipt of the Welsh Government's Climate and Culture research report .
  - **Develop and launch a strand of Create specifically for young people** – this will be considered as part of the wider work on our engagement with young people in 2025-26.
  - **Progress our work with Welsh Government on securing a joint plan for future delivery of an Arts, Health and Wellbeing programme** – As at the end of the financial year we were awaiting a discussion with Welsh Government to explore options for continuation of this programme.

The following provides a summary overview of the progress made against our key commitment areas in our published Strategy, offering insights into the achievements throughout the year.

Develop

Prioritise

- Priorities for the year were identified and relevant budgets assigned.
- Strategy and Annual Plan 2024-25 approved and published.
- Revised Funding Agreements introduced and updated for our multi year funded organisations.
- Over £1m awarded for capital support to theatres and performing arts venues and development of a new Capital Funding Plan initiated.
- Climate Justice and the Arts Action plan, International Strategy and Strategic Equality Objectives 2024-28 developed and published.
- Future Wales Fellowship 2023-25 successfully completed. Increased nature-focused applications in Arts, Health and Wellbeing fund.
- Progression and review of our joint Widening Engagement Action Plan with Amgueddfa Cymru.

Analyse and identify

- Strategic commitments resulting from our Investment Review 2023 progressed with full reviews commissioned and completed for English Language Theatre in Wales, traditional music and dance. Recommendations from these reports will be progressed in 2025/26.
- Creative Steps Programme evaluated and relaunched. Training for Mentors and Associates undertaken.
- Independent Economic Impact Assessment Report on the impact of our work commissioned and published, highlighting a £2.51 return on every £1 we invested in the arts.

Develop (continued)

Take action

- Job Protection and Resilience Funding successfully delivered.
- Proposals for changes to simplify and improve our lottery funding Create programme approved and will be fully implemented by September 2025.

Simplify

- Increased efficiencies introduced for our own operational processes to maximise support to the sector, including the development of an in-house access support role.
- Simplified monitoring and reporting arrangements for our multi year funded organisations developed.
- Our own Collectorplan Scheme transferred to Creative United's EinCelf/Own Art, providing opportunity for increased sales through wider coverage and support for Welsh artists displaying their work in its member galleries.

Career development

- Continued financial support for Craidd partnership (formerly Ramps Cymru), providing support and opportunities to disabled artists.
- Increased opportunities for skills development through the recommendations resulting from our 3 commissioned reviews (English Language Theatre in Wales, Dance and Traditional Music), and continued conversations with Creative Wales. Fair pay remains a non-negotiable requirement of funding streams.
- Action to protect and sustain livelihoods in the arts included sustainable work opportunities for diverse backgrounds as a key target within our new Strategic Equality Action Plan, and the development of resources following conversations with Cultural Freelancers Wales.
- Creation of mentoring and training opportunities for Welsh language commitments progressed through a new pilot designed with Creu Cymru's support.

Connect

Working with others

- Welsh Government's National Contemporary Art Gallery for Wales project progressed including the development of a stakeholder engagement plan.
- Progression of the capital development of Theatr Clwyd.
- Continued collaboration with Arts Councils within the UK and Northern Ireland, and through the Memorandum of Understanding with Creative Wales which has resulted in co-investment opportunities, including Focus Wales, Beacons and CultVR.
- Continued support from BBC for Horizons and underfunded genres of music supported through the PRS Accelerator fund. Power Up Agreement finalised.

Community

- Work progressed through the Widening Engagement Action plan to support communities to shape and design their own arts experiences.
- Work commissioned to engage Gypsy Roma Traveller communities. As at the end of the year 543 Night Out events booked.
- First National Conversation held at the Eisteddfod in Pontypridd and a Sector Meet and Greet at Y Nyth in Bangor. Further events are planned for 2025/26.
- Strategic intervention proposal agreed to develop improved relationships with local authorities, and four pilot areas identified.

Children and young people

- More details on this, under Creative Learning through the Arts.

Wellbeing

- Funding secured from the Baring Foundation to develop a 4-year programme to promote art for mental health improvement.
- Continued support and advocacy for our Arts, Health and Wellbeing Programme pending conversations with Welsh Government.

Promote

Partnerships

- Continue to assist Welsh Government in the development of its Strategy for Culture and provided comments in response to the consultation on the draft Strategy.
- Continued activity to support delivery of the International Strategic Partnership agreement with Welsh Government, including the award of Wales in Japan Culture Fund to 14 projects and a number of showcases and performances held.
- A new partnership agreement developed with British Council, to be signed at the Hat Festival in May 2025.
- Productive relationships with both Welsh Language Commissioner and National Centre for Learning Welsh, including development of new working partnership promoting greater cohesion.
- 15 projects selected for immersive Arts first round.
- Support for our access scheme for disabled audience members, Hynt continued. Partnership with Arts Councils for UK and Ireland to develop UK wide access scheme, based on the Hynt model.

Resource

- Strategic support for Visual Arts Group (VAGW) Wales for development and delivery of an action plan to help increase organisational capacity to support and advocate for the visual arts in Wales 24-25.
- Additional funding received from Welsh Government including the Job Protection and Resilience funding.
- Stringent budgeting has allowed us to offer 3.5% increase across the board to our multi year funded organisations for 2025-26.

Celebrating

- Stories to highlight progress of key objectives and promote good practice published on website and shared with media. Progress on Investment Review Strategic Interventions and case studies highlighted.
- Initiatives to raise the profile of the arts in Wales internationally, including annual campaign for St David's Day. Film commissioned to showcase arts projects. Participation in assessment of proposals between Wales and Brittany.

Allanol Always, Anya Paintsil, Tŷ Pawb

Corporate Governance

Our Trustees

Council Members who served since 1 April 2023 were:

		Council	Audit & Risk Assurance Committee	Capital Sub-Committee	HR & Remuneration Committee	Welsh Language, Culture and Equalities Committee
		Number of meetings held				
		10	7	4	4	0
	Maggie Russell **Chair** from 1 April 2023	7				
	Gwennan Mair Jones from 1 April 2019 to 31 March 2025 **Vice Chair** from 1 April 2024 to 31 March 2025 Co-Chair of Welsh Language, Culture and Equalities Committee	4				N/A
	Lhosa Daly from 1 April 2019 to 31 March 2025 Chair of Audit and Risk Assurance Committee from 1 January 2024	6	3			
	Ceri Ll Davies from 1 April 2021 Member of Audit and Risk Assurance Committee Member of HR and Remuneration Committee	7	4		1	
	Devinda De Silva from 1 April 2019 Member of Welsh Language, Culture and Equalities Committee	6				N/A
	Ruth Fabby MBE from 1 April 2021 Co-Chair of Welsh Language, Culture and Equalities Committee	6				1
	Professor Tudur Hallam from 1 April 2019	7				
	Emily Hutchings from 12 June 2023 Member of HR & Remuneration Committee	3			N/A	

		Council	Audit & Risk Assurance Committee	Capital Sub-Committee	HR & Remuneration Committee	Welsh Language, Culture and Equalities Committee
		Number of meetings held				
		10	7	4	4	0
	Alison Mears Esswood from 1 April 2019 Member of HR & Remuneration Committee	4			2	
	Keith Murrell from 1 April 2021 Member of HR & Remuneration Committee	7			3	
	Victoria Provis from 1 April 2019 Chair of Capital Sub-Committee	5		4		
	Elen ap Robert from 1 April 2021 Chair of HR and Remuneration Committee Member of Welsh Language, Culture and Equalities Committee	5			N/A	1
	Prue Thimbleby from 1 April 2021 Member of HR & Remuneration Committee	6			N/A	
	Dr Sarah Younan from 1 April 2019	2				
	Jacob Gough from 1 April 2024 Member of Capital Sub-Committee	6		1		
	Sara Boswell from 2 September 2024	4				
	Jon Pugh from 2 September 2024 Member of Welsh Language, Culture and Equalities Committee	5				1
	Julie Sangoni from 2 September 2024 Member of HR and Remuneration Committee	4			N/A	

Independent members

	Audit & Risk Assurance Committee	Capital Sub-Committee	HR & Remuneration Committee	Welsh Language, Culture and Equalities Committee
	7	4	4	3
Andrew Butler	2			
Arwel Thomas	3			
Elid Morris	2			
Michael Gwyther-Jones		3		
Ruth Cayford		4		
Jayne Woods		4		
Steve Burton			2	
Wendy Rees			3	

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, other than the remuneration of the Chair, are disclosed in note 13 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. There were two minor personal data breaches during the year. Each was appropriately assessed and none were categorised as reportable to the Information Commissioner.

Our Chief Executive and Accounting Officer

Dafydd Rhys

Our Offices

Mid and West Wales

Yr Egin
Heol y Coleg
Carmarthen
SA31 3EQ

North Wales

Princes Park II
Princes Drive
Colwyn Bay
LL29 8PL

South Wales and national office

Bute Place
Cardiff
CF10 5AL

Auditor – General Activities

Auditor General for Wales
Audit Wales
1 Capital Quarter
Tyndall Street
Cardiff
CF10 4BZ

Auditor – Lottery Distribution

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

Internal auditors

TIAA Ltd
Artillery House
Fort Fareham
Fareham
PO14 1AH

Solicitors

Geldards LLP
Dumfries House
Dumfries Place
Cardiff
CF10 3ZF

Bankers

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

Governance Statement

This Governance Statement is the personal responsibility of me, Dafydd Rhys, 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've discharged my responsibilities for ensuring 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're 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.

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 **Cabinet Secretary for Culture and Social Justice**. Our work is also subject to the scrutiny of Committees of the **Welsh Parliament**. 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're 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're accountable to the UK's Secretary of State for Culture, Media & 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're 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 contract to National Audit Office by Audit Wales. Audit Wales also audits our General Activities account.

Bwystfilod Aflan, Music Theatre Wales (Image: Edmond Choo)

SPAN Arts, Love Stories Natural Consequences

As a charity we must ensure we comply with the requirements of the Charities Acts. 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've 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 and management 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 **Information Commissioner**, the **National Audit Office**, and **Audit Wales** are all able to investigate the Council's affairs.

Our Governance arrangements

We're governed by a Board of Trustees – Council – consisting of a Chair and up to seventeen other independent members, one of whom is appointed as Vice Chair. Our Trustees are appointed by Welsh Ministers through an open selection process. Appointments are usually for a three-year term, renewable for an additional term.

Each Trustee brings specific expertise and knowledge to the oversight and development of our activities. At the year-end our Council comprised of the Chair plus sixteen members. Seven of our Council Members reached the end of their second term of office as at 31 March 2025. Following 2 intensive recruitment rounds during the year undertaken by Welsh Government and the Public Appointments Team, 8 new Members will take up their appointments to Council on 1 April 2025. This will bring Council up to its full cohort of 18 Members including the Chair and vice Chair.

The Chair of Council is a remunerated position, at a rate set annually by the Welsh Government. All other Trustees provide their time and expertise on a voluntary basis. However, they're reimbursed for out-of-pocket expenses incurred on Council business.

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 Arts Associates understand, apply and adhere to these Principles.

To support this, we have a **Code of Best Practice** which helps to ensure 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 is reviewed and updated at every three years or sooner should circumstances dictate.

In accordance with the Code, each member of Council, of each Committee, and all Arts Associates and staff are required to complete an annual **Declaration of Interest** statement, and to ensure that changes in circumstances are notified promptly. They 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 is available upon request. All financial transactions between members and the Arts Council are disclosed in the notes to the financial statements under *Related party transactions*.

Sancintya Mohini Simpson, Installation view at Chapter, Artes Mundi 11 (Image: Polly Thomas)

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 and diversity of arts expertise and skills on the Trustee Board as new members are appointed.

Council undertook a skills audit during the year. The findings of this were positive and helped inform the subsequent recruitment activity for new Members, the outcome of which has resulted in its indicators for effectiveness being met.

The *Corporate governance in central government departments: code of good practice*, issued by HM Treasury, does not directly apply to the Arts Council of Wales. However, as Accounting Officer, I'm 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.

Whistleblowing

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

Taking informed decisions

Decisions taken by our Council and Committees are informed by advice provided by Arts Council staff. Papers and reports produced by officers are expected to show clearly all relevant information needed to enable informed decisions to be taken. All key papers highlight: financial, HR and the Well-being of Future Generations Act's 5 Ways of Working; risks; and an assurance statement.

Papers are circulated in advance of each Council and Committee meeting; tabled items and verbal reports are only accepted in exceptional circumstances. Council was content during the year with the timeliness and quality of 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. There were no instances of this happening in 2024/25.

Where appropriate and relevant, advice from officers is supplemented 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 polices are finalised.

We provide funding to third parties

One of the Council's most important duties is the distribution of funding to develop and support the arts in Wales. We're a major distributor of funding from the Welsh Government, the National Lottery and other sources.

We've developed robust and accountable systems and procedures to support this key activity. Grant-making and monitoring processes are reviewed annually by our internal auditors. Audit Wales 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're implemented on a timely basis.

During 2024/25 we commissioned and published an economic impact assessment report to identify and promote the beneficial impact of our work across Wales. This report shows a return in 2023-24 of £2.51 for every £1 spent in the arts.

Security of data

We hold large amounts of data and treat seriously our obligations under the **Data Protection Act** which incorporates the **UK General Data Protection Regulation (UK GDPR)**. 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. Cyber security and IT penetration tests are conducted annually. We comply with IASME security standards.

The high-level review over IT controls carried out by our external auditors and our programme of internal audit reviews carried out during the year revealed no serious issues. Similarly, the annual security review on behalf of Welsh Government highlighted no matters of serious concern in this area. There was one minor personal data breach during the year. This was appropriately assessed and categorised as not requiring a report to the Information Commissioner.

Complaints

Complaints about our work are investigated according to our Complaints Policy. Sometimes our policy requires a complaint to be investigated by an Independent Complaints Reviewer. For reasons of openness and transparency, we publish all final reports from the Reviewer. No complaints were referred to the Independent Reviewer in 2024/25.

Ministerial directions

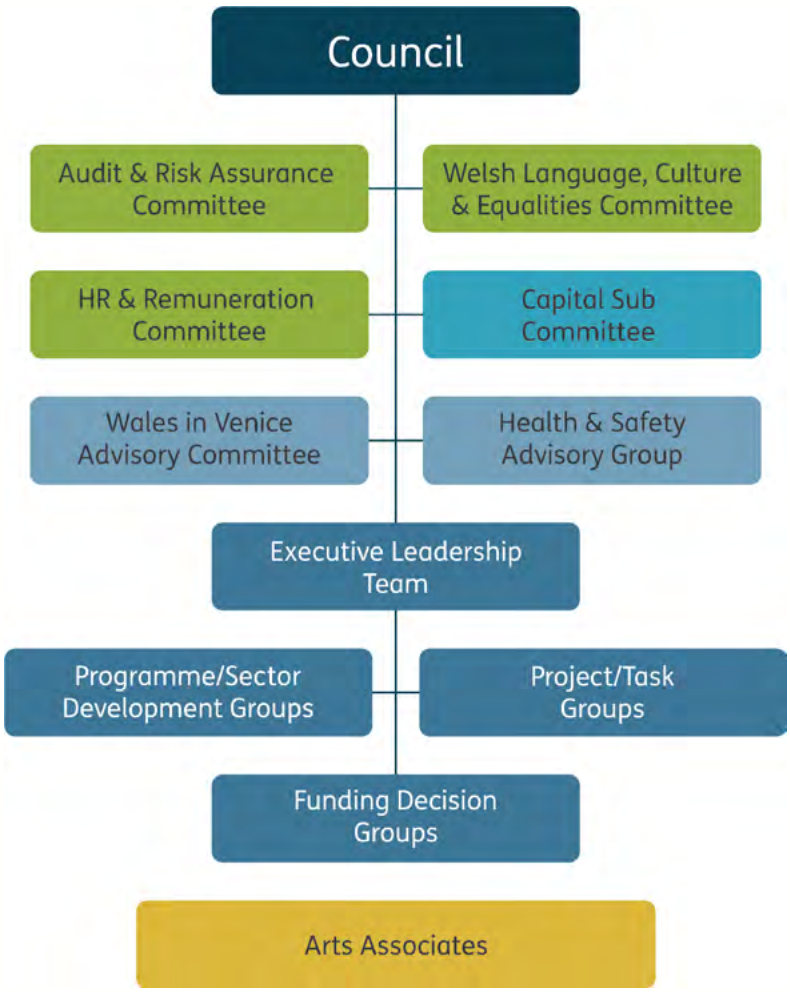
As a Welsh Government Sponsored Body we're subject to non-statutory instruments, containing appropriate Directions. No Directions were issued to us during the year by the Welsh Government.

Olion, Frân Wen
(Image: Craig Fuller)

Our Governance Structure

To help support its work, Council has appointed six committees to provide specialist advice.

These are: Audit & Risk Assurance Committee; HR & Remuneration Committee; Welsh Language, Culture and Equalities Committee and Capital Sub-Committee. There is also a Health & Safety Advisory Group.



During 2024/25, and as part of our commitments to focus activities in alignment with our published objectives and maximise efficiencies, Council introduced a revised Committee Structure, reducing the number of committees from seven to four.

Each Committee includes Council members, one of whom acts as Chair, and has provision for 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 to note. Terms of reference for each committee, which are reviewed annually, can be found on our website.

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.

During the year we continued to draw on the services and experience of our cohort of **Arts Associates**. The Associates, who began their work during 2019/20, support executive staff. Their specialist knowledge and lived experience contribute to policy development, specific programmes of work, the assessment of grant applications, and advice to officers.

National Youth Orchestra of Wales
(Image: Evan Dawson)

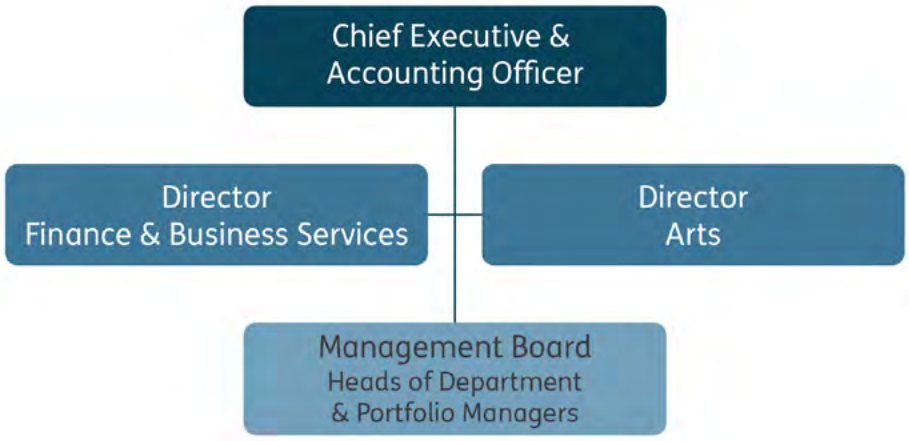
Executive Management

Council has delegated responsibilities for the implementation of its strategy and operational matters to the Chief Executive and Executive Leadership Team. The Chief Executive has been authorised by Council to undertake the day-to-day administration and management of the business and staff of the organisation and is responsible to Council for those matters.

As the Arts Council of Wales' Accounting Officer, the Chief Executive is responsible for its overall efficiency and effectiveness and has responsibility for reviewing the effectiveness of the system of internal control. This review is informed by the internal auditors, the Directors, the Audit & Risk Assurance Committee, and comments from the external auditors in their management letter and other reports.

Dros Nos, Wales Millennium Centre

During the year, changes within the Executive Leadership Team resulted in the team comprising of the Chief Executive and two Directors.



The Executive Leadership Team meets formally throughout the year to consider key policy, strategic and operational matters, and provide advice to Council. It also oversees financial performance and risk management. Appropriate management structures have been created throughout the organisation to assist Executive Leadership Team members to oversee their respective departments and areas of responsibility.

The Executive Leadership Team is supported by a Management Board whose membership includes Heads of Department and Portfolio Managers.

There are written terms of reference for Council and its committees, and for the Executive Leadership Team and Management Board.

Council

Council is responsible for the strategic direction and management of our organisation. It is also responsible for ensuring, through the Chief Executive, that we operate within the various accountabilities required of us.

Council members are responsible for key decisions on corporate policy: the formulation of our Strategic and Annual Plans, and any major alterations to the terms and conditions of service for staff.

Council sets the annual budget, decides on the annual allocation of grants to multi year funded organisations, and approves 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 Sub-Committee.

Members assist with Council Committees. They may also attend arts events across Wales as representatives of Council.

It's My Shout, Filming on Mynydd y Cilgwyn with Coleg Menai, *Dysgu Hedfan*, Iris Prize Festival Community Award Winner (Image: Kieran Samuel)

Dreigiau, Taking Flight Theatre
(Image: Kirsten McTernan)

Council activities undertaken during 2024/25 included:

1. As part of its ongoing scrutiny of Governance, preparing and monitoring the Annual Plan for the year, and the annual review and approval of the Terms of Reference for each of its Committees. Council also received and noted the Committees' year-end reports to inform its Governance Statement as part of this Annual Report and approved the Annual Financial Statements 2023/24 and allocations for the Budget 2024/25.
2. Receiving regular updates on our Corporate Assurance Framework, Risk Register, and the performance of our multi year funded organisations.
3. Considering officer recommendations in relation to Lottery Funding grants over the delegated limit and annual funding award levels to our multi year funded organisations.
4. Receiving updates and presentations on key programmes of work including Arts and Health, Climate Justice and the Arts and our work on Widening Engagement.
5. Considering the progress of our published Strategic Commitments resulting from or Investment Review 2023, including the 3 commissioned reviews for this year.

Council meetings are held approximately every 6 weeks. Copies of agendas and minutes of our Council meetings can be found on our website.

Council met 7 times during 2024/25 to discharge its responsibilities. Members in total attended on 93 out of a possible 120 occasions.

Our governance response to working arrangements during 2024/25

Throughout 2024/25 we continued to operate a hybrid working model. As part of cost savings measures, we reconfigured our reduced our floor space at the Cardiff Office to facilitate improved working practices.

Most of our internal processes are now electronic and we continue to work well remotely. Once again, our internal audit plan was conducted remotely with no significant impact on performance or outcomes.

We use hybrid meetings for our Council and Committees, offering members and attending staff the option to meet in person at the Cardiff office or to join the meeting remotely. Duties of each Committee have remained the same and Council's ability to make decisions has not been compromised by these arrangements.

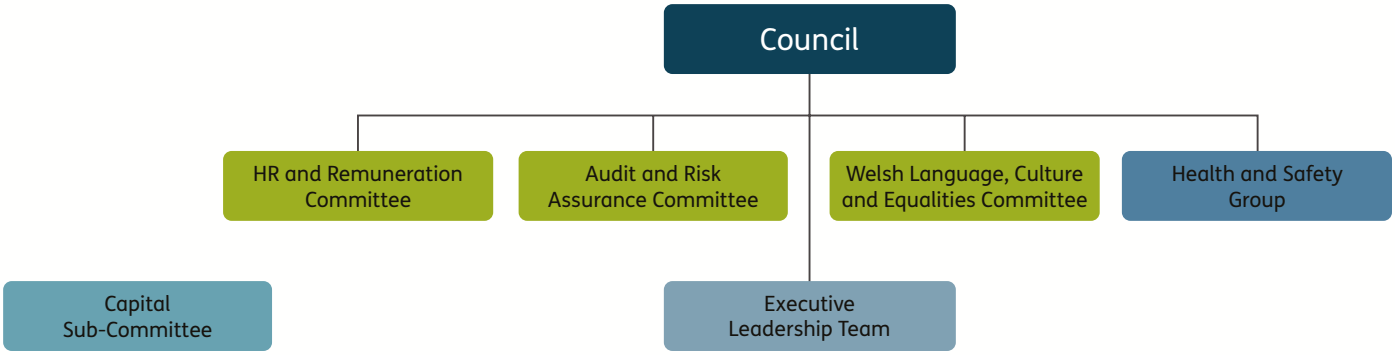
It is our view that effective governance has not been compromised by these working arrangements.

Constellations, Theatr Clwyd
(Image: Andrew AB)

Our Council's Committees

Council appoints a number of committees to provide specialist advice and to make decisions within a framework of delegated powers. All of these Committees include at least three Council members, one of whom will act as Chair. All operate under specific terms of reference and report directly to Council.

During 2024/25, and as part of our commitments to focus activities in alignment with our published objectives and maximise efficiencies, Council introduced a revised Committee Structure, reducing the number of committees from 7 to 4. The revised structure is outlined below.



There are three Committees and one Sub-Committee with delegated powers. The three Committees are: Audit and Risk Assurance Committee, HR and Remuneration Committee and Welsh Language, Culture and Equalities Committee. This latter Committee incorporates the roles of the previous Future Generations, Strategic Equality and Welsh Language Committees ensuring a fully integrated approach and cohesive consideration of each of these areas into the development and progress of all areas of our work.

The Council's Capital Sub-Committee also has delegated powers to make decisions on capital grants within its delegated authority. The Sub-Committee makes recommendations directly to Council on grant applications over its delegated authority. This Sub Committee reports its advice and, where appropriate, its decisions, to the Council's Welsh Language, Culture and Equalities Committee. This supports the inclusion of its work in the development of relevant policy and processes across the Council's wider work, including the development of grant programmes.

One Group – Health and Safety Group – also reports to Council through its minutes and Annual Report presented to Council by the Group's Chair, the Director of Finance and Business Services.

This revised Committee proposal aligns with our published principles and objectives and therefore supports and progresses the commitments outlined in our 10 year Strategy and supporting annual plans.

The benefits of this revised structure include:

- Protecting the current status of the respective Committees whilst increasing synergy and collaboration across our key areas of Equalities, Future Generations and Welsh Language, fully reflecting the Wellbeing goals and ensuring these key areas are intrinsic to all of our work rather than separate areas of activity.
- Operational, financial, governance and staff related matters continued to be addressed through the separate remits of the Audit and Risk Assurance and HR and Remuneration Committees, ensuring Council retains its necessary assurances and accountability for these areas.
- Increased Council representation on the Committees.
- Agenda items which allow for focussed discussions incorporating the wider context of our work.
- Making the Committees more effective and efficient with corresponding reduction in ask on Council Members' and Officers' time in meeting preparations, attendance and resulting paperwork.
- A wider and more flexible network of support for the Committees through specific work groups which will include representation from the Committee members, other Arts Council staff and external representation, as appropriate to the task, including Associates and external stakeholders.

Each Committee typically meets 4 times a year and operates under its respective published Terms of Reference. The focus of work for 2024/25 for each Committee is summarised below.

Audit and Risk Assurance Committee

The public expects the institutions they finance to be efficient and cost effective. Our Council must also be able to assure itself that we are operating effectively and meeting our strategic objectives as an organisation. We do this through our governance structures and internal management controls, and by providing assurance which demonstrates these controls are operating as they should, and objectives are being met. The Audit & Risk Assurance Committee's role is to ensure that we deliver on these commitments, doing so in ways that are transparent, accountable and resilient.

An extensive programme of internal audit assists us in this work, assessing the quality of our delivery against the standards that we have set.

Committee activities undertaken during 2024/25 included:

- Regular scrutiny of our Corporate Assurance Framework and Corporate Risk Register, stage 2 complaints and consideration and re-approval of the Council's risk management arrangements.
- Consideration of internal delegation arrangements and the ICT Annual Cyber Risk and Assurance Report.
- Scrutinising the organisational and financial health of Council's multi year funded organisations through enhanced reporting arrangements to assess the scale of impact of the cost-of-living crisis. The Committee also considered the revised monitoring arrangements prepared for the organisations receiving new multi year finding agreements following the Investment Review in 2023.
- Reporting to Council on the outcome of internal audit reviews undertaken by our appointed internal audit service providers, TIAA, and monitoring progress in the implementation of the auditor's recommendations for action.
- Understanding key aspects of Council's operations and its performance against these through a series of internal audit reports including, strategy, performance and risk management arrangements, procurement, carbon and sustainability reduction and grants management and monitoring processes.
- Reviewing our Annual Report and Financial Statements and recommending their approval to Council.
- Reviewing the Committee's own Annual Report and Terms of Reference, ahead of its annual approval by Council.

Audit outcomes

The findings of the Audit Wales annual audits are reported to our Audit & Risk Assurance Committee which considers the findings and monitors them to ensure appropriate action is taken on a timely basis. The annual programme for internal audit activity is approved by the Committee.

TIAA, our internal auditor, gave the following opinion in their annual report:

"TIAA is satisfied that, for the areas reviewed during the year, Arts Council of Wales has reasonable and effective risk management, control and governance processes in place."

HR and Remuneration Committee

The HR & Remuneration Committee support Council in discharging its responsibilities for issues of recruitment, retention and management of staff; for the pay and conditions of service in meeting the Council's and Accounting Officer's governance needs for the organisation; and to ensure that they contribute effectively to the delivery of the Council's strategic goal and business needs.

The Committee is also responsible for setting and monitoring the Chief Executive's annual performance targets, and for recommending to Council, the annual remuneration of the Chief Executive and Chair, subject to the limits set by and the agreement of the Welsh Government.

Committee activities undertaken during 2024/25 included:

- Consideration of internal staffing matters including updates on the progression of the Voluntary Redundancy process agreed in the previous year and the recruitment of two senior posts – Director of Arts and Director of Finance and Business Services.
- Publication of a Pay Policy Statement. This includes a detailed breakdown of the make up of our staff. It also addresses Gender Equality and Equal Pay reporting.
- Advising on the Pay Remit situation.
- Setting levels of remuneration and monitoring the performance of the Chief Executive.
- Receiving updates on the review of HR policies.
- Reviewing HR management information and relevant internal audit reports and surveys to monitor the performance, health and wellbeing of staff.
- Promoting staff learning and development to deliver corporate objectives.

Welsh Language, Culture and Equalities Committee

This Committee reviews, monitors and contributes to the development of policies and procedures that enable Council to pursue a progressive agenda in the delivery of the organisation's strategic priorities, ensuring that its activities in this area are consistent with the ambitions and requirements of the Welsh Language (Wales) Measure 2011, Welsh Government's Well-being of Future Generations Act, and the Equality Act 2010 as well as the Arts Council's own 6 published principles.

Ensuring culture and creativity is at the heart of the Council's work, the Committee promotes and supports the inclusion of Welsh language, equalities and sustainability considerations as an integral part to all policy and programme development.

This work includes our key initiatives, activity, programme and project areas, including: Climate Justice, Strategic Equalities, Welsh Language, Wales Arts International, Arts and Health, Creative Learning and Programme and Sector Development Groups, as well as the work of our multi year funded organisations and the projects funded through our National Lottery Funds.

Committee activities undertaken during 2024/25 included:

- Considered the current Terms of Reference for the Committee and arrangements for recruitment of Independent Members.
- Received updates on the Strategy, Equalities Plan, Climate Justice Plan and Welsh Language Plan.
- Discussed the structure of future meetings including identification of agenda items.

Capital Sub-Committee

This Committee oversees the Council's investment of National Lottery funds in capital projects including working with Welsh Government to fund strategic capital projects and programmes. Throughout Wales organisations have been able to apply to our capital funding to enhance and extend their activities through the development of buildings and infrastructure, transforming the places in Wales where people enjoy and take part in the arts.

The Committee continues to oversee several projects that have been in development for a number of years as well as considering new applications for targeted investment to improve access, sustainable energy initiatives and minor adaptations.

Committee activities undertaken during 2024/25 included:

- Consideration of detailed financial reports on capital budget and expenditure.
- Overseeing the implementation and awarding of grants for the Invest in Theatres programme following an additional award of £1.25m by Welsh Government for this purpose.
- Continued provision of support and assistance to the largest capital investment in the arts in Wales, the ambitious refurbishment of **Theatr Clwyd** in Mold. The Committee is monitoring our own National Lottery support and Welsh Government support for the project.
- Considering progress reports on a number of capital funded projects and new applications for funding.
- Ensuring all capital projects in which Council invests meet **Building Research Establishment Environmental Assessment Method (BREEAM)** sustainability standards.
- Continued monitoring of the capital elements of the **National Contemporary Art Gallery for Wales** programme for the galleries in receipt of capital funding to bring the buildings up to the required standard to host the collections from Amgueddfa Cymru and the National Library Wales.

Health and Safety Advisory Group

"The Health and Safety Advisory Group ensures robust processes are in place to keep our workforce safe."

Lorna Virgo
Chair, Health and Safety Advisory Group

Group activities undertaken during 2024/25 included:

- Reviewing arrangements at our offices, including consolidating to one floor in the **Cardiff Office**.
- Ongoing development of our **Lone Worker Policy** and the **Hybrid Working Policy**.
- Managing **incident reporting** and monitoring.
- Reviewing and updating our **Health and Safety Policy Statement**.
- Reviewing and updating documents and instructions such as the **Health & Safety Management System** and **Fire Instructions**.

The Group met 3 times during 2024/25 to discharge its responsibilities.

Come As You Really Are, Hetain Patel Artangel, Glynn Vivian Art Gallery (Image: Polly Thomas)

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. In signing off these accounts, I have gained assurance in the following ways:

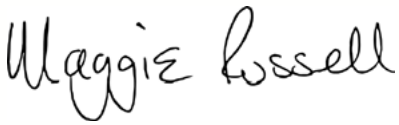
- regular meetings of the Executive Leadership Team where relevant matters are reviewed and discussed;
- a meeting with the Finance and Business Services Director to go through the financial controls;
- attending Audit & Risk Committee meetings where internal audit reports are reviewed and other internal control matters are scrutinised.

Dafydd Rhys

Accounting Officer

24 October 2025

Endorsed on behalf of Council:



Maggie Russell

Chair

24 October 2025

Gwen Sion performing at CoDI BWM, Tŷ Cerdd
(Image: Matthew Thistlewood)

Environmental performance

We promote the minimisation of waste amongst our staff by encouraging reduction, reuse and recycling and waste separation, reducing the amount sent to landfill.

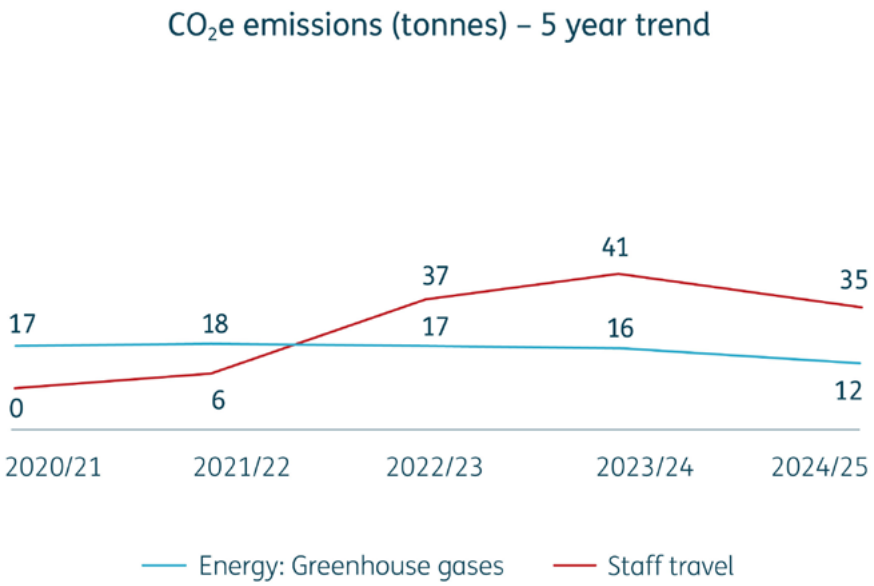
WASTE Non-financial (tonnes)	2024/25	2023/24
Landfill[1]	0	0
Reused/recycled[1]	1	0

[1] The Council recorded less than one tonne

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.

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 (CO_2e) emissions so that staff can manage their consumption of resources.



ENERGY[1]	2024/25	2023/24
Greenhouse gas emissions (CO_2e tonnes)		
Gross emissions, scope 2&3 (indirect)	12	16
Energy consumption (kWh)		
Electricity (renewable)	45,666	60,439
Gas	11,853	10,461
Financial indicators (£)		
Expenditure – energy	20,626	18,022
Water supply costs (office estate) – currently unable to assess, included in service charge	N/A	N/A

[1] Offices only. The impact of home working is not captured.

Our Cardiff and Colwyn Bay offices are leased on a shared occupancy basis, with certain costs included within our service charges. These arrangements restrict our ability to accurately assess our total environmental impact from energy usage. Our major use of electricity is in our Cardiff office where the landlord has confirmed that 100% of the supply is from verifiable Natural Renewable sources (wind, water and hydro).

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. We balance this against the delivery of our strategic priorities to develop the arts in Wales, and to promote Welsh arts and artists internationally. This presents a significant practical challenge. There are inevitable fluctuations in the level of CO_2e emissions attributable to travel when we are actively involved in international projects.

STAFF TRAVEL	2024/25	2023/24
Travel emissions (CO_2e tonnes)		
Rail	3	3
Air[1]	20	23
Car/vans	12	15
Travel cost (£)		
Rail	19,763	17,909
Air	9,910	18,703
Car/vans	20,820	24,510
Travel (miles)		
Rail	48,065	51,705
Air	62,397	75,724
Car/vans	45,603	53,821

[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 NOx (nitrous oxides) and water vapour when emitted at high altitude.

SPAN Arts, Dydd Gŵyl y Pasg

Principal risks and uncertainties

Managing our affairs effectively

As stewards of public funds we must operate in an efficient and accountable manner. Our priorities and funding decisions are agreed by Council in accordance with the policies and procedures that apply to our use of public funds. The Audit & Risk Assurance Committee's (ARAC's) role is to ensure that we deliver on these commitments, doing so in ways that are transparent, accountable and that represent value for money. An extensive programme of internal audit assists us in this work.

Protecting the public's money

An important part of ARAC's work is reviewing our defences against **Fraud** and **Cyber-crime**. Attempts to illegally gain access to our funds and ICT systems occur regularly. Council takes these issues very seriously and ARAC looks carefully at our policies and processes to ensure they are robust and secure. There were no successful attacks during the year.

Taking risks: a balanced approach

Unauthorised access to our systems is just one of a range of potential risks that could compromise our performance and reputation. We expect the organisations that we fund to be well managed and to represent good value for money. Our ongoing monitoring assesses the extent to which this is the case. But we are not so risk averse that we ignore important opportunities for innovation and growth. We aim to take appropriate but informed risks, as circumstances dictate. However, we do not behave recklessly; neither would we wilfully squander public money nor endanger our reputation for prudent and effective delivery.

Our systems of internal control identify and prioritise the risks that could prevent us achieving Council's policies, aims and objectives. They evaluate the likelihood of the risks being realised, consider the impact should they occur, and seek to manage them efficiently, effectively and economically. We continually seek to improve our internal control systems.

ARAC reviews the robustness and suitability of this aspect of Council's work. The **Corporate Assurance Framework** (CAF) and separate **Corporate Risk Register** were scrutinised at regular intervals throughout the year. This provided members with greater clarity on the levels of assurance in operation across all of the Council's activities and the corresponding risks identified. ARAC reviewed the Horizon Scanning section of the CAF at each of its meetings.

Financial risk and capital management

The Council holds financial instruments mainly 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.

Risks are managed as follows:

- **Fraud risk** – the Arts Council, in common with most other organisations, is exposed to fraud risk on an increasing and ever more sophisticated scale. Systems are in place to detect duplication of applications and payment details. We take part in the National Fraud Initiative data matching exercise. Fraud awareness training is undertaken annually by staff.
- **Liquidity risk** – the Council is satisfied that it has sufficient liquid resources, in the form of cash at bank and agreed funding for 2024/25, to meet all current contracted commitments. The Council does not consider that its activities are exposed to any significant liquidity risk.
- **Interest rate risk** – cash and cash equivalent balances are held in instant access variable rate bank accounts which on average carried an interest rate of 3.17% (2023/24: 3.18%) in the year.

  The Council does not consider that its activities are exposed to significant interest rate risks.
- **Foreign currency risk** – the Council is not currently exposed, to any significant degree, to foreign exchange risks.
- **Cash flow risk** – the Council is not exposed to any significant cash flow risks.
- **Credit risk** – the Council is not exposed to any significant credit risk as most debtors relate to Welsh Government income.

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

Principal risks	Key mitigating actions
Planning, strategy and delivery We fail to deliver against our public announcements which may cause potential reputational damage to the Council.	Strategy – outlining our long-term commitments – and supporting suite of plans including annual plan 2024-25, highlighting our key tasks for the year to contribute to our commitments, published. Regular reporting of progress throughout the year. Summary report of achievements detailed in our published Annual Report.
Financial and resource management Funding cuts and cost of living crisis, including impact over the longer term, have a significant, detrimental effect on the sector and on our own available resources, including staffing.	In response to the Welsh Government's announcement of a 10.5% reduction in our grant-in-aid for 2024-25 we reprofiled our expenditure, undertook a programme of voluntary redundancies, and restructured the Executive Leadership Team. We limited to 2.5% the cut to multi year funding offers to organisations successful in the Investment Review. We have published an economic impact assessment report to identify and promote the beneficial impact of our work across Wales. This report shows a return in 2023-24 of £2.51 for every £1 spent in the arts. We continue to advocate to Government and other key stakeholders the case for the arts and ensure efficient and strict budgeting. We welcome the additional financial support from Welsh Government, including Job Protection and Resilience funding, and continue to monitor the situation closely.
Funding Lottery income levels may decline and/or disruption in business services including receipt of lottery income.	New Lottery licence holder, Allwyn, has indicated there will be no reduction in the funds available to good causes. Lottery income receipts have proved largely consistent with forecast and previous years' levels. We will monitor the situation closely.
Grants management Investment Review fails to deliver target outcomes. Currently funded capital projects fail to secure additional funds to cover escalating costs so fail to complete.	Investment Review activity largely complete and evaluation of the project is scheduled. Due to budgetary constraints, at its meeting in December 2024, Council approved a delay to the opening of a round 2 for multi year funding opportunities to new applicants, currently until March 2026. We announced the 3.5% uplift to our Multi Year Funding Organisations on March 28th along with other funding opportunities via Lottery. Progression of development of new Capital Funding Strategy and potential additional capital investment from Welsh Government for 2025/26.

Principal risks	Key mitigating actions
IT Unforeseen or unexpected outages compromise business continuity. There is a breach in our IT security.	A full Disaster Recovery Plan is in place and tested annually. If an incident arises, alternative offsite IT facilities are available. Staff are equipped to work remotely and do so with no significant IT issues. Cyber security and IT penetration tests are conducted annually. We comply with IASME security standards. We have robust reporting and investigation arrangements in the event of a security or data breach.
Personal Data Personal data is lost, compromised or stolen.	The Council has controls and policies in place to ensure data security and integrity, and these are tested and evidenced through specific assurance arrangements. Encrypted IT systems ensure the physical security of data is tightly controlled. Staff undertake regular training and awareness sessions.
Staffing Recurrent pressure to cut costs reduces staff capacity to an unacceptable level.	Staff capacity to deliver an expanding programme of activity is a continuing concern for Council. Work is underway to update our existing operating structure and deliver projects that maximise efficiencies and support new ways of working. Recruitment to vacant posts continues to be considered on a case-by-case basis with several new recruitment exercises completed recently. Executive Leadership team at full capacity following successful recruitment exercise.
Risk management Our current polices and controls fail to protect us from potentially fraudulent activity.	Council's suite of risk management policies is reviewed regularly and their effectiveness considered and reported though our internal audit arrangements. We share good practice with other Welsh Government Sponsored Bodies. Robust assessment and monitoring procedures are in place across all areas of activity to ensure grant monies are used for the specified purpose.
Environment The current environmental crisis has a longer-term impact for future generation.	Our Welsh Language, Culture and Equalities Committee maintains oversight of this area. A Portfolio Manager leads our Well-being of Future Generations considerations, including climate justice. Climate Justice strategy and action plan developed. Climate Justice is one of the 6 key principles of our Investment Review and new Strategy. Projects and activity we fund, in response to grant applications and through procurement, must demonstrate an understanding or development of environmental considerations. We hold Green Dragon level 5 accreditation and adopt Future Generations resilience considerations across our offices, including Fair trade, printing/ consumables, energy usage and recycling. We have reduced our office space, resulting in operational and carbon footprint savings. Our Travel and Subsistence Policy is based on HM Revenue & Customs and other government practices and rates. Hybrid working arrangements are in place. We use virtual meetings, where appropriate, to save on travel and time. Staff guidance is in place regarding attending external meetings and events.

Principal risks	Key mitigating actions
Equalities We make little or no progress regarding our equalities agenda.	We continue to drive forward our agenda through the joint action plan with other Welsh public bodies and our own Strategic Equality Plan and the joint Widening Engagement Action Plan with Amgueddfa Cymru. Equalities and Widening Engagement is one of the 6 key principles underpinning our new Strategy. We continue with our support for the Hynt scheme to promote a consistent offer for disabled visitors and their personal assistants/carers at venues throughout Wales and are working closely with other UK Arts Councils on All In, in their adoption of our Hynt model across the UK. We revised and relaunched the Creative Steps programme, providing targeted support for underrepresented individuals and organisations led by and/or working with underrepresented communities to promote business, organisational and career development.

Hijinx Unity Festival, *Enter the Robots* (Image: Iolo Penri)

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 grant in aid and 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.

Recurrent, or annual revenue, grants are made to a portfolio of organisations to deliver high quality artistic services – our **Multi Year Funding Organisations**. Consideration of revenue status for any organisation is dependent on the availability of funding, the sustainability of the organisation, and demonstration of strong fit with the Council's strategic priorities. Currently, each revenue-funded organisation enters into a funding agreement for a term of one to three years which sets out the anticipated level of funding, the programme of activity to be delivered, requirements for monitoring and annual review, standard conditions of grant, and any additional conditions.

Brides, Ffilm Cymru Wales

Capital grants, to organisations only, support the purchase, improvement, restoration, building or creation of an asset that will be used for the benefit of the public to develop the organisation's work.

Council delegates Lottery grant-making in a number of strategic areas to Ffilm 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 delegatees by the Council's internal auditors and by the Comptroller and Auditor General for the review of the operation of the delegated functions.

One-off grants are available to help fund time-limited artistic projects of high quality which best meet the Council's funding priorities. Ongoing monitoring of our grant 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 withheld and/or deferred.

Cash reserves – General Activities

The Council's policy on restricted funds is to record separately grants, donations and other sources of income which are received for a specific purpose or project, or where restrictions are imposed that are narrower than the Council's overall objectives. All of these incoming resources have been utilised in the year for their intended purpose.

Most of the Council's unrestricted funds are committed during the year, in accordance with the conditions of grant-in-aid issued by the Welsh Government. Any surplus funds are carried forward and used in furtherance of the Council's chartered objectives in the following year. There were no designated funds at 31 March 2025.

Our holding of cash reserves is restricted by the Welsh Government's directions on month-end and year-end flexibility. Within those parameters, our policy is to manage cash flow by drawing down funds each month to meet planned expenditure with a modest allowance for unforeseen short-term cash requirements. We review this policy and our reserves position annually.

At 31 March 2025 the unrestricted cash funds were £0.416m (2024: £0.384m).

The accounts have been prepared on a going concern basis and there are no material uncertainties about our ability to continue in operation.

Investment

Investment powers are governed by the Trustee Act 2000 and the Framework Document issued by Welsh Ministers. The Council's policy is to achieve the maximum return within these terms. Interest at a negotiated 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.

The Council's banking service is provided by **Santander UK plc**.

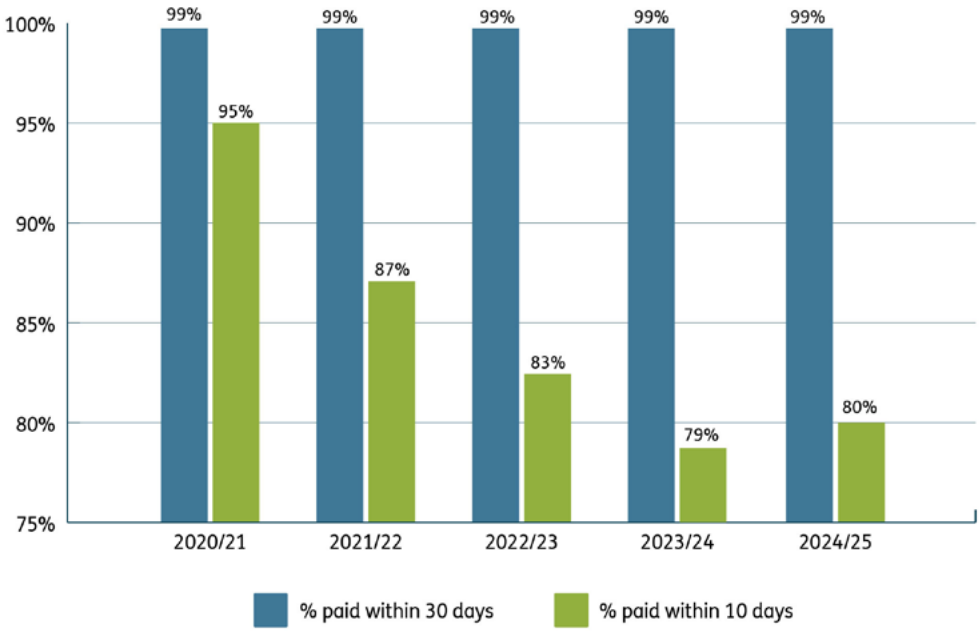
All interest and other investment income earned on cash and bank balances which arise as a result of funding from the Welsh Government is surrendered to HM Treasury via the Welsh Consolidated Fund.

Payment of creditors

Council follows the Late Payment of Commercial Debts (Interest) Act 1998, and the UK Government's Better Payment Practice Code. 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.

We aim to pay all invoices, including disputed invoices once the dispute has been settled, in line with these terms. During the year ended 31 March 2025, the Council paid 98% (2023/24: 99%) of all invoices within the terms of its payment policy.

The Council has a further aim to pay invoices within 10 days. For 2024/25, 80% (2023/24: 79%) 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 – General Activities

	2024/25 £'000	2023/24 £'000
Headlines from the General Activities accounts:		
Total income for the year	39,527	43,580
Excess of income over expenditure	540	43
Net current assets	3,027	2,605
Total fund balances at 31 March	3,241	2,701
Forward commitments of grants for the following year	28,585	25,123
The separate Lottery Distribution accounts show:		
The Council's share of the proceeds from the National Lottery	17,932	17,234
The combined:		
Total income for both general and Lottery activities was	58,768	62,343
and		
Total charitable arts expenditure for both general and Lottery activities was	**55,305**	**60,421**

The Council's income from General Activities account for 2024/25 was £4.1m (9%) less than the previous year.

Our income in 2022/23 included £23.5m of restricted capital funding from Welsh Government for the redevelopment of Theatr Clwyd. The project is ongoing, and we continue to draw down the cash from Welsh Government and release the grant to the local authority to meet the project costs as they fall due. Our balance sheet reflects the cash flows but there is no impact on this year's Statement of Financial Activities.

Operasonic
(Image: Charlie Nicholls)

Overall, the General Activities Account shows a net increase in funds for the year of £540,000: restricted funds increased by £148,000 and unrestricted funds increased by £392,000.

The increase in both restricted and unrestricted funds relate primarily to delays in delivering some elements of our strategic programmes. The funds have been rolled forward into next year's budget.

At 31 March 2025 we had unrestricted reserves of £2.3m (2024: £1.9m) and restricted reserves of £0.9m (2024: £0.8m). The level of our unrestricted reserves is directly affected by the Welsh Government's policy on year-end cash balances, as outlined in the Cash reserves section above. The Council is permitted to carry over from one financial year to the next no more than 2% of its total non-Lottery income. We were within this cap on 31 March 2025.

Financial Results – Lottery Distribution

	2024/25 £'000	2023/24 £'000
Headlines from the Lottery Distribution accounts:		
Share of proceeds from the National Lottery	17,932	17,234
Net grants made	14,493	14,661
Net expenditure for the year	800	(832)
Balance held in the National Lottery Distribution Fund at 31 March	14,859	18,715
Reserves at 31 March	**5,293**	4,493

Grants processed

	2024/25	2023/24
Number of applications received:		
Capital schemes	10	**11**
Revenue schemes	931	**1,367**
	941	**1,378**
Number of grants made:	**413**	**674**
Value of grants made:	£'000	£'000
Capital schemes	383	**440**
Revenue schemes	14,528	**14,544**
	14,911	**14,988**
Grants payable at 31 March:		
Capital schemes	3,651	**7,696**
Revenue schemes	7,218	**10,551**
	10,869	**18,247**

The Bangers and Chips Explosion, Torch Youth Theatre (Image: Chris Lloyd)

National Lottery income increased slightly this year. Our share of proceeds was £0.7m more than in 2023/24 but investment income on balances in the National Lottery remained approximately the same.

At year-end grants payable totalled £10.869m (2024: £18.247m). Undrawn funds in the National Lottery Distribution Fund plus cash and cash equivalents totalled £17.246m (2024: £23.348m). Our share of balances held in the National Lottery Distribution Fund fell by approximately 20% compared with last year-end, reflecting the release of grant payments to a number of significant capital projects which are now on site or nearing completion.

Remuneration and Staff Report

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.

Each year Council publishes a **Pay Policy Statement**. This includes a detailed breakdown of the make up of our staff. It also addresses Gender Equality and Equal Pay reporting.

Council ensures that appropriate facilities are available for disabled employees. Public signage also promotes the Council as a bilingual organisation.

Our HR policies

Council's aim is to be a progressive, family friendly employer. We operate HR policies that reflect our 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, consultation and negotiation

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.

We undertake regular surveys of staff to identity any issues or areas for improvement.

Arts Connection

Remuneration

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

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

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

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 Chair, Maggie Russell, took up the position on 1 April 2023.

The Chief Executive and Directors – the Executive Leadership 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 and termination of employment are:

Maggie Russell
Chair
1 April 2023

Dafydd Rhys
Chief Executive
17 October 2022

Rebecca Nelson
Director of Finance and Business Services
17 June 2019 to 2 August 2024

Alyn Coleman
Interim Director of Finance and Business Services
01 July 2024 to 31 October 2024

Catryn Ramasut
Director of Arts
7 October 2024

Lorna Virgo
Director of Finance and Business Services
14 October 2024

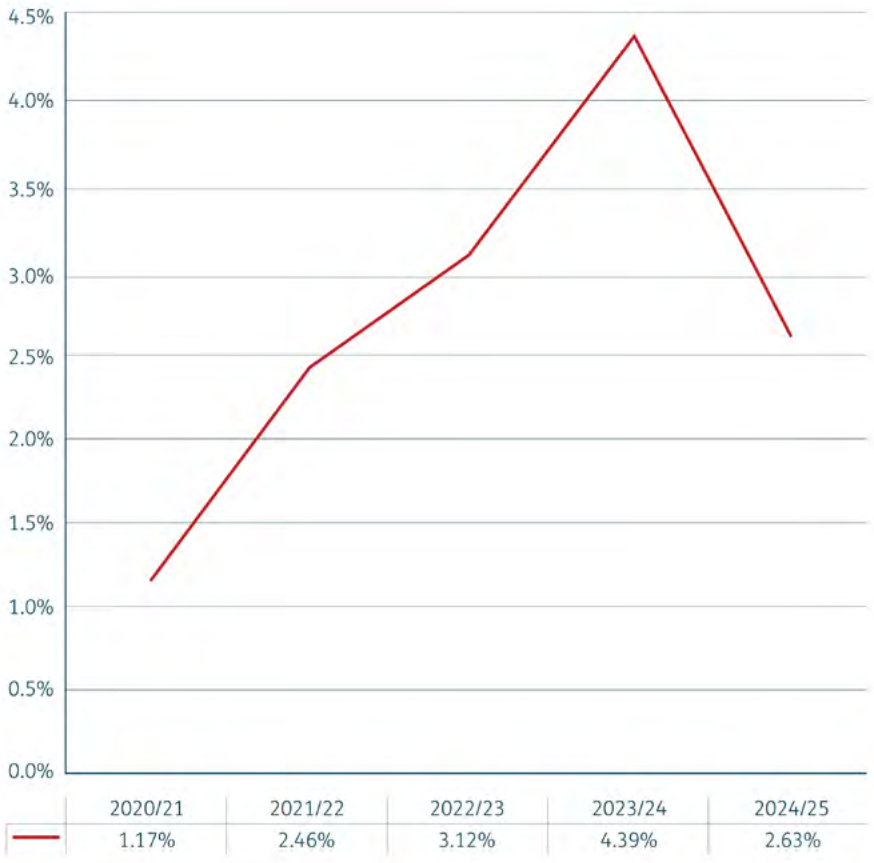
Diane Hebb
Director of Arts Engagement from 1 February 2012
13 January 1992 to 31 March 2025

Sickness absence

Across the whole Council:

	2024/25	2023/24
Days lost as a result of sickness	571.5	1,030
Average number of employees (headcount)	86.5	93.58
Average number of days lost per employee	6.61	11.01

This represented an absence rate of 2.63% (2023/24: 4.39%) based on 251.5 (2023/24: 250.5) working days.



Staff turnover

Across the whole Council:

	2024/25	2023/24
Average number of employees (headcount)	86.5	93.58
Leavers[1]	19	14
Starters	16	14
Average turnover[2]	21.97%	14.96%

[1] Includes 3 redundancy volunteers (2023/24: 3)

[2] Average turnover excluding redundancy volunteers 8.09% (2023/24: 11.75%)

Average turnover is calculated as follows:

$$\frac{\text{total number of leavers over the year}}{\text{average total number employed over the year}} \text{ X } 100$$

Consultancy

During 2024/25 the Council paid no consultancy costs (2023/24: £0) in relation to expert advice and opinion obtained to assist in strategic decision-making. Nothing (2023/24: £0) is charged in these financial statements.

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:

(real increase in pension* x 20) + (real increase in any lump sum) – (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 Fight, Theatr na nOg
(Image: Simon Gough Photography)

The single total remuneration figures of the Executive Leadership Team (audited):

Name Position	2024/25 Emoluments band £'000	Pension benefits £'000	Loss of Office £'000	Single total remuneration £'000	2023/24 Emoluments band £'000	Pension benefits £'000	Loss of Office £'000	Single total remuneration £'000
Dafydd Rhys Chief Executive	115-120	27		145-150	105-110	24		130-135
Alyn Coleman[1] Interim Director of Finance and Business from 1 July 2024 to 31 October 2024	25-30	49		75-80	N/A	N/A		N/A
Full year equivalent	80-85							
Lorna Virgo Director of Finance and Business from 14 October 2024	40-45-	9		50-55	N/A	N/A		N/A
Full year equivalent	85-90							
Catryn Ramasut Director of Arts from 7 October 2024	40-45	9		45-50	N/A	N/A		N/A
Full year equivalent	80-85							
Diane Hebb Director of Arts Engagement to 31 March 2025	85-90	26	155-160	270-275	85-90	(18)		65-70
Rebecca Nelson Director of Finance and Business Services to 2 August 2024	30-35	8		35-40	85-90	13		95-100
Full year equivalent	85-90							
Richard Nicholls Director of Operations to 8 April 2024	0-5	2		0-5	85-90	16	20-25	12-125
Full year equivalent	85-90							
Lleucu Siencyn Director of Arts Development to 8 April 2024	0-5	0		0-5	80-85	19	45-50	145-150
Full year equivalent	85-90							

[1] The cost of loss of office of £135,670 for the interim Director of Finance and Business Services was accrued in 2023-24 when he was not a member of Executive leadership team.

The pension benefits of the Executive Leadership Team (audited):

Name Position	2024/25 £'000 Real increase in pension and related lump sum at age 65	2024/25 £'000 Total accrued pension at age 65 as at 31/03/25, or date of leaving if earlier, and related lump sum	2024/25 £'000 Cash Equivalent[1] Transfer Value at 31/03/25, or date of leaving if earlier	2023/24 £'000 Cash Equivalent Transfer Value at 31/03/24	2024/25 £'000 Real increase[2] in Cash Equivalent Transfer Value
Dafydd Rhys Chief Executive	Pension 0-2.5 Lump sum 2.5-5	Pension 0-5 Lump sum 10-15	54	32	16
Richard Nicholls Director of Operations to 6 April 2024	Pension 0-2.5 Lump sum 0-2.5	Pension 0-5 Lump sum 10-15	31	30	1
Alyn Coleman Interim Director of Finance and Business Services from 1 July to 31 October 2024	Pension 0-2.5 Lump sum 5-10	Pension 25-30 Lump sum 75-80	450	414	36
Lorna Virgo Director of Finance and Business Services from 14 October 2024	Pension 0-2.5 Lump sum 0-2.5	Pension 0-5 Lump sum 0-5	3	N/A	-
Catryn Ramasut Director of Arts from 1 October 2024	Pension 0-2.5 Lump sum 0-2.5	Pension 0-5 Lump sum 0-5	4	N/A	1
Diane Hebb Director of Arts Engagement	Pension 0-2.5 Lump sum 2.5-5	Pension 25-30 Lump sum 80-85	440	428	16
Rebecca Nelson Director of Finance and Business Services to 2 August 2024	Pension 0-2.5 Lump sum 0-2.5	Pension 5-10 Lump sum 15-20	40	38	1
Lleucu Siencyn Director of Arts Development to 8 April 2024	Pension 0-2.5 Lump sum 0-2.5	Pension 0-5 Lump sum 5-10	18	18	-

[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 is the change in CETV net of inflation, employee contributions (including those relating to the purchase of added years) and transfer-in payments.

The Chair is remunerated for his or her 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 £5,969 (2023/24: £7,165) was reimbursed to 16 (2023/24: 15) Council members for travel and subsistence costs incurred on Council business. The aggregate amount allocated to Lottery Distribution activities was £3,511 (2023/24: £2,933).

The total actual emoluments of the Chairs and Chief Executives were made up of (audited):

	2024/25	2023/24
	£	£
Chair		
Chair – Maggie Russell		
Salary	43,810	43,810
Chief Executives		
Chief Executive – Dafydd Rhys		
Salary	112,268	106,922
Employer's pension contribution	22,341	21,277
	134,609	128,199

34% (2023/24: 34%) of the Chairs' and 28% (2023/24: 28%) of the Chief Executives' emoluments are charged in these financial statements and the remainder to general activities.

Reimbursed travel and subsistence expenses incurred and defrayed whilst on Council business:	2024/25 £	2023/24 £
Chairs	785	1,223
Chief Executives	8,870	12,037

49% (2023/24: 49%) of the Chairs' and Chief Executives' expenses are charged in these financial statements and the remainder to general activities.

Other than members of the Executive Leadership Team listed above, the number of employees (whole Council) whose remuneration for the year, excluding employer's pension contributions, exceeded £60,000 was as follows:

	2024/25	2023/24
£60,000 to £69,999	10	-
£70,000 to £79,000	-	1
£80,000 to £89,000	1	-

Fair pay (audited)	2025	2024
The range of annual remuneration (full time equivalents) at 31 March was (whole Council):	£27,591 to £112,268	£26,277 to £106,922

The Chief Executive is the highest paid member of staff.
During the year the Chief Executive received a pay award of 5% (2023/24: 5%). Staff as a whole received a pay award of 5% (2023/24: 5%).

The annual remuneration (full time equivalents) of employees and the ratios between each of those and the pay of the Chief Executive at 31 March were (whole Council):		
25th percentile	£34,561	£32,915
	1:3.2	1:3.2
Median (50th) percentile	£50,254	£47,861
	1:2.2	1:2.2
75th percentile	£50,254	£47,861
	1:2.2	1:2.2

Annual remuneration comprises salary only. The Chief Executive received travel allowance benefit for part of the year for the total of £7,068 and there was no performance-related pay.

Staff composition at 31 March (full time equivalents – whole Council)	2025			2024		
	Male	Female	Total	Male	Female	Total
Executive Leadership Team	1	3	4	2	3	5
Portfolio Managers/Heads of Department	6	9	15	7	10	17
Senior Officers	12	21	33	14	22	36
Officers	3	9	12	2	9	11
Team Co-ordinators/Personal Assistants	3	16	19	3	15	18
	25	58	83	28	59	87
	30%	70%		32%	68%	

Compensation schemes – exit packages (whole Council)

Exit package cost band	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band	
	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24
£10,000 to £24,999	-	-	1	2	1	2
£25,000 to £49,999	-	1	-	4	-	5
£50,000 to £99,999	-	-	-	4	-	4
£100,000 to £149,999	-	-	-	2	-	2
£150,000 to £199,999	-	-	1	-	1	-
Total number of exit packages	-	1	2	12	2	13
Total cost (£'000)	-	45	171	735	171	780

Exit packages include redundancy payments and, where applicable, contractual pay in lieu of notice, accrued holiday pay and accrued pay for excess hours due at the date of termination.

Redundancy payments have been determined in accordance with the provisions of the Council's redundancy policy. The Council usually pays exit costs when employment ends but provides for the exit costs in full at the point when there is sufficiently detailed information to do so.

All redundancies were carried out in accordance with the Council's redundancy policy, the employees' posts either disappeared in the new structure or were filled by other employees who would otherwise have been compulsorily redundant.

Tax arrangements of Payroll appointees

During the 2024-25 financial year there were no off-payroll appointees earning over £245 per day (2023-24: None).

Parliamentary Accountability and Audit Report (audited)

Remote contingent liabilities

The Council is an admitted employer of the Arts Council Retirement Plan 1994. The Plan is a funded, defined benefit, multi-employer scheme where the participating employers are unable to identify their shares of the underlying assets and liabilities.

In the event of the withdrawal of an employer, the debt triggered under section 75 of the Pensions Act 1995 would be calculated using the solvency shortfall of the entire Plan, not the employer's own asset share and liabilities. Also, in the event of Plan wind up, as the Plan is a "last person standing" arrangement all employers would be jointly and severally liable for the total shortfall in the Plan.

It is not practical to estimate the financial impact.

Losses, special payments and gifts

The Council incurred no losses during the year and made no special payments or gifts.

Fees and charges income

The Council has no material income of this kind.

Dafydd Rhys
Accounting Officer
24 October 2025

Endorsed on behalf of Council:

Maggie Russell
Chair
24 October 2025

The year ahead: 2025/26

Skin Phillips, Glynn Vivian Art Gallery
(Image: Polly Thomas)

As we look forward to a new financial year at the Arts Council of Wales we welcome the settlement with Welsh Government for the forthcoming year. A 10.5% uplift sees us returning more or less to where we were prior to the cut of 2024/25. There are many challenges ahead as we embed our published strategy into the organisation and sector, responding and incorporating where relevant the Priorities for Culture as published by Welsh Government.

We will also be introducing the Strategic Interventions identified in our reviews to Dance, Traditional Music and English Language Theatre post the Investment Review. These have been major pieces of work and will have a significant impact on the sector and these art forms. To work in a more strategic and targeted manner we will introduce changes to the way in which we allocate grants from our lottery funds. There will be a gradual implementation with simplified genre focussed rounds that link directly to our published strategy. Genre specific rounds will allow for a better understanding of competing demands and need within specific disciplines and will lead to better informed decision making.

Change will continue as we re-imagine the Arts Directorate within the Arts Council of Wales with a significant re-structure with the aim of putting arts disciplines at the core of our decision making with the introduction of Heads Of and a simpler line management structure. The need for more art form specialism and knowledge is included in all three reviews and has been noted in many discussions at different levels with the sector.

We have also been successful in discussions with Welsh Government in introducing a new £8 million fund for the Capital needs of the arts estate throughout Wales which is a significant and important development. For context our spend last year was £1.2 million. There is without doubt a need to address an aging infrastructure coupled with our commitment to reduce carbon usage and the need to modernise our buildings in order to give the communities of Wales the arts buildings that they deserve.

R&R24 Urban Circle, Folk Dancers

Financial Statements
General Activities

Statement of the Accounting Officer's responsibilities

Under Article 11 of the Royal Charter dated 30 March 1994 (as amended) the Council is required to prepare for each financial year a statement of accounts in the form and on the basis determined by Welsh Ministers. 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, Balance Sheet and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the accounting principles and disclosure requirements of the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 ("the SORP") and, to the extent that it clarifies or builds on the requirements of the SORP, the *Government Financial Reporting Manual* and in particular to:

- observe the Accounts Direction issued by Welsh Ministers, 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 SORP and 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 Welsh Public Money* published by the Welsh Government.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the Council's auditor is aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

The Accounting Officer confirms that, as far as he is aware, the annual report and accounts as a whole is fair, balanced and understandable and he takes responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable.

Endorsed on behalf of Council:

Dafydd Rhys
Accounting Officer
24 October 2025

Maggie Russell
Chair
24 October 2025

The Certificate and Report of the Auditor General for Wales to the Trustees of the Arts Council of Wales

Opinion on financial statements

I certify that I have audited the financial statements of the Arts Council of Wales General Activities Account for the year ended 31 March 2025 under Article 11 of the Arts Council of Wales' Royal Charter.

The financial statements comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and related notes, including the material accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In my opinion, in all material aspects the financial statements:

- give a true and fair view of the state of the Arts Council of Wales' affairs as at 31 March 2025 and of its net income for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with Article 11 of the Arts Council of Wales' Royal Charter and directions made thereunder by Welsh Ministers.

Opinion on regularity

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

Basis for opinions

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of financial statements and regularity of public sector bodies in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my certificate.

My staff and I are independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

Other information

The other information comprises the information included in the Report and Financial Statements but does not include the financial statements nor my auditor's report thereon. The Accounting Officer is responsible for the other information. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon. My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

Although there are no legislative requirements for a Remuneration Report, the Arts Council of Wales has prepared such a report and, in my opinion, that part ordinarily required to be audited has been properly prepared in accordance with HM Treasury guidance.

In my opinion, based on the work undertaken in the course of my audit, the information given in the Foreword, Performance Report and Operational Review and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the body and its environment obtained in the course of the audit, I have not identified material misstatements in the Foreword, Performance Report and Operational Review and Accountability Report.

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

- I have not received all the information and explanations I require for my audit;
- sufficient accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my team;
- the financial statements are not in agreement with the accounting records and returns; or
- information specified by Welsh Ministers regarding remuneration and other transactions is not disclosed.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of the Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- maintaining sufficient accounting records;
- the preparation of the Report and Financial Statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ensuring the regularity of financial transactions;
- internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error; and
- assessing the body's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the body will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Arts Council of Wales' Royal Charter.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- enquiring of management, Internal Audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Arts Council of Wales' policies and procedures concerned with:
    - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
    - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
    - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in areas at risk of management override such as the posting of unusual journals and the calculation of accounting estimates;
- obtaining an understanding of Arts Council of Wales' framework of authority as well as other legal and regulatory frameworks that it operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on its operations;
- obtaining an understanding of related party relationships.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Audit Committee and legal advisors about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the Arts Council of Wales' controls, and the nature, timing and extent of the audit procedures performed. A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Other auditor's responsibilities

I 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 the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report

I have no observations to make on these financial statements.

Adrian Crompton
Auditor General for Wales
30 October 2025

1 Capital Quarter
Tyndall Street
Cardiff
CF10 4BZ

The maintenance and integrity of the Arts Council of Wales website is the responsibility of the Accounting Officer; the work carried out by auditors does not involve consideration of these matters and accordingly auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

The Arts Council of Wales

Statement of Financial Activities

for the year ended 31 March 2025

	Note	Unrestricted funds £'000	Restricted funds £'000	2024/25 Total £'000	2023/24 Total £'000
INCOME					
Donations:					
Grant-in-aid from the Welsh Government		30,529	2,800	33,329	33,714
Other grants and donations	3	16	5,803	5,819	9,549
		30,545	8,603	39,148	43,263
Income from charitable activities:					
Services and sponsorship	4	198	45	243	177
Investment income:					
Bank interest		81	26	107	108
Other income	5	29	-	29	32
Total income		**30,853**	**8,674**	**39,527**	43,580
EXPENDITURE					
Charitable activities	6	29,939	8,887	38,826	43,373
Governance costs	8	80	-	80	84
Bank interest surrendered to Welsh Consolidated Fund		81	-	81	80
Total expenditure		**30,100**	**8,887**	**38,987**	43,537
Net income/(expenditure)		**753**	**(213)**	**540**	43
Gross transfers between funds	13	(361)	361	-	-
Net movement in funds		**392**	**148**	**540**	43
Reconciliation of funds					
Fund balances brought forward	13	1,932	769	2,701	2,658
Total funds carried forward		**2,324**	**917**	**3,241**	2,701

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

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

The notes on pages 103 to 128 form part of these financial statements.

The Arts Council of Wales

Balance Sheet

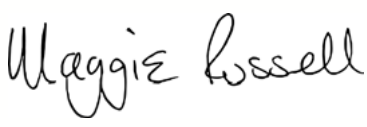
as at 31 March 2025

	Note	31 March 2025 £'000		31 March 2024 £'000	
Fixed assets					
Intangible fixed assets	9a		1		2
Tangible fixed assets	9b		226		199
Total fixed assets			227		201
Non-current assets					
Debtors	10a		-		-
Current assets					
Grants paid in advance		-		120	
Debtors	10b	7,579		16,227	
Cash and cash equivalents		1,331		1,566	
Total current assets		8,910		17,913	
Liabilities: falling due within one year					
Creditors	11a	(5,883)		(15,308)	
		(5,883)		(15,308)	
Net current assets			3,027		2,605
Total assets less current liabilities			3,254		2,806
Creditors: falling due after more than one year					
Creditors	11b		(13)		(105)
Net assets			3,241		2,701
The funds of the charity					
Unrestricted funds	13		2,324		1,932
Restricted funds	13		917		769
			3,241		2,701

The notes on pages 103 to 128 form part of these financial statements.

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

Dafydd Rhys
Accounting Officer
24 October 2025



Maggie Russell
Chair
24 October 2025

The Arts Council of Wales

Statement of Cash Flows

for the year ended 31 March 2025

	Note	2024/25 £'000	2023/24 £'000
Net cash inflow from operating activities	15a	(104)	172
Net cash inflow from investing activities	15b	26	28
Net cash outflow associated with capital assets	15c	(157)	(125)
Change in cash and cash equivalents in the year		**(235)**	75
Cash and cash equivalents brought forward		1,566	1,491
Cash and cash equivalents carried forward		**1,331**	1,566

The notes on pages 103 to 128 form part of these financial statements.

The Arts Council of Wales

General Activities Account
Notes forming part of the financial statements

for the year ended 31 March 2025

1. Accounting policies

a. Basis of preparation

These financial statements are prepared on a going concern basis and under the historical cost convention modified to include certain fixed assets at their value to the Council on a current cost basis. Grant commitments and other obligations have been agreed on the basis of continuing receipt of Grant-in-Aid financing from the Welsh Government. They have been prepared in accordance with the Accounts Direction issued by Welsh Ministers and meet the requirements of the Charities Acts 2006, 2011 and 2016, of the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their account in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) issued on 16 July 2014 ("the SORP") and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102). In addition to compliance with the SORP regard is given to the requirements of the Government Financial Reporting Manual (FReM) issued by HM Treasury to the extent that it clarifies or builds on the requirements of the SORP. A summary of the principal accounting policies which have been applied consistently are set out below.

Impact of standards not yet effective

The application of any new or amended accounting standards is governed by their adoption by the Charity Commission and FReM. The Council applies changes to standards when they become effective. There are no known material impacts from accounting standard changes that have been issued and are not yet effective on the financial statements in the period of initial application.

b. Income

Grant-in-aid from the Welsh Government is recognised in the Statement of Financial Activities on a receivable basis.

All other income is recognised when the Council has entitlement to the funds, any associated performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably. Capital grants receivable are treated as income.

No income is recorded net of expenditure in the Statement of Financial Activities.

c. Lottery distribution

These financial statements do not cover the Council's lottery distribution function for which separate financial statements have been prepared in accordance with directions issued by the Secretary of State for Culture, Media & Sport.

The Council incurs costs which support both its general activities and lottery distribution functions. In accordance 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.

The apportionments are usually reviewed every two years and whenever there is a significant change to the staff structure or the programmes of activity.

d. Expenditure

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.

e. Grants awarded

Subsidy expenditure is incurred in the form of grants which are formally offered to organisations funded by the Council. Grants are offered in support of a programme of activities planned for, or to commence in, a particular financial year and in most circumstances are charged to the Statement of Financial Activities in that year.

Forward commitments made in the year relating to next year's activity, as disclosed in note 17, are not charged to the Statement of Financial Activities. The grant-in-aid to meet these commitments cannot be recognised until it is received so, in this respect, we have been unable to apply all principles of paragraph 7 of the SORP. The Trustees do not believe the inclusion of the forward commitments would provide a true and fair view of the application of the Council's resources.

Grants unpaid at the year-end are shown as creditors in the Balance Sheet. Any advance payments which have been made in respect of approved grants relating to next year's activities are shown in the Balance Sheet as current assets.

All grants offered are listed in the annex to this Annual Report.

f. Services and sponsorship

Services and sponsorship comprise the direct costs, including staff and depreciation, attributable to charitable activities.

g. Allocation of operating costs

Operating costs have been allocated first between charitable activities and governance. Operating costs relating to charitable activities have been apportioned to reflect the time spent by staff in delivering direct activities and in support of their delivery. The allocation and analysis of these costs is in notes 6 and 7.

h. Governance costs

Governance costs comprise all costs involving the public accountability of the Council as a charity and its compliance with regulation and good practice. These costs are analysed in note 8.

i. Foreign currency

Revenue received and expenditure incurred in foreign currencies is converted at the exchange rate prevailing at the time of the transaction. Balances held in foreign currencies are converted at the rate prevailing at the Balance Sheet date. Transactions and balances covered by forward contracts are converted at the contract rate.

j. Recognition of liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

k. Fund accounting

Restricted funds are those which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Council for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Unrestricted funds are those which are available for use at the discretion of Council in furtherance of its chartered objectives and which have not been designated for other purposes.

Where support costs are allocated to restricted charitable activities a transfer is made from unrestricted funds to cover these costs.

l. Fixed assets

The Council owns two freehold properties, the Sherman Theatre and the Rubicon Dance Studio, which are let on long leases at peppercorn rents to tenants which are not controlled by the Council and with no provision for repossession by the Council. Based on the advice of external and independent chartered surveyors, the residual value of these freehold interests is considered to be negligible so these assets are held in the accounts at a nil value.

Website development costs, in accordance with FRS 102, are treated as tangible fixed assets.

Computer software licences are treated as intangible fixed assets if they cover more than one year.

Other than freehold properties all tangible and intangible fixed assets are included at historical cost less an allowance for depreciation and amortisation. The Council considers that there is no significant difference between the book and market values.

m. Amortisation and depreciation

Individual assets costing £1,000 or above are capitalised and a full year's amortisation or depreciation is provided in the year of acquisition. Amortisation of intangible fixed assets and depreciation on tangible fixed assets is provided at rates calculated to write off the cost or valuation of each asset to its residual value on a straight line basis over its expected useful life as follows:

Computer software licences	over 3 years
Leasehold improvements	over the term of the lease
Furniture, fixtures and fittings	over 10 years
Equipment	over 4 years
Website development costs	over 3 years
Computer system	over 3 years

n. Leases

The costs of operating leases are charged to the Statement of Financial Activities on a straight line basis over the life of the lease.

o. Pensions

The Council is an admitted employer of the Arts Council Retirement Plan 1994 (ACRP) which provides defined benefits to Council employees. The costs of the Council's contributions are charged to the Statement of Financial Activities so as to spread the cost of pensions over employees' working lives.

The Plan is a funded, defined benefit, multi-employer scheme where the participating employers are unable to identify their shares of the underlying assets and liabilities. The scheme has therefore been accounted for as if it were a defined contribution scheme, in accordance with FRS 102. The Council has made payments to fund a deficit relating to past service. If further deficit payments are needed, following future revaluations, the Council will recognise a provision for the present value of contributions payable in accordance with the terms of any relevant funding agreement. All contributions towards the deficit are charged to the Statement of Financial Activities.

The Council also has 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 FRS 102.

p. Taxation

Non-recoverable Value Added Tax arising from expenditure on non-business activities is charged to the Statement of Financial Activities or capitalised as a fixed asset where applicable.

q. Financial instruments

Financial assets: Trade debtors 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 comprise cash in hand and cash at bank and on short term deposit on instant access terms.

Financial liabilities: Trade creditors are not interest bearing and are stated at their nominal value.

2. General activities and Lottery distribution: combined income and charitable arts expenditure

The separate Lottery distribution account shows the Council's 2024/25 share of the proceeds from the National Lottery of £17,932,000 (2023/24: £17,234,000). The combined total income for both general and Lottery activities for 2024/25 was £58,768,000 (2023/24: £62,343,000). The combined total direct charitable arts expenditure for 2024/25 was £55,305,000 (2023/24: £60,421,000).

3. Income

Donations: Other grants and donations

	Unrestricted funds £'000	Restricted funds £'000	2024/25 Total £'000	2023/24 Total £'000
Creative Learning through the Arts Programme (note 18):				
Welsh Government grant	-	1,000	1,000	1,000
Arts Council of Wales Lottery grant	-	1,000	1,000	1,000
Other income	16	21	37	23
Prior year grants no longer required or repaid	-	-	-	1
Welsh Government for National Contemporary Art Gallery for Wales	-	1,146	1,146	5,073
Welsh Government Job protection and for theatres	-	2,192	2,192	1,350
Welsh Government funds for international activities	-	411	411	1,014
Grants to Wales Arts International	-	33	33	79
Public Health Wales	-	-	-	9
	16	5,803	5,819	9,549

4. Income from charitable activities – Services and sponsorship

	Unrestricted funds £'000	Restricted funds £'000	2024/25 Total £'000	2023/24 Total £'000
Night Out scheme: – contributions from venues/promoters	173	-	173	146
Wales Arts International: Other income	-	45	45	-
Collectorplan – gallery fees	20	-	20	30
Other income	5	-	5	1
	198	45	243	177

5. Other income

	Unrestricted funds £'000	Restricted funds £'000	2024/25 Total £'000	2023/24 Total £'000
Proceeds from the disposal of fixed assets	-	-	-	3
Contribution from the Lottery Distribution account: for use of fixed assets	29	-	29	29
	29	-	29	32

6. Expenditure – Charitable activities

	Direct activities £'000	Grant[1] funding £'000	Support[2] costs £'000	2024/25 Total £'000	2023/24 Total £'000
Grant making and arts development	1,140	30,692	1,750	33,582	37,080
Creative Learning through the Arts Programme (note 18)	1,551	442	-	1,993	2,780
Arts strategy	1,447	-	79	1,526	1,614
International	752	-	41	793	918
Services: *Night Out* & *Collectorplan*	648	-	36	684	632
Advocacy and research	235	-	13	248	349
	5,773	**31,134**	**1,919**	**38,826**	**43,373**
From unrestricted funds				29,939	31,881
From restricted funds				8,887	11,492
				38,826	**43,373**

[1] Grant funding

	To institutions £'000	To individuals £'000	2024/25 Total £'000	2023/24 Total £'000
From unrestricted funds				
Arts Portfolio Wales	25,123	-	25,123	26,885
Strategic awards	314	70	384	47
From restricted funds				
Arts Portfolio Wales	300	-	300	300
Creative Learning through the Arts Programme	442	-	-442	1,514
Strategic awards – for the development of the National Contemporary Art Gallery for Wales	60	-	60	4,067
Strategic awards – capital grants for theatres	1,250	-	1,250	1,350
Strategic awards – other	3,466	109	3,575	835
Memorial awards	-	-	-	-
	30,955	**179**	**31,134**	**34,998**

All grants are listed in the annex to this Annual Report.

[2] Support costs

	Gross costs £'000	Deduct Recharges to Lottery Distribution £'000	2024/25 Net charge to General Activities £'000	2023/24 Net charge to General Activities £'000
Staff costs	2,878	1,560	1,318	1,813
Staff related costs	175	83	92	71
Sub-total staff and related costs	3,053	1,643	1,410	1,884
Provisions	5	-	5	-
Organisational review	4	2	2	8
Infrastructure	499	247	252	333
Office running costs	21	10	11	9
Professional fees and promotion	175	123	52	102
Irrecoverable VAT	119	63	56	64
Amortisation and depreciation	131	-	131	61
	4,007	**2,088**	**1,919**	**2,461**

7. Staff costs

a. Total staff costs consist of:

	Permanently employed £'000	Other £'000	Gross costs £'000	Deduct Recharges to Lottery Distribution £'000	2024/25 Net charge to General Activities £'000	2023/24 Net charge to General Activities £'000
Wages and salaries	2,901	1,017	3,918	1,153	2,765	3,092
Social security costs	314	112	426	127	299	360
Other pension costs	521	180	701	207	494	504
Redundancy costs	175	-	175	86	89	343
Apprenticeship Levy	5	-	5	-	5	7
Agency costs	-	8	8	4	4	5
	3,916	**1,317**	**5,233**	**1,577**	**3,656**	**4,311**

Staff costs are incorporated in the financial statements as follows:

Charged to Direct activities (note 6)	2,306	-	2,306	2,466
Charged to Support costs (note 6)	2,878	1,560	1,318	1,813
Charged to Governance (note 8)	49	17	32	32
	5,233	**1,577**	**3,656**	**4,311**

The average number of staff (full time equivalents) employed during the year was:	Permanently employed	Other	Across the whole Council	On Lottery Distribution activities	2024/25 On General Activities	2023/24 On General Activities
On charitable activities:						
directly charged	9	13	22	-	22	21
recharged	25	2	27	-	27	31
In support of our charitable activities	24	8	32	25	7	9
	58	**23**	**81**	**25**	**56**	**61**

Staff composition at 31 March (full time equivalents – whole Council)	2025			2024		
	Male	Female	Total	Male	Female	Total
Executive Leadership Team	1	3	4	2	3	5
Portfolio Managers/Heads of Department	6	9	15	7	10	17
Senior Officers	12	21	33	14	22	36
Officers	3	9	12	2	9	11
Team Co-ordinators/Personal Assistants	3	16	19	3	15	18
	25	**58**	**83**	**28**	**59**	**87**
	30%	70%		32%	68%	

Emoluments by bands	2024/25	2023/24
Other than members of the Executive Leadership Team listed at note 7b, the number of employees (whole Council) whose remuneration for the year, excluding employer's pension contributions, exceeded £60,000 are as follows:		
£60,000 to £69,000	10	-
£70,000 to £79,000	0	1
£80,000 to £89,000	1	-

	2025	2024
The range of annual remuneration (full time equivalents) at 31 March was (whole Council):	£27,591 to £112,268	£26,277 to £106,922
The Chief Executive is the highest paid member of staff. During the year the Chief Executive received a pay award of 5% (2023/24: 5%). Staff as a whole also received a pay award of 5% (2023/24: 5%).		
The annual remuneration (full time equivalents) of employees and the ratios between each of those and the pay of the Chief Executive at 31 March were (whole Council):		
25th percentile	£34,561 1:3.2	£32,915 1:3.2
Median (50th) percentile	£50,254 1:2.2	£47,861 1:2.2
75th percentile	£50,254 1:2.2	£47,861 1:2.2
Annual remuneration comprises salary only. The chief executive received travel allowance benefit for part of the year for the total of £7,068 and there was no performance-related pay.		

Compensation schemes – exit packages (whole Council)

Exit package cost band	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band	
	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24
£10,000 to £24,999	-	-	1	2	1	2
£25,000 to £49,999	-	1	-	4	-	5
£50,000 to £99,999	-	-	-	4	-	4
£100,000 to £149,999	-	-	-	2	-	2
£150,000 to £199,999	-	-	1	-	1	-
Total number of exit packages	-	1	2	12	2	13
Total cost (£'000)	-	45	171	735	171	780

Exit packages include redundancy payments and, where applicable, contractual pay in lieu of notice, accrued holiday pay and accrued pay for excess hours due at the date of termination.

Redundancy payments have been determined in accordance with the provisions of the Council's redundancy policy. The Council usually pays exit costs when employment ends but provides for the exit costs in full at the point when there is sufficiently detailed information to do so.

All redundancies were carried out in accordance with the Council's redundancy policy, the employees' posts either disappeared in the new structure or were filled by other employees who would otherwise have been compulsorily redundant.

b. The Chief Executive and Directors – the Executive Leadership Team – 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:

(real increase in pension* x 20) + (real increase in any lump sum) – (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 Executive Leadership Team:

Name Position	2024/25 Emoluments band £'000	Pension benefits £'000	Loss of Office £'000	Single total remuneration £'000	2023/24 Emoluments band £'000	Pension benefits £'000	Loss of Office £'000	Single total remuneration £'000
Dafydd Rhys Chief Executive	115-120	27		145-150	**105-110**	**24**		**130-135**
Alyn Coleman[1] Interim Director of Finance and Business from 1 July 2024 to 31 October 2024	25-30	49		75-80	N/A	N/A		N/A
Full year equivalent	80-85							
Lorna Virgo Director of Finance and Business from 14 October 2024	40-45	9		50-55	N/A	N/A		N/A
Full year equivalent	85-90							
Catryn Ramasut Director of Arts from 7 October 2024	40-45	9		45-50	N/A	N/A		N/A
Full year equivalent	80-85							
Diane Hebb Director of Arts Engagement to 31 March 2025	85-90	26	155-160	270-275	**85-90**	**(18)**		**65-70**
Rebecca Nelson Director of Finance and Business Services to 2 August 2024	30-35	8		35-40	**85-90**	**13**		**95-100**
Full year equivalent	85-90							
Richard Nicholls Director of Operations to 8 April 2024	0-5	2		0-5	**85-90**	**16**	**20-25**	**120-125**
Full year equivalent	85-90							
Lleucu Siencyn Director of Arts Development to 8 April 2024	0-5	0		0-5	**80-85**	**19**	**45-50**	**145-150**
Full year equivalent	85-90							

[1] The cost of loss of office of £135,670 for the interim Director of Finance and Business Services was accrued in 2023-24 when he was not a member of Executive leadership team.

The pension benefits of the Executive Leadership Team:

Name Position	2024/25 £'000 Real increase in pension and related lump sum at age 65	2024/25 £'000 Total accrued pension at age 65 as at 31/03/25, or date of leaving if earlier, and related lump sum	2024/25 £'000 Cash Equivalent[1] Transfer Value at 31/03/25, or date of leaving if earlier	2023/24 £'000 Cash Equivalent Transfer Value at 31/03/24	2024/25 £'000 Real increase[2] in Cash Equivalent Transfer Value
Dafydd Rhys Chief Executive	Pension 0-2.5 Lump sum 2.5-5	Pension 0-5 Lump sum 10-15	54	32	16
Richard Nicholls Director of Operations to 6 April 2024	Pension 0-2.5 Lump sum 0-2.5	Pension 0-5 Lump sum 10-15	31	30	1
Alyn Coleman Interim Director of Finance and Business Services from 1 July to 31 October 2024	Pension 0-2.5 Lump sum 5-10	Pension 25-30 Lump sum 75-80	450	414	36
Lorna Virgo Director of Finance and Business Services from 14 October 2024	Pension 0-2.5 Lump sum 0-2.5	Pension 0-5 Lump sum 0-5	3	N/A	-
Catryn Ramasut Director of Arts from 7 October 2024	Pension 0-2.5 Lump sum 0-2.5	Pension 0-5 Lump sum 0-5	4	N/A	1
Diane Hebb Director of Arts Engagement	Pension 0-2.5 Lump sum 2.5-5	Pension 25-30 Lump sum 80-85	440	428	16
Rebecca Nelson Director of Finance and Business Services to 2 August 2024	Pension 0-2.5 Lump sum 0-2.5	Pension 5-10 Lump sum 15-20	40	38	1
Lleucu Siencyn Director of Arts Development to 8 April 2024	Pension 0-2.5 Lump sum 0-2.5	Pension 0-5 Lump sum 5-10	18	18	-

[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 is the change in CETV net of inflation, employee contributions (including those relating to the purchase of added years) and transfer-in payments

The Chair, with the approval of the Charity Commission, is remunerated for his or her 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. Council meeting costs for 2024/25 include an aggregate amount of £5,969 (2023/24: £7,165) reimbursed to 16 (2023/24: 15) Council members for travel and subsistence costs incurred on Council business.

The total actual emoluments of the Chair and Chief Executives were made up of:

	2024/25 £	2023/24 £
Chair		
Chair – Maggie Russell		
Salary	43,810	43,810
Chief Executive		
Chief Executive – Dafydd Rhys		
Salary	112,268	106,922
Employer's pension contribution	22,341	21,277
	134,069	128,199

66% (2023/24: 66%) of the Chair's and 72% (2023/24: 72%) of the Chief Executive's emoluments are charged in these financial statements and the remainder to lottery distribution activities.

Travel and subsistence expenses incurred and defrayed whilst on Council business:	2024/25 £	2023/24 £
Chair	785	1,223
Chief Executive	8,870	12,037

51% (2023/24: 51%) of the Chair's and Chief Executive's expenses are charged in these financial statements and the remainder to lottery distribution activities.

c. 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 FRS 102.

An independent actuarial valuation of the ACRP normally takes place every three years. The most recent valuation, as at 31 March 2022, came into effect on 1 April 2023. It showed that the ACRP had a funding deficit relative to its statutory funding objective.

The valuation introduced new ordinary contribution rates for the Council in respect of accruing benefits. It also assumed a continuing requirement that a minimum level of payment be made each year towards the deficit, at a rate advised by the scheme actuary, until 31 March 2034. Participating employers may pay contributions at a higher rate or pay additional lump sum contributions at any time before they are due if they so wish.

The Council made a lump sum payment of £115,900 in 2022/23 and it was agreed with the actuaries that no further deficit payments would be needed until the next revaluation. The Council's Lottery Distribution account contributed £56,550 towards that deficit payment.

On the assumption that the recommended amounts would be paid to ACRP, the actuary's opinion was that the statutory funding objective could have been expected on 31 March 2022 to be met by the end of the period specified in the recovery plan.

The valuation was carried out for the purposes of section 179 of the Pensions Act 2004 and the key financial assumptions (net of price inflation) were:

Net discount rate prior to retirement (pre 2009 compensation)	-2.39% p.a.
Net discount rate prior to retirement (post 2009 compensation)	-0.68% p.a.
Net discount rate for pre 1997 benefits in payment (current pensioners)	1.95% p.a.
Net discount rate for pre 1997 benefits in payment (future pensioners)	1.65% p.a.
Net discount rate for post 1997 benefits in payment (current pensioners)	-0.25% p.a.
Net discount rate for post 1997 benefits in payment (future pensioners)	-0.65% p.a.
Longevity	S3PMA (for males first life), S3PMA (for females first life), S3PMA (for males second life) and S3PMA (for females second life), in each case with future improvements in line with the CMI 2021 model, with a long term improvement rate of 1.5% for males/females, and a core smoothing parameter of 0.30%
Contingent benefits	80% (males) or 70% (females) assumed married at retirement, or earlier death.

Contributions by the Council and its employees were:

	Council		Employees	
	2024/25	2023/24	2024/25	2023/24
For all staff	19.9%	19.9%	6.0%	6.0%

There have been no changes to employees' contribution rates since 31 March 2025.

From 1 April 2025 there have been changes to the Council's contribution rates from 19.9% to 14.9% and this will be only up to 31 March 2026.

The Council also paid 0.2% (2023/24: 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 a defined contribution scheme, The People's Pension, as an alternative option for employees who are not members of the ACRP. The Council contributed 5% and the employee 3% during the year. These rates may change in the future, in line with the requirements of the legislation.

8. Resources expended

Governance costs

	Gross costs £'000	Deduct Recharges to Lottery Distribution £'000	2024/25 Net charge to General Activities £'000	2023/24 Net charge to General Activities £'000
Chair's remuneration	49	17	32	32
Auditor's remuneration – Audit	56	26	30	36
Internal audit	25	12	13	9
Legal and consultancy fees	-	-	-	1
Council meetings, including travel and subsistence	11	6	5	6
	141	61	80	84

9. Fixed assets

a. Intangible fixed assets	Computer software licences £'000
Cost at 1 April 2024	228
Additions	-
Disposals	-
Cost at 31 March 2025	228
Amortisation at 1 April 2024	226
Charge for the year	1
Disposals	-
Amortisation at 31 March 2025	227
Net book value at 31 March 2025	**1**
Net book value at 1 April 2024	**2**

b. Tangible fixed assets	Alterations to leasehold properties £'000	Computer system, furniture, etc £'000	Website £'000	Total £'000
Cost at 1 April 2024	107	544	194	845
Additions	-	37	120	157
Disposals	-	(192)	-	(192)
Cost at 31 March 2025	107	389	314	810
Depreciation at 1 April 2024	107	444	95	646
Charge for the year	-	57	73	130
Disposals	-	(192)	-	(192)
Depreciation at 31 March 2025	107	309	168	584
Net book value at 31 March 2025	**0**	**80**	**146**	**226**
Net book value at 1 April 2024	**0**	**100**	**99**	**199**

Amortisation and depreciation charged has been allocated to charitable activities within support costs (note 6).

c. Net book value at 31 March 2025 represents fixed assets used by the Council in support of its charitable activities.

The Council's freehold properties in Cardiff, the Sherman Theatre and the Rubicon Dance Studio, are let on long leases at peppercorn rents to tenants which are not controlled by the Council and with no provisions either for reviewing the rents or repossession by the Council.

The Sherman Theatre was acquired by the Welsh Arts Council, a division of the Arts Council of Great Britain, in September 1987 at a cost of £897,000 and immediately let for a term of 125 years. At the dissolution of the Arts Council of Great Britain in March 1994 the freehold interest was transferred to the newly formed Arts Council of Wales.

The Rubicon Dance Studio was acquired by the Welsh Arts Council in February 1988 at a cost of £11,315 and subject to an existing lease for a term of 999 years commencing 1 January 1986. The freehold interest was transferred to the Arts Council of Wales in March 1994.

The most recent external and independent valuation of the Council's freehold properties was as at 31 March 2004. It was undertaken by Elizabeth Hill, a Member of the Royal Institute of Chartered Surveyors, for and on behalf of Cooke & Arkwright, Chartered Surveyors. Because of the impact of the leases it was the surveyor's opinion that the freehold interests had a nil or nominal value, so these assets are held in the accounts at nil value.

Council does not consider it necessary to undertake a further valuation until there is a significant reduction in the residual terms of the leases or earlier termination.

10. Debtors

	2024/25 £'000	2023/24 £'000
a. **Debtors:** falling due after more than one year		
Welsh Government – capital funding for redevelopment of Theatr Clwyd	-	-
	0	0
b. **Debtors:** falling due within one year		
Welsh Government – grant-in-aid	-	500
Welsh Government – capital funding for redevelopment of Theatr Clwyd	5,086	10,030
Welsh Government – for National Contemporary Art Gallery for Wales	-	2,664
Welsh Government – other funds	257	1,026
Collectorplan loans[1]	186	424
Trade debtors	188	133
Other debtors	837	829
	6,554	15,606
Deduct Specific provision for doubtful debts	-	-
Sub-total: Debtors	6,554	15,606
Prepayments	212	190
	6,766	15,796
Due from National Lottery distribution fund for recharged costs:		
Cost apportionments	813	431
	7,579	16,227

[1] *Collectorplan* was the Council's interest-free loan scheme, available to the general public to support the purchase of contemporary works of art and crafts from participating galleries across Wales. Loans from £50 up to £5,000 are repaid by monthly instalments over a maximum period of 1 year. The scheme was closed in October 2024.

11. Creditors

	2024/25 £'000	2023/24 £'000
a. **Creditors**: falling due within one year		
Grants payable – capital funding for redevelopment of Theatr Clwyd	4,586	10,030
Grants payable – for National Contemporary Art Gallery for Wales	-	2,656
Grants payable – other	708	1,369
Taxation and social security	-	138
Trade creditors	24	272
Other creditors	37	195
Accruals and deferred income	528	648
	5,883	15,308
b. **Creditors**: falling due after more than one year		
Grants payable – other	13	105
	13	105

12. Contingent liability

The Council is an admitted employer of the Arts Council Retirement Plan 1994. The Plan is a funded, defined benefit, multi-employer scheme where the participating employers are unable to identify their shares of the underlying assets and liabilities.

In the event of the withdrawal of an employer, the debt triggered under section 75 of the Pensions Act 1995 would be calculated using the solvency shortfall of the entire Plan, not the employer's own asset share and liabilities. Also, in the event of Plan wind up, as the Plan is a "last person standing" arrangement all employers would be jointly and severally liable for the total shortfall in the Plan.

13. Statement of funds

	At 1 April 2024 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	At 31 March 2025 £'000
Unrestricted income funds					
General fund	1,932	30,853	(30,100)	(361)	2,324
Total unrestricted funds	**1,932**	**30,853**	**(30,100)**	**(361)**	**2,324**
Restricted funds					
Income					
Welsh Government for specific arts activity	4	6,549	(6,791)	356	118
CLTA Programme	605	2,043	(1,993)	-	655
Arts Council England (for Hynt)	2	-	(2)	-	-
Eirian Llwyd memorial awards	-	-	-	-	-
Natural Resources Wales (Other restricted income)	-	-	-	-	-
National Centre for Learning Welsh	-	-	-	-	-
Wales Arts International activity	72	78	(101)	5	54
	683	8,670	(8,887)	361	827
Capital					
Alun Llywelyn Williams Memorial Fund (income to provide bursary for young artist)	14	1	-	-	15
Brian Ross Memorial Fund (income to provide bursary for young visual artist)	72	3	-	-	75
	86	4	-	-	90
Total restricted funds	**769**	**8,674**	**(8,887)**	**361**	**917**
Total funds	**2,701**	**39,527**	**(38,987)**	**-**	**3,241**

The Alun Llywelyn Williams and Brian Ross Memorial Funds are represented by cash at bank and are within the total of £1,331,000 shown on the Balance Sheet.

14. Analysis of net assets between funds

Fund balances at 31 March 2025 are represented by:	Unrestricted funds £'000	Restricted funds £'000	Total £'000
Fixed assets & Intangible assets	227	-	227
Current assets	2,609	6,301	8,910
Creditors: falling due within one year	(499)	(5,384)	(5,883)
Creditors: falling after more than one year	(13)	-	(13)
Total net assets	**2,324**	**917**	**3,241**

15. Cash flow information

		2024/25 £'000	2023/24 £'000
a.	**Cash flows from operating activities**		
	Net incoming/(outgoing) resources	540	43
	Bank interest received (net of surrender)	(26)	(28)
	Amortisation and depreciation (note 9)	131	61
	(Surplus)/Deficit on disposal of fixed assets	-	(3)
	(Increase)/Decrease in grants paid in advance	120	(120)
	(Increase)/Decrease in debtors	8,648	9,111
	Increase/(Decrease) in creditors falling due within one year	(9,425)	(226)
	Increase/(Decrease) in creditors falling due after more than one year	(92)	(8,666)
	Net cash inflow/(outflow) from operating activities	**(104)**	**172**
b.	**Cash flows from investing activities**		
	Bank interest received	107	108
	Bank interest surrendered to Welsh Consolidated Fund	(81)	(80)
	Net cash inflow from operating activities	**26**	**28**
c.	**Cash flows associated with capital assets**		
	Payments to acquire intangible fixed assets (note 9a)	0	0
	Payments to acquire tangible fixed assets (note 9b)	(157)	(128)
	(Surplus)/Deficit on disposal of fixed assets	0	3
	Net cash inflow/(outflow) associated with capital assets	**(157)**	**(125)**

16. Commitments on operating leases

At 31 March 2025 the Council had the following commitments for future payments under non-cancellable operating leases:

	Land and buildings		Equipment	
Total due	2025 £'000	2024 £'000	2025 £'000	2024 £'000
within one year	74	56	3	2
later than one year and not later than five years	330	264	10	-
later than five years	186	-	-	-
	590	320	13	2

Lease payments of £66,000 have been recognised as an expense during the year (2023/24: £130,000). 51% (2023/24: 51%) of the costs are charged in these financial statements and the remainder to lottery distribution activities.

17. Forward commitments

	2025 £'000	2024 £'000
Grants		
Forward funding – grants formally offered	28,585	25,123

Forward funding at 31 March 2025 represents allocations to Multi-year funded organisations for 2025/26.

18. *Creative Learning through the Arts* Programme

The *Creative Learning through the Arts* Programme is designed to:

- improve educational attainment;
- build an education system that will directly contribute to a stronger economy, greater innovation, greater creativity, and to the cultural capital of the nation;
- bring about a step change in the range and quality of opportunities given to children and young people to engage with and learn about the arts and culture.

The first phase, from 2015 to 2020, was funded by a joint investment of £20 million pounds from the Welsh Government in partnership with the Arts Council of Wales, working with the regional education consortia, schools, local authorities and the wider arts and cultural sector. The Programme requires the active involvement of artists, creative professionals and arts, culture and heritage organisations working in partnership with teachers and schools.

The programme was extended for five years from 2020 to 2025 and the Welsh Government announced a further extension for another three years to 2028.

The Council's investment comes from Lottery funds. This, together with the Welsh Government's contribution and all Programme expenditure, is accounted for in these financial statements. This approach has been agreed with the Council's external auditors and the Department for Culture, Media & Sport.

	2024/25 £'000	2023/24 £'000
Income		
Welsh Government grant	1,000	1,000
Arts Council of Wales Lottery grant	1,000	1,000
Prior year grants repaid	-	1
Partnership income	21	23
Bank interest	22	24
	2,043	2,048
Expenditure		
Lead Creative Schools	854	1,639
Arts and education programme	479	8
Arts and creative learning cross-programme	29	512
Central management costs	631	621
	1,993	2,780

19. Financial instruments

Financial Reporting Standard 102 requires disclosure of the role which financial instruments have had during the period in creating or changing the risks the Council faces in undertaking its functions.

Liquidity risk – In 2024/25 £38,078,000 or 96% of the Council's income was derived from the Welsh Government (2023/24: £42,151,000 or 97%). Of the remaining income £1,000,000 or 3% was derived from the Arts Council of Wales' Lottery Distribution account for the *Creative Learning through the Arts* Programme (2023/24: £1,000,000 or 2%) and £449,000 or 1% was derived from investment income and sundry income (2023/24: £429,000 or 1%). The Council does not consider that its general activities are exposed to any significant liquidity risk and is satisfied that future income is sufficient to meet its commitments.

Interest rate risk – Cash balances which are drawn down from the Welsh Government to pay grant commitments and operating costs are held in instant access, variable rate bank accounts which on average carried an interest rate of 3.17% in the year (2023/24: 3.18%). The effective unrestricted cash balance at the year end was £534,000 (2024: £384,000). The Council does not consider that its general activities are exposed to significant interest rate risks.

Foreign currency risk – The general activities of the Council are not exposed to any significant foreign exchange risks.

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

Credit risk – The Council is not exposed to any significant credit risk as the majority of debtors relate to Welsh Government income.

20. Corporation Tax

The Council is a charitable Welsh Government sponsored body and as such is exempt from Corporation Tax under Section 505 ICTA 1988.

21. Events after the reporting period

Authorisation of these financial statements for issue

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

There were no material post balance sheet events up to the date on which the accounting statements were authorised by the Accounting Officer which would have meant that the accounts had to be adjusted.

22. Related party transactions

Public bodies

The Council is a Welsh Government sponsored body.

The Welsh Parliament/Welsh Government is regarded as a related party. During the year the Council had no material transactions with the Welsh Parliament/Welsh Government apart from the grant-in-aid disclosed in the Statement of Financial Activities and the restricted grants disclosed in note 3.

Individuals

Members of Council, Committees, staff or other related parties (being close family members) undertook financial transactions (listed below) with the Council 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 grants or other payments by the Council in 2024/25 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.

Under the Council's Code of Best Practice an interest is deemed to persist for a minimum period of one year after the individual has left the position which created the interest. This policy is reflected in the disclosures which follow.

Compensation for key management personnel is disclosed in the remuneration report above.

Transactions with the Council as a Lottery distributor are recorded in the equivalent note to the separate Lottery Distribution Account.

Council members Role	Organisation	Payable Transaction 2024/25 (number)	Total Value 2024/25 £	Total balance outstanding at 31 March 2025[1] £
Devinda De Silva				
Board member	Disability Arts Cymru	Grant (1) Invoice (1)	195,000 266	Nil Nil
Board member	Dirty Protest	Grant (1)	7,603	760
Alison Mears Esswood				
Member of choir (Family member)	Aloud Charity	Grant (1)	255,001	Nil
Ruth Fabby				
Board member	Arts Marketing Association	Invoice (10)	10,268	Nil
Board member	Arts & Business Cymru	Grant (2)	52,000	Nil
Emily Hutchings				
Employment	Chapter	Grant (1) Invoice (4)	103,000 814	1,521 Nil
Employment	Sherman Theatre	Grant (3) Invoice (3)	1,306,864 2,430	Nil Nil
Gwennan Mair Jones				
Drama board member	National Eisteddfod of Wales	Grant (0)	Nil	1,500
Employment	Theatr Clwyd	Grant (1)	1,784,047	4,586,336
Keith Murrell				
Board member	Butetown Arts and Culture Association	Grant (1)	25,800	Nil
Victoria Provis				
Council member	University of Wales Trinity Saint David	Invoice (12)	5,304	Nil
Jonathan Pugh				
Council member	University of Wales Trinity Saint David	Invoice (12)	5,304	Nil
Julie Sangani				
Employee	Cardiff Council	Invoice (5)	14,214	Nil
Dr Sarah Younan				
Employment	National Museum of Wales	Invoice (9)	807,571	Nil

[1] The total balance outstanding at the year-end may include amounts in respect of grants awarded in previous years but not yet paid.

Independent Committee members Role	Organisation	Transaction 2024/25 (number)	Total Value 2024/25 £	Total balance outstanding at 31 March 2025[1] £
Steve Burton				
Employment	Natural Resources Wales	Invoice (1)	25,000	Nil
Andy Butler				
Employment	NHS Shared Services	Invoice (4)	1,614	Nil
Ruth Cayford				
Employment	Cardiff Council	Invoice (5)	14,214	Nil
Wendy Reed				
Board Member (Family member)	Aloud Charity	Grant (1)	255,001	Nil
Board Member (Family member)	Music Theatre Wales	Grant (1)	216,636	Nil

[1] The total balance outstanding at the year-end may include amounts in respect of grants awarded in previous years but not yet paid.

Financial Statements
Lottery Distribution

Statement of 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 & 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, Statement of Financial Position 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 & 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 Welsh Public Money* published by the Welsh Government and *Managing Public Money* published by HM Treasury.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the Council's auditor is aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

The Accounting Officer confirms that, as far as he is aware, the annual report and accounts as a whole is fair, balanced and understandable and he takes responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable.

Endorsed on behalf of Council:

Dafydd Rhys
Accounting Officer
24 October 2025

Maggie Russell
Chair
24 October 2025

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

Opinion on financial statements

I certify that I have audited the financial statements of the Arts Council of Wales Lottery Distribution Account for the year ended 31 March 2025 under the National Lottery etc Act 1993.

The financial statements comprise the Arts Council of Wales Lottery Distribution Account's

- Statement of Financial Position as at 31 March 2025;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted international accounting standards.

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 2025 and of its Comprehensive Net income for the year then ended; and
- have been properly prepared in accordance with the National Lottery etc Act 1993 and Secretary of State directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure 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.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2024)*. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2019*. I am independent of the Arts Council of Wales Lottery Distribution Account in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Arts Council of Wales Lottery Distribution Account's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Arts Council of Wales Lottery Distribution Account's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Arts Council of Wales Lottery Distribution Account is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

Other information

The other information comprises information included in the Annual Report but does not include the financial statements and my auditor's certificate and report thereon. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the National Lottery etc Act 1993.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Secretary of State directions made under the National Lottery etc Act 1993; and
- the information given in the Performance Report and Operational Review and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Arts Council of Wales Lottery Distribution Account and their environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Operational Review and Accountability Report.

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 by the Arts Council of Wales Lottery Distribution Account or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- maintaining proper accounting records;
- providing the Comptroller and Auditor General (C&AG) with access to all information of which management is aware that is relevant to the preparation of the financial statements, such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Arts Council of Wales Lottery Distribution Account from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view in accordance with Secretary of State directions issued under the National Lottery etc Act 1993;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with Secretary of State directions issued under the National Lottery etc Act 1993; and
- assessing the Arts Council of Wales Lottery Distribution Account's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Arts Council of Wales Lottery Distribution Account will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the National Lottery etc Act 1993.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the Arts Council of Wales Lottery Distribution Account's accounting policies;
- inquired of management, the Arts Council of Wales Lottery Distribution Account's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Arts Council of Wales Lottery Distribution Account's policies and procedures on:
    - identifying, evaluating and complying with laws and regulations;
    - detecting and responding to the risks of fraud; and
    - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Arts Council of Wales Lottery Distribution Account's controls relating to the Arts Council of Wales Lottery Distribution Account's compliance with the National Lottery etc Act 1993, Managing Public Money and Managing Public Money;

- inquired of management, the Arts Council of Wales Lottery Distribution Account's head of internal audit and those charged with governance whether:
    - they were aware of any instances of non-compliance with laws and regulations;
    - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Arts Council of Wales Lottery Distribution Account for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, and bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Arts Council of Wales Lottery Distribution Account's framework of authority and other legal and regulatory frameworks in which the Arts Council of Wales Lottery Distribution Account operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Arts Council of Wales Lottery Distribution Account. The key laws and regulations I considered in this context included the National Lottery etc Act 1993, Managing Public Money, employment law, pensions legislation and tax Legislation.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management and the Audit and Risk Assurance Committee concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports;
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence 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.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies
Comptroller and Auditor General

30 October 2025

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

The maintenance and integrity of the Arts Council of Wales website is the responsibility of the Accounting Officer; the work carried out by auditors does not involve consideration of these matters and accordingly auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

The Arts Council of Wales

Lottery Distribution Account
Statement of Comprehensive Net Income

for the year ended 31 March 2025

	Notes	2024/25 £'000	2024/25 £'000	2023/24 £'000	2023/24 £'000
Income					
Share of proceeds from the National Lottery	2		17,932		17,234
Investment income on balances in the National Lottery Distribution Fund	2		862		839
Partnership income			184		579
Interest receivable			80		72
Grants recoverable			183		39
Total income			19,241		18,763
Expenditure					
Management and administration:					
Staff costs	3a	1,361		1,779	
Other operating costs	3b	601		768	
			1,962		2,547
Expenditure on the arts:					
Grants made		14,911		14,988	
Less: Lapsed and revoked grants		(418)		(327)	
Net grants made	4		14,493		14,661
Delegated distributors	5		1,181		1,690
Strategic partnerships and other arts awards	6		460		520
Direct costs of grant making	3c		345		177
			16,479		17,048
Total expenditure			18,441		19,595
Comprehensive net income/(expenditure) for the year			800		(832)

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 141-152 form part of these financial statements.

The Arts Council of Wales

Lottery Distribution Account
Statement of Financial Position

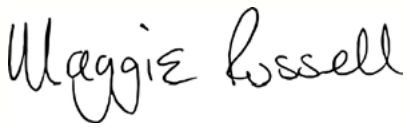
as at 31 March 2025

	Notes	31 March 2025 £'000	31 March 2025 £'000	31 March 2024 £'000	31 March 2024 £'000
Current assets:					
Financial assets:					
Investments – balance held in the National Lottery Distribution Fund	2	14,859		18,715	
Trade and other receivables	7	65		431	
Cash and cash equivalents	8	2,387		4,633	
Total current assets			17,311		23,779
Total assets			17,311		23,779
Trade payables and other current liabilities – amounts falling due within one year:					
Trade and other payables	9	(1,013)		(915)	
Other liabilities:					
Grants	4, 9	(10,485)		(17,062)	
Delegated distributors	5, 9	(136)		(124)	
Total payables and other current liabilities			(11,634)		(18,101)
Non-current assets plus net current assets			5,677		5,678
Trade payables and other non-current liabilities – amounts due after more than one year:					
Grants	4		(384)		(1,185)
Assets less liabilities			5,293		4,493
Reserves:					
General fund			5,293		4,493

The notes on pages 141-152 form part of these financial statements.

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

Dafydd Rhys
Accounting Officer
24 October 2025



Maggie Russell
Chair
24 October 2025

The Arts Council of Wales

Lottery Distribution Account
Statement of Cash Flows

for the year ended 31 March 2025

	2024/25 £'000	2023/24 £'000
Cash flows from operating activities		
Net expenditure	800	(832)
Bank interest	(80)	(72)
Decrease/(Increase) in the balance held in the National Lottery Distribution Fund	3,856	5,684
Decrease/(Increase) in trade and other receivables	366	(425)
Increase/(Decrease) in trade and other payables and other liabilities	110	(738)
Increase/(Decrease) in grants payable	(7,378)	(1,476)
Net cash inflow/(outflow) from operating activities	**(2,326)**	2,141
Cash flows from investing activities		
Bank interest	80	72
Net cash inflow from investing activities	**80**	72
Cash and cash equivalents		
Net increase/(decrease) in cash and cash equivalent balances	**(2,246)**	2,213
Balance at 1 April	4,633	2,420
Balance at 31 March	**2,387**	4,633

Statement of Changes in Reserves

for the year ended 31 March 2025

	2024/25 £'000	2023/24 £'000
Balance at beginning of year	4,493	5,325
Net expenditure for the year	800	(832)
Balance at end of year	**5,293**	4,493

The notes on pages 141-152 form part of these financial statements.

The Arts Council of Wales

Lottery Distribution Account
Notes forming part of the financial statements

for the year ended 31 March 2025

1. Accounting policies

a. Basis of preparation

These financial statements are prepared on a going concern basis and under the historical cost convention. Arts council of Wales has a statutory entitlement to a set percentage of the National Lottery Distribution Fund in accordance with the National Lottery Act 1993 as amended. They have been prepared in a form directed by the Secretary of State for Culture, Media & 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) as interpreted for the public sector context within the Government Financial Reporting Manual issued by HM Treasury.

Impact of standards not yet effective

The application of any new or amended IFRS is governed by their adoption by the Government Financial Reporting Manual. The Council applies changes to standards when they become effective. There are no known material impacts from IFRS changes that have been issued and are not yet effective on the financial statements in the period of initial application.

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 4.

e. Delegation to external partners

The Council has fully operational delegation agreements in place with a number of bodies to act as lead organisations in the delivery of grant schemes. The statutory grant decision-making function is delegated to the bodies. The terms of the external delegation are set out in formal agreements and satisfy the conditions of the Council's Financial Directions. The obligations of the Council's Accounting Officer are unchanged by the delegation.

Annual sums delegated by the Council to the partners are recognised as expenditure in the Statement of Comprehensive Net Income/Expenditure. Funds are drawn down by the partners to meet grant commitments as they fall due. Undrawn funds at the year-end are included in the Statement of Financial Position as liabilities. Further details are disclosed in note 9.

f. National Lottery Distribution Fund

Balances held in the National Lottery Distribution Fund remain under the stewardship of the Secretary of State for Culture, Media & Sport. However, the share of these balances attributable to the Council is as shown in the accounts at amortised cost and, at the Statement of Financial Position date, has been certified by the Secretary of State for Culture, Media & Sport as being available for distribution by the Council in respect of current and future commitments.

g. 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 to spread the cost of pensions over employees' working lives.

The Plan is a funded, defined benefit, multi-employer scheme where the participating employers are unable to identify their shares 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 made payments to fund a deficit relating to past service. If further deficit payments are needed, following future revaluations, the Council will recognise a provision for the present value of contributions payable in accordance with the terms of any relevant funding agreement. A share of all contributions towards the deficit is charged to the Statement of Comprehensive Net Income/Expenditure.

The Council also has 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.

h. 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.

i. 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.

The apportionments are usually reviewed every two years or whenever there is a significant change to the staff structure or the programmes of activity.

j. 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 comprise 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. National Lottery Distribution Fund

Distributing activities are funded by allotted proceeds from the National Lottery which are held in the National Lottery Distribution Fund (NLDF). The NLDF is administered by the Department for Culture, Media and Sport. The National Lottery operator calculates the proceeds on an annual basis as set out in the National Lottery Licence. Payments are made to the NLDF each week based on actual sales and prizes. The percentages of proceeds receivable into the NLDF then payable to each lottery distributing body are set out in National Lottery etc. Act 1993 sections 22 and 23 as amended by Statutory Instrument 2010 No. 2863 'The Apportionment of Money in the National Lottery Distribution Fund Order 2010'. The Council receives 1% of total annual proceeds receivable into the NLDF and draws down the proceeds when needed.

	2024/25 £'000	2023/24 £'000
Balance held in the National Lottery Distribution Fund at 1 April	18,715	24,399
Allocation of Lottery proceeds	17,932	17,234
Investment income receivable	862	839
Drawn down in the year	(22,650)	(23,757)
Balance held in the National Lottery Distribution Fund at 31 March	**14,859**	**18,715**

The balance in the National Lottery Distribution Fund at 31 March 2025 is in accordance with the Interim Certificate issued by the Department for Culture, Media & Sport.

3. Costs in support of our operations

a. Staff costs	Permanently employed £'000	Other £'000	2024/25 Total £'000	2023/24 Total £'000
Wages and salaries charged to Lottery distribution activity	927	226	1,153	1,251
Social security costs	103	24	127	150
Other pension costs	169	38	207	206
Redundancy costs	86	-	86	328
Agency costs	-	4	4	4
	1,285	292	1,577	1,939
Charged to Management and administration			1,361	1,779
Charged to Expenditure on the arts (note 3c)			216	160
			1,577	1,939

More detailed disclosures are contained in the Remuneration and Staff Report.

b. Management and administration: Other operating costs	2024/25 £'000	2023/24 £'000
Staff related costs	83	63
Organisational review	2	8
Infrastructure	247	320
Office running costs	10	9
Professional and consultancy fees	111	209
Lottery promotion	12	15
Irrecoverable VAT	63	70
Charge for use of fixed assets	29	29
Auditor's remuneration – Audit[1]	26	33
Internal audit	12	9
Council and committee meetings, including travel and subsistence	6	3
	601	768

[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 but the average charge to Lottery activities was 49% (2023/24: 49%).

c. Expenditure on the arts: Direct costs of grant making	2024/25 £'000	2023/24 £'000
Assessors' fees	13	-
Irrecoverable VAT	2	1
Arts and Health	202	154
Resilience Fund	-	5
Creative Steps	4	-
Future Wales Fellowships	19	11
Climate Justice	15	6
Strategic Interventions	90	-
	345	177

4. Grants

	£'000 Capital	£'000 Revenue schemes	2024/25 £'000 Total	2023/24 £'000 Total
Payable at 1 April	7,696	10,551	18,247	19,723
Grants made in the year	383	14,528	14,911	14,988
Amounts not taken up	(24)	(394)	(418)	(327)
Charged to Statement of Comprehensive Net Income/Expenditure	359	14,134	14,493	14,661
Grants paid in the year	(4,404)	(17,467)	(21,871)	(16,137)
Payable at 31 March[1]	3,651	7,218	10,869	18,247
Falling due within one year	3,588	6,897	10,485	17,026
Falling due after more than one year	63	321	384	1,221
	3,651	7,218	10,869	18,247
[1] Ageing of grants payable:				
2024/25	3,588	6,897	10,485	17,026
2025/26	63	313	376	1,198
2026/27	-	8	8	23
2027/28				-
2028/29	-	-	-	-
	3,651	7,218	10,869	18,247
Grants approved but not formally offered at 31 March which are not recognised in the Statement of Comprehensive Net Income/Expenditure and Statement of Financial Position			345	3,757

5. 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	Literature Wales for writers' bursaries £'000	Tŷ Cerdd for community & Welsh music £'000	2024/25 Total £'000	2023/24 Total £'000
Undrawn funds at 1 April	88	36	-	124	1,444
Funds written back in the year[1]	(80)	-	-	(80)	-
Delegated for the year	928	97	156	1,181	1,690
	936	133	156	1,225	3,134
Drawn down in the year	(804)	(129)	(156)	(1,089)	(3,010)
Undrawn funds at 31 March	132	4	-	136	124
Grants recorded as payable by the delegated distributors at 31 March	559	69	37	665	1,135

[1] The total write back in 2024/25 £80,000 to Ffilm Cymru Wales

Full lists of the grants administered by the delegated distributors during 2024/25 are included in the annexes to this Annual Report.

6. Strategic partnerships and other arts awards

	2024/25 £'000	2023/24 £'000
Strategic partnerships:		
BBC Cymru Wales (for Horizons/Gorwelion)	150	150
UK Research and Innovation (for digital development)	150	150
Nesta (for arts and health innovation projects)	50	100
Other arts awards:		
Unlimited awards in association with Arts Council England	70	80
Beyond Borders awards in association with PRS Foundation	40	40
	460	520

7. Trade and other receivables

	2024/25 £'000	2023/24 £'000
Grants recoverable	65	21
Support for exit packages from Welsh Government	-	410
	65	431

8. Cash and cash equivalents

	2024/25 £'000	2023/24 £'000
The following balances at 31 March were held at:		
Commercial banks	2,387	4,633

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

	2024/25 £'000	2023/24 £'000
Trade and other payables:		
Trade payables	173	19
Due to the Arts Council of Wales General Activities account:		
for apportioned costs[1]	813	431
Accruals and deferred income	27	465
Sub-total: Trade and other payables	1,013	915
Other liabilities:		
Grants (note 4)	10,485	17,062
Delegated distributors (note 5)[2]	136	124
Sub-total: Other liabilities	10,621	17,186
Total current liabilities	11,634	18,101

[1] The amount due to the Arts Council of Wales General Activities account is made up of:

Recharges of apportioned costs		
– Staff	382	336
– Overheads	402	66
– Charge for use of assets	29	29
– Pension deficit lump sum	-	-
	813	431

[2] The Council has delegated Lottery funds (note 5) to the following distributors:

Undrawn funds at 31 March		
– Ffilm Cymru Wales (for film)	132	88
– Literature Wales (for writers' bursaries)	4	36
	136	124

10. Contingent asset

Sale of Olympic Park

The National Lottery Distributors are entitled to receive a share of receipts from the sale of land on Queen Elizabeth Olympic Park in return for their contribution of an additional £675m to the funding of the London 2012 Olympic and Paralympic Games. This was announced in 2007. The arrangements are set out in a legal agreement between the Secretary of State for Culture, Media & Sport and the Greater London Authority (GLA) dated 29 March 2012 which sets out the distribution of funds between the GLA and the Lottery Distributors via the Department for Culture, Media & Sport (DCMS). Land sales are likely to take place over a lengthy period, estimated to be up to 2036/37. The GLA has advised that sales are forecast to return less than £200m with payments to the Lottery Distributors beginning in 2026/27.

11. Events after the reporting period

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.

There were no material post balance sheet events up to the date on which the accounting statements were authorised by the Accounting Officer which would have meant that the accounts had to be adjusted.

12. 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 risk – In 2024/25 £17,932,000 or 93.2% of the Council's Lottery distribution income was derived from the National Lottery (2023/24: £17,234,000 or 91.9%). Of the remaining income £862,000 or 4.5% was derived from investment returns from the balance held with the National Lottery Distribution Fund (2023/24: £839,000 or 4.5%) and £447,000 or 2.3% from other investment income and sundry income (2023/24: £690,000 or 3.7%). 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 risk – 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 instant access, variable rate bank accounts which on average carried an interest rate of 3.17% in the year (2023/24: 3.18%). The cash and cash equivalents balance at the year-end was £2,387,000 (2024: £4,633,000). 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.

Credit risk – The Council is not exposed to any significant credit risk.

13. Related party transactions

Public bodies

The Council is a Welsh Government sponsored body.

The Welsh Parliament/Welsh Government is regarded as a related party and details of transactions with the Welsh Parliament/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 & Sport which is regarded as a related party. During the year the Council had no material transactions with the Department for Culture, Media & Sport other than those shown in the Statement of Comprehensive Net Income/Expenditure.

Delegated Lottery distributors

As disclosed in note 5, Ffilm Cymru Wales, Literature Wales and Tŷ Cerdd are delegated distributors of the Council's Lottery funding. During the year the Council had other material transactions with them other than those shown in the Statement of Comprehensive Net Income/Expenditure.

Ffilm Cymru Wales GiA (£28,926), Literature Wales GiA (£746,473), Ty Cerdd GiA (313,562.)

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 2024/25 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.

Under the Council's Code of Best Practice an interest is deemed to persist for a minimum period of one year after the individual has left the position which created the interest. This policy is reflected in the disclosures which follow.

Compensation for key management personnel is disclosed in the remuneration report above.

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

Council members Role	Organisation	Payable Transaction 2024/25 (number)	Total Value 2024/25 £	Total balance outstanding at 31 March 2025[1] £
Devinda De Silva				
Board member	Dirty Protest	Grant (1)	10,387	20,649
Board member	Disability Arts Cymru	Grant (1)	2,330	233
Ruth Fabby				
Board member	Unlimted	Invoice (1)	70,000	Nil
Board member	Arts & Business Cymru	Grant (0)	Nil	10,000
Emily Hutchings				
Employment	Chapter	Grant (4)	457,187	62,687
Employment	Sherman Theatre	Grant (2)	192,705	132,940
Gwennan Mair Jones				
Drama board member	National Eisteddfod of Wales	Grant (1)	104,680	105,541
Arts & Health NW Group member	Betsi Cadwaladr Health Board	Grant (4)	107,475	33,996
Employment	Theatr Clwyd	Grant (1)	300,000	1,236,592
Alison Mears Esswood				
Member of choir (Family member)	Aloud Charity	Grant (1)	9,997	9,997
Keith Murrell				
Board member	Butetown Arts and Culture Association	Grant (2)	101,800	55,180
Victoria Provis				
Council member	University of Wales Trinity Saint David	Grant (1)	7,060	30,832
Jonathan Pugh				
Council member	University of Wales Trinity Saint David	Grant (1)	7,060	30,832
Julie Sangani				
Employee	Cardiff Council	Invoice (1)	76	Nil
Board member	Cardiff & Vale University Health Board	Grant (1)	14,900	25,000
Prue Thimbleby				
Employment	Swansea Bay Health Board	Grant (2)	53,875	61,375
Dr Sarah Younan				
Employment	Watch Africa Cymru	Grant (1)	24,000	13,200

[1] The total balance outstanding at the year-end may include amounts in respect of grants awarded in previous years but not yet paid.

Independent Committee members Role	Organisation	Transaction 2023/24 (number)	Total Value 2023/24 £	Total balance outstanding at 31 March 2024[1] £
Steve Burton				
Employment	Natural Resources Wales	Income (1)	70,000	Nil
Ruth Cayford				
Employment	Cardiff Council (St David's Hall)	Invoice (1)	76	Nil
Wendy Rees				
Board member (Family member)	Aloud Charity	Grant (1)	9,997	9,997
Board member (Family member)	Music Theatre Wales	Grant (1)	10,000	1,000
Jayne Woods				
Committee member	Urdd	Grant (1)	88,000	98,000

[1] The total balance outstanding at the year-end may include amounts in respect of grants awarded in previous years but not yet paid.

Annexes

not forming part of the financial statements

General Activities – Grants 2024/25

Multi Year Funding Organisations	
Arad Goch	£343,247
Artes Mundi Prize Limited	£146,410
Artis Community Cymuned	£197,862
Arts Care Gofal Celf	£131,521
Arts Connection – Cyswllt Celf	£64,520
Ballet Cymru	£731,250
BBC National Orchestra of Wales	£796,683
Blackwood Miners Institute	£128,018
Canolfan a Menter Gymraeg Merthyr Tudful	£97,500
Canolfan Ucheldre Centre	£74,446
Citrus Arts	£97,500
Common Wealth	£195,000
Community Music Wales	£97,500
Creu Cymru – The Development Agency for Theatres and Arts Centres in Wales	£73,125
Cwmni'r Frân Wen	£341,250
Dawns i Bawb	£97,500
Disability Arts Cymru	£195,000
Elysium Gallery	£117,000
Ffotogallery	£197,378
FIO	£214,500
Focus Wales	£97,500
g39	£136,500
Galeri Caernarfon Cyf	£312,918
Glynn Vivian Art Gallery	£124,076
Hijinx Theatre	£390,000
Its My Shout Ltd	£78,000
Jukebox Collective	£273,000
Literature Wales	£734,473
Llantarnam Grange Arts Centre	£84,372
Mission Gallery	£94,297
MOSTYN	£385,130
Music Theatre Wales	£216,636
National Dance Company Wales	£825,431
Operasonic cyf	£78,975
Oriel Davies Gallery	£221,450
Oriel Myrddin Trust	£46,653
Peak Cymru	£76,811
PeopleSpeakUp LTD	£73,125

Multi Year Funding Organisations	
Pontio Arts	£277,178
PYST CYF	£58,500
Re-Live	£78,000
Ruthin Craft Centre	£385,130
Sherman Theatre	£1,114,180
Sinfonia Cymru	£215,538
Small World Theatre Ltd	£58,500
Span Arts Ltd	£97,500
Tabernacl (Bethesda) Cyf	£121,875
Taking Flight Theatre Company	£287,625
Tanio	£173,309
Theatr Bara Caws	£302,740
Theatr Brycheiniog	£192,565
Theatr Clwyd Trust Limited	£1,784,047
Theatr Felinfach	£59,557
Theatr Genedlaethol Cymru	£1,018,761
Theatr Iolo	£254,055
Theatr Mwldan	£265,068
Theatr na nÓg	£312,775
Torch Theatre Company Ltd	£633,750
Tŷ Cerdd	£292,500
Tŷ Pawb	£195,000
Urban Circle Newport	£268,125
Valleys Kids	£195,000
Volcano Theatre Company Ltd	£207,009
WAHWN	£97,500
Wales Millennium Centre	£3,500,788
Wales Millennium Centre	£300,000
Welsh National Opera	£3,997,500
Ystradgynlais Miners Welfare and Community Hall Trust Ltd	£92,625
Total Multi Year Funding Organisations	**£25,423,257**

Welsh Government Revenue Funding	
Aberystwyth Arts Centre	£118,000
Anthem. Music Fund Wales	£30,000
Articulture	£13,180
Artis Community Cymuned	£20,000
Arts Business Cymru	£25,000
Arts Business Cymru	£27,000
Avant Cymru	£20,927
Breathe Creative	£15,000
Butetown Arts and Culture Association	£25,800
Caerphilly County Borough Council Arts Development Team	£210,738
Chapter Cardiff Ltd.	£103,000
Cimera	£9,760
CULTVR	£69,078
Dance Collective	£56,200
Eleni Dance Ltd	£18,000
Engage Cymru	£8,688
Ffilm Cymru Wales	£28,926
Hay Festival Foundation Ltd	£78,272
Hummadruz	£6,340
Impelo	£55,615
International Ceramics Festival	£5,540
Jones the Dance	£19,200
Live Music Now Wales	£11,276
Llangollen International Musical Eisteddfod	£100,000
Makers Guild in Wales	£30,000
Mess up the Mess Theatre Company	£23,666
Mid Powys Youth Theatre	£13,800
Mid Wales Opera	£44,000
Mission Gallery	£40,500
National Dance Company Wales	£220,000
National Dance Company Wales	£96,856
National Theatre Wales	£69,683
Newbridge Memo	£15,000
NoFit State Community Circus Ltd	£100,000
Omidaze Productions	£18,000
Peak Cymru	£23,159
PeopleSpeakUp LTD	£46,500
Sheba Soul Ensemble C.I.C.	£45,000
Sherman Theatre	£88,000
Sistema Cymru Codir Tô	£23,477
Sound Progression	£24,480
Spectacle Theatre Ltd	£9,000

Welsh Government Revenue Funding	
tactileBOSCH Projects	£14,100
The Aloud Charity	£215,001
The Riverfront Theatre and Arts Centre – Newport Live	£51,371
The Talent Shack CIC	£10,000
Theatr Brycheiniog	£100,000
Theatr Brycheiniog	£172,000
Theatr Gwaun Community Trust	£20,283
Theatr Mwldan	£140,000
Theatr Mwldan	£120,000
Torch Theatre Company Ltd	£65,000
trac cymru	£51,742
Vale of Glamorgan Council	£111,015
Valleys Kids	£21,420
Volcano Theatre Company Ltd	£20,224
WAHWN	£22,425
Wales One World Film Festival	£18,395
Wrexham Sounds LTD	£26,168
Wyeside Arts Centre Ltd	£59,354
Wyeside Arts Centre Ltd	£80,000
Total Welsh Government Revenue Funding	**£3,325,159**

Welsh Government CAPEX Funding	
Aberystwyth Arts Centre	£202,800
Avant Cymru	£18,390
Awen Cultural Trust	£200,000
Canolfan Ucheldre Centre	£100,000
Congress Theatre Company	£50,000
CULTVR	£49,752
Gwyn Hall – Celtic Leisure	£44,378
Magic Lantern	£10,220
Queens Hall	£45,000
Sherman Theatre	£104,684
Theatr Mwldan	£106,163
Torch Theatre Company Ltd	£40,000
Venue Cymru	£200,000
Volcano Theatre Company Ltd	£33,678
Wyeside Arts Centre Ltd	£44,935
Total Welsh Government CAPEX Funding	**£1,250,000**

Creative Learning through the Arts Programme

Creative Learning through the Arts	
Abercanaid Community School	£1,440
Abercarn Primary School	£1,000
Aberdare Community School	£652
Aberdare Community School	£200
Abermule Primary School	£600
Abersychan School	£1,000
Abertillery Learning Community	£1,000
Abertillery Secondary 3-16 campus	£990
Adamsdown Primary School	£1,500
Afon y Felin Primary School (7)	£4,885
Alaw Primary School	£1,000
Albany Primary School	£135
Alderman Davies Church in Wales Primary School	£1,000
All Saints Roman Catholic Primary School	£1,350
All Saints School, Gresford	£1,000
Allensbank Primary School	£261
Alltwen Primary School	£1,350
Arts Connection – Cyswllt Celf	£1,460
Barry Island Primary School	£1,000
Bedlinog Community Primary School	£281
Bedwas High School	£1,350
Bedwas Junior School	£1,500
Bigyn Primary School	£405
Birchgrove Primary School (2)	£1,690
Bishop Childs Church in Wales Primary School	£270
Bishop Vaughan Catholic School	£1,000
Bishopston Primary School	£900
Black Lane County Primary	£1,000
Blackwood Primary School	£1,350
Blaenavon Heritage VC Primary School	£2,985
Blaengwrach Primary School	£530
Blaenycwm Primary School	£909
Blaenymaes Primary School (2)	£1,012
Blenheim Road Community Primary School	£1,000
Blessed Carlo Acutis Catholic School (3)	£2,387
Brecon High School	£1,000
Bryn Awel Primary School	£1,000
Bryn Deri Primary	£810
Bryn Teg Community Primary School	£1,000
Brynhyfryd Primary School	£469

Creative Learning through the Arts	
Brynllywarch Hall School	£900
Brynmawr Foundation School	£1,000
Brynmill Primary School	£1,000
Brynnau Primary School	£1,500
Bryntirion Comprehensive School	£1,195
Burry Port Community Primary School	£702
Buttington Trewern County Primary School (2)	£1,600
Cadle Primary School	£954
Cadoxton Primary School (3)	£2,600
Caegarw Primary School	£324
Cantonian High School	£1,000
Cantref Primary School	£630
Capcoch Primary School (2)	£1,788
Cardiff West Community High School (3)	£1,677
Cardinal Newman Catholic School and Sixth Form	£1,000
Carreghofa County Primary School (2)	£1,900
Cefneithin CP School	£900
Christ the King Primary School	£216
Cila Primary School (2)	£698
Clase Primary School	£900
Clydach Primary School	£900
Clyro Church in Wales Primary School (2)	£756
Coed Eva Primary School	£1,000
Coedcae School	£1,000
Coedylan Primary School	£1,307
Coety Primary School	£1,000
Coleg Cymunedol y Dderwen	£350
Creunant Primary School	£558
Crindau Primary	£1,350
Croeserw Primary School	£750
Crossgates CP School	£1,000
Crownbridge School	£862
Crwys Primary School	£427
Cwm Glas Primary School	£900
Cwmafan Primary School	£1,000
Cwmnedd Primary School	£808
Cylch Meithirn Rhostryfan	£2,500
Cylch Meithrin Rhuthun	£2,500
Cylch Meithrin y Fali	£2,500
Cymer Afan Primary School	£603

Creative Learning through the Arts	
Cynffig Comprehensive School (2)	£1,400
Danygraig Primary School	£675
Derwendeg Primary School	£994
Dowlais Primary School	£280
Drama Queens (4)	£5,940
Durand Primary School (2)	£2,296
Dwr y Felin Comprehensive School	£498
Eastern High	£873
Fairfield Primary School	£990
Fairwater Primary School	£1,000
Fitzalan High School	£1,500
Forden Church in Wales School	£290
Franksbridge Primary School (2)	£3,000
Gabalfa Primary School	£1,188
Garth Primary School	£720
Gendros Primary School	£642
Georgetown Primary School	£1,000
Gladestry Church in Wales Primary School (2)	£896
Glanhowy Primary School	£648
Glyncoed Primary School (2)	£1,544
Glyncorrwg Primary School	£640
Godrergraig Primary School	£500
Gorseinon Primary School	£1,000
Gorwellion Newydd Stiwdio Penycae (2)	£1,242
Gowerton Primary School	£900
Greenhill Special School	£1,500
Greenmeadow Primary School	£1,350
Gwaunfarren Primary School	£1,000
Gwaunmeisgyn Primary School (2)	£1,026
Gwernyfed High School	£546
Gwernymynydd CP	£882
Hawthorn Primary School	£1,485
Heolddu School	£1,000
High Cross Primary School	£1,000
High Street Primary School	£1,000
King Henry VIII 3-19 School	£390
Knelston Primary School	£379
Langstone Primary School	£1,485
Laugharne VCP Primary	£1,485
Lewis School Pengam	£1,080

Creative Learning through the Arts	
Libanus Primary School (2)	£1,850
Litchard Primary School	£954
Llandeilo Lit Fest	£1,000
Llandrindod Wells Church in Wales Primary School	£900
Llanedeyrn Primary School (2)	£2,500
Llanelwedd Church in Wales Primary School	£805
Llanfechain Church in Wales Primary School	£900
Llanfoist Fawr Primary	£1,350
Llangatwg Community School	£927
Llangewydd Junior School	£1,500
Llangors CiW School	£630
Llanilltud Faerdref Primary School	£1,000
Llanishen High School	£653
Llanmartin Primary School	£1,000
Llantilio Pertholey Primary School	£1,000
Llantrisant Primary School	£1,000
Llanvihangel Crucorney Primary School	£1,350
Llanwern High School	£1,000
Lliswerry High School	£1,080
Madras VA Primary School	£972
Maes Ebbw Special School	£1,260
Maesteg Comprehensive School (2)	£1,985
Mayals Primary School	£410
Millbank Primary School	£225
Milton Junior School	£1,440
Miskin Primary School	£1,000
Monkton Priory Community Primary School	£1,000
Monmouth Comprehensive School	£1,000
Morriston Comprehensive School	£900
Mount Stuart Primary School (2)	£2,500
Mountain Ash Comprehensive School	£350
Nant Celyn Primary School (2)	£1,630
Nant y Parc Primary School	£1,500
Newbridge on Wye Church in Wales School (2)	£1,250
Newbridge School	£900
Newtown High School	£1,245
Ninian Park Primary School	£1,050
Nottage Primary School	£1,000
Oakfield Primary School	£270
Oystermouth Primary School (2)	£1,310

Creative Learning through the Arts	
Padre Pio School	£1,000
Parc Lewis Primary School	£900
Pen Afan Primary	£495
Pencoed Comprehensive (2)	£1,999
Penllergaer Primary School	£1,000
Pennar Community School (2)	£1,243
Penrhys Primary School	£1,350
Pentre r Graig Primary School	£1,000
Penybont Primary School	£350
Pen-y-Fai Primary School	£500
Penygarn Community Primary School	£300
Penyrheol Primary School	£441
Peter Lea Primary School (2)	£2,500
Pillgwenlly Primary School	£1,350
Ponthir CIW Primary School	£1,500
Pontllanfraith Primary School	£475
Pontlliw Primary School (2)	£1,247
Pontprennau Primary School	£162
Porthcawl Comprehensive School	£1,000
Prestatyn High School	£1,000
Presteigne Primary School	£1,000
Radnor Valley School (Powys County Council)	£472
Radyr Comprehensive School (3)	£3,500
Raglan VC Church in Wales Primary School (3)	£1,123
Rhayader Church in Wales Primary School	£600
Rhiw Syr Dafydd Primary School	£1,500
Rhos Primary School	£620
Rhosddu Primary School	£900
Rhosymedre Community Primary School	£165
Rhws Primary School	£1,000
Risca Community Comprehensive School (2)	£2,000
Sandycroft CP School	£1,500
Sennybridge CP School	£594
Severn Primary School	£986
Sheba Soul Ensemble C.I.C. (2)	£3,000
Shirenewton Primary School	£799
Southdown Primary School	£621
St Asaph VP Infant School	£810
St Bernadettes Primary School	£1,400
St Cenydd Community School (2)	£2,190

Creative Learning through the Arts	
St Chads Church in Wales Aided School	£1,000
St Ethelwolds VA School	£635
St Gwladys Bargoed	£900
St Helens Primary School	£890
St Illtyds Catholic High School	£1,000
St Illtyds Primary School (2)	£2,000
St Illtyds RC Primary	£450
St Josephs Catholic and Anglican High School (2)	£2,000
St Josephs RC Cathedral School	£198
St Josephs RC Primary School	£360
St Margarets Catholic Primary School	£1,000
St Marks V A School	£855
St Marys and St Patricks Catholic Primary (2)	£1,085
St Marys Catholic Primary School	£1,500
St Marys Catholic School	£1,000
St Michaels Catholic Primary School	£1,000
St Padarns Catholic Pimary School	£241
St Patricks RC Primary School	£1,000
St Peters Primary School	£1,000
St Roberts Catholic Primary School	£600
St Teilos Catholic Primary School (2)	£1,134
St Thomas Community Primary School	£480
St Woolos Primary School	£1,000
St. David's Catholic Primary School	£810
St. Davids R.C. Primary School	£1,350
St. Gabriels and Raphaels R.C Primary School	£760
St. Gabriels R.C Primary School (2)	£1,036
St. Josephs RC Cathedral School	£292
St. Julians School	£1,000
St. Marys Brymbo	£894
St. Marys RC School	£217
St. Michaels (CiW) Primary School	£900
St. Peters Primary School	**£1,500**
Stepaside CP School	£1,000
Sully Primary School	£640
The Bishop of Llandaff High School	£652
The Hollies School	£1,101
The Maelor School (2)	£2,000
Theatr Iolo	£1,500
Tir-y-berth Primary School	£495

Creative Learning through the Arts	
Tondu Primary School (2)	£1,225
Tongwynlais Primary School	£1,000
Tonyrefail Community School	£1,000
Townhill Community Primary School	£900
trac cymru	£1,500
Trallwn Primary School	£534
Tredegar Park Primary School	£414
Trelai Primary School	£700
Tremains Primary School	£378
Troedyrhiw Community Primary School	£283
Tyn y Wern Primary	£1,000
Undy Primary School	£1,485
Victoria Primary School	£1,000
Waldo Williams Primary School	£1,500
Waun Wen Primary School	£1,000
Whitchurch High School	£1,180
Whitestone Primary School	£1,000
Wick and Marcross Church in Wales Primary School	£540
Williamstown Primary School	£90
Willows High School (2)	£983
Windsor Clive Primary School	£1,000
WISE KIDS	£1,305
Y Bont Faen Primary (2)	£1,288
Y Pant Comprehensive School	£585
YGG Bodringallt	£450
YGG Pontybrenin (2)	£1,305
Ysgol Aberconwy	£1,000
Ysgol Awel y Mynydd	£1,000
Ysgol Bae Baglan (2)	£2,250
Ysgol Bassaleg	£175
Ysgol Beca	£900
Ysgol Beddgelert	£500
Ysgol Betws Gwerfil Goch	£400
Ysgol Betws y Coed	£372
Ysgol Betws yn Rhos (2)	£1,206
Ysgol Borth y Gest	£540
Ysgol Botwnnog	£600
Ysgol Bro Alun (2)	£913
Ysgol Bro Caereinion	£1,500
Ysgol Bro Carmel (2)	£1,870

Creative Learning through the Arts	
Ysgol Bro Cernyw	£1,000
Ysgol Bro Dinefwr	£1,000
Ysgol Bro Famau	£948
Ysgol Bro Gwydir	£1,000
Ysgol Bro Hyddgen (3)	£2,675
Ysgol Bro Hyddgen Campws Cynradd	£1,000
Ysgol Bro Idris	£1,500
Ysgol Bro Lleu	£1,000
Ysgol Bro Tawe (2)	£2,000
Ysgol Bryn Alyn	£1,000
Ysgol Bryn Elian	£1,140
Ysgol Bryn Gwalia	£1,000
Ysgol Brynhafren CP School	£1,000
Ysgol Caer Drewyn	£328
Ysgol Caer Nant (2)	£2,350
Ysgol Calon Cymru – Llandrindod Wells Campus (2)	£1,990
Ysgol Capel Garmon	£411
Ysgol Carreg Hir	£468
Ysgol Carrog	£328
Ysgol Carwe (2)	£1,282
Ysgol Cefn Coch	£810
Ysgol Chwilog	£648
Ysgol Craig yr Wylfa (2)	£1,015
Ysgol Cwm Banwy. Ysgol yr Eglwys yng Nghymru.	£498
Ysgol Cwm Brombil	£540
Ysgol Cymerau	£1,000
Ysgol Cynwyd Sant	£848
Ysgol David Hughes	£1,500
Ysgol Dewi Sant (2)	£2,000
Ysgol Dolwyddelan (2)	£1,861
Ysgol Drefach	£508
Ysgol Dyffryn Aman	£445
Ysgol Dyffryn Conwy	£1,000
Ysgol Dyffryn Dulas Corris (3)	£2,589
Ysgol Dyffryn Nantlle	£1,000
Ysgol Dyffryn Ogwen	£1,000
Ysgol Dyffryn Taf	£1,000
Ysgol Edern (2)	£1,400
Ysgol Eifion Wyn (2)	£1,900
Ysgol Ffordd Dyffryn	£630

Creative Learning through the Arts	
Ysgol Foelgron	£442
Ysgol Friars	£1,500
Ysgol Garndolbenmaen	£1,460
Ysgol Gatholig Padarn Sant	£540
Ysgol Gelli Aur Golden Grove Community School	£1,000
Ysgol Gellionnen	£1,000
Ysgol Glan Ceubal (2)	£1,469
Ysgol Glan Morfa	£1,000
Ysgol Glannau Gwaun	£1,000
Ysgol Glantwymyn (2)	£1,722
Ysgol Golwg Y Cwm	£1,000
Ysgol Gyfun Aberaeron (2)	£1,500
Ysgol Gyfun Emlyn	£1,000
Ysgol Gyfun Gwent Is Coed	£405
Ysgol Gyfun Gymraeg Bryn Tawe	£750
Ysgol Gyfun Gymraeg Llangynwyd (2)	£1,483
Ysgol Gyfun Gymunedol Penweddig (2)	£1,765
Ysgol Gyfun Rhydywaun	£315
Ysgol Gyfun Tredegar Comprehensive School	£800
Ysgol Gymraeg Aberystwyth (2)	£2,000
Ysgol Gymraeg Bro Dur	£720
Ysgol Gymraeg Bro Teyrnon	£900
Ysgol Gymraeg Bryn Y Mor	£441
Ysgol Gymraeg Coed y Gof	£1,350
Ysgol Gymraeg Cwm Derwen (2)	£2,350
Ysgol Gymraeg Cwmbran (3)	£2,874
Ysgol Gymraeg Ffwrnes	£675
Ysgol Gymraeg Ifor Hael	£1,000
Ysgol Gymraeg Morswyn	£684
Ysgol Gymraeg Nant Caerau	£400
Ysgol Gymraeg Pwll Coch	£594
Ysgol Gymraeg Rhydaman (2)	£2,485
Ysgol Gymraeg Sant Baruc	£261
Ysgol Gymraeg Sant Curig (3)	£854
Ysgol Gymraeg Teilo Sant (2)	£2,000
Ysgol Gymraeg Y Cwm	£415
Ysgol Gymraeg Y Fenni	£550
Ysgol Gymraeg Ystalyfera Bro Dur	£360
Ysgol Gymuned Llannerch-y-medd	£664
Ysgol Gymuned y Fali	£585

Creative Learning through the Arts	
Ysgol Gymunedol Penparc	£800
Ysgol Gynradd Aberaeron (2)	£1,439
Ysgol Gynradd Abererch (2)	£925
Ysgol Gynradd Amlwch	£1,000
Ysgol Gynradd Beaumaris	£590
Ysgol Gynradd Brynconin	£800
Ysgol Gynradd Carno (2)	£1,185
Ysgol Gynradd Carreg Hirfaen	£317
Ysgol Gynradd Cemaes	£1,000
Ysgol Gynradd Clydau	£600
Ysgol Gynradd Esceifiog	£1,000
Ysgol Gynradd Felinfach (2)	£940
Ysgol Gynradd Gorslas	£1,000
Ysgol Gynradd Gwaelod y Garth	£602
Ysgol Gynradd Gymraeg Aberdare (2)	£1,569
Ysgol Gynradd Gymraeg Calon y Cymoedd	£810
Ysgol Gynradd Gymraeg Llwyncelyn (2)	£1,310
Ysgol Gynradd Gymraeg Llwynderw	£900
Ysgol Gynradd Gymraeg Tiredeunaw	£1,000
Ysgol Gynradd Gymraeg Ynyswen	£475
Ysgol Gynradd Gymunedol Llechryd	£749
Ysgol Gynradd Llanarth	£1,000
Ysgol Gynradd Llangadog	£700
Ysgol Gynradd Llangadog	£1,462
Ysgol Gynradd Llanllyfni	£500
Ysgol Gynradd Llanrug	£1,000
Ysgol Gynradd Maenclochog	£1,000
Ysgol Gynradd Parcyrhun (2)	£972
Ysgol Gynradd Pencarnisiog	£1,350
Ysgol Gynradd Pentraeth	£315
Ysgol Gynradd Pontyberem	£1,000
Ysgol Gynradd Rhos Helyg	£405
Ysgol Gynradd Rhydypennau	£855
Ysgol Hamadryad (2)	£1,435
Ysgol Hendrefelin	£1,500
Ysgol Heulfan	£900
Ysgol John Bright (2)	£2,000
Ysgol Llanbedrog	£450
Ysgol Llanbrynmair (2)	£1,327
Ysgol Llanddulas	£144

Creative Learning through the Arts	
Ysgol Llandegfan (2)	£1,297
Ysgol Llandudoch	£670
Ysgol Llanfarian School	£180
Ysgol Llanfechell	£675
Ysgol Llanfyllin (2)	£477
Ysgol Llanllechid	£1,000
Ysgol Llan-y-Pwll	£216
Ysgol Llanystumdwy	£317
Ysgol Maes Garmon	£1,000
Ysgol Maes Y Gwendraeth	£1,000
Ysgol Maesydderwen (2)	£2,220
Ysgol Manod	£1,500
Ysgol Melyd	£875
Ysgol Morfa Nefyn	£216
Ysgol Morfa Rhianedd	£1,000
Ysgol Morgan Llwyd	£630
Ysgol Nantgwyn (2)	£1,035
Ysgol Pant Pastynog (2)	£1,056
Ysgol Panteg	£1,000
Ysgol Parc Y Bont (2)	£1,120
Ysgol Pen y Groes (2)	£1,126
Ysgol Pen y Pil (2)	£1,400
Ysgol Penboyr	£630
Ysgol Penderyn	£1,000
Ysgol Penmachno (2)	£1,710
Ysgol Pennal	£1,500
Ysgol Penrhyn New Broughton CP	£1,000
Ysgol Penrhyncoch	£878
Ysgol Pentrecelyn	£215
Ysgol Pentrefoelas	£846
Ysgol Pentreuchaf	£712
Ysgol Penybryn	£999
Ysgol Penygelli	£1,000
Ysgol Penysarn (2)	£2,500
Ysgol Plas Brondyffryn	£1,125
Ysgol Pob Oed Caer Elen	£1,000
Ysgol Pont Y Gof	£540
Ysgol Ponthenri	£630
Ysgol Pontrobert	£1,000
Ysgol Rhiw-Bechan	£637

Creative Learning through the Arts	
Ysgol Rhosneigr	£1,215
Ysgol Rhosnesni High School	£880
Ysgol San Sior	£1,000
Ysgol Sant Dunawd	£513
Ysgol Santes Tudful	£1,000
Ysgol Tal-y-bont (2)	£896
Ysgol Talyllychau	£801
Ysgol Tanyfron	£979
Ysgol Terrig	£500
Ysgol Treferthyr (2)	£1,500
Ysgol Treganna (3)	£3,570
Ysgol Tremeirchion	£360
Ysgol Tudno	£1,110
Ysgol Tudweiliog	£594
Ysgol Tycroes	£504
Ysgol Uwchradd Aberteifi	£1,350
Ysgol Uwchradd Dinbych (2)	£1,531
Ysgol Y Cribarth	£450
Ysgol Y Dderi (2)	£697
Ysgol y Dderwen	£1,110
Ysgol y Ddwylan (2)	£2,260
Ysgol y Faenol	£828
Ysgol y Ffridd	£180
Ysgol y Foryd	£774
Ysgol Y Gelli (2)	£1,678
Ysgol y Grango (2)	£600
Ysgol y Gwynfryn	£576
Ysgol y Llan	£792
Ysgol y Llys	£1,000
Ysgol Y Mynydd Du	£675
Ysgol Y Plas	£1,395
Ysgol y Preseli	£135
Ysgol-y-Traeth	£700
Total *Creative Learning through the Arts* Grants	**£494,360**

Strategic awards

Arts Development	
Artis Community Cymuned	£15,000
Breathe Creative	£16,500
CARN	£25,500
National Literacy Trust	£15,000
Outside Lives LTD	£35,000
Velindre University NHS Trust	£13,348
	£120,348

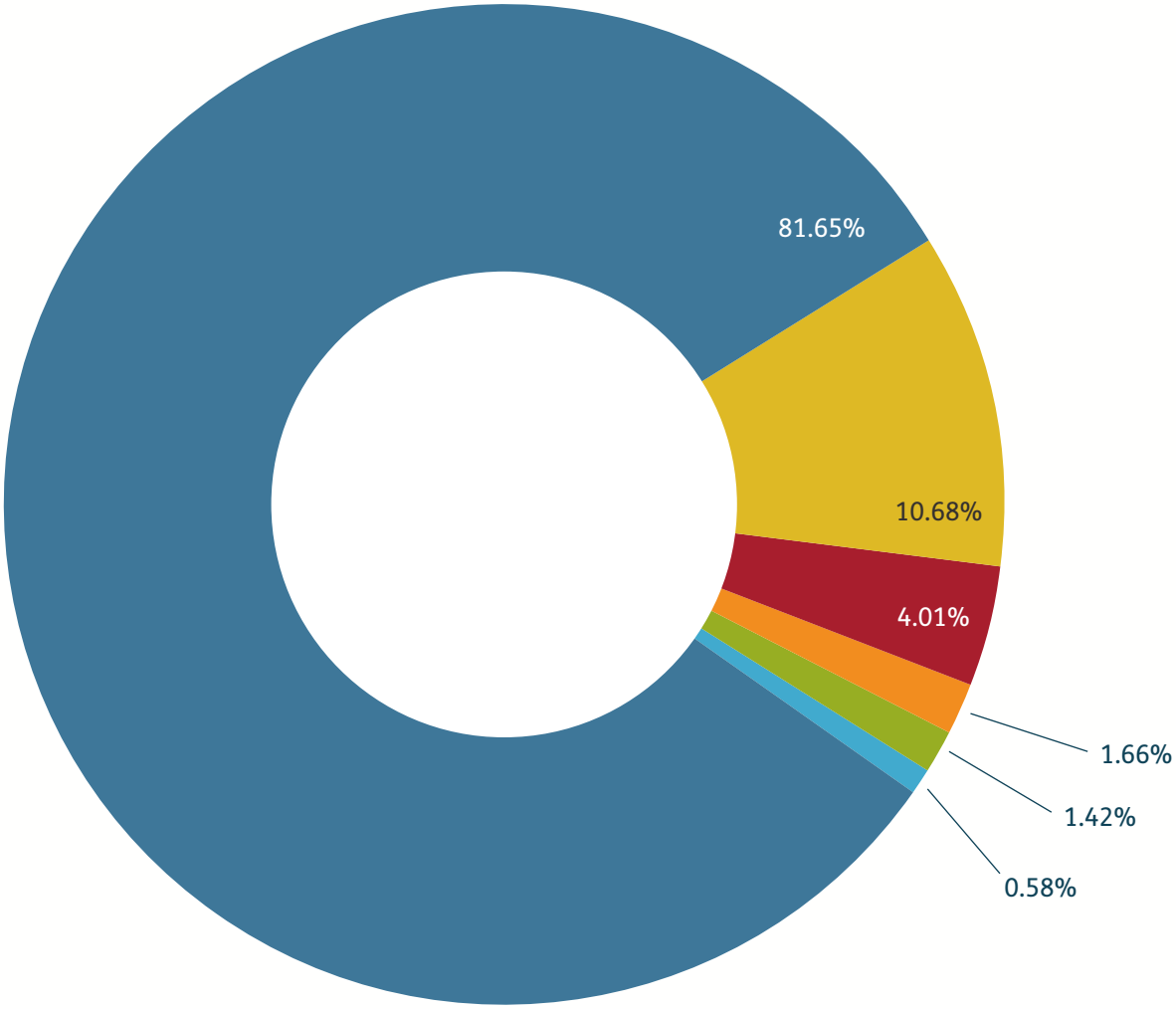
National Contemporary Art Gallery for Wales project	
Newport City Council	£50,000
MOSTYN	£10,000
	£60,000

Wales Arts International	
Andrew Bolton	£8,045
Articulture	£2,431
Canolfan Gerdd William Mathias Cyf	£18,000
Cardiff Animation Festival	£26,635
Cefyn Burgess	£8,000
Chris Bird-Jones	£7,436
Cian Ciaran	£10,000
Dirty Protest Theatre	£7,603
Fluxus Art Projects	£20,000
Focus Wales	£8,000
Frankie Walker	£7,798
Freya Dooley	£10,000
Gareth Bonello	£13,500
Gareth Clark	£1,500
Green Man Trust Ltd (2)	£13,674
Heather Parnell	£10,000
Hijinx Theatre	£35,955
Ibrahim Abdi	£10,000
International Ceramics Festival	£4,580
Jessica Dunrod	£5,500
Jo Shapland	£7,465
Jukebox Collective	£9,508
Kate Perridge	£18,000
Literature Wales	£12,000
Mari Wirth	£4,500

Wales Arts International	
Mr and Mrs Clark	£2,650
National Dance Company Wales	£10,000
National Dance Company Wales	£6,970
Oriel Plas Glyn-y-Weddw Cyfyngedig	£19,000
Osian Meilir Ioan (2)	£4,790
Parthian Books Limited	£10,000
Re-Live	£37,800
Rhodri Davies	£8,545
Sarah Argent	£15,000
Tessa Gray	£10,000
The Aloud Charity	£40,000
Theatr Mwldan	£4,000
Tomos Williams	£16,000
Ty Cerdd (2)	£21,062
Wales Literature Exchange and Literature Across Frontiers (3)	£19,700
Ways of Working	£7,440
Zoe Munn	£2,532
	£515,619

Total Strategic awards	£695,967
Total Grants Offered	**£31,188,743**

Grant Funding 2024/25



- Multi Year Funded Organisations
- Welsh Government Revenue Funding
- Welsh Government Capital Funding
- Wales Arts International
- Creative Learning through the Arts
- Arts Development

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 2024/25

net of offers not taken up or withdrawn

Grants to organisations

Multi-year funded organisations	
Aberystwyth Arts Centre	£531,012
Awen Cultural Trust	£243,750
Canolfan Gerdd William Mathias Cyf	£79,409
Chapter Cardiff Ltd.	£390,000
Ffilm Cymru Wales	£472,830
Live Music Now Wales	£44,667
National Youth Arts Wales	£438,750
NoFit State Community Circus Ltd	£192,565
Oriel Plas Glyn-y-Weddw Cyfyngedig	£73,125
Pontardawe Arts Centre	£62,534
Rhondda Cynon Tâf County Borough Council	£149,238
The Riverfront Theatre and Arts Centre – Newport Live	£73,125
Theatrau Sir Gar	£48,750
Wyeside Arts Centre Ltd	£29,250
	£2,829,005

Capital grants	
Aberystwyth Arts Centre	£25,000
Chapter Cardiff Ltd.	£15,959
Elysium Gallery	£50,000
Ffotogallery	£19,246
Impelo	£119,000
Made In Roath	£30,000
Makers Guild in Wales	£30,000
Pontio Arts	£40,878
Theatr Bara Caws	£45,413
Theatr na nÓg	£7,087
	£382,583

Strategic Interventions	
BBC Wales Commissioning Department	£20,000
Chapter Cardiff Ltd.	£10,000
Rubicon Dance	£175,000
Theatr Clwyd Trust Limited	£300,000
Theatr na nÓg	£28,000
	£533,000

Commissioning, Making and Presenting – Create	
Abergavenny Writing Festival C.I.C.	£9,200
Aberjazz	£16,000
Aberystwyth Music Fest	£30,000
Adverse Camber	£45,537
Ardour Academy	£44,915
Art Shell	£5,945
Artes Mundi Prize Limited	£101,730
Artis Community Cymuned	£50,000
Bangor New Music Festival Society	£9,960
Bangor Saints Football Club	£1,307
Black Lives in Music	£15,074
Black Mountains Comedy Festival	£33,630
Black RAT Productions Ltd	£37,520
Bovey Tracey Arts & Crafts Festival Limited	£27,000
Brecon Jazz Club Brecon Jazz Music Trust	£10,790
Brecon Jazz Festival Delivery Team	£10,000
Butetown Arts and Culture Association (2 awards)	£101,800
Cardiff Animation Festival	£35,000
Cardiff M.A.D.E. C.I.C.	£49,900
Change Wrexham For Our Future	£26,000
Chapter Cardiff Ltd.	£41,228
Childrens Festival	£5,589
Chippy Lane Productions	£9,920
Cimera	£49,608
Citrus Arts	£48,978
Common/Wealth	£51,400
Company of Sirens (2 awards)	£45,321
Conwy County Borough Council	£46,000
Cowbridge Music Festival	£35,000
CULTVR	£49,790
Cwmni Mega Cyf Ltd	£100,000
Cwmni Pendraw	£7,100
Cwmni'r Frân Wen	£54,081
Cyfarthfa Castle Museum and Art Gallery	£10,000
Cynefin Caerffili	£50,000
Dance Blast	£51,960
Early Voices Wales	£4,650
Eisteddfod Genedlaethol Cymru	£104,680
Familia de la Noche	£10,000
Fflamingo CIC (2 awards)	£75,019
Fishguard and West Wales International Music Festival	£50,000
Flossy and Boo Ltd (2 awards)	£42,184
Forte Projects	£75,000
Galeri Caernarfon Cyf	£26,000
Grand Ambition	£98,780
Green Man Trust Ltd	£79,429

Commissioning, Making and Presenting – Create	
Gritty Films Limited	£35,000
Groundwork Pro	£50,000
Gwyl Beaumaris Festival	£20,000
Hay Festival Foundation Ltd	£49,980
Horn Development Association	£9,200
Humans Move	£87,430
Hummadruz	£60,151
Jazz Promotion Network	£4,500
Jones the Dance (3 awards)	£178,784
Joon Dance	£50,000
Lighthouse Theatre Ltd	£45,000
Llandovery Sheep Festival	£10,000
Llangollen Fringe Festival	£35,000
LOYALTY	£41,000
Made In Roath	£49,000
Memorial Hall and Theatre	£42,384
Menter Caerdydd	£80,000
Menter Caerffili (2 awards)	£33,000
Menter Iaith Abertawe	£21,980
Menter Iaith Bro Morgannwg	£15,000
Menter Iaith Fflint a Wrecsam	£47,518
Menter Mon Cyf	£35,740
Mewn Cymeriad In Character	£50,000
Ministry Of Life Education CIC	£10,000
Music Theatre Wales	£10,000
National Dance Company Wales	£48,500
National Library of Wales	£10,000
Nearside Productions	£35,000
NeuroExpression	£24,440
Noctown	£10,000
NoFit State Community Circus Ltd (3 awards)	£149,571
North Wales International Music Festival	£50,000
Oriel Davies Gallery	£9,359
Oshi's World	£9,450
Paallam Arts CIC (2 awards)	£30,000
Papertrail Llwybr Papur	£50,000
Parc Arts	£10,000
Parents and Carers in Performing Arts	£9,500
Peak Cymru	£53,332
PeopleSpeakUp LTD (2 awards)	£41,256
Pontio Arts (2 awards)	£88,410
Presteigne Festival of Music and the Arts Ltd	£36,000
PRS Foundation	£18,000
PuppetSoup Ltd	£47,688
Race Council Cymru	£94,124
Ransack Dance Company (3 awards)	£64,500

Commissioning, Making and Presenting – Create	
Rubicon Dance	£32,900
Ruthin Craft Centre	£39,500
Samarpan Nrithyalaya	£23,800
Samba Galez	£9,506
Sense	£40,391
Sesiwn Fawr Dolgellau	£46,000
Sherman Theatre (2 awards)	£192,705
Sound Progression (2 awards)	£60,000
St. Davids Peninsula Music & Arts CIC	£15,100
Swansea City Opera	£8,640
Swansea Print Workshop	£33,000
The Bohemians Theatre Company	£6,906
The Inner Voices	£10,000
The Other Room (2 awards)	£56,500
The Place	£34,954
The Printhaus	£28,660
The Riverfront Theatre and Arts Centre – Newport Live	£50,000
The Welsh Chamber Orchestra Ltd.	£50,000
Theatr Felinfach	£5,477
Theatr Gwaun Community Trust	£9,647
Theatr3	£95,945
THINK CREATIVELY C.I.C.	£49,000
Tilting at Windmills Productions Ltd	£50,000
trac cymru	£48,062
Tredegar House Folk Festival Society	£10,000
TRIONGL	£50,000
Ty Cerdd	£42,582
Ty Roots Ltd	£9,396
UCAN Productions	£9,716
UPROAR	£50,000
Urdd Gobaith Cymru	£88,000
Wales One World Film Festival	£10,533
Wrexham Academy of Screen Acting	£9,418
Y LLE DA The Good Place	£35,000
Ystradgynlais Miners Welfare and Community Hall Trust Ltd	£50,000
Zimbabwe Newport Volunteering Association	£5,700
	£5,209,860

Arts Resilience	
Cardiff Animation Festival	£30,000
The Welsh Chamber Orchestra Ltd.	£9,000
Tin Shed Theatre Co.	£123,545
Urban Circle Newport	£81,359
Welsh National Opera	£755,000
	£998,904

Business Development – Open Lottery	
Creu Cymru	£7,400
Flossy and Boo Ltd	£9,900
	£17,300

Transition Funding	
Eleni Dance Ltd	£30,000
Head4Arts	£38,177
National Theatre Wales	£407,000
trac cymru	£30,000
	£505,177

Equalities – Creative Steps	
Dirty Protest Theatre	£10,387
Humans Move	£49,845
Papertrail Llwybr Papur	£119,200
Watch Africa Cymru	£24,000
	£203,432

International Opportunities Fund	
4Pi Productions	£2,985
Gritty Films Limited	£4,411
Jones the Dance	£8,485
Theatr Mwldan	£6,300
WAHWN	£7,255
Wales Literature Exchange and Literature Across Frontiers	£7,060
	£36,496

Children and Young People – Open Lottery	
Creative circle C.I.C.	£47,500
	£47,500

Widening Engagement – Sharing Together	
Anthem. Music Fund Wales	£2,500
Ballet Cymru	£2,500
Coven Xperience	£2,800
Disability Arts Cymru	£2,330
Drama Queens	£2,500
Made In Roath	£2,500
TOM BEVAN CREATIVE LTD	£2,500
	£17,630

PRS for Music Foundation	
PRS Foundation	£40,000
	£40,000

Arts and Health – Open Lottery	
Action for Children Fostering Wales	£26,350
Action in Caerau and Ely	£15,000
Amser i Siarad	£15,000
Art and Soul Tribe CIC	£25,688
Ballet Cymru	£24,062
Cardiff Animation Festival	£15,000
Carter's (NW) CiC	£15,000
Choirs For Good	£14,000
Cyngor Gwynedd	£15,000
Denbighshire Leisure Limited	£35,000
Familia de la Noche	£15,000
Gwella	£7,170
Hywel Dda University Health Board (2 awards)	£49,774
Inside Out Cymru	£14,850
KIM Inspire	£15,000
Literature Wales	£15,000
Making Sense Community Interest Company	£14,604
Morlas	£35,000
Mr and Mrs Clark	£35,000
Music in Hospitals and Care Cymru	£15,582
Oasis One World Choir	£15,000
operasonic cyf	£14,520
Oriel Davies Gallery	£9,990
PeopleSpeakUp LTD	£50,000
Pontio Arts	£35,000
Powys Teaching Health Board	£13,928
Reality Theatre Community Interest Company	£22,500
Rubicon Dance	£35,000
Small World Theatre Ltd	£14,900
Tanio (2 awards)	£45,652
The Body Hotel	£15,000
Theatr Cynefin	£30,000
WAHWN	£35,000
Y Ty Celf – The Art House Ltd CIC	£35,000
	£788,570

Arts and Health – Strategic	
Aneurin Bevan University Health Board	£28,875
Betsi Cadwaladr University Health Board (2 awards)	£57,475
Hywel Dda University Health Board	£28,875
Powys Teaching Health Board	£28,875
Swansea Bay University Health Board	£28,875
Velindre University NHS Trust	£27,844
	£200,819

Arts and Health – NHS Capacity Building	
Aneurin Bevan University Health Board	£25,000
Betsi Cadwaladr University Health Board (2 awards)	£50,000
Cardiff and Vale University Health Board	£25,000
Hywel Dda University Health Board	£25,000
Powys Teaching Health Board	£25,000
Swansea Bay University Health Board	£25,000
	£175,000

Creative Learning through the Arts Programme	
Arts Council of Wales (General Activities)	£1,000,000
	£1,000,000

Total Grants to Organisations	£12,985,276

Grants to Individuals

Commissioning, Making and Presenting – Create	
Ahmun, Shakeera	£8,955
Allen, Jess	£9,997
Anderson, Mark	£5,000
Balla, Jessica	£11,084
Biant, Prithpal	£9,900
Bond, Joanna	£9,550
Bowers, Richard	£9,620
Breathnach, Tracy	£9,650
Bunko, Anthony	£19,550
Cainen, Mark	£10,900
Camara, Idrissa	£11,991
Cardew, Tom	£17,700
Carlsen, Sean	£8,550
Chambers, Gareth	£7,598
Charles, Rhiannon	£7,490
Clode, Simon	£9,000
Da Luz Fernandes, Goncalo	£10,000
Darby, Hannah	£10,000
Davies, Angela	£30,000
Davies, Dena	£8,392
Davies, Jenő	£26,980
Ditton, Elliot	£12,050
Doyle-Roberts, Bridie	£33,550
Eastwood, Paul	£35,500
Etchells, Tudor	£7,865
Evans, Carys	£25,120
Evans, Cellan	£9,210
Evans-Jones, Gareth	£4,805
Fester, Dominique	£9,000
Fong, Joanne	£10,000
Fowler, Dylan	£30,000
Gabco, Patrik	£35,750
Gawne, Stephanie	£5,600
Geddes, Karina	£9,000
Greenhalgh, Beth	£21,925
Green-Hope, Gemma	£45,750
Gubb, Stephen	£9,985
Habachi, Rahim El	£8,950
Hallas, Penny	£5,385
Harris, Tracy	£7,300
Hartel, Sara	£16,035
Hereford, Luke	£4,000

Commissioning, Making and Presenting – Create	
Hosefros, Brian	£10,000
House, Lee	£9,940
Hughes, Kamalagita	£6,300
Iqbal, Jafar (2 awards)	£47,066
James, Richard	£10,000
Jesus, Toni De	£30,168
Jones, Angharad (2 awards)	£25,124
Kerr, Bella	£11,900
Khan, Imran	£10,000
Kim, Jin Eui	£10,000
Knowles, Rebecca	£10,000
Ladd, Eddie	£9,990
Legall, Kyle	£16,113
Lerner, Jessica	£10,800
Lewis, Juliette	£29,623
Lewis, Noni	£7,989
Llwyd, Owain	£10,000
Lowe, Krystal	£39,800
Mair, Rhiannon	£34,740
Mannion, Philippa	£8,000
Marsh, Jo	£7,901
Matsena, Arnold	£11,150
McKay, Macsen	£8,635
McReynolds, Richard	£20,065
Mizen, Deanne Doddington	£10,000
Morgan, Lianne	£10,900
Morris, Nia	£7,019
Navabi, Leila	£16,500
Nicholson, Jodie	£11,995
Parri, Luned	£10,100
Parsons, Alex	£35,150
Pasotra, Tina	£26,842
Patel, Radha	£41,243
Philp, Jack	£39,850
Porter, Gavin	£5,150
Rea, John	£10,000
Roberts, Stephanie	£8,321
Saha, Atreyee	£8,970
Saki, Sahar	£28,640
Santima, Plamedi	£12,100
Shapland, Anthony	£18,300
Sion, Gwen	£11,139
Sofia, Freya	£10,000
Tear, Lorien	£12,400
Varrall, Sarah	£6,500

Commissioning, Making and Presenting – Create	
Vicary, Sean	£37,710
Walker, Frankie	£50,700
Whitehead, Simon	£8,460
Williams, Mared	£8,835
Williams, Rebecca	£4,935
Williams, Tamar	£20,390
Wright, Anthony (2 awards)	£57,824
Yahaya, Abdulmujib Oloye	£9,350
	£1,533,314

International Opportunities Fund	
Barker, Megan	£3,013
Binns, Helena	£3,450
Bird-Jones, Chris	£1,490
Bowman, Robert	£1,502
Dooley, Freya	£2,400
Eedens, Darren	£2,200
Gibbard, Gwenan	£5,840
Greenhalgh, Jill	£4,756
Greenhalgh, Beth	£3,569
Gwyn, Richard	£1,996
Gynn, Eloise	£2,220
Harris, Georgina	£1,295
Harris, Anna	£7,418
Heckler, Lauren	£3,210
Hereford, Luke	£7,500
Ioan, Osian Meilir	£5,665
Llwyd, Gweni	£2,060
Lowe, Krystal	£7,274
Mak-Schram, Sophie (2 awards)	£5,757
Mayo, Natasha	£1,387
Panades I Blas, Xavier	£1,004
Parsons, Alex	£3,383
Parry, Abigail	£5,000
Philp, Jack	£5,950
Plowman, Lynne	£3,039
Potter, Sophie	£4,789
Mota, Matheus Prado	£2,500
Rabey, Isabel	£3,431
Rea, John	£5,000
Shelley, Ruth	£4,268
Sirina, Anya	£5,038
Thompson, Nicola	£3,805
Warren, Robert	£1,260
	£122,469

Widening Engagement – Sharing Together	
Bull, Emily	£2,500
Leadill, Sophia	£2,500
Owen, Rebecca	£2,400
Treharne, Amy	£2,500
	£9,900

Equalities – Creative Steps	
Al-Shakarchi, Ahmad	£10,000
Ampah, Samuel	£9,900
Black, Candice	£8,181
Churchill, Gareth	£3,000
Daimond, Colin	£11,900
Ellis, Louis	£10,628
Gabco, Lukas	£10,900
Hepburn, Charlotte	£9,789
How, Michael	£4,721
Loo, Jack	£14,060
McMaster, Tracey	£6,650
Mohamed, Umulkhayr	£12,300
Nwogu, Jacob	£11,000
Rau, Dominika	£10,000
Reeves, Daniel	£8,090
Sharp, Titus	£7,350
Thomas, Rhys	£11,158
Williams, Fran	£10,145
	£169,772

Total Grants to Individuals	**£1,835,455**
Total Grants Offered net of offers not taken up or withdrawn	**£14,820,731**

Grants Administered by Ffilm Cymru Wales

Production and Development	
Balaclava Sands	£24,800
Being Seen	£408
Black Church Bay (2 awards)	£250,000
Brides	£4,287
Chuck Chuck Baby (3 awards)	£2,622
Daffodil	£24,610
Ghosts of Yesterday	£7,500
I'r Gwyllt	£9,000
Laugharne	£10,000
Learning to Breathe Underwater (2 awards)	£30,725
Mr Burton	£24,999
My Extinction	£15,000
October October	£26,499
On The Record Award	£10,000
Out There (2 awards)	£228,118
Pur	£24,900
Rebecca Jones	£24,500
Spectre of the Bear	£642
Still Pushing Pineapples (2 awards)	£56,999
The Apostasy	£19,000
The Blokes Baking Club	£22,000
The Bloodied Sword	£16,000
The Night Gardener	£24,999
This Is Not A Love Story	£13,500
Timestalker	£1,000
Unicorns	£12,000
	£884,108

Exhibition Festivals	
Abertoir Film Festival Award 2024	£11,900
Afan Valley Community Cinema for All 2024-2025	£6,873
Cardiff Animation Festival 2024	£15,000
Cardiff Community Cinema Club	£1,250
Chapter Annual Film Programme	£10,000
Fly! BLACK FILM CLUB	£5,000
Focus Wales Film Festival 2024	£5,000
Hybu Llanymddyfri – Building Community through Film in Rural Wales	£6,500
Iris Prize Film Festival 2024	£15,000
Kotatsu Japanese Animation Festival 2024	£3,530
Sain + Golwg / Sound + Vision Popup Cinema	£8,000
Sgrin Emyr 2024	£10,000
Sinema Memo	£10,972
Unity Film Festival 2024	£8,000
Warm Spaces at the Cinema	£8,000
Watch-Africa Film Festival 2024	£6,000
Welcome Wednesdays 2024	£8,500
WOW Film Festival 2025	£10,600
Y Neuadd Les – Screen Social	£8,000
	£158,125

Total Grants from Ffilm Cymru Wales net of offers not taken up or withdrawn	**£1,042,233**

Grants Administered by Literature Wales

Grants	
Fielder-Hobbs, Rhiannon	£3,000
Gwilym, Gwenno	£3,000
Kelleher, Michael	£3,000
Koloman Kaiba, Paz	£3,000
Lowe, Krystal S.	£3,000
O'Brien, Grace	£3,000
Pickard, Claire	£3,000
Rose, Silvia	£3,000
Singh, Nadheem	£3,000
Taylor, Ivy Femke	£3,000
Vaughan, Lowri Hedd	£3,000
Wilson-Jones, Steffan	£3,000
Ywain, Gruffydd Siôn	£3,000
	£39,000

Total Grants from Literature Wales net of offers not taken up or withdrawn	£39,000

Grants Administered by Tŷ Cerdd

Create	
Aberystwyth Arts Centre, Aberystwyth University	£1,400
Aberystwyth Musicfest	£1,750
Aubergine Café and Events CIC	£1,985
August 012 Ltd	£1,400
Ayan Cymru	£1,400
Ballet Cymru	£250
Bangor Music Festival	£1,500
Brecon Buzz CIC	£500
CANOLFAN GERDD WILLIAM MATHIAS	£1,500
Cardiff Ardwyn Singers	£2,000
Caru Dolgarrog	£1,250
Chapter Cardiff Ltd	£1,250
Côr ABC	£1,000
Cowbridge Music Festival (2 awards)	£3,300
Cwm Taff People First	£1,500
Cwmni Mara CIC	£1,800
Cwmni Pen Productions Ltd.	£2,000
Early Voices Wales Lleisiau Cynnar Cymru	£1,400
Eisteddfod Genedlaethol Cymru	£1,000
Grand Ambition CIC	£2,000
Guitar Circus	£1,650
Listen to the Voice of Fire	£2,000
Menter Iaith Abertawe	£1,350
Mercury Theatre Wales	£1,700
Montgomeryshire Youth Music	£510
NAWR	£1,998
NEWBRIDGE MEMO LIMITED	£750
Newtown Silver Band	£1,500
Presteigne Festival of Music and the Arts Limited	£1,000
Sesiwn Fawr Dolgellau	£1,000
Sinfonia Cymru	£1,250
The Stormz Community For Musical Arts	£1,800
Theatr Genedlaethol Cymru	£2,000
True Colours Community Choir	£1,500
UPROAR	£2,000
Urdd Gobaith Cymru	£1,500
Welsh Ballroom Community	£1,350
Welsh Chamber Orchestra	£750
	£55,793

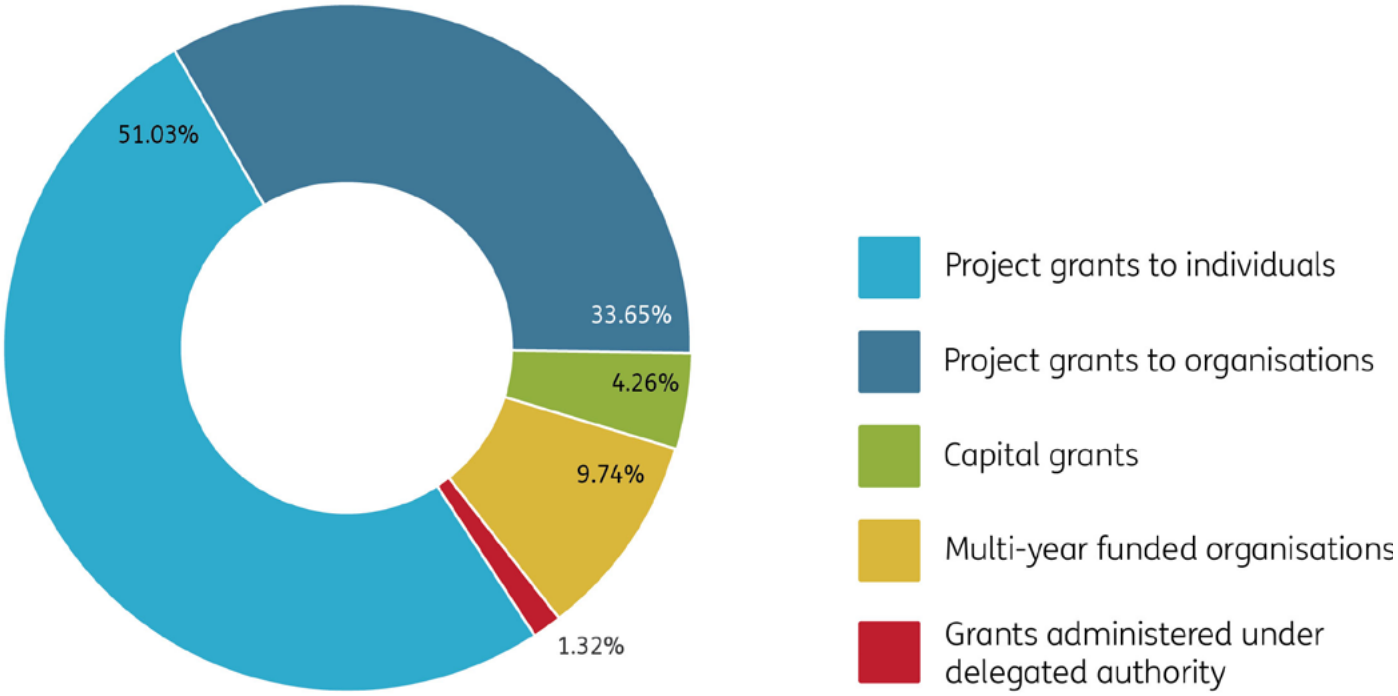
Engage	
Allegra Choir	£500
Arts Active Trust	£1,240
August 012	£1,300
Avant Cymru	£1,500
Bandiau Pres Cymru – Brass Bands Wales	£1,000
Bangor Music Festival	£1,250
Bangor University	£1,350
Barry Male Voice Choir	£1,500
Bellevue Community Youth Band	£1,800
Canolfan a Theatr Soar	£900
Canolfan Gerdd William Mathias	£1,650
Canolfan Owain Glyndwr	£1,800
Canolfan y Celfyddydau Aberystwyth Arts Centre	£1,350
Cantorion Llandrindod	£750
Cantorion Menai	£1,200
Cathays Brass	£250
Change Wrexham For Our Future	£1,500
ChromaMusic Community Group	£1,800
Community Arts projects	£500
Cor Meibion Morlais	£270
Cosmic Music	£1,240
Cwm Taf People First	£1,500
Daring to Dream	£1,800
Disability Arts Cymru	£1,500
Early Voices Wales Lleisiau Cynnar Cymru	£950
Fishguard Festival of Music	£800
Forget-me-not Chorus (FMNC)	£1,300
Grand Ambition CIC	£516
Gwrandewch	£600
Gŵyl Beaumaris Festival	£1,000
Little Live Projects	£1,500
Llandovery Sheep Festival	£2,000
Make Music Day UK Ltd	£1,500
Menai Bridge Band Porthaethwy	£990
Menter Caerdydd	£610
Menter Iaith Rhondda Cynon Taf	£1,240
NAWR	£500
Newport Borough Brass Band	£885
North Wales International Music Festival (NWIMF)	£1,200
Paned o Gê	£990
Pontypridd Brass Band Festival	£1,378
SHIFT Cardiff CIC	£1,575
Sound Progression Ltd	£1,500
SPAN Arts Ltd	£1,500

Engage	
The Llwydcoed Band	£685
The Stormz Community For Musical Arts	£700
THU Arts Collective CYF	£1,900
Tredegar House Folk Festival Society	£1,500
True Colours Community Choir	£1,500
UPROAR	£1,800
Vale of Glamorgan Brass Band (2 awards)	£3,445
Wrexham Music Festival	£1,750
	£65,264

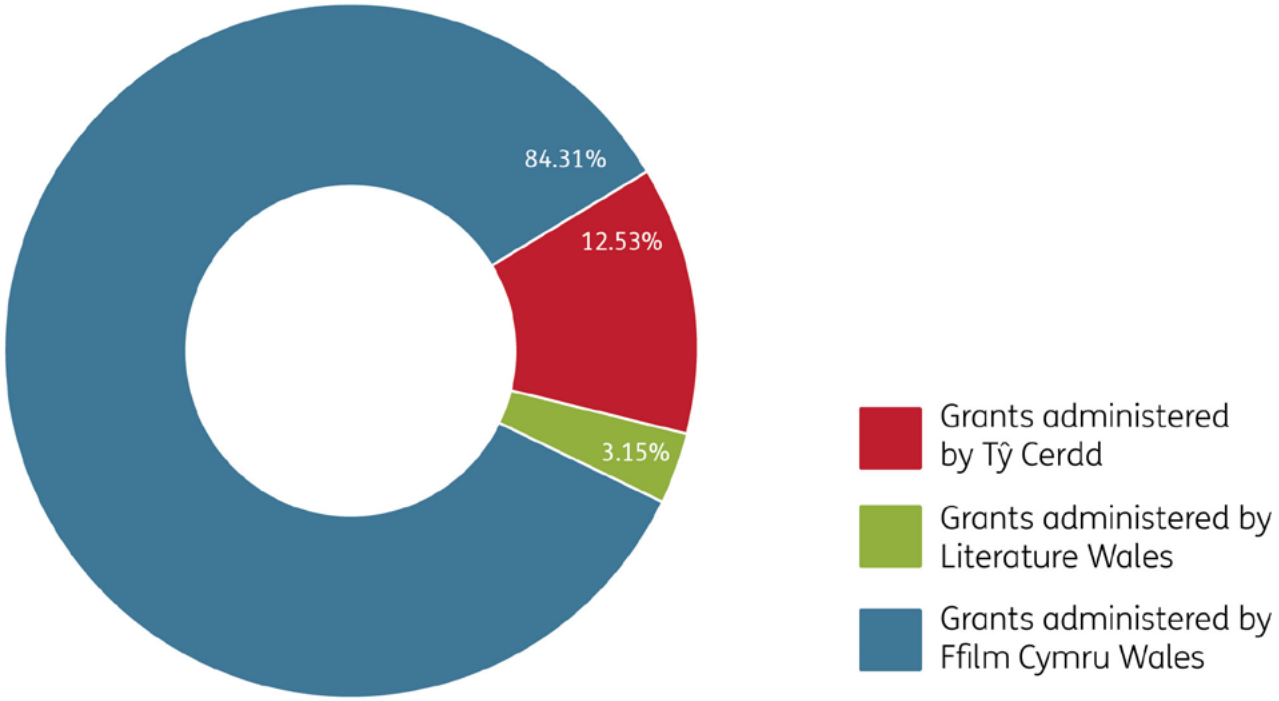
Inspire	
Aberystwyth Musicfest	£1,240
Anthem. Music Fund Wales	£1,800
Brecon Beacons Music Trust	£2,000
Chapter Cardiff Ltd	£1,000
Chordis Caerllion	£1,240
Community Arts projects	£500
COR MERCHED PLASTAF	£1,350
Crosskeys Silver Band	£1,250
Fflach Cymunedol Cyfyngedig	£1,240
Gwaun Cae Gurwen Brass Band	£950
Gŵyl Beaumaris Festival	£1,000
Little Live Projects	£1,800
Llandeilo Fawr Festival of Music	£2,000
Mentrau Creadigol Cymru T/A YR EGIN	£1,240
Music Anywhere CIC	£1,765
NEW Sinfonia C.I.O.	£1,240
North Wales International Music Festival	£1,500
Pontardulais Town Band	£1,257
Rhydyfelin Jazz	£1,800
Sesiwn Fawr Dolgellau	£1,240
Sound Progression Ltd	£1,800
Swansea MAD	£1,373
UPROAR	£1,500
WeJam Foundation	£1,800
	£33,885

Total Grants from Tŷ Cerdd net of offers not taken up or withdrawn	**£154,942**

Lottery Grants by Type



Delegated Authority Grants



General Activities and Lottery Distribution

Report and Financial Statements for the year ended 31 March 2025

Cyngor Celfyddydau Cymru
Arts Council of Wales

CYNGOR CELFYDDYDAU CYMRU

England & Wales - Charity number 1034245

Accounts

Cyngor Celfyddydau Cymru
Arts Council of Wales

General Activities and Lottery Distribution

Report and Financial Statements for the year ended 31 March 2024

Charity number 1034245

Arts Council of Wales is committed to making information available in large print, braille, audio and British Sign Language and will endeavour to provide information in languages other than Welsh or English on request. Arts Council of Wales operates an equal opportunities policy.

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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.

Established by Royal Charter on 30 March 1994, we exist to support and develop the arts in Wales for the benefit of people throughout Wales, and to support Welsh arts 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.

Chair's foreword

It brings me immense pleasure to present the Report and Financial Statements of the Arts Council of Wales. This year has been marked by our Investment Review, vibrant cultural events, and strategic funding that have not only enriched our artistic landscape but also propelled our vision of a flourishing arts sector in Wales.

Throughout the year, the Arts Council of Wales remained steadfast in its commitment to fostering creativity, diversity, and accessibility in the arts. From supporting groundbreaking exhibitions and performances to nurturing emerging talents, our endeavours have continued to inspire and engage audiences across communities in Wales.

Key events such as the National Eisteddfod, the Welsh Language Music Day, and Celtic Connections, and our ongoing programmes in Arts and Health and Creative Learning have showcased the depth and diversity of Welsh arts and culture on both national and international platforms. These moments of celebration serve as a testament to the vitality and resilience of our creative ecosystem.

Our work internationally has also continued to thrive, serving as a beacon of Welsh creativity on the global stage. From collaborative projects to cultural exchanges such as Wales in France, we have forged meaningful partnerships that transcend borders, showcasing the richness and diversity of Welsh arts to audiences around the world. These experiences not only amplify our collective voice but also foster cross-cultural understanding and appreciation. There are challenges of course, not least in Europe as we handle the implications of the UK's new relationship post-Brexit, but we will continue to navigate this challenging environment and we will continue to advocate for legislative change to allow the voices of Wales to be heard across Europe and the world and for the world to come to Wales. All of this within the principles of sustainability and our responsibilities for climate justice.

In parallel, our Investment Review encapsulates our strategic initiatives aimed at sustaining and strengthening the arts infrastructure in Wales. Through targeted funding programs, capacity-building initiatives, and partnerships with cultural organisations, we have endeavoured to empower artists, enhance access to the arts, and foster innovation and excellence.

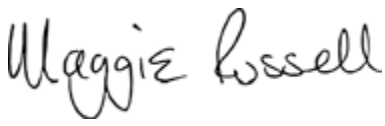
As we look to the future, and navigate the complexities of the current landscape we recognise the real challenge of cuts to our funding going forward, and what that may mean for the sector.

The Council remains dedicated to its mission of championing the arts and cultural heritage of Wales. We recognise the transformative power of the arts in enriching lives, stimulating economies, and building cohesive communities, and we are committed to ensuring that these benefits reach every corner of our nation.

I extend my heartfelt gratitude to all our partners, stakeholders, and supporters who have played a vital role in shaping our achievements this year. Together, we have laid a strong foundation for the future, one that is rooted in creativity, inclusivity, and sustainability.

Thank you for your continued trust and collaboration as we journey forward, guided by our shared passion for the arts and the belief in their enduring impact on society.

Warm regards,



Maggie Russell

Chair

Trustees' Report and Management Commentary

82.0%

of all children in Wales attended an arts event in 2023

Source: Children's Omnibus Survey (2022: not available)

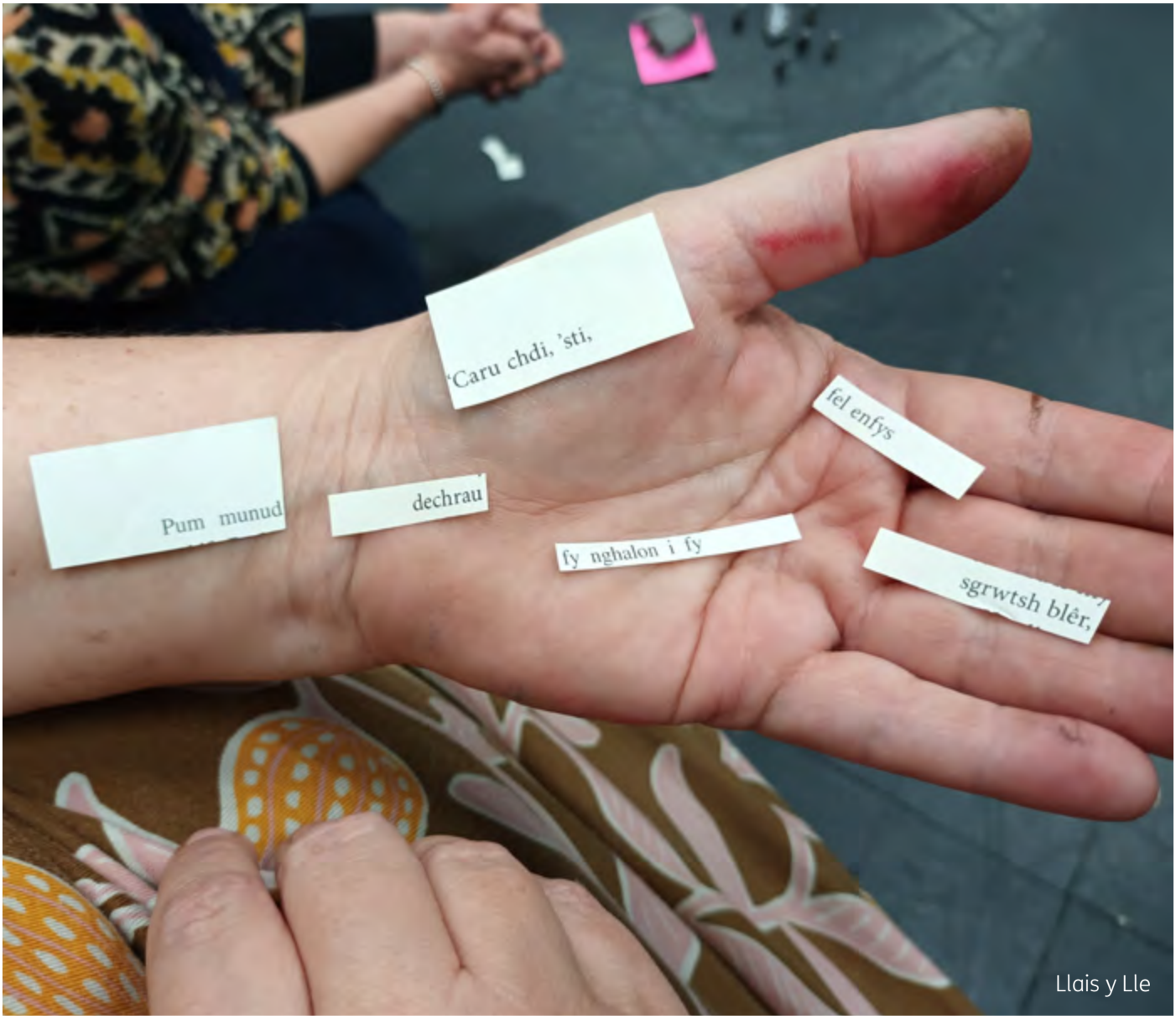
Chief Executive

As I reflect on my 18 months in post, I am filled with both pride and gratitude for the unwavering support and dedication shown by all those involved in the arts community across Wales. My warmest thanks also to the hard work and commitment of our staff at the Arts Council of Wales who have worked tirelessly in what has been an ever changing world as we continue to fund and support the arts ecology of Wales. Our annual report serves not only as a testament to the achievements of the past year but also as a blueprint for our continued commitment to fostering artistic excellence and cultural vibrancy throughout our nation.

Despite the challenges presented by a standstill budget for 2023/24, we have remained steadfast in our support of the arts, recognising its transformative power to enrich lives and communities. Through targeted investments, we have endeavoured to nurture emerging talent, sustain established institutions, and promote inclusivity within our cultural landscape.

Our work in Arts and Health and Creative Learning is world leading and a model of good practice and it's a credit to all involved, both internally and in the sector. So much so that other nations are getting in touch to learn more about our innovative work in health and education. This isn't the first time for Wales to lead and others to follow, as our Hynt scheme, that ensures access to carers and those with specific access requirements, that's been in existence for 10 years, is the template model for a new scheme across the UK called All In.

2023/24 saw us undertake our Investment Review, increasing the number of organisations in which we'll invest on a multiyear basis from 67 to 81. There is an increase in global majority led organisations being supported, more activity in the Welsh language and a more diverse cohort in theatre – but there is more work to be done. We are now proactively identifying where there are gaps in investment, whether it be art form, geography or language, and making strategic interventions. This was a huge undertaking for both the sector and for the staff at the Arts Council of Wales and I'd like to thank all involved for their hard work and professionalism.



Llais y Lle

Alongside the Investment Review we continued to support the development of the arts in Wales with our lottery funding with project grants for both freelance artists and organisations. 90% of the funding we receive is distributed throughout Wales to make a difference, from smaller community projects of quality to projects of high ambition. Creative Steps, our fund that specifically targets artists or creative practitioners who identify as ethnically or culturally diverse, Deaf or disabled has been an undoubted success, as has Llais y Lle the scheme that targets Welsh language community activity and develops freelance practitioners and community groups to use the language creatively.

More venues across Wales are now in receipt of multiyear funding agreements and they play a hugely important role for the communities they serve. The cost-of-living crisis has been challenging for all throughout this period, but venues have been particularly affected with the gradual return of audiences post-Covid being a slow process and their costs increasing. But there are some positive signs on audience return and we will continue to work with venues as they navigate the way ahead.

At the heart of our mission lies a deep-seated belief in the intrinsic value of the arts to Wales and for all the communities of the nation. Beyond their economic impact, which is significant, the arts embody our identity, heritage, and aspirations as a nation. They serve as a catalyst for social cohesion, innovation, and personal expression, transcending barriers and inspiring imagination. We will continue to strive for the right of every community in Wales, regardless of ethnicity, language or social group, to have access to arts of quality that are relevant and affordable, and we will advocate for increased funding for the arts wherever possible to help ensure that we can reach our goals for the people of Wales.

Now more than ever, as we navigate a rapidly changing world, the arts play a pivotal role in shaping our collective narrative and fostering resilience in the face of adversity.

Yn gynnes,

Dafydd Rhys

Chief Executive

Culture Fest 23, Arts Connection

84.1%

of all children in Wales took part in an arts event in 2023

(2022: not available) Source: Children's Omnibus Survey

Our 10-year strategy

Our Vision

The arts are part of the daily lives of the people of Wales, connecting us to each other, integral to our wellbeing, and inspiring us for generations to come.

Jukebox Collective

Our Mission

The role of the Arts Council of Wales is to create an environment where the knowledge, understanding and practice of the arts can flourish and where everybody in Wales can engage with the arts.

We want a Wales of ambition and fairness where the most exciting arts are created; arts that are integral to the health and wellbeing of the nation, relevant to all communities and where opportunities exist for the voices of Wales to inspire and be inspired by the world around us.

NDCWales Young Associates

Our Approach

Our Strategy is a framework – it is not intended to be a single publication that remains, untouched, in its current form throughout its term. The last few years have demonstrated how change, often unpredicted, forms a significant part of our lives and how we must adapt and reprioritise in response.

Our Strategy is intended to do just that, to be flexible and responsive to the changes – planned and unplanned – we will inevitably experience. For this reason we have identified both immediate commitments and those we will seek to build over the longer term, at a time when necessary foundations have been laid and they will provide the greatest contribution.

Our Strategy will be reviewed at regular intervals throughout its term, the impact of progress will be reported and evaluated and key tasks reprioritised to ensure our direction of travel remains truly effective and appropriate to the successful delivery of our goals, and achievement of our mission is evident.

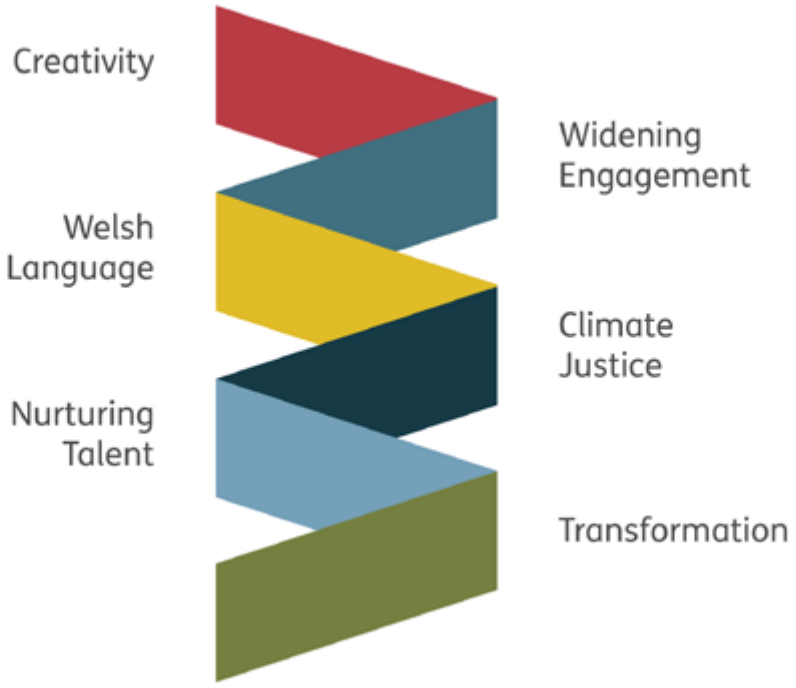
Querin Bach
(Image: Alex Hullah)

Our Principles

Our Strategy sets out Council's priorities for the next ten years, securing and developing Wales' cultural value now, and for future generations.

It's been shaped by the six principles developed during our Investment Review consultation which are also our published Well-being Objectives: **creativity, equality and engagement, Welsh language, climate justice, develop talent, transform**. The Well-being of Future Generations Act underpins the principles which also align with the Welsh Government's Programme for Government.

Although we describe each one separately, all six principles are linked through our work and the activities we support.



Using these six principles we will celebrate, develop, and support the future of the arts in Wales, instilling equity, diversity, inclusion, social justice and sustainability at the heart of our work. They will guide us and help us tell the story of how the arts can make a difference.

Welsh Dragon, Theatr Iolo
(Image: Kirsten McTernan)

Creativity

Art has the power to connect and help us understand each other and the world around us. It challenges our thinking and sparks our imagination. It brings joy and hope to audiences and participants.

Creativity is in everything and everyone we support. We want to see a wide variety of creative forms and practices, developed with audiences and communities in mind, encouraging artistic innovation of the highest quality.

Equality and engagement

Everyone has the right to enjoy and take part in our culture, language, landscape, and art. Arts and culture in Wales should reflect the lives of everyone – they belong to us all.

We will seek to remove the barriers and challenges faced in experiencing the arts. We will ensure that people from diverse communities are fully represented in the workforce, as leaders, decision makers, creators, visitors, participants and audience members.

Welsh language

Our aim is for Welsh language and culture to be at the centre of creativity; it belongs to everyone. It offers creative celebration and inspires connection between communities.

We will encourage and share creative opportunities that contribute to growth in the use and ownership of the Welsh language. We will support the arts sector to place the Welsh language at the centre of creativity by asking what is needed, listening and learning from each other. We will work together to increase the availability of Welsh language services and creative opportunities.

Climate justice

We are committed to championing the important role of the arts in transforming our society and economy to tackle the climate and nature emergencies.

At the heart of our approach is a recognition that climate change is about more than the environmental repercussions – it is about social justice and inequality.

We will support the arts sector to develop creativity that inspires people to take action for climate justice, and work towards an environmentally sustainable and globally responsible arts sector grounded in social justice.

Develop talent

We will create an environment to help artists thrive.

We need to ensure there are pathways that allow people from all backgrounds to develop sustainable creative careers, skills, and leadership.

Working collaboratively, we will ensure that the opportunities available for artists are distributed fairly, provide fair work and improve outcomes for the people of Wales, now and in the future.

Transform

We will seize new opportunities and be agile and confident enough to respond in a positive way to all the changes happening around us.

We will take risks, build resilience and be responsive to change, whilst remaining relevant to the people and communities of Wales. We want to find the best opportunities for the arts, and to learn from what's happened in the past and share what works best.

Jukebox Collective

Our goals

These goals derive from our Royal Charter, the Wellbeing of the Future Generations Act and the long-term vision for the arts. Through them we have identified key tasks that will provide support for the arts sector, now and for the future, capturing the legacy of work and its longer-term impact.

Develop Develop and improve the knowledge, understanding and sustainable practice of the arts.

Connect Work together to improve the opportunity for the people of Wales to experience and enjoy the arts.

Promote Collaborate with partners to promote a Wales of vibrant culture and thriving Welsh Language.

Gwreiddiau,
Think Creatively CIC
(Image: pete takes pictures)

Welsh Government

The priorities of the Welsh Government set the overall context for our work. The Welsh Government's expectations of us are set out in our Remit Letter which spans the five year period of Government 2021-2026. Our shared goals are:

- decarbonisation
- addressing all inequality and achieving an anti-racist Wales
- improving access and participation for all
- promoting health and well-being
- creating opportunities for young people
- projecting a powerful and positive image of Wales to the world

As a Welsh Government Sponsored Body, we operate within a complex network of public policies, strategies and legislation. The most important of these is the Welsh Government's Well-being of Future Generations legislation. Well being and sustainability are fundamental to our work. Our activities address all seven of the well being goals:

- a prosperous Wales
- a resilient Wales
- a healthier Wales
- a more equal Wales
- a Wales of more cohesive communities
- a Wales of vibrant culture and thriving Welsh Language
- a globally responsible Wales

We also adopt, in our planning and in the delivery of our work, the legislation's five ways of working:

- long-term
- prevention
- integration
- collaboration
- involvement

19,876
arts events were run by our portfolio of funded organisations, generating attendances of
3,703,702

84,018
participatory sessions were run by our portfolio of funded organisations, resulting in attendances of
779,761

13,139
participatory sessions were run by our portfolio of funded organisations in Welsh, resulting in attendances of
84,999

13,473
participatory sessions run by our portfolio of funded organisations were targeted at people in the protected characteristics group

2023/24

17,579
arts events were run by our portfolio of funded organisations, generating attendances of
3,538,469

69,704
participatory sessions were run by our portfolio of funded organisations, resulting in attendances of
635,636

11,342
participatory sessions were run by our portfolio of funded organisations in Welsh, resulting in attendances of
76,854

12,735
participatory sessions run by our portfolio of funded organisations were targeted at people in the protected characteristics group

2022/23

Public benefit

At the Arts Council of Wales, our mission is deeply rooted in the belief that the arts have the power to enrich lives, inspire creativity, and strengthen communities. We are committed to ensuring that the arts are accessible, inclusive, and contribute to the well-being and prosperity of all people in Wales.

As stewards of public funds, we recognise our responsibility to deliver tangible and meaningful benefits to the public. We believe that the arts play a fundamental role in enhancing the quality of life for individuals, fostering social cohesion, and driving economic growth.

In setting our objectives, and in the planning of our work, Council members have given serious consideration to the Charity Commission's general guidance on public benefit. Public benefit is at the centre of all aspects of our work. This commitment is strengthened by the Welsh Government's Well-being of Future Generations legislation.

Sparky Samba

Amped Up Academy, NDCWales
(Image: Kirsten McTernan)

As a Welsh Government Sponsored Body (WGSB) we allocate taxpayers' money for the benefit of the Welsh public.

The funding that we distribute has a number of public purposes:

- it helps to make sure that Welsh audiences can enjoy and take part in high quality arts activities
- it enables investment in the commissioning, production and exhibition of the arts, helping to sustain the careers of creative professionals in Wales
- it makes the arts more affordable, bringing them within reach of more people
- it encourages innovation and risk-taking, raising the quality and diversity of the arts made and promoted in Wales
- it furthers the cultural, social and economic priorities in the Programme for Government

Public funding also helps to address 'gaps' in the market by investing in those activities that the commercial sector either won't, or isn't able to, support. In all aspects, our funding is intended to encourage the best of the arts and to enable as many people as possible to enjoy and take part in these activities.

We undertake detailed research each year to assess the extent to which we're achieving these goals. In the pages that follow, we set out the key highlights of our work during 2023/24 and the public benefit that these activities deliver.

2,614 funding applications processed (2022/23: 1,741)

1,313 schools have engaged in the Creative Learning through the Arts programme since 2015

799 schools have participated in Lead Creative Schools Scheme projects since 2015

3,873 creative practitioner engagements with the Creative Learning programme since 2015

1,300 plus visits to high-quality events supported through Go and See since 2015

7,700 teacher engagements with the Creative Learning programme since 2015

234,000 learner engagements with Creative Learning activities since 2015

489 performances supported by the Arts Council's Night Out scheme (2022/23: 402)

8% Arts Council running costs as a proportion of total income (whole Council) (2022/23: 5%)

Green Dragon Level 5 We retained this highest category of environmental performance

845 Collectorplan loans to support the purchase of contemporary art (2022/23: 763)

Creative learning through the arts

Creative learning through the arts: an action plan for Wales was launched in 2015 as an initial five-year programme. The first phase transformed the learning experiences of learners across Wales by placing the arts and creativity at the heart of education. This ground-breaking programme has supported and continues to support schools in developing new approaches to curriculum design, supports teachers in exploring innovative approaches to teaching and supports learners to grow as independent, creative learners, who are more engaged, more confident, and higher achievers.

Now in its third phase, the jointly funded programme will run until 2025. The programme continues to focus on developing creativity and creative approaches to teaching and learning across the curriculum by providing opportunities to enhance the Expressive Arts Area of Learning and Experience.

It is aligned to the delivery of the Programme for Government 2021-2026, providing opportunities for our most vulnerable young people to achieve their potential in learning and, through our curriculum enrichment offer, provides cultural experiences to all young people throughout Wales.

Developing creativity remains the key focus of the programme, using the arts as the creative intervention and bringing the skills and experience of creative practitioners into the learning environment to work in partnership with teachers and learners.

Have a Go, St Cenydd Community School

The current programme includes:

Lead Creative Schools Scheme

A two-step intervention that supports schools to develop their practice whilst exploring the Creative Habits of Mind and the High Functioning learning space in line with the four core purposes of Curriculum for Wales; developing ambitious, capable and confident learners, who are also enterprising, creative contributors prepared with skills for life. The scheme encourages school leaders to embed changes to pedagogy, across their setting, through the design of creative and authentic learning experiences, with the support of Creative Agents and Creative Practitioners.

Cynefin: culturally and ethnically diverse Wales

Schools are given the opportunity to work alongside creative professionals to explore diversity in Wales, past and present. Teachers and learners work collaboratively with creative professionals whose lived experience ensures 'authentic learning opportunities' which connect the curriculum to the real world of the learners and their communities.

Creative Leadership Programme

The aim of the programme is to encourage confidence in new ways of working, innovation, reflection, and resilience whilst also developing the understanding of the role of creativity in the context of the Curriculum for Wales, the four purposes and the professional standards for teaching and leadership.

Creative learning in the early years

Designed to complement the curriculum for funded, non-maintained nursery settings in Wales, this initiative creates inspiring opportunities for artists and early years settings to collaborate through co-constructed projects working with learners aged 3-4 years old. It supports the natural creativity and curiosity of children and inspires early years practitioners with new ideas and approaches to enable creative habits of mind in their practice, across the curriculum, and throughout their setting. This programme is delivered in partnership with Early Years Wales and is part funded by the Paul Hamlyn Foundation.

Go and See

Offers grants of up to £1,000 and can be used to fund visits to high-quality arts events in galleries, theatres, arts centres and other venues. Events could include visits to performances and exhibitions or visits to experience arts professionals developing and creating their work.

Have a Go

Designed to provide learners aged 3–16 with opportunities to have a go at a one-off hands-on activity or workshop to support schools with the delivery of the Expressive Arts Area of Learning and Experience. The fund offers grants of up to £1,500 and applications can be made by state-maintained schools, pupil referral units and/or arts and cultural organisations in Wales.

Since 2015 Creative Learning Wales has:

- engaged with over 1,313 state-maintained schools (90% of schools in Wales)
- involved 799 schools in intensive creative learning enquiries through the Lead Creative Schools Scheme
- supported Cynefin projects in 95 schools
- worked with 72 school leaders to explore creative leadership and share best practice
- supported 37 Early years settings in rounds one and two and aims to reach 70 in total
- provided 234,000 learner engagements in arts and creative learning activities
- enabled 7,701 teacher engagements in professional development and training linked to developing creative skills in the expressive arts
- seen 3,873 engagements with creative practitioners
- supported over 1,300 visits to high-quality arts and cultural events in galleries, theatres, arts centres and other venues through Go and See
- funded 87 opportunities for teachers and learners in our schools to work with artists and arts/cultural/heritage organisations on a range of expressive arts activity through Have a Go

Our performance

A year of strong performance against our corporate objectives

NDCWales, Faye Tan in front of sculpture by Cecile Johnson Soliz

His Dark Materials, World Building in Wales, Glynn Vivian Art Gallery (Image: Rob Melen)

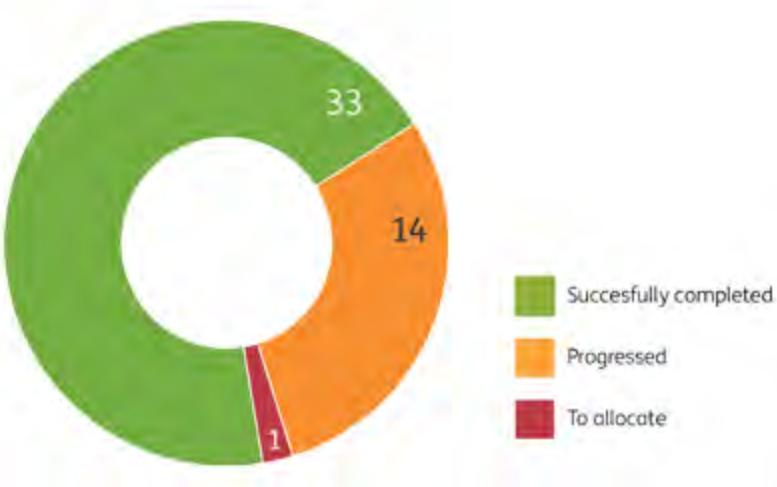
2023/24 was a transitional year following the expiry of our previous Corporate Plan 'For the Benefit of All' at the end of March 2023 and the launch of our new 10-year Strategic Framework. Our Annual Plan 2023/24 presents the key tasks mapped against our 3 goals – Develop, Connect, Promote – and the 6 principles developed during our Investment Review. These are designed to reflect aspects of the sector that need positive change, action and evaluation, and align with the 7 Wellbeing goals of the Future Generations Act.

We identified 12 key programmes of work and highlighted the key priorities and corresponding actions within each. Each programme area was mapped against our 6 published principles and the 6 priorities in the Welsh Government's Programme for Government Remit Letter.

Progress was monitored throughout the year through quarterly progress reports presented to Council and Welsh Government. We also met quarterly with officials of the Welsh Government.

We successfully delivered against 9 of the 12 key programme areas and 69% of our tasks. At the end of the year:

- 33 out of 48 tasks had been successfully completed
- 14 tasks were progressed
- 1 task, to allocate funding from new and existing sources to raise the profile of the sector through continued advocacy and financial support, could not be progressed in the current financial climate and in consideration of the in-year announcement of a 10.5% cut to our Welsh Government funding for 2024/25



The current financial crisis and the rapidly escalating costs of living we are all facing, has continued to dominate this year. We are acutely aware of the significant impact of this on the Sector, particularly as it seeks to manage its own escalating costs whilst seeking ways to increase audience and participant numbers following the impact of the recent pandemic.

2023/24 was a year in which we faced our own challenges. We progressed our key areas of activity against the backdrop of financial pressures which led to a reprofiling of our own expenditure and a programme of voluntary redundancies. A restructure at senior leadership level became effective from April 2024.

Delivering our Investment Review

- This Investment Review introduced the new approach of multiyear funding options for organisations.
- Officers assessed a record number of 139 eligible applications, based on proposals that sought to progress our 6 published principles and 5 balancing factors. Council considered these recommendations and announced its decisions and initial offers to 81 successful organisations – 23 of which were new to this type of funding arrangement – in September 2023. Following the conclusion of the Investment Review Appeal process and confirmation of our budget for 2024/25 by Welsh Government, final offers were confirmed to the organisations in February 2024, and negotiations of new Funding Agreements with each began.
- The Investment Review also identified 14 commitments that would help address existing gaps in provision of creative activities across Wales.

Jin Eui Kim *Simplicity and Complexity*, Llantarnam Grange

Developing our Strategic Framework and supporting plans

National Youth Choir of Wales, National Youth Arts Wales (Image: Evan Dawson)

- A draft Strategic Framework was initially approved at Council in March 2023. Further activity on it was suspended pending Investment Review decisions and development of the initial draft of the Culture Strategy by Welsh Government. The updated draft Strategic Framework is being prepared for approval, following which it will be launched in 2024/25.
- The supporting Annual Plan 2023/24 reflected the format of the Framework and provided a platform for its initial monitoring and reporting.
- Additional, aligning plans focusing on Climate Justice in the Arts, Equalities, International and Welsh language, are under development.
- All our work going forward is underpinned by our 6 principles and 5 balancing factors.

Identifying ways of sustaining creative activity and developing sustainable and inclusive career paths in the arts

- Business development and cost of living strategic support was offered to more than 80 individuals and organisations.
- Following the Investment Review we announced several strategic interventions to help address existing gaps in provision of creative activities across Wales. These will be developed using Lottery funding.
- We continued to explore this area of work with colleagues in Creative Learning and with external partners such as Creative Wales and Careers Wales. Actions arising from the Freelancer and Public Sector group were considered with Creative Wales, the unions, Local Authorities and other partners, as were skills identified as a strategic priority in our Investment Review and in our Memorandum of Understanding with Creative Wales. We are exploring the connection of our Creative Learning work with industry facing opportunities.
- Advocacy for fair pay and continued professional development and training opportunities is a key consideration of our Nurturing Talent principle, support for which had to be evidenced by applicants to the Investment Review. Commitments to this will be included in the new multiyear funding agreements and are also reflected in conditions for our Lottery funded programmes.
- We sponsored two places in the Future Generations Leadership Academy for people who work in the arts. This is a scheme for young leaders aged 18-30, run by the Office of the Future Generations Commissioner. The participants graduated in February 2024.

Developing increased opportunities for children and young people

- We continued to work in partnership with Welsh Government and the education sector to deliver year 2 of the 3 year extension to our flagship Creative Learning programme, collaborating with schools as they prepared, implemented and delivered the Curriculum for Wales.
- We began to look at increased opportunities for children and young people living in areas of high deprivation who face life challenges, and ways to include their voices in our policy development. This included delivering recommendations from the Youth Arts Report 2021/22, liaising with Youth Arts Network Cymru, National Youth Arts Wales and other multiyear funded organisations. We also attended the UK-wide National Lottery Children & Young People Group.
- We contributed to Welsh Government's Child Poverty Strategy for Wales 2023.

Jukebox Collective x Bleak Fabulous, Clementine Schneiderman (Image: Charlotte James)

Progressing our Arts and Health programme and our Memorandum of Understanding and partnership with the NHS Confederation

- We continued to strengthen our world leading reputation by hosting international visits, including a delegation from Flanders in March 2024. The Future Generations Act and policies that led to the NHS, Welsh Government and Arts Council of Wales Partnership generated much interest and learning.
- Our work with Health Boards continued to grow and embed, with Lottery-funded projects such as Space to Grow (partners include Cardiff & Vale and Urban Vertical) bringing the Health Boards closer to their communities and providing participants with vital links between services at key transition points. Programmes not only supported the wellbeing of those on the front line but offered those taking part with first-hand learning and experience of the impact of this work which, in turn, contributed to a culture shift within Health Boards towards embracing the benefits of the Arts and Health programme.
- We secured the transfer of Cultural Cwtsh, our online creative hub commissioning and showcasing creative content from artists for health and care workers, to Public Health Wales as part of its Hapus programme.
- We worked with Welsh Government to secure a joint plan for future delivery of an arts, health and wellbeing programme.
- We continued our close working partnership with the Baring Foundation on a wide range of arts and health related issues, particularly in relation to Arts and Mental Health. We focused on completing the second year of our Arts and Minds programme with the Health Boards. Each Health Board has continued to deliver work in partnership with their chosen Mental Health Service. Much of this work was shared at Wales Arts Health & Wellbeing Network's arts, health and wellbeing conference, Weave, in October 2023. We are having positive conversations with the Baring Foundation and the Health Boards to scope out the parameters for a further 3 years of funding for this work.

Developing an approach to arts and culture that actively promotes equality and widens our engagement with individuals and communities across Wales in deciding what counts as culture, where it happens and who makes and experiences it

- The needs and wishes of audiences and participants were key to our Investment Review decisions. We want our funding to support creativity that seizes new opportunities and takes risks, being resilient and responsive to change, while remaining relevant to the people and communities of Wales. We will support organisations that can demonstrate a commitment to giving marginalised communities in Wales a platform.
- Our lottery programme Llais y Lle placed 9 creative individuals in 9 different communities across Wales to work collaboratively and creatively to increase the use and ownership of the Welsh language. An assessment and report of the finding with be created in June 2024. 17 individuals received funding during the second year of implementation.
- Many of our Arts, Health and Wellbeing projects are benefitting under-represented and marginalised groups, including those recovering from addiction; NHS staff at risk of suicide; young people with disordered eating and high anxiety; new parents with mental health problems; older isolated adults, as well as people living with Parkinson's and dementia.
- In partnership with Amgueddfa Cymru we progressed several actions in our Widening Engagement Action Plan, including delivery of identified areas of training for staff.
- We progressed our Creative Steps and Hynt schemes, including a recent evaluation and impact report for Hynt as it celebrates its 10th year and forms the basis for the development and launch of a UK wide access card scheme, 'All In'.
- We launched Perspective(s), a unique 2-year funding programme for the visual arts and heritage sector in Wales to develop narratives and ways of working that provide a balanced, authentic and decolonised history of Wales and a reflection of Wales today.

Progressing our commitment to promote the use of the Welsh language in the arts

- We developed a draft Welsh Language plan for launch in 2024/25. This was informed by a series of open discussions and individual meetings with organisations and key individuals; by the Welsh Language Consortium's investigative work; the findings of key areas identified by our Welsh Language Enabler, and by previously published reports. An assessment of Llais y Lle's first year of implementation will also inform the plan.
- Synhwyro'r Iaith, our online practical resource to help put the Welsh language at the centre of creativity, is growing and feeding into the Creative Learning programme.
- We worked with Cyfieithwyr Cymru and the Welsh Art Consortium to investigate possible translating identity/creative translation techniques and needs. Cymraeg yn y Canol has fed into the creation of the Welsh Language plan and the ongoing requirements and support for organisations through the Investment Review requirements, including Cynnig Cymraeg and supporting individuals to learn Welsh.

Artist Meets, Llantarnam Grange

Raising the profile of the arts sector in Wales and internationally

- Our Gwrando (Listening) Fund, for artists in Wales to listen to indigenous languages and practice across the world, included an in-person workshop with digital input from international artists such as Taloi Havini, winner of Artes Mundi, capturing artist learning across the programme.
- #pethaubychain, a curated digital campaign for St David's Day, highlighted artists and work from Wales and focused on wellbeing. We also supported Welsh Government overseas offices to celebrate St David's Day by programming in-person and digital artistic content such as Vri in India; Qwerin in Brussels, and events in London.
- We scoped work with the Welsh Government and British Council for Welsh Government Year of Wales in India to inform the arts programme for the year and participation in the India Stakeholder group. Activity for the launch included Vri performances across India, and workshops and readings by Bardd Plant Cymru and Nia Morais, at Kolkata Book Fair.
- Magnetic 2, was the second edition in the UK-France initiative, with Welsh artist Tom Cardew undertaking their residency at Frac Bretagne in Rennes/ Brittany and French artist Maxime Voidy at Aberystwyth Arts Centre. Funding for Magnetic 3 was agreed by all partners and communications plans have been put in place.
- Following the successful research visit to Brittany in October 2023 by members of Visual Arts Group Wales, a reciprocal visit by partners in Brittany was made to Wales in February 2024. This provided an opportunity to meet Welsh artists and curators, to visit a selection of Welsh galleries, and to see the AM10 exhibitions. Discussions are underway to underpin relationships and connections with some initial resource and commitment from Wales/ France UK strategic partners.
- We advised Welsh Government on future funding routes in partnership with the Quebec Government in Canada.
- We prepared for the Cultural Mobility Forum, which will be hosted by On the Move and our Wales Arts International team in Caernarfon in April 2024.
- At Showcase Scotland in January 2024 we presented Lleuwen and Pedair.

Supporting the Welsh Government's Net Carbon 0 ten year action plan

The Bell, Boeke Groen / Soundlands, Migrations and WWT

- We drafted the Climate Justice in the Arts Plan in collaboration with Natural Resource Wales (NRW). This will be launched in 2024/25. We continued to inform Welsh Government's research into the cultural sector and the climate and nature emergencies and worked closely to ensure alignment with our Climate Justice Action Plan.
- Our joint initiative with NRW, the Creative Nature Programme, is in the second year of delivery. Activities for the 2023-25 programme include the second round of the Future Wales Fellowship, focused around the theme 'connection to nature' and in partnership with National Trust, Elan Valley Trust and Peak Cymru. 8 artists (out of 189 applications) were successful and the programme is well underway.
- A nature strand has been added to the Arts, Health and Wellbeing fund. Projects to date include a nature/ environmental partner.
- We are supporting the Arts Engagement Programme element of NRW's flagship nature recovery project, Natur am Byth.

Examining our own ways of working to ensure we develop our own practices and partnerships to maximise efficiencies and safeguard our resources to develop and support the arts in Wales

- We established a Monitoring Task and Finish Group to review and simplify our processes for us and grant applicants.
- We began to apply the balancing factors and supporting data developed for our Investment Review to other areas of our work. This will inform our policy and decision making, providing opportunities for more people to enjoy the arts in new and exciting forms. Our 2023/24 Annual Report will be presented through an online PowerBi dashboard, allowing the information to be interrogated using such things as artform, geography, language, success rates, and individuals/organisations.
- We continued to engage Arts Associates in decision-making for our Lottery funded programmes. Associates were appointed and engaged as part of the Investment Review.
- The redevelopment of Theatr Clwyd, is progressing well. A Deed of Covenant was agreed with building owners Flintshire County Council to release funding for the project.
- We've continued to work with the Arts Councils in the UK and Ireland on specific initiatives, including participation at the Nordic Baltic UK Ireland gathering in Glasgow which focused on the power of international collaboration.
- A new Memoranda of Understanding is in place with Creative Wales and we have a Partnership Agreement in place with Amgueddfa Cymru and the National Library of Wales to progress the development of the National Contemporary Art Gallery for Wales with funding from the Welsh Government.
- We expanded our partnership working with Welsh Language Commissioner and National Centre for Learning Welsh.

Music Futures,
National Youth Arts Wales,
(Image: Evan Dawson)

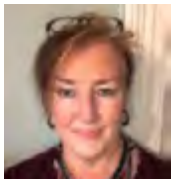
- BBC Cymru has committed to ongoing support for Horizons/Gorwelion for three years, so joint funding will continue in 2024/25.
- We continue to develop new ways to access our information. All published documents are available in Welsh, English, British Sign Language and Easy Read and Large print formats. Videos have been produced for our key announcements including the Investment Review. Our grant application process has been enhanced to accept video and audio applications, increasing accessibility to our grant funding opportunities.
- We have settled into a hybrid working model so examined our own office requirements. We reduced the space at Cardiff from two and a half floors to one which will also result in a significant cost saving over the remaining term of the lease.

Corporate Governance

Our Trustees

Council Members who served since 1 April 2023 were:

Attendance of Trustees at meetings during 2023/24

		Council	Audit & Risk Assurance Committee	Capital Committee	HR & Remuneration Committee	Strategic Equality Committee	Welsh Language Committee	Future Generations Committee
		Number of meetings held						
		10	7	4	4	0	3	4
	Maggie Russell **Chair** from 1 April 2023	10						
	Kate Eden from 1 April 2017 to 30 September 2023 **Vice Chair** to 30 September 2023 Chair of Audit & Risk Assurance Committee to 30 September 2023	6/7	3/3					
	Lhosa Daly from 1 April 2019 Member of Future Generations Committee to 31 July 2023 Chair of Audit & Risk Assurance Committee from 1 January 2024	6	2/2					1/1
	**Ceri Ll Davies** from 1 April 2021 Member of Audit & Risk Assurance Committee (Chair from 1 October to 31 December 2023) Member of Strategic Equality Committee	10	7			N/A		
	Devinda De Silva from 1 April 2019 Chair of Strategic Equality Committee	8				N/A		

Attendance of Trustees at meetings during 2023/24

		Council	Audit & Risk Assurance Committee	Capital Committee	HR & Remuneration Committee	Strategic Equality Committee	Welsh Language Committee	Future Generations Committee
		Number of meetings held						
		10	7	4	4	0	3	4
	Ruth Fabby MBE from 1 April 2021 Member of Strategic Equality Committee	8				N/A		
	Professor Tudur Hallam from 1 April 2019 Chair of Welsh Language Committee	7					3	
	Emily Hutchings from 12 June 2023	6/8						
	Gwennan Mair Jones from 1 April 2019 Member of Welsh Language Committee Chair of Future Generations Committee	8					1	3
	Tafsila Khan from 1 April 2021 to 31 March 2024 Member Capital Committee	7		4				
	Alison Mears Esswood from 1 April 2019 Member of HR & Remuneration Committee	9			3			
	Keith Murrell from 1 April 2021 Member of HR & Remuneration Committee	9			4			

Attendance of Trustees at meetings during 2023/24

		Council	Audit & Risk Assurance Committee	Capital Committee	HR & Remuneration Committee	Strategic Equality Committee	Welsh Language Committee	Future Generations Committee
		Number of meetings held						
		10	7	4	4	0	3	4
	Victoria Provis from 1 April 2019 Chair of Capital Committee	8		4				
	Elen ap Robert from 1 April 2021 Chair of HR & Remuneration Committee Member of Welsh Language Committee	10			4		3	
	Prue Thimbleby from 1 April 2021 Chair of Future Generations Committee	7						4
	Dr Sarah Younan from 1 April 2019 Member of Future Generations Committee	4						3/3

Attendance of independent Committee members at meetings during 2023/24

	Audit & Risk Assurance Committee	Capital Committee	HR & Remuneration Committee	Strategic Equality Committee	Welsh Language Committee	Future Generations Committee
	Number of meetings held					
	7	4	4	0	3	4
Andrew Butler	6					
Elid Morris	5					
Arwel Thomas	7					
Ruth Cayford		2				
Michael Gwyther-Jones		4				
Jayne Woods		4				
Steve Burton			3			
Wendy Rees			4			
Guto Gwilym-Taylor				N/A		
Lara Ratnaraja				N/A		
Shereen Williams (to 27 September 2023)				N/A		

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, other than the remuneration of the Chair, are disclosed in the financial statements under *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. There were two minor personal data breaches during the year. Each was appropriately assessed and none were categorised as reportable to the Information Commissioner.

Our Chief Executive and Accounting Officer

Dafydd Rhys

Our Offices

Mid and West Wales

Yr Egin
Heol y Coleg
Carmarthen
SA31 3EQ

North Wales

Princes Park II
Princes Drive
Colwyn Bay
LL29 8PL

South Wales and national office

Bute Place
Cardiff
CF10 5AL

Auditor – General Activities

Auditor General for Wales
Audit Wales
1 Capital Quarter
Tyndall Street
Cardiff
CF10 4BZ

Auditor – Lottery Distribution

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

Internal auditors

TIAA Ltd
Artillery House
Fort Fareham
Fareham
PO14 1AH

Solicitors

Geldards LLP
Dumfries House
Dumfries Place
Cardiff
CF10 3ZF

Bankers

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

Governance Statement

This Governance Statement is the personal responsibility of me, Dafydd Rhys, 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've discharged my responsibilities for ensuring 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're 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.

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 **Cabinet Secretary for Culture and Social Justice**. Our work is also subject to the scrutiny of Committees of the **Welsh Parliament**. 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're 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're accountable to the UK's Secretary of State for Culture, Media & 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're 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 contract to National Audit Office by Audit Wales. Audit Wales also audits our General Activities account.

Constellations, Theatre Clwyd (Image: Andrew AB)

Dance for Wellbeing, Arts Care Gofal Celf

As a charity we have to ensure we comply with the requirements of the Charities Acts. 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've 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 and management 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 **Information Commissioner**, the **National Audit Office**, and **Audit Wales** are all able to investigate the Council's affairs.

Our Governance arrangements

We're governed by a Board of Trustees – Council – consisting of a Chair and up to seventeen other independent members, one of whom is appointed as Vice Chair. Our Trustees are appointed by Welsh Ministers through an open selection process. Appointments are usually for a three-year term, renewable for a maximum of two additional terms.

Each Trustee brings specific expertise and knowledge to the oversight and development of our activities. At the year-end our Council comprised of the Chair plus fourteen members.

The Chair of Council is a remunerated position, at a rate set annually by the Welsh Government. All other Trustees provide their time and expertise on a voluntary basis. However, they're reimbursed for out-of-pocket expenses incurred on Council business.

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 Arts Associates understand, apply and adhere to these Principles.

To support this, we have a **Code of Best Practice** which helps to ensure 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 is reviewed and updated at least every two years.

In accordance with the Code, each member of Council, of each Committee, and all Arts Associates and staff are required to complete an annual **Declaration of Interest** statement, and to ensure that changes in circumstances are notified promptly. They 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 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 Arts Council are disclosed in the notes to the financial statements under *Related party transactions*.

Light up the Night,
Artis Community

Council, the Audit & Risk Assurance Committee and HR & Remuneration Committee all carried out **a self-assessment review** of their performance during the year. The findings of these evaluations were positive. Areas identified for improvement are captured in action plans. Council's own annual self-assessment review concluded that most of its indicators of effectiveness were being 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 and diversity of arts expertise and skills on the Trustee Board as new members are appointed.

The *Corporate governance in central government departments: code of good practice*, issued by HM Treasury, does not directly apply to the Arts Council of Wales. However, as Accounting Officer, I'm 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.

Whistleblowing

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

Taking informed decisions

Decisions taken by our Council and Committees are informed by advice provided by Arts Council staff. Papers and reports produced by officers are expected to show clearly all relevant information needed to enable informed decisions to be taken. All key papers highlight: financial, HR and the Well-being of Future Generations Act's 5 Ways of Working; risks; and an assurance statement.

Papers are circulated in advance of each Council and Committee meeting; tabled items and verbal reports are only accepted in exceptional circumstances. Council was content during the year with the timeliness and quality of 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. There were no instances of this happening in 2023/24.

Where appropriate and relevant, advice from officers is supplemented 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 polices are finalised.

We provide funding to third parties

One of the Council's most important duties is the distribution of funding to develop and support the arts in Wales. We're a major distributor of funding from the Welsh Government, the National Lottery and other sources.

We've developed robust and accountable systems and procedures to support this key activity. Grant-making and monitoring processes are reviewed annually by our internal auditors. Audit Wales 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're implemented on a timely basis.

Security of data

We hold large amounts of data and treat seriously our obligations under the **Data Protection Act** which incorporates the **UK General Data Protection Regulation (UK GDPR)**. 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. Cyber security and IT penetration tests are conducted annually. We comply with IASME security standards.

The high-level review over IT controls carried out by our external auditors and our programme of internal audit reviews carried out during the year revealed no serious issues. Similarly, the annual security review on behalf of Welsh Government highlighted no matters of serious concern in this area. There were two minor personal data breaches during the year. Each was appropriately assessed and neither was categorised as reportable to the Information Commissioner.

Complaints

Complaints about our work are investigated according to our Complaints Policy. Sometimes our policy requires a complaint to be investigated by an Independent Complaints Reviewer. For reasons of openness and transparency, we publish all final reports from the Reviewer. No complaints were referred to the Independent Reviewer in 2023/24.

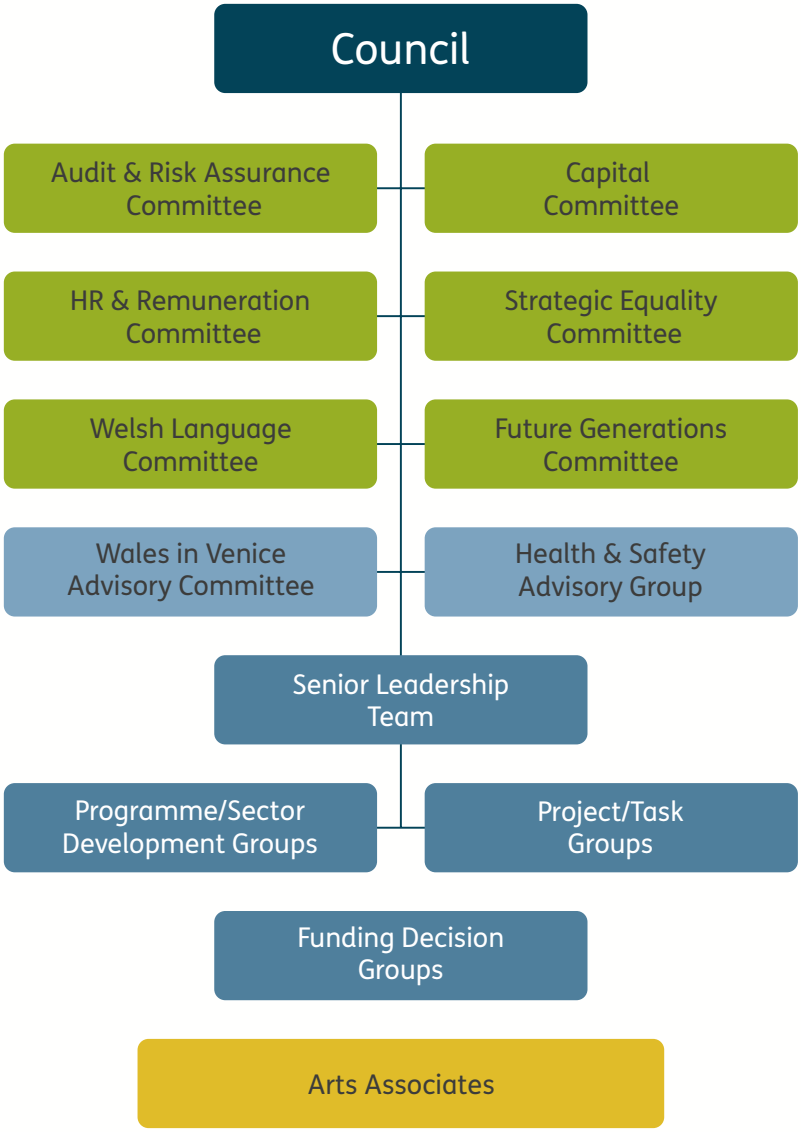
Ministerial directions

As a Welsh Government Sponsored Body we're subject to non-statutory instruments, containing appropriate Directions. No Directions were issued to us during the year by the Welsh Government.

Our Governance Structure

To help support its work, Council has appointed six committees to provide specialist advice.

These are: Audit & Risk Assurance Committee; Capital Committee; HR & Remuneration Committee; Strategic Equality Committee; Welsh Language Committee and Future Generations Committee. There is also an advisory committee for Wales' presence at the international Biennale of Art in Venice and a Health & Safety Advisory Group.



Each Committee includes Council members, one of whom acts as Chair, and has provision for 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 to note. Terms of reference for each committee, which are reviewed annually, can be found on our website.

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.

During the year we continued to draw on the services and experience of our cohort of **Arts Associates**. The Associates support executive staff. Their specialist knowledge and lived experience contribute to policy development, specific programmes of work, the assessment of grant applications, and advice to officers.

Walkie Talkie, Oriel Davies (Image: Toby Hay)

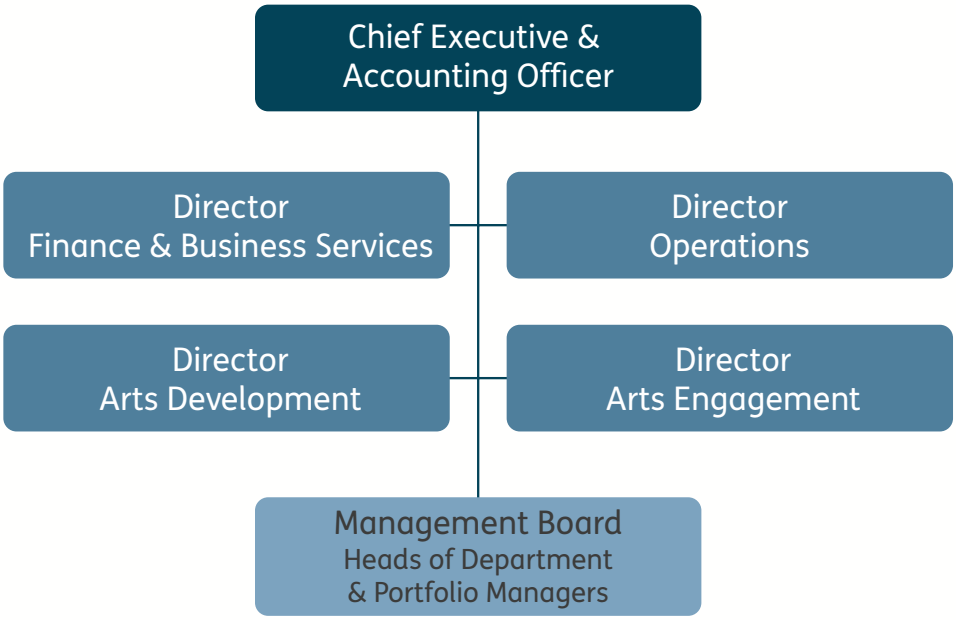
Executive Management

Council has delegated responsibilities for the implementation of its strategy and operational matters to the Chief Executive and Senior Leadership Team. The Chief Executive has been authorised by Council to undertake the day-to-day administration and management of the business and staff of the organisation and is responsible to Council for those matters.

As the Arts Council of Wales' Accounting Officer, the Chief Executive is responsible for its overall efficiency and effectiveness and has responsibility for reviewing the effectiveness of the system of internal control. This review is informed by the internal auditors, the Directors, the Audit & Risk Assurance Committee, and comments from the external auditors in their management letter and other reports.

The First XXXmas,
Wales Millennium Centre,
(Image: Kirsten McTernan)

During the year, the Senior Leadership Team comprised the Chief Executive and four Directors.



The Senior Leadership Team meets formally throughout the year to consider key policy, strategic and operational matters, and provide advice to Council. It also oversees financial performance and risk management. Appropriate management structures have been created throughout the organisation to assist Senior Leadership Team members to oversee their respective departments and areas of responsibility.

The Senior Leadership Team is supported by a Management Board whose membership includes Heads of Department and Portfolio Managers.

There are written terms of reference for Council and its committees, and for the Senior Leadership Team and Management Board.

Council

Council is responsible for the strategic direction and management of our organisation. It is also responsible for ensuring, through the Chief Executive, that we operate within the various accountabilities required of us.

Council members are responsible for key decisions on corporate policy: the formulation of our Strategic and Annual Plans, and any major alterations to the terms and conditions of service for staff.

Council sets the annual budget, decides on the annual allocation of grants to multiyear funded organisations, and approves 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.

Members assist with Council Committees. They may also attend arts events across Wales as representatives of Council.

Side by Side, National Orchestra of Wales and BBC NOW (Image: Evan Dawson)

International Womens Day,
Riverfront Theatre Newport,
(Image: Jo Haycock)

Council activities undertaken during 2023/24 included:

1. as part of its ongoing scrutiny of **Governance**, preparing and monitoring the **Annual Plan** for the year, and the annual review and approval of the Terms of Reference for each of its **Committees**. Council also received and noted the Committees' year-end reports to inform its **Governance Statement** as part of this Annual Report and approved the **Annual Financial Statements 2022/23** and allocations for the **Budget 2023/24**
2. receiving regular updates on our **Corporate Assurance Framework**, **Risk Register**, and the performance of our **Arts Portfolio Wales** organisations
3. approving decisions relating to the **Investment Review**
4. receiving updates and presentations on key programmes of work including **Arts and Health**, **Climate Justice and the Arts** and our work on **Widening Engagement**

Council meetings are held approximately every 6 weeks. Copies of agendas and minutes of our Council meetings can be found on our website.

Council met 10 times during 2023/24 to discharge its responsibilities. Members in total attended on 123 out of a possible 155 occasions.

Our governance response to working arrangements during 2023/24

Throughout 2023/24 we continued to operate a hybrid working model. As part of cost savings measures, we reduced our floor space at the Cardiff Office.

Most of our internal processes are now electronic and we continue to work well remotely. Once again, our internal audit plan was conducted remotely with no significant impact on performance or outcomes.

We use hybrid meetings for our Council and Committees, offering members and attending staff the option to meet in person at the Cardiff office or to join the meeting remotely. Duties of each Committee have remained the same and Council's ability to make decisions has not been compromised by these arrangements.

It is our view that effective governance has not been compromised by these working arrangements.

Space to Grow

Audit & Risk Assurance Committee

Gludafael / Holdfast, Glynn Vivian Art Gallery (Image: Polly Thomas)

"The Audit & Risk Assurance Committee is a crucial element of the Council's governance arrangements. Operating under our Terms of Reference, we scrutinise the adequacy and effectiveness of our systems of internal control and test our risk management arrangements.

Our role is to support the organisation to be as efficient as it can, ensuring that Council's delivery of activity is effective and embraces strategic, governance, financial and operational aspects."

Lhosa Daly
Chair, Audit & Risk Assurance Committee

As stewards of public funds we must operate in an efficient and accountable manner. Our priorities and funding decisions are agreed by Council in accordance with the policies and procedures that apply to our use of public funds. The Audit & Risk Assurance Committee's role is to ensure that we deliver on these commitments, doing so in ways that are transparent, accountable and resilient.

An extensive programme of internal audit assists us in this work, assessing the quality of our delivery against the standards that we have set.

Following the appointment of Maggie Russell as Chair of Council in April 2023, Kate Eden returned to her role as Chair of the Committee until her resignation from Council in September 2023 to take up her new role as Chair of Amgueddfa Cymru. She was replaced as Committee Chair by Council member Ceri Davies from 1 October to 31 December 2023 and then by Council member Lhosa Daly from 1 January 2024.

Audit outcomes

The findings of the Audit Wales annual audits are reported to our Audit & Risk Assurance Committee which considers the findings and monitors them to ensure appropriate action is taken on a timely basis. The annual programme for internal audit activity is approved by the Committee.

TIAA, our internal auditor, gave the following opinion in their annual report:

> "TIAA is satisfied that, for the areas reviewed during the year, Arts Council of Wales has reasonable and effecitve risk management, control and governance processes in place."

Committee activities undertaken during 2023/24 included:

1. regular scrutiny of our **Corporate Assurance Framework** and **Corporate Risk Register** and consideration and re-approval of the Council's risk management arrangements
2. consideration of internal delegation arrangements and the **ICT Annual Assurance Report**
3. oversight of progress of the **Investment Review**, including scrutiny of the project risk register and a special meeting in August to consider the internal audit opinion on the assessment and recommendation-making process undertaken by Officers, ahead of Council's funding decisions in September
4. scrutinising the organisational and financial health of Council's **Arts Portfolio Wales** organisations through enhanced reporting arrangements to assess the scale of impact of the cost-of-living crisis. The Committee also considered the revised monitoring arrangements prepared for the organisations who would be receiving new **multiyear finding agreements** following the Investment Review
5. reporting to Council on the outcome of **internal audit reviews** undertaken by our appointed internal audit service providers, **TIAA**, and monitoring progress in the implementation of the auditor's recommendations for action
6. understanding key aspects of Council's operations, such as the Memorandum of Understanding with Creative Wales and **Partnership Agreement** for delivery of the National Contemporary Art Gallery for Wales
7. reviewing our **Annual Report and Financial Statements** and recommending their approval to Council
8. reviewing the Committee's own **Terms of Reference**, ahead of its annual approval by Council, considering feedback from the Committee Chair after attendance at the Audit & Risk Assurance Committee Chairs and Heads of Resources event hosted by Audit Wales

The Committee met 7 times during 2023/24 to discharge its responsibilities. Members in total attended on 30 out of a possible 33 occasions.

Capital Committee

YMa opening with Tenovus Choir

"During the past year, the Capital Committee has supported a range of organisations to progress or complete a number of exciting projects. Uncertainty over the levels of future Welsh Government capital funding and revenue from the National Lottery under its new operator, Allwyn, has delayed finalisation of our Capital Strategy for 2024-34 and commitment to the funding of new projects. However, we were able to provide additional funding for ongoing projects facing rising costs through the Welsh Government's Capital Support Programme. This provides £2.6 million over two years and is helping several important projects to successful completion."

Victoria Provis
Chair, Capital Committee

For almost three decades Council has been investing funds from the National Lottery into capital projects. Across Wales we're helping organisations to enhance and extend their activities by funding the creation of exemplary buildings, transforming the places in Wales where people enjoy and take part in the arts. We've also worked with Welsh Government during that period to fund strategic capital projects and programmes.

We continue to oversee several projects that have been in development for a number of years as well as considering new applications for targeted investment to improve access, sustainable energy initiatives and minor adaptations.

The Committee scrutinises ongoing projects and accepts applications for those earlier entries into the programme that are progressing to later stages of the Royal Institute of British Architects (RIBA) Plan of Work. These later-stage projects require more intense monitoring and assessment despite being fewer in number. For some organisations this can include a significant amount of support and advice from Arts Council of Wales' staff, particularly for smaller organisations undertaking their first capital project.

Nyth, Official Opening
(Image: Kristina Banholzer)

Sabotage, No Fit State
(Image: Mary Wycherley)

Projects currently on site include: Theatr Clwyd, Oriel Myrddin, Canolfan Ucheldre, and Pontardawe Arts Centre. Major capital projects completed in the last year and now open to the public include Pontypridd YMCA and Cwmni'r Fran Wen.

We have two major projects that are currently in development: Theatr Bara Caws, near Caernarfon, and Impelo at Llandrindod Wells.

This year, the Committee has been able to distribute significant Welsh Government funding towards inflationary costs for existing projects, including Pontypridd YMCA, Canolfan Ucheldre and Pontardawe Arts Centre. In addition, the Welsh Government funding supported some discrete projects: Maesteg Town Hall; The Met, Abertillery; The Riverfront, Newport; and Theatr Brycheiniog, Brecon. The impact of all these projects was to reduce the organisations' carbon footprint and increase energy efficiencies.

Small Lottery capital grants were awarded to a range of organisations to make adaptations to their buildings. These included: Awen Cultural Trust, Bridgend; NoFit State Circus; Elysium Gallery, Swansea; and Small World Theatre.

Committee activities undertaken during 2023/24 included:

1. providing support and assistance to the largest capital investment in the arts in Wales, the ambitious refurbishment of **Theatr Clwyd** in Mold. The Committee is monitoring our own National Lottery support and Welsh Government support for the project, which totals £28.5m. During the year we have seen excellent progress with the works now well underway
2. ensuring all capital projects in which Council invests meet **Building Research Establishment Environmental Assessment Method (BREEAM)** sustainability standards
3. monitoring the capital elements of the **National Contemporary Art Gallery for Wales** programme. Capital funding was awarded to the following galleries to bring the buildings up to the required standard to host the collections from Amgueddfa Cymru and the National Library Wales:
    - Aberystwyth Arts Centre
    - Glynn Vivian Art Gallery
    - Mostyn
    - Newport Museum and Art Gallery
    - Oriel Davies Gallery
    - Oriel Plas Glyn y Weddw
    - Ruthin Craft Centre
    - Storiel

The Committee met 4 times during 2023/24 to discharge its responsibilities. This included on site visits to projects: Pontypridd YMCA, Pontypridd; and The Met, Abertillery. Members in total attended on 18 out of a possible 20 occasions.

HR & Remuneration Committee

Waltz by Marcos Morau, NDCWales
(Image: Kirsten McTernan)

"The significant cut in future funding has put pressure on our resources. The Committee is focused on ensuring there is support for all staff through this difficult time."

Elen ap Robert
Chair, HR & Remuneration Committee

The HR & Remuneration Committee supports Council in discharging its responsibilities for the oversight of HR activities.

This includes:

- setting and monitoring the Chief Executive's annual performance targets
- recommending to Council the annual remuneration of the Chief Executive
- overall recruitment, retention and management of staff
- monitoring pay and conditions of service
- monitoring the wellbeing of the people who work for us
- supporting the governance needs of the organisation
- ensuring HR activity contributes effectively to the delivery of the Council's strategic goals and business needs

Specific Committee activities undertaken during 2023/24 included:

1. publication of a **Pay Policy Statement**. This includes a detailed breakdown of the make up of our staff. It also addresses **Gender Equality** and **Equal Pay** reporting.
2. advising on the **Pay Remit** situation
3. setting levels of **remuneration** and monitoring the performance of the **Chief Executive**
4. reviewing **HR management information** and relevant internal audit reports to monitor the performance, health and wellbeing of staff
5. promoting staff **learning and development** to deliver corporate objectives through health and safety and general compliance courses
6. arranging and facilitating **workshops** with staff to promote respect in the workplace
7. advising on management of the **voluntary redundancy** process

The Committee met 3 times during 2023/24 to discharge its responsibilities. Members in total attended on 18 out of a possible 20 occasions.

Health & Safety

"The Health and Safety Group ensures robust processes are in place to keep our workforce safe."

Rebecca Nelson
Chair, Health and Safety Advisory Group

Group activities undertaken during 2023/24 included:

1. reviewing arrangements at our offices, including consolidating to one floor in the **Cardiff Office**
2. ongoing development of our **Lone Worker policy** and the Hybrid Working Policy
3. managing **incident reporting** and monitoring
4. reviewing and updating our **Health and Safety Policy Statement**
5. reviewing and updating documents and instructions such as the **Health & Safety Management System** and **Fire Instructions**

The Group met twice during 2023/24 to discharge its responsibilities.

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. In signing off these accounts, I have gained assurance in the following ways:

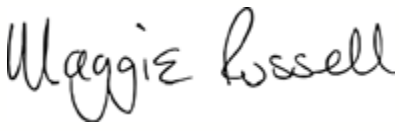
- regular meetings of the Senior Leadership Team where relevant matters are reviewed and discussed;
- a meeting with the Finance and Business Services Director to go through the financial controls;
- attending Audit & Risk Committee meetings where internal audit reports are reviewed and other internal control matters are scrutinised.

Dafydd Rhys

Accounting Officer

18 October 2024

Endorsed on behalf of Council:



Maggie Russell

Chair

18 October 2024

Equalities

Deaf Gathering Cymru 2024,
Chapter Arts Centre
(Image: Grace Springer)

"Our Equalities work has progressed this year with Committee continuing to receive update reports. As Chair, and on behalf of the Committee, I have continued to monitor, question and challenge our progress and our plans. In this final year of our current Plan, I remain confident about our path towards change."

Devinda De Silva
Chair, Strategic Equality Committee

In 2023/24 the primary focus of our work in the arts has been our Investment Review and ensuring that all organisations awarded multiyear funding demonstrated a clear and realistic commitment to advancing our equalities and widening engagement agenda. Increasing the number of organisations led by disabled artists and artists from culturally and ethnically diverse backgrounds was also a key priority, and our resulting portfolio including several such organisations.

We continued to see progress with our equalities strategy and through our Widening Engagement action plan that will improve and increase opportunities for artists, arts organisations and communities to engage with the arts more often and in ways that are important and relevant to them and their lives.

In partnership with Amgueddfa Cymru, we have continued to meet with the Widening Engagement Task Force tasked with monitoring and overseeing the delivery of the joint Action Plan. The Task Force received and reviewed progress reports, continued to support our work on developing an appropriate evaluation framework, and initiated a discussion around communication and engagement with communities.

Lunar New Year, Riverfront Theatre Newport, (Image: Kamila Jarczak)

Lleisiau Llawen,
Galeri Caernarfon
(Image: Dion Jones)

Our revised Creative Steps programme has seen significant progress throughout the year with 63 individual artists and 8 organisations receiving funding through the scheme. The scheme, which includes an increased flexibility of approach together with mentoring and enhanced support for organisations and individuals, is seen to be clearly achieving its aims of reducing barriers and so encouraging new artists with protected characteristics to apply to us for support. Supporting their personal and business development through Creative Steps has resulted in many of these artists subsequently receiving funds to create work through our other Lottery funding schemes.

The commissioned work looking at creating best practice accessibility standards was completed. Further work will now be progressed through conversations with venues and disabled users.

There has been further progress working with the UK Arts Councils on the development of a UK-wide access card scheme, building on the success of the Hynt scheme in Wales. We published an evaluation of the Hynt scheme which received UK-wide applause and recognition. The evaluation is playing a key role now in informing the development of the wider scheme, All In.

Our Agent for Change drove forward our work, questioning and challenging our approach, our strategy development, and our decision making. This included our Investment Review work, the development and implementation of Creative Steps, our approach to recruitment and staff development and a focus on improving opportunities within the music industry for people from ethnically and culturally diverse backgrounds, through our partnership with Focus Wales.

In partnership with Amgueddfa Cymru we continued delivery of the Perspective(s) programme, which seeks to bring about a step change in how the visual arts and heritage sector reflects the cultural and ethnic diversity of our society. This unique programme has brought together 7 galleries with 7 national museums and 7 creative practitioners to co-create/commission exhibitions and performances.

This was the final year of our current Strategic Equality Action Plan so, towards the end of the year, focus turned towards identifying the key objectives for the next four years.

Future Creatives, Jukebox Collective (Image: Joe Andrews)

Welsh language

Portal, Llantarnam Grange
(Image: Sion Marshall-Waters)

"Everyone should have the same chance to access, take part, enjoy, and create art through the medium of Welsh. During the last year we have seen Cymru and Cymraeg increasingly celebrated on a global stage, with the arts and culture playing an important role in how the world sees us, and how we see ourselves.

Part of the Council's work is to create opportunities for artists from all backgrounds to be creative through the medium of Welsh and to give people from all over Wales and the world the opportunity to enjoy the creativity of the Welsh language."

Tudur Hallam
Chair, Welsh Language Committee

Our purpose, as outlined in our 1994 Royal Charter, is to develop the arts and make them more accessible to the public, working with others to achieve that purpose and operating through the Welsh and English languages. As a bilingual organisation, therefore, our commitment to the Welsh language is integral to our work and during the last year this commitment has been demonstrated on many levels. Our current work and future strategy are closely linked with the seven goals of the Well-being of Future Generations Act, particularly "A Wales of vibrant culture and thriving Welsh language".

In its strategy, Cymraeg 2050, the Welsh Government notes its long term target is to achieve one million Welsh Language speakers by 2050. We believe that in working through the arts, we can support Welsh Government to deliver on its strategic themes within this, particularly around:

- an increase in the number of Welsh speakers
- an increase in the use of Welsh
- creating favourable conditions within the arts sector for the language to thrive

The Welsh language is one of the six principles of the Council's Strategic Framework. Our aim is for the Welsh language and culture to be at the centre of creativity; for it to belong to everyone, a reason for creative celebration and an empowering connection between communities.

Merlod Gwyllt, Llais y Lle

Every organisation applying to our Investment Review for multiyear funding needed to demonstrate their commitment to the Welsh language as part of their longer-term mission, vision and aims.

A new Welsh language plan was developed in consultation with the Committee and members of Consortiwm Cymraeg. The strategic objectives identified are: encourage, create, and share creative opportunities that will contribute to growth in the use and ownership of the Welsh Language. We will support the arts sector to place the Welsh language at the centre of creativity by asking what is needed, listening to and learning from each other. We will work together to increase the availability of Welsh language products and services for all.

Activities undertaken by the Committee during 2023/24 included:

1. monitoring **progress against Council's Welsh Language** priorities, identifying for Council where more progress is required
2. ensuring successful implementation and maintenance of the **Welsh Language Standards** and acting when Standards are not met
3. supporting and encouraging the innovative work developed by our Welsh Language Enabler, including launching the second year of **Llais y Lle**, launching a new toolkit for arts practitioners called **Synhwyro'r Iaith** and developing **creative translation** methodologies for the sector
4. providing relevant advice in relation to the Investment Review
5. further developing the partnership with the **National Centre for Learning Welsh** to improve or refine the language skills of staff and creative freelancers within the arts sector
6. progressing implementation of recommendations outlined in the **Welsh Language Mapping Report**, including responding to commissioned research to identify the needs and opportunities for Welsh language development pathways within the arts for creative workers and implementing developments with the **Welsh Arts Consortium**

The Committee met 3 times during 2023/24 to discharge its responsibilities. Members in total attended on 7 out of a possible 9 occasions.

Future generations

FRANK by The Jones Collective & Plastique Fantastique
(Image: Plastique Fantastique)

"We've continued to ensure the Council actively supports the Well-being of Future Generations Act and for the principles and ethos of the Act to be integral in all the work we do. As well as all seven well-being goals, we are committed to working according to the principles outlined in the five ways of working: long-term; integration; involvement; collaboration; prevention.

Crucially, the Act provides us with a clear direction to work with partners across all sectors and to recognise the important contribution the arts make in tackling economic, social and environmental issues.

During 2023/24, the Well-being of Future Generations Act underpinned the six principles which guided our Investment Review. The principle of long-term thinking has been central to the creation of our new multiyear funding model. This work has also provided the basis for the creation of Council's new 10-year Strategic Framework.

The Creative Nature Memorandum of Understanding between the Council and Natural Resources Wales builds on this commitment to develop cross-sector approaches and forms the foundation of our commitment to take a justice-centred approach to tackling the climate and nature emergencies through the arts."

Prue Thimbleby
Chair, Future Generations Committee

The Well-being of Future Generation (Wales) Act 2015 (WFGA) is landmark legislation that aims to improve the economic, social, environmental, and cultural well-being of Wales. The Arts Council of Wales is one of the public bodies named in the Act that must comply with the legislation.

This year we've contributed to the delivery of our **Investment Review** which has culminated in the selection of 81 organisations who will receive multiyear funding. We've also monitored the development of the **Strategic Framework**, which sets out the six principles which will guide Council's work for the next 10 years, and **Wales Arts International's Impact Framework** which measures the impact of our international work against the 7 Well-being Goals.

In addition, we have contributed to the development of the **Plan for Climate Justice and the Arts**, which is framed by the WFGA. The Plan champions the important role of the arts in transforming our society and economy to tackle the climate and nature emergencies. At the heart of our approach is a recognition that climate change is about more than the environmental repercussions – it is about social justice and inequality. The plan outlines how we will support the arts sector to develop creativity that inspires people to act for climate justice, and work towards an environmentally sustainable and globally responsible arts sector grounded in social justice.

The Plan has been developed as part of our partnership with Natural Resources Wales and the Centre for Alternative Technology's Zero Carbon Britain Innovation Lab, using elements of co-design with the arts sector.

Biodiversity Carnival, Catrin Doyle and Lucie Powell, NATURponty (Image: Lucy Purrington)

Arts & Minds

As well as Climate Justice, our work in **Arts & Health**, the **Welsh Language**, **Creative Learning**, and **Children and Young People** is integral to our commitment to the WFGA. Through our partnership with the **Welsh NHS Confederation**, we continue to make significant progress in Arts and Health, and our work with **Health Boards** continues to grow and embed both internally within the Health Boards and reaching out into their communities.

We have continued to deliver our **Arts, Health and Wellbeing Lottery programme**, including a new nature strand which interlinks with our Creative Nature Partnership with Natural Resources Wales, have completed the first 3 year phase of our **Arts & Minds** programme, and have partnered with Public Health Wales to transfer to them the assets of the **Cultural Cwtsh**, as part of their **Hapus** online resources.

Activities undertaken by the Future Generations Committee during 2023/24 included:

1. continuing to embed the Future Generations **Five Ways of Working** in our policies, strategies and in the delivery of our work
2. contributing to the delivery of the **Investment Review** and to the development of the **Plan for Climate Justice and the Arts**
3. developing plans to give young people a greater voice within the Arts Council, including exploring the possibility of developing a group of **Young Associates**
4. sponsoring 2 places for artists on the **Future Generations Leadership Academy**
5. monitoring staff training and awareness of the WFGA, including offering training opportunities led by the WFG Office
6. learning from the work of other organisations, such as attending the **Nordic, Baltic UK-Ireland Arts Councils meeting** in Glasgow to discuss themes on arts and health, current conditions of artists and creative practitioners, climate crisis and international working, artists rights, freedoms and safety, and arts and technology such as AI
7. ensuring retention of our **Green Dragon Level 5 Accreditation** for environmental sustainability and reviewing ACW carbon emissions data
8. sharing the Council's experiences of embedding the WGFA at meetings, networks and events including **Sustainable Development Coordinators Cymru + (SDCC+)**, the **Future of Culture in Wales** and a panel arranged by the Future Generations Commissioner at the **National Eisteddfod**

The Committee met 4 times during 2023/24 to discharge its responsibilities. Members in total attended on 11 out of a possible 12 occasions.

Environmental performance

We promote the minimisation of waste amongst our staff by encouraging reduction, reuse and recycling and waste separation, reducing the amount sent to landfill.

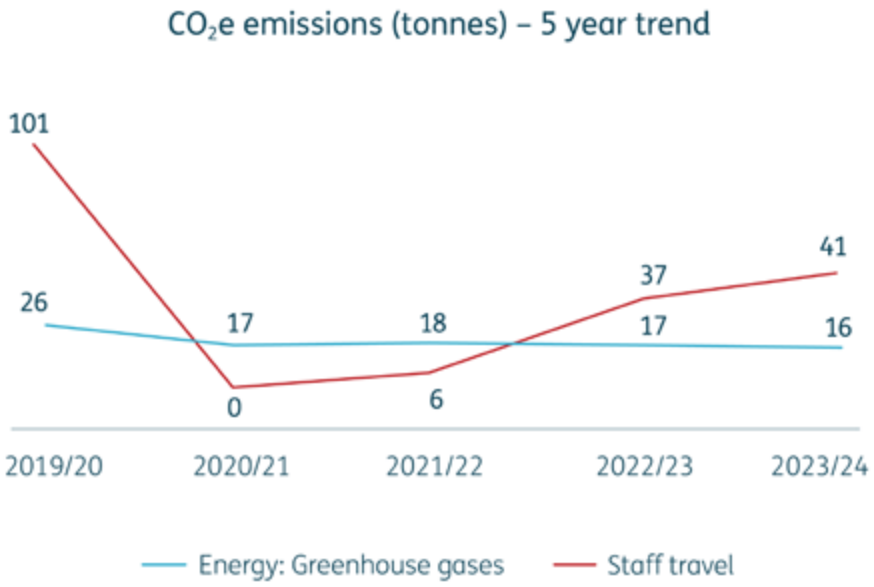
WASTE Non-financial (tonnes)	2023/24	2022/24
Landfill[1]	0	0
Reused/recycled[1]	0	0

[1] The Council recorded less than one tonne

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.

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 (CO_2e) emissions so that staff can manage their consumption of resources.



ENERGY[1]	2023/24	2022/23
Greenhouse gas emissions (CO_2e tonnes)		
Gross emissions, scope 2&3 (indirect)	16	17
Energy consumption (kWh)		
Electricity (renewable)	60,439	72,854
Gas	10,461	8,285
Financial indicators (£)		
Expenditure – energy	18,022	15,482
Water supply costs (office estate) – currently unable to assess, included in service charge	N/A	N/A

[1] Offices only. The impact of home working is not captured.

Our Cardiff and Colwyn Bay offices are leased on a shared occupancy basis, with certain costs included within our service charges. These arrangements restrict our ability to accurately assess our total environmental impact from energy usage. Our major use of electricity is in our Cardiff office where the landlord has confirmed that 100% of the supply is from verifiable Natural Renewable sources (wind, water and hydro).

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. We balance this against the delivery of our strategic priorities to develop the arts in Wales, and to promote Welsh arts and artists internationally. This presents a significant practical challenge. There are inevitable fluctuations in the level of CO2e emissions attributable to travel when we are actively involved in international projects.

STAFF TRAVEL	2023/24	2022/23
Travel emissions (CO_2e tonnes)		
Rail	3	3
Air[1]	23	24
Car/vans	15	10
Travel cost (£)		
Rail	17,909	15,372
Air	18,703	19,317
Car/vans	24,510	16,943
Travel (miles)		
Rail	51,705	45,407
Air	75,724	97,664
Car/vans	53,821	36,083

[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 NOx (nitrous oxides) and water vapour when emitted at high altitude.

Garden of the Unwanted Monument,
Utopias Bach (Image: Lindsey Colbourne)

Principal risks and uncertainties

Managing our affairs effectively

As stewards of public funds we must operate in an efficient and accountable manner. Our priorities and funding decisions are agreed by Council in accordance with the policies and procedures that apply to our use of public funds. The Audit & Risk Assurance Committee's (ARAC's) role is to ensure that we deliver on these commitments, doing so in ways that are transparent, accountable and that represent value for money. An extensive programme of internal audit assists us in this work

Protecting the public's money

An important part of ARAC's work is reviewing our defences against **Fraud** and **Cyber-crime**. Attempts to illegally gain access to our funds and ICT systems occur regularly. Council takes these issues very seriously and ARAC looks carefully at our policies and processes to ensure they are robust and secure. There were no successful attacks during the year.

BBC NOW
(Image: Yusef Bastawy)

Ballet Cymru Boys
(Image: Sian Trenberth Photography)

Taking risks: a balanced approach

Unauthorised access to our systems is just one of a range of potential risks that could compromise our performance and reputation. We expect the organisations that we fund to be well managed and to represent good value for money. Our ongoing monitoring assesses the extent to which this is the case. But we are not so risk averse that we ignore important opportunities for innovation and growth. We aim to take appropriate but informed risks, as circumstances dictate. However, we do not behave recklessly; neither would we wilfully squander public money nor endanger our reputation for prudent and effective delivery.

Our systems of internal control identify and prioritise the risks that could prevent us achieving Council's policies, aims and objectives. They evaluate the likelihood of the risks being realised, consider the impact should they occur, and seek to manage them efficiently, effectively and economically. We continually seek to improve our internal control systems.

ARAC reviews the robustness and suitability of this aspect of Council's work. The **Corporate Assurance Framework** (CAF) and separate **Corporate Risk Register** were scrutinised at regular intervals throughout the year. This provided members with greater clarity on the levels of assurance in operation across all of the Council's activities and the corresponding risks identified. ARAC reviewed the Horizon Scanning section of the CAF at each of its meetings.

Financial risk and capital management

The Council holds financial instruments mainly 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.

Risks are managed as follows:

- **Fraud risk** – the Arts Council, in common with most other organisations, is exposed to fraud risk on an increasing and ever more sophisticated scale. Systems are in place to detect duplication of applications and payment details. We take part in the National Fraud Initiative data matching exercise. Fraud awareness training is undertaken annually by staff.
- **Liquidity risk** – the Council is satisfied that it has sufficient liquid resources, in the form of cash at bank and agreed funding for 2023/24, to meet all current contracted commitments. The Council does not consider that its activities are exposed to any significant liquidity risk.
- **Interest rate risk** – cash and cash equivalent balances are held in instant access variable rate bank accounts which on average carried an interest rate of 3.18% (2022/23: 0.88%) in the year.

  The Council does not consider that its activities are exposed to significant interest rate risks.
- **Foreign currency risk** – the Council is not currently exposed, to any significant degree, to foreign exchange risks.
- **Cash flow risk** – the Council is not exposed to any significant cash flow risks.
- **Credit risk** – the Council is not exposed to any significant credit risk as most debtors relate to Welsh Government income.

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

Principal risks	Key mitigating actions
Governance Council fails to ensure meetings of Council and Committees are accessible through its papers and the way participants attend (e.g. in person or remotely), resulting in disparity in information shared with Members and contributions Members can make at meetings.	Council papers and appropriate Committee papers formatted to plain text versions and compatible with screen readers. Additional work underway to review and revise current templates to plain text compatible versions. Additional awareness and training in producing accessible documents rolled out for staff. Meeting arrangements ensure equity for attendees, both in person and online, regarding accessibility.
Planning, strategy and delivery New Corporate Plan/ Strategy not in place at time when we are negotiating new funding agreements with organisations receiving multiyear funding offers post-Investment Review assessment and decisions, resulting in risk of lack of information/direction for applicants to agree their proposals.	Investment Review consultation feedback and final published guidance reflect our longer-term strategies and key messages in our new Strategic Plan which has been developed alongside Investment Review activity. The Strategy page on our website has been updated with key information on our 6 principles, to align with information published in the Investment Review Guidance. Draft Strategic Plan will undergo further development leading to final approval by Council in May 2024, together with the Annual Plan 2024-25.
Financial and resource management The cost of living crisis, and its impact over the longer term, has a significant, detrimental effect on the sector and on our own available resources, including staffing.	In response to the Welsh Government's announcement of a 10.5% reduction in our grant-in-aid for 2024-25 we reprofiled our expenditure, undertook a programme of voluntary redundancies, and restructured the Senior Leadership Team. We limited to 2.5% the cut to multiyear funding offers to organisations successful in the Investment Review. We continue to advocate to Government the case for the arts and ensure efficient and strict budgeting. We will monitor the situation closely.

Principal risks	Key mitigating actions
Funding Change in Lottery licence holder may impact negatively on lottery income levels and/or disruption in business services including receipt of lottery income.	New Lottery licence holder, Allwyn, has indicated there will be no reduction in the funds available to good causes. We will monitor the situation closely.
Grants management Investment Review does not complete successfully and fails to deliver target outcomes. Currently funded capital projects fail to secure additional funds to cover escalating costs so fail to complete.	We delivered the Investment Review. Final decisions were advised in February 2024 and multiyear funding agreement negotiations with successful organisations are underway. One major capital project has secured additional investment. We undertook a survey of our capital projects to assess impact.
IT Unforeseen or unexpected outages compromise business continuity. There is a breach in our IT security.	A full Disaster Recovery Plan is in place and tested annually. If an incident arises, alternative offsite IT facilities are available. Staff are equipped to work remotely and do so with no significant IT issues. Cyber security and IT penetration tests are conducted annually. We comply with IASME security standards. We have robust reporting and investigation arrangements in the event of a security or data breach.
Personal Data Personal data is lost, compromised or stolen.	The Council has controls and policies in place to ensure data security and integrity. Encrypted IT systems ensure the physical security of data is tightly controlled. Staff undertake regular training and awareness sessions.
Staffing Recurrent pressure to cut costs reduces staff capacity to an unacceptable level.	Delivering an expanding programme of activity with fewer staff is a continuing concern for Council. Work is underway to deliver projects that support new ways of working. Progress against plans is carefully monitored and reviewed on a quarterly basis, and every effort is made to implement efficient business practices. Voluntary redundancies and restructuring were managed on a phased basis to ensure sufficient resources were available to complete key areas of work.

Principal risks	Key mitigating actions
Risk management Our current polices and controls fail to protect us from potentially fraudulent activity.	Council's suite of risk management policies is reviewed regularly. We share good practice with other Welsh Government Sponsored Bodies. Robust assessment and monitoring procedures are in place across all areas of activity to ensure grant monies are used for the specified purpose.
Environment Our published strategy to develop and promote the arts in Wales and internationally has a detrimental impact on the Council's environmental targets. The current environmental crisis has a longer term impact for future generation.	Projects and activity we fund, in response to grant applications and through procurement, must demonstrate an understanding or development of environmental considerations. We hold Green Dragon level 5 accreditation and adopt Future Generations resilience considerations across our offices, including Fair trade, printing/ consumables, energy usage and recycling. Our Travel and Subsistence Policy is based on HM Revenue & Customs and other government practices and rates. Hybrid working arrangements are in place. We use virtual meetings, where appropriate, to save on travel and time. Staff guidance is in place regarding attending external meetings and events. A Portfolio Manager leads our Well-being of Future Generations considerations, including climate justice. We are developing our own climate justice action plan. Climate Justice is one of the 6 key principles of our Investment Review and new Strategy. Our Future Generations Committee maintains oversight of this area.
Equalities We make little or no progress regarding our equalities agenda.	Led by our Agent for Change, we continue to drive forward our agenda through the joint action plan with other Welsh public bodies and our own Strategic Equality Plan and the joint Widening Engagement Action Plan with Amgueddfa Cymru. Equalities and Widening Engagement is one of the 6 key principles underpinning our Investment Review and new Strategy. We continue with our support for the Hynt scheme to promote a consistent offer for disabled visitors and their personal assistants/carers at venues throughout Wales. We continue to deliver the Creative Steps programme, providing targeted support for underrepresented individuals and organisations led by and/ or working with underrepresented communities to promote business, organisational and career development.

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 grant in aid and 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.

Recurrent, or annual revenue, grants are made to a portfolio of organisations to deliver high quality artistic services – our **Arts Portfolio Wales**. Consideration of revenue status for any organisation is dependent on the availability of funding, the sustainability of the organisation, and demonstration of strong fit with the Council's strategic priorities. Currently, each revenue-funded organisation enters into a funding agreement for a term of one to three years which sets out the anticipated level of funding, the programme of activity to be delivered, requirements for monitoring and annual review, standard conditions of grant, and any additional conditions.

Lottery capital grants, to organisations only, support the purchase, improvement, restoration, building or creation of an asset that will be used for the benefit of the public to develop the organisation's work.

James McVinnie, Tŷ Cerdd, (Image: Matthew Thistlewood)

Council delegates Lottery 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 delegatees by the Council's internal auditors and by the Comptroller and Auditor General for the review of the operation of the delegated functions.

One-off grants are available to help fund time-limited artistic projects of high quality which best meet the Council's funding priorities. Ongoing monitoring of our grant 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 withheld and/or deferred.

Cash reserves – General Activities

The Council's policy on restricted funds is to record separately grants, donations and other sources of income which are received for a specific purpose or project, or where restrictions are imposed that are narrower than the Council's overall objectives. All of these incoming resources have been utilised in the year for their intended purpose. Most of the Council's unrestricted funds are committed during the year, in accordance with the conditions of grant-in-aid issued by the Welsh Government. Any surplus funds are carried forward and used in furtherance of the Council's chartered objectives in the following year. There were no designated funds at 31 March 2024.

Our holding of cash reserves is restricted by the Welsh Government's directions on month-end and year-end flexibility. Within those parameters, our policy is to manage cash flow by drawing down funds each month to meet planned expenditure with a modest allowance for unforeseen short-term cash requirements. We review this policy and our reserves position annually.

At 31 March 2024 the unrestricted cash funds were £0.384m (2023: £0.279m).

The accounts have been prepared on a going concern basis and there are no material uncertainties about our ability to continue in operation.

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.

The Council's banking service is provided by **Santander UK plc**.

All interest and other investment income earned on cash and bank balances which arise as a result of funding from the Welsh Government is surrendered to HM Treasury via the Welsh Consolidated Fund.

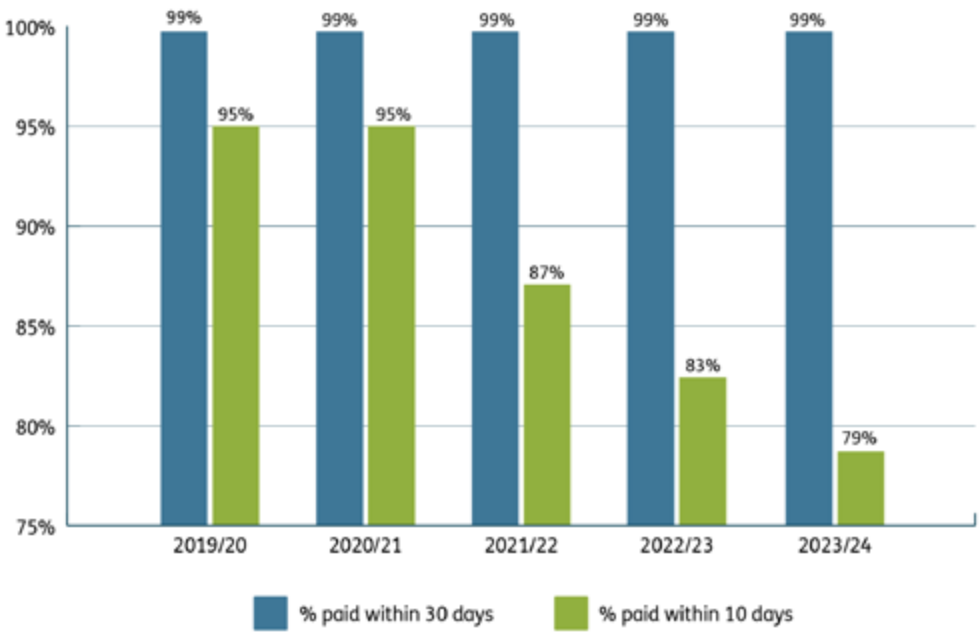
Balances held in the National Lottery Distribution Fund remain under the stewardship of the Secretary of State for Culture, Media and Sport so, although the Council receives investment income on its share of such balances, the Council has no investment powers over the Fund.

Payment of creditors

Council follows the Late Payment of Commercial Debts (Interest) Act 1998, and the UK Government's Better Payment Practice Code. 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.

We aim to pay all invoices, including disputed invoices once the dispute has been settled, in line with these terms. During the year ended 31 March 2024, the Council paid 99% (2022/23: 99%) of all invoices within the terms of its payment policy.

The Council has a further aim to pay invoices within 10 days. For 2023/24, 79% (2022/23: 99%) 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 – General Activities

	2023/24 £'000	2022/23 £'000
Headlines from the General Activities accounts:		
Total income for the year	43,580	61,216
Excess of income over expenditure	43	239
Net current assets	2,605	2,725
Total fund balances at 31 March	2,701	2,658
Forward commitments of grants for the following year	25,123	27,180
The separate Lottery Distribution accounts show:		
The Council's share of the proceeds from the National Lottery	17,234	17,681
The combined:		
Total income for both general and Lottery activities was	62,343	79,562
and		
Total charitable arts expenditure for both general and Lottery activities was	**60,421**	**78,113**

The Council's income for 2023/24 was £17.6m (29%) less than the previous year.

Our income in 2022/23 included £23.5m of restricted capital funding from Welsh Government for the redevelopment of Theatr Clwyd. The project is ongoing and we continue to draw down the cash from Welsh Government and release the grant to the local authority to meet the project costs as they fall due. Our balance sheet reflects the cash flows but there is no impact on this year's Statement of Financial Activities.

Following initial development and consultation in recent years, another significant Welsh Government-funded project commenced in 2023/24. We are working in partnership with Amgueddfa Cymru and the National Library of Wales in the delivery of a National Contemporary Art Gallery for Wales. The project will run from 2023-25 and the distributive model will see 9 Welsh galleries receive funding to upgrade their buildings and establish suitable operating structures. We recognise £5m from Welsh Government this year and awarded grants of £4m to the galleries.

We began a cross-Council staff restructuring exercise during the year, to address the cut to our grant-in-aid funding for 2024/25 and escalating operating costs. In accordance with our policy for the apportionment of management and administration costs between our General and Lottery Distribution activities, the compensation payments to staff who will leave the Council have been shared. The Welsh Government has covered these costs in full, so the income has been similarly apportioned.

Overall, the General Activities Account shows a net increase in funds for the year of £43,000: restricted funds reduced by £787,000 whilst unrestricted funds increased by £830,000.

The reduction in restricted funds reflects our use of reserves from the previous year for the Creative Learning through the Arts programme. There had been an unavoidable reduction in activity during the pandemic when schools faced much disruption.

The increase in unrestricted funds relates primarily to delays in delivering some elements of our strategic programmes. The funds have been rolled forward into next year's budget.

At 31 March 2024 we had unrestricted reserves of £1.9m (2023: £1.1m) and restricted reserves of £0.8m (2023: £1.6m). The level of our unrestricted reserves is directly affected by the Welsh Government's policy on year-end cash balances, as outlined in the *Cash reserves* section above. The Council is permitted to carry over from one financial year to the next no more than 2% of its total non-Lottery income. We were within this cap on 31 March 2024.

Financial Results – Lottery Distribution

	2023/24 £'000	2022/23 £'000
Headlines from the Lottery Distribution accounts:		
Share of proceeds from the National Lottery	17,234	17,681
Net grants made	14,661	15,170
Net expenditure for the year	(832)	(855)
Balance held in the National Lottery Distribution Fund at 31 March	18,715	24,399
Reserves at 31 March	**4,493**	5,325

Grants processed

	2023/24	2022/23
Number of applications received:		
Capital schemes	11	**4**
Revenue schemes	1,367	**955**
	1,378	**959**
Number of grants made:	**674**	**502**
Value of grants made:	£'000	£'000
Capital schemes	444	**330**
Revenue schemes	15,544	**15,003**
	14,988	**15,333**
Grants payable at 31 March:		
Capital schemes	7,696	**7,471**
Revenue schemes	10,551	**12,252**
	18,247	**19,723**

National Lottery income remained steady this year. Our share of proceeds was £0.4m less than in 2022/23 but investment income on balances in the National Lottery Distribution Fund increased by £0.5m.

Allwyn became the new operator of the National Lottery Licence on 1 February 2024, the first change in the Lottery's 30-year history. Allwyn's commitment is to invest significantly over the coming 10 years and gradually introduce changes that will lead to more money for the good causes. Early indications are that income is holding up compared with historic trends. Council continues to monitor the proceeds received by the good causes and the potential impact on our future Lottery-funded programmes.

The ring-fencing of funds for our ongoing Capital programme and the progress of development of those key projects continues to impact our annual cash flows. Council allocated a total of £22m for the programme in 2012/13 for a period of five years. However, several priority projects remain at their development stages and Council considers it important to show commitment to them, and other financers, by leaving indicative funding offers in place. So our remaining capital budget allocation of approximately £1.2m has been rolled through to 2024/25.

In addition to our ongoing funding schemes we received partnership income from the Baring Foundation for our Arts, Health and Wellbeing programme and from Natural Resources Wales towards the Future Wales Fellowships.

We began a cross-Council staff restructuring exercise during the year, to address the cut to our grant-in-aid funding for 2024/25 and escalating operating costs. In accordance with our policy for the apportionment of management and administration costs between our General and Lottery Distribution activities, these accounts include a share of the compensation payments to staff who will leave the Council. The Welsh Government has covered these costs in full, so we have also recognised the income apportionment in these accounts.

At year-end grants payable totalled £18.247m (2023: £19.723m). Undrawn funds in the National Lottery Distribution Fund plus cash and cash equivalents totalled £23.348m (2023: £26.819m). Our share of balances held in the National Lottery Distribution Fund fell by approximately 23% compared with last year-end, reflecting the release of grant payments to a number of significant capital projects which are now on site or nearing completion.

Remuneration and Staff Report

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.

Each year Council publishes a **Pay Policy Statement**. This includes a detailed breakdown of the make-up of our staff. It also addresses Gender Equality and Equal Pay reporting.

Council ensures that appropriate facilities are available for disabled employees. Public signage also promotes the Council as a bilingual organisation.

Our HR policies

Council's aim is to be a progressive, family friendly employer. We operate HR policies that reflect our 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, consultation and negotiation

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.

We undertake regular surveys of staff to identity any issues or areas for improvement.

Chapter Arts Centre
(Image: Kirsten McTernan)

Remuneration

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

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

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

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 Chair, Maggie Russell, took up the position on 1 April 2023.

The Chief Executive and Directors – the Senior Leadership 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 and termination of employment are:

Maggie Russell

Chair

1 April 2023

Dafydd Rhys

Chief Executive

17 October 2022

Richard Nicholls

Director of Operations

28 September 2020 to 6 April 2024

Rebecca Nelson

Director of Finance and Business Services

17 June 2019 to 2 August 2024

Diane Hebb

Director of Arts Engagement from 1 February 2012

13 January 1992

Lleucu Siencyn

Director of Arts Development

9 May 2022 to 8 April 2024

Interim arrangements have been in place since the departure of the former directors. The new Director of Arts and the new Director of Finance and Business Services take up their roles in October 2024.

Sickness absence

Across the whole Council:

	2023/24	2022/23
Days lost as a result of sickness	1,030	715
Average number of employees (headcount)	93.58	91.92
Average number of days lost per employee	11.01	7.78

This represented an absence rate of 4.39% (2022/23: 3.12%) based on 250.5 (2022/23: 249.5) working days.

Staff turnover

Across the whole Council:

	2023/24	2022/23
Average number of employees (headcount)	93.58	91.92
Leavers[1]	14	8
Starters	14	11
Average turnover[2]	14.96%	8.70%

[1] Includes 3 redundancy volunteers (2022/23: None)

[2] Average turnover excluding redundancy volunteers 11.75% (2022/23: 8.70%)

Average turnover is calculated as follows:

$$\frac{\text{total number of leavers over the year}}{\text{average total number employed over the year}} \text{ X } 100$$

Consultancy

During 2023/24 the Council paid no consultancy costs (2022/23: £2,000) in relation to expert advice and opinion obtained to assist in strategic decision-making. Nothing (2021/22: £1,000) is charged in these financial statements.

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:

(real increase in pension* x 20) + (real increase in any lump sum) – (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.

Ncheta Aurora Trinity Collective, Artes Mundi, Glynn Vivian Art Gallery, (Image: Polly Thomas)

The single total remuneration figures of the Senior Leadership Team (audited):

Name Position	2023/24 Emoluments band £'000	2023/24 Pension benefits £'000	2023/24 Single total remuneration £'000	2022/23 Emoluments band £'000	2022/23 Pension benefits £'000	2022/23 Single total remuneration £'000
Dafydd Rhys Chief Executive from 17 October 2022	105-110	24	130-135	**45-50**	**11**	**55-60**
Full year equivalent				100-105		
Michael Elliott[1] Interim Chief Executive from 7 March 2022 to 1 November 2022	N/A	N/A	N/A	**65-70**	-	**65-70**
Full year equivalent				100-105		
Richard Nicholls[2] Director of Operations to 6 April 2024	105-110	16	120-125	**80-85**	**17**	**95-100**
Diane Hebb Director of Arts Engagement	85-90	(18)	65-70	**80-85**	**(35)**	**45-50**
Rebecca Nelson Director of Finance and Business Services	85-90	13	95-100	**80-85**	**13**	**90-95**
Lleucu Siencyn[3] Director of Arts Development from 9 May 2022 to 8 April 2024	125-130	19	145-150	**65-70**	**14**	**80-85**
Full year equivalent				70-75		

[1] The Interim Chief Executive elected not to join a pension scheme and there was no requirement to auto-enrol him.
[2] The Director of Operations' remuneration includes compensation of £21,373 for loss of office in 2023/24.
[3] The Director of Arts Development's remuneration includes compensation of £45,427 for loss of office in 2023/24.

The pension benefits of the Senior Leadership Team (audited):

Name Position	2023/24 £'000 Real increase in pension and related lump sum at age 65	2023/24 £'000 Total accrued pension at age 65 as at 31/03/24, or date of leaving if earlier, and related lump sum	2023/24 £'000 Cash Equivalent[1] Transfer Value at 31/03/24	2022/23 £'000 Cash Equivalent Transfer Value at 31/03/23, or date of leaving if earlier	2023/24 £'000 Real increase in Cash Equivalent[2] Transfer Value
Dafydd Rhys Chief Executive from 17 October 2022	Pension 0-2.5 Lump sum 2.5-5	Pension 0-5 Lump sum 5-10	32	9	15
Richard Nicholls Director of Operations to 6 April 2024	Pension 0-2.5 Lump sum 2.5-5	Pension 0-5 Lump sum 5-10	30	20	3
Diane Hebb Director of Arts Engagement	Pension (2.5)-0 Lump sum (2.5)-0	Pension 25-30 Lump sum 75-80	428	390	(15)
Rebecca Nelson Director of Finance and Business Services to 2 August 2024	Pension 0-2.5 Lump sum 0-2.5	Pension 5-10 Lump sum 15-20	38	28	1
Lleucu Siencyn Director of Arts Development to 8 April 2024	Pension 0-2.5 Lump sum 2.5-5	Pension 0-5 Lump sum 5-10	18	7	5

[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 is the change in CETV net of inflation, employee contributions (including those relating to the purchase of added years) and transfer-in payments.

The Chair is remunerated for his or her 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 £7,165 (2022/23: £3,035) was reimbursed to 15 (2022/23: 11) Council members for travel and subsistence costs incurred on Council business. The aggregate amount allocated to Lottery Distribution activities was £2,933 (2022/23: £2,033).

The total actual emoluments of the Chairs and Chief Executives were made up of (audited):

	2023/24 £	2022/23 £
Chairs[1]		
Chair (from 1 April 2023) – Maggie Russell		
Salary	43,810	-
Chair (to 31 March 2023) – Phil George		
Salary	-	25,556
Interim Chair (from 1 October 2022 to 31 March 2023) – Kate Eden		
Salary	-	17,524
Chairs' total		
Salary	43,810	43,080
Chief Executives		
Chief Executive (from 17 October 2022) – Dafydd Rhys		
Salary	106,922	46,721
Employer's pension contribution	21,277	9,746
	128,199	56,485
Former Interim Chief Executive (from 7 March 2022 to 1 November 2022) – Michael Elliott		
Salary	-	65,643
Chief Executives' total		
Salary	106,922	112,364
Employer's pension contribution	21,277	9,764
	128,199	122,128

[1] Phil George remained in office until the end of his term on 31 March 2023. He was remunerated for his services until October 2022 when, due to his ill-health, Kate Eden was appointed Interim Chair for the remainder of the last financial year.

34% (2022/23: 34%) of the Chairs' and 28% (2022/23: 28%) of the Chief Executives' emoluments are charged in these financial statements and the remainder to general activities.

Travel and subsistence expenses incurred and defrayed whilst on Council business:	2023/24 £	2022/23 £
Chairs	1,223	593
Chief Executives	12,037	11,050

49% (2022/23: 49%) of the Chairs' and Chief Executives' expenses are charged in these financial statements and the remainder to general activities.

Other than members of the Senior Leadership Team listed above, the number of employees (whole Council) whose remuneration for the year, excluding employer's pension contributions, exceeded £60,000 was as follows:

	2023/24	2022/23
£60,000 to £69,999	-	1
£70,000 to £79,000	1	-

Fair pay (audited)	2024	2023
The range of annual remuneration (full time equivalents) at 31 March was (whole Council):	£26,277 to £106,922	£25,026 to £101,830

The Chief Executive is the highest paid member of staff. During the year the Chief Executive received a pay award of 5% (2022/23: no change). Staff as a whole received a pay award of 5% (2022/23: 4%).

The annual remuneration (full time equivalents) of employees and the ratios between each of those and the pay of the Chief Executive at 31 March were (whole Council):		
25th percentile	£32,915	£31,348
	1:3.2	1:3.2
Median (50th) percentile	£47,861	£45,582
	1:2.2	1:2.2
75th percentile	£47,861	£45,582
	1:2.2	1:2.2

Annual remuneration comprises salary only. No benefits were paid and there was no performance-related pay.

Staff composition at 31 March (full time equivalents – whole Council)	2024			2023		
	Male	Female	Total	Male	Female	Total
Senior Leadership Team	2	3	5	2	3	5
Portfolio Managers/Heads of Department	7	10	17	8	9	17
Senior Officers	14	22	36	13	22	35
Officers	2	9	11	3	9	12
Team Co-ordinators/Personal Assistants	3	15	18	2	16	18
	28	59	87	28	59	87
	32%	68%		32%	68%	

Compensation schemes – exit packages (whole Council)

Exit package cost band	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band	
	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23
£10,000 to £24,999	-	-	2	-	2	-
£25,000 to £49,999	1	-	4	-	5	-
£50,000 to £99,999	-	-	4	-	4	-
£100,000 to £149,999	-	-	2	-	2	-
Total number of exit packages	**1**	**-**	**12**	**-**	**13**	**-**
Total cost (£'000)	**45**	**-**	**735**	**-**	**780**	**-**

Exit packages include redundancy payments and, where applicable, contractual pay in lieu of notice, accrued holiday pay and accrued pay for excess hours due at the date of termination.

Redundancy payments have been determined in accordance with the provisions of the Council's redundancy policy. The Council usually pays exit costs when employment ends but provides for the exit costs in full at the point when there is sufficiently detailed information to do so.

All 'other departures agreed' related to requests for redundancy where, in accordance with the Council's redundancy policy, the employees' posts either disappeared in the new structure or were filled by other employees who would otherwise have been compulsorily redundant. There is no difference in the compensation entitlements of volunteers and those who are compulsorily redundant.

The Welsh Government provided funding to the Council to meet the exit packages in full. This funding and the related costs have been apportioned between the Council's general activities and lottery distribution accounts. 49% is recognised in these financial statements in partnership income and in staff costs.

Parliamentary Accountability and Audit Report (audited)

Remote contingent liabilities

The Council is an admitted employer of the Arts Council Retirement Plan 1994. The Plan is a funded, defined benefit, multi-employer scheme where the participating employers are unable to identify their shares of the underlying assets and liabilities.

In the event of the withdrawal of an employer, the debt triggered under section 75 of the Pensions Act 1995 would be calculated using the solvency shortfall of the entire Plan, not the employer's own asset share and liabilities. Also, in the event of Plan wind up, as the Plan is a "last man standing" arrangement all employers would be jointly and severally liable for the total shortfall in the Plan.

It is not practical to estimate the financial impact.

Losses, special payments and gifts

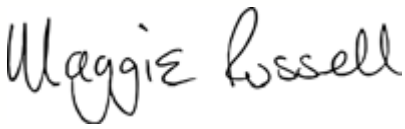
The Council incurred no losses during the year and made no special payments or gifts.

Fees and charges income

The Council has no material income of this kind.

Dafydd Rhys
Accounting Officer
18 October 2024

Endorsed on behalf of Council:



Maggie Russell
Chair
18 October 2024

The year ahead: 2024/25

Looking ahead to the 2024/25 financial year, the Council faces both challenges and opportunities as it navigates the ever-evolving landscape of the arts sector.

Alia Farid, Installation view at National Museum Cardiff, Artes Mundi 10 (Image: Stuart Whipps)

Challenges

Budget cuts

Like many public organisations, the Arts Council of Wales is facing budget constraint, with a cut in core indicative funding of 10.5%. Whilst a balanced budget has been produced, continued reduced funding limits the Council's ability to support existing programs and initiatives, as well as hinder its capacity to invest in new projects.

Economic uncertainty

Economic fluctuations and uncertainties impact both public and private funding sources for the arts. Decreased corporate sponsorships or philanthropic donations may put additional strain on arts organisations which will increase demand for public subsidy so they can survive.

Digital transformation

While the digital realm offers opportunities for reaching wider audiences and innovating artistic practices, it also presents challenges in terms of funding digital initiatives, ensuring digital access for all, and addressing issues of digital inequality.

Opportunities

Innovation and adaptation

Post-pandemic, the arts sector has demonstrated remarkable creativity in response to challenges. The Council can seize this opportunity to support innovative projects, collaborations, and initiatives that respond to the changing needs and interests of audiences and artists.

Community engagement

Strengthening partnerships with communities across Wales can foster greater inclusivity and diversity in the arts. By prioritising community engagement initiatives, the Council can ensure that the arts are accessible and relevant to people from all backgrounds.

Advocacy and partnerships

Building alliances with other cultural organisations, government agencies, and advocacy groups can amplify the Council's voice and influence in advocating for increased support and recognition of the arts at both local and national levels.

Digital expansion

Investing in digital infrastructure, including a new website for our Night Out scheme, can enable the Council to harness the potential of digital technologies for artistic creation, distribution, and engagement. Embracing digital platforms can also enhance the Council's ability to reach new audiences and facilitate cultural exchange.

In navigating these challenges and capitalising on these opportunities, the Council will continue to play a vital role in nurturing artistic excellence, fostering cultural vitality, and enriching the lives of people throughout Wales.

Agor Drysau, Arad Goch
(Image: Helene Goepfert)

Financial Statements
General Activities

Statement of the Accounting Officer's responsibilities

Under Article 11 of the Royal Charter dated 30 March 1994 (as amended) the Council is required to prepare for each financial year a statement of accounts in the form and on the basis determined by Welsh Ministers. 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, Balance Sheet and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the accounting principles and disclosure requirements of the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 ("the SORP") and, to the extent that it clarifies or builds on the requirements of the SORP, the *Government Financial Reporting Manual* and in particular to:

- observe the Accounts Direction issued by Welsh Ministers, 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 SORP and 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.

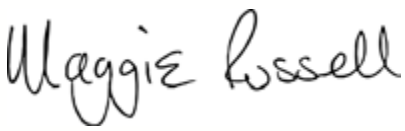
The Principal Accounting Officer for the Welsh Government has designated the Chief Executive as the Accounting Officer of the Council. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable,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

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the Council's auditor is aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

The Accounting Officer confirms that, as far as he is aware, the annual report and accounts as a whole is fair, balanced and understandable and he takes responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable.

Endorsed on behalf of Council:

Dafydd Rhys
Accounting Officer
18 October 2024



Maggie Russell
Chair
18 October 2024

The Certificate and Report of the Auditor General for Wales to the Trustees of the Arts Council of Wales

Opinion on financial statements

I certify that I have audited the financial statements of the Arts Council of Wales General Activities Account for the year ended 31 March 2024 under Article 11 of the Arts Council of Wales' Royal Charter.

The financial statements comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and related notes, including the material accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In my opinion, in all material aspects the financial statements:

- give a true and fair view of the state of the Arts Council of Wales' affairs as at 31 March 2024 and of its net income for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been properly prepared in accordance with Welsh Ministers' directions issued under Article 11 of the Arts Council of Wales' Royal Charter.

Opinion on regularity

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

Basis for opinions

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my certificate.

My staff and I are independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

Other information

The other information comprises the information included in the Annual Report but does not include the financial statements nor my auditor's report thereon. The Accounting Officer is responsible for the other information. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

The Statement of Recommended Practice sets out the requirements for other information, however neither it nor legislation, nor the directions issued to the Arts Council of Wales set out the content and form of the Governance Statement or Remuneration and Staff Report presented with the financial statements. Therefore, I am not able to confirm that the Governance Statement or Remuneration and Staff Report issued with financial statements have been prepared in accordance with guidance.

In my opinion, based on the work undertaken in the course of my audit, the information given in the other information to be issued with financial statements is consistent with the financial statements.

Although there are no legislative requirements for a Remuneration and Staff Report, the Arts Council of Wales has prepared such a report and, in my opinion, that part ordinarily required to be audited has been properly prepared in accordance with HM Treasury guidance.

In my opinion, based on the work undertaken in the course of my audit, the information given in the 'Performance Report and Operational Review' and the Accountability Report (excluding the Governance Statement and the Remuneration and Staff Report), for the financial year for which the financial statements are prepared, is consistent with the financial statements, and the Performance Report and Operational Review and the Accountability Report have been prepared in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the body and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Operational Review, Accountability Report or the Governance Statement.

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

- I have not received all the information and explanations I require for my audit;
- sufficient accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my team;
- the financial statements are not in agreement with the accounting records and returns; or
- information specified by Welsh Ministers regarding remuneration and other transactions is not disclosed.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of the Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- maintaining proper accounting records;
- the preparation of the financial statements and Annual Report in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ensuring the regularity of financial transactions;
- internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error; and
- assessing the body's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the body will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Arts Council of Wales' Royal Charter.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- enquiring of management, internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Arts Council of Wales' policies and procedures concerned with:
    - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
    - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
    - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition, expenditure recognition and posting of unusual journals;
- obtaining an understanding of the Arts Council of Wales' framework of authority as well as other legal and regulatory frameworks in which it operates, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the Arts Council of Wales;
- obtaining an understanding of related party relationships.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all the audit team and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the Arts Council of Wales' controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Other auditor's responsibilities

I 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 the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report

I have no observations to make on these financial statements.

Adrian Crompton
Auditor General for Wales
24 October 2024

1 Capital Quarter
Tyndall Street
Cardiff
CF10 4BZ

The maintenance and integrity of the Arts Council of Wales website is the responsibility of the Accounting Officer; the work carried out by auditors does not involve consideration of these matters and accordingly auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

The Arts Council of Wales

General Activities Account
Statement of Financial Activities

for the year ended 31 March 2024

	Note	Unrestricted funds £'000	Restricted funds £'000	2023/24 Total £'000	2022/23 Total £'000
INCOME					
Donations:					
Grant-in-aid from the Welsh Government		33,114	600	33,714	32,891
Other grants and donations	3	-	9,549	9,549	28,141
		33,114	10,149	43,263	61,032
Income from charitable activities:					
Services and sponsorship	4	177	-	177	151
Investment income:					
Bank interest		80	28	108	18
Other income	5	32	-	32	15
Total income		**33,403**	**10,177**	**43,580**	61,216
EXPENDITURE					
Charitable activities	6	31,881	11,492	43,373	60,891
Governance costs	8	84	-	84	78
Bank interest surrendered to Welsh Consolidated Fund		80	-	80	8
Total expenditure		**32,045**	**11,492**	**43,537**	60,977
Net income/(expenditure)		**1,358**	**(1,315)**	**43**	239
Gross transfers between funds	13	(528)	528	-	-
Net movement in funds		**830**	**(787)**	**43**	239
Reconciliation of funds					
Fund balances brought forward	13	1,102	1,556	2,658	2,419
Total funds carried forward		**1,932**	**769**	**2,701**	2,658

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

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

The notes on pages 128 to 153 form part of these financial statements

The Arts Council of Wales

General Activities Account Balance Sheet

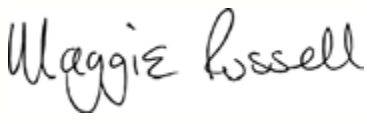
as at 31 March 2024

	Note	31 March 2024 £'000		31 March 2023 £'000	
Fixed assets					
Intangible fixed assets	9a		2		4
Tangible fixed assets	9b		199		130
Total fixed assets			201		134
Non-current assets					
Debtors	10a		-		8,570
Current assets					
Grants paid in advance		120		-	
Debtors	10b	16,227		16,768	
Cash and cash equivalents		1,566		1,491	
Total current assets		17,913		18,259	
Liabilities: falling due within one year					
Creditors	11a	(15,308)		(15,534)	
		(15,308)		(15,534)	
Net current assets			2,605		2,725
Total assets less current liabilities			2,806		11,429
Creditors: falling due after more than one year					
Creditors	11b		(105)		(8,771)
Net assets			2,701		2,658
The funds of the charity					
Unrestricted funds	13		1,932		1,102
Restricted funds	13		769		1,556
			2,701		2,658

The notes on pages 128 to 153 form part of these financial statements.

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

Dafydd Rhys
Accounting Officer
18 October 2024



Maggie Russell
Chair
18 October 2024

The Arts Council of Wales

General Activities Account
Statement of Cash Flows

for the year ended 31 March 2024

	Note	2023/24 £'000	2022/23 £'000
Net cash inflow from operating activities	15a	172	55
Net cash inflow from investing activities	15b	28	10
Net cash outflow associated with capital assets	15c	(125)	(99)
Change in cash and cash equivalents in the year		75	(34)
Cash and cash equivalents brought forward		1,491	1,525
Cash and cash equivalents carried forward		1,566	1,491

The notes on pages 128 to 153 form part of these financial statements.

The Arts Council of Wales

General Activities Account
Notes forming part of the financial statements

for the year ended 31 March 2024

1. Accounting policies

a. Basis of preparation

These financial statements are prepared on a going concern basis and under the historical cost convention modified to include certain fixed assets at their value to the Council on a current cost basis. They have been prepared in accordance with the Accounts Direction issued by Welsh Ministers and meet the requirements of the Charities Acts 2006, 2011 and 2016, of the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their account in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) issued on 16 July 2014 ("the SORP") and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).
In addition to compliance with the SORP regard is given to the requirements of the *Government Financial Reporting Manual* (FReM) issued by HM Treasury to the extent that it clarifies or builds on the requirements of the SORP. A summary of the principal accounting policies which have been applied consistently are set out below.

Impact of standards not yet effective

The application of any new or amended accounting standards is governed by their adoption by the Charity Commission and FReM. The Council applies changes to standards when they become effective. There are no known material impacts from accounting standard changes that have been issued and are not yet effective on the financial statements in the period of initial application.

b. Income

Grant-in-aid from the Welsh Government is recognised in the Statement of Financial Activities on a receivable basis.

All other income is recognised when the Council has entitlement to the funds, any associated performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably. Capital grants receivable are treated as income.

No income is recorded net of expenditure in the Statement of Financial Activities.

c. Lottery distribution

These financial statements do not cover the Council's lottery distribution function for which separate financial statements have been prepared in accordance with directions issued by the Secretary of State for Culture, Media & Sport.

The Council incurs costs which support both its general activities and lottery distribution functions. In accordance 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.

The apportionments are usually reviewed every two years and whenever there is a significant change to the staff structure or the programmes of activity.

d. Expenditure

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.

e. Grants awarded

Subsidy expenditure is incurred in the form of grants which are formally offered to organisations funded by the Council. Grants are offered in support of a programme of activities planned for, or to commence in, a particular financial year and in most circumstances are charged to the Statement of Financial Activities in that year.

Forward commitments made in the year relating to next year's activity, as disclosed in note 17, are not charged to the Statement of Financial Activities. The grant-in-aid to meet these commitments cannot be recognised until it is received so, in this respect, we have been unable to apply all principles of paragraph 7 of the SORP. The Trustees do not believe the inclusion of the forward commitments would provide a true and fair view of the application of the Council's resources.

Grants unpaid at the year end are shown as creditors in the Balance Sheet. Any advance payments which have been made in respect of approved grants relating to next year's activities are shown in the Balance Sheet as current assets.

All grants offered are listed in the annex to this Annual Report.

f. Services and sponsorship

Services and sponsorship comprise the direct costs, including staff and depreciation, attributable to charitable activities.

g. Allocation of operating costs

Operating costs have been allocated first between charitable activities and governance. Operating costs relating to charitable activities have been apportioned to reflect the time spent by staff in delivering direct activities and in support of their delivery. The allocation and analysis of these costs is in notes 6 and 7.

h. Governance costs

Governance costs comprise all costs involving the public accountability of the Council as a charity and its compliance with regulation and good practice. These costs are analysed in note 8.

i. Foreign currency

Revenue received and expenditure incurred in foreign currencies is converted at the exchange rate prevailing at the time of the transaction. Balances held in foreign currencies are converted at the rate prevailing at the Balance Sheet date. Transactions and balances covered by forward contracts are converted at the contract rate.

j. Recognition of liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

k. Fund accounting

Restricted funds are those which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Council for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Unrestricted funds are those which are available for use at the discretion of Council in furtherance of its chartered objectives and which have not been designated for other purposes.

Where support costs are allocated to restricted charitable activities a transfer is made from unrestricted funds to cover these costs.

l. Fixed assets

The Council owns two freehold properties, the Sherman Theatre and the Rubicon Dance Studio, which are let on long leases at peppercorn rents to tenants which are not controlled by the Council and with no provision for repossession by the Council. Based on the advice of external and independent chartered surveyors, the residual value of these freehold interests is considered to be negligible so these assets are held in the accounts at a nil value.

Website development costs, in accordance with FRS 102, are treated as tangible fixed assets.

Computer software licences are treated as intangible fixed assets if they cover more than one year.

Other than freehold properties all tangible and intangible fixed assets are included at historical cost less an allowance for depreciation and amortisation. The Council considers that there is no significant difference between the book and market values.

m. Amortisation and depreciation

Individual assets costing £1,000 or above are capitalised and a full year's amortisation or depreciation is provided in the year of acquisition. Amortisation of intangible fixed assets and depreciation on tangible fixed assets is provided at rates calculated to write off the cost or valuation of each asset to its residual value on a straight line basis over its expected useful life as follows:

Computer software licences	over 3 years
Leasehold improvements	over the term of the lease
Furniture, fixtures and fittings	over 10 years
Equipment	over 4 years
Website development costs	over 3 years
Computer system	over 3 years

n. Leases

The costs of operating leases are charged to the Statement of Financial Activities on a straight line basis over the life of the lease.

o. Pensions

The Council is an admitted employer of the Arts Council Retirement Plan 1994 (ACRP) which provides defined benefits to Council employees. The costs of the Council's contributions are charged to the Statement of Financial Activities so as to spread the cost of pensions over employees' working lives.

The Plan is a funded, defined benefit, multi-employer scheme where the participating employers are unable to identify their shares of the underlying assets and liabilities. The scheme has therefore been accounted for as if it were a defined contribution scheme, in accordance with FRS 102. The Council has made payments to fund a deficit relating to past service. If further deficit payments are needed, following future revaluations, the Council will recognise a provision for the present value of contributions payable in accordance with the terms of any relevant funding agreement. All contributions towards the deficit are charged to the Statement of Financial Activities.

The Council also has 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 FRS 102.

p. Taxation

Non-recoverable Value Added Tax arising from expenditure on non-business activities is charged to the Statement of Financial Activities or capitalised as a fixed asset where applicable.

q. Financial instruments

Financial assets: Trade debtors 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 comprise cash in hand and cash at bank and on short term deposit on instant access terms.

Financial liabilities: Trade creditors are not interest bearing and are stated at their nominal value.

2. General activities and Lottery distribution: combined income and charitable arts expenditure

The separate Lottery distribution account shows the Council's 2023/24 share of the proceeds from the National Lottery of £17,234,000 (2022/23: £17,681,000). The combined total income for both general and Lottery activities for 2023/24 was £62,343,000 (2022/23: £79,562,000). The combined total direct charitable arts expenditure for 2023/24 was £60,421,000 (2022/23: £78,113,000).

3. Income

Donations: Other grants and donations

	Unrestricted funds £'000	Restricted funds £'000	2023/24 Total £'000	2022/23 Total £'000
Creative Learning through the Arts Programme (note 18):				
Welsh Government grant	-	1,000	1,000	1,000
Arts Council of Wales Lottery grant	-	1,000	1,000	1,000
Other income	-	23	23	22
Prior year grants no longer required or repaid	-	1	1	12
Welsh Government for National Contemporary Art Gallery for Wales	-	5,073	5,073	-
Welsh Government capital grants for theatres	-	1,350	1,350	24,00
Welsh Government contribution for other activities	-	1,014	1,014	1,816
Grants to Wales Arts International	-	79	79	72
Public Health Wales	-	9	9	9
National Centre for Learning Welsh	-	-	-	50
The Eirian Llwyd Trust	-	-	-	4
Arts Council England (for Hynt)	-	-	-	83
Natural Resources Wales (for Creative Nature programme)	-	-	-	65
	-	9,549	9,549	28,141

4. Income from charitable activities – Services and sponsorship

	Unrestricted funds £'000	Restricted funds £'000	2023/24 Total £'000	2022/23 Total £'000
Night Out scheme: – contributions from venues/promoters	146	-	146	116
Collectorplan – gallery fees	30	-	30	29
Other income	1	-	1	6
	177	-	177	151

5. Other income

	Unrestricted funds £'000	Restricted funds £'000	2023/24 Total £'000	2022/23 Total £'000
Proceeds from the disposal of fixed assets	3	-	3	-
Contribution from the Lottery Distribution account: for use of fixed assets	29	-	29	15
	32	-	32	15

6. Expenditure – Charitable activities

	Direct activities £'000	Grant[1] funding £'000	Support[2] costs £'000	2023/24 Total £'000	2022/23 Total £'000
Grant making and arts development	1,348	33,484	2,248	37,080	56,409
Creative Learning through the Arts Programme (note 18)	1,266	1,514	-	2,780	2,214
Arts strategy	1,516	-	98	1,614	593
International	862	-	56	918	936
Services: *Night Out* & *Collectorplan*	594	-	38	632	506
Advocacy and research	328	-	21	349	233
	5,914	**34,998**	**2,461**	**43,373**	**60,891**
From unrestricted funds				31,881	31,337
From restricted funds				11,492	29,554
				43,373	**60,891**

[1] **Grant funding**

	To institutions £'000	To individuals £'000	2023/24 Total £'000	2022/23 Total £'000
From unrestricted funds				
Arts Portfolio Wales	26,885	-	26,885	27,184
Strategic awards	10	37	47	452
From restricted funds				
Arts Portfolio Wales	300	-	300	300
Creative Learning through the Arts Programme	1,514	-	1,514	1,209
Strategic awards – for the development of the National Contemporary Art Gallery for Wales	4,067	-	4,067	-
Strategic awards – capital grant for redevelopment of Theatr Clwyd	-	-	-	23,500
Strategic awards – capital grants for theatres	1,350	-	1,350	600
Strategic awards – other	816	19	835	1,241
Memorial awards	-	-	-	16
	34,942	**56**	**34,998**	**54,502**

All grants are listed in the annex to this Annual Report.

[2] **Support costs**

	Gross costs £'000	Deduct Recharges to Lottery Distribution £'000	2023/234 Net charge to General Activities £'000	2022/23 Net charge to General Activities £'000
Staff and related costs	3,870	1,986	1,884	1,416
Pensions	-	-	-	59
Organisational review	16	8	8	-
Infrastructure	652	319	333	302
Office running costs	18	9	9	7
Professional fees and promotion	326	224	102	80
Irrecoverable VAT	134	70	64	75
Amortisation and depreciation	61	-	61	31
	5,077	**2,616**	**2,461**	**1,970**

7. Staff costs

a. Total staff costs consist of:

	Permanently employed £'000	Other £'000	Gross costs £'000	Deduct Recharges to Lottery Distribution £'000	2023/24 Net charge to General Activities £'000	2022/23 Net charge to General Activities £'000
Wages and salaries	3,421	922	4,343	1,251	3,092	2,795
Social security costs	412	98	510	150	360	314
Other pension costs	569	141	710	206	504	499
Redundancy costs	671	-	671	328	343	-
Apprenticeship Levy	7	-	7	-	7	5
Agency costs	-	9	9	4	5	2
	5,080	1,170	6,250	1,939	4,311	3,615

Staff costs are incorporated in the financial statements as follows:

Charged to Direct activities (note 6)			2,466	-	2,466	2,243
Charged to Support costs (note 6)			3,735	1,922	1,813	1,340
Charged to Governance (note 8)			49	17	32	32
			6,250	1,939	4,311	3,615

The average number of staff (full time equivalents) employed during the year was:	Permanently employed	Other	Across the whole Council	On Lottery Distribution activities	2023/24 On General Activities	2022/223 On General Activities
On charitable activities:						
directly charged	9	11	21	-	21	20
recharged	27	4	31	-	31	32
In support of our charitable activities	28	6	34	25	9	9
	65	21	86	25	61	61

Staff composition at 31 March (full time equivalents – whole Council)	2024			2023		
	Male	Female	Total	Male	Female	Total
Senior Leadership Team	2	3	5	2	3	5
Portfolio Managers/Heads of Department	7	10	17	8	9	17
Senior Officers	14	22	36	13	22	35
Officers	2	9	11	3	9	12
Team Co-ordinators/Personal Assistants	3	15	18	2	16	18
	28	59	87	28	59	87
	32%	68%		32%	68%	

Emoluments by bands	2023/24	2022/23
Other than members of the Senior Leadership Team listed at note 7b, the number of employees (whole Council) whose remuneration for the year, excluding employer's pension contributions, exceeded £60,000 was as follows:		
£60,000 to £69,000	-	1
£70,000 to £79,000	1	-

	2024	2023
The range of annual remuneration (full time equivalents) at 31 March was (whole Council):	£26,227 to £106,922	£25,026 to £101,830
The Chief Executive is the highest paid member of staff. During the year the Chief Executive received a pay award of 5% (2022/23: no change). Staff as a whole also received a pay award of 5% (2022/23: 4%).		
The annual remuneration (full time equivalents) of employees and the ratios between each of those and the pay of the Chief Executive at 31 March were (whole Council):		
25th percentile	£32,915 1:3.2	£31,348 1:3.2
Median (50th) percentile	£47,861 1:2.2	£45,582 1:2.2
75th percentile	£47,861 1:2.2	£45,582 1:2.2
Annual remuneration comprises salary only. No benefits were paid and there was no performance-related pay.		

Compensation schemes – exit packages (whole Council)

Exit package cost band	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band	
	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23
£10,000 to £24,999	-	-	2	-	2	-
£25,000 to £49,999	1	-	4	-	5	-
£50,000 to £99,999	-	-	4	-	4	-
£100,000 to £149,999	-	-	2	-	2	-
Total number of exit packages	1	-	12	-	13	-
Total cost (£'000)	45	-	735	-	780	-

Exit packages include redundancy payments and, where applicable, contractual pay in lieu of notice, accrued holiday pay and accrued pay for excess hours due at the date of termination.

Redundancy payments have been determined in accordance with the provisions of the Council's redundancy policy. The Council usually pays exit costs when employment ends but provides for the exit costs in full at the point when there is sufficiently detailed information to do so.

All 'other departures agreed' related to requests for redundancy where, in accordance with the Council's redundancy policy, the employees' posts either disappeared in the new structure or were filled by other employees who would otherwise have been compulsorily redundant. There is no difference in the compensation entitlements of volunteers and those who are compulsorily redundant.

The Welsh Government provided funding to the Council to meet the exit packages in full. This funding and the related costs have been apportioned between the Council's general activities and lottery distribution accounts. 51% is recognised in these financial statements in income from other grants and donations and in staff costs

b. The Chief Executive and Directors – the Senior Leadership Team – 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:

(real increase in pension* x 20) + (real increase in any lump sum) – (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 Leadership Team:

Name Position	2023/24 Emoluments band £'000	2023/24 Pension benefits £'000	2023/24 Single total remuneration £'000	2022/23 Emoluments band £'000	2022/23 Pension benefits £'000	2022/23 Single total remuneration £'000
Dafydd Rhys Chief Executive from 17 October 2022	105-110	24	130-135	**45-50**	**11**	**55-60**
Full year equivalent				**100-105**		
Michael Elliott[1] Interim Chief Executive from 7 March 2022 to 1 November 2022	N/A	N/A	N/A	**65-70**	**-**	**65-70**
Full year equivalent				**100-105**		
Richard Nicholls[2] Director of Operations to 6 April 2024	105-110	16	120-125	**80-85**	**17**	**95-100**
Diane Hebb Director of Arts Engagement	85-90	(18)	65-70	**80-85**	**(35)**	**45-50**
Rebecca Nelson Director of Finance and Business Services	85-90	13	95-100	**80-85**	**13**	**90-95**
Lleucu Siencyn[3] Director of Arts Development from 9 May 2022 to 8 April 2024	125-130	19	145-150	**65-70**	**14**	**80-85**
Full year equivalent				**70-75**		

[1] The Interim Chief Executive elected not to join a pension scheme and there was no requirement to auto-enrol him.
[2] The Director of Operations' remuneration includes compensation of £21,373 for loss of office in 2023/24.
[3] The Director of Arts Development's remuneration includes compensation of £45,427 for loss of office in 2023/24.

The pension benefits of the Senior Leadership Team:

Name Position	2023/24 £'000 Real increase in pension and related lump sum at age 65	2023/24 £'000 Total accrued pension at age 65 as at 31/03/24, or date of leaving if earlier, and related lump sum	2023/24 £'000 Cash Equivalent[1] Transfer Value at 31/03/24	2022/23 £'000 Cash Equivalent Transfer Value at 31/03/23, or date of leaving if earlier	2023/24 £'000 Real increase in Cash Equivalent[2] Transfer Value
Dafydd Rhys Chief Executive from 17 October 2022	Pension 0-2.5 Lump sum 2.5-5	Pension 0-5 Lump sum 5-10	32	9	15
Richard Nicholls Director of Operations to 6 April 2024	Pension 0-2.5 Lump sum 2.5-5	Pension 0-5 Lump sum 5-10	30	20	3
Diane Hebb Director of Arts Engagement	Pension (2.5)-0 Lump sum (2.5)-0	Pension 25-30 Lump sum 75-80	428	390	(15)
Rebecca Nelson Director of Finance and Business Services to 2 August 2024	Pension 0-2.5 Lump sum 0-2.5	Pension 5-10 Lump sum 15-20	38	28	1
Lleucu Siencyn Director of Arts Development to 8 April 2024	Pension 0-2.5 Lump sum 2.5-5	Pension 0-5 Lump sum 5-10	18	7	5

[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 is the change in CETV net of inflation, employee contributions (including those relating to the purchase of added years) and transfer-in payments.

The Chair, with the approval of the Charity Commission, is remunerated for his or her 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. Council meeting costs for 2023/24 include an aggregate amount of £7,165 (2022/23: £3,035) reimbursed to 15 (2021/23: 11) Council members for travel and subsistence costs incurred on Council business.

The total actual emoluments of the Chairs and Chief Executives were made up of:

	2023/24 £	2022/23 £
Chairs[1]		
Chair (from 1 April 2023) – Maggie Russell		
Salary	43,810	-
Chair (to 31 March 2023) – Phil George		
Salary	-	25,556
Interim Chair (from 1 October 2022 to 31 March 2023) – Kate Eden		
Salary	-	17,524
Chairs' total		
Salary	43,810	43,080

[1] Phil George remained in office until the end of his term on 31 March 2023. He was remunerated for his services until October 2022 when, due to his ill-health, Kate Eden was appointed Interim Chair for the remainder of the last financial year.

Chief Executives		
Chief Executive (from 17 October 2022) – Dafydd Rhys		
Salary	106,922	46,721
Employer's pension contribution	21,277	9,746
	128,199	56,485
Former Interim Chief Executive (from 7 March 2022 to 1 November 2022) – Michael Elliott		
Salary	-	65,643
Chief Executives' total		
Salary	106,922	112,364
Employer's pension contribution	21,277	9,764
	128,199	122,128

66% (2022/23: 66%) of the Chairs' and 72% (2022/23: 72%) of the Chief Executives' emoluments are charged in these financial statements and the remainder to lottery distribution activities.

Travel and subsistence expenses incurred and defrayed whilst on Council business:	2023/24 £	2022/23 £
Chairs	1,223	593
Chief Executives	12,037	11,050

51% (2022/23: 51%) of the Chairs' and Chief Executives' expenses are charged in these financial statements and the remainder to lottery distribution activities.

c. 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 FRS 102.

An independent actuarial valuation of the ACRP normally takes place every three years. The most recent valuation, as at 31 March 2022, came into effect on 1 April 2023. It showed that the ACRP had a funding deficit relative to its statutory funding objective.

The valuation introduced new ordinary contribution rates for the Council in respect of accruing benefits. It also assumes a continuing requirement that a minimum level of payment be made each year towards the deficit, at a rate advised by the scheme actuary, until 31 March 2034. Participating employers may pay contributions at a higher rate or pay additional lump sum contributions at any time before they are due if they so wish.

On the assumption that the recommended amounts would be paid to ACRP, the actuary's opinion was that the statutory funding objective could have been expected on 31 March 2022 to be met by the end of the period specified in the recovery plan.

The valuation was carried out for the purposes of section 179 of the Pensions Act 2004 and the key financial assumptions (net of price inflation) were:

Net discount rate prior to retirement (pre 2009 compensation)	-2.39% p.a.
Net discount rate prior to retirement (post 2009 compensation)	-0.68% p.a.
Net discount rate for pre 1997 benefits in payment (current pensioners)	1.95% p.a.
Net discount rate for pre 1997 benefits in payment (future pensioners)	1.65% p.a.
Net discount rate for post 1997 benefits in payment (current pensioners)	-0.25% p.a.
Net discount rate for post 1997 benefits in payment (future pensioners)	-0.65% p.a.
Longevity	S3PMA (for males first life), S3PFA (for females first life), S3DMA (for males second life) and SDFA (for females second life), in each case with future improvements in line with the CMI 2019 model, with a long term improvement rate of 1.5%/1.25% for males/females, and a core smoothing parameter of 7.5
Contingent benefits	85% (males) or 75% (females) assumed married at retirement Females are assumed to be 3 years younger

Contributions by the Council and its employees were:

	Council		Employees	
	2023/24	2022/23	2023/24	2022/23
For all staff	19.9%	20.9%	6.0%	6.0%

In addition, the Council made a lump sum payment of £115,900 in 2022/23 and it was agreed with the actuaries that no further deficit payments would be needed until the next revaluation. The Council's Lottery Distribution account contributed £56,550 towards the deficit payment.

There have been no changes to the Council's and employees' contribution rates since 31 March 2024.

The Council also paid 0.2% (2022/23: 0.1%) 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 a defined contribution scheme, The People's Pension, as an alternative option for employees who are not members of the ACRP. The Council contributed 5% and the employee 3% during the year. These rates may change in the future, in line with the requirements of the legislation.

8. Resources expended
Governance costs

	Gross costs £'000	Deduct Recharges to Lottery Distribution £'000	2023/24 Net charge to General Activities £'000	2022/23 Net charge to General Activities £'000
Chair's remuneration	49	17	a32	32
Auditor's remuneration – Audit	68	32	36	30
Internal audit	18	9	9	13
Legal and consultancy fees	2	1	1	1
Council meetings, including travel and subsistence	9	3	6	2
	146	62	84	78

9. Fixed assets

a. Intangible fixed assets	Computer software licences £'000
Cost at 1 April 2023	301
Additions	-
Disposals	(73)
Cost at 31 March 2024	228
Amortisation at 1 April 2022	297
Charge for the year	2
Disposals	(73)
Amortisation at 31 March 2024	226
Net book value at 31 March 2024	**2**
Net book value at 1 April 2023	**4**

b. Tangible fixed assets	Alterations to leasehold properties £'000	Computer system, furniture, etc £'000	Website £'000	Total £'000
Cost at 1 April 2023	107	851	95	1,053
Additions	-	29	99	128
Disposals	-	(336)	-	(336)
Cost at 31 March 2024	107	544	194	845
Depreciation at 1 April 2023	107	721	95	923
Charge for the year	-	59	-	59
Disposals	-	(336)	-	(336)
Depreciation at 31 March 2024	107	444	95	646
Net book value at 31 March 2024	**0**	**100**	**99**	**199**
Net book value at 1 April 2023	**0**	**130**	**0**	**130**

Amortisation and depreciation charged has been allocated to charitable activities within support costs (note 6).

c. Net book value at 31 March 2024 represents fixed assets used by the Council in support of its charitable activities.

The Council's freehold properties in Cardiff, the Sherman Theatre and the Rubicon Dance Studio, are let on long leases at peppercorn rents to tenants which are not controlled by the Council and with no provisions either for reviewing the rents or repossession by the Council.

The Sherman Theatre was acquired by the Welsh Arts Council, a division of the Arts Council of Great Britain, in September 1987 at a cost of £897,000 and immediately let for a term of 125 years. At the dissolution of the Arts Council of Great Britain in March 1994 the freehold interest was transferred to the newly formed Arts Council of Wales.

The Rubicon Dance Studio was acquired by the Welsh Arts Council in February 1988 at a cost of £11,315 and subject to an existing lease for a term of 999 years commencing 1 January 1986. The freehold interest was transferred to the Arts Council of Wales in March 1994.

The most recent external and independent valuation of the Council's freehold properties was as at 31 March 2004. It was undertaken by Elizabeth Hill, a Member of the Royal Institute of Chartered Surveyors, for and on behalf of Cooke & Arkwright, Chartered Surveyors. Because of the impact of the leases it was the surveyor's opinion that the freehold interests had a nil or nominal value, so these assets are held in the accounts at nil value.

Council does not consider it necessary to undertake a further valuation until there is a significant reduction in the residual terms of the leases or earlier termination.

10. Debtors

	2023/24 £'000	2022/23 £'000
a. **Debtors:** falling due after more than one year		
Welsh Government – capital funding for redevelopment of Theatr Clwyd	0	8,570
	0	8,570
b. **Debtors:** falling due within one year		
Welsh Government – grant-in-aid	500	583
Welsh Government – capital funding for redevelopment of Theatr Clwyd	10,030	13,766
Welsh Government – for National Contemporary Art Gallery for Wales	2,664	-
Welsh Government – other funds	1,026	394
Collectorplan loans[1]	133	119
Trade debtors	133	119
Other debtors	829	924
	15,606	16,169
Deduct Specific provision for doubtful debts	-	-
Sub-total: Debtors	15,606	16,169
Prepayments	190	286
	15,796	16,455
Due from Lottery distribution fund for recharged costs:		
Cost apportionments	431	313
	16,227	16,768

[1] *Collectorplan* is the Council's interest-free loan scheme, available to the general public to support the purchase of contemporary works of art and crafts from participating galleries across Wales. Loans from £50 up to £5,000 are repaid by monthly instalments over a maximum period of 1 year.

11. Creditors

	2023/24 £'000	2022/23 £'000
a. **Creditors**: falling due within one year		
Grants payable – capital funding for redevelopment of Theatr Clwyd	10,030	13,766
Grants payable – for National Contemporary Art Gallery for Wales	2,656	-
Grants payable – other	1,369	1,444
Taxation and social security	138	118
Trade creditors	272	148
Other creditors	195	109
Accruals and deferred income	648	249
	15,308	15,534
b. **Creditors**: falling due after more than one year		
Grants payable – capital funding for redevelopment of Theatr Clwyd	-	8,570
Grants payable – other	105	201
	105	8,771

12. Contingent liability

The Council is an admitted employer of the Arts Council Retirement Plan 1994. The Plan is a funded, defined benefit, multi-employer scheme where the participating employers are unable to identify their shares of the underlying assets and liabilities.

In the event of the withdrawal of an employer, the debt triggered under section 75 of the Pensions Act 1995 would be calculated using the solvency shortfall of the entire Plan, not the employer's own asset share and liabilities. Also, in the event of Plan wind up, as the Plan is a "last man standing" arrangement all employers would be jointly and severally liable for the total shortfall in the Plan.

13. Statement of funds

	At 1 April 2023 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	At 31 March 2024 £'000
Unrestricted income funds					
General fund	1,102	33,403	(32,045)	(528)	1,932
Total unrestricted funds	**1,102**	**33,403**	**(32,045)**	**(528)**	**1,932**
Restricted funds					
Income					
Welsh Government for specific arts activity	4	8,037	(8,556)	519	4
CLTA Programme	1,337	2,048	(2,780)	-	605
Arts Council England (for Hynt)	41	-	(41)	2	2
Eirian Llwyd memorial awards	-	-	-	-	-
Natural Resources Wales (Other restricted income)	-	9	(10)	1	0
National Centre for Learning Welsh	23	-	(24)	1	0
Wales Arts International activity	69	79	(81)	5	72
	1,474	10,173	(11,492)	528	683
Capital					
Alun Llywelyn Williams Memorial Fund (income to provide bursary for young artist)	13	1	-	-	14
Brian Ross Memorial Fund (income to provide bursary for young visual artist)	69	3	-	-	72
	82	4	-	-	82
Total restricted funds	**1,556**	**10,177**	**(11,492)**	**528**	**769**
Total funds	**2,658**	**43,580**	**(43,537)**	**0**	**2,701**

The Alun Llywelyn Williams and Brian Ross Memorial Funds are represented by cash at bank and are within the total of £1,566,000 shown on the Balance Sheet.

14. Analysis of net assets between funds

Fund balances at 31 March 2024 are represented by:	Unrestricted funds £'000	Restricted funds £'000	Total £'000
Fixed assets	201	-	201
Current assets	5,786	12,127	17,913
Creditors: falling due within one year	(4,037)	(11,271)	(15,308)
Creditors: falling after more than one year	(18)	(87)	(105)
Total net assets	1,932	769	2,701

15. Cash flow information

		2023/24 £'000	2022/23 £'000
a.	Cash flows from operating activities		
	Net incoming/(outgoing) resources	43	239
	Bank interest received (net of surrender)	(28)	(10)
	Amortisation and depreciation (note 9)	61	32
	(Surplus)/Deficit on disposal of fixed assets	(3)	-
	(Increase)/Decrease in grants paid in advance	(120)	-
	(Increase)/Decrease in debtors	9,111	(22,576)
	Increase/(Decrease) in creditors falling due within one year	(226)	13,629
	Increase/(Decrease) in creditors falling due after more than one year	(8,666)	8,741
	Net cash inflow/(outflow) from operating activities	172	55
b.	Cash flows from investing activities		
	Bank interest received	108	18
	Bank interest surrendered to Welsh Consolidated Fund	(80)	(8)
	Net cash inflow from operating activities	28	10
c.	Cash flows associated with capital assets		
	Payments to acquire intangible fixed assets (note 9a)	0	(4)
	Payments to acquire tangible fixed assets (note 9b)	(128)	(95)
	(Surplus)/Deficit on disposal of fixed assets	3	-
	Net cash inflow/(outflow) associated with capital assets	(125)	(99)

16. Commitments on operating leases

At 31 March 2024 the Council had the following commitments for future payments under non-cancellable operating leases:

	Land and buildings		Equipment	
Total due	2024 £'000	2023 £'000	2024 £'000	2023 £'000
within one year	56	144	2	2
later than one year and not later than five years	264	516	-	2
later than five years	-	106	-	-
	320	766	2	4

Lease payments of £130,000 have been recognised as an expense during the year (2022/23: £155,000). 51% (2022/23: 51%) of the costs are charged in these financial statements and the remainder to lottery distribution activities.

17. Forward commitments

	2024 £'000	2023 £'000
Grants		
Forward funding – grants formally offered	25,123	27,180

Forward funding at 31 March 2024 represents allocations to Multi-year funded organisations for 2024/25.

18. *Creative Learning through the Arts* Programme

The *Creative Learning through the Arts* Programme is designed to:

- improve educational attainment
- build an education system that will directly contribute to a stronger economy, greater innovation, greater creativity, and to the cultural capital of the nation
- bring about a step change in the range and quality of opportunities given to children and young people to engage with and learn about the arts and culture

The first phase, from 2015 to 2020, was funded by a joint investment of £20 million pounds from the Welsh Government in partnership with the Arts Council of Wales, working with the regional education consortia, schools, local authorities and the wider arts and cultural sector. The Programme requires the active involvement of artists, creative professionals and arts, culture and heritage organisations working in partnership with teachers and schools.

The programme was extended for two years from 2020 to 2022 and the Welsh Government has announced a further extension for another three years to 2025.

The Council's investment comes from Lottery funds. This, together with the Welsh Government's contribution and all Programme expenditure, is accounted for in these financial statements. This approach has been agreed with the Council's external auditors and the Department for Culture, Media & Sport.

	2023/24 £'000	2022/23 £'000
Income		
Welsh Government grant	1,000	1,000
Arts Council of Wales Lottery grant	1,000	1,000
Prior year grants repaid	1	0
Partnership income	23	22
Bank interest	24	10
	2,048	2,032
Expenditure		
Lead Creative Schools	1,639	1,642
Arts and education programme	8	3
Arts and creative learning cross-programme	512	14
Central management costs	621	555
	2,780	2,214

19. Financial instruments

Financial Reporting Standard 102 requires disclosure of the role which financial instruments have had during the period in creating or changing the risks the Council faces in undertaking its functions.

Liquidity risks – In 2023/24 £48,151,000 or 97% of the Council's income was derived from the Welsh Government (2022/23: £59,807,000 or 98%). Of the remaining income £1,000,000 or 2% was derived from the Arts Council of Wales' Lottery Distribution account for the *Creative Learning through the Arts* Programme (2022/23: £1,000,000 or 1%) and £429,000 or 1% was derived from investment income and sundry income (2022/23: £409,000 or 1%). The Council does not consider that its general activities are exposed to any significant liquidity risk and is satisfied that future income is sufficient to meet its commitments.

Interest rate risks – Cash balances which are drawn down from the Welsh Government to pay grant commitments and operating costs are held in instant access, variable rate bank accounts which on average carried an interest rate of 3.18% in the year (2022/23: 0.88%). The effective unrestricted cash balance at the year end was £384,000 (2023: £279,000). The Council does not consider that its general activities are exposed to significant interest rate risks.

Foreign currency risk – The general activities of the Council are not exposed to any significant foreign exchange risks.

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

Credit risk – The Council is not exposed to any significant credit risk as the majority of debtors relate to Welsh Government income.

20. Corporation Tax

The Council is a charitable Welsh Government sponsored body and as such is exempt from Corporation Tax under Section 505 ICTA 1988.

21. Events after the reporting period

Authorisation of these financial statements for issue

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

There were no material post balance sheet events up to the date on which the accounting statements were authorised by the Accounting Officer which would have meant that the accounts had to be adjusted.

22. Related party transactions

Public bodies

The Council is a Welsh Government sponsored body.

The Welsh Parliament/Welsh Government is regarded as a related party. During the year the Council had no material transactions with the Welsh Parliament/Welsh Government apart from the grant-in-aid disclosed in the Statement of Financial Activities and the restricted grants disclosed in note 3.

Individuals

Members of Council, Committees, staff or other related parties (being close family members) undertook financial transactions (listed below) with the Council 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 grants or other payments by the Council in 2023/24 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.

Under the Council's Code of Best Practice an interest is deemed to persist for a minimum period of one year after the individual has left the position which created the interest. This policy is reflected in the disclosures which follow.

Transactions with the Council as a Lottery distributor are recorded in the equivalent note to the separate Lottery Distribution Account.

Council members Role	Organisation	Payable Transaction 2023/24 (number)	Total Value 2023/24 £	Total balance outstanding at 31 March 2024[1] £
Elen ap Robert				
Chair	National Eisteddfod of Wales	Grant (0)	Nil	1,500
Board member	Welsh National Opera	Grants (2)	4,652,609	Nil
Devinda De Silva				
Board member	Disability Arts Cymru	Grant (1)	169,746	Nil
Board member	Dirty Protest	Grant (0)	Nil	617
Kate Eden (to September 2023)				
Council member	Aberystwyth University	Grant (5) Invoice (3)	1,432,574 4,787	453,266 720
Ruth Fabby				
Board member	Arts Marketing Association	Invoice (6)	6,043	Nil
Emily Hutchings				
Employment	Chapter	Grant (6) Invoice (3)	698,093 999	24,602 Nil
Employment	Sherman Theatre	Grant (3) Invoice (5)	1,162,359 2,610	Nil Nil
Gwennan Mair Jones				
Drama board member	National Eisteddfod of Wales	Grant (0)	Nil	1,500
Employment	Theatr Clwyd	Grant (3) Invoice (1)	1,857,044 780	10,031,055 Nil
Tafsila Khan				
Board member	Taking Flight Theatre	Invoice (2)	1,200	Nil
Board member	Fio	Grant (0)	Nil	500
Board member	National Theatre Wales	Grant (2) Invoice (6)	1,648,436 6,480	Nil Nil
Employment	Wales Millennium Centre	Grant (4) Invoice (2)	3,937,387 3,720	Nil Nil
Keith Murrell				
Council member	The Successors of the Mandique	Invoice (1)	1,200	Nil
Victoria Provis				
Council member	University of Wales Trinity Saint David	Invoice (10)	3,881	Nil
Prue Thimbleby				
Employment	Swansea Bay Health Board	Grant (0)	Nil	25,000
Dr Sarah Younan				
Volunteer	Watch Africa Cymru	Grant (0)	Nil	1,000
Employment	National Museum of Wales	Invoice (1)	812	Nil

Independent Committee members Role	Organisation	Transaction 2023/24 (number)	Total Value 2023/24 £	Total balance outstanding at 31 March 2024[1] £
Ruth Cayford				
Council member	Cardiff Council	Invoice (1)	300	Nil
Jayne Woods				
Council member	University of Wales Trinity Saint David	Invoice (10)	3,881	Nil

Senior Leadership Team members Role	Organisation	Payable Transaction 2023/24 (number)	Total Value 2023/24 £	Total balance outstanding at 31 March 2024[1] £
Dafydd Rhys				
Former employment (until August 2022)	Aberystwyth University	Grant (5) Invoice (3)	1,432,574 4,787	453,266 720
Lleucu Siencyn				
Former employment (until April 2022)	Literature Wales	Grant (2)	761,685	31,407

[1] The total balance outstanding at the year-end may include amounts in respect of grants awarded in previous years but not yet paid.

Financial Statements
Lottery Distribution

Statement of 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 & 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, Statement of Financial Position 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 & 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.

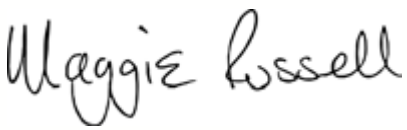
The Principal Accounting Officer for the Welsh Government has designated the Chief Executive as the Accounting Officer of the Council. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable,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

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the Council's auditor is aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

The Accounting Officer confirms that, as far as he is aware, the annual report and accounts as a whole is fair, balanced and understandable and he takes responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable.

Endorsed on behalf of Council:

Dafydd Rhys
Accounting Officer
18 October 2024



Maggie Russell
Chair
18 October 2024

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

Opinion on financial statements

I certify that I have audited the financial statements of the Arts Council of Wales Lottery Distribution Account for the year ended 31 March 2024 under the National Lottery etc Act 1993.

The financial statements comprise the Arts Council of Wales Lottery Distribution Account's

- Statement of Financial Position as at 31 March 2024;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Reserves for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted international accounting standards.

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 2024 and of its Comprehensive Net Expenditure for the year then ended; and
- have been properly prepared in accordance with the National Lottery etc Act 1993 and Secretary of State directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure 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.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2022). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2019*. I am independent of the Arts Council of Wales Lottery Distribution Account in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Arts Council of Wales Lottery Distribution Account's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Arts Council of Wales Lottery Distribution Account's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Arts Council of Wales Lottery Distribution Account is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

Other information

The other information comprises the information included in the Annual Report but does not include the financial statements nor my auditor's certificate and report thereon. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the National Lottery etc Act 1993.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Secretary of State directions made under the National Lottery etc Act 1993; and
- the information given in the Performance Report and Operational Review and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Arts Council of Wales Lottery Distribution Account and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Operational Review and Accountability Report.

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 by the Arts Council of Wales Lottery Distribution Account or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- maintaining proper accounting records;
- providing the Comptroller and Auditor General (C&AG) with access to all information of which management is aware that is relevant to the preparation of the financial statements, such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Arts Council of Wales from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view in accordance with Secretary of State directions issued under the National Lottery etc Act 1993;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with Secretary of State directions made under the National Lottery etc Act 1993; and
- assessing the Arts Council of Wales Lottery Distribution Account's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Arts Council of Wales Lottery Distribution Account will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the National Lottery etc Act 1993.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud, is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the Arts Council of Wales Lottery Distribution Account's accounting policies;
- inquired of management, the Arts Council of Wales's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Arts Council of Wales Lottery Distribution Account's policies and procedures on:
    - identifying, evaluating and complying with laws and regulations;
    - detecting and responding to the risks of fraud; and
    - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Arts Council of Wales Lottery Distribution Account's controls relating to the Arts Council of Wales Lottery Distribution Account's compliance with the National Lottery etc Act 1993, Managing Public Money and Managing Welsh Public Money;

- inquired of management, the Arts Council of Wales's head of internal audit and those charged with governance whether:
    - they were aware of any instances of non-compliance with laws and regulations;
    - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Arts Council of Wales Lottery Distribution Account for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, and bias in management estimates. In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Arts Council of Wales Lottery Distribution Account's framework of authority and other legal and regulatory frameworks in which the Arts Council of Wales Lottery Distribution Account operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Arts Council of Wales Lottery Distribution Account. The key laws and regulations I considered in this context included the National Lottery etc Act 1993, Managing Public Money, Managing Welsh Public Money, employment law, pensions legislation and tax legislation.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management and the Audit & Risk Assurance Committee concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Council and internal audit reports;
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

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.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies
Comptroller and Auditor General
24 October 2024

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

The maintenance and integrity of the Arts Council of Wales website is the responsibility of the Accounting Officer; the work carried out by auditors does not involve consideration of these matters and accordingly auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

The Arts Council of Wales

Lottery Distribution Account
Statement of Comprehensive Net Expenditure

for the year ended 31 March 2024

	Notes	2023/24 £'000	2023/24 £'000	2022/23 £'000	2022/23 £'000
Income					
Share of proceeds from the National Lottery	2		17,234		17,681
Investment income on balances in the National Lottery Distribution Fund	2		839		355
Partnership income			579		260
Interest receivable			72		27
Grants recoverable			39		26
Total income			18,763		18,346
Expenditure					
Management and administration:					
Staff costs	3a	1,779		1,362	
Other operating costs	3b	768		617	
			1,979		1,979
Expenditure on the arts:					
Grants made		14,988		15,333	
Less: Lapsed and revoked grants		(327)		(163)	
Net grants made	4		14,661		15,170
Delegated distributors	5		1,690		1,864
Strategic partnerhips and other arts awards	6		520		60
Direct costs of grant making	3c		177		128
			17,048		17,222
Total expenditure			19,595		19,201
Comprehensive net expenditure for the year			(832)		(855)

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 166 to 177 form part of these financial statements.

The Arts Council of Wales

Lottery Distribution Account
Statement of Financial Position

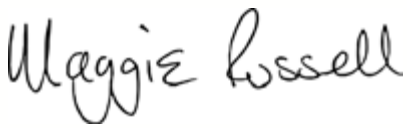
as at 31 March 2024

	Notes	31 March 2024 £'000	31 March 2024 £'000	31 March 2023 £'000	31 March 2023 £'000
Current assets:					
Financial assets:					
Investments – balance held in the National Lottery Distribution Fund	2	18,715		24,399	
Trade and other receivables	7	431		6	
Cash and cash equivalents	8	4,633		2,420	
Total current assets			23,779		26,825
Total assets			23,779		26,825
Trade payables and other current liabilities – amounts falling due within one year:					
Trade and other payables	9	(915)		(333)	
Other liabilities:					
Grants	4, 9	(17,062)		(16,875)	
Delegated distributors	5, 7	(124)		(1,444)	
Total payables and other current liabilities			(18,101)		(18,652)
Non-current assets plus net current assets			5,678		8,173
Trade payables and other non-current liabilities – amounts due after more than one year:					
Grants	4		(1,185)		(2,848)
Assets less liabilities			**4,493**		5,325
Reserves:					
General fund			**4,493**		5,325

The notes on pages 166 to 177 form part of these financial statements.

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

Dafydd Rhys
Accounting Officer
18 October 2024



Maggie Russell
Chair
18 October 2024

The Arts Council of Wales

Lottery Distribution Account
Statement of Cash Flows

for the year ended 31 March 2024

	2023/24 £'000	2021/23 £'000
Cash flows from operating activities		
Net expenditure	(832)	(855)
Bank interest	(72)	(27)
Decrease/(Increase) in the balance held in the National Lottery Distribution Fund	5,684	1,766
Decrease/(Increase) in trade and other receivables	(425)	145
Increase/(Decrease) in trade and other payables and other liabilities	(738)	333
Increase/(Decrease) in grants payable	(1,476)	(770)
Net cash inflow/(outflow) from operating activities	**2,141**	592
Cash flows from investing activities		
Bank interest	72	27
Net cash inflow from investing activities	**72**	27
Cash and cash equivalents		
Net increase/(decrease) in cash and cash equivalent balances	**2,213**	619
Balance at 1 April	2,420	1,801
Balance at 31 March	**2,420**	1,801

Statement of Changes in Reserves

for the year ended 31 March 2024

	2023/24 £'000	2022/23 £'000
Balance at beginning of year	5,325	6,180
Net expenditure for the year	(832)	(855)
Balance at end of year	**4,493**	5,325

The notes on pages 166 to 177 form part of these financial statements.

The Arts Council of Wales

Lottery Distribution Account
Notes forming part of the financial statements

for the year ended 31 March 2024

1. Accounting policies

a. Basis of preparation

These financial statements are prepared on a going concern basis and under the historical cost convention. They have been prepared in a form directed by the Secretary of State for Culture, Media & 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) as interpreted for the public sector context within the Government Financial Reporting Manual issued by HM Treasury.

Impact of standards not yet effective

The application of any new or amended IFRS is governed by their adoption by the Government Financial Reporting Manual. The Council applies changes to standards when they become effective. There are no known material impacts from IFRS changes that have been issued and are not yet effective on the financial statements in the period of initial application.

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 4.

e. Delegation to external partners

The Council has fully operational delegation agreements in place with a number of bodies to act as lead organisations in the delivery of grant schemes. The statutory grant decision-making function is delegated to the bodies. The terms of the external delegation are set out in formal agreements and satisfy the conditions of the Council's Financial Directions. The obligations of the Council's Accounting Officer are unchanged by the delegation.

Annual sums delegated by the Council to the partners are recognised as expenditure in the Statement of Comprehensive Net Income/Expenditure. Funds are drawn down by the partners to meet grant commitments as they fall due. Undrawn funds at the year-end are included in the Statement of Financial Position as liabilities. Further details are disclosed in note 9.

f. National Lottery Distribution Fund

Balances held in the National Lottery Distribution Fund remain under the stewardship of the Secretary of State for Culture, Media & Sport. However, the share of these balances attributable to the Council is as shown in the accounts at amortised cost and, at the Statement of Financial Position date, has been certified by the Secretary of State for Culture, Media & Sport as being available for distribution by the Council in respect of current and future commitments.

g. 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 Plan is a funded, defined benefit, multi-employer scheme where the participating employers are unable to identify their shares 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 made payments to fund a deficit relating to past service. If further deficit payments are needed, following future revaluations, the Council will recognise a provision for the present value of contributions payable in accordance with the terms of any relevant funding agreement. A share of all contributions towards the deficit is charged to the Statement of Comprehensive Net Income/Expenditure.

The Council also has 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.

h. 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.

i. 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.

The apportionments are usually reviewed every two years and whenever there is a significant change to the staff structure or the programmes of activity.

j. 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 comprise 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. National Lottery Distribution Fund

Distributing activities are funded by allotted proceeds from the National Lottery which are held in the National Lottery Distribution Fund (NLDF). The NLDF is administered by the Department for Culture, Media and Sport. The National Lottery operator calculates the proceeds on an annual basis as set out in the National Lottery Licence. Payments are made to the NLDF each week based on actual sales and prizes. The percentages of proceeds receivable into the NLDF then payable to each lottery distributing body are set out in National Lottery etc. Act 1993 sections 22 and 23 as amended by Statutory Instrument 2010 No. 2863 'The Apportionment of Money in the National Lottery Distribution Fund Order 2010'. The Council receives 1% of total annual proceeds receivable into the NLDF and draws down the proceeds when needed.

	2023/24 £'000	2022/23 £'000
Balance held in the National Lottery Distribution Fund at 1 April	24,399	26,165
Allocation of Lottery proceeds	17,234	17,681
Investment income receivable	839	355
Drawn down in the year	(24,757)	(19,802)
Balance held in the National Lottery Distribution Fund at 31 March	18,175	24,399

The balance in the National Lottery Distribution Fund at 31 March 2024 is in accordance with the Interim Certificate issued by the Department for Culture, Media & Sport.

3. Costs in support of our operations

a. Staff costs	Permanently employed £'000	Other £'000	2023/24 Total £'000	2022/23 Total £'000
Wages and salaries charged to Lottery distribution activity	1,106	145	1,251	1,060
Social security costs	136	14	150	119
Other pension costs[1]	187	19	206	253
Redundancy costs	328	-	328	-
Agency costs	-	4	4	2
	1,757	182	1,939	1,434

[1] Including a lump sum payment of £56,550 towards the pension deficit in 2022/23

Charged to Management and administration	1,779	,1362
Charged to Expenditure on the arts (note 3c)	160	72
	1,939	1,434

More detailed disclosures are contained in the Remuneration and Staff Report.

b. Management and administration: Other operating costs	2023/24 £'000	2022/23 £'000
Staff related costs	63	73
Organisational review	8	-
Infrastructure	320	287
Office running costs	9	7
Professional and consultancy fees	209	99
Lottery promotion	15	25
Irrecoverable VAT	70	71
Charge for use of fixed assets	29	15
Auditor's remuneration – Audit[1]	33	26
Internal audit	9	12
Council and committee meetings, including travel and subsistence	3	2
	768	617

[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 but the average charge to Lottery activities was 49% (2022/23: 49%).

c. Expenditure on the arts: Direct costs of grant making	2023/24 £'000	2022/23 £'000
Assessors' fees	-	13
Irrecoverable VAT	1	3
Arts and Health	154	71
Resilience Fund	5	-
Future Wales Fellowships	11	-
Climate Justice	6	-
Men's Football World Cup	0	40
	177	128

4. Grants

	£'000 Capital	£'000 Revenue schemes	2023/24 £'000 Total	2022/23 £'000 Total
Payable at 1 April	7,471	12,252	19,723	**20,493**
Grants made in the year	444	14,544	14,988	**15,333**
Amounts not taken up	-	(327)	(327)	**(163)**
Charged to Statement of Comprehensive Net Income/Expenditure	444	14,217	**14,661**	**15,170**
Grants paid in the year	(219)	(15,918)	(16,137)	**(15,940)**
Payable at 31 March[1]	7,696	10,551	**18,247**	**19,723**
Falling due within one year	6,961	10,065	17,026	**16,875**
Falling due after more than one year	735	486	1,221	**2,848**
	7,696	10,551	**18,247**	**19,723**
[1] Ageing of grants payable:				
2023/24	-	-	-	**16,875**
2024/25	6,961	10,065	17,026	**2,724**
2025/26	735	463	1,198	**119**
2026/27	-	23	23	**5**
2027/28	-	-	-	**-**
	7,696	10,551	**19,247**	**19,723**
Grants approved but not formally offered at 31 March which are not recognised in the Statement of Comprehensive Net Income/Expenditure and Statement of Financial Position			**3,757**	**10**

5. 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	Literature Wales for writers' bursaries £'000	Tŷ Cerdd for community & Welsh music £'000	2023/24 Total £'000	2022/23 Total £'000
Undrawn funds at 1 April (restated)[1]	1,425	19	-	1,444	**1,189**
Delegated for the year[2]	1,437	97	156	1,690	**1,889**
	2,862	116	156	3,134	**3,053**
Drawn down in the year[3]	(2,774)	(80)	(156)	(3,010)	**(1,609)**
Undrawn funds at 31 March	88	36	-	124	**1,444**
Grants recorded as payable by the delegated distributors at 31 March	1,050	61	24	1,135	**856**

1 The undrawn funds at 1 April 2022 includes £6,000 due to Nesta
2 The total delegated in 2022/23 includes £174,000 to BBC Cymru Wales
3 The total drawn down in 2022/23 includes £174,000 by BBC Cymru Wales and £6,000 by Nesta

Full lists of the grants administered by the delegated distributors during 2023/24 are included in the annexes to this Annual Report.

6. Strategic partnerships and other arts awards

	2023/24 £'000	2022/23 £'000
Strategic partnerships:		
BBC Cymru Wales (for Horizons/Gorwelion)	150	-
UK Research and Innovation (for digital development)	150	-
Nesta (for arts and health innovation projects)	100	-
Other arts awards:		
Unlimited awards in association with Arts Council England	80	60
Beyond Borders awards in association with PRS Foundation	40	-
	520	60

7. Trade and other receivables

	2023/24 £'000	2022/23 £'000
Grants recoverable	21	6
Support for exit packages from Welsh Government	410	-
	431	6

8. Cash and cash equivalents

	2023/24 £'000	2022/23 £'000
The following balances at 31 March were held at:		
Commercial banks	4,633	2,420

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

	2023/24 £'000	2022/23 £'000
Trade and other payables:		
Trade payables	19	2
Due to the Arts Council of Wales General Activities account:		
for apportioned costs[1]	431	313
Accruals and deferred income	465	18
Sub-total: Trade and other payables	915	333
Other liabilities:		
Grants (note 4)	17,062	16,875
Delegated distributors (note 5)[2]	124	1,444
Sub-total: Other liabilities	17,186	18,652
Total current liabilities	18,652	17,522

[1] The amount due to the Arts Council of Wales General Activities account is made up of:

Recharges of apportioned costs		
– Staff	336	114
– Overheads	66	127
– Charge for use of assets	29	15
– Pension deficit lump sum	-	57
	431	313

[2] The Council has delegated Lottery funds (note 5) to the following distributors:

Undrawn funds at 31 March		
– Ffilm Cymru Wales (for film)	88	1,425
– Literature Wales (for writers' bursaries)	36	19
	124	1,444

10. Contingent asset

Sale of Olympic Park

The National Lottery Distributors are entitled to receive a share of receipts from the sale of land on Queen Elizabeth Olympic Park in return for their contribution of an additional £675m to the funding of the London 2012 Olympic and Paralympic Games. This was announced in 2007. The arrangements are set out in a legal agreement between the Secretary of State for Culture, Media & Sport and the Greater London Authority (GLA) dated 29 March 2012 which sets out the distribution of funds between the GLA and the Lottery Distributors via the Department for Culture, Media & Sport (DCMS). Land sales are likely to take place over a lengthy period, estimated to be up to 2036/37. The GLA has advised that sales are forecast to return less than £200m with payments to the Lottery Distributors beginning in 2026/27.

11. Events after the reporting period

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.

There were no material post balance sheet events up to the date on which the accounting statements were authorised by the Accounting Officer which would have meant that the accounts had to be adjusted.

12. 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 risk – In 2023/24 £17,234,000 or 91.9% of the Council's Lottery distribution income was derived from the National Lottery (2022/23: £17,681,000 or 96.4%). Of the remaining income £839,000 or 4.5% was derived from investment returns from the balance held with the National Lottery Distribution Fund (2022/23: £355,000 or 1.9%) and £693,000 or 3.7% from other investment income and sundry income (2022/23: £310,000 or 1.7%). 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 instant access, variable rate bank accounts which on average carried an interest rate of 3.18% in the year (2022/23: 0.88%). The cash and cash equivalents balance at the year end was £4,633,000 (2023: £2,420,000). 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.

Credit risk – The Council is not exposed to any significant credit risk.

13. Related party transactions

Public bodies

The Council is a Welsh Government sponsored body.

The Welsh Parliament/Welsh Government is regarded as a related party and details of transactions with the Welsh Parliament/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 & Sport which is regarded as a related party. During the year the Council had no material transactions with the Department for Culture, Media & Sport other than those shown in the Statement of Comprehensive Net Income/Expenditure.

Delegated Lottery distributors

As disclosed in note 5, Ffilm 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/Expenditure.

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 2023/24 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.

Under the Council's Code of Best Practice an interest is deemed to persist for a minimum period of one year after the individual has left the position which created the interest. This policy is reflected in the disclosures which follow.

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

Council members Role	Organisation	Payable Transaction 2023/24 (number)	Total Value 2023/24 £	Total balance outstanding at 31 March 2024[1] £
Elen ap Robert				
Chair	National Eisteddfod of Wales	Grant (1)	99,755	99,755
Board member	Welsh National Opera	Grant (1)	50,000	52,500
Lhosa Daly				
Director	National Trust Cymru	Invoice (1)	150	Nil
Devinda De Silva				
Board member	Dirty Protest	Grant (1)	37,763	84,105
Board member	Disability Arts Cymru	Grant (0)	Nil	16,372
Kate Eden (to September 2023)				
Council member	Aberystwyth University	Grant (1)	49,800	52,374
Ruth Fabby				
Board member	Unlimited	Invoice (1)	80,000	Nil
Emily Hutchings				
Employment	Chapter	Grant (4)	93,510	44,143
Employment	Sherman Theatre	Grant (4)	120,995	Nil
Gwennan Mair Jones				
Drama board member	National Eisteddfod of Wales	Grant (1)	99,755	99,755
Arts and Health NW Group member	Betsi Cadwaladr Health Board	Grant (4)	82,300	33,996
Employment	Theatr Clwyd	Grant (1)	40,00	5,045,849
Tafsila Khan				
Board member	Fio	Grant (1)	9,112	99,017
Employment	Wales Millennium Centre	Grant (2)	135,000	85,000
Board member	Taking Flight	Grant (2)	255,694	330,996
Alison Mears Esswood				
Membership (Family member)	The Aloud Charity	Grant (1)	10,000	3,344
Keith Murrell				
Board member	Butetown Art and Culture Association	Grant (2)	103,109	10,311
Board member	The Successors of the Mandique	Grant (4)	163,570	168,505
Prue Thimbleby				
Employment	Swansea Bay Health Board	Grant (4)	116,650	37,170
Dr Sarah Younan				
Employment (Family member)	Sub-Sahara Advisory Panel	Grant (1)	15,000	137,080

Independent Committee members Role	Organisation	Transaction 2023/24 (number)	Total Value 2023/24 £	Total balance outstanding at 31 March 2024[1] £
Ruth Cayford				
Employment	Cardiff Council (St David's Hall)	Grant (0)	Nil	106,171

Senior Leadership Team members Role	Organisation	Payable Transaction 2023/24 (number)	Total Value 2023/24 £	Total balance outstanding at 31 March 2024[1] £
Dafydd Rhys				
Former employment (until August 2022)	Aberystwyth University	Grant (1)	49,800	52,374

[1] The total balance outstanding at the year-end may include amounts in respect of grants awarded in previous years but not yet paid.

Annexes

not forming part of the financial statements

General Activities – Grants 2023/24

Core funding to Arts Portfolio Wales organisations	
Aberystwyth Arts Centre	£544,628
Arad Goch	£352,048
Artes Mundi Prize Limited	£150,164
Artis Community Cymuned	£202,935
Arts Care Gofal Celf	£134,893
Arts Connection – Cyswllt Celf	£66,174
Ballet Cymru	£256,130
BBC National Orchestra of Wales	£817,111
Blackwood Miners Institute	£131,300
Canolfan Gerdd William Mathias Cyf	£81,445
Canolfan Ucheldre Centre	£76,355
Chapter Cardiff Ltd.	£667,170
Community Music Wales	£106,896
Cwmni'r Frân Wen	£236,480
Dawns i Bawb	£86,535
Disability Arts Cymru	£167,879
Eleni Dance Ltd	£76,647
Ffotogallery	£202,439
g39	£71,264
Galeri Caernarfon Cyf	£320,942
Glynn Vivian Art Gallery	£127,257
Hafren	£108,606
Head4Arts	£152,709
Hijinx Theatre	£158,004
Impelo	£114,278
Jukebox Collective	£170,164
Literature Wales	£753,306
Live Music Now Wales	£45,812
Llantarnam Grange Arts Centre	£86,535
Mid Wales Opera	£105,878
Mission Gallery	£96,715
MOSTYN	£395,005
Music Theatre Wales	£222,191
National Dance Company Wales	£846,596
National Theatre Wales	£1,630,303
NoFit State Community Circus Ltd	£197,503
Oriel Davies Gallery	£227,128
Oriel Myrddin Trust	£47,849
Peak Cymru	£78,780

Core funding to Arts Portfolio Wales organisations	
Pontardawe Arts Centre	£64,137
Pontio Arts	£284,285
Rhondda Cynon Tâf County Borough Council	£153,065
The Riverfront Theatre and Arts Centre – Newport Live	£127,257
Rubicon Dance	£197,503
Ruthin Craft Centre	£395,005
Sherman Theatre	£1,142,749
Sinfonia Cymru	£221,065
Taliesin Arts Centre	£223,178
Tanio	£177,753
Theatr Bara Caws	£283,966
Theatr Brycheiniog	£197,503
Theatr Clwyd Trust Limited	£1,829,792
Theatr Felinfach	£61,084
Theatr Genedlaethol Cymru	£1,044,883
Theatr Iolo	£260,569
Theatr Mwldan	£271,865
Theatr na nÓg	£320,795
Torch Theatre Company Ltd	£454,258
trac cymru	£81,445
Tŷ Cerdd	£207,568
Valleys Kids	£124,204
Volcano Theatre Company Ltd	£212,317
Wales Millennium Centre	£3,890,552
Welsh National Opera	£4,601,430
Ystradgynlais Miners Welfare and Community Hall Trust Ltd	£42,228
Total Arts Portfolio Wales grants	**£27,184,510**

Cost-of-living support to arts organisations	
Aberystwyth Arts Centre (2 awards)	£12,958
Arad Goch	£3,916
Artes Mundi Prize Limited	£1,670
Artis Community Cymuned (2 awards)	£9,157
Arts Care Gofal Celf (2 awards)	£8,400
Arts Connection – Cyswllt Celf (2 awards)	£7,636
Ballet Cymru	£2,849
BBC National Orchestra of Wales	£9,088
Blackwood Miners Institute (2 awards)	£8,360
Canolfan Gerdd William Mathias Cyf	£906
Canolfan Ucheldre Centre (2 awards)	£7,749
Chapter Cardiff Ltd. (2 awards)	£14,321
Community Music Wales (2 awards)	£8,089
Cwmni'r Frân Wen	£2,630
Dawns i Bawb (2 awards)	£7,862
Disability Arts Cymru	£1,867
Eleni Dance Ltd (2 awards)	£7,752
Ffotogallery	£2,252
g39	£793
Galeri Caernarfon Cyf (2 awards)	£10,470
Glynn Vivian Art Gallery	£1,415
Hafren (2 awards)	£8,108
Head4Arts	£6,900
Hijinx Theatre	£1,757
Impelo (2 awards)	£8,171
Jukebox Collective (2 awards)	£8,793
Literature Wales	£8,379
Live Music Now Wales	£510
Llantarnam Grange Arts Centre	£962
Mid Wales Opera	£1,178
Mission Gallery	£1,076
MOSTYN	£4,393
Music Theatre Wales	£2,471
National Dance Company Wales	£9,416
National Theatre Wales	£18,133
NoFit State Community Circus Ltd	£2,197
Oriel Davies Gallery	£2,526
Oriel Myrddin Trust	£532
Peak Cymru (2 awards)	£7,776

Cost-of-living support to arts organisations	
Pontardawe Arts Centre (2 awards)	£7,613
Pontio Arts (2 awards)	£10,062
Rhondda Cynon Tâf County Borough Council (2 awards)	£8,602
The Riverfront Theatre and Arts Centre – Newport Live (2 awards)	£8,315
Rubicon Dance (2 awards)	£9,097
Ruthin Craft Centre	£4,393
Sherman Theatre (2 awards)	£19,610
Sinfonia Cymru	£2,459
Taliesin Arts Centre	£6,900
Tanio (2 awards)	£8,877
Theatr Bara Caws	£3,158
Theatr Brycheiniog (2 awards)	£9,097
Theatr Clwyd Trust Limited (2 awards)	£27,252
Theatr Felinfach (2 awards)	£7,579
Theatr Genedlaethol Cymru	£11,622
Theatr Iolo	£2,898
Theatr Mwldan (2 awards)	£9,924
Theatr na nÓg	£3,568
Torch Theatre Company Ltd (2 awards)	£11,952
trac cymru	£906
Tŷ Cerdd	£2,309
Valleys Kids (2 awards)	£8,281
Volcano Theatre Company Ltd	£2,361
Wales Millennium Centre (2 awards)	£46,835
Welsh National Opera	£51,179
Ystradgynlais Miners Welfare and Community Hall Trust Ltd (2 awards)	£7,370
Total Cost-of-living grants	**£515,637**

Creative Learning through the Arts Programme

Creative Learning through the Arts	
Aberbargoed Primary School (2 awards)	£10,470
Aberdare Community School	£495
Abermorddu School	£10,000
Aberporth Bilingual Playgroup	£2,500
Abertillery Learning Community	£3,000
Abertillery Secondary 3-16 campus	£900
Afon Tâf High School	£247
Afon y Felin Primary School (2 awards)	£10,310
All Saints C/W Primary School	£2,000
All Saints School, Gresford	£1,000
Archdeacon Griffiths CIW VA Primary School (2 awards)	£990
Arts Connection – Cyswllt Celf	£2,650
Baden Powell Primary School	£10,000
Barry Island Primary School	£882
Benllech Preschool	£2,500
Beyond the Border Storytelling Festival	£2,400
Bishop Childs Church in Wales Primary School	£225
Bishop Gore School	£300
Bishop Vaughan Catholic School	£1,000
Black Lane County Primary (2 awards)	£1,200
Blaenavon Heritage VC Primary School	£1,500
Blaenhonddan Primary School	£792
Blaenycwm Primary School	£360
Blaenymaes Primary School (2 awards)	£1,021
Blessed Carlo Acutis Catholic School (4 awards)	£3,322
Blessed William Davies School	£10,000
Bodringallt Primary School	£520
Brecon High School (2 awards)	£10,220
Bryn Awel Primary School	£761
Bryn Celyn Primary School (5 awards)	£13,300
Bryn Deri Primary	£675
Bryn Hafod Primary School	£2,000
Bryn Teg Community Primary School	£1,000
Bryncelynnog Comprehensive School	£2,000
Bryncoch Church in Wales Primary School	£250
Brynllywarch Hall School	£455
Brynmill Primary School	£1,000
Bryntirion Comprehensive School	£750
Bumble Bees Playgroup	£2,500
Buttington Trewern County Primary School (2 awards)	£1,990

Creative Learning through the Arts	
Caban Cae'r Nant	£2,500
Cadle Primary School	£10,000
Cadoxton Primary School	£2,000
Caedraw Primary School	£10,000
Caerleon Lodge Hill Primary School	£1,000
Camau Cyntaf I Ddysgu & First Steps Nurseries	£2,500
Cantonian High School (2 awards)	£656
Cantref Primary School	£2,000
Capcoch Primary School (2 awards)	£1,283
Cardinal Newman Catholic School and Sixth Form	£715
Carmarthenshire Secondary Teaching and Learning Centre	£3,000
Carreghofa County Primary School (2 awards)	£1,675
Cefn Fforest Primary (2 awards)	£2,900
Cefn Hengoed Community School	£1,000
Cefn Saeson Comprehensive School	£2,000
Central Primary School (2 awards)	£2,943
Christ the King Primary School (2 awards)	£3,690
Cilfynydd Primary School	£1,000
Clydach Primary School	£891
Clyro Church in Wales Primary School (3 awards)	£1,880
Coastlands CP School	£1,000
Coed Glas Primary School	£118
Coedcae School (3 awards)	£4,030
Coedffranc Primary School	£450
Cogan Primary School (2 awards)	£4,970
Coleg Cymunedol y Dderwen	£1,000
Corpus Christi Catholic High School	£405
Creativity, Culture & Education	£50,000
Creunant Primary School	£467
Crickhowell Primary School	£600
Crindau Primary	£1,000
Croeserw Primary School	£900
Croesyceiliog Comprehensive School	£10,000
Crossgates CP School (2 awards)	£2,250
Cwm Ifor Primary School	£1,000
Cwmaber Infant School	£945
Cwmaber Junior School	£1,000
Cwmafan Primary School	£1,000
Cwmcarn Primary School	£126
Cwmffrwdoer Primary School	£650

Creative Learning through the Arts	
Cwmnedd Primary School	£1,000
Cwmrhydyceirw Primary School	£749
Cylch Meithrin Rhostryfan	£2,500
Cylch Meithrin Arberth	£2,500
Cylch Meithrin Chwilog	£2,500
Cylch Meithrin Corris	£2,500
Cylch Meithrin Crymych	£2,500
Cylch Meithrin Dyffryn Banw	£2,500
Cylch Meithrin Felinfach	£99
Cylch Meithrin Ffynnonwen	£2,500
Cylch Meithrin Llangollen	£2,500
Cylch Meithrin Llanrhaeadr	£2,500
Cylch Meithrin Machynlleth	£2,500
Cylch Meithrin Santes Fair	£2,500
Cylch Meithrin Tedi Twt	£2,500
Cylch Meithrin Y Tonnau	£2,500
Cylch yn yr Ysgol	£2,500
Cymer Afan Primary School	£490
Dafen County Primary School	£10,000
Danygraig Primary School (2 awards)	£1,495
Darran Park Primary School	£1,000
Denbigh HighSchool	£531
Derwendeg Primary School	£1,350
Drama Queens	£1,485
Dunvant Primary School	£1,000
Durand Primary School	£1,500
Eleni Dance Ltd	£3,000
Enfys Fach Nursery	£2,500
Evenlode C.P. School	£2,000
Fairwater Primary School (2 awards)	£11,000
Fenton Community Primary School	£1,000
Ffederasiwn Ysgolion Cross Hands a Drefach	£900
First Steps/Camau Cyntaf Llanhari	£2,500
Forden Church in Wales School (2 awards)	£1,175
Franksbridge Primary School (3 awards)	£2,042
Gaer Primary School	£1,500
George Street Primary School	£1,000
Giggles Daycare	£2,500
Gilfach Fargoed Primary	£990
Gilwern Primary School	£810

Creative Learning through the Arts	
Glan Usk Primary School (3 awards)	£4,344
Glan Yr Afon Primary School	£200
Glanhowy Primary School (2 awards)	£1,405
Glyncorrwg Primary School	£900
Godrergraig Primary School	£749
Goetre Primary School	£10,000
Gorseinon Primary School (2 awards)	£1,590
Greenhill Special School	£1,500
Greenmeadow Primary School	£1,485
Gwaunmeisgyn Primary School	£1,440
Gwernyfed High School (2 awards)	£2,000
Gwersyllt Community Primary School (2 awards)	£11,000
Hawthorn Primary School (2 awards)	£1,143
Hengoed Primary School	£990
Heolgerrig Community School	£350
Herbert Thompson Primary	£900
High Street Primary School	£270
Hook CP School	£684
Hywel Dda Primary School	£450
John Beddoes Campus Newtown High School	£10,000
Kitchener Primary School	£1,109
Knelston Primary School	£582
Kokoro Arts Ltd	£2,300
Kymin View Primary and Nursery School	£990
Leighton CP School	£1,807
Litchard Primary School	£1,000
Little Rascals Preschool	£2,500
Llanbister CP School	£2,700
Llandinam C P School	£2,970
Llandogo Primary School	£990
Llandrindod Wells Church in Wales Primary School	£1,000
Llanfaes Community Primary School	£477
Llanfechain Church in Wales Primary School	£1,000
Llanfoist Fawr Primary	£2,700
Llangan Primary School (2 awards)	£2,288
Llangattock Church in Wales School	£630
Llangatwg Community School	£400
Llangynidr Community Primary School (2 awards)	£1,278
Llangynwyd Primary School	£2,250
Llanilltud Faerdref Primary School	£2,250

Creative Learning through the Arts	
Llanishen High School	£625
Llansannor and Llanharry Church in Wales Primary School	£405
Llantilio Pertholey Primary School	£450
Llanybydder School	£371
Machen Primary School	£850
Madras VA Primary School (2 awards)	£3,870
Maesglas Primary School	£810
Maesmarchog Primary School	£2,000
Maesteg Comprehensive School	£1,000
Maesyrhandir CP School	£615
Mary Immaculate Catholic Primary School (2 awards)	£11,350
Mary Immaculate High School	£2,700
Meadowlane Primary School	£162
Mess up the Mess Theatre Company	£1,500
Milford Haven School (2 awards)	£11,000
Milton Primary School	£2,970
miri morswyn gofl dydd llawn	£2,500
Miskin Primary School	£1,000
Model Church In Wales Primary School	£1,000
Monmouth Comprehensive School	£10,000
Mount Stuart Primary School	£1,000
Nant y Parc Primary School	£2,970
Newbridge on Wye Church in Wales School (2 awards)	£2,250
Newport High School (2 awards)	£10,400
Newton Primary School	£495
North Cornelly Playgroup association	£2,500
Our Ladys RC Primary	£1,000
Overton Playcentre CIO	£2,500
Oystermouth Primary School	£10,000
Padre Pio School	£1,485
Palmerston Primary School (2 awards)	£12,611
Parc Lewis Primary School	£1,000
Park Community Primary School Llay	£10,000
Park Primary School	£990
Parkland Primary	£10,000
Pembrey Primary School	£900
Pen Afan Primary	£431
Pen y Fro Primary School	£10,000
Pencaerau Primary School (2 awards)	£11,000
Pencoed Comprehensive (2 awards)	£12,000

Creative Learning through the Arts	
Pencoed Primary School	£1,000
Penrhys Primary School	£2,691
Pentip VA CiW Primary School	£10,000
Pentrebane Primary School	£257
Penybont Primary School	£297
Pen-y-Bryn Primary School	£792
Penygaer Primary School	£10,000
PeopleSpeakUp LTD	£3,000
Peter Lea Primary School (2 awards)	£1,390
Peterston Super Ely CIW Primary School	£1,000
Pil Primary School	£872
Pontlliw Primary School	£947
Pontprennau Primary School	£178
Porthcawl Comprehensive School	£540
Prestatyn High School	£2,100
Presteigne Little People	£2,500
Presteigne Primary School (2 awards)	£2,215
Priory Church in Wales School	£684
Puddleducks All Day Care	£2,500
Queen Elizabeth High School	£673
Radnor Valley School (Powys County Council) (2 awards)	£1,097
Raglan VC Church in Wales Primary School	£360
Rhayader Church in Wales Primary School	£3,000
Rhosddu Primary School	£1,000
Rhws Primary School (3 awards)	£2,440
Rhydypenau Primary School	£2,000
Ringland Primary	£1,350
Risca community comprehensive school	£10,000
Sandycroft CP School	£10,000
Severn Primary School (3 awards)	£2,348
Sheba Soul Ensemble C.I.C.	£3,600
Shirenewton Primary School	£360
South Point Primary School	**£1,500**
Springwood Primary School (2 awards)	£10,396
St Bernadettes Primary School	£141
St Cenydd Community School (4 awards)	£3,240
St Davids Church in Wales Primary School (2 awards)	£10,560
St Davids RC Primary School	£1,350
St Francis Catholic Primary School	£10,000
St Francis R C Primary School	£990

Creative Learning through the Arts	
St Helens Primary School	£180
St Illtyds Catholic High School	£1,000
St Illtyds Primary School (2 awards)	£2,071
St Illtyds RC Primary	£315
St Joseph's Catholic & Anglican High School	£1,000
St Margarets Catholic Primary School	£1,000
St Marks V A School	£990
St Marys and St Patricks Catholic Primary	£990
St Marys Catholic School	£1,000
St Marys Church in Wales VA School	£1,000
St Marys Pre School	£2,500
St Marys RC Primary Newport	£1,000
St Monicas Church in Wales Primary School	£865
St Padarns Catholic Pimary School (4 awards)	£12,076
St Patrick's R.C. Primary School	£10,000
St Richard Gwyn Catholic High School	£1,000
St Roberts Catholic Primary School	£432
St Thomas Community Primary School	£534
St. David’s Catholic Primary School	£2,000
St. Illtyd Primary School	£10,000
St. Josephs RC Cathedral School (2 awards)	£1,290
St. Josephs RC Primary School	£1,000
St. Mary The Virgin Church in Wales Primary School (2 awards)	£4,470
St. Marys Brymbo (2 awards)	£1,450
St. Marys Catholic Primary School (2 awards)	£10,445
St. Michaels (Church in Wales) Primary School	£441
St. Michaels R.C. Primary School	£544
St. Oswalds V A School	£10,000
St. Pauls Church in Wales Primary School (2 awards)	£4,689
St. Peters Primary School (3 awards)	£5,262
Stepaside CP School	£742
Sully Primary School (2 awards)	£1,444
Sunshines Pre-School	£2,500
Tairgwaith Primary	£1,500
Talycopa Primary School	£297
Tenby Church In Wales V.C. Primary School	£1,000
The Bishop of Llandaff High School	£513
The Dell Primary School	£255
The Den	£2,500
The John Frost School	£450

Creative Learning through the Arts	
The Maelor School (3 awards)	£4,500
The Rofft School	£10,000
Tondu Primary School	£750
Tonyrefail Community School (3 awards)	£2,359
Torch Theatre Company Ltd	£1,200
trac cymru	£3,000
Tredegar Park Primary School (3 awards)	£5,603
Trelewis Primary School (2 awards)	£1,725
Treowen C.P. School	£1,000
Trerobart Primary School	£782
Troedyrhiw Community Primary School	£1,000
Twynyrodyn Community School	£1,000
Ty Gwyn School (2 awards)	£11,287
Ty Isaf Infants	£10,000
Tyn y Wern Primary (3 awards)	£1,950
Tywyn Primary School	£2,000
Usk Church in Wales Primary School	£700
Victoria Community Primary School	£2,000
Victoria Primary School	£1,000
Waun Wen Primary School	£360
Waunfawr Primary School (2 awards)	£950
Whitchurch Primary School	£10,000
Whitestone Primary School	£10,000
Wick and Marcross Church in Wales Primary School	£2,000
Willows High School (5 awards)	£1,650
Willowtown Primary School (2 awards)	£3,000
Wise Kids	£2,970
Woodlands Community Primary School	£2,385
Y Bont Faen Primary (2 awards)	£1,710
Y Pant Comprehensive School	£585
YGG Blaendulais	£390
YGG Castell-nedd	£10,000
YGG Gwaun Cae Gurwen	£2,000
YGG Pontybrenin (2 awards)	£11,107
Ynysboeth Junior School	£1,000
Ynystawe Primary School (3 awards)	£1,717
Ysgol Acrefair	£900
Ysgol Awel y Mynydd	£2,500
Ysgol Bassaleg (2 awards)	£2,337
Ysgol Beddgelert	£297

Creative Learning through the Arts	
Ysgol Betws y Coed	£297
Ysgol Bod Alaw	£1,000
Ysgol Bodafon	£10,000
Ysgol Borth y Gest (2 awards)	£1,302
Ysgol Botwnnog (4 awards)	£11,892
Ysgol Bro Aled	£720
Ysgol Bro Caereinion (2 awards)	£1,305
Ysgol Bro Cernyw	£10,000
Ysgol Bro Cinmeirch	£690
Ysgol Bro Cynllaith	£585
Ysgol Bro Elwern	£807
Ysgol Bro Gwaun (2 awards)	£2,363
Ysgol Bro Gwydir (3 awards)	£12,000
Ysgol Bro Hyddgen (4 awards)	£3,070
Ysgol Bro Lleu	£10,000
Ysgol Bro Pedr	£1,500
Ysgol Bro Sion Cwilt	£10,000
Ysgol Bro Tawe	£10,000
Ysgol Bro Teifi	£725
Ysgol Bryn Garth Primary School	£1,000
Ysgol Brynaerau	£693
Ysgol Brynhafren CP School (2 awards)	£10,603
Ysgol Cae Top	£10,000
Ysgol Caer Nant (2 awards)	£10,400
Ysgol Calon Cymru – Llandrindod Wells Campus (2 awards)	£2,500
Ysgol Calon Y Dderwen (2 awards)	£1,400
Ysgol Carreg Hir	£450
Ysgol Carrog	£180
Ysgol Carwe	£10,000
Ysgol Ciliau Parc	£1,000
Ysgol Comins Coch	£1,000
Ysgol Craig y Deryn	£10,000
Ysgol Craig yr Wylfa	£153
Ysgol Crud y Werin	£500
Ysgol Cwm Banwy. Ysgol yr Eglwys yng Nghymru.	£391
Ysgol Cynwyd Sant	£1,000
Ysgol Cynwyl Elfed	£280
Ysgol David Hughes	£1,000
Ysgol David Hughes Inclusion Hwb	£2,250
Ysgol Drefach (3 awards)	£13,150

Creative Learning through the Arts	
Ysgol Dyffryn Cledlyn	£400
Ysgol Dyffryn Aman	£459
Ysgol Dyffryn Conwy (2 awards)	£3,315
Ysgol Dyffryn Dulas Corris (2 awards)	£4,500
Ysgol Dyffryn Ogwen	£1,000
Ysgol Dyffryn Taf	£1,000
Ysgol Dyffryn Trannon	£759
Ysgol Edern	£540
Ysgol Eglwys Bach	£553
Ysgol Eifion Wyn	£10,000
Ysgol Emmanuel	£683
Ysgol Estyn (2)	£10,800
Ysgol Feithrin Glan Conwy	£2,500
Ysgol Feithrin Pontypwl	£2,500
Ysgol Feithrin Rhydaman	£886
Ysgol Friars (5 awards)	£6,312
Ysgol Garndolbenmaen	£297
Ysgol Gelli Aur Golden Grove Community School	£1,000
Ysgol Gellionnen (2 awards)	£1,243
Ysgol Glan Ceubal	£630
Ysgol Glan Conwy	£10,000
Ysgol Glan y Mor School	£495
Ysgol Glantwymyn (2 awards)	£10,900
Ysgol Golwg Y Cwm	£1,000
Ysgol Greenhill School	£2,000
Ysgol Gwenffrwd	£2,000
Ysgol Gyfun Cwm Rhymni	£630
Ysgol Gyfun Emlyn	£1,000
Ysgol Gyfun Gwent Is Coed	£900
Ysgol Gyfun Gwynllyw	£715
Ysgol Gyfun Gymraeg Llangynwyd	£540
Ysgol Gyfun Tredegar Comprehensive School	£800
Ysgol Gymraeg Aberystwyth (2 awards)	£2,000
Ysgol Gymraeg Bro Eirwg (3 awards)	£11,508
Ysgol Gymraeg Bro Morgannwg (2 awards)	£1,247
Ysgol Gymraeg Bryn Y Mor (3 awards)	£3,000
Ysgol Gymraeg Caerffili	£454
Ysgol Gymraeg Casnewydd (2 awards)	£1,075
Ysgol Gymraeg Coed y Gof	£162
Ysgol Gymraeg Cwmbran	£2,000

Creative Learning through the Arts	
Ysgol Gymraeg Dewi Sant	£1,000
Ysgol Gymraeg Glanrafon	£1,000
Ysgol Gymraeg Gwenllian	£1,000
Ysgol Gymraeg Lôn Las (2)	£1,495
Ysgol Gymraeg Melin Gruffydd	£337
Ysgol Gymraeg Nant Caerau	£800
Ysgol Gymraeg Penalltau	£911
Ysgol Gymraeg Pwll Coch	£138
Ysgol Gymraeg Sant Curig (2 awards)	£2,796
Ysgol Gymraeg Tan y Lan	£1,000
Ysgol Gymraeg Y Fenni (4 awards)	£12,450
Ysgol Gymraeg Ystalyfera Bro Dur	£630
Ysgol Gymunedol Croesgoch	£1,000
Ysgol Gymunedol Penparc (2 awards)	£11,000
Ysgol Gynradd Aberaeron	£364
Ysgol Gynradd Aberteifi	£1,350
Ysgol Gynradd Beaumaris	£750
Ysgol Gynradd Carno	£650
Ysgol Gynradd Clydau	£630
Ysgol Gynradd Cross Hands (3 awards)	£13,757
Ysgol Gynradd Esceifiog (3 awards)	£2,438
Ysgol Gynradd Gorslas	£10,000
Ysgol Gynradd Gwaelod y Garth (2 awards)	£1,198
Ysgol Gynradd Gymraeg Abercynon	£315
Ysgol Gynradd Gymraeg Aberdare	£651
Ysgol Gynradd Gymraeg Llwyncelyn (3 awards)	£5,290
Ysgol Gynradd Gymraeg Pontardawe	£649
Ysgol Gynradd Gymraeg Tiredeunaw	£1,000
Ysgol Gynradd Gymraeg Tyler Ynn	£10,000
Ysgol Gynradd Gymraeg Ynyswen	£585
Ysgol Gynradd Gymunedol Llanon	£267
Ysgol Gynradd Llanddarog	£350
Ysgol Gynradd Rhos Helyg	£234
Ysgol Gynradd Wirfoddol Myfenydd	£252
Ysgol Gynradd Y Talwrn	£445
Ysgol Gynradd y Tymbl	£10,000
Ysgol Hamadryad	£1,000
Ysgol Henllan	£800
Ysgol Heulfan	£900
Ysgol Ifor Bach (2 awards)	£2,440

Creative Learning through the Arts	
Ysgol John Bright (2 awards)	£4,000
Ysgol Llanbrynmair	£766
Ysgol Llandegfan	£1,440
Ysgol Llandudoch	£481
Ysgol Llanfechell (2 awards)	£1,850
Ysgol Llanhari	£10,000
Ysgol Llanpumsaint	£250
Ysgol Llanystumdwy (2 awards)	£605
Ysgol Llechcyfedach	£10,000
Ysgol Maes Garmon	£1,000
Ysgol Maes Owen (2 awards)	£11,197
Ysgol Maes y Coed	£10,000
Ysgol Maes y Felin	£2,000
Ysgol Maes y Mynydd	£864
Ysgol Maesydderwen	£990
Ysgol Morfa Rhianedd	£1,000
Ysgol Morgan Llwyd	£990
Ysgol Mynydd Bychan	£675
Ysgol Nantgwyn	£784
Ysgol Parc Y Bont	£10,000
Ysgol Pen Barras (2 awards)	£1,495
Ysgol Pen y Garth	£780
Ysgol Pen y Pil (3 awards)	£11,359
Ysgol Penderyn (2 awards)	£1,500
Ysgol Penmachno	£10,000
Ysgol Penmorfa	£10,000
Ysgol Pennal (2 awards)	£4,500
Ysgol Penrhyn Dewi	£1,000
Ysgol Penrhyn New Broughton CP (3 awards)	£11,990
Ysgol Penrhyncoch (2 awards)	£1,932
Ysgol Pentreuchaf	£873
Ysgol Penybryn (2 awards)	£2,500
Ysgol Penygelli	£1,000
Ysgol Penysarn	£700
Ysgol Plas Brondyffryn (2 awards)	£4,200
Ysgol Pob Oed Caer Elen (2 awards)	£2,000
Ysgol Ponthenri (2 awards)	£10,945
Ysgol Pontrobert	£500
Ysgol Sant Dunawd (2 awards)	£1,935
Ysgol Santes Gwenfaen	£3,000

Creative Learning through the Arts	
Ysgol Sarn Bach	£239
Ysgol T Llew Jones	£1,000
Ysgol Tal-y-bont (3 awards)	£11,750
Ysgol Tanyfron	£10,000
Ysgol Trelawnyd VA School	£2,000
Ysgol Tryfan	£1,000
Ysgol Tudno	£3,000
Ysgol Tudweiliog	£450
Ysgol Tŷ Coch	£3,000
Ysgol Uwchradd Aberteifi (2 awards)	£3,375
Ysgol Uwchradd Bodedern	£1,000
Ysgol Waunfawr	£600
Ysgol y Bannau	£446
Ysgol y Castell	£297
Ysgol y Creuddyn	£2,500
Ysgol y Dderi	£261
Ysgol y Ddraig	£2,000
Ysgol y Ddwylan (2 awards)	£2,200
Ysgol y Faenol (3 awards)	£2,615
Ysgol y Felinheli	£2,000
Ysgol y Foryd	£774
Ysgol Y Gorlan	£603
Ysgol y Grango	£100
Ysgol y Gwynfryn	£10,000
Ysgol y Llan (2 awards)	£1,275
Ysgol y Moelwyn	£369
Ysgol Y Mynydd Du (3 awards)	£3,238
Ysgol y Preseli	£270
Ysgol y Wern (2 awards)	£2,257
Ysgol-y-Graig Primary School	£900
Ystrad Mynach Primary School	£2,970
Total Creative Learning through the Arts grants	**£1,526,274**

Strategic awards

Arts, Health and Wellbeing	
Wales Arts Health & Wellbeing Network	£13,500
	£13,500

Arts Development	
Arts Business Cymru	£50,000
Ophelia Dos Santos	£1,500
Expo r Wal Goch	£6,000
Yusuf Ismail	£9,000
Visual Arts Group Wales	£45,000
Tamunodokubo Whyte	£1,500
	£113,00

Arts Engagement	
Aberystwyth Arts Centre	£2,000
Artes Mundi Prize Limited	£2,000
Chapter Cardiff Ltd.	£2,000
Galerie Simpson Artists	£2,000
Llantarnam Grange Arts Centre	£2,000
	£10,000

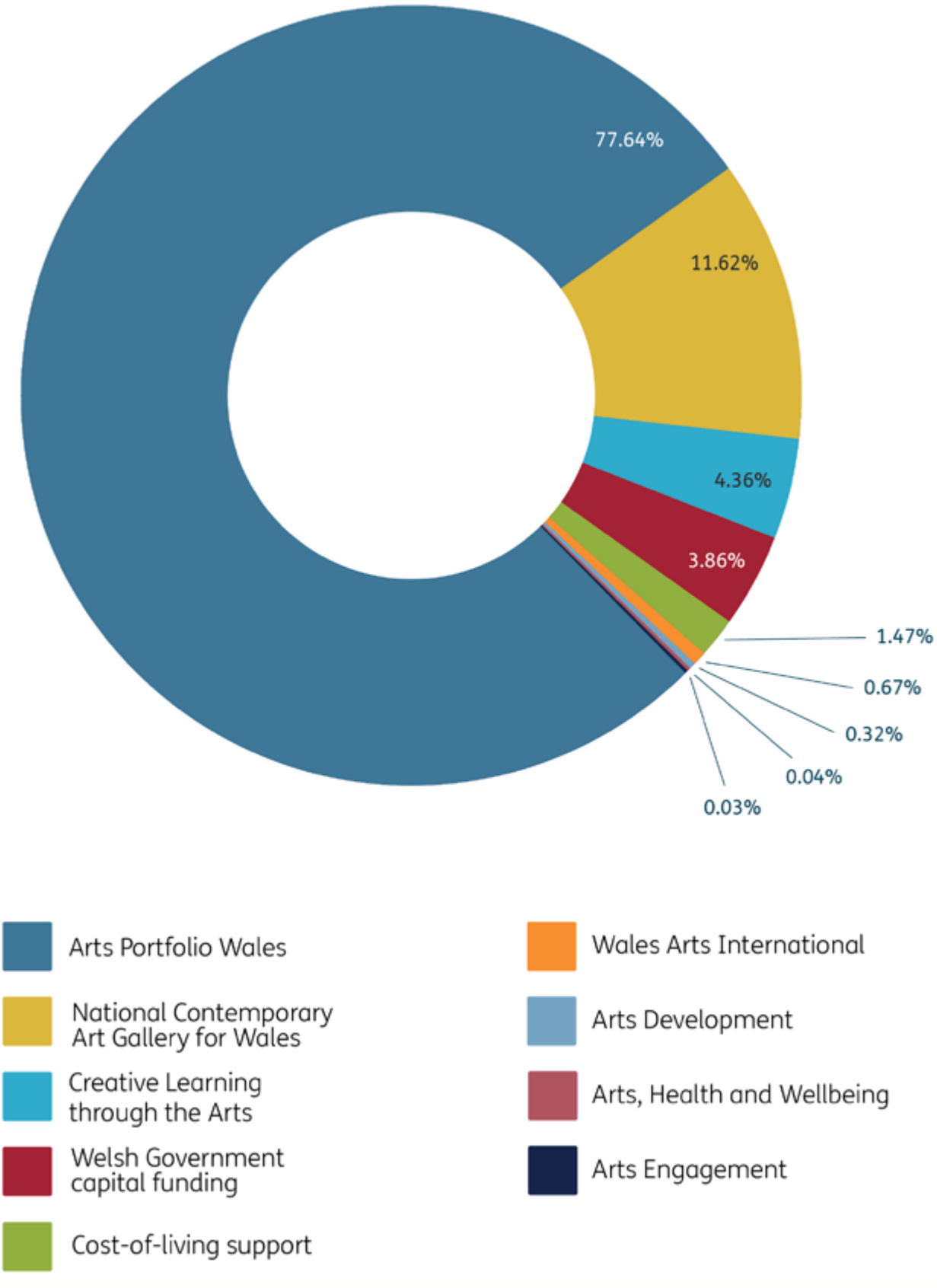
National Contemporary Art Gallery for Wales project	
Aberystwyth Arts Centre	£872,988
Cyngor Gwynedd (2 awards)	£362,484
Glynn Vivian Art Gallery (2 awards)	£423,230
Newport City Council	£99,249
Oriel Davies Gallery (2 awards)	£1,038,774
MOSTYN (2 awards)	£282,270
Oriel Myrddin Trust	£86,530
Oriel Plas Glyn-y-Weddw Cyfyngedig (2 awards)	£437,493
Ruthin Craft Centre (2 awards)	£463,811
	£4,066,829

Welsh Government capital funding	
Awen Cultural Trust	£200,000
Canolfan Ucheldre Centre	£250,000
Newport City Council	£149,816
Pontardawe Arts Centre	£300,000
Pontypridd YMCA	£250,000
Theatr Brycheiniog	£200,000
	£1,349,816

Wales Arts International	
4Pi Productions	£3,820
Amanda Wells	£6,170
BBC National Orchestra of Wales	£7,377
Chapter Cardiff Ltd. (2 awards)	£14,602
Chembo Liandisha	£4,624
Cheryl Beer	£1,550
Fluxus Art Projects (2 awards)	£40,000
Focus Wales	£20,000
Green Man Trust Ltd	£6,298
Imran Khan	£3,527
Iola Ynyr	£434
Jeremy Williams	£6,000
Jones the Dance	£4,380
Michael Harvey	£4,000
Stephen Gubb	£6,390
The Trials of Cato	£4,000
Ty Cerdd (2 awards)	£35,792
University of Wales Trinity Saint David	£5,050
Visual Arts Group Wales	£50,000
Welsh Centre for International Affairs	£2,000
Zillah Bowes	£6,941
	£232,955

Total Strategic awards	£5,786,100
Total Grants Offered	**£35,012,521**

General Activities Grants by Type



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 2023/24

net of offers not taken up or withdrawn

Grants to organisations

Capital grants	
Awen Cultural Trust (2 awards)	£60,000
Chapter Cardiff Ltd.	£15,000
Elysium Gallery	£50,000
NoFit State Community Circus Ltd	£20,000
Small World Theatre Ltd	£19,044
The Albert Hall Theatre	£30,000
Oriel Myrddin Trust	£250,000
	£444,044

Business Continuity Fund	
Addo	£2,552
Arad Goch	£15,000
Articulture	£35,120
Artis Community Cymuned	£37,233
Arts Business Cymru	£7,500
Betsi Cadwaladr University Health Board	£1,530
Black RAT Productions Ltd	£3,900
Butetown Arts and Culture Association	£3,109
Celf O Gwmpas	£50,000
Citrus Arts (2 awards)	£11,479
Clwb Ifor Bach	£41,850
Common Wealth (2 awards)	£10,192
Cwmnir Frân Wen	£5,718
Dirty Protest Theatre	£37,763
Familia de la Noche	£918
Fio	£9,112
Focus Wales	£7,500
Galeri Caernarfon Cyf	£5,350
Glynn Vivian Art Gallery	£3,870
Grand Ambition	£49,560
Gravida Collective	£5,175
Gritty Films Limited	£4,000
Hummadruz	£7,451
Impelo (2 awards)	£14,400
Its My Shout Ltd	£2,278
Jazz Promotion Network	£675
Jones the Dance (3 awards)	£59,960
Jony Easterby Productions	£715
Lighthouse Theatre Ltd	£4,846

Business Continuity Fund	
Live Music Now Wales	£37,437
Llangollen International Musical Eisteddfod (2 awards)	£64,500
Made In Roath (2 awards)	£17,999
Makers Guild in Wales	£495
Maynard Abercych	£6,522
Menter Iaith Maldwyn	£12,091
Mewn Cymeriad In Character	£513
Mid Powys Youth Theatre	£46,571
National Dance Company Wales	£48,046
National Youth Arts Wales	£42,278
NoFit State Community Circus Ltd	£17,663
Opera r Ddraig	£56,000
people make it work	£3,078
PeopleSpeakUp LTD	£500
Pontio Arts	£690
PuppetSoup Ltd	£4,083
PYST CYF	£15,165
Race Council Cymru	£3,600
Rubicon Dance (2 awards)	£50,950
Ruthin Craft Centre	£3,700
Sesiwn Fawr Dolgellau	£1,935
Sherman Theatre	£3,445
Sound Progression	£490
Span Arts Ltd (2 awards)	£15,355
StudioMADE (2 awards)	£17,458
Swansea City Opera	£7,354
Swansea Print Workshop	£4,400
Taliesin Arts Centre	£3,900
Tanio	£2,675
Tape Community Music and Film Ltd	£20,126
The Body Hotel	£234
The Forget-me-Not Chorus Cardiff	£1,797
The Other Room	£6,662
The Successors of the Mandingue (2 awards)	£11,000
Theatr Brycheiniog	£35,250
Theatr Cynefin	£2,100
Theatr Iolo (2 awards)	£14,867
Think Creatively C.I.C.	£49,449
Tin Shed Theatre Co.	£5,449
Tŷ Cerdd	£6,780
Tŷ Pawb	£10,170
Undercurrents	£3,894
Urban Circle Newport (2 awards)	£19,345
Valleys Kids	£5,528
Venue Cymru	£7,485
Wyeside Arts Centre Ltd	£35,000
Y Tŷ Celf – The Art House Ltd CIC	£1,889
	£1,164,684

Business Development – Open Lottery	
Tŷ Cerdd	£49,980
	£49,980

Commissioning, Making and Presenting – Create	
64 Million Artists	£9,600
73 Degree Community Limited	£10,000
Abergavenny Writing Festival C.I.C.	£10,000
Aberjazz	£16,000
Aberystwyth Arts Centre	£49,800
Aberystwyth Music Fest	£30,000
Action For Arts Trust Ltd	£32,000
Anthem	£10,495
Arcade Campfa	£45,750
Articulture	£109,535
Artis Community Cymuned	£50,000
Arts Business Cymru (3 awards)	£110,000
Aubergine Cafe and Events CIC	£70,445
Aurora Trinity Collective	£49,622
Avant Cymru	£28,877
Awen Cultural Trust	£10,000
Bale and Thomas	£20,218
Bangor New Music Festival Society	£9,950
Bassline Circus	£9,775
Beacons Icons and Dykons	£10,492
Birds of Paradise Theatre Company	£10,000
Black Mountains Comedy Festival	£9,743
Bovey Tracey Arts & Crafts Festival Limited	£40,000
Brecon Jazz Club Brecon Jazz Music Trust	£10,800
British Arts Festivals Association	£10,000
Butetown Arts and Culture Association	£100,000
Cardiff Animation Festival	£38,000
Ceredigion Museum	£8,960
Change Wrexham For Our Future (2 awards)	£29,500
Chapter Cardiff Ltd. (2 awards)	£74,010
Chinese In Wales Association	£51,612
Chippy Lane Productions (2 awards)	£42,197
Cimera	£9,999
Clwb y Bont Cyf	£50,000
Community Music Wales	£49,161
Cowbridge Music Festival	£35,000
Cwmni Mega Cyf Ltd	£100,000
Cynhyrchiadau Pam Lai Productions	£1,820
Dance Blast (2 awards)	£72,633
Daring to Dream	£9,840

Commissioning, Making and Presenting – Create	
EA Productions	£32,686
Ein Cegin	£10,000
Eisteddfod Genedlaethol Cymru	£99,755
Eleni Dance Ltd	£50,000
Engage Cymru	£48,545
Eternal Community Media	£10,548
Familia de la Noche (2 awards)	£59,915
Fflamingo CIC	£55,309
Ffotogallery	£84,669
Fieldwork Studio	£12,410
Fishguard and West Wales International Music Festival	£50,000
Footloose Community Arts	£9,740
Forte Projects	£92,840
g39	£52,275
Galerie Simpson Artists	£56,400
Glynn Vivian Art Gallery	£53,000
Grand Ambition (2 awards)	£100,775
Green Man Trust Ltd	£85,401
Gritty Films Limited	£34,800
Groundwork Pro	£49,747
Gwyl Beaumaris Festival	£19,000
Hay Castle Trust Ltd (2 awards)	£20,000
Hay Festival Foundation Ltd	£49,688
Haywire Theatre	£50,000
Hijinx Theatre (2 awards)	£184,899
Holm Theatre Ltd	£30,200
Impelo	£37,784
Jazz Promotion Network	£4,500
Joon Dance (2 awards)	£59,997
Lighthouse Theatre Ltd	£50,000
Likely Story Theatre	£33,760
Liz Clarke and Company	£10,000
Llandovery Sheep Festival	£9,511
Llangollen Fringe Festival	£30,000
Llantarnam Grange Arts Centre	£9,991
Makers Guild in Wales (2 awards)	£92,799
Melville Centre For The Arts CIC	£45,100
Menter Caerdydd	£84,500
Menter Caerffili	£10,000
Menter Iaith Abertawe	£9,605
Menter Iaith Bro Morgannwg	£15,000
Mentrau Creadigol Cymru	£100,000
Mentrau Iaith Cymru	£10,000
Mercator: Wales Literature Exchange and Literature Across Frontiers (University of Wales Trinity Saint David)	£49,256
Mercury Theatre Wales	£10,200

Commissioning, Making and Presenting – Create	
Mewn Cymeriad In Character	£40,000
Ministry Of Life Education CIC	£10,000
Mission Gallery (2 awards)	£41,899
Mr and Mrs Clark	£26,346
Music @ Aber	£10,000
National Dance Company Wales	£9,950
National Youth Arts Wales	£8,525
Natural Resources Wales	£51,200
Newport Yemeni Community Association	£10,000
NoFit State Community Circus Ltd	£50,000
North East Wales Sinfonia C.I.C.	£45,000
North Wales International Music Festival	£50,000
NOVA	£48,557
Oasis One World Choir	£26,815
Olga Kaletas Period Drama	£39,640
On Your Face Ltd	£24,750
OPRA Cymru Cyf	£64,000
Os Nad Nawr	£18,225
Paallam Arts CIC	£8,995
Papertrail Llwybr Papur	£47,000
Peak Cymru	£51,050
PeopleSpeakUp LTD	£50,000
Phoebe Stringer Productions Ltd	£26,624
Pontio Arts (2 awards)	£100,000
Presteigne Festival of Music and the Arts Ltd	£35,000
PRS Foundation (2 awards)	£36,000
PuppetSoup Ltd	£27,220
Purple String Productions Ltd	£16,800
Race Council Cymru	£9,700
Red Oak Theatre (2 awards)	£77,959
Rubicon Dance	£32,885
Samarpan Nrithyalaya	£8,000
Sesiwn Fawr Dolgellau	£41,000
Sherman Theatre (3 awards)	£117,550
Sound Progression (2 awards)	£60,000
South Riverside Community Development Centre	£45,000
St. Davids Peninsula Music & Arts CIC	£9,375
Studio 40 ltd	£10,000
Taking Flight Theatre Company	£143,819
Taliesin Arts Centre	£49,978
Tenby Town Council	£6,750
The Aloud Charity	£10,000
The Bohemians Theatre Company	£35,924
The Other Room	£47,500
The Posh Club	£49,931

Commissioning, Making and Presenting – Create	
The Printhaus	£20,795
The Riverfront Theatre and Arts Centre – Newport Live (2 awards)	£59,490
The Romani Cultural Arts Company	£50,000
The Successors of the Mandingue	£104,600
The Welsh Chamber Orchestra Ltd.	£50,000
Theatr Bara Caws	£50,000
Theatr Brycheiniog	£42,500
Theatr Clwyd Trust Limited	£40,000
Theatr Gwaun Community Trust	£9,148
Theatr Iolo	£50,000
Theatr na nÓg	£104,736
Theatrau Sir Gar	£48,295
Think Creatively C.I.C.	£27,000
Tin Shed Theatre Co.	£47,350
Together for Colwyn Bay	£10,000
Tom Bevan Creative Ltd	£15,988
Torch Theatre Company Ltd	£50,000
trac cymru	£51,256
Tredegar House Folk Festival Society	£9,850
Tŷ Cerdd	£30,900
UPROAR	£50,000
Urban Circle Newport	£50,000
Urdd Gobaith Cymru (2 awards)	£100,000
Venue Cymru	£49,900
Vertical Dance Kate Lawrence	£47,577
Vision Fountain CIC	£9,994
Wales Millennium Centre (2 awards)	£135,000
Wales Tamil Sangam	£12,000
Wye Valley River Festival CIC	£28,700
YMCA Swansea	£43,782
Ystradgynlais Miners Welfare and Community Hall Trust Ltd	£49,200
Zimbabwe Newport Volunteering Association	£8,900
	£6,706,367

Transition Funding	
Hafren	£30,000
Impelo	£48,421
Taliesin Arts Centre	£55,794
	£134,215

Equalities – Creative Steps	
Ardour Academy	£69,662
Laku Neg	£50,000
LOYALTY	£105,650
Matsena Arts	£64,000
Noctown	£15,000
Papertrail Llwybr Papur	£15,200
Taking Flight Theatre Company	£111,875
The Body Hotel	£10,000
The Successors of the Mandingue	£47,970
Welsh Ballroom Community	£67,009
	£556,366

International Opportunities Fund	
Arad Goch	£5,000
Bale and Thomas	£7,500
Canolfan Gerdd William Mathias Cyf	£6,495
Cardiff University	£7,500
Common Wealth	£7,500
Elysium Gallery	£4,100
Jony Easterby Productions	£5,000
National Dance Company Wales	£7,470
NoFit State Community Circus Ltd	£6,000
Theatr na nÓg	£2,575
Tin Shed Theatre Co.	£6,552
trac cymru	£2,860
Tŷ Cerdd	£3,365
Vertical Dance	£3,358
	£75,275

Wales in Edinburgh	
Mr and Mrs Clark	£18,272
	£18,272

Widening Engagement – Sharing Together	
Arts Care Gofal Celf	£3,000
Chapter Cardiff Ltd.	£4,500
Inside Out Cymru	£3,372
Sheba Soul Ensemble C.I.C.	£4,200
Urdd Gobaith Cymru	£3,000
	£18,072

Creative Pathways – Criw Celf	
Ruthin Craft Centre	£16,135
	£16,135

Arts and Health – Open Lottery	
Arcade Campfa	£40,000
Arts Active Trust	£29,595
Arts Care Gofal Celf	£26,250
Bengal Dragons Foundation	£5,000
Breathe Creative (2 awards)	£41,850
Cardiff and Vale University Health Board	£14,450
Cathays and Central Youth and Community Project	£15,000
Coed Lleol – Small Woods	£26,250
Conwy County Borough Council	£28,200
Dance Collective	£13,249
Forget-Me-Not-Productions	£15,925
Head4Arts	£6,949
Inside Out Cymru	£12,643
Live Music Now Wales	£12,000
Music in Hospitals and Care Cymru	£14,300
Outside Lives LTD	£15,000
Parkinson's UK	£35,750
PeopleSpeakUp LTD (2 awards)	£87,601
Reality Theatre Community Interest Company	£30,000
Rubicon Dance	£50,000
Span Arts Ltd	£37,579
Sub-Sahara Advisory Panel	£15,000
Swansea Bay University Health Board (2 awards)	£63,050
The Body Hotel	£15,000
The Fathom Trust	£31,313
The Forget-me-Not Chorus Cardiff	£49,500
Theatr Genedlaethol Cymru	£35,000
WAHWN (3 awards)	£144,850
Welsh National Opera	£50,000
Y Ty Celf – The Art House Ltd CIC	£37,922
	£999,226

Arts and Health – Strategic	
Aneurin Bevan University Health Board	£28,600
Betsi Cadwaladr University Health Board	£30,600
Cardiff and Vale University Health Board	£28,600
Cwm Taf University Health Board	£28,600
Hywel Dda University Health Board	£28,600
Powys Teaching Health Board	£28,600
Swansea Bay University Health Board	£28,600
	£202,200

Arts and Health – NHS Capacity Building	
Aneurin Bevan University Health Board	£25,000
Betsi Cadwaladr University Health Board (2 awards)	£50,000
Cardiff and Vale University Health Board	£25,000
Hywel Dda University Health Board (2 awards)	£50,000
Powys Teaching Health Board	£25,000
Swansea Bay University Health Board	£25,000
	£200,000

Creative Learning through the Arts Programme	
Arts Council of Wales (General Activities)	£1,000,000
	£1,000,000

Total Grants to Organisations	£11,584,836

Grants to Individuals

Commissioning, Making and Presenting – Create	
Abdi, Ibrahim	£32,970
Anderson, Mark	£38,925
Arwel, Iestyn	£10,000
Bailey, Kieran	£19,400
Barratt, Anna	£6,498
Brett, Jessie	£10,000
Brown, Philippa	£9,906
Bunko, Anthony	£9,850
Burch, Jamie	£13,488
Campbell, Delphine	£16,439
Campbell, Rona	£9,799
Chapman, Natalie	£8,311
Churchill, Gareth	£10,700
Clark, Gareth (2 awards)	£25,000
Cleary, David	£10,000
Cliffe, Justin	£10,400
Cysewski, Karol	£44,900
Dalgleish, Laura	£8,919
Davies, Ellen	£6,000
Davies, Leigh (2 awards)	£54,650
Duckhouse, Rory	£2,550
Durham, Duke	£10,272
Edwards, Elinor	£26,100
Eklund, Alice	£9,995
Evans, Carys	£9,975
Evans, Ffion	£10,000
Fflur, Mirain	£10,600
Flood-Molyneux, Caitlin	£12,000
Fowler, Dylan	£6,606
Garner, Wanda	£10,000
Gomer, Aled	£12,000
Gough, Lucy	£48,000
Gregory, Jonathan	£10,840
Griffiths, Owen	£11,600
Gwyn, Rhiannon	£10,000
Haines, Megan	£9,950
Hallis, Duncan	£30,896
Hartwig, Johana	£7,538
Harvey, Michael	£42,057
Hedley, John	£24,155
Hereford, Luke (2 awards)	£48,200
Higson, Rauni	£9,609

Commissioning, Making and Presenting – Create	
Hubbuck-Melly, Renn	£6,390
Hughes, Bethan	£8,768
Hughes, Erin (2 awards)	£23,472
Hughes, Kamalagita	£9,000
Ifans, Mair	£9,000
Ingram, Chris	£10,345
Iqbal, Jafar (2 awards)	£69,358
James, Verity	£30,932
Jenkins, Paul	£6,530
Jones, Daniel	£10,000
Jones, Ella	£7,821
Kinchin, Rachel	£12,000
Lee, Brad	£8,500
Lewis, Noni	£8,678
Light, Deborah	£50,000
Linnell, Jeremy (2 awards)	£46,997
Lis, Claudia	£37,710
Lloyd, Ben	£17,000
Lloyd, Hannah	£10,000
Lowe, Krystal	£10,000
Lyons, Victoria	£13,390
MACKINNON-DAY, PATRICIA	£10,000
Magama, Bevin	£9,877
Mair, Rhiannon	£21,935
Matsena, Anthony	£27,453
McGilvary, Owain	£10,000
McKay, Macsen	£7,036
McPake, Hannah	£11,233
McReynolds, Richard	£7,370
Meaton, Laura	£16,115
Meilir Ioan, Osian	£9,996
Morris, Ffion	£2,277
Morton, Kestrel	£30,000
Mottram, Amber	£10,000
Mumford, Sarah	£32,559
Nia Mason, Bethan	£8,430
Okwedy, Phil	£4,480
O'Neill, Rowan	£10,000
Oros, Robert	£4,887
Phillips, Steffan	£9,850
Philp, Jack (2 awards)	£86,145
Prosser, Lewis	£10,000
Rea, John	£9,550
Renzel, Paula	£9,550
Roe, Natalie	£10,551

Commissioning, Making and Presenting – Create	
Rowell, Rosie	£3,393
Russell-Thompson, Nye	£24,800
Self, Keiron	£25,000
Skachill Burke, Amelia	£21,000
Smith-Williams, Rebecca	£27,761
Taylor, Billy (2 awards)	£23,440
Taylor-Beales, William	£6,384
Thomas, Elen	£8,730
Thomas, Nathan	£10,900
Thorne, Aidan	£5,261
Verhaegen, Natalie	£10,000
Weighton, Sian	£44,869
Williams, Tamar	£8,950
Williams, Tomos	£37,876
Wilmore, Olivia	£9,435
Wright, Anthony	£44,470
Yamamoto, Yusuke	£31,000
Young, Jules	£6,636
	£1,854,188

International Opportunities Fund	
Alavezos, Evyenia	£3,740
Appleton, Melissa	£6,000
Awst, Manon	£1,232
Blosse Mason, Efa	£3,410
Blythe, Stacey	£2,625
Bonada, Marja	£4,729
Boyd, Patrick	£3,000
Breen, Carol	£3,000
Burgess, Cefyn	£7,000
Cicolani, Gaia	£1,081
Darney, Peter	£2,850
De Jesus, Toni	£2,650
Dearden, Nathan	£1,765
Dickinson, Anthony	£3,000
Elfyn, Menna	£892
Evans, Thomas	£2,500
Fong, Joanne	£6,000
Griffiths, Michelle	£7,111
Herbert, Carolina	£7,500
Hopkins, Sarah	£5,000
Iqbal, Jafar	£4,531
James Creighton Griffiths, Benjamin	£2,200

International Opportunities Fund	
James, Verity	£4,740
Jenkins, Paul	£1,960
Jones, Leona	£4,939
MACKINNON-DAY, PATRICIA	£2,000
Martin-Jones, Timothy	£2,159
Morris, Siwan	£1,600
Munn, Zoe	£3,922
Muse, Elan	£2,103
Norris, Linda (2 awards)	£3,908
Parnell, Heather	£3,869
Pearce, Jennifer	£3,613
Philp, Jack	£4,175
Plowman, Lynne	£6,420
Quick, Felicity	£3,501
Rhodes, Gabriella	£2,500
Simons, Aled	£4,000
Smith, Andrew	£3,762
Taylor, Billy	£3,000
Tomos, Cai	£1,127
Trimble, Rhys	£1,651
Upmeyer-Lewis, Julia	£3,790
Waite, Tessa	£4,450
Wall, Leighton	£6,850
Wigdel, Siri	£1,000
	£162,855

Wales in Edinburgh	
Hereford, Luke	£25,700
Walker, Frankie	£6,717
	£32,417

Widening Engagement – Sharing Together	
Lowe, Krystal	£7,800
Moran, Kiera	£2,960
Nickels, Shane	£2,950
Owen, Rebecca	£2,392
van der Eijk, Michael	£3,000
	£19,102

Widening Engagement – Open Lottery	
Evans, Lisa	£2,915
	£2,915

Widening Engagement – Welsh Language	
Alexander, Myfanwy	£10,743
Crawford, Eady	£7,500
Daimond, Colin	£7,900
Davies, Kirsti	£14,994
Doyle-Roberts, Bridie	£32,150
Eastwood, Paul	£28,963
Evans, Ruth	£16,750
Fitzgerald, Ciaran	£7,500
Higginson, Frances	£7,500
Huw Morgan, Richard	£7,500
Ioan, Hedydd	£7,500
Mair, Rhiannon	£11,000
Mannion, Elin	£30,000
Owen, Angharad	£7,500
Parri, Sian	£15,000
Roberts, Marc	£30,000
Soleman, Mymuna	£7,500
	£250,000

Business Continuity Fund	
Ahmed, Ameena	£390
Anderson, Mark	£2,471
Brett, Jessie	£1,500
Burrows, Inga	£300
Cliffe, Justin	£4,918
Cotsen, Jonathan	£811
Crockford, Alun	£893
Davidson, Emma	£678
Davies, Leigh	£1,100
De Jesus, Toni	£424
Doyle-Roberts, Bridie	£297
Edwards, Elinor	£1,427
Evans, Thomas	£719
Harris, Sean	£2,165
Hicks, Jason	£390
Hobson, Louise	£600
Iaith Abertawe, Menter	£3,266
James, Verity	£514
Jones, Ann	£1,150
Jones, Daniel	£887
Kaeda, Natasha	£393
Legall, Kyle	£1,026
Lesdema, Eric	£3,644
Light, Deborah	£10,000
Magama, Bevin	£1,032

Business Continuity Fund	
McMaster, Tracey	£498
Move, Humans	£5,115
Necati, Yasemin	£2,276
Nigel Hurlstone, Ian	£3,654
Parry, Lisa	£940
Pasotra, Tina	£208
Raileanu, Ioan	£456
Razi, Mehdi	£491
Smith, Rachael	£2,030
Smith-Williams, Rebecca	£375
Taylor, Billy	£200
Trow, Kristel	£3,333
White, Rhiannon	£4,021
Yarnell, Anushiye	£2,648
Ynyr, Iola	£2,153
	£69,393

Future Wales Fellowships	
Awst, Manon	£25,000
Beer, Cheryl	£28,950
Bowes, Zillah	£25,000
Hughes, Iestyn	£25,000
Lesdema, Eric	£25,000
Neighbour, Alison	£25,000
Singh, Simran	£25,000
Thomas, Julia	£25,000
	£203,950

Equalities – Creative Steps	
(Anastacia) Ackers, Stacey	£10,000
Abodunrin, Kimberley	£7,000
Adam, Neelufur	£15,250
Ahmun, Shakeera	£9,810
Allibhai, Farah	£13,055
Balman, Euan	£9,469
Balogun, Ofelia	£10,000
Barber, Rhiannon	£7,214
Beer, Cheryl	£10,200
Begum, Yasmin	£9,952
Biggs, Georgina	£13,200
Brazier, Donna	£5,079
Caemawr, Selena	£15,300
Camara, Idrissa	£9,900
Campbell, Jane	£12,826

Equalities – Creative Steps	
Conteh, Bunja	£7,994
Cotsen, Jonathan	£10,232
David, Mathew	£11,120
Davidson, Emma	£5,197
Davies, Colette	£8,847
Dear, Bethan	£11,455
Dos Santos, Ophelia	£8,850
Eaton, Matthew	£9,096
Edmonds, Taylor	£8,980
Edwards, Elinor	£11,025
Elliott, Myles	£12,389
Elmi, Asma	£10,000
Evans, Thomas	£10,000
Fahiya, Danielle	£9,554
Gabco, Patrik	£11,085
Goulden, Yasmin	£9,631
Hampton, Maggie	£11,679
Hicks, Jason	£5,930
Hussain, Sam	£11,200
Ingram, Chris	£9,875
Jem, Iza	£10,900
John, Kathryn	£10,322
Jones, Karina	£11,000
Khan, Imran	£10,000
Kinchin, Rachel	£12,000
Krikciukaite, Inga	£8,763
Latkowski, Yasmine	£10,000
Legall, Kyle	£10,587
Lowe, Krystal	£13,000
Mason, Mali	£7,924
Matsena, Anthony	£8,785
McLeod, Izzy	£10,118
McMaster, Tracey	£11,650
Mohammad Nejad, Neda	£10,000
Moreton, Rosamund	£12,220
Morgan, Lianne	£10,000
OMOKORE, TAIYE	£10,000
Pasotra, Tina	£9,882
Patel, Radha	£10,660
Piquemal, Catherine	£9,567
Raileanu, Ioan	£9,000
Razi, Mehdi	£10,000
Roberts, Stephanie	£11,345
Russell-Thompson, Nye	£6,750
Saki, Sahar (2 awards)	£20,000
Santima, Plamedi	£10,200
Seer, Eres	£12,160
Shapland, Jo	£12,930

Equalities – Creative Steps	
Singh, Harchran	£10,000
Skelding, Booker	£12,850
Smith, Rachael	£13,640
Tarafdar, Ibrahim	£8,680
Thomas, Nathan	£6,540
Wells, Amanda	£14,625
Wright, Anthony	£13,300
Wynne-Paton, Catherine	£12,992
	£744,784

Total Grants to Individuals	**£3,339,604**

Total Grants Offered net of offers not taken up or withdrawn	**£14,924,440**

Grants Administered by Ffilm Cymru Wales

Production and Development	
Ash & Ashlee	£20,625
Being Hijra	£12,000
Brides	£173,110
Chennai Story	£75,000
Chuck Chuck Baby	£4,000
Exes for the Apocalypse	£12,960
I Who Have Nothing	£5,000
Kuji	£24,999
Learning to Breathe Underwater	£150,000
Man with a Fork in a World of Soup	£3,750
Mattan	£1,000
Merch y Mel	£39,500
Mission	£220,500
Mr Burton	£100,000
My Extinction	£135,000
Nye and Jennue	£10,000
On The Record	£23,400
Paolozzi – Man Machine	£24,900
Peloton	£22,800
Pig Eyes	£24,999
Queer as Folk Dancing	£24,999
Rabbit	£27,002
Retrofitted	£5,000
Romeo & Julie	£20,000
Saint George	£20,000
Smoking Shores	£10,000
The Exotic One	£24,999
The Imaginary Friend	£24,000
The Life and Death of Daniel Dee	£10,000
The Punch	£18,735
The Secret Realm	£24,999
The Vegetarian Tigers of Paradise	£6,000
Uncle	£100,000
	£1,399,277

Exhibition Festivals	
Aberystwyth Arts Centre	£16,500
Abertoir Film Festival	£10,750
Afan Community Cinema	£4,965
Cardiff Animation Festival	£18,065
Chapter Arts Centre – Annual Film Programme	£20,000
Galeri Caernarfon	£3,000
Iris Prize Film	£15,000
Kotatsu Film Festival	£3,530
Llanfyllin Films	£1,025
Sinema Memo Award	£11,528
The Magic Lantern	£14,000
Wicked Wales Film Festival	£10,550
WOW Wales One World Film Festival	£13,120
	£142,033

Total Grants from Ffilm Cymru Wales net of offers not taken up or withdrawn	**£1,541,310**

Grants Administered by Literature Wales

Grants	
Ali Malik, Azad	£3,000
Borton, Natasha	£3,000
Camilleri, Tia-zakura	£3,000
Drayton, Leo	£3,000
Garland, Ed	£3,000
Gauthier, Natasha	£3,000
Griffiths, Simon	£3,000
Harries, Rudy	£3,000
James, Lesley	£3,000
Melangell Puw Williams, Heledd	£3,000
Morgan, Janett	£3,000
Morgan, Lowri	£3,000
Quantock, Grace	£3,000
Wiliam, Marged	£3,000
	£42,000

Total Grants from Literature Wales net of offers not taken up or withdrawn	£42,000

Grants Administered by Tŷ Cerdd

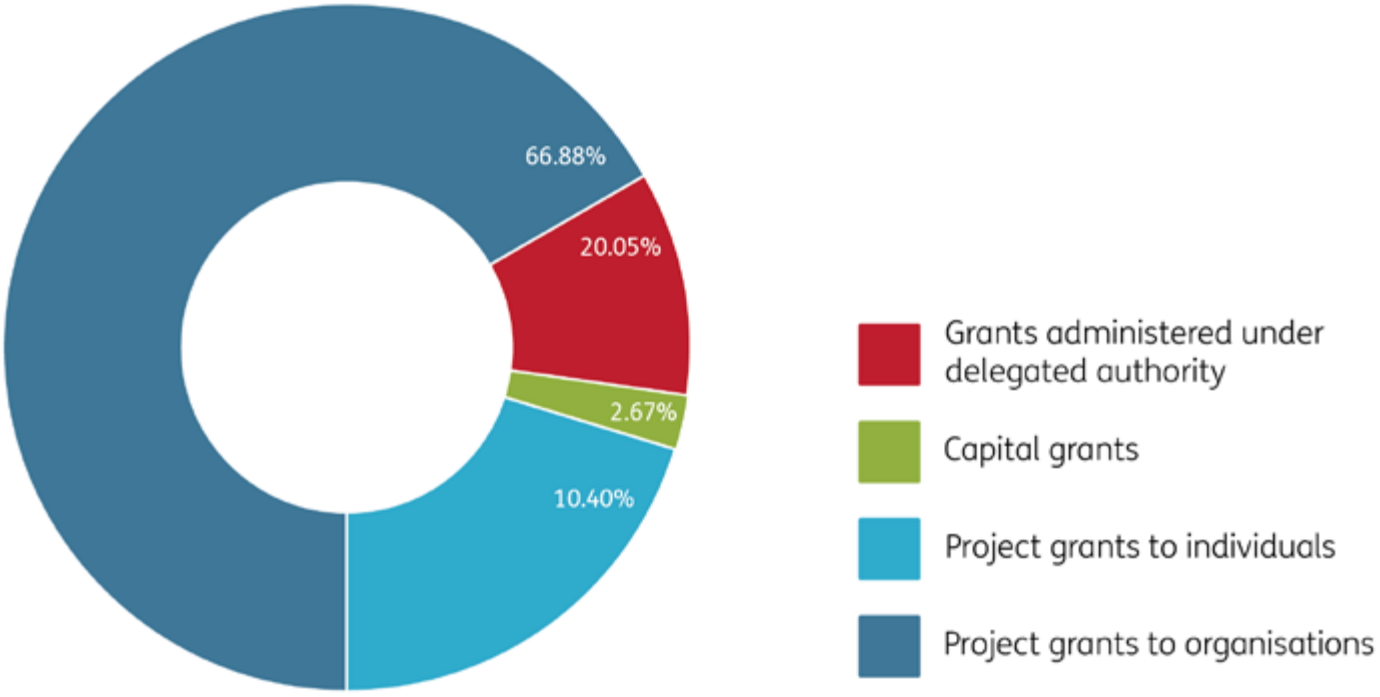
Create	
Bangor Music Festival	£2,000
Butetown Artists	£1,500
Cantorion Pentalar	£475
Cardiff and Vale Music Education	£1,750
Cathays Brass	£1,190
City of Wrexham Brass Band	£1,000
Community Arts Projects	£2,000
Côr Cwm Rhondda	£1,500
Cwm Taf People First	£2,000
Fflamingo CIC	£2,000
Hijinx	£2,000
Light/Ladd/Emberton	£2,000
Lighthouse Theatre CIO (2 awards)	£4,000
Ministry of Life Education CIC	£2,000
National Youth Arts Wales	£1,500
Newcelf	£1,800
Oasis One World Choir	£2,000
On Your Face Ltd.	£2,000
Pontio Arts – Bangor University	£1,500
Presbyterian Church of Wales	£1,800
Presteigne Festival of Music and the Arts (2 awards)	£4,000
Rhyl Music Club	£1,695
Sinfonia Cymu	£2,000
The Marches Songbook CIC	£1,080
The People's Orchestra	£2,000
The Siglo Section	£2,000
Think Creatively CIC	£1,850
	£50,640

Engage	
Anthem. Music Fund Wales	£1,500
Aubergine Café and Events CIC	£1,990
Bangor Music Festival	£2,000
Bangor University	£1,250
Brynmawr Musical Theatre Company	£1,000
Burry Port Town Band	£1,129
Cetma	£1,500
Chromamusic Community Group	£2,000
City of Cardiff (Melingriffith) Brass Band Organisation	£1,000
Clwb Ifor Bach	£1,800
Community Arts Projects	£1,000
Community Music Wales	£1,350
Côr Bro Ogwr	£750
Côr Teifi	£1,500
Cowbridge Music Festival	£1,000
Cymdeithas Eisteddfodau Cymru	£1,250
Daring to Dream	£1,850
Dunvant Male Choir	£500
Fishguard Festival of Music	£1,000
Gwrandewch (2 awards)	£1,560
Kurdish All Wales Association	£2,000
Listen to the Voice of Fire	£1,556
Llandovery Sheep Festival CIC	£2,000
Menter Caerdydd	£2,000
Ministry of Life Education CIC	£1,500
New Era Talent CIC	£1,500
New Sinfonia	£2,000
Newcelf	£900
Newport Philharmonic Choir	£500
North Wales International Music Festival (2 awards)	£2,500
Penarth Chamber Music Festival	£500
Pontio Arts – Bangor	£2,000
Rhondda Symphony Orchestra	£1,000
Sinfonia Cymru	£1,500
Swansea YMCA	£1,682
Taking Flight Theatre Company	£1,650
Tanio	£1,932
The Glamorgan Heritage Coast Ministry Area	£1,500
The Rockworks Academy	£2,000
Wales Millennium Centre	£1,750
Wrexham Sounds	£1,990
	£60,889

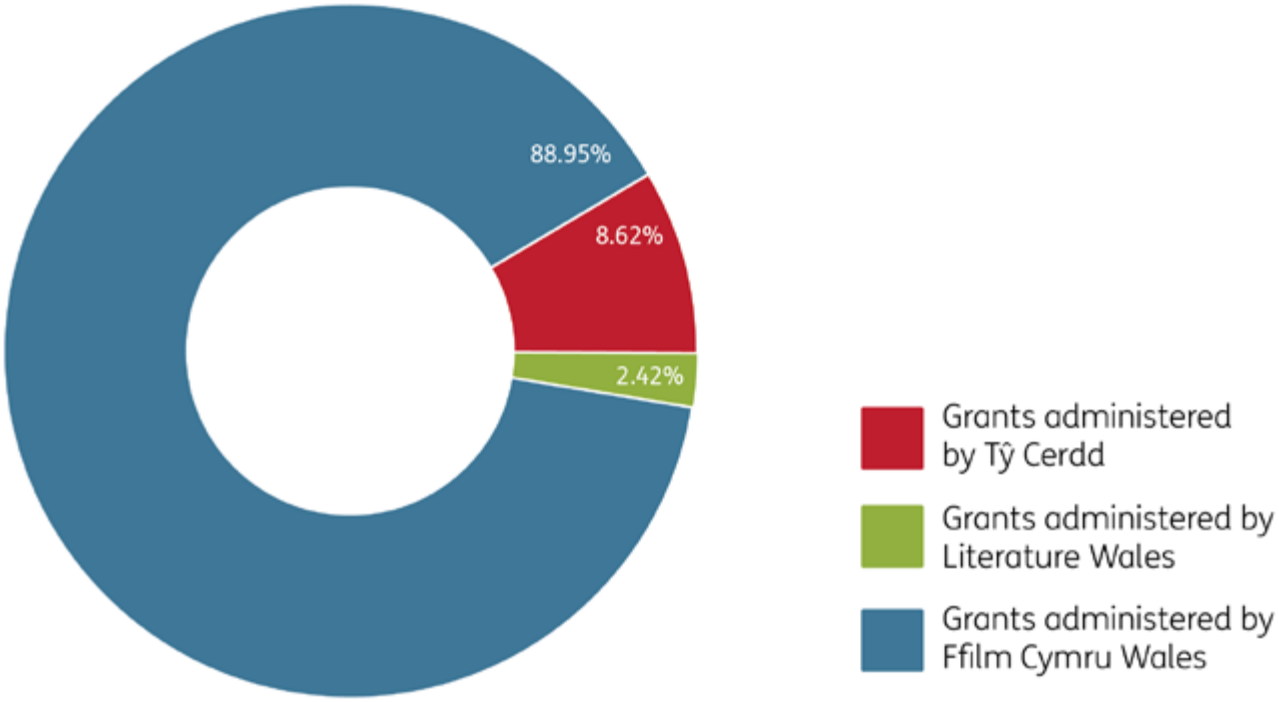
Inspire	
Anthem. Music Fund Wales	£2,000
Bangor Music Festival	£2,000
Bitesize Youth Theatre / Reactivate Partnership	£2,000
Brecon Beacons Music Trust	£1,500
Burry Port Town Band	£1,300
Cardiff and Vale Music Education	£850
Cwmbrân Baroque Singers	£693
Friends of the North Powys Youth Band	£2,000
Grand Ambition CIC	£1,950
Gŵyl Beaumaris Festival	£1,000
Hijinx	£1,000
Little Live Projects	£2,000
Menter Caerdydd	£1,000
Menter Iaith Abertawe	£1,800
Morriston Orpheus Choir	£1,980
National Dance Company Wales	£1,965
North Wales International Music Festival	£1,000
Opra Cymru	£1,900
Penarth Chamber Music Festival	£600
People Speak Up	£2,000
Pontarddulais Town Band	£650
Swansea Mad	£1,233
Urdd Gobaith Cymru	£2,000
Welsh National Opera	£2,000
Young Music Makers of Dyfed	£1,500
	£37,921

Total Grants from Tŷ Cerdd net of offers not taken up or withdrawn	**£149,150**

Lottery Grants by Type



Delegated Authority Grants



General Activities and Lottery Distribution

Report and Financial Statements for the year ended 31 March 2024

Cyngor Celfyddydau Cymru
Arts Council of Wales

CYNGOR CELFYDDYDAU CYMRU

England & Wales - Charity number 1034245

Accounts

General Activities and Lottery Distribution

Cyngor Celfyddydau Cymru
Arts Council of Wales

Report and Financial Statements for the year ended 31 March 2023

Charity number 1034245

Cover: *Housemates*, Hijinx co-production with Sherman Theatre
(Image: Mark Douet)

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Lywodraeth Cymru
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Yn dyfarnu arian / Awarding funds from
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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.

Established by Royal Charter on 30 March 1994, we exist to support and develop the arts in Wales for the benefit of people throughout Wales, and to support Welsh arts 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.

Chair's foreword

I am delighted to provide this Foreword to the 2022/23 Report and Financial Statements.

Appointed as Chair of the Arts Council of Wales from 1 April 2023, I give my utmost thanks to my predecessor, Phil George, for his sterling leadership, vision and wise counsel. As evidenced in this Report, he leaves a lasting legacy of development, support and advocacy for the arts in Wales. I would also like to record my thanks to Kate Eden who has led as Interim Chair with diligence, compassion and great skill and I am personally grateful to have her ongoing support as Vice Chair. I would also like thank Rebecca Nelson and her finance team for their excellent work in producing these financial statements.

Stepping into this role, I have undertaken a huge amount of research, knowledge-gathering and listening and I know my journey with the Arts Council will be one of continuous learning.

I have been impressed by the volume of activity undertaken during the year. The main focus of the year has been, quite rightly, the Investment Review and the consultation period that helped us to shape our proposed future ways of funding around our 6 principles.

Working with others has been a key theme for the year and several exciting partnerships were formed with common purpose and shared resource.

In support of our work in Widening Engagement, we launched our new funding programme – Perspectives – which contributes to the Welsh Government's Anti-Racist Wales Action plan. This funding supports seven visual arts organisations to work in partnership with seven Amgueddfa Cymru museums across Wales.

Moving Beyond Compliance, National Dance Company Wales delivered in partnership with Cartrefi Cymru, to explore how movement can benefit the wellbeing of staff working in care settings.
(Image: Jim Elliot)

Our Arts and Health programme continues to break barriers and is leading the way in terms of providing innovative health solutions. I'm delighted to say that the Baring Foundation has invited us to apply for a second phase of 4 year funding for Arts & Minds from 2024-2028.

Our new initiative *Creative learning in the early years*, launched at the beginning of December 2022, is about to begin its delivery phase. We are working in partnership with the Paul Hamlyn Foundation on the evaluation and a separate piece of capturing the learning is being developed in partnership with Nesta.

Development of our Welsh language plan continues. *Welsh in the workplace for the art sector* service was launched and commenced with an incredible response that saw our targets being surpassed. Our commitment to the climate emergency saw real focus this year and our *Future Wales Fellowship* culminated with an event to celebrate the work hosted at the Centre for Alternative Technology.

Urdd Choir, Katara Village, Doha, during FIFA Men's World Cup 2022

An exciting programme of activity has been undertaken by our Wales Arts International Team, including new approaches to sustainable development discussions with neighbouring Arts Councils and Creative Carbon Scotland, and we continued to lead the delivery of *Arts Infopoint UK*. With the support of Welsh Government funding, we led a collaborative international digital and in-person ground-breaking cultural programme for Team Wales for the FIFA Men's World Cup.

Looking ahead to my first year as Chair, there will be some real challenges, but also huge opportunities to create real change for our communities in Wales, using the arts to improve wellbeing, make connections and inspire each other, for now and for future generations.

Maggie Russell

Maggie Russell

Chair

Trustees' Report and Management Commentary

64.4%

of all respondents in Wales had attended an arts event in 2022/23

(2019/20: 70.4%)

17.8%

of all respondents in Wales particpated in the arts in 2022/23

(2019/20: 19.1%)

92.1%

of all respondents that had participated in the arts in 2022/23 did so at an in-person session

84%

of all respondents agreed/strongly agreed with the statement that they want children to attend arts events/do arts activities

Source: National Survey for Wales

The general trend across most audience data is that there is a slow return to attending and participating post-pandemic. This has been hampered by the cost of living impact as well. When considering the last arts event respondents attended, 98.7% indicated that it was in-person and not online.

Chief Executive

On joining the Arts Council of Wales in October 2022 it was clear that the arts sector in Wales was still coming to terms with the effects of the pandemic, inflationary pressures and the increasing cost of fuel. Many organisations are still facing difficulties in terms of ensuring a sustainable business model which is also having an affect on work opportunities for the freelance sector.

The timely and effective delivery of the Welsh Government's Cultural Recovery Fund (CRF) had proven invaluable during the pandemic crisis. However many of these issues are ongoing and we have continued open discussions with Welsh Government and other organisations to work together to secure funding to respond to significant future operational costs.

As we continue to navigate the new realities of a post pandemic world and new ways of working, we also appreciate the open and transparent exchange of ideas from all elements of the sector. This is an ethos and a way of working that we will strive to keep as a legacy of what has been a very difficult time for all. Rebuilding engagement with, and attendance at, arts events and replacing talent and key skills lost during the pandemic is vital. There are signs of improvements; but we still need to plan for long-term sustainability, and we will continue to offer support.

Creative Learning in the Early Years, Sunshines Pre-School, Llanfoist Fawr Primary School

There have been times of celebration and the partnership with the Football Association of Wales on *Gŵyl Cymru*, held during the Welsh football team's appearance at the football World Cup, brought new audiences to the arts and new community based organisations were funded by us for the first time. Working collaboratively with other national organisations and Welsh Government is a good example of how we would like to work in the future, maximising impact by bringing experiences of the arts to communities that have not had a chance to engage with the arts to date. This has been done in parallel with our international work, where we also worked in partnership with others to create opportunities for many of our artists under the collective brand of *Team Cymru*.

We should also not be shy in celebrating our work in *Creative learning through the arts* and our Arts and Health programme, both of which are receiving international recognition in their approach and methodology and are seen as templates for others to follow.

I would also like to highlight our work in Widening Engagement in partnership with the National Museum as a key progression to our core values that the arts must be relevant to all the communities of Wales. We are also making broad steps in our commitments to the Welsh language and our work in partnership with National Resources Wales will be a significant contribution on Climate Justice.

We have launched and received applications for the long-awaited Investment Review and I must thank the sector for all their hard work to date and also the dedicated staff of the Arts Council of Wales. The passion, professionalism, expertise, and pace of the Council and its staff has impressed me greatly in what has been a period of significant change. I must also thank Phil George, whose tenure as Chair was cut short due to illness, for all his guidance and generosity with his time and sharing of knowledge. Whilst Kate Eden stepped in as Interim Chair with great professionalism and skill, we now look to the future with Maggie Russell and I look forward greatly to working with Maggie and all the staff and Council members.

We have an unwavering determination and responsibility to ensure the arts once again flourish and advance their engagement and co-creation with the diverse communities and people of Wales, all in the pursuit of the seven goals of the Well-being of Future Generations Act.

Dafydd Rhys

Chief Executive

Our Strategy 2017-2023
“For the benefit of all”

The principles that drive our work

Our mission and our priorities

Making the arts central to the life and well-being of the nation

Our vision is of a creative Wales where the arts are central to the life and well-being of the nation.

Our goal is the re-building of a creative Wales in which our best talents are revealed, nurtured and shared; a country in which the widest possible cross-section of people in Wales is enabled to enjoy and take part in the arts; a country in which excellent work is valued, protected and supported to grow. This is described in more detail in our corporate plan – For the benefit of all.

Two priorities underpin this strategy. They are:

1. Promoting **Equalities** as the foundation of a clear commitment to reach more widely and deeply into all communities across Wales
2. **Strengthening the Capability and Resilience** of the sector, enabling creative talent to thrive

Council has also identified a further action to support the delivery of these two priorities:

3. **Enabling the Arts Council to work more effectively,** collaborating more imaginatively with like minded partners across Wales

Welsh Government

The priorities of the Welsh Government set the overall context for our work. The Welsh Government's expectations of us are set out in our Remit Letter which spans the 5 year period of Government 2021-2026. Our shared goals are:

- decarbonisation;
- addressing all inequality and achieving an anti-racist Wales;
- improving access and participation for all;
- promoting health and well-being;
- creating opportunities for young people; and
- projecting a powerful and positive image of Wales to the world.

As a Welsh Government Sponsored Body, we operate within a complex network of public policies, strategies and legislation. The most important of these is the Welsh Government's Well-being of Future Generations legislation. Well-being and sustainability are fundamental to our work. Our activities address all seven of the well-being goals:

1. A prosperous Wales
2. A resilient Wales
3. A healthier Wales
4. A more equal Wales
5. A Wales of more cohesive communities
6. A Wales of vibrant culture and thriving Welsh Language
7. A globally responsible Wales

We also adopt, in our planning and in the delivery of our work, the legislation's "five ways of working": **Long-term, Prevention, Integration, Collaboration, Involvement**.

17,579
arts events were run by our portfolio of funded organisations, generating attendances of
3,538,469

69,704
participatory sessions were run by our portfolio of funded organisations, resulting in attendances of
635,636

11,342
participatory sessions were run by our portfolio of funded organisations in Welsh, resulting in attendances of
76,854

12,735
participatory sessions run by our portfolio of funded organisations were targeted at people in the protected characteristics group

2022/23

8,976
arts events were run by our portfolio of funded organisations, generating attendances of
1,961,888

38,981
participatory sessions were run by our portfolio of funded organisations, resulting in attendances of
383,695

3,142
participatory sessions were run by our portfolio of funded organisations in Welsh, resulting in attendances of
75,316

7,415
participatory sessions run by our portfolio of funded organisations were targeted at people in the protected characteristics group

2021/22

Public benefit

Making the arts central to the life and well-being of the nation

In setting our objectives, and in the planning of our work, Council members have given serious consideration to the Charity Commission's general guidance on public benefit. Public benefit is at the centre of all aspects of our work. This commitment is strengthened by the Welsh Government's Well-being of Future Generations legislation.

As a Welsh Government Sponsored Body (WGSB) we allocate taxpayers' money for the benefit of the Welsh public.

The funding that we distribute has a number of public purposes:

- it helps to make sure that Welsh audiences are able to enjoy and take part in high quality arts activities
- it enables investment in the commissioning, production and exhibition of the arts, helping to sustain the careers of creative professionals in Wales
- it makes the arts more affordable, bringing them within reach of more people
- it encourages innovation and risk-taking, raising the quality and diversity of the arts made and promoted in Wales
- it furthers the cultural, social and economic priorities in the Programme for Government.

Public funding also helps to address 'gaps' in the market by investing in those activities that the commercial sector either won't, or isn't able to, support. In all aspects, our funding is intended to encourage the best of the arts and to enable as many people as possible to enjoy and take part in these activities.

We undertake detailed research each year to assess the extent to which we're achieving these goals. In the pages that follow, we set out the key highlights of our work during 2022/23 and the public benefit that these activities deliver.

1,741 funding applications processed (2021/22: 1,587)

1,262 schools have engaged in the Creative Learning through the Arts programme since 2015

741 schools have participated in Lead Creative Schools Scheme projects since 2015

3,350 creative practitioner engagements with the Creative Learning programme since 2015

1,200 visits to high-quality events supported through Go and See since 2015

6,500 teacher engagements with the Creative Learning programme since 2015

153,500 learner engagements with Creative Learning activities since 2015

402 performances supported by the Arts Council's Night Out scheme (2021/22: 108)

5.0% Arts Council running costs as a proportion of total income (whole Council) (2021/22: 5.6%)

Green Dragon Level 5 We retained this highest category of environmental performance

763 Collectorplan loans to support the purchase of contemporary art (2021/22: 853)

Creative learning through the arts

Creative learning through the arts: an action plan for Wales was launched in 2015 as an initial five-year programme. The first phase transformed the learning experiences of learners across Wales by placing the arts and creativity at the heart of education. This ground-breaking programme has supported, and continues to support schools in developing new approaches to curriculum design, supports teachers in exploring innovative approaches to teaching and supports learners to grow as independent, creative learners, who are more engaged, more confident, and higher achievers.

In 2022 we started a third phase of the jointly funded programme which will run until 2025. The programme continues to focus on developing creativity and creative approaches to teaching and learning across the curriculum by providing opportunities to enhance the Expressive Arts Area of Learning and Experience.

It is aligned to the delivery of the Programme for Government 2021-2026, providing opportunities for our most vulnerable young people to achieve their potential in learning and, through our curriculum enrichment offer, provides cultural experiences to all young people throughout Wales.

Cynefin, Tredegarville Primary School

Developing creativity remains the key focus of the programme, using the arts as the creative intervention and bringing the skills and experience of creative practitioners into the learning environment to work in partnership with teachers and learners. The current programme includes:

- **Lead Creative Schools Scheme** A two-step intervention that supports schools to develop their practice whilst exploring the Creative Habits of Mind and the High Functioning classroom in line with the four core purposes of Curriculum for Wales; developing ambitious, capable and confident learners, who are also enterprising, creative contributors prepared with skills for life. The scheme encourages school leaders to embed changes to pedagogy, across their setting, through the design of creative and authentic learning experiences, with the support of Creative Agents and Creative Practitioners.
- **Cynefin: culturally and ethnically diverse Wales** Schools are given the opportunity to work alongside creative professionals to explore diversity in Wales, past and present. Teachers and learners work collaboratively with creative professionals whose lived experience ensures 'authentic learning opportunities' which connect the curriculum to the real world of the learners and their communities.
- **Creative Leadership Programme** The aim of the programme is to encourage confidence in new ways of working, innovation, reflection, and resilience whilst also developing the understanding of the role of creativity in the context of the Curriculum for Wales, the four purposes and the Professional standards for teaching and leadership.
- **Creative learning in the early years** Designed to complement the curriculum for funded, non-maintained nursery settings in Wales, this initiative creates inspiring opportunities for artists and early years settings to collaborate through co-constructed projects working with learners aged 3-4 years old. It supports the natural creativity and curiosity of children and inspires early years practitioners with new ideas and approaches to enable creative habits of mind in their practice, across the curriculum, and throughout their setting. This programme is delivered in partnership with Early Years Wales and is part funded by the Paul Hamlyn Foundation.

- **Creative learning conversations (including professional learning package)** Creative learning conversations is an open network and series of twilight sessions for provocation, enquiry and sharing good practice for teachers and creatives exploring creativity across Curriculum for Wales. It is also a stimulus for teachers to opt to continue their professional development by linking them with creative professionals to undertake enquiry-led cross-curricular exploration in the context of Curriculum for Wales.
- **Go and See** offers grants of up to £1,000 and can be used to fund visits to high-quality arts events in galleries, theatres, arts centres and other venues. Events could include visits to performances and exhibitions or visits to experience arts professionals developing and creating their work.
- **The Explore fund** offers grants of up to £3,000 for learners aged 3-16 years to engage in hands-on activity in the expressive arts, in and out of school settings with external creative practitioners. Explore enables teachers to discover rich, authentic opportunities to enhance and enrich learning within the expressive arts. Teachers will be able to provide their learners with opportunities to explore, refine and communicate ideas while thinking creatively and engaging their imagination and senses.

Since 2015 Creative Learning Wales has:

- engaged with over **1,262** state-maintained schools (83% of schools in Wales)
- involved **741** schools in intensive creative learning projects through the **Lead Creative Schools Scheme**
- supported **Cynefin** projects in **85 schools**
- supported **13** Early years settings in the first round and aims to reach **70** in total
- provided **153,500** learner engagements in arts and creative learning activities
- enabled almost **6,500** teacher engagements in professional development and training linked to developing creative skills in the expressive arts
- seen **3,350** engagements with creative practitioners
- supported over **1,200** visits to high-quality arts and cultural events in galleries, theatres, arts centres and other venues through **Go and See**
- increased and improved over **100** opportunities for teachers and learners in our schools to work with artists and arts/cultural/heritage organisations on a range of more in-depth and exploratory projects through **Creative Collaborations**
- provided opportunities for schools and arts organisations to share best practice and find partnerships through **Regional Arts and Education Networks**

Our performance

A year of strong performance against our corporate objectives

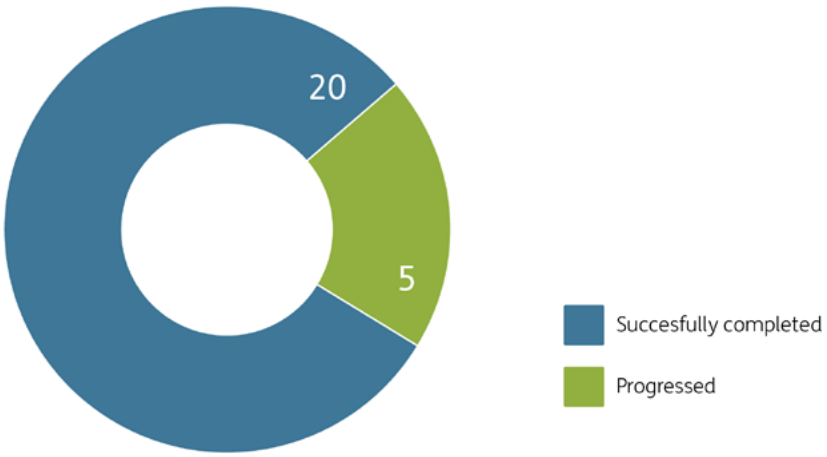
Our Operational Plan 2022-23 represented the last year of Corporate Plan 'For the Benefit of All', which ceased at the end of March 2023. We identified 9 key programmes of work and highlighted the key priorities and corresponding actions within each. Each programme area was mapped against the seven well-being goals and 6 Welsh Government priorities in the Programme for Government Remit Letter.

Our Values are informed by the five ways of working: Long term, Prevention, Integration, Collaboration, Involvement.

The Operational Plan is published on our website. Progress was monitored throughout the year through quarterly progress reports presented to Council. We also met quarterly with officials of the Welsh Government.

We successfully delivered against 8 of the 9 key programme areas and 80% of our tasks. At the end of the year:

- 20 out of 25 tasks had been successfully completed
- 5 tasks were progressed



Arts Connection,
Mold Hospital

The current financial crisis and the rapidly escalating costs of living we are all facing, has dominated this year. We are acutely aware of the significant impact of this on the Sector, particularly as it is still in recovery mode from the pandemic.

That said, our rescheduled Investment Review was largely welcomed by the Sector with feedback from the public consultation and workshop sessions signalling that most participants agreed that now was the time for change and movement towards a fairer, more responsible, anti-racist, anti-ableist sector, and supported an Investment Review that would help deliver this.

Our strategy going forward, led initially by our Investment Review and the introduction of our 6 new principles and application of 5 balancing factors will consider and take steps to provide immediate support and continued development for the Sector and increased opportunities for the people of Wales to enjoy and experience the arts, now and over the longer term.

Similarly, 2022/23 was a year in which we faced our own physical resource challenges. We saw interim arrangements in place for 6 months for the posts of both Chief Executive and Chair until such time that permanent appointments were made.

Developing and launching our Investment Review

- Following extensive public consultation on our initial proposals, the outcomes of which were considered and approved at a specifically convened Council meeting in November 2022, we published our full Investment Review Guidance in December 2022 alongside our response to the feedback received through the consultation exercise.
- This Investment Review introduced the new approach of multiyear funding options for organisations.
- Applications, which opened on 9 January 2023 and closed on 31 March 2023, asked organisations to respond with proposals that aligned with the progression of our 6 principles, but that were relevant to their own circumstances. Applications could be submitted in a number of ways, whether completing a template available on our online portal, or responding to the questions via video or audio uploads. This was to encourage greater access to the opportunity, particularly from groups and communities we felt were currently under-represented in our work. 141 completed applications were received. Following a robust assessment process Council will announce its initial decisions in September 2023.

Supporting the Sector in its recovery from the pandemic and seeking ways to offer increased development opportunities to organisations, creative individuals and freelancers, and audiences and participants

Whilst we did progress many aspects under this specific programme of work, the escalating cost of living crisis prevented us from fully achieving some of our published actions.

- We held a series of discussions, including with the Sector, Welsh Government departments, Local Authorities, other UK Arts Councils and other partners, exploring ways in which we could respond to and support the Sector through this current crisis, and in the wake of the impact of the recent pandemic. Emerging from these discussions are a number of initiatives that will be developed more fully in 2023/24. These include development of a Memorandum of Understanding with **Creative Wales**, focusing on skills development, and a partnership with the other UK Arts Councils and the **Arts and Humanities Research Council** to support artists and arts organisations working with immersive digital technologies over the next 3 years.
- We have worked on creating inclusive career opportunities within the arts, through partnerships including with **Jerwood Arts**, **Arts and Business Cymru** and **The Arts Marketing Association**. Through the latter we awarded 25 bursaries, prioritising people/organisations who are (or work with and support) culturally or ethnically diverse people, those from a low socio-economic background, Welsh speakers and/or Deaf, disabled and neurodivergent people.
- We are working with Welsh Government colleagues in support of the development of the new Culture Strategy.

The Famous Five, Theatr Clwyd
(Image: The Other Richard)

- Work on development of a new Capital Strategy will progress in 2023/24, meanwhile we are working closely with Welsh Government colleagues on the capital development of **Theatr Clwyd** and have secured an additional £2.5m in capital funds from Welsh Government to support other existing projects experiencing increasing costs.
- We developed and delivered a number of arts focused strategic projects including the launch of our partnership with **PRS Foundation** on *Power Up!* in Wales. This seeks to do groundwork to address the dual barriers facing black artists in Wales, racism and a lack of infrastructure, and is currently in delivery phase. We have also signed a partnership agreement with PRS Foundation for *Accelerator* in Wales, a programme supporting artists around key development points in their career.
- Progress on the Welsh Government's **National Contemporary Art Gallery for Wales** project has been impacted by a number of factors during the year, including insufficient resources, UK Government changes and the Spending Review. We have made progress in the development of its associated business cases and recruitment activity to appoint a Project Director and an Independent Chair of the Project Board. Further developments will progress in 2023/24.

Developing an approach to arts and culture that actively promotes equality and widens our engagement with individuals and communities across Wales in deciding what counts as culture, where it happens and who makes and experiences it

- We launched the **Creative Steps** programme, providing targeted support for underrepresented individuals and organisations led by and/or working with underrepresented communities to promote business, organisational and career development.
- We continue with our support for the **Hynt** scheme to promote a consistent offer for disabled visitors and their personal assistants/ carers at venues throughout Wales and are working closely with other UK Arts Councils in the development of a similar UK-wide Access Card Scheme.
- We secured funding, in partnership with **Amgueddfa Cymru**, to deliver a 3-year project with artists and galleries to deliver on Welsh Government's **Anti-Racist Wales Action Plan** and developed and delivered a new funding programme – *Perspectives*. Seven visual arts organisations were selected to support and work in partnership with seven Amgueddfa Cymru museums across Wales.
- We commissioned the **Romani Cultural & Arts Company** to produce a resource on widening engagement with the Gypsy, Roma, Traveller community, as audience members, participants and employees.
- We have supported over 400 community events through our **Night Out** initiative.

Iberians and Latin Americans in Wales performance, Glynn Vivian Art Gallery

Progressing our Arts and Health programme and our Memorandum of Understanding and partnership with the NHS Confederation

- For *NHS 75*, we collaborated with the **NHS Confederation** on music and film content to profile our work for the formal Senedd event on 5 July.
- Our **Capacity Building Programme** continues to develop. On the back of our seed funding, there is now a national network of 15 Arts & Health Coordinators embedded within the system with V**elindre University NHS Trust** also now part of the programme. 5 out of 7 Health Boards have now made these permanent and substantive NHS roles and we're exploring how to strengthen these teams through our second phase of support.
- Our partnership with the **Baring Foundation** remains strong. We have been invited to apply for a second phase of 4 year funding for *Arts & Minds* from 2024-2028 and are consulting with Health Boards about the forward focus.
- We're working with colleagues at **Natural Resources Wales** to include a new priority for Arts, Health & Nature within our National Lottery funding programmes.
- We're continuing to strengthen our collaboration with **Public Health Wales**, participating on their *Hapus* Strategic Partnership Group.

Dawns i Bawb and residents from
Brynseiont Newydd Residential Home
(Image: Brynseiont Newydd)

- **Cultural Cwtsh** (our online wellbeing resource for NHS and Social Care staff) continues to grow and we have commissioned an independent review to deepen our understanding of its use by the healthcare workforce.
- Wales' partnership approach to Arts & Health was recognised in the February 2023 edition of the **Lancet Public Health**. In a scoping review of 172 relevant international policy documents (studying global progress on intersectoral approaches to realising the benefits of the arts for Public Health), the memorandum of understanding between the Arts Council of Wales and the Welsh NHS Confederation was "one of the most concrete commitments we found, both in terms of the intersectoral approach and the specific investment and action."

Providing opportunities for young people and children to engage in the arts, including placing the arts and creativity at the heart of the school curriculum through the Creative Learning programme

- We developed a new opportunity for schools completing their **Lead Creative Schools** intervention, supporting them in exploring approaches they are taking to embed and sustain creative learning and how this work links to Curriculum for Wales.
- **Cynefin** continues as schools work alongside their creative professionals to explore the ethnic diversity in Wales and the contributions this makes to society and culture. Since its launch in 2021, 85 schools, over 2, 500 learners and more than 70 creative practitioners have been directly involved.
- Our successful **Go and See** fund continues to be very popular among our schools. A total of 298 grants have been awarded since the scheme reopened.
- Our new initiative **Creative learning in the early years** was launched at the beginning of December 2022 and is beginning its delivery phase. A total of 13 settings are taking part with 13 new creative agents recruited and creative practitioners. We are working in partnership with the **Paul Hamlyn Foundation** on the evaluation and a separate piece of capturing the learning is being developed in partnership with **Nesta**.
- Our **Creative Leadership** programme is also underway with a total of 29 senior leaders from a variety of schools across the whole of Wales taking part.
- We appointed a Portfolio Manager with responsibility for arts and young people to develop programmes and projects including a **young people's network**.

Creative Learning in the Early Years,
First Steps Camau Cyntaf Llanhari

- We have accepted the recommendations in the **Youth Voice report** and these are the basis for our thinking in the development of programmes and projects. We have also agreed the principle of all work being youth led.
- We are researching current and recent work, supported through Welsh Government and Lottery funding, around **anti-poverty**, and those most marginalised and least represented. We are also part of a National Lottery forum around children and young people, connecting across the good causes and the nations.
- Strategic funding for **Criw Celf 22-23** opened to existing consortia, aiming to build on current experience to deliver this creative talent development programme for young people in the visual arts. It focuses on activities that deliver on our priorities of Equalities, Diversity and Welsh Language, and addresses barriers to access for young people, in particular in terms of recruitment of participants and artists.

Progressing our commitment to promote the use of the Welsh Language in the arts

Vivian Rhule

- We appointed a Welsh language co-ordinator to create a new 'Working Welsh for the arts' service in partnership with the **National Centre for Learning Welsh (NCLW)**. A suite of offers for staff, freelancers and arts organisations was created and shared. The launch of the service was met with an enthusiastic response. 175 learners from the sector signed up and we have ongoing requests to join.
- The **Welsh Art Consortium** continues to meet regularly. Its work this year included designing and launching a new National Lottery funding programme, **Llais y Lle**, targeting individuals to develop creative use and ownership of the Welsh language. A residential event in January 2023 led to new working developments between the Creative Learning through the Arts Programme and the Welsh Government's *Cymraeg 2050* programme.
- We met with arts organisations to offer advice on their Welsh language developments and held 2 **design and thinking workshops** with the Welsh Government on 'Leading in a bilingual country'.
- We began work on a new **Welsh Language Action Plan** as part of the development of our new Strategy. This will be completed in 2023/24.
- We completed our **Welsh language development pathways** report.

Engaging in an extensive programme of international activity

- We continued to investment in **“Bro a byd – local and global wellbeing goals”**, developing a new approach to diversity and engaging with diaspora communities in Wales.
- We held ongoing discussions with the other UK Arts Councils on new approaches to sustainable international touring and hosted an event for sector representatives at Bangor University led by **Creative Carbon Scotland**.
- Our **International Opportunities Fund** continued with significantly increased demand, reflecting the need within the sector for international engagement in person and digitally.
- Our Wales Arts International (WAI) team continues to lead delivery of **Arts Infopoint UK**.
- **Wales Venice 10** was launched in partnership with Disability Arts Cymru and Artes Mundi. We received 80 applications from a diverse cohort of individual artists, curators, producers and writers working in Wales and awarded 10 Fellowships. Most Fellows undertook research visits to the **Venice Biennale** where they met international curators, artists and writers to support capacity building and skills development. As part of the evaluation of the programme, the Fellows met at **Tŷ Pawb** in March 2023 to share their experiences.
- **UK France ‘Magnetic’: Artist in Residence** took place at Aberystwyth Arts Centre. Wales is partnering with Bretagne to build engagement into **Year of Wales in France 2023** and longer term relationships for Wales’ visual arts.

- We undertook a research visit to Canada in partnership with Welsh Government Canada and the Well-being of Future Generations Commissioner. This included partnership development with **Canada Council for the Arts** and **CALQ (Conseil des Arts et des Lettres du Quebec)**, and meetings with indigenous arts and language leaders, well-being economic and cultural fora, participation in panels at **Breakout West** and support for **Focus Wales**' programme. We will pilot a **Wales Quebec Music residency exchange**
- We showcased 3 Welsh musicians, co-presenting with Brittany, at **Showcase Scotland** and **Celtic Connections**. This resulted in a number of high profile bookings for the artists and an agreement on a Wales night at a Celtic stage at Cambridge Folk Festival.
- With funding from the Welsh Government we led a collaborative international digital and in person cultural programme for Team Wales for the **FIFA Men's World Cup**, reaching 864 million people globally. Legacy work with **Unify's 64** exhibition is ongoing.
- In year one of the **United Nations Decade of Indigenous Languages**, we developed our **Gwrando** fund for artists in Wales to listen to indigenous languages and practice across the world.

Showcase Scotland artists, Left to right: Cerys Hafana; VRï; Gwilym Bowen Rhys

Supporting the Welsh Government's Net Carbon 0 ten year action plan for all public sector Bodies in Wales to meet their Carbon 0 targets by 2030 through our Arts and Climate Justice programme

Future Wales Fellowship

- As part of our **Creative Nature** Memorandum of Understanding with **Natural Resources Wales**, we established the Creative Nature Steering Group, including representatives from Natural Resource Wales, to scrutinise delivery of the Creative Nature programme and inform the strategy for future collaborative work.
- Through this partnership the **Future Wales Fellowship** recipients developed their individual projects that use art to demonstrate the impact climate change has on everyday life. The Fellows were given support and opportunities to develop their own artistic work, but also to challenge the way people think about climate change to encourage people to live a more sustainable lifestyle. We commissioned **Storyworks** to creatively document the work of the Fellows.
- We began development of an action plan for **Climate Justice and the Arts**, commissioning the Centre for Alternative Technology to facilitate the co-design process alongside our staff and Arts Associates. Built within the framework of the Well-being of Future Generations Act and the Sustainable Development principle, the plan will align with our new Strategy and be completed in 2023/24. Meanwhile, we continuing to engage with the Cross-Distributor Environmental Responsibility Group to ensure a joined up approach with key stakeholders such as Arts Council England, Julie's Bicycle and Creative Carbon Scotland and have joined Sustainable Development Coordinators Cymru +, a network of officers responsible for sustainable development in Local Authorities.

Examining our own ways of working to ensure we deepen and widen our engagement into society and develop our own practices and partnerships to maximise efficiencies and safeguard our resources to develop and support the arts in Wales

- We developed our new **Strategy**, built around the Well-being of Future Generations Act's 7 goals and 5 ways of working, and set our framework and corporate objectives for the next 10-year period. The Strategic Framework was informed by the feedback received from the Investment Review public consultation and is underpinned by the same 6 principles. It was approved by Council in March 2023. Work is now underway to progress this through to Welsh Government approval prior to its launch later in 2023/24.
- We increased our partnership working, and formed new partnerships. In addition to those already referenced in the above programme areas, our partnerships with BBC Cymru Wales continued to progress **Horizons/ Gorwelion**, including a **Launchpad** funding round. A diverse range of artists applied, covering a broad range of genres, with good representation from global majority artists, Welsh language and disabled artists. **Gŵyl Cymru** was successfully delivered in partnership with the Football Association of Wales, S4C and other cultural bodies. There is an appetite to continue this partnership into the future, particularly in promoting arts and sports collaboration for widening engagement.

BBC National Orchestra of Wales
(Image: Yusef Bastawy)

- We continue to develop **new ways to access our information**. All published documents are available in Welsh, English, British Sign Language and Easy Read and Large print formats. Five videos have been produced highlighting National Lottery grants available from the Council. They are released as the particular funds are opened for application and have proved popular in explaining the nature of each fund, as well as providing examples of successful past projects.
- We are examining our own office spaces to further support new **hybrid working models**. Our Carmarthen office was successfully relocated to a dedicated workspace in Yr Egin on the University of Wales Trinity Saint David campus.
- We have developed a **Business Continuity Fund** to further support the sector with cost of living considerations. This will be launched in 2023/24.

Corporate Governance

Our Trustees

Council Members who served since 1 April 2022 were:

Attendance of Trustees at meetings during 2022/23

		Council	Audit & Risk Assurance Committee	Capital Committee	HR & Remuneration Committee	Strategic Equality Committee	Welsh Language Committee	Future Generations Committee
		Number of meetings held						
		7	6	5	3	2	3	2
	Maggie Russell **Chair** from 1 April 2023	N/A						
	Phil George **Chair** from 1 April 2016 to 31 March 2023	3/3						
	Kate Eden from 1 April 2017 **Interim Chair** from 1 October 2022 to 31 March 2023 **Vice Chair** from 1 April 2021 Chair of Audit & Risk Assurance Committee Member of HR & Remuneration Committee	5	2/2		1/1			
	Lhosa Daly from 1 April 2019 Chair of Future Generations Committee to 30 September 2022 Interim Chair of Audit & Risk Assurance Committee from 1 October 2022 to 31 March 2023	5	4/4					2
	Ceri Ll Davies from 1 April 2021 Member of Audit & Risk Assurance Committee from 1 July 2022 Member of Strategic Equality Committee	6	4/4			2		

Attendance of Trustees at meetings during 2022/23

		Council	Audit & Risk Assurance Committee	Capital Committee	HR & Remuneration Committee	Strategic Equality Committee	Welsh Language Committee	Future Generations Committee
		Number of meetings held						
		7	6	5	3	2	3	2
	Devinda De Silva from 1 April 2019 **Interim Vice Chair** from 1 October 2022 to 31 March 2023 Chair of Strategic Equality Committee	6				2		
	Andy Eagle from 1 November 2016 to 30 November 2022 Chair of Capital Committee to 30 November 2022	2/4		1/3				
	Ruth Fabby MBE from 1 April 2021 Member of Strategic Equality Committee	7				1		
	Professor Tudur Hallam from 1 April 2019 Chair of Welsh Language Committee	6					3	
	Gwennan Mair Jones from 1 April 2019 Member of Welsh Language Committee from 1 March 2023 Chair of Future Generations Committee from 1 October 2022	6					0/1	2
	Tafsila Khan from 1 April 2021 Member Capital Committee	5		3				

Attendance of Trustees at meetings during 2022/23

		Council	Audit & Risk Assurance Committee	Capital Committee	HR & Remuneration Committee	Strategic Equality Committee	Welsh Language Committee	Future Generations Committee
		Number of meetings held						
		7	6	5	3	2	3	2
	Alison Mears Esswood from 1 April 2019 Member (Chair to 30 September 2022) of HR & Remuneration Committee	7			3			
	Keith Murrell from 1 April 2021 Member of HR & Remuneration Committee	7			3			
	Victoria Provis from 1 April 2019 Member (Chair from 1 December 2022) of Capital Committee	7		5				
	Dafydd Rhys from 1 April 2017 to 22 August 2022 Member of Audit & Risk Assurance Committee to 22 August 2022	3/3	2/2					
	Elen ap Robert from 1 April 2021 Chair of HR & Remuneration Committee from 1 October 2022 Member of Welsh Language Committee	7			2/2		2	
	Prue Thimbleby from 1 April 2021 Member of Future Generations Committee	7						2
	Dr Sarah Younan from 1 April 2019 Member of Audit & Risk Assurance Committee	4						

Attendance of independent Committee members at meetings during 2022/23

	Audit & Risk Assurance Committee	Capital Committee	HR & Remuneration Committee	Strategic Equality Committee	Welsh Language Committee	Future Generations Committee
	Number of meetings held					
	6	5	3	2	3	2
Andrew Butler	6					
Elid Morris	5					
Arwel Thomas	5					
Ruth Cayford		5				
Roland Evans (to 1 July 2022)		0/2				
Michael Gwyther-Jones		4				
Jayne Woods		5				
Steve Burton (from 25 January 2023)			1/1			
Wendy Reed (from 25 January 2023)			1/1			
Guto Gwilym-Taylor				1		
Ele Hicks (to 31 December 2022)				2		
Lara Ratnaraja				2		
Shereen Williams				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, other than the remuneration of the Chair, are disclosed in the financial statements under *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. There were two minor personal data breaches during the year. Each was appropriately assessed and none were categorised as reportable to the Information Commissioner.

Our Chief Executive and Accounting Officer

Dafydd Rhys

Our Offices

Mid and West Wales:
Yr Egin
Heol y Coleg
Carmarthen
SA31 3EQ

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

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

Auditor – General Activities
Auditor General for Wales
Audit Wales
1 Capital Quarter
Tyndall Street
Cardiff
CF10 4BZ

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

Internal auditors
TIAA Ltd
Artillery House
Fort Fareham
Fareham
PO14 1AH

Solicitors
Geldards LLP
4 Capital Quarter
Tyndall Street
Cardiff
CF10 4BZ

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

Governance Statement

This Governance Statement is the personal responsibility of me, Dafydd Rhys, 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've 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're 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.

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 **Deputy Minister for Arts, Sport and Tourism**. Our work is also subject to the scrutiny of Committees of the **Welsh Parliament**. 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're 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're accountable to the UK's Secretary of State for Culture, Media & 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. Revised Lottery financial directions came into effect on 1 April 2022.

We're 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 contract to National Audit Office by Audit Wales. Audit Wales also audits our General Activities account.

Arts Connection

As a charity we have to ensure we comply with the requirements of the Charities Acts 1960, 2006, 2011 and 2016. 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've 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 and management 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 **Audit Wales** are all able to investigate the Council's affairs.

Hanan Issa at Hay Festival, Literature Wales (Image: Celf Calon)

Our Governance arrangements

We're governed by a Board of Trustees – Council – consisting of a Chair and up to seventeen other independent members, one of whom is appointed as Vice Chair. Our Trustees are appointed by the Deputy Minister for Arts, Sport and Tourism through an open selection process. Appointments are usually for a three-year term, renewable for a maximum of two additional terms.

Each Trustee brings specific expertise and knowledge to the oversight and development of our activities. From 1 October 2022 to 31 March 2023, our Vice Chair stepped up to cover the ill health of the Chair. At the year-end our Council comprised of the Chair plus fourteen members.

The Chair of Council is a remunerated position, at a rate set annually by the Welsh Government. All other Trustees provide their time and expertise on a voluntary basis. However, they're reimbursed for out-of-pocket expenses incurred on Council business.

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 Arts Associates understand, apply and adhere to these Principles.

To support this, we have a **Code of Best Practice** which helps to ensure 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 is reviewed and updated at least every two years.

In accordance with the Code, each member of Council, of each Committee, and all Arts Associates and staff are required to complete an annual **Declaration of Interest** statement, and to ensure that changes in circumstances are notified promptly. They 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 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 Arts Council are disclosed in the notes to the financial statements under *Related party transactions*.

Mainly Village Halls,
Sinfonia Cymru
(Image © Salome Francis)

Council, the Audit & Risk Assurance Committee and HR & Remuneration Committee all carried out **a self-assessment review** of their performance during the year. The findings of these evaluations were positive. 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 were being 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 and diversity of arts expertise and skills on the Trustee Board as new members are appointed.

The *Corporate governance in central government departments: code of good practice*, issued by HM Treasury, does not directly apply to the Arts Council of Wales. However, as Accounting Officer, I'm 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.

Whistleblowing

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

Taking informed decisions

Decisions taken by our Council and Committees are informed by advice provided by Arts Council staff. Papers and reports produced by officers are expected to show clearly all relevant information needed to enable informed decisions to be taken. All key papers highlight: financial, HR and the Well-being of Future Generations Act's 5 Ways of Working; risks; and an assurance statement.

Papers are circulated in advance of each Council and Committee meeting; tabled items and verbal reports are only accepted in exceptional circumstances. Council was content during the year with the timeliness and quality of 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. There were no instances of this happening in 2022/23.

Where appropriate and relevant, advice from officers is supplemented 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 polices are finalised.

We provide funding to third parties

One of the Council's most important duties is the distribution of funding to develop and support the arts in Wales. We're a major distributor of funding from the Welsh Government, the National Lottery and other sources.

We've developed robust and accountable systems and procedures to support this key activity. Grant-making and monitoring processes are reviewed annually by our internal auditors. Audit Wales 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're implemented on a timely basis.

Security of data

We hold large amounts of data and treat seriously our obligations under the **Data Protection Act** which incorporates the **UK General Data Protection Regulation (UK GDPR)**. 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.

The high-level review over IT controls carried out by our external auditors and our programme of internal audit reviews carried out during the year revealed no serious issues. Similarly, the annual security review on behalf of Welsh Government highlighted no matters of serious concern in this area. There were two minor personal data breaches during the year. Each was appropriately assessed and none were categorised as reportable to the Information Commissioner.

Complaints

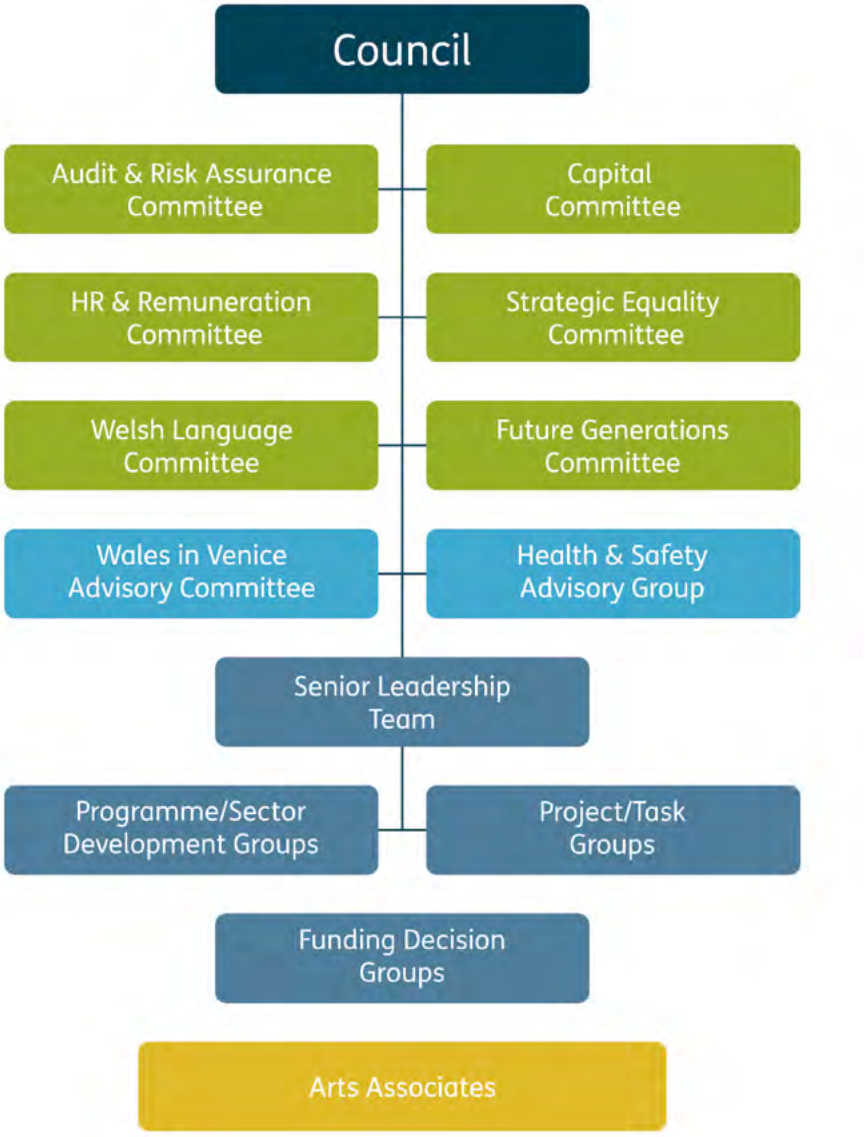
Complaints about our work are investigated according to our Complaints Policy. Sometimes our policy requires a complaint to be investigated by an Independent Complaints Reviewer. For reasons of openness and transparency, we publish all final reports from the Reviewer. No complaints were referred to the Independent Reviewer in 2022/23.

Ministerial directions

As a Welsh Government Sponsored Body we're subject to non-statutory instruments, containing appropriate Directions. No Directions were issued to us during the year by the Welsh Government. We received revised Lottery financial directions from the Secretary of State for Culture, Media and Sport which came into effect on 1 April 2022.

Our Governance Structure

To help support its work, Council has appointed six committees to provide specialist advice. These are: Audit & Risk Assurance Committee; Capital Committee; HR & Remuneration Committee; Strategic Equality Committee; Welsh Language Committee and Future Generations Committee. There is also an advisory committee for Wales' presence at the international Biennale of Art in Venice and a Health & Safety Advisory Group.



The Botanist, Myfanwy MacLeod, Chapter, (Image: Kendra Eden)

Each Committee includes Council members, one of whom acts as Chair, and has provision for 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 to note. Terms of reference for each committee, which are reviewed annually, can be found on our website.

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.

During the year we continued to draw on the services and experience of our cohort of **Arts Associates**. The Associates support executive staff. Their specialist knowledge and lived experience contribute to policy development, specific programmes of work, the assessment of grant applications, and advice to officers.

Council

Council is responsible for the strategic direction and management of our organisation. It is also responsible for ensuring, through the Chief Executive, that we operate within the various accountabilities required of us.

Council members are responsible for key decisions on corporate policy: the formulation of our Strategic and Operational Plans, and any major alterations to the terms and conditions of service for staff.

Council sets the annual budget, decides on the annual allocation of grants to organisations in the Arts Portfolio Wales, and approves 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.

Members assist with Council Committees. They may also attend arts events across Wales as representatives of Council.

Swansea Open, Glynn Vivan Art Gallery, (Image: Polly Thomas)

Council activities undertaken during 2022/23 included:

1. as part of its ongoing scrutiny of **Governance**, preparing and monitoring the **Operational Plan** for the year, and the annual review and approval of the Terms of Reference for each of its Committees. Council also received and noted the **Committees'** year-end reports to inform its Governance Statement as part of this Annual Report and approved the **Annual Financial Statements 2021/22** and **Budget** allocations for 2022/23
2. receiving regular updates on our **Corporate Assurance Framework**, **Risk Register**, and the performance of our **Arts Portfolio Wales** organisations
3. approving our approach and published guidance for our **Investment Review**
4. approving our new 10 year **Strategy** for consideration by Welsh Government
5. receiving updates and presentations on key programmes of work including **Arts and Health**, development of our new **Strategy** and **Investment Review**
6. receiving presentation and providing feedback to Welsh Government in the development of its **Culture Strategy**

Council meetings are normally held approximately every 6 weeks. Copies of agendas and minutes of our Council meetings can be found on our website.

Council met 7 times during 2022/23 to discharge its responsibilities. Members in total attended on 92 out of a possible 108 occasions.

Our governance response to working arrangements during 2022/23

Throughout 2022/23 we operated through a hybrid working model. For environmental, staff welfare and efficiency considerations staff were encouraged to return to the office for a limited number of days each week, and work remotely for the remainder. This arrangement would also support increased teamworking and collaboration opportunities as well as continue to offer staff the efficiencies of remote working arrangements. We opened our Colwyn Bay and Cardiff offices and relocated our Carmarthen office to Yr Egin for efficiency considerations. This provided the space for staff who benefited by working from the office as part of their role or for staff who needed office space for wellbeing reasons.

Most of our internal processes are electronic and have continued to work well remotely. Once again, our internal audit plan was conducted remotely with no significant impact on performance or outcomes.

We continued to use a number of virtual meeting rooms to host all our Committee and Council meetings for most of the year. However, Council did offer hybrid meetings from February 2023, offering members and attending staff the option to meet in person at the Cardiff office or join the meeting remotely. Duties of each Committee have remained the same and Council's ability to make decisions has not been compromised during the year.

Following the sudden illness of our Chair in September 2022, with Welsh Government approval, Council's Vice Chair immediately assumed the full duties as Interim Chair, an arrangement that lasted for the remainder of the year.

We've updated our Corporate Assurance Framework and Risk Register accordingly in response to developments throughout the year and reviewed our internal risk management and anti-fraud procedures.

We continued our routine monitoring and reporting arrangements with Welsh Government colleagues and our Interim Chair was involved in Welsh Government's recruitment exercise for two new Council members. The recruitment of a new Chair was the sole responsibility of Welsh Government.

It is our view that effective governance has not been compromised through our working arrangements or developments throughout the course of the year.

Audit & Risk Assurance Committee

As stewards of public funds we must operate in an efficient and accountable manner. Our priorities and funding decisions are agreed by Council in accordance with the policies and procedures that apply to our use of public funds. The Audit & Risk Assurance Committee's role is to ensure that we deliver on these commitments, doing so in ways that are transparent, accountable and resilient.

An extensive programme of internal audit assists us in this work, assessing the quality of our delivery against the standards that we have set.

In September 2022, as a result of the sudden illness of Phil George, Chair of Council, Kate Eden, Vice Chair of Council and Chair of the Audit & Risk Assurance Committee (ARAC), became Interim Chair of Council and continued in the role for the remainder of the financial year. Council member Lhosa Daly was appointed Interim Chair of ARAC for that period. In these circumstances, Welsh Government approved a year's extension to Kate Eden's term of office which now runs to March 2024. The extension provides essential continuity and stability following recent appointments to the roles of Chief Executive and Chair of Council.

There were further changes to Council and ARAC membership during the year. Dafydd Rhys resigned in August 2022 to take up his new appointment as our Chief Executive and Sarah Younan took a period of sabbatical leave. In response, Council member Ceri Ll Davies joined ARAC. This allowed the Committee to continue its work without interruption or compromise.

Committee activities undertaken during 2022/23 included:

1. regular scrutiny of our **Corporate Assurance Framework** and **Corporate Risk Register** and consideration and re-approval of the Council's risk management arrangements. This has clarified the way in which we'd respond to potential vulnerabilities in our operations
2. scrutinising the organisational and financial health of Council's **Arts Portfolio Wale**s organisations through enhanced reporting arrangements to assess the scale of impact of the Covid-19 pandemic and cost of living crisis, supported by a presentation to the Committee on the Council's own **Cost of Living Crisis Survey**
3. reporting to Council on the outcome of **internal audit reviews** undertaken by our newly appointed internal audit service providers, **TIAA**, and monitoring progress in the implementation of the auditor's recommendations for action
4. understanding key aspects of Council's operations, such as our response to the **National Centre for Cyber Security's Toolkit for Boards**, and Audit Wales' **Cyber Security Repor**t, progress of our **Investment Review**, and scrutiny of our **Annual Report and Financial Statements**

Future Directions by Gavin Porter, Music Theatre Wales,

"The Committee provides robust oversight of our governance arrangements. It scrutinises the adequacy and effectiveness of our systems of internal control, and tests our risk management arrangements. Our role is to support the organisation to be as efficient as it can, ensuring that Council's delivery of activity is effective and represents value for money."

Kate Eden
Chair, Audit & Risk Assurance Committee

The Committee's normal schedule of meetings was maintained throughout the year. One additional meeting was convened to consider the circumstances of one Arts Portfolio Wales organisation, providing advice on this to Council, and to consider the proposals for the **Investment Review** and an associated internal audit report, prior to their presentation to Council for approval.

The Committee met 6 times during 2022/23 to discharge its responsibilities. Members in total attended on 28 out of a possible 30 occasions. Meetings were held virtually using online functionality.

Audit outcomes

The findings of the Audit Wales annual audits are reported to our Audit & Risk Assurance Committee which considers the findings and monitors them to ensure appropriate action is taken on a timely basis. The annual programme for internal audit activity is approved by the Committee.

TIAA, our internal auditor, gave the following opinion in their annual report:

> "TIAA is satisfied that, for the areas reviewed during the year, Arts Council of Wales has reasonable and effecitve risk management, control and governance processes in place."

Capital Committee

For almost three decades Council has been investing funds from the National Lottery into capital projects. Across Wales we're helping organisations to enhance and extend their activities by funding the creation of exemplary buildings, transforming the places in Wales where people enjoy and take part in the arts.

We continue to oversee several projects that have been in development for a number of years as well as considering new applications for targeted investment to improve access, sustainable energy initiatives and minor adaptations.

The Committee continues to scrutinise ongoing projects and accept applications for those earlier entries into the programme that are progressing to later stages of the Royal Institute of British Architects (RIBA) Plan of Work. These later-stage projects require more intense monitoring and assessment despite being fewer in number. For some organisations this can include a significant amount of support and advice from Arts Council of Wales' staff, particularly for smaller organisations undertaking their first capital project.

Projects currently on site include: Pontypridd YMCA and Cwmni'r Fran Wen in Bangor. Projects which were completed in the year include Borough Theatre, Abergavenny and Theatre Brycheiniog, Brecon.

Projects in development include: Oriel Myrddin Gallery, Carmarthen; Theatr Bara Caws, Caernarfon; Pontardawe Arts Centre; and Ucheldre Centre, Holyhead.

This year, the Committee has also provided small capital grants to a range of organisations to make adaptations to their buildings. These have included: Riverfront, Newport; Chapter, Cardiff; Neuadd Ogwen, Bethesda; Plaza, Port Talbot; and Albert Hall, Llandrindod Wells.

"Throughout the year the Committee, which includes members of Council and non-executive independent experts, helped ensure a range of capital investments in the arts in Wales were successfully progressed or completed. Many projects have experienced challenges in relation to inflationary increases and the rising cost of living. Therefore, alongside our National Lottery funding, we were pleased to distribute additional capital support from Welsh Government to a number of our existing projects."

Victoria Provis
Chair, Capital Committee

Committee activities undertaken during 2022/23 included:

1. funding support and assistance to the largest capital investment in the arts in Wales, the ambitious refurbishment of **Theatr Clwyd** in Mold. The Committee is monitoring our own National Lottery support and Welsh Government support for the project, which totals £28.5m. It has been excellent during the year to see this project progress onto site with the works now well underway
2. ensuring all capital projects in which Council invests meet **Building Research Establishment Environmental Assessment Method (BREEAM)** sustainability standards

As part of its ongoing responsibilities, the Committee has also been charged with monitoring the capital elements of the **National Contemporary Art Gallery for Wales** programme. The first projects are likely to be awarded funding during 2023/24 but this is likely to be a significant element of the Committee's work over the coming three years.

The Committee met 5 times during 2022/23 to discharge its responsibilities. This included on site visits to several projects: Theatr Clwyd, Mold; Nyth (Cwmni'r Fran Wen), Bangor; Pontardawe Arts Centre; and Borough Theatre, Abergavenny. Members in total attended on 23 out of a possible 30 occasions.

HR & Remuneration Committee

The HR & Remuneration Committee supports Council in discharging its responsibilities for the oversight of HR activities.

This includes:

- setting and monitoring the Chief Executive's annual performance targets
- recommending to Council the annual remuneration of the Chief Executive
- overall recruitment, retention and management of staff
- monitoring pay and conditions of service
- monitoring the wellbeing of the people who work for us
- supporting the governance needs of the organisation
- ensuring HR activity contributes effectively to the delivery of the Council's strategic goals and business needs

Peak Peers, Workshop with Jon Moses (Image courtesy of Peak Cymru)

"The ongoing effects of the pandemic have impacted the work of the committee and the HR team and this year has really been characterised by a period of responding to an ever-changing environment, rather than looking strategically at HR across the organisation. Staff wellbeing has been a key focus."

Elen ap Robert
Chair, HR & Remuneration Committee

Specific Committee activities undertaken during 2022/23 included:

1. publication of a **Pay Policy Statement**. This includes a detailed breakdown of the make up of our staff. It also addresses **Gender Equality** and **Equal Pay** reporting
2. managing the recruitment of a new **Chief Executive**
3. reviewing **HR management information** and relevant **internal audit reports** to monitor the performance, health and wellbeing of staff
4. setting levels of **remuneration** and monitoring the performance of the **Chief Executive**
5. promoting staff **learning and development** to deliver corporate objectives through health and safety and general compliance courses

The Committee met 3 times during 2022/23 to discharge its responsibilities. Members in total attended on 11 out of a possible 11 occasions.

Health & Safety

"The Health and Safety Group has met regularly throughout the year to ensure robust processes are in place to keep our workforce safe."

Rebecca Nelson
Chair, Health and Safety Advisory Group

Group activities undertaken during 2022/23 included:

1. reviewing arrangements at our offices including the relocation of our Carmarthen staff to **Yr Egin**
2. meeting with the Suzie Lamplugh Trust to discuss the development of the **Lone Worker policy** to consider international travel and hybrid-working
3. reviewing **risk assessments** currently in place
4. managing **incident reporting** and monitoring
5. reviewing our **Maternity Guidance and Policy**
6. receiving a '**Substantial Assurance**' report for Health and Safety from our internal auditors

The Group met 5 times during 2022/23 to discharge its responsibilities.

Overall assessment of governance and internal control

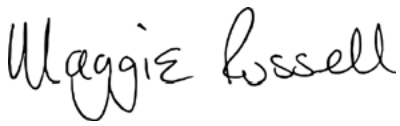
In my opinion, the Arts Council of Wales' systems of governance and internal control are sufficient to enable me to discharge my responsibilities as Accounting Officer.

Dafydd Rhys

Accounting Officer

20 October 2023

Endorsed on behalf of Council:



Maggie Russell

Chair

20 October 2023

Equalities

In 2022/23 the arts in Wales continued to take steps towards recovery following the significant challenges faced as a result of Covid-19 and, as ever, for our most marginalised communities the recovery has been slower and more challenging. The increasing impact of the cost of living crisis has made these challenges even greater. That said, during this last year we have seen progress with our equalities strategy and through our Widening Engagement action plan that will improve and increase opportunities for artists, arts organisations and communities to engage with the arts more often and in ways that are important and relevant to them and their lives.

A major focus for our work was taking the first steps in turning our Widening Engagement plans into action. In partnership with Amgueddfa Cymru, we established a Task Force to monitor and oversee the delivery of the joint Action Plan with a particular focus on the actions related to culturally and ethnically diverse communities. The Task Force received and reviewed progress reports and held a workshop looking at the development of an evaluation framework for the plan.

We made progress during the year on improving equality in our grant making processes, increasing membership of our pool of Arts Associates to 260 so that more people with lived experience are involved in the development of our policies, programmes and, importantly, our grant decision making.

We also made significant progress this year in making our grant application process more accessible for disabled applicants. A key new element being the introduction of video applications.

"The Committee has continued to monitor and reflect on the work we've been doing to advance the equality agenda and to question and challenge our progress and our plans. In doing so I remain confident that we are truly on a path towards change."

Devinda De Silva
Chair, Strategic Equality Committee

Our revised Creative Steps programme was launched and opened for applications in December 2022. The scheme includes an increased flexibility of approach, together with mentoring and enhanced support for organisations and individuals. Financial investment in the programme was increased, and Associates were recruited to provide support during the project development process, where required. Over the course of three funding rounds, grants were offered to 9 organisations and 10 individual artists. Interest in the scheme is growing and many enquiries are coming from individuals who have not previously engaged with the opportunities offered through our funding.

We commissioned a further piece of work to create best practice standards focused on accessibility levels for national museums and venues and standards for staff to improve the audience/visitor experience. These standards are being developed collaboratively with D/deaf and disabled people and the work is due to conclude early in 2023/24.

There has also been significant progress working with the UK Arts Councils on the development of a UK wide access card scheme, building on the success of the Hynt scheme in Wales. We were delighted to announce that following a selection process we appointed Andrew Miller to take on the role of Champion, to drive this work forward, on behalf of all the partners. All four UK nations are signed up to establishing a UK wide scheme that supports all disabled people.

Our Agent for Change published a video report on the first phase of his activity and Council committed to a further two years of the programme. As part of the Agent's work, a series of internal "Candid Conversations" were set up, along with a series of training and development sessions for all our staff and Council members. These have included unconscious bias in relation to race, LGBTQ+ and Inclusion training, and training on neurodivergence.

A highlight of the year was our successful joint bid, with Amgueddfa Cymru, for funding from the Welsh Government's Anti-racist Wales Action Plan programme. As a result, we have now established the *Perspectives* programme, which seeks to bring about a step change in how the visual arts and heritage sector reflects the cultural and ethnic diversity of our society. Towards the end of the year we launched a callout to galleries and selected 7 from 15 that applied who will now work in partnership with the 7 national museums to commission creative practitioners to co-create/commission exhibitions with artists and communities with lived experience.

Tonia, Dance Agent for Change, with company dancer Robbie Moorcroft (Image: © Ballet Cymru)

Activities undertaken by the Strategic Equality Committee during 2022/23 included:

1. reviewing progress with our **Strategic Equality Plan for 2020-24**, evaluating the impact of the actions and identifying a new set of actions for the year ahead
2. reviewing progress with delivering our joint **Widening Engagement Action Plan** with Amgueddfa Cymru
3. continuing to monitor where our funding has reached. Data has once again shown an increase in the number of successful funding applications from disability-led organisations and those led by artists from culturally and ethnically diverse backgrounds
4. continuing to monitor the work of our Arts Portfolio Wales organisations in improving opportunities for people from protected characteristics engaging in the arts as decision makers, workers and participants
5. workshopping ideas around developing an approach to address the barriers faced by people and communities experiencing poverty and socio-economic disadvantage

The Committee met 2 times during 2022/23 to discharge its responsibilities. Members in total attended on 11 out of a possible 14 occasions.

Welsh language

Our purpose, as outlined in our 1994 Royal Charter, is to develop the arts and make them more accessible to the public, working with others to achieve that purpose and operating through the Welsh and English languages. As a bilingual organisation, therefore, our commitment to the Welsh language is integral to our work and during the last year this commitment has been demonstrated on many levels. Our current work and future strategy are closely linked with the seven goals of the Well-being of Future Generations Act, particularly "A Wales of vibrant culture and thriving Welsh language".

In its strategy, Cymraeg 2050, the Welsh Government notes its long term target is to achieve one million Welsh Language speakers by 2050. We believe that in working through the arts, we can support Welsh Government to deliver on its strategic themes within this, particularly around:

- an increase in the number of Welsh speakers
- an increase in the use of Welsh
- creating favourable conditions within the arts sector for the language to thrive

During the last year, the Welsh language was identified as one of the core principles underpinning the Investment Review process. Each organisation applying for multi-year funding needed to demonstrate their commitment to the Welsh language as part of their longer-term mission, vision and aims. In the guidance for applying, we outlined that we wanted all organisations we support to develop and promote a sense of shared ownership for the Welsh language and its unique role within a bilingual and multilingual Wales.

A new Welsh language plan was developed in consultation with the Committee and members of the Consortiwm Cymraeg. The strategic objectives identified are: to **increase** the availability of Welsh-language products and services across the arts sector; to **enable** the arts sector to place the Welsh language at the centre of their actions; and to **celebrate** and share the Welsh language in a progressive, multilingual Wales by placing it at the centre of cultural creativity.

"Everyone should have the same chance to access, take part, enjoy, and create art through the medium of Welsh. During the last year we have seen Cymru and Cymraeg increasingly celebrated on a global stage, with the arts and culture playing an important role in how the world sees us, and how we see ourselves.

Part of the Council's work is to create opportunities for artists from all backgrounds to be creative through the medium of Welsh and to give people from all over Wales and the world the opportunity to enjoy the creativity of the Welsh language."

Tudur Hallam
Chair, Welsh Language Committee

Activities undertaken by the Committee during 2022/23 included:

- monitoring **progress against Council's Welsh Language priorities**, identifying for Council where more progress is required
- ensuring successful implementation and maintenance of the **Welsh Language Standards** and acting when Standards are not met
- supporting the appointment of a **Welsh Language Enabler** and a new Director of Arts Development whose remit includes the Council's Welsh language strategy
- supporting and encouraging the innovative work developed by the Welsh Language Enabler, including the launch of a new scheme called **Llais y Lle**
- working with the Welsh Government on **Leading in a Bilingual Country** training sessions
- providing relevant advice in relation to the next Investment Review
- further developing the partnership with the **National Centre for Learning Welsh** to improve or refine the language skills of staff and creative freelancers within the arts sector and appoint a **Learning Welsh Coordinator**
- progressing implementation of recommendations outlined in the **Welsh Language Mapping Report**, including designing and commissioning research to identify the needs and opportunities for Welsh language development pathways within the arts for creative workers and creating the first **Welsh Arts Consortium**

The Committee met 3 times during 2022/23 to discharge its responsibilities. Members in total attended on 5 out of a possible 7 occasions.

Future generations

"We've continued to make sure that the Council actively supports the Well-being of Future Generations Act, and to make sure the principles and ethos of the Act become integral in all the work we do. As well as all seven well-being goals, we are committed to working according to the principles outlined in the five ways of working, which are: Long-term; Integration; Involvement; Collaboration; Prevention.

Crucially, the Act provides us with a clear direction to work with partners across all sectors and to recognise the important contribution that culture, the Welsh language, and the arts has in tackling economic, social and environmental issues.

During 2022/23, the Well-being of Future Generations Act was an important factor in the process of developing the six principles identified during the Investment Review consultation. The principle of long-term thinking has been central to the creation of a new multi-year funding model. This work has also provided the basis for the creation of a new framework for the Strategic Plan.

The Creative Nature Memorandum of Understanding between the Arts Council of Wales and Natural Resources Wales builds on this commitment to develop cross-sector approaches and forms the foundation of our commitment to take a justice-centred approach to tackling the climate and nature emergencies through the arts.

Gwennan Mair

Chair, Future Generations Committee

The Well-being of Future Generation (Wales) Act 2015 (WFGA) is landmark legislation that aims to improve the economic, social, environmental, and cultural well-being of Wales. The Arts Council of Wales is one of the public bodies named in the Act that must comply with the legislation.

This year we've looked ahead to the development of a new **Strategic Plan** and an **Investment Review** process which will deliver a new relationship with the arts sector based on the six principles outlined in the 2023/24 section of this report.

In addition, the **Draft Plan for Climate Justice and the Arts** is framed by the WFGA and sets out our approach to tackling climate and nature emergencies as one which will be outward-looking, international and inclusive. It provides a roadmap for both the Arts Council and the arts sector to make maximum progress towards key environmental issues such as decarbonisation and restoring nature and biodiversity, whilst also championing the key role of the arts in transforming our society and economy to tackle the climate and nature emergencies.

The Plan for Climate Justice and the Arts has been developed as part of our partnership with Natural Resources Wales and the Centre for Alternative Technology's Zero Carbon Britain Innovation Lab, using elements of co-design with the arts sector.

As well as Climate Justice, our work in **Arts & Health**, **Cymraeg**, **Creative Learning**, and **Children and Young People** are integrally linked to our commitment to the WFGA. Through our partnership with the **Welsh NHS Confederation**, we continue to make significant progress in Arts and Health, and we have co-funded Arts & Health posts within all seven **Local Health Boards** as well as launching ***Cultural Cwtsh***, an online resource for health workers in Wales.

Windrush @ 75, Chapter (Image: Grace Springer Photography)

The **Welsh Language Plan** has been developed with input from **Consortiwm y Gymraeg** and is integral to the delivery of the Climate Justice Plan. The holistic understanding of well-being provided by the WFGA, along with the rich heritage of our Welsh language and culture, gives us a unique, values-led approach to guide our work.

A new Portfolio Manager with responsibility for Children and Young People has been appointed and discussions are underway on how to recruit young people to the Committees and ensure a stronger voice for our future generations on Council.

Activities undertaken by the Future Generations Committee during 2022/23 included:

1. continuing to embed the Future Generations **Five Ways of Working** in our policies, strategies and in the delivery of our work
2. discussing the ways that the WFGA underpins the **Strategic Plan** and **Investment Review**
3. monitoring staff training and awareness of the WFGA, including a presentation by colleagues from the Future Generations office during a staff strategy away-day
4. learning from the work of other organisations, such as attending a conference on sustainable international working led by **Creative Carbon Scotland** and our Wales Arts International team with key representatives from the arts councils of all 4 UK nations, Julie's Bicycle, On the Move and partners from Ireland
5. reviewing and updating reports and action plans including the **Well-being of Future Generations Annual Report 2021-22** and the **Widening Engagement Action Plan**
6. ensuring retention of our **Green Dragon Level 5 Accreditation** for environmental sustainability
7. sharing the Arts Council's experiences of embedding the WGFA at meetings, networks and events including **Sustainable Development Coordinators Cymru +** (SDCC+), the **Edinburgh International Culture Summit** and **Wellbeing Economy Cymru**

The Committee met 2 times during 2022/23 to discharge its responsibilities. Members in total attended on 6 out of a possible 6 occasions.

Environmental performance

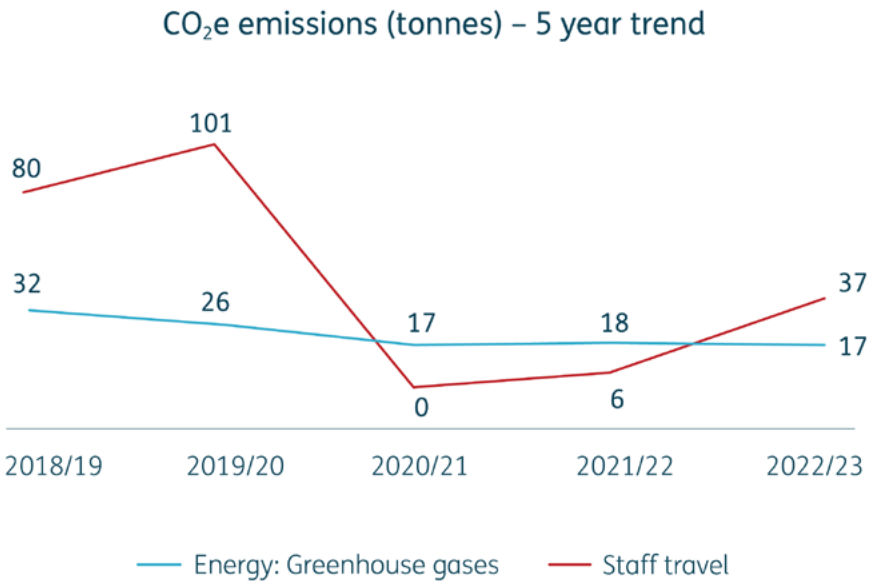
We promote the minimisation of waste amongst our staff by encouraging reduction, reuse and recycling and waste separation, reducing the amount sent to landfill.

WASTE Non-financial (tonnes)	2022/23	2021/22
Landfill	0	0
Reused/recycled	0	0

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.

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 (CO_2e) emissions so that staff can manage their consumption of resources.



ENERGY[1]	2022/23	2021/22
Greenhouse gas emissions (CO_2e tonnes)		
Gross emissions, scope 2&3 (indirect)	17	18
Energy consumption (kWh)		
Electricity (renewable)	72,854	68,809
Gas	8,285	9,068
Financial indicators (£)		
Expenditure – energy	15,482	11,608
Water supply costs (office estate) – currently unable to assess, included in service charge	N/A	N/A

[1] Offices only. The impact of home working is not captured.

Our Cardiff and Colwyn Bay offices are leased on a shared occupancy basis, with certain costs included within our service charges. Our office in Carmarthen is occupied on a hot-desking basis, where we pay for the use of 4 desks per week. These arrangements restrict our ability to accurately assess our total environmental impact from energy usage. Our major use of electricity is in our Cardiff office where the landlord has confirmed that 100% of the supply is from verifiable Natural Renewable sources (wind, water and hydro).

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. 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. Up to and beyond the pandemic this remains a significant practical challenge. There are inevitable fluctuations in the level of CO_2e emissions attributable to travel when we are actively involved in international projects.

STAFF TRAVEL	2022/23	2021/22
Travel emissions (CO_2e tonnes)		
Rail	3	1
Air[1]	24	1
Car/vans	10	4
Travel cost (£)		
Rail	15,372	2,919
Air	19,317	609
Car/vans	16,943	6,365
Travel (miles)		
Rail	45,407	10,013
Air	97,664	3,133
Car/vans	36,083	14,144

[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 NOx (nitrous oxides) and water vapour when emitted at high altitude.

Rhys Slade-Jones,
Future Wales Fellowship
(Image © Matt Austin)

Principal risks and uncertainties

Managing our affairs effectively

As stewards of public funds we must operate in an efficient and accountable manner. Our priorities and funding decisions are agreed by Council in accordance with the policies and procedures that apply to our use of public funds. The Audit & Risk Assurance Committee's (ARAC's) role is to ensure that we deliver on these commitments, doing so in ways that are transparent, accountable and that represent value for money. An extensive programme of internal audit assists us in this work.

Protecting the public's money

An important part of ARAC's work is reviewing our defences against **Fraud** and **Cyber-crime**. Attempts to illegally gain access to our funds and ICT systems occur regularly. Council takes these issues very seriously and ARAC looks carefully at our policies and processes to ensure they are robust and secure. There were no successful attacks during the year.

Un Nos Ola Leuad,
Theatr Bara Caws
(Image: Kristina Banholzer)

Taking risks: a balanced approach

Unauthorised access to our systems is just one of a range of potential risks that could compromise our performance and reputation. We expect the organisations that we fund to be well-managed and to represent good value for money. Our ongoing monitoring assesses the extent to which this is the case. But we are not so risk averse that we ignore important opportunities for innovation and growth. We aim to take appropriate but informed risks, as circumstances dictate. However, we do not behave recklessly; neither would we wilfully squander public money nor endanger our reputation for prudent and effective delivery.

Our systems of internal control identify and prioritise the risks that could prevent us achieving Council's policies, aims and objectives. They evaluate the likelihood of the risks being realised, consider the impact should they occur, and seek to manage them efficiently, effectively and economically. We continually seek to improve our internal control systems.

ARAC reviews the robustness and suitability of this aspect of Council's work. The **Corporate Assurance Framework** (CAF) and separate **Corporate Risk Register** were scrutinised at regular intervals throughout the year. This provided members with greater clarity on the levels of assurance in operation across all of the Council's activities and the corresponding risks identified. ARAC reviewed the Horizon Scanning section of the CAF at each of its meetings.

Financial risk and capital management

The Council holds financial instruments mainly 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.

Risks are managed as follows:

- **Fraud risk** – the Arts Council, in common with most other organisations, is exposed to fraud risk on an increasing and ever more sophisticated scale. We noted a potential for increased fraud risk given current circumstances with Covid-19 and updated our internal anti-fraud controls and checks in response.
- **Liquidity risk** – the Council is satisfied that it has sufficient liquid resources, in the form of cash at bank and agreed funding for 2022/23, to meet all current contracted commitments. The Council does not consider that its activities are exposed to any significant liquidity risk.
- **Interest rate risk** – cash and cash equivalent balances are held in instant access variable rate bank accounts which on average carried an interest rate of 0.88% (2021/22: 0.02%) in the year.

  The Council does not consider that its activities are exposed to significant interest rate risks.
- **Foreign currency risk** – the Council is not currently exposed, to any significant degree, to foreign exchange risks.
- **Cash flow risk** – the Council is not exposed to any significant cash flow risks.
- **Credit risk** – The Council is not exposed to any significant credit risk.

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

Principal risks	Key mitigating actions
Coronavirus Staff contracting the virus results in the Arts Council/teams/services becoming inoperable. Covid-19 has a significant and long-term detrimental impact on the Sector including: • individual artists and freelancers • organisations/Arts Portfolio Wales	Whilst offices remained closed to external visitors for a significant part of this year, arrangements were in place for staff to return to office-working on a hybrid basis. We continue to monitor staff availability and health through routine timesheets and sickness reporting arrangements. Data evidences no additional measures are required. We undertook an extensive public consultation on our proposed Investment Review schedule and activity, mindful that the sector was still in recovery from the pandemic and now facing a cost of living crisis. However, sector feedback was supportive, advocating that change was needed now and viewing the Investment Review proposals as delivering on this.
Governance End of final terms of office for Council Members including Chair and Vice Chair in March 2023 and the appointment of a new, permanent Chief Executive may lead to change/inconsistencies in key messages and objectives, including the Investment Review and Strategic Plan priorities.	Comprehensive hand over arrangements for both new appointments were in place. The incoming Chief Executive was involved in the drafting of the Strategic Plan at the earliest opportunity. Our published Investment Review Guidance was informed by corporate priorities and public consultation feedback, providing the basis for the new Strategic Plan and ensuring consistency of message and strategic principles. Welsh Government's recruitment campaign for 2 new members of Council and a new Chair will ensure appointments are made early in the new financial year. For continuity, we secured Welsh Government agreement to extend the Vice Chair's term of office until March 2024, particularly in consideration of her cover as Interim Chair up to March 2023.

Principal risks	Key mitigating actions
Planning, strategy and delivery Our current Corporate Plan expires in March 2023 when we are asking organisations to make applications to our Investment Review, resulting in risk of lack of information/direction for applicants to develop their proposals.	We rescheduled our next Investment Review which included wider engagement with both the public and the sector to address those areas currently under-represented. The objectives and timing of the Review were subject to extensive public consultation and aligned with our chartered and charitable objectives, the 7 Wellbeing goals and Welsh Government's priorities. Our new Strategic Plan has been informed by the same consultation feedback and is underpinned by the 6 principles we have communicated as the framework for our Investment Review. This will ensure consistency of message between the Review and the new Strategic Plan. Council approved our draft Strategic Plan in March 2023 for consideration and approval by Welsh Government. Further work on this will continue in 2023/24 and in consideration of the outcomes of the Review and development of the Welsh Government draft Cultural Strategy.
Financial and resource management The cost of living crisis, and its impact over the longer term, has a significant, detrimental effect on the sector and on our own available resources, including staffing.	The situation was closely monitored. Reports on potential/likely funding cuts and proposed changes faced by both the sector and ourselves were considered on a regular basis. To help deliver against objectives, we secured additional funding from Welsh Government for targeted areas of support. We increased the number of formal partnerships with external stakeholders to maximise efficiencies and available resources and to explore alternative strategies for protecting support for creative activity. We continue to advocate a case for the arts and for our own work at every opportunity and ensure efficient and strict budgeting, particularly against our own costs and to help ensure as much funding as possible was available for direct arts expenditure.
Funding Failure of one or more of our Arts Portfolio Wales (APW) organisations or cuts in public sector funding damages the arts across Wales. Currently funded capital projects fail to secure additional funds to cover current spiralling costs and therefore at risk of not completing.	Core grants to APW organisations account for most of our grant-in-aid funding from Welsh Government. The Portfolio's artistic, financial and operational effectiveness was closely monitored by officers. Regular updates on their financial health, governance and stability were provided to Audit & Risk Assurance Committee and to Council. When necessary, we take a pro-active approach to working directly with organisations that experience difficulties, investing time and expertise to help them resolve matters of concern. The impact of the current financial crisis on materials and labour charges for capital projects means it will prove challenging to assess ongoing and new budgets accurately. Under National Lottery Directions we are unable to provide funding for retrospective costs so can only make supplementary grants for increased future costs. Applicants may need to secure additional funds from other sources.

Principal risks	Key mitigating actions
Grants management Poor or fraudulent funding applications mean that public funds are not used for the purposes intended. The introduction of a new grants management system compromises Council's ability to deliver its critical functions.	We take a risk-based approach to our assessment of applications and the 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 achieved. Council takes fraud, corruption and maladministration very seriously and has policies to prevent, and deal with, both, including whistleblowing and anti-fraud polices. These were reviewed during the year. The project to replace our grants management system continues to progress. We successfully delivered the Investment Review application process, including the introduction of video and audio submissions, through the new grants portal, alongside our cyclical programme of Lottery grants.
Brexit Continuing uncertainty over post-Brexit circumstances has a detrimental impact on the operation of our funded organisations and our own data protection and data sharing considerations.	We continue to monitor developments closely. We have a Task Group, including representatives from the Welsh Government and other UK Arts Councils to identify potential risks, lobby the UK Government and provide advice to the sector. With the other UK Arts Council's we have launched Arts Infopoint to provide support and advice on artists' mobility from the UK to member countries of the European Union (EU). We revised our data protection considerations to reflect the UK General Data Protection Regulation (UK GDPR) and conform with the EU/UK Adequacy Agreement.
Stakeholder and partner engagement Local Authority funding cuts and changes in its structure have a significant impact on our funding partnerships and relationships.	The situation is closely monitored and updates on potential developments and proposed changes are considered. The likelihood and impact of this risk will significantly increase in consideration of the increase in general costs faced by all during the current cost of living crisis. In the meantime, we will continue to advocate for the arts and seek new partnerships and opportunities to secure additional funding.

Principal risks	Key mitigating actions
IT Unforeseen or unexpected outages compromise business continuity. There is a breach in our IT security.	A full Disaster Recovery Plan is in place and tested annually. If an incident arises, alternative offsite IT facilities are available. Staff are equipped to work remotely and did so throughout the pandemic with no significant IT issues. Cyber security and IT penetration tests are conducted annually. We comply with IASME security standards. We have robust reporting and investigation arrangements in the event of a security or data breach.
Personal Data Personal data is lost, compromised or stolen.	The Council has controls and policies in place to ensure data security and integrity. Encrypted IT systems ensure the physical security of data is tightly controlled. Staff undertake regular training and awareness sessions.
Staffing Recurrent pressure to cut costs reduces staff capacity to an unacceptable level.	Delivering an expanding programme of activity with fewer staff is a continuing concern for Council. Work is underway to deliver projects that support new ways of working. Progress against plans is carefully monitored and reviewed on a quarterly basis, and every effort is made to implement efficient business practices.
Risk management Our current polices and controls fail to protect us from potentially fraudulent activity, particularly under current circumstances and working practices.	Council's suite of risk management policies is reviewed regularly. We share good practice with other Welsh Government Sponsored Bodies. Robust assessment and monitoring procedures are in place across all areas of activity to ensure grant monies are used for the specified purpose.

Principal risks	Key mitigating actions
Environment Our published strategy to develop and promote the arts in Wales and internationally has a detrimental impact on the Council's environmental targets. Our carbon footprint escalates as staff return to our offices and external activity comes back online. The current environmental crisis has a longer term impact for future generations.	Projects and activity we fund, in response to grant applications and through procurement, must demonstrate an understanding or development of environmental considerations. We hold Green Dragon level 5 accreditation and adopt Future Generations resilience considerations across our offices, including Fair trade, printing/ consumables, energy usage and recycling. Our Travel and Subsistence Policy is based on HM Revenue & Customs and other government practices and rates. Hybrid working arrangements are being introduced in the wake of the pandemic. It is unlikely that all staff will return to the office on a permanent basis. We will continue to use virtual meetings, where appropriate, to save on travel and time. Guidance was issued to staff regarding attending external meetings and events. Over the coming year, aligned with the Welsh Government's Programme for Government and carbon reduction targets, there will be increased focus on our own carbon footprint and that of our funded activity. A Portfolio Manager leads our Well-being of Future Generations considerations, including climate justice. We are developing our own climate justice action plan. Climate Justice is one of the 6 key principles of our Investment Review and new Strategy. We engage with the Cross-Distributor Environmental Responsibility Group to ensure a joined up approach with key stakeholders such as Arts Council England, Julie's Bicycle and Creative Carbon Scotland and have joined Sustainable Development Coordinators Cymru +, which is a network of officers responsible for sustainable development in Local Authorities.
Equalities We make little or no progress regarding our equalities agenda.	Led by our Agent for Change, we continue to drive forward our agenda through the joint action plan with other Welsh public bodies and our own Strategic Equality Plan and the joint Widening Engagement Action Plan with Amgueddfa Cymru. Equalities and Widening Engagement is one of the 6 key principles underpinning our Investment Review and new Strategy. We continue with our support for the Hynt scheme to promote a consistent offer for disabled visitors and their personal assistants/carers at venues throughout Wales. We have launched the Creative Steps programme, providing targeted support for underrepresented individuals and organisations led by and/ or working with underrepresented communities to promote business, organisational and career development. Our Strategic Equality Committee assesses our performance against our published commitments and reports to Council.

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 grant-in-aid and 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.

Recurrent, or annual revenue, grants are made to a portfolio of organisations to deliver high quality artistic services – our **Arts Portfolio Wales**. Consideration of revenue status for any organisation is dependent on the availability of funding, the sustainability of the organisation, and demonstration of strong fit with the Council's strategic priorities. Currently, each revenue-funded organisation enters into a funding agreement for a term of one to three years which sets out the anticipated level of funding, the programme of activity to be delivered, requirements for monitoring and annual review, standard conditions of grant, and any additional conditions.

Lottery capital grants, to organisations only, support the purchase, improvement, restoration, building or creation of an asset that will be used for the benefit of the public to develop the organisation's work.

Literature Wales, Senedd Event (Image: Mefus Photography)

Council delegates Lottery 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 delegatees by the Council's internal auditors and by the Comptroller and Auditor General for the review of the operation of the delegated functions.

One-off grants are available to help fund time-limited artistic projects of high quality which best meet the Council's funding priorities. Ongoing monitoring of our grant 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 withheld and/or deferred.

Cash reserves – General Activities

The Council's policy on restricted funds is to record separately grants, donations and other sources of income which are received for a specific purpose or project, or where restrictions are imposed that are narrower than the Council's overall objectives. All of these incoming resources have been utilised in the year for their intended purpose.

Most of the Council's unrestricted funds are committed during the year, in accordance with the conditions of grant-in-aid issued by the Welsh Government. Any surplus funds are carried forward and used in furtherance of the Council's chartered objectives in the following year. There were no designated funds at 31 March 2023.

Our holding of cash reserves is restricted by the Welsh Government's directions on month-end and year-end flexibility. Within those parameters, our policy is to manage cash flow by drawing down funds each month to meet planned expenditure with a modest allowance for unforeseen short-term cash requirements. We review this policy and our reserves position annually.

At 31 March 2023 the unrestricted cash funds were £0.279m (2022: £0.335m).

The accounts have been prepared on a going concern basis and there are no material uncertainties about our ability to continue in operation.

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.

The Council's banking service is provided by **Santander UK plc**.

All interest and other investment income earned on cash and bank balances which arise as a result of funding from the Welsh Government is surrendered to HM Treasury via the Welsh Consolidated Fund.

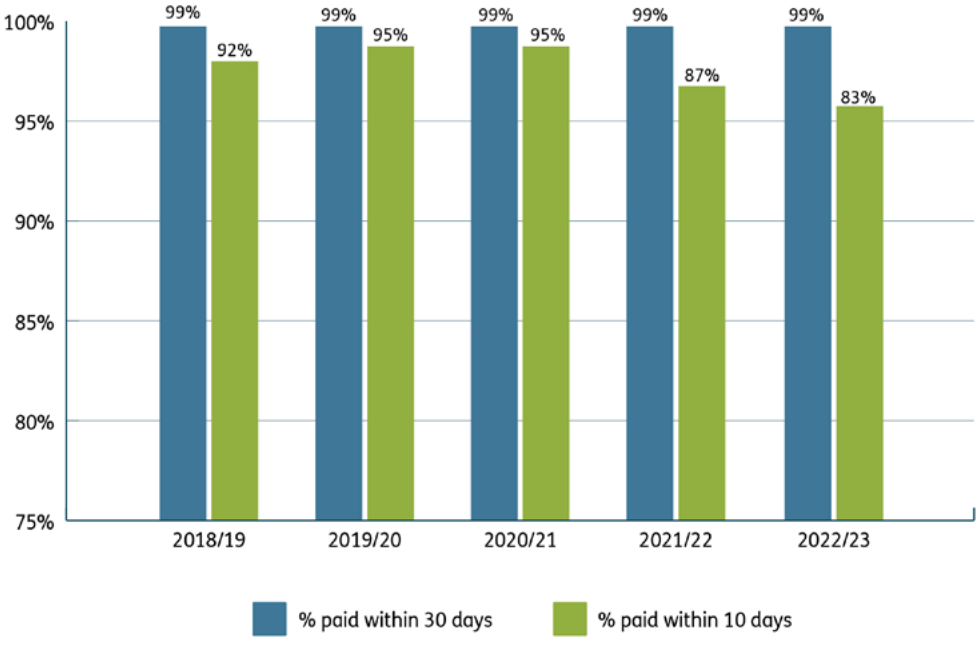
Balances held in the National Lottery Distribution Fund remain under the stewardship of the Secretary of State for Culture, Media and Sport so, although the Council receives investment income on its share of such balances, the Council has no investment powers over the Fund.

Payment of creditors

Council follows the Late Payment of Commercial Debts (Interest) Act 1998, and the UK Government's Better Payment Practice Code. 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.

We aim to pay all invoices, including disputed invoices once the dispute has been settled, in line with these terms. During the year ended 31 March 2023, the Council paid 99% (2021/22: 99%) of all invoices within the terms of its payment policy.

The Council has a further aim to pay invoices within 10 days. For 2022/23, 83% (2021/22: 87%) 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 – General Activities

	2022/23 £'000	2021/22 £'000
Headlines from the General Activities accounts:		
Total income for the year	61,216	48,000
Excess of income over expenditure/ (expenditure over income)	239	(47)
Net current assets	2,725	2,382
Total fund balances at 31 March	2,658	2,419
Forward commitments of grants for the following year	27,180	27,484
The separate Lottery Distribution accounts show:		
The Council's share of the proceeds from the National Lottery	17,681	18,078
The combined:		
Total income for both general and Lottery activities was	79,562	66,242
and		
Total charitable arts expenditure for both general and Lottery activities was	**78,113**	**70,563**

The Council's income for 2022/23 was £13.2m (28%) more than the previous year.

Although we received no further Cultural Recovery Funding from Welsh Government this year – our income last year included £12.7m to support the sector in the wake of the Covid-19 pandemic – we were awarded £25.9m of restricted funding from Welsh Government for other specific activities. The largest element of this is the £23.5m capital award which we have re-granted to Flintshire County Council for the redevelopment of Theatr Clwyd over the next three years. The cash will be claimed by the local authority from us, and drawn down by us from Welsh Government, to meet the project costs as they fall due. Nevertheless, in accordance with accounting principles, the whole of our grant to Flintshire County Council is charged in this year's financial statements, as is the whole of the grant to us from Welsh Government to meet our constructive obligations.

Overall, there was a net increase in funds for the year of £239,000: restricted funds reduced by £197,000 whilst unrestricted funds increased by £436,000.

The reduction in restricted funds reflects our use of reserves from the previous year for the Creative Learning through the Arts programme. There had been an unavoidable reduction in activity during the pandemic when schools faced much disruption.

The increase in unrestricted funds relates primarily to delays in delivering some elements of our strategic programmes. The funds have been rolled forward into next year's budget.

At 31 March 2023 we had unrestricted reserves of £1.1m (2022: £0.7m) and restricted reserves of £1.6m (2022: £1.8m). The level of our unrestricted reserves is directly affected by the Welsh Government's policy on year-end cash balances, as outlined in the Cash reserves section above. The Council is permitted to carry over from one financial year to the next no more than 2% of its total non-Lottery income. We were within this cap on 31 March 2023.

Red Riding Hood, Ballet Cymru (Image © Sian Trenberth Photography)

Financial Results – Lottery Distribution

	2022/23 £'000	2021/22 £'000
Headlines from the Lottery Distribution accounts:		
Share of proceeds from the National Lottery	17,681	18,078
Net grants made	15,170	20,637
Net expenditure for the year	(855)	(6,165)
Balance held in the National Lottery Distribution Fund at 31 March	24,399	26,165
Reserves at 31 March	**5,325**	6,180

Grants processed

	2022/23	2021/22
Number of applications received:		
Capital schemes	4	**6**
Revenue schemes	955	**766**
	959	**772**
Number of grants made:	**502**	**374**
Value of grants made:	£'000	£'000
Capital schemes	330	**5,739**
Revenue schemes	15,003	**15,179**
	15,333	**20,918**
Grants payable at 31 March:		
Capital schemes	7,471	**9,143**
Revenue schemes	12,252	**11,339**
Arts Resilience Fund (Covid-19)	-	**11**
	19,723	**20,493**

National Lottery income remained steady this year, though our share was £0.4m less than in 2021/22. The Gambling Commission has indicated some uncertainty regarding future income forecasts in the light of cost of living concerns and the circumstances faced by the new Licence holder when taking over in early 2024. Council continues to monitor closely the trend in the share of proceeds received by the good causes and the potential impact on future Lottery-funded programmes.

The ring-fencing of funds for our ongoing Capital programme and the progress of development of those key projects continues to impact our annual cash flows. Council allocated a total of £22m for the programme in 2012/13 for a period of five years. However, several priority projects remain at their development stages and Council considers it important to show commitment to them, and other financers, by leaving indicative funding offers in place. So our remaining capital budget allocation of approximately £1.5m has been rolled through to 2023/24.

As the arts sector emerged from the pandemic in 2021/22, we saw increased grant-making through our *Connect and Flourish* and *Create* schemes which provided a new way of thinking in the sector focused on collaborative working. We also awarded a £5m capital grant towards the redevelopment of Theatr Clwyd, a sum set aside by Council some time previously for the project which was delayed by the pandemic. As a result of those new and delayed grant commitments our expenditure in 2021/22 exceeded our in-year income by £6.2m, utilising reserves brought forward from previous years.

In 2022/23 our grant-making returned to more usual levels. In addition to our ongoing funding schemes we received partnership income from Welsh Government to support arts projects associated with the FIFA Men's World Cup, and from the Baring Foundation for our Arts, Health and Wellbeing programme. Strategic funding for *Criw Celf 22-23* opened to build on previous work delivering this creative talent development programme for young people in the visual arts, addressing barriers to access.

At year-end grants payable totalled £19.723m (2022: £20.493m). Undrawn funds in the National Lottery Distribution Fund plus cash and cash equivalents totalled £26.819m (2022: £27.966m). Our share of balances held in the National Lottery Distribution Fund fell by approximately 7% compared with last year-end, reflecting our use of reserves carried forward during the pandemic.

Remuneration and Staff Report

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.

Each year Council publishes a **Pay Policy Statement**. This includes a detailed breakdown of the make-up of our staff. It also addresses Gender Equality and Equal Pay reporting.

Council ensures that appropriate facilities are available for disabled employees. Public signage also promotes the Council as a bilingual organisation.

Our HR policies

Council's aim is to be a progressive, family-friendly employer. We operate a number of HR policies that reflect our 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, consultation and negotiation

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.

We undertake regular surveys of staff to identity any issues or areas for improvement.

Remuneration

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

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

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

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 Chair, Maggie Russell, took up the position on 1 April 2023.

The Chief Executive and Directors – the Senior Leadership 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 Interim Chief Executive for the period 7 March 2022 to 1 November 2022 was employed on a temporary contract.

The current Chief Executive resigned his unpaid role as a Council member and Trustee and took up the position with the approval of the Charity Commission.

The dates of commencement and termination of employment are:

Maggie Russell

Chair
1 April 2023

Phil George

Chair
1 April 2016 to 31 March 2023

Dafydd Rhys

Chief Executive
17 October 2022

Michael Elliott

Interim Chief Executive
7 March 2022 to
1 November 2022

Richard Nicholls

Director of Operations
28 September 2020

Rebecca Nelson

Director of Finance and Business Services
17 June 2019

Diane Hebb

13 January 1992

Director of Arts Engagement
from 1 February 2012

Lleucu Siencyn

Director of Arts Development
9 May 2022

Staff turnover

Across the whole Council:

	2022/23	2021/22
Average number of employees (headcount)	91.92	86.25
Leavers	8	4
Starters	11	11
Average turnover	8.70%	4.64%

Average turnover is calculated as follows:

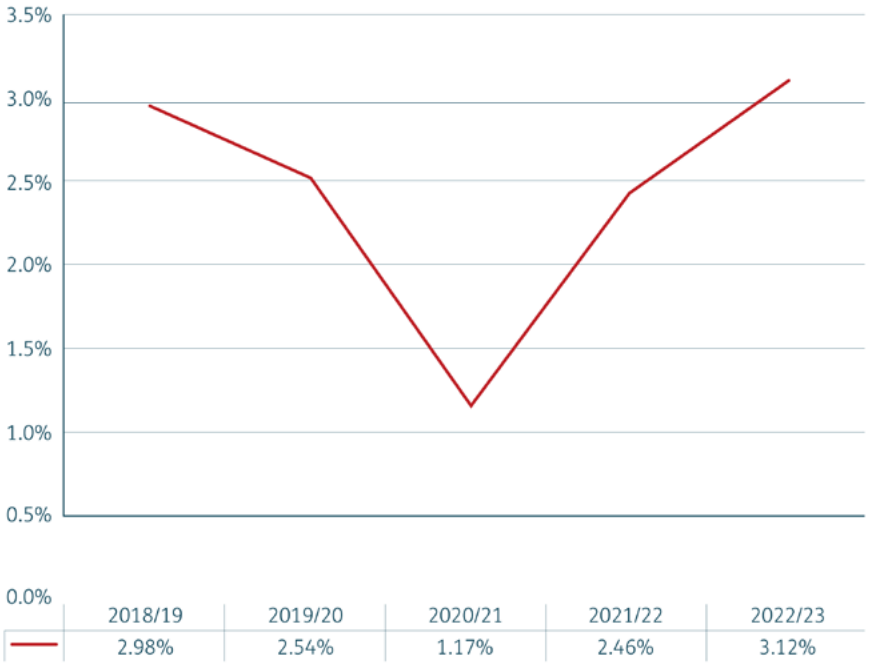
$$\frac{\text{total number of leavers over the year}}{\text{average total number employed over the year}} \times 100$$

Sickness absence

Across the whole Council:

	2022/23	2021/22
Days lost as a result of sickness	715	532
Average number of employees (headcount)	91.92	86.25
Average number of days lost per employee	7.78	6.17

This represented an absence rate of 3.12% (2021/22: 2.46%) based on 249.5 (2021/22: 250.5) working days.



Consultancy

During 2022/23 the Council paid £2,000 in consultancy costs (2021/22: £Nil) in relation to expert advice and opinion obtained to assist in strategic decision-making. £1,000 (2021/22: £Nil) is charged to General Activities and £1,000 (2021/22: £Nil) to Lottery Distribution.

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:

> (real increase in pension* x 20) + (real increase in any lump sum) – (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 Leadership Team (audited):

	2022/23 £'000			2021/22 £'000		
Name Position	Emoluments band	Pension benefits	Single total remuneration	Emoluments band	Pension benefits	Single total remuneration
Dafydd Rhys Chief Executive from 17 October 2022	45-50	11	55-60	N/A	N/A	N/A
Full year equivalent	100-105					
Michael Elliott[1] Interim Chief Executive from 7 March 2022 to 1 November 2022	65-70	-	65-70	5-10	-	5-10
Full year equivalent	100-105			100-105		
Siân Tomos Director of Arts Development to 5 September 2021 Chief Executive from 6 September 2021 to 19 November 2021	N/A	N/A	N/A	50-55	55	105-110
Full year equivalent				90-95		
Nicholas Capaldi Chief Executive to 30 September 2021	N/A	N/A	N/A	50-55	5	55-60
Full year equivalent				100-105		
Richard Nicholls[2] Director of Operations	80-85	17	95-100	85-90	20	105-110
Diane Hebb[2] Director of Arts Engagement	80-85	(35)	45-50	85-90	72	155-160
Rebecca Nelson[2] Director of Finance and Business Services	80-85	13	90-95	85-90	25	110-115
Lleucu Siencyn Director of Arts Development from 9 May 2022	65-70	14	80-85	N/A	N/A	N/A
Full year equivalent	70-75					

[1] The Interim Chief Executive elected not to join a pension scheme and there was no requirement to auto-enrol him.
[2] The emoluments for 2021/22 include a temporary extra responsibility allowance of £5,000-£10,000.

The pension benefits of the Senior Leadership Team (audited):

Name Position	2022/23 £'000 Real increase in pension and related lump sum at age 65	2022/23 £'000 Total accrued pension at age 65 as at 31/03/23, or date of leaving if earlier, and related lump sum	2022/23 £'000 Cash Equivalent Transfer Value[1] at 31/03/23	2021/22 £'000 Cash Equivalent Transfer Value at 31/03/22, or date of leaving if earlier	2022/23 £'000 Real increase in Cash Equivalent Transfer Value[2]
Dafydd Rhys Chief Executive from 17 October 2022	Pension 0-2.5 Lump sum 0-2.5	Pension 0-5 Lump sum 0-5	9	N/A	6
Richard Nicholls Director of Operations	Pension 0-2.5 Lump sum 2.5-5	Pension 0-5 Lump sum 5-10	20	17	4
Diane Hebb Director of Arts Engagement	Pension (2.5)-0 Lump sum (5)-(2.5)	Pension 20-25 Lump sum 70-75	390	469	(25)
Rebecca Nelson Director of Finance and Business Services	Pension 0-2.5 Lump sum 0-2.5	Pension 0-5 Lump sum 10-15	28	40	1
Lleucu Siencyn Director of Arts Development from 9 May 2022	Pension 0-2.5 Lump sum 0-2.5	Pension 0-5 Lump sum 0-5	7	N/A	3

[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/(decrease) 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 Chair is remunerated for his or her 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 £3,035 (2021/22: £185) was reimbursed to 11 (2021/22: 1) Council members for travel and subsistence costs incurred on Council business. The aggregate amount allocated to General Activities was £1,002 (2021/22: £96) and to Lottery Distribution £2,033 (2021/22: £89).

The total actual emoluments of the Chairs and Chief Executives were made up of (audited):

	2022/23 £	2021/22 £
Chairs[1]		
Chair (to 31 March 2023) – Phil George		
Salary	25,556	48,810
Interim Chair (from 1 October 2022 to 31 March 2023) – Kate Eden		
Salary	17,524	-
Chairs' total		
Salary	43,080	43,810
[1] Phil George remained in office until the end of his term on 31 March 2023. He was remunerated for his services until October 2022 when, due to his ill-health, Kate Eden was appointed Interim Chair for the remainder of the financial year.		
Chief Executives		
Chief Executive (from 17 October 2022) – Dafydd Rhys		
Salary	46,721	-
Employer's pension contribution	9,764	-
	56,485	-
Former Interim Chief Executive (from 7 March 2022 to 1 November 2022) – Michael Elliott		
Salary	65,643	7,413
Former Chief Executive (to 30 September 2021) – Nicholas Capaldi		
Salary	-	51,548
Employer's pension contribution	-	10,077
	-	61,625
Former Chief Executive (from 6 September to 19 November 2021) – Siân Tomos		
Salary	-	21,751
Employer's pension contribution	-	4,546
	-	26,297
Chief Executives' total		
Salary	112,364	80,712
Employer's pension contribution	9,764	14,623
	122,128	95,335

66% (2021/22: 66%) of the Chairs' and 72% (2021/22: 72%) of the Chief Executives' emoluments are charged to General Activities and 34% (2021/22: 34%) of the Chairs' and 28% (2021/22: 28%) of the Chief Executives' to Lottery Distribution.

Reimbursed travel and subsistence expenses incurred and defrayed whilst on Council business:	2022/23	2021/22 £
Chairs	£593	£185
Chief Executives	£11,050	£627

51% (2021/22: 52%) of the Chairs' and Chief Executives' expenses are charged to General Activities and 49% (2021/22: 48%) to Lottery Distribution.

Other than members of the Senior Leadership Team listed above, the number of employees (whole Council) whose remuneration for the year, excluding employer's pension contributions, exceeded £60,000 was as follows:

	2022/23	2021/22
£60,000 to £69,999	1	1

Fair pay (audited)	2023	2022
The range of annual remuneration (full time equivalents) at 31 March was (whole Council):	£25,026 to £101,830	**£21,064 to £101,830**

The Chief Executive is the highest paid member of staff. During the year the Chief Executive's remuneration did not change (2021/22: no change). Staff as a whole received a pay award of 4.0% (2021/22: increase 2.75%).

The annual remuneration (full time equivalents) of employees and the ratios between each of those and the pay of the Chief Executive at 31 March were (whole Council):		
25th percentile	£31,348	**£30,142**
	1:3.2	**1:3.4**
Median (50th) percentile	£45,582	**£43,829**
	1:2.2	**1:2.3**
75th percentile	£45,582	**£43,829**
	1:2.2	**1:2.3**

Annual remuneration comprises salary only. No benefits were paid and there was no performance-related pay.

Staff composition at 31 March (full time equivalents – whole Council)	2023			2022		
	Male	Female	Total	Male	Female	Total
Senior Leadership Team	2	3	5	2	2	4
Portfolio Managers/Heads of Department	8	3	17	7	8	15
Senior Officers	13	22	35	13	20	33
Officers	3	9	12	2	9	11
Team Co-ordinators/Personal Assistants	2	16	18	2	16	18
	28	59	87	26	55	81
	32%	68%		32%	68%	

Parliamentary Accountability and Audit Report (audited)

Remote contingent liabilities

The Council is an admitted employer of the Arts Council Retirement Plan 1994. The Plan is a funded, defined benefit, multi-employer scheme where the participating employers are unable to identify their shares of the underlying assets and liabilities.

In the event of the withdrawal of an employer, the debt triggered under section 75 of the Pensions Act 1995 would be calculated using the solvency shortfall of the entire Plan, not the employer's own asset share and liabilities. Also, in the event of Plan wind up, as the Plan is a "last man standing" arrangement all employers would be jointly and severally liable for the total shortfall in the Plan.

It is not practical to estimate the financial impact.

Losses, special payments and gifts

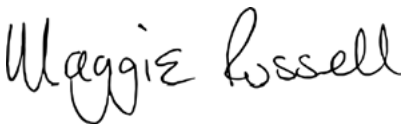
The Council incurred no losses during the year and made no special payments or gifts.

Fees and charges income

The Council has no material income of this kind.

Dafydd Rhys
Accounting Officer
20 October 2023

Endorsed on behalf of Council:



Maggie Russell
Chair
20 October 2023

The year ahead: 2023/24

Our new Strategy will be launched. It will explain our long-term vision, our wellbeing goals and the actions we need to take. The Investment Review will be the key output for 2023/24 and we will see a fundamental change in the way we fund the sector in Wales.

Seke Chimutengwende and Adeola Dewis in conversation, Chapter (Image: Kirsten McTernan)

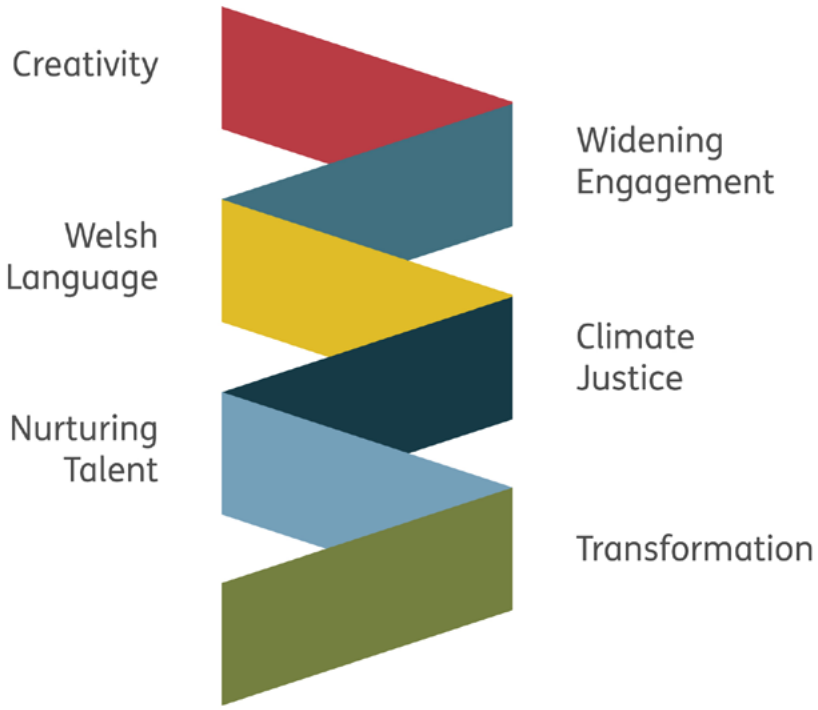
Our new long-term Strategy will be launched this year. Closely aligned with the goals of the Well-being of Future Generations Act, it will also link to the Welsh Government's Programme for Government and support the development a new Culture Strategy.

Our Strategic Plan will be flexible and respond to what's currently needed as well as being relevant to new developments and changes. This 10-year plan has our future generations in mind. To achieve this, we will be reviewing and further developing our Strategy at regular intervals throughout its 10 years. This work will be done through regular consultation and building feedback and evaluation into our operational systems. The changes and updates will be communicated through Annual Plans and Communications Strategies. Our Strategy has been shaped by the 6 principles developed during the Investment Review consultation. These principles align with the 7 wellbeing goals.

Introducing the 6 Principles

Although we describe each one separately, all six principles are linked. Through our work, and the activities we support.

These six principles will protect, develop, and support the future of the arts in Wales. They will guide us and help us tell the story of how the arts can make a difference.



Creativity

Art has the power to connect and help us understand each other and the world around us. Art challenges our thinking and sparks our imagination. It brings joy and hope to audiences and participants. Creativity is in everything and everyone we support.

Equality & Engagement

Everyone has the right to activities and experiences which reflect and celebrate our culture, language, landscape, and art. Arts and culture in Wales should reflect the lives of all people but many still face barriers and challenges in the arts. We want art to include all people. We will make sure that people from diverse communities are fully represented in the workforce, as leaders, decision makers, creators, visitors, participants and audience members.

Welsh Language

Everyone should have equal opportunity to access, take part, enjoy, and create art through the medium of Welsh. Our focus will be on increasing availability of Welsh language provision in the arts sector; making sure the sector places Welsh at the centre of their actions; celebrating the role of the language in a progressive, multilingual Wales; and developing new audiences for the future.

Climate Justice

We are on a vital journey to understand the role of the arts in addressing the climate change emergency. Our approach to climate justice will make sure that our actions now are socially, environmentally, and ethically sustainable for the future. Our focus will be to support the arts sector to become environmentally sustainable and adapted to climate change, and to enable the arts to play a key role in inspiring the change needed.

Develop Talent

We will create an environment to help artists develop. We will make sure that the opportunities we develop are distributed more fairly. We need to make sure that there are ways to allow people from all backgrounds to develop their creativity, skills, and leadership potential.

Transform

We want to find the best opportunities for the arts, and to learn from what's happened in the past and to share what works best. We will be agile and confident enough to respond in a positive way to all the changes happening around us, and make sure the arts are relevant to the people of Wales.

Our Strategy is based on the **3 Goals** that reflect our original remit outlined in our Royal Charter and the wellbeing goals of the Future Generations Act.

These goals are: **Develop, Connect, Promote**

- **Develop** – develop and improve the knowledge, understanding and sustainable practice of the arts.
- **Connect** – make connections to improve the opportunity for the people of Wales to experience and enjoy the arts.
- **Promote** – collaborate with partners to promote a Wales of vibrant culture and thriving Welsh Language

Our Operation Plan for 2023/24 has been developed under this Framework and outlines in detail how we intend to use our grant-in-aid and National Lottery funds to support this strategy.

Investment Review

After an extensive training and consultation period, the application process for the Investment Review closed on 31 March 2023.

The assessment of applications by Arts Council officers and Associates will occur from April 2023 until August 2023.

In September 2023 Council will take 'in principle' decisions on its future funding relationships and announce the indicative outcome of the Investment Review by the end of that month. Unsuccessful applicants will have the to right to appeal. By the end of December 2023, following conclusion of the appeals process, Council will publish confirmation of funding decisions.

The new funding arrangements will commence in April 2024.

Financial Statements
General Activities

Statement of the Accounting Officer's responsibilities

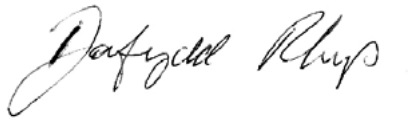
Under Article 11 of the Royal Charter dated 30 March 1994 (as amended) the Council is required to prepare for each financial year a statement of accounts in the form and on the basis determined by Welsh Ministers. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Council and of its income and expenditure, Balance Sheet and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the accounting principles and disclosure requirements of the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 ("the SORP") and, to the extent that it clarifies or builds on the requirements of the SORP, the *Government Financial Reporting Manual* and in particular to:

- observe the Accounts Direction issued by Welsh Ministers, 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 SORP and the *Government Financial Reporting Manual* have been followed, and disclose and explain any material departures in the financial statements;
- prepare the financial statements on a going concern basis; and
- confirm that the Report and Financial Statements as a whole is fair, balanced and understandable and take personal responsibility for the Report and Financial Statements and the judgements required for determining that it is fair, balanced and understandable.

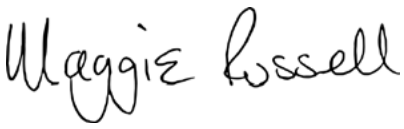
The Principal Accounting Officer for the Welsh Government has designated the Chief Executive as the Accounting Officer of the Council. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable,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

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the Council's auditor is aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.



Dafydd Rhys
Accounting Officer
20 October 2023

Endorsed on behalf of Council:



Maggie Russell
Chair
20 October 2023

The Certificate and Report of the Auditor General for Wales to the Trustees of the Arts Council of Wales

Opinion on financial statements

I certify that I have audited the financial statements of the Arts Council of Wales General Activities Account for the year ended 31 March 2023 under Article 11 of the Arts Council of Wales' Royal Charter.

The financial statements comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion, in all material aspects the financial statements:

- give a true and fair view of the state of the Arts Council of Wales' affairs as at 31 March 2023 and of its net income for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been properly prepared in accordance with Welsh Ministers' directions issued under Article 11 of the Arts Council of Wales' Royal Charter.

Opinion on regularity

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

Basis for opinions

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my certificate.

My staff and I are independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

Other information

The other information comprises the information included in the Annual Report but does not include the financial statements nor my auditor's report thereon. The Accounting Officer is responsible for the other information. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

The Statement of Recommended Practice sets out the requirements for other information, however neither it nor legislation, nor the directions issued to the Arts Council of Wales set out the content and form of the Governance Statement or Remuneration and Staff Report presented with the financial statements. Therefore, I am not able to confirm that the Governance Statement or Remuneration and Staff Report issued with financial statements have been prepared in accordance with guidance.

In my opinion, based on the work undertaken in the course of my audit, the information given in the other information to be issued with financial statements is consistent with the financial statements.

Although there are no legislative requirements for a Remuneration and Staff Report, the Arts Council of Wales has prepared such a report and, in my opinion, that part ordinarily required to be audited has been properly prepared in accordance with HM Treasury guidance.

In my opinion, based on the work undertaken in the course of my audit, the information given in the 'Performance Report and Operational Review' and the Accountability Report (excluding the Governance Statement and the Remuneration and Staff Report), for the financial year for which the financial statements are prepared, is consistent with the financial statements, and the Performance Report and Operational Review and the Accountability Report have been prepared in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the body and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Operational Review, Accountability Report or the Governance Statement.

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

- I have not received all the information and explanations I require for my audit;
- sufficient accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my team;
- the financial statements are not in agreement with the accounting records and returns; or
- information specified by Welsh Ministers regarding remuneration and other transactions is not disclosed.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of the Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- maintaining proper accounting records;
- the preparation of the financial statements and Annual Report in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ensuring the regularity of financial transactions;
- internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error; and
- assessing the body's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the body will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Arts Council of Wales' Royal Charter.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- enquiring of management, internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Arts Council of Wales' policies and procedures concerned with:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition, expenditure recognition and posting of unusual journals;
- obtaining an understanding of the Arts Council of Wales' framework of authority as well as other legal and regulatory frameworks in which it operates, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the Arts Council of Wales;
- obtaining an understanding of related party relationships.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all the audit team and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the Arts Council of Wales' controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Other auditor's responsibilities

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 the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report

I have no observations to make on these financial statements.

Adrian Crompton

Auditor General for Wales

20 October 2023

1 Capital Quarter
Tyndall Street
Cardiff
CF10 4BZ

The maintenance and integrity of the Arts Council of Wales website is the responsibility of the Accounting Officer; the work carried out by auditors does not involve consideration of these matters and accordingly auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

The Arts Council of Wales

General Activities Account
Statement of Financial Activities

for the year ended 31 March 2023

	Note	Unrestricted funds £'000	Restricted funds £'000	2022/23 Total £'000	2021/22 Total £'000
INCOME					
Donations:					
Grant-in-aid from the Welsh Government		32,591	300	32,891	31,300
Other grants and donations	3	12	28,129	28,141	16,610
		32,603	28,429	61,032	47,910
Income from charitable activities:					
Services and sponsorship	4	151	-	151	64
Investment income:					
Bank interest		8	10	18	0
Other income	5	15	-	15	26
Total income		**32,777**	**28,439**	**61,216**	48,000
EXPENDITURE					
Charitable activities	6	31,337	29,554	60,891	47,970
Governance costs	8	78	-	78	77
Bank interest surrendered to Welsh Consolidated Fund		8	-	8	-
Total expenditure		**31,423**	**29,554**	**60,977**	48,047
Net income/(expenditure)		**1,354**	**(1,115)**	**239**	(47)
Gross transfers between funds	13	(918)	918	-	-
Net movement in funds		**436**	**(197)**	**239**	(47)
Reconciliation of funds					
Fund balances brought forward	13	666	1,753	2,419	2,466
Total funds carried forward		**1,102**	**1,556**	**2,658**	2,419

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

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

The notes on pages 121 to 146 form part of these financial statements

The Arts Council of Wales

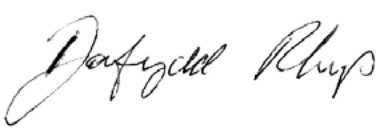
General Activities Account
Balance Sheet

as at 31 March 2023

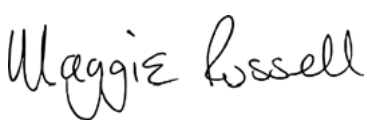
	Note	31 March 2023 £'000		31 March 2022 £'000	
Fixed assets					
Intangible fixed assets	9a		4		0
Tangible fixed assets	9b		130		67
Total fixed assets			134		67
Non-current assets					
Debtors	10a		8,570		-
Current assets					
Debtors	10b	16,768		2,762	
Cash and cash equivalents		1,491		1,525	
Total current assets		18,259		4,287	
Liabilities: falling due within one year					
Creditors	11a	(15,534)		(1,905)	
		(15,534)		(1,905)	
Net current assets			2,725		2,382
Total assets less current liabilities			11,429		2,449
Creditors: falling due after more than one year					
Creditors	11b		(8,771)		(30)
Net assets			2,658		2,419
The funds of the charity					
Unrestricted funds	13		1,102		666
Restricted funds	13		1,556		1,753
			2,658		2,419

The notes on pages 121 to 146 form part of these financial statements

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



Dafydd Rhys
Accounting Officer
20 October 2023



Maggie Russell
Chair
20 October 2023

The Arts Council of Wales

General Activities Account
Statement of Cash Flows

for the year ended 31 March 2023

	Note	2022/23 £'000	2021/22 £'000
Net cash inflow from operating activities	15a	55	163
Net cash inflow from investing activities	15b	10	0
Net cash outflow associated with capital assets	15c	(99)	(54)
Change in cash and cash equivalents in the year		**(34)**	109
Cash and cash equivalents brought forward		1,525	1,416
Cash and cash equivalents carried forward		**1,491**	1,525

The notes on pages 121 to 146 form part of these financial statements.

The Arts Council of Wales

General Activities Account
Notes forming part of the financial statements

for the year ended 31 March 2023

1. Accounting policies

a. **Basis of preparation**

These financial statements are prepared on a going concern basis and under the historical cost convention modified to include certain fixed assets at their value to the Council on a current cost basis. They have been prepared in accordance with the Accounts Direction issued by Welsh Ministers and meet the requirements of the Charities Acts 2006, 2011 and 2016, of the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their account in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) issued on 16 July 2014 ("the SORP") and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).
In addition to compliance with the SORP regard is given to the requirements of the *Government Financial Reporting Manual* (FReM) issued by HM Treasury to the extent that it clarifies or builds on the requirements of the SORP. A summary of the principal accounting policies which have been applied consistently are set out below.

Impact of standards not yet effective

The application of any new or amended accounting standards is governed by their adoption by the Charity Commission and FReM. The Council applies changes to standards when they become effective. There are no known material impacts from accounting standard changes that have been issued and are not yet effective on the financial statements in the period of initial application.

b. **Income**

Grant-in-aid from the Welsh Government is recognised in the Statement of Financial Activities on a receivable basis.

All other income is recognised when the Council has entitlement to the funds, any associated performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably. Capital grants receivable are treated as income.

No income is recorded net of expenditure in the Statement of Financial Activities.

c. **Lottery distribution**

These financial statements do not cover the Council's lottery distribution function for which separate financial statements have been prepared in accordance with directions issued by the Secretary of State for Culture, Media & Sport.

The Council incurs costs which support both its general activities and lottery distribution functions. In accordance 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.

The apportionments are usually reviewed every two years and whenever there is a significant change to the staff structure or the programmes of activity.

d. **Expenditure**

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.

e. **Grants awarded**

Subsidy expenditure is incurred in the form of grants which are formally offered to organisations funded by the Council. Grants are offered in support of a programme of activities planned for, or to commence in, a particular financial year and in most circumstances are charged to the Statement of Financial Activities in that year.

Forward commitments made in the year relating to next year's activity, as disclosed in note 17, are not charged to the Statement of Financial Activities. The grant-in-aid to meet these commitments cannot be recognised until it is received so, in this respect, we have been unable to apply all principles of paragraph 7 of the SORP. The Trustees do not believe the inclusion of the forward commitments would provide a true and fair view of the application of the Council's resources.

Grants unpaid at the year end are shown as creditors in the Balance Sheet. Any advance payments which have been made in respect of approved grants relating to next year's activities are shown in the Balance Sheet as current assets.

All grants offered are listed in the annex to this Annual Report

f. **Services and sponsorship**

Services and sponsorship comprise the direct costs, including staff and depreciation, attributable to charitable activities.

g. Allocation of operating costs

Operating costs have been allocated first between charitable activities and governance. Operating costs relating to charitable activities have been apportioned to reflect the time spent by staff in delivering direct activities and in support of their delivery. The allocation and analysis of these costs is in notes 6 and 7.

h. Governance costs

Governance costs comprise all costs involving the public accountability of the Council as a charity and its compliance with regulation and good practice. These costs are analysed in note 8.

i. Foreign currency

Revenue received and expenditure incurred in foreign currencies is converted at the exchange rate prevailing at the time of the transaction. Balances held in foreign currencies are converted at the rate prevailing at the Balance Sheet date. Transactions and balances covered by forward contracts are converted at the contract rate.

j. Recognition of liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

k. Fund accounting

Restricted funds are those which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Council for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Unrestricted funds are those which are available for use at the discretion of Council in furtherance of its chartered objectives and which have not been designated for other purposes.

Where support costs are allocated to restricted charitable activities a transfer is made from unrestricted funds to cover these costs.

l. Fixed assets

The Council owns two freehold properties, the Sherman Theatre and the Rubicon Dance Studio, which are let on long leases at peppercorn rents to tenants which are not controlled by the Council and with no provision for repossession by the Council. Based on the advice of external and independent chartered surveyors, the residual value of these freehold interests is considered to be negligible so these assets are held in the accounts at a nil value.

Website development costs, in accordance with FRS 102, are treated as tangible fixed assets.

Computer software licences are treated as intangible fixed assets if they cover more than one year.

Other than freehold properties all tangible and intangible fixed assets are included at historical cost less an allowance for depreciation and amortisation. The Council considers that there is no significant difference between the book and market values.

m. Amortisation and depreciation

Individual assets costing £1,000 or above are capitalised and a full year's amortisation or depreciation is provided in the year of acquisition. Amortisation of intangible fixed assets and depreciation on tangible fixed assets is provided at rates calculated to write off the cost or valuation of each asset to its residual value on a straight line basis over its expected useful life as follows:

Computer software licences	over 3 years
Leasehold improvements	over the term of the lease
Furniture, fixtures and fittings	over 10 years
Equipment	over 4 years
Website development costs	over 3 years
Computer system	over 3 years

n. Leases

The costs of operating leases are charged to the Statement of Financial Activities on a straight line basis over the life of the lease.

o. Pensions

The Council is an admitted employer of the Arts Council Retirement Plan 1994 (ACRP) which provides defined benefits to Council employees. The costs of the Council's contributions are charged to the Statement of Financial Activities so as to spread the cost of pensions over employees' working lives.

The Plan is a funded, defined benefit, multi-employer scheme where the participating employers are unable to identify their shares of the underlying assets and liabilities. The scheme has therefore been accounted for as if it were a defined contribution scheme, in accordance with FRS 102. The Council has made payments to fund a deficit relating to past service. If further deficit payments are needed, following future revaluations, the Council will recognise a provision for the present value of contributions payable in accordance with the terms of any relevant funding agreement. All contributions towards the deficit are charged to the Statement of Financial Activities.

The Council also has 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 FRS 102.

p. Taxation

Non-recoverable Value Added Tax arising from expenditure on non-business activities is charged to the Statement of Financial Activities or capitalised as a fixed asset where applicable.

q. Financial instruments

Financial assets: Trade debtors 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 comprise cash in hand and cash at bank and on short term deposit on instant access terms.

Financial liabilities: Trade creditors are not interest bearing and are stated at their nominal value.

2. General activities and Lottery distribution: combined income and charitable arts expenditure

The separate Lottery distribution account shows the Council's 2022/23 share of the proceeds from the National Lottery of £17,681,000 (2021/22: £18,078,000). The combined total income for both general and Lottery activities for 2022/23 was £79,562,000 (2021/22: £66,242,000). The combined total direct charitable arts expenditure for 2022/23 was £78,113,000 (2021/22: £70,563,000).

3. Income

Donations: Other grants and donations

	Unrestricted funds £'000	Restricted funds £'000	2022/23 Total £'000	2021/22 Total £'000
Creative Learning through the Arts Programme (note 18):				
Welsh Government grant	-	1,000	1,000	978
Arts Council of Wales Lottery grant	-	1,000	1,000	750
Other income	-	22	22	-
Prior year grants no longer required or repaid	12	-	12	138
Welsh Government capital grants for theatres	-	24,100	24,100	-
Welsh Government contribution for other activities	-	1,816	1,816	1,816
Welsh Government Cultural Recovery Funding	-	-	-	12,697
Grants to Wales Arts International	-	72	72	83
National Centre for Learning Welsh	-	50	50	-
The Eirian Llwyd Trust	-	4	4	-
Arts Council England (for Hynt)	-	-	-	83
Natural Resources Wales (for Creative Nature programme)	-	65	65	65
	12	28,129	28,141	16,610

4. Income from charitable activities – Services and sponsorship

	Unrestricted funds £'000	Restricted funds £'000	2022/23 Total £'000	2021/22 Total £'000
Night Out scheme: – contributions from venues/promoters	116	-	116	24
Collectorplan – gallery fees	29	-	29	36
Other income	6	-	6	4
	151	-	151	64

5. Other income

	Unrestricted funds £'000	Restricted funds £'000	2022/23 Total £'000	2021/22 Total £'000
Contribution from the Lottery Distribution account: for use of fixed assets	15	-	15	26

6. Expenditure – Charitable activities

	Direct activities £'000	Grant[1] funding £'000	Support[2] costs £'000	2022/23 Total £'000	2021/22 Total £'000
Grant making and arts development	1,222	53,293	1,894	56,409	45,223
Creative Learning through the Arts Programme (note 18)	1,005	1,209	-	2,214	1,219
Arts strategy	573	-	20	593	448
International	905	-	31	936	607
Services: *Night Out* & *Collectorplan*	489	-	17	506	284
Advocacy and research	225	-	8	233	189
	4,419	**54,502**	**1,970**	**60,891**	**47,970**
From unrestricted funds				31,337	31,128
From restricted funds				29,554	16,842
				60,891	**47,970**

[1] Grant funding	To institutions £'000	To individuals £'000	2022/23 Total £'000	2021/22 Total £'000
From unrestricted funds				
Arts Portfolio Wales	27,184	-	27,184	26,782
Strategic awards	297	155	452	782
From restricted funds				
Arts Portfolio Wales	300	-	300	300
Creative Learning through the Arts Programme	1,209	-	1,209	263
Strategic awards - capital grant for redevelopment of Theatr Clwyd	23,500	-	23,500	-
Strategic awards - capital grants for theatres	600	-	600	-
Strategic awards - other	1,189	52	1,241	1,602
Memorial awards	-	16	16	-
Covid-19 support	-	-	-	12,934
	54,279	**223**	**54,502**	**42,663**

All grants are listed in the annex to this Annual Report.

[2] Support costs	Gross costs £'000	Deduct Recharges to Lottery Distribution £'000	2022/23 Net charge to General Activities £'000	2021/22 Net charge to General Activities £'000
Staff and related costs	2,850	1,434	1,416	1,339
Pensions	116	57	59	-
Infrastructure	589	287	302	311
Office running costs	14	7	7	9
Professional fees and promotion	204	124	80	76
Irrecoverable VAT	146	71	75	65
Amortisation and depreciation	31	-	31	54
	3,950	**1,980**	**1,970**	**1,914**

7. Staff costs

a. Total staff costs consist of:	Permanently employed £'000	Other £'000	Gross costs £'000	Deduct Recharges to Lottery Distribution £'000	2022/23 Net charge to General Activities £'000	2021/22 Net charge to General Activities £'000
Wages and salaries	3,056	799	3,855	1,060	2,795	2,509
Social security costs	347	86	433	119	314	263
Other pension costs	576	119	695	196	499	465
Apprenticeship Levy	5	-	5	-	5	3
Agency costs	-	4	4	2	2	-
	3,984	**1,008**	**4,992**	**1,377**	**3,615**	**3,240**
Staff costs are incorporated in the financial statements as follows:						
Charged to Direct activities (note 6)			2,243	-	2,243	1,894
Charged to Support costs (note 6)			2,701	1,361	1,340	1,313
Charged to Governance (note 8)			48	16	32	33
			4,992	**1,377**	**3,615**	**3,240**

The average number of staff (full time equivalents) employed during the year was:	Permanently employed	Other	Across the whole Council	On Lottery Distribution activities	2022/23 On General Activities	2021/22 On General Activities
On charitable activities:						
directly charged	9	11	20	-	20	19
recharged	29	3	32	-	32	29
In support of our charitable activities	31	3	34	25	9	9
	69	**17**	**86**	**25**	**61**	**57**

Staff composition at 31 March (full time equivalents – whole Council)	2023			2022		
	Male	Female	Total	Male	Female	Total
Senior Leadership Team	2	3	5	2	2	4
Portfolio Managers/Heads of Department	8	9	17	7	8	15
Senior Officers	13	22	35	13	20	33
Officers	3	9	12	2	9	11
Team Co-ordinators/Personal Assistants	2	16	18	2	16	18
	28	**59**	**87**	**26**	**55**	**81**
	32%	68%		32%	68%	

Emoluments by bands	2022/23	2021/22
Other than members of the Senior Leadership Team listed at note 7b, the number of employees (whole Council) whose remuneration for the year, excluding employer's pension contributions, exceeded £60,000 was as follows:		
£60,000 to £69,000	1	1

	2023	2022
The range of annual remuneration (full time equivalents) at 31 March was (whole Council):	£25,026 to £101,830	£21,064 to £101,830
The Chief Executive is the highest paid member of staff. During the year the Chief Executive's remuneration did not change (2021/22: no change). Staff as a whole received a pay award of 4% (2021/22: increase 2.75%).		
The annual remuneration (full time equivalents) of employees and the ratios between each of those and the pay of the Chief Executive at 31 March were (whole Council):		
25th percentile	£31,348 1:3.2	£30,142 1:3.4
Median (50th) percentile	£45,582 1:2.2	£43,829 1:2.3
75th percentile	£45,582 1:2.2	£43,829 1:2.3
Annual remuneration comprises salary only. No benefits were paid and there was no performance-related pay.		

b. The Chief Executive and Directors – the Senior Leadership Team – 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:

(real increase in pension* x 20) + (real increase in any lump sum) – (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 Leadership Team:

	2022/23 £'000			2021/22 £'000		
Name Position	Emoluments band	Pension benefits	Single total remuneration	Emoluments band	Pension benefits	Single total remuneration
Dafydd Rhys Chief Executive from 17 October 2022	45-50	11	55-60	N/A	N/A	N/A
Full year equivalent	100-105					
Michael Elliott[1] Interim Chief Executive from 7 March 2022 to 1 November 2022	65-70	-	65-70	5-10	-	5-10
Full year equivalent	100-105			100-105		
Siân Tomos Director of Arts Development to 5 September 2021 Chief Executive from 6 September 2021 to 19 November 2021	N/A	N/A	N/A	50-55	55	105-110
Full year equivalent				90-95		
Nicholas Capaldi Chief Executive to 30 September 2021	N/A	N/A	N/A	50-55	5	55-60
Full year equivalent				100-105		
Richard Nicholls[2] Director of Operations	80-85	17	95-100	85-90	20	105-110
Diane Hebb[2] Director of Arts Engagement	80-85	(35)	45-50	85-90	72	155-160
Rebecca Nelson[2] Director of Finance and Business Services	80-85	13	90-95	85-90	25	110-115
Lleucu Siencyn Director of Arts Development from 9 May 2022	65-70	14	80-85	N/A	N/A	N/A
Full year equivalent	70-75					

[1] The Interim Chief Executive elected not to join a pension scheme and there was no requirement to auto-enrol him.
[2] The emoluments for 2021/22 include a temporary extra responsibility allowance of £5,000-£10,000.

The pension benefits of the Senior Leadership Team:

Name Position	2022/23 £'000 Real increase in pension and related lump sum at age 65	2022/23 £'000 Total accrued pension at age 65 as at 31/03/23, or date of leaving if earlier, and related lump sum	2022/23 £'000 Cash Equivalent Transfer Value[1] at 31/03/23	2021/22 £'000 Cash Equivalent Transfer Value at 31/03/22, or date of leaving if earlier	2022/23 £'000 Real increase in Cash Equivalent Transfer Value[2]
Dafydd Rhys Chief Executive from 17 October 2022	Pension 0-2.5 Lump sum 0-2.5	Pension 0-5 Lump sum 0-5	9	N/A	6
Richard Nicholls Director of Operations	Pension 0-2.5 Lump sum 2.5-5	Pension 0-5 Lump sum 5-10	20	17	4
Diane Hebb Director of Arts Engagement	Pension (2.5)-0 Lump sum (5)-(2.5)	Pension 20-25 Lump sum 70-75	390	469	(25)
Rebecca Nelson Director of Finance and Business Services	Pension 0-2.5 Lump sum 0-2.5	Pension 0-5 Lump sum 10-15	28	40	1
Lleucu Siencyn Director of Arts Development from 9 May 2022	Pension 0-2.5 Lump sum 0-2.5	Pension 0-5 Lump sum 0-5	7	N/A	3

[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/(decrease) 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 Chair, with the approval of the Charity Commission, is remunerated for his or her 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. Council meeting costs for 2022/23 include an aggregate amount of £3,035 (2021/22: £185) reimbursed to 11 (2021/22: 1) Council members for travel and subsistence costs incurred on Council business.

The total actual emoluments of the Chairs and Chief Executives were made up of:

	2022/23 £	2021/22 £
Chairs[1]		
Chair (to 31 March 2023) – Phil George		
Salary	25,556	48,810
Interim Chair (from 1 October 2022 to 31 March 2023) – Kate Eden		
Salary	17,524	-
Chairs' total		
Salary	43,080	43,810
[1] Phil George remained in office until the end of his term on 31 March 2023. He was remunerated for his services until October 2022 when, due to his ill-health, Kate Eden was appointed Interim Chair for the remainder of the financial year.		
Chief Executives		
Chief Executive (from 17 October 2022) – Dafydd Rhys		
Salary	46,721	-
Employer's pension contribution	9,764	-
	56,485	-
Former Interim Chief Executive (from 7 March 2022 to 1 November 2022) – Michael Elliott		
Salary	65,643	7,413
Former Chief Executive (to 30 September 2021) – Nicholas Capaldi		
Salary	-	51,548
Employer's pension contribution	-	10,077
	-	61,625
Former Chief Executive (from 6 September to 19 November 2021) – Siân Tomos		
Salary	-	21,751
Employer's pension contribution	-	4,546
	-	26,297
Chief Executives' total		
Salary	112,364	80,712
Employer's pension contribution	9,764	14,623
	122,128	95,335

66% (2021/22: 66%) of the Chairs' and 72% (2021/22: 72%) of the Chief Executives' emoluments are charged in these financial statements and the remainder to lottery distribution activities.

Travel and subsistence expenses incurred and defrayed whilst on Council business:	2022/23 £	2021/22 £
Chairs	593	185
Chief Executives	11,050	627

51% (2021/22: 52%) of the Chairs' and Chief Executives' expenses are charged in these financial statements and the remainder to lottery distribution activities.

c. 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 FRS 102.

An independent actuarial valuation of the ACRP normally takes place every three years. The most recent valuation, as at 31 March 2022, came into effect on 1 April 2023. It showed that the ACRP had a funding deficit relative to its statutory funding objective.

The valuation introduced new ordinary contribution rates for the Council in respect of accruing benefits. It also assumes a continuing requirement that a minimum level of payment be made each year towards the deficit, at a rate advised by the scheme actuary, until 31 March 2034. Participating employers may pay contributions at a higher rate or pay additional lump sum contributions at any time before they are due if they so wish.

On the assumption that the recommended amounts would be paid to ACRP, the actuary's opinion was that the statutory funding objective could have been expected on 31 March 2022 to be met by the end of the period specified in the recovery plan.

The valuation was carried out for the purposes of section 179 of the Pensions Act 2004 and the key financial assumptions (net of price inflation) were:

Net discount rate prior to retirement (pre 2009 compensation)	-2.39% p.a.
Net discount rate prior to retirement (post 2009 compensation)	-0.68% p.a.
Net discount rate for pre 1997 benefits in payment (current pensioners)	1.95% p.a.
Net discount rate for pre 1997 benefits in payment (future pensioners)	1.65% p.a.
Net discount rate for post 1997 benefits in payment (current pensioners)	-0.25% p.a.
Net discount rate for post 1997 benefits in payment (future pensioners)	-0.65% p.a.
Longevity	S3PMA (for males first life), S3PFA (for females first life), S3DMA (for males second life) and SDFA (for females second life), in each case with future improvements in line with the CMI 2019 model, with a long term improvement rate of 1.5%/1.25% for males/females, and a core smoothing parameter of 7.5
Contingent benefits	85% (males) or 75% (females) assumed married at retirement Females are assumed to be 3 years younger

Contributions by the Council and its employees were:

	Council		Employees	
	2022/23	2021/22	2022/23	2021/22
For all staff	20.9%	20.9%	6.0%	6.0%

In addition, the Council made a lump sum payment of £115,900 in 2022/23 and it was agreed with the actuaries that no further deficit payments would be needed until the next revaluation. The Council's Lottery Distribution account contributed £56,550 towards the deficit payment.

From 1 April 2023 the Council's contribution rate chaged to 19.9%. There was no change to the employees' contribution rate.

The Council also paid 0.1% of pensionable salary in respect of each life assurance only member. From 1 April 2023 that rate changed to 0.2%.

Under Auto Enrolment legislation all eligible employees are required to join a qualifying pension scheme, unless they formally opt out. We have a defined contribution scheme, The People's Pension, as an alternative option for employees who are not members of the ACRP. The Council contributed 5% and the employee 3% during the year. These rates may change in the future, in line with the requirements of the legislation.

8. Resources expended
Governance costs

	Gross costs £'000	Deduct Recharges to Lottery Distribution £'000	2022/23 Net charge to General Activities £'000	2021/22 Net charge to General Activities £'000
Chair's remuneration	48	16	32	33
Auditor's remuneration – Audit	56	26	30	26
Internal audit	25	12	13	17
Legal and consultancy fees	1	-	1	1
Council meetings, including travel and subsistence	4	2	2	-
	134	**56**	**78**	**77**

9. Fixed assets

a. Intangible fixed assets	Computer software licences £'000
Cost at 1 April 2022	297
Additions	4
Disposals	-
Cost at 31 March 2023	301
Amortisation at 1 April 2022	297
Charge for the year	0
Disposals	-
Amortisation at 31 March 2023	297
Net book value at 31 March 2023	**4**
Net book value at 1 April 2022	**0**

b. Tangible fixed assets	Alterations to leasehold properties £'000	Computer system, furniture, etc £'000	Website £'000	Total £'000
Cost at 1 April 2022	107	760	95	962
Additions	-	95	-	95
Disposals	-	(4)	-	(4)
Cost at 31 March 2023	107	851	95	1,053
Depreciation at 1 April 2022	107	693	95	895
Charge for the year	-	32	-	32
Disposals	-	(4)	-	(4)
Depreciation at 31 March 2023	107	721	95	923
Net book value at 31 March 2023	**0**	**130**	**0**	**130**
Net book value at 1 April 2022	**0**	**67**	**0**	**67**

Amortisation and depreciation charged has been allocated to charitable activities within support costs (note 6).

c. Net book value at 31 March 2023 represents fixed assets used by the Council in support of its charitable activities.

The Council's freehold properties in Cardiff, the Sherman Theatre and the Rubicon Dance Studio, are let on long leases at peppercorn rents to tenants which are not controlled by the Council and with no provisions either for reviewing the rents or repossession by the Council.

The Sherman Theatre was acquired by the Welsh Arts Council, a division of the Arts Council of Great Britain, in September 1987 at a cost of £897,000 and immediately let for a term of 125 years. At the dissolution of the Arts Council of Great Britain in March 1994 the freehold interest was transferred to the newly formed Arts Council of Wales.

The Rubicon Dance Studio was acquired by the Welsh Arts Council in February 1988 at a cost of £11,315 and subject to an existing lease for a term of 999 years commencing 1 January 1986. The freehold interest was transferred to the Arts Council of Wales in March 1994.

The most recent external and independent valuation of the Council's freehold properties was as at 31 March 2004. It was undertaken by Elizabeth Hill, a Member of the Royal Institute of Chartered Surveyors, for and on behalf of Cooke & Arkwright, Chartered Surveyors. Because of the impact of the leases it was the surveyor's opinion that the freehold interests had a nil or nominal value, so these assets are held in the accounts at nil value.

Council does not consider it necessary to undertake a further valuation until there is a significant reduction in the residual terms of the leases or earlier termination.

10. Debtors

	2022/23 £'000	2021/22 £'000
a. **Debtors:** falling due after more than one year		
Welsh Government - capital funding for redevelopment of Theatr Clwyd	8,570	-
	8,570	-
b. **Debtors:** falling due within one year		
Welsh Government – grant-in-aid	583	**300**
Welsh Government - capital funding for redevelopment of Theatr Clwyd	13,766	-
Welsh Government – other funds	394	**148**
Welsh Government – Cultural Recovery Funding	-	**462**
Collectorplan loans[1]	383	**479**
Trade debtors	119	**135**
Other debtors	924	**812**
	16,169	**2,336**
Deduct Specific provision for doubtful debts	-	-
Sub-total: Debtors	16,169	**2,336**
Prepayments	286	**199**
	16,455	**2,535**
Due from Lottery distribution fund for recharged costs:		
Cost apportionments	313	**227**
	16,768	**2,762**

[1] *Collectorplan* is the Council's interest-free loan scheme, available to the general public to support the purchase of contemporary works of art and crafts from participating galleries across Wales. Loans from £50 up to £5,000 are repaid by monthly instalments over a maximum period of 1 year.

11. Creditors

		2022/23 £'000	2021/22 £'000
a.	**Creditors**: falling due within one year		
	Grants payable - capital funding for redevelopment of Theatr Clwyd	13,766	-
	Grants payable - other	1,144	**1,280**
	Taxation and social security	118	**145**
	Trade creditors	148	**141**
	Other creditors	109	**130**
	Accruals and deferred income	249	**209**
		15,534	**1,905**
b.	**Creditors**: falling due after more than one year		
	Grants payable - capital funding for redevelopment of Theatr Clwyd	**8,570**	-
	Grants payable - other	**201**	**30**
		8,771	**30**

12. Contingent liability

The Council is an admitted employer of the Arts Council Retirement Plan 1994. The Plan is a funded, defined benefit, multi-employer scheme where the participating employers are unable to identify their shares of the underlying assets and liabilities.

In the event of the withdrawal of an employer, the debt triggered under section 75 of the Pensions Act 1995 would be calculated using the solvency shortfall of the entire Plan, not the employer's own asset share and liabilities. Also, in the event of Plan wind up, as the Plan is a "last man standing" arrangement all employers would be jointly and severally liable for the total shortfall in the Plan.

13. Statement of funds

	At 1 April 2022 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	At 31 March 2023 £'000
Unrestricted income funds					
General fund	666	32,777	(31,423)	(918)	1,102
Total unrestricted funds	**666**	**32,777**	**(31,423)**	**(918)**	**1,102**
Restricted funds					
Income					
Welsh Government for specific arts activity	20	26,216	(27,144)	912	4
CLTA Programme	1,520	2,031	(2,214)	-	1,337
Arts Council England (for Hynt)	71	-	(31)	1	41
Eirian Llwyd memorial awards	-	4	(4)	-	-
Natural Resources Wales (for Creative Nature)	-	65	(67)	2	-
National Centre for Learning Welsh	-	50	(28)	1	23
Wales Arts International activity	49	72	(54)	2	69
	1,660	28,438	(29,542)	918	1,474
Capital					
Alun Llywelyn Williams Memorial Fund (income to provide bursary for young artist)	13	-	-	-	13
Brian Ross Memorial Fund (income to provide bursary for young visual artist)	80	1	(12)	-	69
	93	1	(12)	-	82
Total restricted funds	**1,753**	**28,439**	**(29,554)**	**918**	**1,556**
Total funds	**2,419**	**61,216**	**(60,977)**	**0**	**2,658**

The Alun Llywelyn Williams and Brian Ross Memorial Funds are represented by cash at bank and are within the total of £1,491,000 shown on the Balance Sheet.

14. Analysis of net assets between funds

Fund balances at 31 March 2023 are represented by:	Unrestricted funds £'000	Restricted funds £'000	Total £'000
Fixed assets	134	-	**134**
Current assets	1,887	24,942	**26,829**
Creditors: falling due within one year	(886)	(14,648)	**(15,534)**
Creditors: falling after more than one year	(33)	(8,738)	**(8,771)**
Total net assets	**1,102**	**1,556**	**2,658**

15. Cash flow information

		2022/23 £'000	2021/22 £'000
a.	**Cash flows from operating activities**		
	Net incoming/(outgoing) resources	239	(47)
	Bank interest received (net of surrender)	(10)	0
	Amortisation and depreciation (note 9)	32	54
	(Increase)/Decrease in debtors	(22,576)	3,576
	Increase/(Decrease) in creditors falling due within one year	13,629	(3,417)
	Increase/(Decrease) in creditors falling due after more than one year	8,741	(3)
	Net cash inflow/(outflow) from operating activities	**55**	**163**
b.	**Cash flows from investing activities**		
	Bank interest received	18	0
	Bank interest surrendered to Welsh Consolidated Fund	(8)	0
	Net cash inflow from operating activities	**10**	**0**
c.	**Cash flows associated with capital assets**		
	Payments to acquire intangible fixed assets (note 9a)	(4)	0
	Payments to acquire tangible fixed assets (note 9b)	(95)	(54)
	Net cash inflow/(outflow) associated with capital assets	**(99)**	**(54)**

16. Commitments on operating leases

At 31 March 2023 the Council had the following commitments for future payments under non-cancellable operating leases:

	Land and buildings		Equipment	
Total due	2023 £'000	2022 £'000	2023 £'000	2022 £'000
within one year	144	123	2	0
later than one year and not later than five years	516	499	2	-
later than five years	106	233	-	-
	766	855	4	0

Lease payments of £155,000 have been recognised as an expense during the year (2021/22: £154,000). 51% (2021/22: 51%) of the costs are charged in these financial statements and the remainder to lottery distribution activities.

17. Forward commitments

	2023 £'000	2022 £'000
Grants		
Forward funding – grants formally offered	27,180	27,484

Forward funding at 31 March 2023 represents allocations to Arts Portfolio Wales organisations for 2023/24.

18. *Creative Learning through the Arts* Programme

The *Creative Learning through the Arts* Programme is designed to:

- improve educational attainment
- build an education system that will directly contribute to a stronger economy, greater innovation, greater creativity, and to the cultural capital of the nation
- bring about a step change in the range and quality of opportunities given to children and young people to engage with and learn about the arts and culture

The first phase, from 2015 to 2020, was funded by a joint investment of £20 million pounds from the Welsh Government in partnership with the Arts Council of Wales, working with the regional education consortia, schools, local authorities and the wider arts and cultural sector. The Programme requires the active involvement of artists, creative professionals and arts, culture and heritage organisations working in partnership with teachers and schools.

The programme was extended for two years from 2020 to 2022 and the Welsh Government has announced a further extension for another three years to 2025.

The Council's investment comes from Lottery funds. This, together with the Welsh Government's contribution and all Programme expenditure, is accounted for in these financial statements. This approach has been agreed with the Council's external auditors and the Department for Culture, Media & Sport.

	2022/23 £'000	2021/22 £'000
Income		
Welsh Government grant	1,000	978
Arts Council of Wales Lottery grant	1,000	750
Prior year grants repaid	0	12
Partnership income	22	-
Bank interest	10	0
	2,032	1,740
Expenditure		
Lead Creative Schools	1,642	718
Arts and education programme	3	20
Arts and creative learning cross-programme	14	37
Central management costs	555	444
	2,214	1,219

19. Financial instruments

Financial Reporting Standard 102 requires disclosure of the role which financial instruments have had during the period in creating or changing the risks the Council faces in undertaking its functions.

Liquidity risks – In 2022/23 £59,807,000 or 98% of the Council's income was derived from the Welsh Government (2021/22: £46,791,000 or 97%). Of the remaining income £1,000,000 or 1% was derived from the Arts Council of Wales' Lottery Distribution account for the *Creative Learning through the Arts* Programme (2021/22: £750,000 or 2%) and £409,000 or 1% was derived from investment income and sundry income (2021/22: £459,000 or 1%). The Council does not consider that its general activities are exposed to any significant liquidity risk and is satisfied that future income is sufficient to meet its commitments.

Interest rate risks – Cash balances which are drawn down from the Welsh Government to pay grant commitments and operating costs are held in instant access, variable rate bank accounts which on average carried an interest rate of 0.88% in the year (2021/22: 0.02%). The effective unrestricted cash balance at the year end was £279,000 (2022: £335,000). The Council does not consider that its general activities are exposed to significant interest rate risks.

Foreign currency risk – The general activities of the Council are not exposed to any significant foreign exchange risks.

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

Credit risk – The Council is not exposed to any significant credit risk as the majority of debtors relate to Welsh Government income.

20. Corporation Tax

The Council is a charitable Welsh Government sponsored body and as such is exempt from Corporation Tax under Section 505 ICTA 1988.

21. Events after the reporting period

Authorisation of these financial statements for issue

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

There were no material post balance sheet events up to the date on which the accounting statements were authorised by the Accounting Officer which would have meant that the accounts had to be adjusted.

22. Related party transactions

Public bodies

The Council is a Welsh Government sponsored body.

The Welsh Parliament/Welsh Government is regarded as a related party. During the year the Council had no material transactions with the Welsh Parliament/Welsh Government apart from the grant-in-aid disclosed in the Statement of Financial Activities and the restricted grants disclosed in note 3.

Individuals

Members of Council, Committees, staff or other related parties (being close family members) undertook financial transactions (listed below) with the Council 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 grants or other payments by the Council in 2022/23 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.

Under the Council's Code of Best Practice an interest is deemed to persist for a minimum period of one year after the individual has left the position which created the interest. This policy is reflected in the disclosures which follow.

Transactions with the Council as a Lottery distributor are recorded in the equivalent note to the separate Lottery Distribution Account.

Council members Role	Organisation	Transaction 2022/23 (number)	Total Value 2022/23 £	Total balance outstanding at 31 March 2023[1] £
Elen ap Robert				
Chair	National Eisteddfod of Wales	Grant (1)	15,000	15,000
Director	Welsh National Opera	Grant (2)	4,699,135	Nil
Lhosa Daly				
Employment	National Trust	Grant (1)	25,000	2,500
Devinda De Silva				
Board member	Dirty Protest	Grant (0) Invoice (3)	Nil 2,100	6,175 Nil
Board member	Disability Arts Cymru	Grant (2)	175,008	6,963
Employment	National Theatre Wales	Grant (2)	1,664,920	Nil
Andy Eagle				
Employment	Chapter	Grant (4) Invoice (3)	741,337 2,401	50,000 Nil
Kate Eden				
Council member	Aberystwyth University	Grant (3)	616,193	30,000
Ruth Fabby				
Employment (until December 2022)	Disability Arts Cymru	Grant (2)	175,008	6,963
Tafsila Khan				
Board member	Fio	Grant (0)	Nil	500
Panel member	National Theatre Wales	Grant (2)	1,664,920	Nil
Employment	Wales Millennium Centre	Grant (3)	3,966,792	Nil
Gwennan Mair				
Drama board member	National Eisteddfod of Wales	Grant (1)	15,000	15,000
Employment	Theatr Clwyd	Grant (4)	25,368,645	22,336,617
Victoria Provis				
Council member	University of Wales Trinity Saint David	Invoice (3)	203	Nil
Dafydd Rhys (Transactions while Council member up to August 2022)				
Employment (until August 2022)	Aberystwyth University	Grant (1)	550,686	Nil
Prue Thimbleby				
Employment	Swansea Bay Health Board	Grant (1)	25,000	27,500
Dr Sarah Younan				
Volunteer	Watch Africa Cymru	Grant (0)	Nil	1,000

Capital Committee members Role	Organisation	Transaction 2022/23 (number)	Total Value 2022/23 £	Total balance outstanding at 31 March 2023[1] £
Jayne Woods				
Council member	University of Wales Trinity Saint David	Invoice (3)	203	Nil

Senior Leadership Team members Role	Organisation	Payable Transaction 2022/23 (number)	Total Value 2022/23 £	Total balance outstanding at 31 March 2023[1] £
Diane Hebb				
Governor	Gwernyfed High School	Grant (1)	1,000	Nil
Dafydd Rhys **(Transactions while staff member from October 2022)**				
Former employment (until August 2022)	Aberystwyth University	Grant (2)	65,507	30,000
Lleucu Siencyn				
Former employment (until April 2022)	Literature Wales	Grant (2) Invoice (4)	818,788 3,100	31,407 Nil

[1] The total balance outstanding at the year-end may include amounts in respect of grants awarded in previous years but not yet paid.

Financial Statements
Lottery Distribution

Statement of Accounting Officer's responsibilities

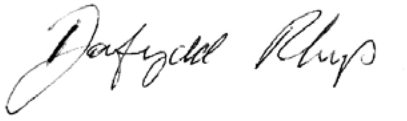
Under Section 35 of the National Lottery etc. Act 1993 (as amended) the Council is required to prepare for each financial year a statement of accounts for its Lottery distribution activities in the form and on the basis determined by the Secretary of State for Culture, Media & Sport. The accounts are 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, Statement of Financial Position 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 & 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;
- prepare the financial statements on a going concern basis; and
- confirm that the Report and Financial Statements as a whole is fair, balanced and understandable and take personal responsibility for the Report and Financial Statements and the judgements required for determining that it is fair, balanced and understandable.

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 Welsh Public Money* published by the Welsh Government and *Managing Public Money* published by HM Treasury.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the Council's auditor is aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.



Dafydd Rhys
Accounting Officer
20 October 2023

Endorsed on behalf of Council:

Maggie Russell
Chair
20 October 2023

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

Opinion on financial statements

I certify that I have audited the financial statements of the Arts Council of Wales Lottery Distribution Account for the year ended 31 March 2023 under the National Lottery etc Act 1993.

The financial statements comprise the Arts Council of Wales Lottery Distribution Account's

- Statement of Financial Position as at 31 March 2023;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted International Accounting Standards.

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 2023 and of its net expenditure for the year then ended; and
- have been properly prepared in accordance with the National Lottery etc Act 1993 and Secretary of State directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure 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.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2022)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2019*. I am independent of the Arts Council of Wales Lottery Distribution Account in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Arts Council of Wales Lottery Distribution Account's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Arts Council of Wales Lottery Distribution Account's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Arts Council of Wales Lottery Distribution Account is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

Other information

The other information comprises the information included in the Annual Report but does not include the financial statements nor my auditor's certificate and report. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the National Lottery etc Act 1993.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Secretary of State directions made under the National Lottery etc Act 1993; and
- the information given in the Performance Report and Operational Review and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Arts Council of Wales Lottery Distribution Account and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Operational Review and Accountability Report.

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 by the Arts Council of Wales Lottery Distribution Account or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Council and Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Arts Council of Wales and the Accounting Officer are responsible for:

- maintaining proper accounting records;
- providing the Comptroller and Auditor General (C&AG) with access to all information of which management is aware that is relevant to the preparation of the financial statements, such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Arts Council of Wales from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error;
- ensuring that the financial statements give a true and fair view and are prepared in accordance with Secretary of State directions made under the National Lottery etc Act 1993;
- ensuring that the annual report, which includes the Remuneration and Staff Report, is prepared in accordance with Secretary of State directions made under the National Lottery etc Act 1993; and
- assessing the Arts Council of Wales Lottery Distribution Account's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Arts Council of Wales Lottery Distribution Account will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the National Lottery etc Act 1993.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud, is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the Arts Council of Wales Lottery Distribution Account's accounting policies;
- inquired of management, the Arts Council of Wales's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Arts Council of Wales Lottery Distribution Account's policies and procedures on:
  - › identifying, evaluating and complying with laws and regulations;
  - › detecting and responding to the risks of fraud; and
  - › the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Arts Council of Wales Lottery Distribution Account's controls relating to the Arts Council of Wales Lottery Distribution Account's compliance with the National Lottery etc Act 1993, Managing Public Money and Managing Welsh Public Money;
- inquired of management, the Arts Council of Wales's head of internal audit and those charged with governance whether:
  - › they were aware of any instances of non-compliance with laws and regulations;
  - › they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Arts Council of Wales Lottery Distribution Account for fraud and identified the greatest potential for fraud in the following areas: posting of unusual journals, complex transactions, and bias in management estimates. In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Arts Council of Wales Lottery Distribution Account's framework of authority and other legal and regulatory frameworks in which the Arts Council of Wales Lottery Distribution Account operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Arts Council of Wales Lottery Distribution Account. The key laws and regulations I considered in this context included the National Lottery etc Act 1993, Managing Public Money, Managing Welsh Public Money, employment law, pensions legislation and tax legislation.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management and the Audit & Risk Assurance Committee concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Council and internal audit reports; and
- in addressing the risk of fraud through management override of controls, I tested the appropriateness of journal entries and other adjustments; assessed whether the judgements on estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members including internal specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

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.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies

Comptroller and Auditor General

23 October 2023

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

The maintenance and integrity of the Arts Council of Wales website is the responsibility of the Accounting Officer; the work carried out by auditors does not involve consideration of these matters and accordingly auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

The Arts Council of Wales

Lottery Distribution Account
Statement of Comprehensive Net Expenditure

for the year ended 31 March 2023

	Notes	2022/23 £'000	2022/23 £'000	2021/22 £'000	2021/22 £'000
Expenditure					
Management and administration:					
Staff costs	2a	1,362		1,219	
Other operating costs	2b	617		595	
			1,979		1,814
Expenditure on the arts:					
Grants made		15,333		20,918	
Less: Lapsed and revoked grants		(163)		(281)	
Net grants made	7		15,170		20,637
Delegated distributors	9		1,864		1,885
Other arts awards	3		60		60
Direct costs of grant making	2c		128		11
			17,222		22,593
Total expenditure			19,201		24,407
Income					
Share of proceeds from the National Lottery	4		17,681		18,078
Investment income on balances in the National Lottery Distribution Fund	4		355		25
Partnership income			260		100
Interest receivable			27		1
Grants recoverable			23		38
Total income			18,346		18,242
Total Comprehensive Expenditure for the year			(855)		(6,165)

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 161 to 172 form part of these financial statements.

The Arts Council of Wales

Lottery Distribution Account
Statement of Financial Position

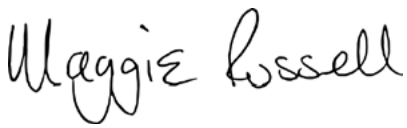
as at 31 March 2023

	Notes	31 March 2023 £'000	£'000	31 March 2022 £'000	£'000
Current assets:					
Financial assets:					
Investments – balance held in the National Lottery Distribution Fund	4	24,399		26,165	
Trade and other receivables	5	6		151	
Cash and cash equivalents	8	2,420		1,801	
Total current assets			26,825		28,117
Total assets			26,825		28,117
Trade payables and other current liabilities – amounts falling due within one year:					
Trade and other payables	6	(333)		(255)	
Other liabilities:					
Delegated distributors	6	(1,444)		(1,189)	
Grants	6,7	(16,875)		(16,078)	
Total payables and other current liabilities			(18,652)		(17,522)
Non-current assets plus net current assets			8,173		10,595
Trade payables and other non-current liabilities – amounts due after more than one year:					
Grants	7		(2,848)		(4,415)
Assets less liabilities			5,325		6,180
Equity/Reserves:					
Net Expenditure account			5,325		6,180

The notes on pages 161 to 172 form part of these financial statements.

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

Dafydd Rhys
Accounting Officer
20 October 2023



Maggie Russell
Chair
20 October 2023

The Arts Council of Wales

Lottery Distribution Account
Statement of Cash Flows

for the year ended 31 March 2023

	2022/23 £'000	2021/22 £'000
Cash flows from operating activities		
Net expenditure	(855)	(6,165)
Bank interest	(27)	(1)
Decrease/(Increase) in the balance held in the National Lottery Distribution Fund	1,766	(4,044)
Decrease in trade and other receivables	145	-
Increase in trade and other payables and other liabilities	333	261
(Decrease)/ Increase in grants payable	(770)	9,606
Net cash inflow/(outflow) from operating activities	592	(343)
Cash flows from investing activities		
Bank interest	27	1
Net cash inflow from investing activities	27	1
Cash and cash equivalents		
Net increase/(decrease) in cash and cash equivalent balances	619	(342)
Balance at 1 April	1,801	2,143
Balance at 31 March	2,420	1,801

Statement of Changes in Equity

for the year ended 31 March 2023

	2022/23 £'000	2021/22 £'000
Balance at beginning of year	6,180	12,345
Net expenditure for the year	(855)	(6,165)
Balance at end of year	5,325	6,180

The notes on pages 161 to 172 form part of these financial statements.

The Arts Council of Wales

Lottery Distribution Account
Notes forming part of the financial statements

for the year ended 31 March 2023

1. Accounting policies

a. **Basis of preparation**

These financial statements are prepared on a going concern basis and under the historical cost convention. They have been prepared in a form directed by the Secretary of State for Culture, Media & 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) as interpreted for the public sector context within the Government Financial Reporting Manual issued by HM Treasury.

IFRS 17 is a new accounting standard that sets out the principles for the recognition, measurement, presentation and disclosure of insurance contracts. It is generally effective from 1 January 2023.

Impact of standards not yet effective

The application of any new or amended IFRS is governed by their adoption by the Government Financial Reporting Manual. The Council applies changes to standards when they become effective. There are no known material impacts from IFRS changes that have been issued and are not yet effective on the financial statements in the period of initial application.

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. Delegation to external partners

The Council has fully operational delegation agreements in place with a number of bodies to act as lead organisations in the delivery of grant schemes. The statutory grant decision-making function is delegated to the bodies. The terms of the external delegation are set out in formal agreements and satisfy the conditions of the Council's Financial Directions. The obligations of the Council's Accounting Officer are unchanged by the delegation.

Annual sums delegated by the Council to the partners are recognised as expenditure in the Statement of Comprehensive Net Income/Expenditure. Funds are drawn down by the partners to meet grant commitments as they fall due. Undrawn funds at the year-end are included in the Statement of Financial Position as liabilities. Further details are disclosed in note 9.

f. National Lottery Distribution Fund

Balances held in the National Lottery Distribution Fund remain under the stewardship of the Secretary of State for Culture, Media & Sport. However, the share of these balances attributable to the Council is as shown in the accounts at amortised cost and, at the Statement of Financial Position date, has been certified by the Secretary of State for Culture, Media & Sport as being available for distribution by the Council in respect of current and future commitments.

g. 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 Plan is a funded, defined benefit, multi-employer scheme where the participating employers are unable to identify their shares 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 made payments to fund a deficit relating to past service. If further deficit payments are needed, following future revaluations, the Council will recognise a provision for the present value of contributions payable in accordance with the terms of any relevant funding agreement. A share of all contributions towards the deficit is charged to the Statement of Comprehensive Net Income/Expenditure.

The Council also has 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.

h. 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.

i. 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.

The apportionments are usually reviewed every two years and whenever there is a significant change to the staff structure or the programmes of activity.

j. 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 comprise 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. Staff costs	Permanently employed £'000	Other £'000	2022/23 Total £'000	2021/22 Total £'000
Wages and salaries charged to Lottery distribution activity	979	81	1,060	943
Social security costs	112	7	119	99
Other pension costs[1]	245	8	253	177
Agency costs	-	2	2	-
	1,336	98	1,434	1,219

[1] Including a lump sum payment of £56,550 towards the pension deficit in 2022/23 (2021/22: £Nil)

Charged to Management and administration	1,362	1,219
Charged to Expenditure on the arts (note 2c)	72	-
	1,434	1,219

More detailed disclosures are contained in the Remuneration and Staff Report.

b. Management and administration: Other operating costs	2022/23 £'000	2021/22 £'000
Staff related costs	73	58
Infrastructure	287	291
Office running costs	7	8
Professional and consultancy fees	99	77
Lottery promotion	25	29
Irrecoverable VAT	71	67
Charge for use of fixed assets	15	26
Auditor's remuneration – Audit[1]	26	23
Internal audit	12	16
Council and committee meetings, including travel and subsistence	2	0
	617	595

[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 but the average charge to Lottery activities was 49% (2021/22: 48%).

c. Expenditure on the arts: Direct costs of grant making	2022/23 £'000	2021/22 £'000
Assessors' fees	13	8
Irrecoverable VAT	3	2
Arts and Health	72	-
Men's Football World Cup	40	-
Resilience Fund support	-	1
	128	11

3. Other arts awards

	2022/23 £'000	2021/22 £'000
Unlimited awards in association with Arts Council England	60	90

4. National Lottery Distribution Fund

Distributing activities are funded by allotted proceeds from the National Lottery which are held in the National Lottery Distribution Fund (NLDF). The NLDF is administered by the Department for Culture, Media and Sport. The National Lottery operator calculates the proceeds on an annual basis as set out in the National Lottery Licence. Payments are made to the NLDF each week on the basis of actual sales and prizes. The percentages of proceeds receivable into the NLDF then payable to each lottery distributing body are set out in National Lottery etc. Act 1993 sections 22 and 23 as amended by Statutory Instrument 2010 No. 2863 'The Apportionment of Money in the National Lottery Distribution Fund Order 2010'. The Council receives 1% of total annual proceeds receivable into the NLDF and draws down the proceeds when needed.

	2022/23 £'000	2021/22 £'000
Balance held in the National Lottery Distribution Fund at 1 April	26,165	22,121
Allocation of Lottery proceeds	17,681	18,078
Investment income receivable	355	25
Drawn down in the year	(19,802)	(14,059)
Balance held in the National Lottery Distribution Fund at 31 March	24,399	26,165

The balance in the National Lottery Distribution Fund at 31 March 2032 is in accordance with the Interim Certificate issued by the Department for Culture, Media & Sport.

5. Trade and other receivables

	2022/23 £'000	2021/22 £'000
Grants recoverable	6	1
Other receivables	-	150
	6	151

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

	2022/23 £'000	2021/22 £'000
Trade and other payables:		
Trade payables	2	5
Due to the Arts Council of Wales General Activities account:		
for apportioned costs[1]	313	227
Accruals and deferred income	18	23
Sub-total: Trade and other payables	333	255
Other liabilities:		
Delegated distributors[2]	1,444	1,189
Grants (note 7)	16,875	16,078
Sub-total: Other liabilities	18,319	17,267
Total current liabilities	18,652	17,522

[1] The amount due to the Arts Council of Wales General Activities account is made up of:		
Recharges of apportioned costs		
– Staff	114	144
– Overheads	127	57
– Charge for use of assets	15	26
– Pension deficit lump sum	57	-
	313	227

[2] The Council has delegated Lottery funds (note 9) to the following distributors:		
Undrawn funds at 31 March		
– Ffilm Cymru Wales (for film)	1,425	1,152
– Literature Wales (for writers' bursaries)	19	31
– Nesta (for specific projects)	-	6
	1,444	1,189

7. Grants

	£'000 Capital	£'000 Revenue schemes	2022/23 £'000 Total	2021/22 £'000 Total
Payable at 1 April	9,143	11,350	20,493	10,887
Grants made in the year	330	15,003	15,333	20,918
Amounts not taken up	(3)	(160)	(163)	(281)
Charged to Statement of Comprehensive Net Income/Expenditure	327	14,843	15,170	20,637
Grants paid in the year	(1,999)	(13,941)	(15,940)	(11,031)
Payable at 31 March[1]	7,471	12,252	19,723	20,493
Falling due within one year	5,671	11,204	16,875	16,078
Falling due after more than one year	1,800	1,048	2,848	4,415
	7,471	12,252	19,723	20,493
[1] Ageing of grants payable:				
2022/23	-	-	-	16,078
2023/24	5,671	11,204	16,875	4,329
2024/25	1,800	924	2,724	86
2025/26	-	119	119	-
2026/27	-	5	5	-
	7,471	12,252	19,723	20,493

Grants approved but not formally offered at 31 March which are not recognised in the Statement of Comprehensive Net Income/Expenditure and Statement of Financial Position	10	-

8. Cash and cash equivalents

	2022/23 £'000	2021/22 £'000
The following balances at 31 March were held at:		
Commercial banks and cash in hand	2,420	1,801

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 *Horizons* £'000	**Literature Wales** for writers' bursaries £'000	**Tŷ Cerdd** for community & Welsh music £'000	**2022/23 Total** £'000	**2021/22 Total** £'000
Undrawn funds at 1 April (restated)	1,152	6	-	31	-	1,189	**973**
Delegated for the year	1,437	-	174	97	156	1,864	**1,885**
	2,589	6	174	128	156	3,053	**2,858**
Drawn down in the year	(1,164)	(6)	(174)	(109)	(156)	(1,609)	**(1,669)**
Undrawn funds at 31 March	1,152	-	-	19	-	1,444	**1,189**
Grants recorded as payable by the delegated distributors at 31 March	757	-	-	67	32	856	**1,162**

Full lists of the grants administered by the delegated distributors during 2022/23 are included in the annexes to this Annual Report.

10. Contingent asset

Sale of Olympic Park

The National Lottery Distributors are entitled to receive a share of receipts from the sale of land on Queen Elizabeth Olympic Park in return for their contribution of an additional £675m to the funding of the London 2012 Olympic and Paralympic Games. This was announced in 2007. The arrangements are set out in a legal agreement between the Secretary of State for Culture, Media & Sport and the Greater London Authority (GLA) dated 29 March 2012 which sets out the distribution of funds between the GLA and the Lottery Distributors via the Department for Culture, Media & Sport (DCMS). Land sales are likely to take place over a lengthy period, estimated to be up to 2036/37. The GLA has advised that sales are forecast to return less than £200m with payments to the Lottery Distributors beginning in 2026/27.

11. Events after the reporting period

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.

There were no material post balance sheet events up to the date on which the accounting statements were authorised by the Accounting Officer which would have meant that the accounts had to be adjusted.

12. 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 2022/23 £17,681,000 or 96.4% of the Council's Lottery distribution income was derived from the National Lottery (2021/22: £18,078,000 or 99.1%). Of the remaining income £355,000 or 1.9% was derived from investment returns from the balance held with the National Lottery Distribution Fund (2021/22: £25,000 or 0.14%) and £310,000 or 1.7% from other investment income and sundry income (2021/22: £139,000 or 0.80%). 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 instant access, variable rate bank accounts which on average carried an interest rate of 0.88% in the year (2021/22: 0.02%). The cash and cash equivalents balance at the year end was £2,420,000 (2022: £1,801,000). 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.

Credit risk – The Council is not exposed to any significant credit risk.

13. Related party transactions

Public bodies

The Council is a Welsh Government sponsored body.

The Welsh Parliament/Welsh Government is regarded as a related party and details of transactions with the Welsh Parliament/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 & Sport which is regarded as a related party. During the year the Council had no material transactions with them other than those shown in the Statement of Comprehensive Net Income/Expenditure.

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/Expenditure.

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 2022/23 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.

Under the Council's Code of Best Practice an interest is deemed to persist for a minimum period of one year after the individual has left the position which created the interest. This policy is reflected in the disclosures which follow.

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

Council members Role	Organisation	Payable Transaction 2022/23 (number)	Total Value 2022/23 £	Total balance outstanding at 31 March 2023[1] £
Elen ap Robert				
Chair	National Eisteddfod of Wales	Grant (2)	199,755	109,755
Director	Welsh National Opera	Grant (1)	25,000	2,500
Devinda De Silva				
Board member	Dirty Protest	Grant (1)	4,000	65,035
Board member	Disability Arts Cymru	Grant (0)	Nil	22,251
Employment	National Theatre Wales	Grant (1)	500	Nil
Andy Eagle				
Employment	Chapter	Grant (2)	9,900	64,132
Kate Eden				
Council member	Aberystwyth University	Grant (3)	101,625	34,237
Ruth Fabby				
Employment (until December 2022)	Disability Arts Cymru	Grant (0)	Nil	22,251
Board member	Unlimited	Invoice (1)	60,000	Nil
Tafsila Khan				
Board member	Fio	Grant (5)	186,829	179,052
Panel board member	National Theatre Wales	Grant (1)	500	Nil
Board member	Taking Flight	Grant (4) Invoice (2)	427,362 500	335,272 Nil
Gwennan Mair				
Drama board member	National Eisteddfod of Wales	Grant (2)	199,755	109,755
Employment	Theatr Clwyd	Grant (1)	46,193	5,026,636
Victoria Provis				
Council member	University of Wales Trinity Saint David	Grant (4)	101,675	194,675
Dafydd Rhys (transactions while Council member up to August 2022)				
Employment (until August 2022)	Aberystwyth Arts Centre	Grant (1)	80,000	16,000
Prue Thimbleby				
Employment	Swansea Bay Health Board	Grant (3)	28,600	34,465

Capital Committee members Role	Organisation	Payable Transaction 2022/23 (number)	Total Value 2022/23 £	Total balance outstanding at 31 March 2023[1] £
Ruth Cayford				
Employment	Cardiff Council (St David's Hall)	Grant (2)	162,169	134,170
Roland Evans				
Employment	Gwynedd Council	Grant (1)	19,045	19,045
Jayne Woods				
Council member	University of Wales Trinity Saint David	Grant (4)	101,675	194,675

Senior Leadership Team members Role	Organisation	Payable Transaction 2022/23 (number)	Total Value 2022/23 £	Total balance outstanding at 31 March 2023[1] £
Dafydd Rhys (transactions while staff member from October 2022)				
Former employment (until August 2022)	Aberystwyth University	Grant (2)	21,625	1,163
Lleucu Siencyn				
Former employment (until April 2022)	Literature Wales	Grant (1)	5,000	Nil

[1] The total balance outstanding at the year-end may include amounts in respect of grants awarded in previous years but not yet paid.

Annexes

not forming part of the financial statements

General Activities – Grants 2022/23

Core funding to Arts Portfolio Wales organisations	
Aberystwyth Arts Centre	£550,686
Arad Goch	£355,964
Artes Mundi Prize	£151,834
Artis Community Cymuned	£205,192
Arts Care Gofal Celf	£136,393
Arts Connection - Cyswllt Celf	£66,910
Ballet Cymru	£258,979
BBC National Orchestra of Wales	£826,199
Blackwood Miners Institute	£132,760
Canolfan Gerdd William Mathias	£82,351
Canolfan Ucheldre Centre	£77,204
Chapter	£674,591
Community Music Wales	£108,085
Cwmni'r Frân Wen	£239,110
Dawns i Bawb	£87,497
Disability Arts Cymru	£169,746
Eleni Dance	£77,499
Ffotogallery	£204,691
g39	£72,057
Galeri Caernarfon	£324,512
Glynn Vivian Art Gallery	£128,672
Hafren	£109,814
Head4Arts	£154,407
Hijinx Theatre	£159,761
Impelo	£115,549
Jukebox Collective	£172,057
Literature Wales	£761,685
Live Music Now Wales	£46,322
Llantarnam Grange Arts Centre	£87,497
Mid Wales Opera	£107,056
Mission Gallery	£97,791
MOSTYN	£399,398
Music Theatre Wales	£224,662
National Dance Company Wales	£856,012
National Theatre Wales	£1,648,436

Core funding to Arts Portfolio Wales organisations	
NoFit State Community Circus	£199,700
Oriel Davies Gallery	£229,654
Oriel Myrddin	£48,381
Peak Cymru	£79,656
Pontardawe Arts Centre	£64,850
Pontio Arts	£287,447
Rhondda Cynon Tâf County Borough Council	£154,767
The Riverfront Theatre and Arts Centre - Newport Live	£128,672
Rubicon Dance	£199,700
Ruthin Craft Centre	£399,398
Sherman Theatre	£1,155,459
Sinfonia Cymru	£223,524
Taliesin Arts Centre	£225,660
Tanio	£179,730
Theatr Bara Caws	£287,124
Theatr Brycheiniog	£199,700
Theatr Clwyd	£1,850,144
Theatr Felinfach	£61,763
Theatr Genedlaethol Cymru	£1,056,505
Theatr Iolo	£263,467
Theatr Mwldan	£274,889
Theatr na nÓg	£324,363
Torch Theatre Company	£459,310
trac Cymru	£82,351
Tŷ Cerdd	£209,877
Valleys Kids	£125,585
Volcano Theatre Company	£214,678
Wales Millennium Centre	£3,930,487
Welsh National Opera	£4,652,609
Ystradgynlais Miners Welfare and Community Hall	£42,698
Total Arts Portfolio Wales grants	**£27,483,527**

Cost-of-living support to Arts Portfolio Wales organisations	
Aberystwyth Arts Centre	£5,507
Arad Goch	£11,035
Artes Mundi Prize	£4,707
Artis Community Cymuned	£6,361
Arts Care Gofal Celf	£4,228
Arts Connection - Cyswllt Celf	£2,074
Ballet Cymru	£8,028
BBC National Orchestra of Wales	£8,262
Blackwood Miners Institute	£4,116
Canolfan Gerdd William Mathias	£2,553
Canolfan Ucheldre Centre	£2,393
Chapter	£6,746
Community Music Wales	£3,351
Cwmni'r Frân Wen	£7,412
Dawns i Bawb	£2,712
Disability Arts Cymru	£5,262
Eleni Dance	£2,402
Ffilm Cymru Wales	£14,366
Ffotogallery	£6,345
g39	£2,234
Galeri Caernarfon	£10,060
Glynn Vivian Art Gallery	£3,989
Hafren	£3,404
Hijinx Theatre	£4,953
Impelo	£3,582
Jukebox Collective	£5,334
Live Music Now Wales	£1,436
Llantarnam Grange Arts Centre	£2,712
Mid Wales Opera	£3,319
Mission Gallery	£3,032
MOSTYN	£12,381
Music Theatre Wales	£6,965
National Dance Company Wales	£8,560
National Theatre Wales	£16,484
National Youth Arts Wales	£11,137
NoFit State Community Circus	£6,191

Cost-of-living support to Arts Portfolio Wales organisations	
Oriel Davies Gallery	£7,119
Oriel Myrddin	£1,500
Peak Cymru	£2,469
Pontardawe Arts Centre	£2,010
Pontio Arts	£8,911
Rhondda Cynon Tâf County Borough Council	£4,798
The Riverfront Theatre and Arts Centre - Newport Live	£3,989
Rubicon Dance	£6,191
Ruthin Craft Centre	£12,381
Sherman Theatre	£11,555
Sinfonia Cymru	£6,929
Tanio	£5,572
Theatr Bara Caws	£8,901
Theatr Brycheiniog	£6,191
Theatr Clwyd	£18,501
Theatr Genedlaethol Cymru	£10,565
Theatr Iolo	£7,904
Theatr Mwldan	£8,522
Theatr na nÓg	£10,055
Torch Theatre Company	£14,239
trac Cymru	£2,553
Tŷ Cerdd	£6,506
Valleys Kids	£3,893
Volcano Theatre Company	£6,655
Wales Millennium Centre	£36,305
Welsh National Opera	£46,526
Ystradgynlais Miners Welfare and Community Hall	£1,324
Total Arts Portfolio Wales cost-of-living support	**£475,697**

Creative Learning through the Arts Programme

Lead Creative Schools	
Abbey Primary School	£4,000
Abercanaid Community School	£720
Aberdare Community School	£150
Aberdare Park Primary School	£10,000
Abermule Primary School	£874
Abersychan School (2 awards)	£2,000
Abertillery Secondary 3-16 campus	£900
Adamsdown Primary School	£1,000
Afon Tâf High School	£306
All Saints School, Gresford	£1,000
Alway Primary School	£10,000
Archdeacon Griffiths CIW VA Primary School	£288
Bishop Gore School	£1,000
Bishop Hedley High School (2 awards)	£11,000
The Bishop of Llandaff High School	£625
Bishop Vaughan Catholic School (2 awards)	£2,000
Bishopston Comprehensive School	£4,000
Black Lane County Primary	£950
Blaengarw Primary School	£638
Blaenymaes Primary School (3 awards)	£1,044
Bryn Deri Primary (2 awards)	£2,633
Bryn Teg Community Primary School	£1,000
Bryncelynnog Comprehensive School	£792
Brynmawr Foundation School (3 awards)	£3,000
Brynteg School	£1,000
Builth Wells Primary School	£727
Buttington Trewern County Primary School (2 awards)	£1,500
Bwlchgwyn CP School (2 awards)	£1,535
Cadoxton Primary School	£400
Caerleon Comprehensive School	£540
Caersws Community Primary School	£540
Cantonian High School	£2,000
Caradog Primary School	£10,000
Carreghofa County Primary School (2 awards)	£10,520
Cefn Fforest Primary	£4,000
Cefneithin CP School	£10,000
Christ the King Primary School (2 awards)	£10,126
Christchurch CP School	£4,000
Clydach Primary School	£900
Coed Eva Primary School	£2,000

Lead Creative Schools	
Coed Glas Primary School	£2,000
Coedcae School	£200
Coedylan Primary School	£2,000
Coleg Cymunedol y Dderwen	£500
Creativity, Culture & Education	£25,000
Creunant Primary School	£388
Crindau Primary (2 awards)	£3,000
Crownbridge School	£959
Cwmbran High School	£5,000
Cwmcarn Primary School	£10,000
Cwmffrwdoer Primary School	£10,000
Danygraig Primary School (2 awards)	£1,450
Deri View Primary School	£10,000
Edwardsville Primary School	£1,000
Elfed High School	£945
Evenlode C.P. School	£10,000
Fairwater Primary School	£1,000
Fenton Community Primary School	£1,000
Forden Church in Wales School (2 awards)	£717
Franksbridge Primary School (3 awards)	£1,695
Froncysyllte CP School	£10,000
Garth CP School	£10,000
Gelli Primary School (2 awards)	£5,000
Gelliswick V.C. Primary School	£10,000
Glyn Gaer Primary School	£1,000
Greenhill Special School	£749
Gwernyfed High School	£1,000
Gwernymynydd CP	£10,000
Haverfordwest High School	£1,000
Hawarden Village Church School	£4,000
High Street Primary School	£540
Holton Primary School	£2,000
Idris Davies School 3 - 18	£1,000
The John Frost School (2 awards)	£2,792
Johnstown Primary School	£234
Jubilee Park Primary School (2 awards)	£11,000
Kitchener Primary School (2 awards)	£2,000
Leighton CP School (2 awards)	£1,055
Lewis School Pengam	£1,000
Llanbister CP School	£2,000
Llandeilo CP School	£10,000
Llandrindod Wells Church in Wales Primary School	£972
Llanfaes Community Primary School (3 awards)	£10,753

Lead Creative Schools	
Llanfair Primary	£2,000
Llanfechain Church in Wales Primary School (2 awards)	£10,810
Llangatwg Community School	£100
Llangedwyn School	£10,000
Llanilltud Faerdref Primary School	£1,000
Llanishen High School	£589
Llanmiloe CP School	£10,000
Llansannor and Llanharry CinW Primary School	£4,000
Llantwit Major School (2 awards)	£2,518
Llanwern High School	£5,500
Machen Primary School	£594
Madras VA Primary School (3 awards)	£2,615
The Maelor School (2 awards)	£5,000
Maesglas Primary School	£10,000
Maesteg Comprehensive School	£1,000
Maesyrhandir CP School	£729
Maindee Primary School	£2,000
Malpas Court Primary School	£10,000
Milford Haven School	£990
Miskin Primary School	£1,000
Model Church In Wales Primary School	£1,000
Montgomery Church in Wales School	£700
Moorland Primary School	£10,000
Morriston Primary School	£4,000
Mount Street Infant and Nursery School	£1,000
Mount Stuart Primary School	£1,000
Mountain Lane CP School	£10,000
Nant Celyn Primary School	£10,000
Newbridge on Wye Church in Wales School (2 awards)	£2,900
Newport High School	£360
Oak Field Primary School	£4,000
Our Lady and St Michael's R.C. Primary School	£4,000
Pantside Primary School	£1,000
Pembrey Primary School	£1,000
Pentre'r Graig Primary School	£990
Penybont Primary School	£445
Penyrheol Primary School	£10,000
Penywaun Primary School	£10,000
Peter Lea Primary School	£1,000
Pil Primary School	£2,000
Presteigne Primary School	£684
Priory Church in Wales School (2 awards)	£1,872
Pwll CP School	£10,000

Lead Creative Schools	
Queen Elizabeth High School	£1,000
Queensferry CP School	£1,000
Radnor Primary School (2 awards)	£11,000
Radyr Comprehensive School (2 awards)	£1,405
Radyr Primary School	£10,000
Raglan VC Church in Wales Primary School	£10,000
Rhayader Church in Wales Primary School	£1,000
Rhiw Syr Dafydd Primary School (2 awards)	£11,000
Rhos Primary School	£4,000
Rhydyfro Primary School	£10,000
Ringland Primary	£275
Risca community comprehensive school	£540
Roath Park Primary School	£2,000
The Rofft School	£1,000
Romilly Primary School	£2,000
Severn Primary School	£1,000
Shirenewton Primary School	£621
Sketty Primary	£10,000
Springwood Primary School	£900
St Cenydd Community School	£1,000
St Christopher's School	£900
St David's Church in Wales	£4,000
St David's Church in Wales Primary School	£315
St David's R.C. Primary School	£4,000
St Gabriel's and Raphael's R.C Primary School	£210
St Gwladys Bargoed (2 awards)	£1,800
St Helen's RC Primary School	£2,000
St Illtyd's Catholic High School (2 awards)	£1,473
St Illtyd Primary School	£500
St Joseph's RC Cathedral School	£2,000
St Joseph's RC High School	£2,000
St Joseph's Roman Catholic Primary School	£2,000
St Julian's Infants School	£1,000
St Julian's School	£1,000
St Mark's V A School	£1,000
St Mary's and St Patrick's Catholic Primary (2 awards)	£5,000
St Mary's Catholic Campus, Blessed Carlo Acutis Primary School	£400
St Mary's Catholic School	£1,000
St Mary's Church in Wales Primary School	£10,000
St Mary's RC School	£10,000
St Mellons Church Wales Primary School	£2,000
St Michael's	£10,000
St Michael's (CiW) Primary School	£783

Lead Creative Schools	
St Michael's R.C. Primary School	£4,000
St Monica's Church in Wales Primary School	£984
St Padarn's Catholic Pimary School	£180
St Patrick's RC Primary School	£2,000
St Peter's Primary School (3 awards)	£21,000
St Philip Evans Catholic Primary School	£2,000
Sully Primary School	£750
Tir-y-berth Primary School (2 awards)	£5,000
Tonnau Primary School	£585
Tonyrefail Community School	£513
Torfaen Pupil Referral Unit	£10,000
Townhill Community Primary School	£615
Tredegar Park Primary School (2 awards)	£5,000
Tredegarville Primary School	£2,000
Trellech Primary School	£800
Treorchy Comprehensive School	£350
Treowen C.P. School	£1,000
Troedyrhiw Community Primary School	£1,000
Tŷ Ffynnon Primary School	£10,000
Tŷ Gwyn Education Centre	£2,000
Tyn y Wern Primary (3 awards)	£6,000
Tynewydd Primary School	£2,000
Victoria Primary School (2 awards)	£11,000
White Rose Primary School	£1,000
Williamstown Primary School	£510
Willows High School	£99
Windsor Clive Primary School	£4,000
Woodlands Community Primary School	£1,000
Woodlands High School	£1,000
Y Bont Faen Primary (2 awards)	£5,000
YGG Pontybrenin	£792
Ynysboeth Junior School	£2,000
Ynystawe Primary School	£594
Ysgol Aberconwy	£2,000
Ysgol Acrefair	£2,000
Ysgol Betws	£320
Ysgol Bodhyfryd	£2,000
Ysgol Borth y Gest	£580
Ysgol Botwnnog	£184
Ysgol Bro Aled	£10,000
Ysgol Bro Cinmeirch	£666
Ysgol Bro Hyddgen (3 awards)	£2,025
Ysgol Bryn Alyn	£1,000

Lead Creative Schools	
Ysgol Bryn Gwalia (2 awards)	£11,000
Ysgol Brynaerau	£408
Ysgol Brynhafren CP School	£554
Ysgol Caer Nant	£1,000
Ysgol Calon Cymru (4 awards)	£12,720
Ysgol Calon Y Dderwen	£1,000
Ysgol Capelulo	£1,000
Ysgol Cefn Meiriadog	£1,000
Ysgol Cerrig y drudion	£10,000
Ysgol Ciliau Parc	£435
Ysgol Craig y Deryn	£1,000
Ysgol Cwm Banwy, Ysgol yr Eglwys yng Nghymru	£4,000
Ysgol David Hughes	£1,000
Ysgol Dolafon	£324
Ysgol Dyffryn Conwy	£2,000
Ysgol Dyffryn Dulas Corris	£964
Ysgol Dyffryn Nantlle	£657
Ysgol Dyffryn Taf	£900
Ysgol Dyffryn Trannon	£747
Ysgol Edern	£384
Ysgol Ffordd Dyffryn	**£10,000**
Ysgol Friars (2 awards)	£3,000
Ysgol Gellifor	£4,000
Ysgol Gellionnen	£1,000
Ysgol Glan Morfa	£10,000
Ysgol Golwg Y Cwm	£1,000
Ysgol GWR Cilgerran	£10,000
Ysgol Gyfun Aberaeron	£900
Ysgol Gyfun Cwm Rhondda	£265
Ysgol Gyfun Cwm Rhymni	£2,000
Ysgol Gyfun Emlyn (2 awards)	£1,369
Ysgol Gyfun Gwynllyw	£5,000
Ysgol Gyfun Gwyr	£198
Ysgol Gyfun Rhydywaun	£293
Ysgol Gyfun Tredegar Comprehensive School	£300
Ysgol Gyfun Ystalyfera	£135
Ysgol Gymraeg Aberystwyth (2 awards)	£2,000
Ysgol Gymraeg Bro Eirwg	£912
Ysgol Gymraeg Bro Morgannwg	£405
Ysgol Gymraeg Bryn Y Mor	£10,000
Ysgol Gymraeg Caerffili	£891
Ysgol Gymraeg Casnewydd (2 awards)	£1,900
Ysgol Gymraeg Coed y Gof (2 awards)	£10,810

Lead Creative Schools	
Ysgol Gymraeg Cwm Derwen	£4,000
Ysgol Gymraeg Cwmbran (2 awards)	£5,000
Ysgol Gymraeg Glanrafon	£650
Ysgol Gymraeg Gwaun y Nant	£485
Ysgol Gymraeg Lôn Las	£10,000
Ysgol Gymraeg Penalltau	£10,000
Ysgol Gymraeg Sant Baruc	£4,000
Ysgol Gymraeg Sant Curig	£10,000
Ysgol Gymraeg Y Fenni	£1,000
Ysgol Gymraeg Ystalyfera Bro Dur	£540
Ysgol Gymuned y Fali	£10,000
Ysgol Gynradd Beaumaris	£750
Ysgol Gynradd Bethel	£10,000
Ysgol Gynradd Carno (2 awards)	£4,900
Ysgol Gynradd Gymraeg Abercynon	£292
Ysgol Gynradd Gymraeg Aberdare	£932
Ysgol Gynradd Gymraeg Calon y Cymoedd (2 awards)	£4,371
Ysgol Gynradd Gymraeg Llwyncelyn (2 awards)	£2,720
Ysgol Gynradd Gymraeg Pontardawe (2 awards)	£3,000
Ysgol Gynradd Gymraeg Rhyd Y Grug (2 awards)	£648
Ysgol Gynradd Gymunedol Llechryd (2 awards)	£2,720
Ysgol Gynradd Llanddarog (2 awards)	£540
Ysgol Gynradd Llanilar	£10,000
Ysgol Gynradd Llanrug	£1,000
Ysgol Gynradd Rhosgadfan	£10,000
Ysgol Gynradd Y Talwrn (2 awards)	£10,417
Ysgol Hamadryad (2 awards)	£10,745
Ysgol Henry Richard	£864
Ysgol Heulfan	£1,000
Ysgol Llanbrynmair (2 awards)	£4,360
Ysgol Llandegfan	£1,000
Ysgol Llanhari	£247
Ysgol Maes y Coed	£2,000
Ysgol Maes y Felin	£4,000
Ysgol Maes y Mynydd	£2,000
Ysgol Merllyn	£10,000
Ysgol Morgan Llwyd	£1,000
Ysgol Nantgwyn	£1,000
Ysgol Panteg	£1,000
Ysgol Parc Y Bont	£830
Ysgol Pen Barras	£1,000
Ysgol Pen Rhos Community Primary School	£1,000
Ysgol Pen y Garth	£10,000

Lead Creative Schools	
Ysgol Pen y Groes	£200
Ysgol Pen y Pil	£913
Ysgol Penderyn	£400
Ysgol Penmaes	£10,000
Ysgol Pennant	£1,000
Ysgol Penrhyn New Broughton CP (2 awards)	£1,900
Ysgol Pentreuchaf	£10,000
Ysgol Penygelli	£1,000
Ysgol Penysarn (2 awards)	£10,891
Ysgol Plas Coch	£885
Ysgol Pob Oed Caer Elen (2 awards)	£10,325
Ysgol Ponthenri	£750
Ysgol Pontrobert	£10,000
Ysgol Porth y Felin	£2,000
Ysgol Reoledig Llanfair Dyffryn Clwyd	£10,000
Ysgol Rhiw-Bechan	£10,000
Ysgol Rhos Helyg	£378
Ysgol Sant Dunawd	£10,000
Ysgol Santes Tudful	£900
Ysgol T Llew Jones	£900
Ysgol Tir Morfa (2 awards)	£1,990
Ysgol Treferthyr	£534
Ysgol Treffynnon	£1,000
Ysgol Treganna (2 awards)	£2,750
Ysgol Tudweiliog (3 awards)	£11,130
Ysgol Twm or Nant	£1,000
Ysgol Wat's Dyke	£4,000
Ysgol Waunfawr (3 awards)	£2,325
Ysgol Y Bannau (3 awards)	£11,229
Ysgol Y Castell	£900
Ysgol Y Dderi	£368
Ysgol y Dderwen	£10,000
Ysgol y Faenol	£10,000
Ysgol y Ffridd	£314
Ysgol y Foryd (2 awards)	£4,612
Ysgol y Llan (2 awards)	£1,990
Ysgol Y Mynydd Du	£10,000
Ysgol y Preseli	£2,000
Ysgol Y Waen	£10,000
Ysgol-Y-Graig Primary School (2 awards)	£2,000
Total Creative Learning through the Arts grants	**£1,219,788**

Strategic awards

Welsh Government strategic funding	
National Youth Arts Wales	£200,00
	£200,000

Venice Biennale of Arts	
Farah Allibhai	£15,125
Phoebe Davies	£15,600
Paul Eastwood	£17,600
Heledd Evans	£16,350
Rebecca Jagoe	£15,880
Rhiannon Lowe	£15,000
Cynthia MaiWa Sitei	£15,000
Owain McGilvary	£15,000
Cinzia Mutigli	£15,000
Jennifer Taylor	£15,000
	£155,555

Memorial awards	
Adam Charlton	£3,000
Erin Donnelly	£3,000
Sarah Garvey	£2,500
Elena Grace	£3,000
Rebecca Hardy-Griffith	£1,250
Acab Shimidzu	£3,000
	£15,750

Welsh Government Capital awards	
Flintshire County Council (for redevelopment of Theatr Clwyd)	£23,500,000
Cwmni'r Frân Wen	£200,000
Pontypridd YMCA	£250,000
Borough Theatre Abergavenny	£100,000
Tabernacl (Bethesda)	£50,000
	£24,100,000

Arts Development	
Arts & Business Cymru	£50,000
Ffilm Cymru Wales	£4,000
Literature Wales	£57,103
The National Trust	£25,000
	£136,103

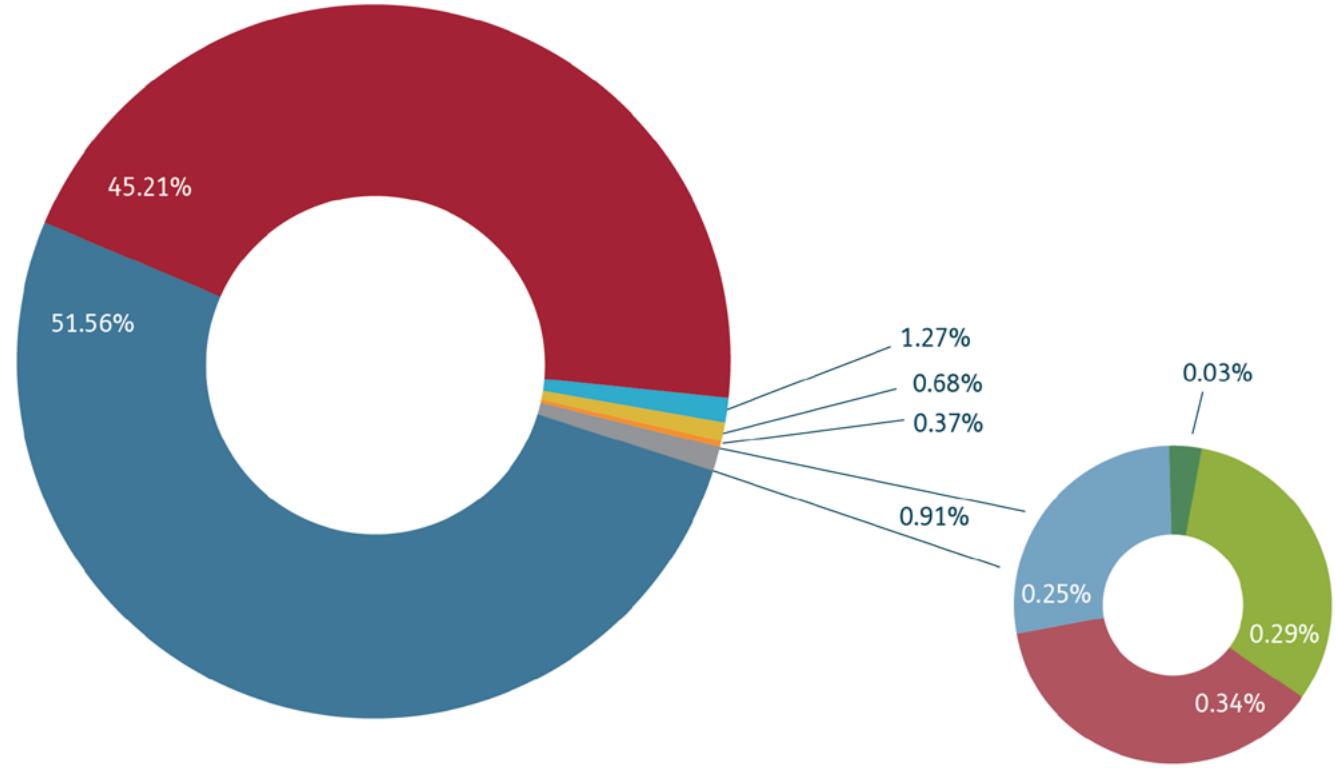
Arts Engagement	
Aberystwyth Arts Centre	£60,000
Artes Mundi Prize	£60,000
Chapter	£60,000
Llantarnam Grange Arts Centre	£60,000
Oriel Myrddin	£60,000
Ways of Working	£60,000
	£360,000

Arts, Health and Wellbeing	
Aneurin Bevan University Health Board	£25,000
Engage Cymru	£30,600
Hywel Dda University Health Board	£25,000
Powys Teaching Health Board	£25,000
Swansea Bay University Health Board	£25,000
WAHWN	£49,660
	£180,260

Wales Arts International	
Georgina Biggs	£11,800
Gareth Bonello	£5,625
Veronica Calarco	£7,500
Cambridge Folk Festival	£6,000
Gareth Clark	£3,310
Dublin Fringe Festival	£4,900
Eisteddfod Genedlaethol Cymru	£12,381
Ffotogallery	£7,500
Fluxus Art Projects	£20,000
Focus Wales (2 awards)	£40,000
Ailsa Mair Fox	£1,000
David Garner	£400
Hay Festival of Literature and the Arts	£15,000
Head4Arts	£2,674
Dylan Huw	£5,000
Chembo Liandisha	£2,875
National Dance Company Wales	£5,700
Prestatyn and Meliden Community Action Group	£4,840
Sahar Saki	£1,000
Abby Sohn	£1,000
Tabernacl (Bethesda)	£10,000
Tŷ Cerdd	£15,250
Siri Wigdel	£7,500
Iola Ynyr	£5,000
	£196,255

Total Strategic awards	£25,819,620
Total Grants Offered	**£54,522,935**

General Activities Grants by Type



- Arts Portfolio Wales core funding
- Arts Engagement
- Wales Arts International
- Welsh Government capital awards for theatres
- Welsh Government strategic awards
- Memorial awards
- Arts Development
- Arts, Health and Wellbeing
- Venice Biennale of Art

What did our grants support?

	Value of grants		No of grants
Grants to support Arts Portfolio Wales:			
Theatres & arts centres	£7,178,737	13.17%	16
Theatre production & presentation	£6,831,417	12.53%	8
Opera	£4,984,327	9.14%	3
Visual & applied arts	£1,819,373	3.34%	10
Dance	£1,767,293	3.24%	7
Music	£1,470,624	2.70%	6
Arts & young people	£1,182,904	2.17%	4
Community arts	£1,117,721	2.05%	9
Literature	£761,685	1.40%	1
Circus & carnivals	£199,700	0.37%	1
Disability arts	£169,746	0.31%	1
Creative Learning through the Arts	£1,219,788	2.24%	423
Other grants:			
Strategic awards	£25,819,620	47.36%	126
	£54,522,935		**615**

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 2022/23

net of offers not taken up or withdrawn

Grants to organisations

Capital grants	
Pontardawe Arts Centre	£300,000
The Riverfront Theatre and Arts Centre - Newport Live	£30,000
	£330,000

Business Development – Open Lottery	
Articulture	£97,285
Artis Community Cymuned	£10,000
Arts Active Trust	£50,000
Arts & Business Cymru (2 awards)	£100,000
Avant Cymru	£11,050
Ballet Cymru	£48,493
The British School at Rome	£49,938
Cardiff M.A.D.E. C.I.C.	£49,980
CARN	£49,851
Chinese in Wales Association	£51,960
Citrus Arts (2 awards)	£51,220
Eternal Community Media	£10,458
Fflamingo CIC	£49,602
Forte Projects	£50,000
From the Fields	£49,000
Hay Festival Foundation	£49,348
Humans Move	£12,020
Jones the Dance	£10,250
Music @ Aber	£29,601
National Youth Arts Wales	£8,500
Oriel Myrddin Trust	£49,300
Ransack Dance Company	£9,900
Rubicon Dance	£34,254
Sound Progression	£10,000
Tin Shed Theatre Co.	£10,000
Tŷ Cerdd	£45,650
	£997,660

Business Development – Capacity Building	
Creu Cymru	£51,500
Mercator: Wales Literature Exchange	£95,000
	£146,500

Commissioning, Making and Presenting – Create	
Abergavenny Writing Festival C.I.C.	£12,562
Aberjazz	£16,000
Aberystwyth Arts Centre	£80,000
Arad Goch	£115,000
Arcade Campfa	£48,396
August 012 Limited (2 awards)	£15,000
Avant Cymru	£24,609
Ayan Music Wales	£9,626
Bangor New Music Festival Society	£9,975
Bangor University	£9,963
Black RAT Productions Ltd	£26,000
Bombastic	£50,000
Bryngwran Cymunedol Ltd	£1,000
Butetown Arts and Culture Association	£10,000
Canolfan a Menter Gymraeg Merthyr Tudful	£1,500
CARPET Spoken Word (2 awards)	£20,000
Cathays and Central Youth and Community Project	£47,730
CB4 Theatre	£4,650
Change Wrexham for our Future	£10,000
Chapter Cardiff	£9,900
Chippy Lane Productions	£51,600
Citrus Arts	£40,002
Clwb Ifor Bach	£2,000
The Coach	£1,000
Common Wealth (2 awards)	£38,021
Company of Sirens (2 awards)	£30,900
Contemporancient Theatre CIC	£7,000
Cosmic Music	£8,200
Cowbridge Music Festival	£35,000
Cwmni Pendraw	£50,000
Cwmni'r Frân Wen (2 awards)	£309,500
CWRW Ltd	£1,000
Dirty Protest Theatre	£4,000
EA Productions	£10,000
Eisteddfod Genedlaethol Cymru (2 awards)	£199,755
Elysium Gallery	£94,509
Expo'r Wal Goch (2 awards)	£11,500
Familia de la Noche (2 awards)	£54,780
Fio (2 awards)	£77,262
Fishguard and West Wales International Music Festival	£50,000

Commissioning, Making and Presenting – Create	
Flossy and Boo Ltd	£46,716
Focus Wales (2 awards)	£61,000
g39	£72,500
Galerie Simpson Artists	£167,460
Grand Ambition (2 awards)	£74,556
Grass Under Foot	£9,295
Gravida Collective	£50,000
Green Man Trust Ltd	£77,989
Gŵyl Beaumaris Festival (2 awards)	£30,000
Gŵyl Crime Cymru Festival	£10,000
Haywire Theatre (2 awards)	£19,349
Yr Heliwr Nefyn	£500
Humans Move	£41,355
Hummadruz	£49,995
Impelo	£26,356
International Ceramics Festival	£30,000
Kitsch & Sync Collective	£1,000
Knockengorroch cic	£9,994
Light Ladd and Emberton	£10,000
Lighthouse Theatre Ltd	£40,000
Likely Story Theatre	£29,408
Literature Wales	£5,000
Llandovery Sheep Festival	£10,000
Llangollen Fringe Festival	£25,000
Llangollen International Musical Eisteddfod	£83,000
Llantarnam Grange Arts Centre	£895
London Welsh Centre Trust	£2,500
Lucid	£10,000
Machynlleth Comedy Festival (trading as Little Wander Ltd)	£10,000
Maynard Abercych	£50,000
Memorial Hall and Theatre	£48,701
Menter Caerdydd	£50,000
Menter Caerffili	£10,000
Menter Iaith Abertawe	£1,500
Menter Iaith Bro Morgannwg	£15,000
Menter Môn Cyf (2 awards)	£14,500
Mentrau Creadigol Cymru	£23,830
Mercury Theatre Wales	£45,700
Mess up the Mess Theatre Company	£148,232
Mewn Cymeriad In Character	£48,000
Mid Wales Opera	£99,500
Narberth AFC Juniors	£3,150
National Dance Company Wales	£10,000
National Theatre Wales	£500
Nearside Productions	£15,030

Commissioning, Making and Presenting – Create	
Neuadd Dwyfor	£36,065
North Wales International Music Festival	£50,000
NOVA	£12,250
Off Ya Trolley Productions	£3,000
operasonic cyf	£17,840
OPRA Cymru Cyf (2 awards)	£134,000
The Other Room	£46,000
Papertrail Llwybr Papur	£35,700
Parama 2	£49,650
Pontio Arts (2 awards)	£60,000
Presteigne Festival of Music and the Arts Ltd	£10,000
Race Council Cymru (3 awards)	£149,835
Ramshacklicious	£53,395
Ransack Dance Company	£100,000
The Riverfront Theatre and Arts Centre - Newport Live	£50,000
Sesiwn Fawr Dolgellau (2 awards)	£43,200
Sherman Theatre	£58,942
St. Davids Hall	£62,219
Stephens and George Charitable Trust	£10,000
Still Reeling	£71,740
Sub-Sahara Advisory Panel	£152,600
The Successors of the Mandingue	£104,860
Sweetshop Revolution	£55,682
Tabernacl (Bethesda) Cyf (2 awards)	£48,672
tactileBOSCH Projects	£45,000
Taking Flight Theatre Company (2 awards)	£270,900
Tape Community Music and Film Ltd	£145,272
Teledu Telesgop cyf	£6,000
Theatr Gwaun Community Trust	£9,204
Theatr Iolo	£33,500
Theatr Mwldan	£9,780
Theatr3	£33,671
Tramshed Tech	£2,322
Tredegar House Folk Festival Society	£9,850
Triongl	£49,500
University of Exeter	£35,035
Urban Circle Newport	£100,550
Urdd Gobaith Cymru	£1,500
Vale of Glamorgan Festival	£50,000
Voicebox	£9,931
Welsh Ballroom Community	£9,000
The Welsh Chamber Orchestra Ltd.	£50,000
Ysgol Glanaethwy	£10,000
	£5,482,116

Connect & Flourish	
Galeri Caernarfon Cyf	£50,000
Ladies of Rage Cardiff	£47,265
The Nelson Trust	£50,627
NoFit State Community Circus Ltd	£158,475
St. Davids Hall	£99,950
The Wallich	£136,419
	£542,736

Creative Pathways – Criw Celf	
Aberystwyth Arts Centre	£11,625
Arts Active Trust	£92,500
Cyngor Gwynedd	£19,045
Llantarnam Grange Arts Centre	£36,359
Mission Gallery	£71,100
Mostyn	£25,683
Powys County Council	£24,750
Theatr Clwyd Trust Limited	£46,193
	£327,255

Equalities – Creative Steps	
Butetown Arts and Culture Association	£48,400
Fio	£101,215
Gritty Films Limited	£10,000
The Hold Up	£105,930
Laku Neg	£22,500
Papertrail Llwybr Papur	£14,850
The Successors of the Mandingue	£75,759
Taking Flight Theatre Company	£150,484
Urban Circle Newport	£223,392
Welsh Ballroom Community	£10,000
Wisp Dance Club	£14,835
	£777,365

International Opportunities Fund	
4Pi Productions (2 awards)	£9,648
Beyond the Border Storytelling Festival	£2,950
Canolfan Gerdd William Mathias Cyf	£4,985
Celtic Neighbours	£4,488
Jones the Dance	£7,050
Jukebox Collective	£5,000
Mercator: Wales Literature Exchange and Literature Across Frontiers (University of Wales Trinity Saint David)	£6,675
operasonic cyf	£2,665
Re-Live	£5,860
Sound Progression	£7,500
Vertical Dance Kate Lawrence	£7,500
Ways of Working	£3,600
	£67,921

Wales in Edinburgh	
Difficult Stage	£2,000
Jukebox Collective	£12,550
Taking Flight Theatre Company	£5,978
	£20,528

Widening Engagement – Open Lottery	
Aberystwyth Arts Centre	£9,107
The Aloud Charity (2 awards)	£29,017
Ardour Academy	£42,742
Artes Mundi Prize	£104,290
Artis Community Cymuned	£36,670
Awen Cultural Trust	£25,000
Ballet Cymru	£73,718
Celf o Gwmpas	£10,000
Clwb y Bont Cyf	£9,000
Conwy County Borough Council	£50,000
Dance Blast	£50,000
Elysium Gallery	£49,500
Ennyn CIC	£7,180
Ffiwsar	£10,000
Fio	£8,352
Flying Bridge Theatre	£50,000
Glynn Vivian Art Gallery	£50,800
Gritty Films Limited	£30,000
It's My Shout Ltd (2 awards)	£97,090
Jazz Promotion Network	£4,500
Jones the Dance (2 awards)	£95,444
Makers Guild in Wales	£48,055
Menter Iaith Abertawe	£37,640
Mess up the Mess Theatre Company	£9,979
Ministry of Life Education CIC	£7,400
National Dance Company Wales	£48,064
North East Wales Sinfonia C.I.C.	£10,000
Oasis One World Choir	£26,035
Peak Cymru	£45,000
PeopleSpeakUp Ltd (2 awards)	£59,000
Pontio Arts	£47,100
Pwyllgor Lles Llangrannog Welfare Committee	£9,900
Sherman Theatre	£49,713
Small World Theatre Ltd	£39,500
Sound Progression	£50,000
Span Arts Ltd	£53,000
StudioMADE	£49,720
Swansea City Opera	£49,750
Swansea Print Workshop	£29,600
Taliesin Arts Centre	£44,465
Tanio	£20,000
Theatr Felinfach	£8,730
Theatr3	£9,900
Y Tŷ Celf - The Art House Ltd CIC	£28,722
Tŷ Pawb (2 awards)	£107,750

Widening Engagement – Open Lottery	
Undegun Arts	£9,800
Urdd Gobaith Cymru	£49,428
Valleys Kids	£49,368
Venue Cymru (2 awards)	£99,700
Waunifor Art Club	£10,000
Welsh Refugee Council	£10,780
Work in Progress	£10,000
Ystradgynlais Miners Welfare and Community Hall Trust Ltd	£51,800
	£2,022,309

Widening Engagement - Sharing Together	
64 Million Artists	£2,000
Cardiff M.A.D.E. C.I.C.	£1,993
Creative Lives Charity Ltd	£2,420
Dance Collective	£2,500
Grand Ambition	£2,960
Head4Arts	£3,200
Mid Wales Opera	£2,000
Theatr Iolo	£2,000
	£19,073

Widening Engagement - Anti Racist Wales Action Plan	
Galerie Simpson Artists	£60,000
	£60,000

Arts Portfolio Wales	
National Youth Arts Wales	£359,260
	£359,260

Arts and Health – Open Lottery	
Aesop	£49,836
Art and Soul Tribe CIC	£49,480
Arts Care Gofal Celf	£27,000
Ballet Cymru	£12,314
Betsi Cadwaladr University Health Board	£34,361
The Body Hotel	£26,903
Breathe Creative	£50,000
Caffi Isa CIC	£5,000
Canolfan Gerdd William Mathias	£42,595
Cardiff and Vale University Health Board	£49,620
Cardiff Print Workshop	£5,440
Community Music Wales	£47,948
Hywel Dda University Health Board	£45,700
Mission Gallery	£43,055
Parkinson's UK Cardiff Branch	£10,000
PeopleSpeakUp LTD (2 awards)	£93,500
Re-Live	£73,000
Ruthin Craft Centre	£42,150
Theatr Cynefin	£20,000
Velindre University NHS Trust	£75,000
Welsh National Opera	£25,000
	£827,902

Arts and Health – Arts & Minds Programme, with the support of the Baring Foundation	
ABMU (now Swansea Bay) Arts in Health Board	£28,600
Aneurin Bevan University Health Board	£28,600
Betsi Cadwaladr University Health Board	£31,600
Cardiff and Vale University Health Board	£28,600
Cwm Taf Morgannwg University Health Board	£28,600
Hywel Dda University Health Board	£28,600
Powys Teaching Health Board	£28,500
	£203,100

Creative Learning through the Arts Programme	
Arts Council of Wales (General Activities)	£1,000,000
	£1,000,000

Creative Wales Fellowships	
Hay Festival of Literature and the Arts Ltd	£25,000
	£25,000

Total Grants to Organisations	**£13,208,725**

Grants to Individuals

Commissioning, Making and Presenting – Create	
Gelsthorpe, Bob	£8,235
Iorwerth, Rhys	£1,500
Pearce Jones, Angharad	£38,000
Price, John	£1,000
Tame, Kevin	£750
Thomas, Amelia	£10,750
	£60,235

Creative Pathways – Open Lottery	
Arwel, Iestyn	£10,000
Ashe, Ceri	£10,000
Ashill, Kathryn	£31,175
Awst, Manon	£29,370
Bailey, Kieran	£9,000
Barnes, Emrys	£9,954
Barratt, Anna	£1,296
Bell, Ellen	£10,000
Booth, Helen	£26,510
Bruno, Sebastian	£9,900
Buick, Adam	£37,000
Burrows, Inga	£10,000
Cardew, Tom	£10,000
Chambers, Gareth (2 awards)	£28,140
Clark, Gareth	£10,000
Cliffe, Justin	£40,620
Cooke, Ashley	£7,775
Crockford, Alun	£9,875
Cysewski, Karol	£10,000
Darby, Hannah	£10,000
Davies, Lowri	£42,000
Davies, Mared	£10,000
Dear, Bethan	£43,275
Dooley, Freya	£22,659
Dowdall, Morgan	£7,015
Dyson, Catherine (2 awards)	£60,000
Ellis, Nancy	£9,983
Evans, Chris	£10,588
Evans, Sioned	£8,055
Falcini, Anna	£8,356
Garner, David	£10,000
Gelsthorpe, Bob	£15,568

Creative Pathways – Open Lottery	
Gibbard, Gwenan	£10,000
Goodridge, Francesca	£61,023
Gough, Carl	£6,960
Gough, Lucy	£9,973
Grayland, Charlotte	£7,147
Green-Hope, Gemma	£10,000
Hallas, Penny	£10,000
Hallis, Duncan	£9,750
Harris, Tracy	£3,500
Hart, Nicola	£9,764
Hartel, Sara	£9,300
Hobson, Louise	£24,450
Hubbard, Abigail	£8,750
Hughes, Elin	£10,000
Hughes, Siân	£10,000
Hussain, Sam	£11,950
Hutchinson, Siân	£8,218
Iqbal, Jafar (2 awards)	£19,690
James, Bethan	£5,340
Jenkins, Amy	£5,461
Jenkins, Delyth	£10,000
Jenkins, Lowri	£10,620
John, Leyton	£14,500
Jones, Angharad	£6,865
Jones, Ann	£10,000
Kaeda, Natasha	£39,065
Keehan, Bridget	£2,700
Light, Deborah	£36,480
Linnell, Jeremy	£32,020
Llewelyn, Shari	£16,496
Lowe, Krystal	£50,000
Mair, Rhiannon	£6,455
Martin-Jones, Timothy	£700
Meilir Ioan, Osian	£24,146
Mohammad Nejad, Neda	£5,737
Morden, Daniel	£15,571
Morton, Kestrel	£10,000
Mumford, Sarah	£24,135
Necati, Yasemin	£17,801
Owen, Geraint	£9,580
Paci, Luca	£1,200
Park, Ollii	£9,950
Parry, Lisa	£7,130
Parsons, Alex	£22,150

Creative Pathways – Open Lottery	
Pasotra, Tina	£9,810
Phillips, Kristian	£9,888
Philp, Jack (2 awards)	£57,480
Pickard, Ali	£9,759
Redgrave, Gaia	£49,866
Roberts, Judith	£10,000
Saha, Atreyee (2 awards)	£6,700
Saki, Sahar	£10,000
Samuel, Liynyuy Mfikela Jean	£9,000
Smith, Andrew	£7,320
Stead, Kyle	£20,150
Steed, Mackenzie	£10,000
Taylor, Billy (2 awards)	£20,000
Thomas, Elen	£8,300
Thomas, Fergus	£10,000
Tinker, Tracy	£6,990
Tomos, Cai	£10,000
Tristram, Penny	£7,455
Walker, Frankie (2 awards)	£20,449
Wallace, Liam	£10,000
Wood, Tess	£11,720
Wright, Anthony	£5,176
Wynne-Paton, Catherine	£11,650
Yarnell, Anushiye	£50,300
	£1,584,704

Wales in Edinburgh	
Allen, Connor	£3,600
Chambers, Gareth	£900
George, Isaac	£900
Lewis, Charlotte	£900
Lloyd, Callum	£900
Lloyd, Hannah	£810
Lowe, Krystal	£900
Mair, Rhiannon	£900
	£9,810

International Opportunities Fund	
Bonello, Gareth	£7,500
Burgess, Cefyn	£5,000
Calarco, Veronica	£7,500
Cotsen, Jonathan	£4,499
Curneen, Claire	£5,000
Davies, Rhodri	£3,589
De Jesus, Toni	£5,000
Dewis, Adeola	£3,130
Edwards, Sean	£6,600
Greenhalgh, Jill	£4,400
Gulczynska, Malgola	£1,830
Gwyn, Rhiannon	£3,700
Handy, Simon	£3,867
Harris, Alan	£3,500
Himsworth, Rhys	£5,000
Hudson, James	£958
Hughes, Elin	£805
James, John Mark	£5,000
Jenkins, Paul	£1,650
Khan, Imran	£5,000
Maddock, Angela	£3,793
McGill, Eric	£1,010
Meilir Ioan, Osian	£7,500
Morgan, Nina	£2,500
O'Reilly, Kaite	£2,450
Pasotra, Tina	£6,670
Phillips, Gareth	£4,750
Potter, Clare	£3,000
Shelley, Ruth	£4,966
Taylor, Billy	£4,560
Warlow, Jodie	£7,161
Wells, Amanda	£6,404
Whiting, Amanda	£6,692
Williams, Jeremy	£3,100
Wright, Joanna	£3,340
	£151,424

Widening Engagement - Sharing Together	
Allen, Connor	£2,000
Llewelyn, Shari	£2,000
Owen, Angharad	£2,500
Saude, Marcy	£2,279
	£8,779

Widening Engagement - Welsh Language	
Alexander, Myfanwy	£25,255
Doyle, Catrin	£31,100
Griffin, Llinos	£1,500
Ioan, Hedydd	£1,500
Keevil, Naomi	£1,500
Ladd, Eddie	£30,000
Lesdema, Eric	£30,000
Ley, Jacqueline	£1,500
Mair, Rhiannon	£1,500
Owen, Angharad	£1,500
Owen, Rhodri	£29,940
Spink, Gwenllian	£14,858
White, Rhiannon	£29,539
Williams, Manon	£30,000
Ynyr, Iola	£30,000
	£259,692

Equalities - Creative Steps	
Ahmed, Ameena	£9,421
Chitiyo, Dalisizwe	£5,345
Doyle-Roberts, Bridie	£10,700
Lesdema, Eric	£9,495
	£34,961

Total Grants to Individuals	**£2,109,605**
Total Grants Offered net of offers not taken up or withdrawn	**£15,318,330**

Grants Administered by Ffilm Cymru Wales

Development	
Brano's Brando's Bride	£24,999
A Country House	£21,000
A Country the size of Wales	£24,999
Dead Sheep's Wool	£24,999
Effie Yn Blanae	£200,000
The French Plan	£24,999
Fridays with Barry	£6,600
Honey	£100,000
Man in my Basement	£100,000
Mesmer	£10,000
On a Scale of One to Ten	£24,975
On the Record	£26,800
Pig Eyes	£24,999
A Pub is Bombed	£24,450
Retrofitted	£24,999
Smoking Shores	£120,000
Spy on Top of the World	£24,800
A Starry Sky Above	£11,400
Unicorns	£52,294
Vegatarian Tigers	£12,000
Wedding Full of Wolves	£24,999
	£909,312

Production	
Chuck Chuck Baby	£17,250
Heart of Darkness	£190,000
The Life & Death of Daniel Dee	£130,000
Road to Excess	£15,600
Timestalkers	£156,760
	£509,610

Exhibition Festivals	
Abertoir International Horror Festival	£8,000
Butetown Film	£3,500
Cardiff Animation Festival	£18,543
Chapter Arts Centre	£10,843
Dyfodol-ism	£13,270
Fly! Festival of Black Women's Film	£5,000
Focus Wales Film Festival	£4,850
Galeri	£10,843
Gental Radical Film Club	£6,000
The Gogs International Short Film Festival	£12,170
Iris Prize Festival	£17,000
Kotatsu Japanese Animation Festival	£3,530
Memo Community Cinema	£4,000
Taliesin Arts Centre	£10,843
To Project and Protect	£12,500
Unity Festival	£7,800
Wicked Wales International Youth Film Festival	£14,509
WOW Film Festival	£15,854
	£179,055

Total Grants from Ffilm Cymru Wales net of offers not taken up or withdrawn	£1,597,977

Grants Administered by BBC Cymru Wales

Horizons: Launchpad Fund	
Aderyn	£1,720
Adjua	£2,000
Angel Hotel	£2,000
ANGHARAD	£2,000
Baby Brave	£1,500
Banshi	£1,830
Bard Picasso Records	£2,000
Breichiau Hir	£1,100
CHROMA	£1,715
Dactyl Terra	£1,300
DD Darillo	£2,000
Dirty Carrot Records	£1,999
The Family Battenberg	£1,400
Ffatri Jam	£960
French Alps Tiger	£2,000
Gillie	£1,600
The Goudies	£2,000
Hollie Profit	£2,000
Jenna Kearns	£1,725
Jimbo	£1,500
Koash	£2,000
Leila McKenzie	£2,000
Macy	£1,700
ManLikeVision	£2,000
Mari Mathias	£1,200
Melda Lois	£1,325
Minas	£2,000
Murder Club	£2,000

Horizons: Launchpad Fund	
Natty Paynter	£1,000
The Night School	£550
NOOKEE	£1,510
Parisa Fouladi	£1,250
Phwoar & Peace	£1,500
Rhi'N'B	£1,870
Sachasom	£1,998
Sage Todz	£2,000
Samana	£1,681
sorry stacy	£1,523
Sywel Nyw	£1,500
TELGATE	£1,400
THELIXX	£2,000
Truth	£1,900
	£70,256

Total Grants from BBC Cymru Wales net of offers not taken up or withdrawn	£70,256

Grants Administered by Literature Wales

Grants	
Abdullah-Al-Matin Rana, Sheik	£3,000
Bradford, Jade	£3,000
Davidson, Summer	£3,000
Doyle, Jessica	£3,000
Edmonds, Taylor	£3,000
Gruffudd, Osian	£3,000
Handley, Bethany	£3,000
Hughes, Sioned Erin	£3,000
Hunter, Megan Angharad	£3,000
Knight, Alice Lilith	£3,000
Manley, Leigh	£3,000
Oliver, Rhiannon	£3,000
Rind, Hammad	£3,000
Taylor, Stacey	£3,000
	£42,000

Total Grants from Literature Wales net of offers not taken up or withdrawn	£42,000

Grants Administered by Tŷ Cerdd

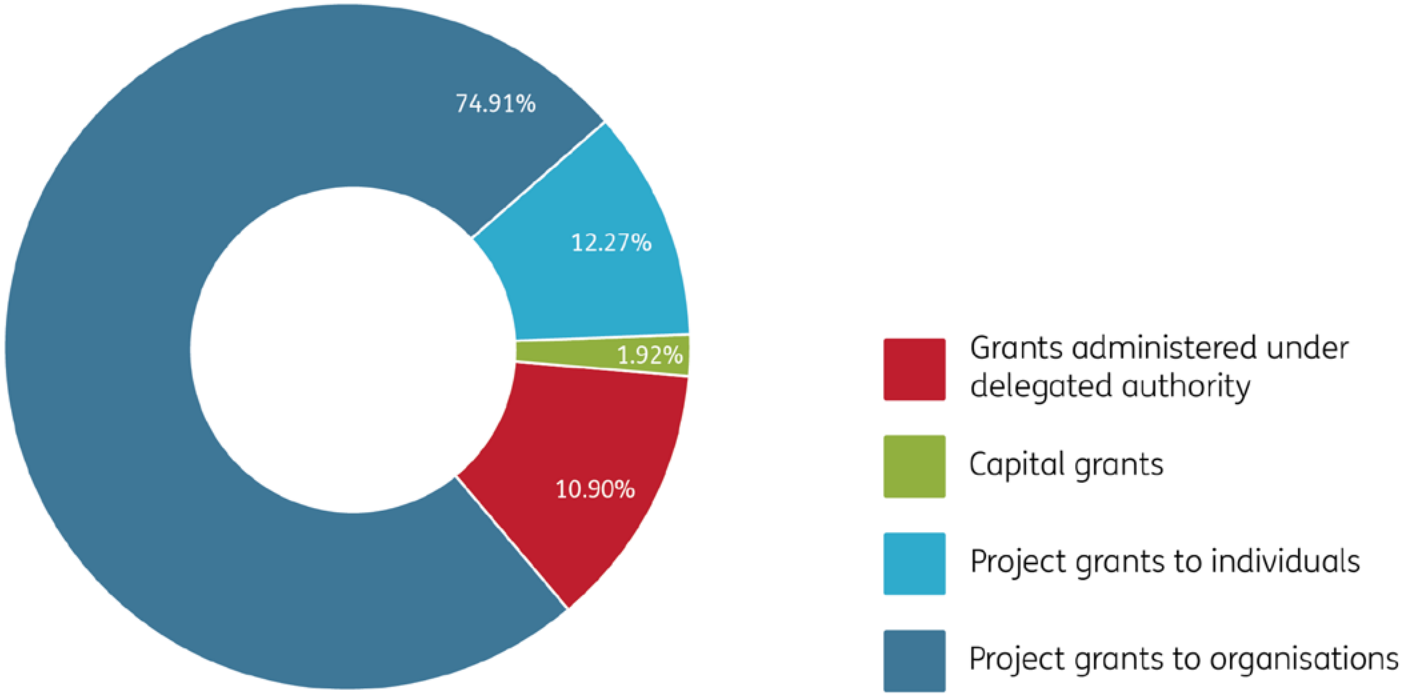
Create	
Aberystwyth University	£1,800
Aubergine Cafe and Events CIC	£1,936
Bandiau Pres Cymru | Brass Bands Wales	£825
Canolfan Gerdd William Mathias	£2,000
Cardiff County and Vale of Glamorgan Music Service	£2,000
CEG Music cic	£1,800
ChromaMusic Community Group	£2,000
Citrus Arts	£1,800
Cowbridge Music Festival	£2,000
Cwmni Mara CIC	£1,500
Disability Arts Cymru	£1,995
Grand Ambition CIC	£2,000
Joon Dance	£1,800
Llandaff Cathedral	£250
Music Theatre Wales	£1,500
Musicfest Aberystwyth	£2,000
National Library of Wales	£1,980
Seren Ffestiniog Cyf	£1,980
South Wales Youth Band	£1,020
St Davids Cathedral Festival	£2,000
The Successors of the Mandingue Ltd	£2,000
Tônau 2023	£1,800
UPROAR	£2,000
Urdd Gobaith Cymru	£1,800
	£41,786

Engage	
Aberhonddu and District Male Choir	£400
Adverse Camber Productions Ltd	£750
Bangor Music Festival	£2,000
Bangor University	£1,382
Canolfan Gerdd William Mathias	£1,700
Cantorion Menai	£400
ChromaMusic Community Group	£2,000
Côr Bro Ogwr	£1,400
Côr Caerdydd	£585
Côr Teifi	£1,000
Cowbridge Music Festival	£750
Eisteddfod Genedlaethol Cymru	£1,500
The F-List for Music CIC	£891
Fishguard & West Wales International Festival	£750
Footloose Community Arts	£1,500
Hayaat Women Trust	£1,680
High Grade Grooves Academy Ltd	£2,000
Khamira	£1,500
Ladies of Rage	£1,700
Little Live Projects	£1,800
Live Music Now	£1,800
Llandaff Cathedral	£1,000
Llantwit Major Chamber Music Festival	£1,900
Menter Iaith Rhondda Cynon Taf	£2,000
MHA Communities Aberystwyth	£1,363
Newport Live	£1,500
Newport Philharmonic Choir	£500
North Wales International Music Festival	£1,000
Oasis One World Choir CIC	£1,370
operasonic cyf	£2,000
Parama 2	£2,000
Pontardulais Town Band	£1,980
The Queer Emporium Outreach C.I.C.	£400
SOEL Connect	£2,000
South Wales Youth Band	£1,700
Span Arts Ltd	£1,000
The Successors of the Mandingue Ltd	£1,800
The Tredgar House Folk Festival Society	£1,440
UPROAR	£2,000
Vale of Glamorgan Brass Band	£2,000
Vale of Glamorgan Festival	£1,400
Wrexham Music Festival	£1,800
	£59,641

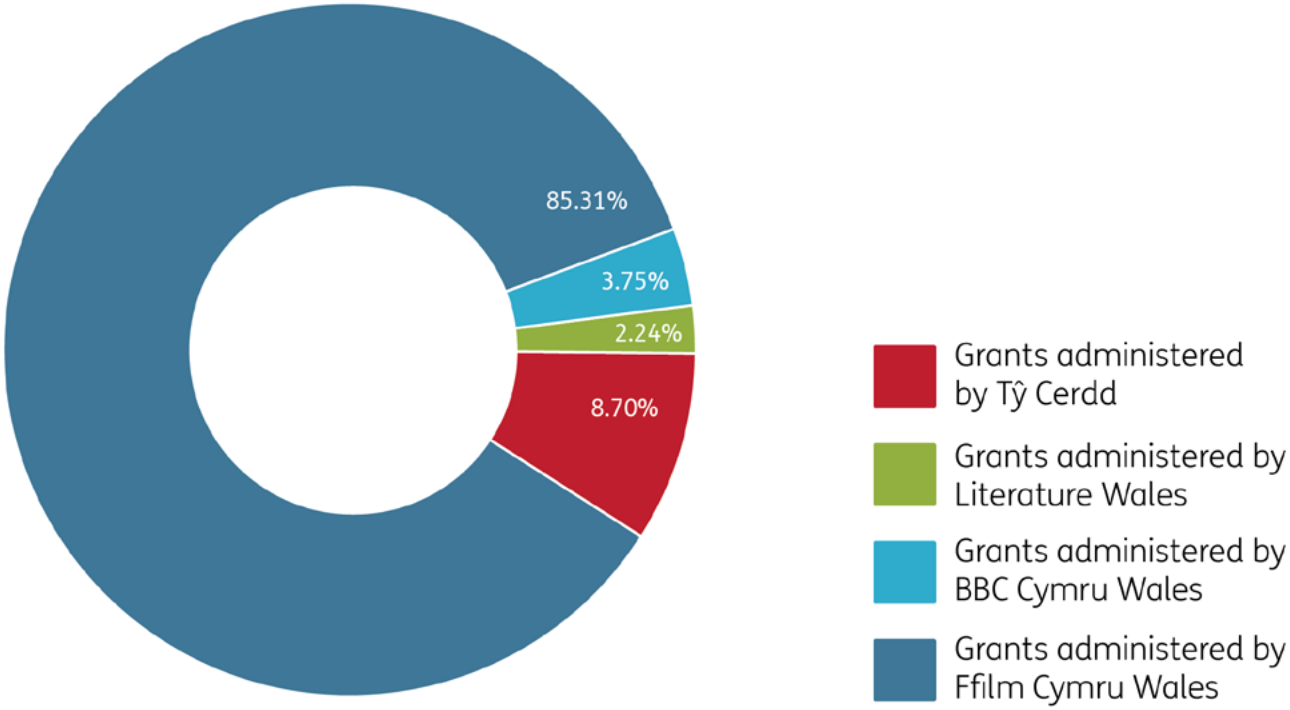
Inspire	
The Aloud Charity	£2,000
Arts Active Trust	£1,700
Arts Connection - Cyswllt Celf	£1,900
Bandiau Pres Cymru | Brass Bands Wales	£1,940
Bangor Music Festival	£2,000
Beacons (Rhondda Cynon Taf County Borough Council)	£2,000
Beyond Words Thousand Voices CIC	£2,000
Canolfan Gerdd William Mathias	£2,000
Cardiff County and Vale of Glamorgan Music Service	£2,000
Cardiff Deaf Centre (trading as Deaf Hub Wales)	£1,850
Cardiff Guitar Festival	£1,800
The F-List for Music CIC	£1,600
Fishguard & West Wales International Festival	£700
Goodwick Brass Band	£1,205
Grand Ambition CIC	£2,000
Hayaat Women Trust	£1,700
High Grade Grooves Academy Limited	£2,000
Little Live Projects	£1,200
Live Music Now Ltd	£2,000
Llandeilo Fawr Festival of Music	£2,000
Llantwit Major Chamber Music Festival	£750
Music Theatre Wales	£1,500
NEW Sinfonia	£1,800
North Wales International Music Festival	£1,000
One Heart Drummers	£2,000
operasonic cyf	£2,000
Penarth Chamber Music Festival	£1,200
Siop Griffiths Cyf	£1,900
Sound Progression	£2,000
South Wales Youth Band	£2,000
The Successors of the Mandingue Ltd (TSOTM)	£2,000
Trac Cymru	£2,000
Vale of Glamorgan Festival Limited	£2,000
Wonderbrass	£1,700
Young Music Makers of Dyfed	£2,000
	£61,445

Total Grants from Tŷ Cerdd net of offers not taken up or withdrawn	**£162,872**

Lottery Grants by Type



Delegated Authority Grants



General Activities and Lottery Distribution

Report and Financial Statements for the year ended 31 March 2023

Cyngor Celfyddydau Cymru
Arts Council of Wales

CYNGOR CELFYDDYDAU CYMRU

England & Wales - Charity number 1034245

Accounts

General Activities and Lottery Distribution

Cyngor Celfyddydau Cymru
Arts Council of Wales

Report and Financial Statements for the year ended 31 March 2022

Charity number 1034245

Cover: Krystal S Lowe *The History of Us*;
Dance and movement artist Osian Meilir
(Image: Chris Nash)

Arts Council of Wales is committed to making information available in large print, braille, audio and British Sign Language and will endeavour to provide information in languages other than Welsh or English on request.

Arts Council of Wales operates an equal opportunities policy.

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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.

Established by Royal Charter on 30 March 1994, we exist to support and develop the arts in Wales for the benefit of people throughout Wales, and to support Welsh arts 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.

Carlos Bunga, *Terra Firma*, Glynn Vivian Art Gallery (Image: Polly Thomas)

During 2021/22 new variants of the Covid-19 virus emerged. This meant further lockdowns in Wales and a second year of huge impact on our work and on that of artists and arts organisations in Wales. We continued our vital support work, delivering a further two rounds of significant recovery funding.

But creative activity returned. We funded new and collaborative projects and reimagined some key areas of our work, such as the Venice Biennale.

Coming out of lockdown in March 2022, our focus is on what a post-pandemic sector looks like, developing and investing in a long-term vision of the arts in Wales.

By managing and investing our Welsh Government and National Lottery funds in creative activity, the Arts Council contributes to people's quality of life and to the cultural, social and economic well being of Wales.

Take a look at our short animation explaining Why The Arts Matter

www.arts.wales

Dim Byd Tha Chdi,
Frân Wen a Ifan James

Chair's foreword

You might be surprised to read that as Chair of the Arts Council of Wales, I am genuinely excited by current developments and future possibilities for the arts at the heart of Welsh life and society.

After all, we've been living through the cataclysmic experience of the Covid pandemic and artists and arts organisations are still dealing with its impact on audiences, on their own creativity and on their livelihoods. What's more, the pandemic both revealed and made worse the gross inequalities which blight our shared lives as citizens. The challenges of making substantial change in response to this unfair distribution of access and support are still to be met – we've only made the first steps in that process.

Overarching these threats and challenges is the climate crisis. In the arts, a sense of urgency on this existential matter has prompted reconsiderations of how we do the crucial work of presenting the creative achievements of Wales internationally and supporting international co-production. While domestically, the arts sector and the Arts Council still have a long way to go in responding to the scale of the carbon challenge.

And of course, the pressures on public finances, in national and local government, are huge. So, how can I honestly feel animated and encouraged by what's been happening and by what lies ahead?

The first reason is that the responses of the arts sector and of Arts Council of Wales staff have been truly inspiring during the worst times of the pandemic. Many organisations have strengthened their engagement with their communities and operated as hubs of support. Artists responded inventively to online needs and helped many of us, troubled and isolated by lockdowns and necessary restrictions, to find joy and connection through arts involvement. The importance of the arts has never been clearer.

Postcards to the Future, Glynn Vivian Art Gallery (Image: Polly Thomas)

This sense of value and importance has been shared by our main stakeholder, the Welsh Government. Elsewhere in this report, Mick Elliott details the strength of the partnership with the Government in sustaining the sector through its Cultural Recovery funding – and he rightly refers to our pride in the achievements of our own staff in distributing those funds in such an agile way. This partnership will obviously be crucial to a future where the arts support three key values in Wales: cohesive communities, improving the wellbeing of our people and stimulating a creative economy.

With partnerships in mind, we should be proud of the leading position of the Welsh arts in working with agencies in health, education and the environment. The Baring Foundation's announcement of their investment in our work in the area of arts and mental health came with a strong statement that the partnership between the Arts Council and the NHS Confederation in Wales was a model for the whole of the UK.

Sarah Thornton, Dawns i Bawb (Image: Phillip Hatcher-Moore for the project '11 Million Reasons to Dance' commissioned by People Dancing)

It was hugely encouraging at the end of the year to have confirmation from the Minister for Education and Welsh Language in Welsh Government that our internationally-praised Creative Learning through the Arts programme in schools would be supported for a third phase. The value of this programme was vibrantly apparent during the pandemic and it will be a key contributor to the implementation of the new curriculum in Wales.

And our partnership with Natural Resources Wales and our productive dialogue with the Future Generations Commissioner both focus on the power of the arts in place-making and in enriching our experience of shared spaces and Wales's extraordinary landscapes.

All these collaborations are means of the arts connecting more widely and more fairly with the diverse communities, talents and potential of the Welsh people. But the sharp and timelined challenges of the Widening Engagement action plans we've established in partnership with Amgueddfa Cymru will drive that process more strongly again.

In relation to ethnically and culturally diverse people, disabled people, Welsh speakers and those living in areas of economic poverty whatever their language, our commitment to equality of access to arts experiences will be central to our funding activity. We've begun this equalities-driven journey with programmes like Connect and Flourish and Creative Steps but our upcoming Investment Review and our strategic focus in National Lottery funding will be major engines of much-needed further change.

None of that should be seen as threatening. Quite the reverse. It opens up exciting possibilities where the creative and collective energies of the people of Wales can find dynamic expression. A fairer Wales, a truly contemporary Wales, a Wales where many more of our citizens, of all ages and backgrounds, join in the imaginative and transformative adventure of the arts.

Why wouldn't we be excited by that?

Phil George

Chair

Trustees' Report and Management Commentary

Interim Chief Executive, Michael Elliott, gives his reflection of the impact of the last year

On joining the Arts Council of Wales at the very end of the financial year, it was immediately evident to me how vital the Arts Council of Wales's action has been in assisting so many artists and arts organisations to navigate the adverse impact of the pandemic on their sustainability and livelihoods. Its timely and effective delivery of the Welsh Government's Cultural Recovery Fund (CRF) was central to its achievements in the year and to the sustainability of the arts sector.

In the early days of the pandemic the Council used a combination of its Lottery and strategic funds to provide Urgent Response and Stabilisation rounds of funding. However, it was clear even then that the Council's own funds would not match the growing and urgent needs of the sector and that a national programme of support would be needed.

The first round of Culture Recovery Funding was launched in August 2020, and additional funding for the sector came in two further rounds in this financial year – CRF 2 in April 2021 and CRF 3 in January 2022 – providing a total additional investment in the arts sector in Wales in excess £31m over the last two financial years.

The Council's partnership with the Welsh Government and its officials in creating and managing this response to the crisis facing the nation's arts sector will reap rich benefits in the years to come, provided targeted and continued action can be maintained. Rebuilding engagement with, and attendance at, arts events and replacing talent and key skills lost during the pandemic, compounded by growing economic pressures, will take many months, if not years. Planning for long-term sustainability and becoming agile in response to rapidly changing circumstances has never been more necessary for the Arts Council and the arts sector.

In addition to the further rounds of emergency assistance provided by the Welsh Government, Lottery support held up well with the Council's share of the proceeds hitting above £18m, the same level as 2020/21. Both the Connect and Flourish and Create lottery-funded schemes have provided significant project support for the sector, with some bold and creative new initiatives now having their impact.

Creative Steps has enabled the Council to make advances in support of projects aligned with its Widening Engagement Plan and partnership with Amgueddfa Cymru. The Council's Arts and Health programme attracted additional funding and established new partnerships with Health Boards, and the partnership with Natural Resources Wales to support arts and the environment activity led to the establishment of a new post to develop a national programme.

Meanwhile, although international travel has been restricted, the Council's international work has not. Its attendance at many virtual events and the establishment of important new networks and relationships are bringing significant benefits for the international engagement of the arts in Wales.

Aurora Trinity Collective, Creative Retreat, part of the joint 'Connect & Flourish' Lottery funded partnership, The Aurora Phenomenon. (Image: Megan Murray-Read)

My admiration for the Council's many achievements is all the greater for the knowledge I have gained of the passion, professionalism, expertise, and pace of the Council and its staff in getting support to where it counted, whilst itself experiencing significant challenge. The impact of the retirement of Nick Capaldi as the Arts Council's longstanding and highly effective Chief Executive in September 2021 and, at the same time, the retirement on grounds of ill health of his highly-regarded successor designate, Siân Tomos, were deeply felt.

Phil George, Chair of Council, and the remaining three members of the senior leadership team – Rebecca Nelson, Diane Hebb and Richard Nicholls – picked up and ran very successfully with the considerable additional challenge this presented at a critical time for the sector and the nation. It was, therefore, an honour to be invited to join this impressive team in March 2022 as Interim Chief Executive to help provide additional stability, support and direction until a new permanent Chief Executive is appointed and can take up the post.

Despite these leadership changes the Council confidently began the preparation of its next Strategic Plan due for implementation from 1 April 2023 and started its Investment Review for the period beyond 1 April 2024. Both will be critical to the Council's work over the remaining years of the current decade and its contribution to the recovery, transformation, and sustainability of the arts sector. The Council has an unwavering determination to ensure the arts once again flourish and advance their engagement and co-creation with the diverse communities and people of Wales in the pursuit of the seven goals of the Well-being of Future Generations Act.

Michael Elliott

Interim Chief Executive

Making the arts central to the life and well-being of the nation

Our mission and our priorities

Our strategy for recovery and renewal

The principles that drive our work

Our vision is of a creative Wales where the arts are central to the life and well-being of the nation.

Our goal is the re-building of a creative Wales in which our best talents are revealed, nurtured and shared; a country in which the widest possible cross section of people in Wales is enabled to enjoy and take part in the arts; a country in which excellent work is valued, protected and supported to grow. This is described in more detail in our corporate plan – For the benefit of all.

Two priorities underpin this strategy. They are:

1. Promoting **Equalities** as the foundation of a clear commitment to reach more widely and deeply into all communities across Wales.
2. **Strengthening the Capability and Resilience** of the sector, enabling creative talent to thrive

Council has also identified a further action to support the delivery of these two priorities:

3. **Enabling the Arts Council to work more effectively**, collaborating more imaginatively with like minded partners across Wales

Responding to Covid-19

2021/22 was another challenging and unpredictable year, with Wales going in and out of lockdown. We did see a return to the arts, albeit not to the pre-pandemic level, and we saw particular pressure on venues as audience numbers failed to return. We continued to advocate the need for large-scale emergency funding for the sector with Government. Cultural Recovery Funding rounds 2 and 3 were crucial to the financial survival of many.

The Covid 19 pandemic has changed the way we all live, our outlook and how we engage in the arts, culture and creativity. At its core, the arts are a social as well as cultural experience. As we come out of the pandemic, audiences and participants will seek out the social and engagement aspects of art and culture even more than usual. As they do, they're likely to take more of an interest in how the arts connect to them as individuals and communities. Our funding will reflect what's relevant and deliverable given need and circumstance.

National Youth Arts Wales
(Image: Jamie Chapman)

Welsh Government

The priorities of the Welsh Government set the overall context for our work. The Welsh Government's expectations of us are set out in an annual Remit Letter. These include:

1. United and Connected

"Our aim is to build a nation where people take pride in their communities, in the Welsh identity and language, and our place in the world."

2. Ambitious and Learning

"Our aim is to instil in everyone a passion to learn throughout their lives."

3. Prosperous and Secure

"Our aim is a Welsh economy which delivers individual and national prosperity while spreading opportunity and tackling inequality."

4. Healthy and Active

"Our aim is to improve health and well-being in Wales, for individuals, families and communities... and to shift our approach from well-being to prevention."

As a result of the Welsh Parliament election in May 2021 there was a delay in the issue of our Remit Letter for 2021/22. A new Welsh Government was formed and in the Cabinet re-shuffle which followed Dawn Bowden MS was appointed as the Deputy Minister for Arts and Sport. A new Programme for Government was developed for the 5 year period of Government.

Call the Waves,
Chapter Arts Centre
(Image: Kirsten McTernan)

As a Welsh Government Sponsored Body, we operate within a complex network of public policies, strategies and legislation. The most important of these is the Welsh Government's Well-being of Future Generations legislation. Well being and sustainability are fundamental to our work. Our activities address all seven of the well being goals:

1. A prosperous Wales
2. A resilient Wales
3. A healthier Wales
4. A more equal Wales
5. A Wales of more cohesive communities
6. A Wales of vibrant culture and thriving Welsh Language
7. A globally responsible Wales

We also adopt, in our planning and in the delivery of our work, the legislation's "five ways of working": **Long-term, Prevention, Integration, Collaboration, Involvement**.

2021/22

8,976
arts events were run by our portfolio of funded organisations, generating attendances of
1,961,888

2021/22

38,981
participatory sessions were run by our portfolio of funded organisations, resulting in attendances of
383,695*

2021/22

3,142
participatory sessions were run by our portfolio of funded organisations in Welsh, resulting in attendances of
75,316*

2021/22

7,415
participatory sessions run by our portfolio of funded organisations were targeted at people in the protected characteristics group

2020/21

2,196
arts events were run by our portfolio of funded organisations, generating attendances of
857,233

2020/21

33,297
participatory sessions were run by our portfolio of funded organisations, resulting in attendances of
952,483*

2020/21

3,617
participatory sessions were run by our portfolio of funded organisations in Welsh, resulting in attendances of
104,382*

2020/21

7,276
participatory sessions run by our portfolio of funded organisations were targeted at people in the protected characteristics group

* Many participatory sessions were delivered online during the lockdown in 2020/21 attracting more participants than at organised location-based sessions during the first 6 months of 2021/22.

Public benefit

Making the arts central to the life and well-being of the nation

In setting our objectives, and in the planning of our work, Council members have given serious consideration to the Charity Commission's general guidance on public benefit. Public benefit is at the centre of all aspects of our work. This commitment is strengthened by the Welsh Government's Well-being of Future Generations legislation.

As a Welsh Government Sponsored Body (WGSB) we allocate taxpayers' money for the benefit of the Welsh public.

The funding that we distribute has a number of public purposes:

- it helps to make sure that Welsh audiences are able to enjoy and take part in high quality arts activities
- it enables investment in the commissioning, production and exhibition of the arts, helping to sustain the careers of creative professionals in Wales
- it makes the arts more affordable, bringing them within reach of more people
- it encourages innovation and risk-taking, raising the quality and diversity of the arts made and promoted in Wales
- it furthers the cultural, social and economic priorities in the Programme for Government

Public funding also helps to address 'gaps' in the market by investing in those activities that the commercial sector either won't, or isn't able to, support. In all aspects, our funding is intended to encourage the best of the arts and to enable as many people as possible to enjoy and take part in these activities.

We undertake detailed research each year to assess the extent to which we're achieving these goals. In the pages that follow, we set out the key highlights of our work during 2021/22 and the public benefit that these activities deliver.

1,587

funding applications processed

(2020/21: 1,705)

330

schools engaged during the second phase of the **Creative Learning through the Arts** programme

85

schools participated in year 2 of their **Lead Creative Schools Scheme** projects

Over

450

teacher engagements with the **Creative Learning** programme

Over

20,500

learner engagements with **Creative Learning** activity

108

performances supported by the Arts Council's **Night Out** scheme

(2020/21: 0*)

5.6%

Arts Council running costs as a proportion of total income (whole Council)

(2020/21: 4.7%)

We retained **Green Dragon Level 5** the highest category of environmental performance

853

Collectorplan loans to support the purchase of contemporary art

(2020/21: 478)

* The lockdown as a result of the Covid-19 outbreak meant that all Night Out events for 2020/21 were cancelled and no future bookings were accepted. Cancellation fees were paid to performers for the 105 events already booked through the scheme when lockdown began.

Creative learning through the arts

Creative learning through the arts: an action plan for Wales 2015-2020, has transformed the learning experiences of pupils across Wales since 2015. By placing the arts and creativity at the heart of education this ground-breaking programme has supported schools in developing new approaches to curriculum design. It has also supported teachers in exploring innovative approaches to teaching and supported pupils to grow as independent, creative learners who are more engaged, more confident, and higher achievers.

In February 2020, and with the support of the Welsh Government, the Arts Council of Wales was pleased to announce a second phase for the programme. Our focus for this second phase was on continuing to support schools on the journey towards the development and delivery of Curriculum for Wales. The **Lead Creative Schools Scheme** has remained at the heart of delivery, providing opportunities for more schools, pupils and teachers, to experience this transformational approach to teaching and learning.

This phase was designed to:

- support more schools to develop creative approaches to teaching and learning, building on the knowledge and expertise of the schools already engaged in the Lead Creative Schools Scheme
- provide Continuing Professional Learning opportunities for teachers and artists
- support schools to explore creative approaches to curriculum development and design
- support the development of creative skills in our learners
- continue to widen opportunities for learners to explore high quality arts and cultural experiences through **Go and See**

Key work in 2021/22

- 330 schools engaged during the second phase of the programme
- Over 20,500 learner engagements with Creative learning activity
- Over 450 teacher engagements
- Over 500 creative professional engagements
- 34 schools participated in an online version of the Lead Creative Schools Scheme during the initial lockdown
- 58 Go and See grants awarded since the scheme re opened in October 2021 benefited over 4,500 learners
- 42 Go Creative grants supported over 2,000 learners
- 133 Creative learning Recovery Fund Grants supported over 6,000 learners with their return to schools
- 85 schools participated in year 2 of their Lead Creative Schools Scheme projects launched in September 2020
- 19 secondary schools participated in an Enhanced Offer for Secondary Schools to further explore, develop and embed their understanding of creative learning collaboratively across Areas of Learning and Experience and to explore curriculum design and delivery in preparation for Curriculum for Wales
- 4 schools, over 1,200 learners and 22 creative practitioners have participated in Cynefin exploring diversity in Wales, past and present
- with the National Academy for Educational Leadership we worked with a cohort of 10 senior leaders from across Wales
- over 800 teachers and creative professionals attended Creative Learning training sessions

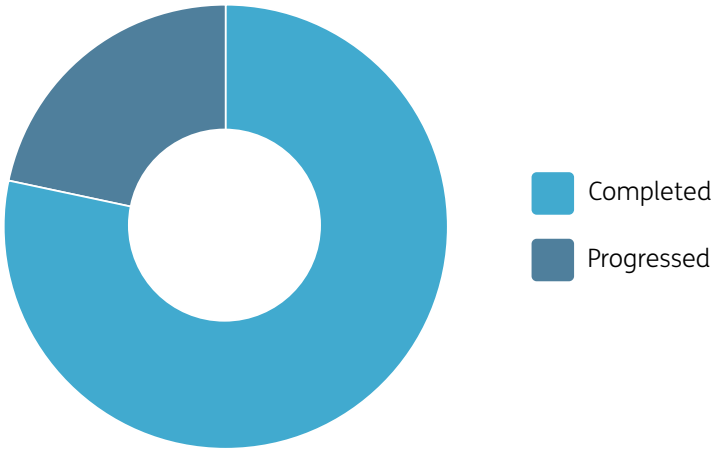
Our performance

A year of strong performance against our corporate objectives

Our Operational Plan for 2021/22 provided the focus for our work. It contained 37 key tasks, each with its own targets, across 7 strategic areas of activity. Progress was monitored throughout the year through quarterly progress reports presented to Council. We also met quarterly with officials of the Welsh Government.

We successfully delivered against all 7 strategic areas and over 75% of our tasks. At the end of the year:

- 29 tasks had been successfully completed
- 8 tasks were progressed



Throughout 2021/22, responding to the impact of Covid-19 continued to require significant attention and activity. We provided ongoing support to the Sector to safeguard creative activity for audiences and participants.

Tanio Light Painting Project, Andy O'Rourke and Bettws Boys and Girls Club

We postponed our Investment Review to allow organisations more time to recover and develop from the impact and restrictions imposed as a result of the pandemic. Investment Review activity will be resumed in 2022/23.

At the same time, we needed to adapt our own organisation in response to the pandemic and to support our staff. This was against a backdrop of physical resource challenges whilst we were without a Chief Executive and Director of Arts Development for a significant part of the year.

Following the welcome announcement by Welsh Government, at the end of December 2021, of a 1.5% uplift in funding for 2022/23, and successful appointments to the posts of Director of Arts Development and Interim Chief Executive, our position at the year end compared to the targets in our Operational Plan 2021/22 was as follows.

We protected the sustainability of the Sector, arts organisations and individual artists, enhancing our support to aid recovery from the Covid-19 pandemic

- in partnership with Welsh Government, we provided an additional £4m of revenue funding, through our General Activities Account, for a third round of the Cultural Recovery Fund

- we delivered significant funding to organisations and individuals through our new Lottery programmes – Connect and Flourish and Create – alongside Creative Steps and Capital investment and our rolling programme of small and large grants

- we increased engagement with our Arts Associates, involving them in grant assessment to ensure previously unheard voices informed decisions based on their diverse, lived experience

Butetown Carnival,
Wales Millennium Centre

We implemented a number of activities to widen our engagement with communities and the individuals they serve. We worked to remove barriers to engagement and participation in the arts:

- in partnership with Amgueddfa Cymru we published Reports commissioned for specific research into community engagement, to include social, economic, disability and ethnicity factors, and the resulting joint Widening Engagement Action Plan

- we appointed an Agent for Change to help drive forward our Equalities Agenda, and, more recently, appointed an Assistant to our Agent for Change under the Kickstart programme

- through our National Lottery programmes we increased the focus on equalities, emphasising the importance of promoting collaborative proposals between creative individuals and organisations that will help reach wider and deeper into communities

- our Night Out scheme was closed for much of the year due to Covid-19. It re-opened gradually to bookings from community promoters and has been guiding and enabling the reintroduction of events whilst helping promoters comply with Welsh Government Covid-19 regulations. 108 events were booked through the scheme in 2021/22, 35 of which were in what was previously known as Community First areas

We progressed our commitment to promoting the use of the Welsh Language in the arts and introduced a number of new initiatives.
We have:

- appointed a Welsh Language Enabler to drive forward our work to facilitate and promote the use of the Welsh language in the arts. This work includes the development of a new Welsh Language Strategy, which will be completed and published in 2022

- developed a new Welsh Language assessment process for all new and vacant posts at the Arts Council

- provided opportunities during working hours for employees to receive Welsh language training

- progressed the recommendations in our published response to the Welsh Language Mapping Report

- developed a partnership with the National Centre for Learning Welsh

- launched our Bilingualism Promotion pack to encourage organisations within the arts sector to consider how they can boost their activity in Welsh and to advise ways to achieve this

- increased the emphasis on Welsh language consideration in our grant application project proposals

Let's Celebrate event
(Image: Tom Martin)

We progressed the second phase of Creative Learning through the Arts:

- in the academic year 85 Lead Creative Schools continued their year 2 projects. Schools are now in their evaluation stage. These projects have involved over 2,500 learners and have created opportunities for 180 Creative Practitioners to work in our schools

- we continued our recently-launched programme, Cynefin: Black, Asian and minority ethnic Wales. The first cohorts of projects concluded with teachers from 24 schools, 708 learners and 22 Creative Practitioners exploring Wales as a multicultural society

- we launched the Creative Learning Recovery Fund. This was designed to support schools to reinvigorate, reimagine and re-engage learners with their learning. Over 5,900 learners from 133 schools have worked with 148 teachers and creative professionals to reconnect with their classrooms

- we launched the Go Creative Fund for schools to bring in creative practitioners to deliver short creative experiences focused on engagement and well-being, in line with learning recovery goals. In addition to 94 Go and See grants we awarded 59 Go Creative grants

- we secured the continuation of the Creative Learning programme with a 3-year extension to March 2025

We continued to progress our Arts and Health programme:

- we progressed our Capacity Building programme which supports specialist arts co-ordinator posts in each Health Board. 2 of the 7 Health Boards transitioned from our 3-year funding and looked to sustain the posts through core National Health Service (NHS)/ charitable funding. Independent evaluation of these posts will be commissioned early in the next financial year

- we held regular partnership meetings with the Welsh NHS Confederation including participation on a Special Wales panel at the Culture, Health and Well-being International Conference in June 2021. The conference attracted 500 people from 30 countries and the Wales panel's discussion attracted a lot of interest

- the Health, Arts, Research, People (HARP) funding programme is nearing completion, following which we will publish an approach/guide to developing Arts and Health innovations together with a series of recommendations

- we launched our Arts Health & Wellbeing National Lottery fund in April 2021. Over 2 rounds we awarded over £48,000 to 16 partnership projects with a number of projects receiving media attention

  › Welsh National Opera's singing and breathing project with Health Board rehabilitation services, to support people recovering from 'long Covid', used as an exemplar by Welsh Government

  › National Dance Company Wales' Moving Beyond Compliance partnership project with Cartrefi Cymru, exploring how movement can benefit staff working in care settings

  › Cardiff & Vale's People Place Future Royal Infirmary project

- we launched Cultural Cwtsh, a website of creative resources to support NHS and social care staff's well-being throughout the pandemic and beyond. To date, more than 30 artists and film-makers have been commissioned to create engaging video content

- we launched Celf a'r Meddwl/Arts & Minds, a new partnership with the Baring Foundation to support and develop work around the arts and mental health on a national scale. The Foundation has committed £100,000 per annum for a 3-year period from 2021/22 to 2023/24 which we will match fund. In this first year, the 7 Health Boards were awarded £28,600 each to develop creative interventions to support people's mental health

We engaged in an extensive programme of international activity – *Bro a Byd – local wellbeing and global goals:*

- we revised and relaunched our International Opportunities Fund that had been suspended because of Covid-19
- we completed the Watch Africa Cymru programme in Wales, exploring within international communities. Discussions are underway for a second project
- the successful partnership with Disability Arts Cymru launched its international campaign Bring Us Our Creative Rights: Disabled People's Cultural and International Manifesto on the International Day of Persons with Disabilities
- we worked with the Future Generations Commissioner for Wales to develop international activity, including the support for the Wales Fringe event on the last day of the United Nations Climate Change Conference 2021 (COP26)
- we hosted a digital event with Creative Carbon Scotland and Theatre Forum Ireland where international guest speakers focused on touring and arts distribution and climate emergency. This formed part of Welsh Government's Wales Climate Week programme
- our #pethaubychain social media campaign focused on
  - 'A Globally Responsible Wales'
  - climate emergency
  - 'A Wales of vibrant culture and thriving Welsh Language', with a specific focus on the Welsh language and its relationship with other languages
  - Ireland, with guest curator Fearghus Ó Conchúir

We Echo, Taylor Edmonds

- we commissioned the development of an evaluation framework that will measure the impact of international work in the context of the goals of the Wellbeing of Future Generations Act. The framework may then be flexed and applied to other areas of activity across the Arts Council

- we progressed the Welsh Government's International Strategy including activity with Ireland, Germany, Japan and Canada

- we arranged hybrid delivery of Wales at Showcase Scotland 2022. 4 of the 6 artists performed to live audiences in Glasgow but also benefited from the presentation of digital assets to global audiences. The media partnership with Welsh and Scottish broadcasters for coverage of Showcase Scotland 2022 resulted in dedicated programmes on S4C, BBC Cymru Wales, BBC Radio Cymru and BBC Alba, as well as BBC iPlayer and S4C Clic

- we developed a new set of aims for Wales in Venice 10, including a Fellowship programme to develop a series of commissioning opportunities for artists as part of the Creative Programme in 2022/23

- we continue to work on the Arts Infopoint UK project in partnership with the four UK Arts Councils, providing support and advice on artists mobility from the UK to the European Union

- we continued to build and strengthen our relationships with key European Networks such as the Informal European Theatre Movement (IETM), On the Move and Culture Action Europe

Working in partnership with those that share our values to create opportunities we couldn't alone. In addition to those partnerships already referenced in the above:

- BBC Cymru – 49 artists of diverse genres and backgrounds have benefited from Launchpad funding. An online learning programme has also been offered to successful artists

- we began early-stage conversations with Nesta regarding future collaborative working and mutual investment in early years creativity

- with Natural Resources Wales we launched the Future Wales Fellowship and developing working approaches, to identify areas of collaboration with a focus on maximising and sharing resources to support the creative sector to move towards net-zero carbon

- Year 2 of Ffolio, our partnership with BBC Arts, BBC Wales, BBC Cymru and Ffilm Cymru Wales, is underway, creating opportunities for under-platformed talent. 4 audio and 4 film commissions have all completed production

- our partnership with the Jerwood Foundation has supported 7 Creative Fellows in Wales and is now entering the final months of the programme

- PRS Foundation's Accelerator scheme and Power Up! supports musicians and, latterly, specifically black musicians

- Wales Arts, Health and Wellbeing Network programme focused on wellbeing-centred peer development and coaching

- S4C and Ffilm Cymru Wales cross-creative sector development programme Labordy focused on producers wanting to work in the medium of Welsh. 5 directors were selected to participate

- leading on the development of the Welsh Government's new Cultural Contract included commissioning Wales Cultural Alliance to undertake a series of conversations across the cultural and creative industries sector alongside a survey to explore options for an appropriate framework

- we recruited a new cohort of 191 individuals with differing knowledge, skills and experience who have expressed an interest in working with us as potential Arts Associates. This will improve the quality of advice that we receive across our work and ensure the most relevant input is available to our funding decision meetings

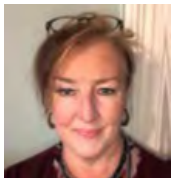
Annes Elwy and Nia Roberts in Welsh language eco-horror *Gwledd / The Feast*, directed by Lee Haven Jones, written and produced by Roger Williams

Corporate Governance

Our Trustees

Council Members who served since 1 April 2021 were:

Attendance of Trustees at meetings during 2021/22

		Council	Audit & Risk Assurance Committee	Capital Committee	HR & Remuneration Committee	Strategic Equality Committee	Welsh Language Committee	Future Generations Committee
		Number of meetings held						
		10	5	3	3	3	4	9
	Phil George **Chair** from 1 April 2016	10						
	Kate Eden from 1 April 2017 **Vice Chair** from 1 April 2021 Chair of Audit & Risk Assurance Committee Member of HR & Remuneration Committee	10	5		2			
	Iwan Bala from 1 November 2016 to 21 July 2021 Member of Wales in Venice Advisory Committee to 21 July 2021	2/3						
	Lhosa Daly from 1 April 2019 Chair of Future Generations Committee	10						6
	**Ceri Ll Davies** from 1 April 2021 Member of Strategic Equality Committee	10				3		

Attendance of Trustees at meetings during 2021/22

		Council	Audit & Risk Assurance Committee	Capital Committee	HR & Remuneration Committee	Strategic Equality Committee	Welsh Language Committee	Future Generations Committee
		Number of meetings held						
		10	5	3	3	3	4	9
	Devinda De Silva from 1 April 2019 Chair of Strategic Equality Committee	8				2		
	Andy Eagle from 1 November 2016 Chair of Capital Committee	7		2				
	Ruth Fabby MBE from 1 April 2021	10						
	Professor Tudur Hallam from 1 April 2019 Chair of Welsh Language Committee	7					4	
	Gwennan Mair Jones from 1 April 2019 Member of Future Generations Committee	6						5
	Tafsila Khan from 1 April 2021 Member of Capital Committee	8		3				

Attendance of Trustees at meetings during 2021/22

		Council	Audit & Risk Assurance Committee	Capital Committee	HR & Remuneration Committee	Strategic Equality Committee	Welsh Language Committee	Future Generations Committee
		Number of meetings held						
		10	5	3	3	3	4	9
	Alison Mears Esswood from 1 April 2019 Chair of HR & Remuneration Committee	8			3			
	Keith Murrell from 1 April 2021 Member of HR & Remuneration Committee	10			2			
	Victoria Provis from 1 April 2019 Member of Capital Committee	10		3				
	Dafydd Rhys from 1 April 2017 Member of Audit & Risk Assurance Committee	9	5					
	Elen ap Robert from 1 April 2021 Member of Welsh Language Committee	10					3	
	Prue Thimbleby from 1 April 2021 Member of Future Generations Committee	9						7
	Dr Sarah Younan from 1 April 2019 Member of Audit & Risk Assurance Committee	6	2					

Attendance of independent Committee members at meetings during 2021/22

	Audit & Risk Assurance Committee	Capital Committee	HR & Remuneration Committee	Strategic Equality Committee	Welsh Language Committee	Future Generations Committee
	Number of meetings held					
	5	3	3	3	4	9
Andrew Butler	5					
Elid Morris	3					
Arwel Thomas	3					
Ruth Cayford		2				
Mark Davies to 18/06/2021		1/1				
Roland Evans		2				
Michael Gwyther-Jones from 01/10/2021		2/2				
Alan Hewson to 18/06/2021		1/1				
Jayne Woods from 01/10/2021		2/2				
Valerie Ellis to 26/01/2022			1			
Philip Westwood			2			
Ruth Gould from 01/10/2021				1		
Guto Gwilym-Taylor				2		
Ele Hicks				2		
Lara Ratnaraja				2		
Shereen Williams				0		

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, other than the remuneration of the Chair, are disclosed in the financial statements under 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. There were three minor personal data breaches during the year. Each was appropriately assessed and none were categorised as reportable to the Information Commissioner.

Our Interim Chief Executive and Accounting Officer

Michael Elliott

Our Offices

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

Auditor – General Activities
Auditor General for Wales
Audit Wales
24 Cathedral Road
Cardiff
CF11 9LJ

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

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

Internal auditors
to 31 March 2022
Deloitte LLP
5 Callaghan Square
Cardiff
CF10 5BT

Internal auditors
from 1 April 2022
TIAA Ltd
Artillery House
Fort Fareham
Fareham
PO14 1AH

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

Solicitors
Geldards LLP
Dumfries House
Dumfries Place
Cardiff
CF10 3ZF

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

Governance Statement

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

It also describes how I've 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're 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.

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 **Deputy Minister for Arts and Sport**. Our work is also subject to the scrutiny of Committees of the **Welsh Parliament**. 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're 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're accountable to the UK's Secretary of State for Digital, Culture, Media & 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. Revised Lottery financial directions came into effect on 1 April 2022.

We're 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 contract to National Audit Office by Audit Wales. Audit Wales also audits our General Activities account.

Wild Thoughts, National Dance Company Wales (Image: Mark Douet)

As a charity we have to ensure we comply with the requirements of the Charities Acts 1960, 2006, 2011 and 2016. 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've 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 and management 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 P**ublic Services Ombudsman for Wales**, the **Parliamentary Commissioner for Administration**, the **Charity Commission**, the **Financial Conduct Authority**, the **Information Commissioner**, the **National Audit Office**, and **Audit Wales** are all able to investigate the Council's affairs.

Ripples of Kindness,
Wales Millennium Centre
(Image: Polly Thomas)

Our Governance arrangements

We're governed by a Board of Trustees – Council – consisting of a Chair and up to seventeen other independent members, one of whom is appointed as Vice Chair. Our Trustees are appointed by the Deputy Minister for Arts and Sport through an open selection process. Appointments are usually for a three-year term, renewable for a maximum of two additional terms.

Each Trustee brings specific expertise and knowledge to the oversight and development of our activities. At the year-end our Council comprised of the Chair plus sixteen members.

The Chair of Council is a remunerated position, at a rate set annually by the Welsh Government. All other Trustees provide their time and expertise on a voluntary basis. However, they're reimbursed for out-of-pocket expenses incurred on Council business.

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 Arts Associates understand, apply and adhere to these Principles.

To support this, we have a **Code of Best Practice** which helps to ensure 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 is reviewed and updated at least every two years.

In accordance with the Code, each member of Council, of each Committee, and all Arts Associates and staff are required to complete an annual **Declaration of Interest** statement, and to ensure that changes in circumstances are notified promptly. They 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 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 Arts Council are disclosed in the notes to the financial statements under Related party transactions.

Mewn Datblygiad, Frân Wen and Kristina Banholzer

Council, the Audit & Risk Assurance Committee and HR & Remuneration Committee all carried out **a self-assessment review** of their performance during the year. The findings of these evaluations were positive. 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 were being 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 and diversity of arts expertise and skills on the Trustee Board as new members are appointed. Particular areas of focus will include the recovery and development of artistic activity post Covid-19, our periodic review of our Portfolio membership through our Investment Review, driving further commitment to Equalities and the Welsh language amongst funded organisations, and the effective use of information and communication technology.

The Corporate governance in central government departments: code of good practice, issued by HM Treasury, does not directly apply to the Arts Council of Wales. However, as Accounting Officer, I'm 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.

Whistleblowing

The Council has an established whistleblowing 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

Decisions taken by our Council and Committees are informed by advice provided by Arts Council staff. Papers and reports produced by officers are expected to show clearly all relevant information needed to enable informed decisions to be taken. All key papers highlight: financial, HR and the Well-being of Future Generations Act's 5 Ways of Working; risks; and an assurance statement.

Papers are circulated in advance of each Council and Committee meeting; tabled items and verbal reports are only accepted in exceptional circumstances. Council was content during the year with the timeliness and quality of 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. There were no instances of this happening in 2021/22.

Where appropriate and relevant, advice from officers is supplemented 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 polices are finalised.

We provide funding to third parties

One of the Council's most important duties is the distribution of funding to develop and support the arts in Wales. We're a major distributor of funding from the Welsh Government, the National Lottery and other sources.

We've developed robust and accountable systems and procedures to support this key activity. Grant-making and monitoring processes are reviewed annually by our internal auditors. Audit Wales 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're implemented on a timely basis.

Security of data

We hold large amounts of data and treat seriously our obligations under the **Data Protection Act** which incorporates the **General Data Protection Regulations (GDPR)**. 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.

The high-level review over IT controls carried out by our external auditors and our programme of internal audit reviews carried out during the year revealed no serious issues. Similarly, the annual security review on behalf of Welsh Government highlighted no matters of serious concern in this area. There were three minor personal data breaches during the year. Each was appropriately assessed and none were categorised as reportable to the Information Commissioner.

Complaints

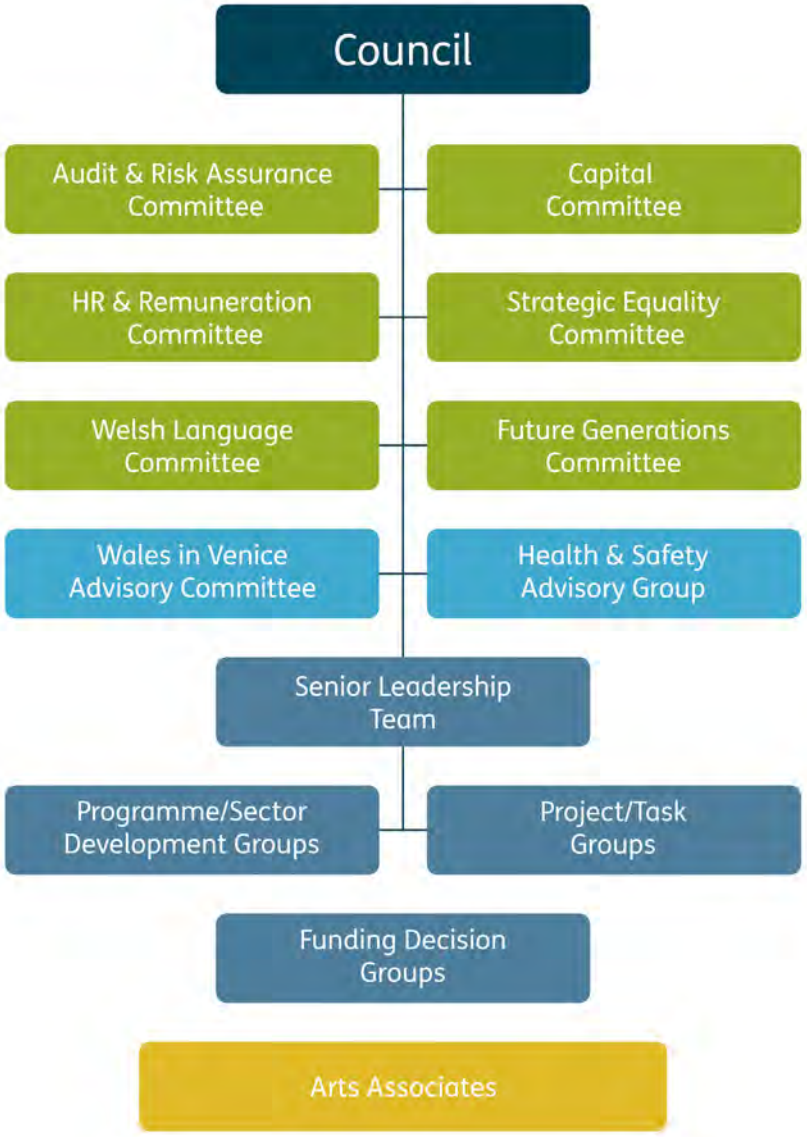
Complaints about our work are investigated according to our Complaints Policy. Sometimes our policy requires a complaint to be investigated by an Independent Complaints Reviewer. For reasons of openness and transparency, we publish all final reports from the Reviewer. No complaints were referred to the Independent Reviewer in 2021/22.

Ministerial directions

As a Welsh Government Sponsored Body we're subject to non-statutory instruments, containing appropriate Directions. No Directions were issued to us during the year by the Welsh Government. We received revised Lottery financial directions from the Secretary of State for Digital, Culture, Media and Sport which came into effect on 1 April 2022.

Our Governance Structure

To help support its work, Council has appointed six committees to provide specialist advice. These are: Audit & Risk Assurance Committee; Capital Committee; HR & Remuneration Committee; Strategic Equality Committee; Welsh Language Committee and Future Generations Committee. There is also an advisory committee for Wales' presence at the international Biennale of Art in Venice and a Health & Safety Advisory Group.



Ngaay–Konesans, Shiraz Bayjoo and Brook Andrew, Glynn Vivian Art Gallery (Image: Polly Thomas)

Each Committee includes Council members, one of whom acts as Chair, and has provision for 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 to note. Terms of reference for each committee, which are reviewed annually, can be found on our website.

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.

During the year we continued to draw on the services and experience of our cohort of **Arts Associates**. The Associates, who began their work during 2019/20, support executive staff. Their specialist knowledge contributes to policy development, the assessment of grant applications, and advice to officers.

Council

Council is responsible for the strategic direction and management of our organisation. It is also responsible for ensuring, through the Chief Executive, that we operate within the various accountabilities required of us.

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.

Council sets the annual budget, decides on the annual allocation of grants to organisations in the Arts Portfolio Wales, and approves all grants over £50,000 or, in the case of Lottery funded capital projects, over £250,000 and Resilience awards over £100,000. Decisions below these thresholds are delegated to authorised staff and to the Capital Committee.

Members assist with Council Committees. They may also attend arts events across Wales as representatives of Council.

Council activities undertaken during 2021/22 included:

1. as part of its ongoing scrutiny of **Governance**, preparing and monitoring the **Operational Plan** for the year. Council also received and noted the **Committees**' year-end reports to inform its **Governance Statement** as part of this Annual Report and approved the **Annual Financial Statements 2020/21** and **Budget** allocations for 2021/22
2. partaking in a workshop in July 2021 regarding the Investment Review
3. approving our approach for **Cultural Recovery Fund** rounds 2 and 3 delivered in partnership with Welsh Government
4. approving the temporary measures in place at Senior Leadership Team level
5. approving the new **Framework Document**, setting out the operational relationship between the Council and the Welsh Government
6. approving a new **bank mandate** with Santander
7. receiving the findings of the **Widening Engagement Reports**, and holding a joint meeting with the Trustees of Amgueddfa Cymru.

Council meetings are normally held approximately every 6 weeks. However, on occasion, additional meetings were arranged this year to consider responses to the pandemic. Copies of agendas and minutes of our Council meetings can be found on our website.

Council met 10 times during 2021/22 to discharge its responsibilities. Members in total attended on 150 out of a possible 173 occasions.

Our governance response to Covid-19

For the majority of 2021/22 we operated in a very similar way to the previous year, with the majority of staff continuing to work from home. We opened our Colwyn Bay and Cardiff offices to staff who needed to work from them as part of their role or for staff who needed office space for wellbeing reasons.

The majority of our internal processes are electronic and have continued to work well remotely. Physical signatures have been replaced with electronic signatures and email audit trails. Our internal audit plan was conducted remotely with no significant impact on performance or outcomes.

We continue to use a number of virtual meeting rooms to host all our Committee and Council meetings. Duties of each Committee have remained the same and Council's ability to make decisions has not been compromised during the pandemic period. We've updated our Corporate Assurance Framework and Risk Register accordingly.

We delivered the Cultural Recovery Fund in partnership with Welsh Government. We liaised closely with Welsh Government throughout this process to identify any duplicate applications and reduce the risk of double funding. We continued to report weekly to Welsh Government with progress on all grants and payments made.

We also updated our internal anti-fraud procedures to include consideration of any revised or new working arrangements introduced as a result of the pandemic and the requirement to work from home.

It is our view that effective governance has not been compromised by the pandemic.

Audit & Risk Assurance Committee

As stewards of public funds we must operate in an efficient and accountable manner. Our priorities and funding decisions are agreed by Council in accordance with the policies and procedures that apply to our use of public funds. The Audit & Risk Assurance Committee's role is to ensure that we deliver on these commitments, doing so in ways that are transparent, accountable and resilient.

An extensive programme of internal audit assists us in this work, assessing the quality of our delivery against the standards that we have set. Committee activities undertaken during 2021/22 included:

1. regular scrutiny of our **Corporate Assurance Framework** and **Corporate Risk Register** and consideration and re-approval of the Council's risk management arrangements. This has given us a clearer view of arrangements to respond to the potential vulnerabilities in our operations
2. reviewing our defences against **Fraud** and **Cyber-crime**, including specific consideration of the National Security Centre's Cyber Security Toolkit for Boards and how we may utilise this. We're better able to withstand the increased number and sophistication of external attempts to breach our security, particularly in consideration of the potential increase in external security threats throughout the lockdown period
3. scrutinising the organisational and financial health of Council's **Arts Portfolio Wales** organisations through enhanced reporting arrangements to assess the scale of impact of the Covid-19 pandemic
4. reporting to Council on the outcome of **internal audit reviews** commissioned by the Committee and monitoring progress in the implementation of the auditor's recommendations for action
5. understanding key aspects of Council's operations, such as our continued external and internal response to **Covid-19**, the replacement of our **grant management system**, preparations for our proposed Investment Review, scrutiny of our **Annual Report and Financial Statements**, and the procurement of a new provider of **Internal Audit Services** to succeed Deloitte, whose contract ended on 31 March 2022.

"The Committee provides robust oversight of our governance arrangements. It scrutinises the adequacy and effectiveness of our systems of internal control, and tests our risk management arrangements. Our role is to support the organisation to be as efficient as it can, ensuring that Council's delivery of activity is effective and represents value for money."

Kate Eden
Chair, Audit & Risk Assurance Committee

The Committee's normal schedule of meetings was maintained throughout the year but, in consideration of the pandemic lockdown restrictions, the meetings were held virtually using online functionality.

The Committee met 5 times during 2021/22 to discharge its responsibilities. Members in total attended on 23 out of a possible 30 occasions.

Audit outcomes

The findings of the Audit Wales annual audits are reported to our Audit & Risk Assurance Committee which 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.

Deloitte LLP, our internal auditor to 31 March 2022, gave the following opinion in their annual report:

> "Based on the conclusions of our work, we can provide the Arts Council with **substantial assurance** in relation to the organisation's arrangements for risk management, governance and internal control. Our opinion has not been limited by any shortfall in resources, absence of skills, or any significant limitation of scope of internal audit activity which would adversely affect our ability to form an opinion."

Capital Committee

For more than two decades Council has been investing funds from the National Lottery into capital projects. Across Wales we're helping organisations to enhance and extend their activities by funding the creation of exemplary buildings, transforming the places in Wales where people enjoy and take part in the arts.

In 2012 Council ring-fenced approximately £22m for a capital programme. Since that time the Committee has overseen a significant number of projects ranging from the purchase of equipment to the creation of new arts facilities. We continue to oversee several projects that have been in development for several years as well as considering new applications for targeted investment to improve access, sustainable energy initiatives and minor adaptations to buildings in response to Covid-19.

As the capital programme reaches the end of its cycle and the ring-fenced budget allocation is invested, the number of applications the Council has been able to receive has reduced. However, the Committee continues to scrutinise ongoing projects and accept applications for those earlier entries into the programme that are progressing to later stages of the Royal Institute of British Architects (RIBA) Plan of Work. These later-stage projects require more intense monitoring and assessment despite being fewer in number. For some organisations this can include a significant amount of support and advice from the Council's staff, particularly for smaller organisations undertaking their first capital project.

Projects currently on site include: Pontypridd YMCA; Cwmni'r Frân Wen, Bangor; Borough Theatre, Abergavenny; and Theatre Brycheiniog, Brecon.

Projects currently in development include: Oriel Myrddin Gallery, Carmarthen; Theatr Bara Caws, Caernarfon; Pontardawe Arts Centre; and Ucheldre Centre, Holyhead.

"This year we welcomed two new independent members onto the Committee who bring with them a wealth of experience and expertise. We have continued to oversee the development of several capital projects that are at different stages in the RIBA Plan of Work. Increasingly, as we reach the later stages of the current National Lottery capital funding programme, these are at a more intense period of construction. This has brought a higher intensity of work but it has also been good to see our funding taking physical shape in the form of projects on site. We continued to make recommendations to Council for significant new major capital grants."

Andy Eagle
Chair, Capital Committee

Committee activities undertaken during 2021/22 included:

- scrutinising **5 applications** with a total request for funding of £739,000. All were successful and funded in full

- continuing to assist the development of the ambitious plans for the refurbishment of **Theatr Clwyd**. The total investment of £27m, including £22m from the Welsh Government, is the largest amount of funding for a single project ever monitored by the Committee. It highlights the strength of the partnership between the two funders and the trust that Welsh Government has in our monitoring processes

- ensuring all capital projects in which Council invests meet **Building Research Establishment Environmental Assessment Method** (BREEAM) sustainability standards. We are also considering if other methods of benchmarking projects may be more suitable for some, particularly in relation to reaching carbon net-zero and the targets of the Well-Being of Future Generations Act

As part of its ongoing responsibilities the Committee has also been charged with monitoring the capital elements of the National Contemporary Art Gallery for Wales programme. The first projects are likely to be awarded funding during 2022/23 but this is likely to be a significant element of the Committee's work over the coming three years.

The Committee met 3 times during 2021/22 to discharge its responsibilities. Members in total attended on 18 out of a possible 21 occasions.

HR & Remuneration Committee

"Advising on the health and well-being of the Council's staff is the Committee's principal function. We encourage the development of progressive, forward looking policies and practice and provide a positive and supportive challenge to the delivery by our staff of HR activities."

Alison Mears Esswood
Chair, HR & Remuneration Committee

Committee activities undertaken during 2021/22 included:

- publication of a **Pay Policy Statement**. This includes a detailed breakdown of the make up of our staff. It also addresses Gender Equality and Equal Pay reporting
- reviewing the outcome of the recent comprehensive **job evaluation review** and the **restructuring of pay and salary scales**
- reviewing **HR management information** data and the **Deloitte Well-being Report** to monitor the performance, health and well-being of staff during the Covid-19 pandemic
- setting levels of **remuneration** and monitoring the performance of the **Chief Executive**
- promoting staff **learning and development** to deliver corporate objectives, health and safety and general compliance courses

Council appointed Alison Mears Esswood as Chair of the HR & Remuneration Committee from 1 April 2021.

The Committee met 3 times during 2021/22 to discharge its responsibilities. Members in total attended on 10 out of a possible 15 occasions.

Health & Safety

"The Health and Safety Group has continued to focus on ensuring processes and policies are in place to protect our staff from risk and to ensure that the premises, facilities and equipment they use are Covid safe."

Rebecca Nelson
Chair, Health and Safety Advisory Group

Group activities undertaken during 2021/22 included:

1. monitoring and implementation of **Welsh Government Guidelines on Covid-19**
2. managing the implications of **office re-occupation**, including monitoring staff attending the offices and visiting events
3. reviewing our **Lone Worker policy** to consider international travel and hybrid-working
4. reviewing **risk assessments** currently in place, in particular the Pregnancy Risk Assessment and Covid Risk Assessment
5. managing **incident reporting** and monitoring
6. reviewing our **Maternity Guidance and Policy**
7. promoting **staff well-being** and having discussions with the Mental Health First Aiders to support them in their role

The Group met 9 times during 2021/22 to discharge its responsibilities.

Andrew Smith at the Mark Rothko Art Centre, 17th International Painting Symposium, Daugavpils, Latvija

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.

Michael Elliott

Accounting Officer

8 July 2022

Endorsed on behalf of Council:

Phil George

Chair

8 July 2022

Equalities

A major focus for our work in 2021/22 was the completion and publication of the Widening Engagement reports we had commissioned in the previous year in partnership with Amgueddfa Cymru. The three areas of research focused on engagement with those communities we, and the work we supported, had consistently failed to reach. This work involved hearing the voices of people with lived experience sharing stories that were uncomfortable and challenging to hear, but vital to bringing about the change that is needed if we are to deliver the ambitious goals set out in our plan.

The final reports and the development of a joint action plan with Amgueddfa Cymru were at the centre of our work during the year. The reports called for significant actions to develop and improve arts experiences for deaf and disabled people, for people from ethnically and culturally diverse backgrounds and for those experiencing social deprivation and poverty. They call for positive action to tackle anti-racism and anti-ableism.

Our joint action plan was published in February 2022.

As we stepped into 2021/22 we announced the appointment of our Agent for Change, Andrew Ogun. During the year Andrew has been at the heart of conversations, both internal and external, focused on making changes to policies and processes and the removal of barriers that have prevented equity of access to us and our work.

The arts sector and wider society were still impacted by Covid-19 during this year and once again we concentrated on supporting artists and arts organisations as they met the challenges of re-emerging to create and share work with audiences. The Committee was clear in its deliberations that the lessons of the last two years should not be lost when we revisit and re-articulate our equality plan moving forward. The #WeShallNotBeRemoved campaign had articulated with absolute clarity the impact the pandemic had on disabled people.

"The arts in Wales continued to face huge challenges as a result of Covid-19 during 2021/22 and, as in the previous year, our most marginalised communities have been impacted the hardest. The culmination of the work on Widening Engagement also presented us with significant challenges and called for us to continue our deep reflection on the work we've been doing to advance the equality agenda. The publication of the Widening Engagement Action Plan represents a pivotal moment for us and, as this becomes central to the work of this Committee moving forward, I have confidence that we are truly on a path towards change."

Devinda De Silva
Chair, Strategic Equality Committee

Activities undertaken by the Strategic Equality Committee during 2021/22 included:

1. reviewing the first year of our **Strategic Equality Plan for 2020-24**, evaluating the impact of the actions and identifying a new set of actions for the year ahead. A specific focus emerging from these discussions is to address barriers faced by people living with poverty
2. publishing a joint **Widening Engagement Action Plan** with Amgueddfa Cymru
3. continuing to monitor where our funding has reached. Data has once again shown an increase in the number of successful funding applications, particularly to our new **Connect and Flourish Scheme**, from disability-led organisations and those led by artists from culturally and ethnically diverse backgrounds
4. evaluating and reviewing our **funding processes** to inform new approaches to reaching artists and arts organisations that have traditionally faced barriers
5. continuing to support organisations on their business development journey through our **Creative Steps** scheme and taking forward work on developing a strand for individual artists and creatives
6. working in partnership with the other UK Arts Councils to explore a UK-wide Arts Access Card scheme based on our hugely successful **Hynt** scheme

Council appointed Devinda De Silva as Chair of the Strategic Equality Committee from 1 April 2021.

The Committee met 3 times during 2021/22 to discharge its responsibilities. Members in total attended on 12 out of a possible 21 occasions.

Welsh language

"It is often said that 'the Welsh language is a treasure'. But it is not something to be locked away and displayed at a distance. The language must also be our favourite toy, something to be held, felt, and carried with us everywhere. Part of the Council's work is therefore to create opportunities for artists from all backgrounds to be creative through the medium of Welsh and to give people from all over Wales and the world the opportunity to enjoy the creativity of the Welsh language."

Tudur Hallam
Chair, Welsh Language Committee

As a bilingual organisation, our commitment to the Welsh language is integral to our work. We promote vigorously the right of people to explore their own culture and creativity through the language of their choice, whether as consumer, participant or artist and are committed to investigating future creative possibilities through the lens of the Welsh language.

In its strategy, Cymraeg 2050, the Welsh Government notes its long term target is to achieve one million Welsh Language speakers by 2050. We believe that in working through the arts, we can support Welsh Government to deliver on its strategic themes within this, particularly around:

- an increase in the number of Welsh speakers
- an increase in the use of Welsh
- creating favourable conditions within the arts sector for the language to thrive.

Activities undertaken by the Welsh Language Committee during 2021/22 included:

1. monitoring **progress against Council's Welsh Language priorities**, identifying for Council where more progress is required
2. ensuring successful implementation and maintenance of the **Welsh Language Standards** and acting when Standards are not met.
3. developing a job description and contributing to the appointment of the **Welsh Language Enabler** and, with the Director of Arts Development, supporting her work to help us to prepare a new Welsh language strategy for the Arts Council
4. providing panel members in relation to the recruitment to the senior posts of Chief Executive, Director of Arts Development, and Portfolio Manager
5. exploring with others, including the Welsh Government, ways of developing appropriate language awareness courses and unconscious bias courses in relation to the Welsh language
6. providing relevant advice in relation to the next Investment Review
7. further developing the partnership with the **National Centre for Learning Welsh** to improve or refine the language skills of staff and artists within the arts sector, including partnering with **Theatr Genedlaethol Cymru** on a second Iaith Gwaith course
8. making progress in implementing 7 of the 10 recommendations outlined in the **Welsh Language Mapping Report** by designing and commissioning research to identify the needs and opportunities for Welsh language development pathways within the arts for creative workers and creating the first Welsh Arts Consortium
9. inviting Welsh language organisations such as Urdd Gobaith Cymru to address the Welsh Language Committee to talk about their work

Council appointed Tudur Hallam as Chair of the Welsh Language Committee from 1 April 2021.

The Committee met 4 times during 2021/22 to discharge its responsibilities. Members in total attended on 7 out of a possible 8 occasions.

Future generations

"Our work in 2021/22 has been to ensure the Council continues towards the vision set out in the Well-being of Future Generations Act of a fair, prosperous and sustainable Wales, improving the quality of life of people in all its communities. It has been essential to ensure we continue to move forward in the aftermath of the pandemic.

"Over the last year we have looked to the Future Generations Report to guide our work on a Widening Engagement Action Plan, and to inform our future monitoring and assessment processes as we plan for Council's next Strategic Plan and Investment Review. We continue to create a movement for change by prioritising involvement and engagement with the widest range of partners and the public in this process. We have also given specific focus to environmental sustainability, following COP26 and the focus on tackling climate injustice and the nature emergency."

Lhosa Daly
Chair, Future Generations Committee

The Well-being of Future Generation (Wales) Act 2015 is landmark legislation that aims to improve the economic, social, environmental, and cultural well-being of Wales. The Arts Council of Wales is one of the public bodies named in the Act that must comply with the legislation.

The Act has underpinned our mission in recent years. We strive to undertake our work in a sustainable way, considering the impact that our work has for people living, experiencing, and participating in the arts in Wales – now and in the future. We have also embraced the principle of the Act and see it as a vital opportunity to contribute as an arts sector to the 7 Well-being Goals. By taking a holistic approach we can bring creativity and imagination to many aspects of public life for mutual benefit.

Activities undertaken by the Future Generations Committee during 2021/22 included:

1. continuing to embed the Future Generations **Five Ways of Working** (Involve, Collaborate, Prevent, Integrate, Long term), in our policies, strategies and in the delivery of our work
2. discussing the Future Generations considerations in relation to the upcoming development of the **Strategic Plan and Investment Review**, with specific focus on reviewing the environmental targets for Arts Portfolio Wales organisations
3. learning from the work of other organisations, in particular Creative Carbon Scotland, and their development of the **scaffolding approach to support funded organisations** to become environmentally sustainable
4. monitoring the development of the **evaluation framework** to progress and evaluate the impact of the Arts Council's work against the 7 well-being goals of the Act
5. reviewing and updating reports and action plans including the **Well-being of Future Generations Annual Report 2020-21, the Widening Engagement Action Plan**, and the F**uture Generations Committee Action Plan 2021-23**
6. ensuring retention of our **Green Dragon Level 5 Accreditation** for environmental sustainability
7. reducing our carbon footprint considerably using our **information technology infrastructure** which enabled us to operate remotely throughout the pandemic lockdown

The Committee met 9 times during 2021/22 to discharge its responsibilities. Members in total attended on 18 out of a possible 27 occasions.

Environmental performance

We promote the minimisation of waste amongst our staff by encouraging reduction, reuse and recycling and waste separation, reducing the amount sent to landfill.

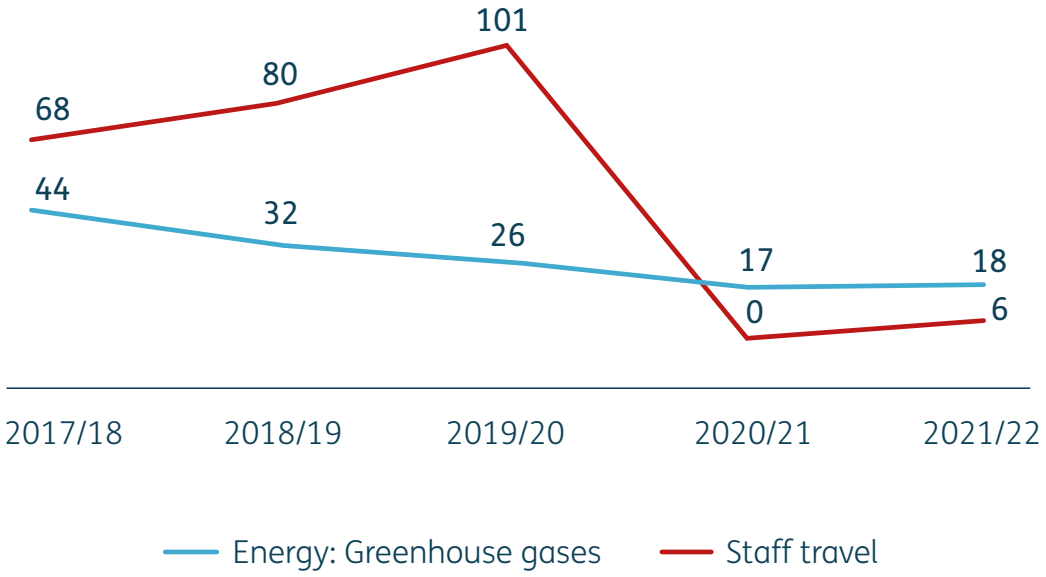
WASTE Non-financial (tonnes)	2021/22	2020/21
Landfill	0	0.001
Reused/recycled	0	0.009

We reuse or recycle our surplus and redundant IT and office equipment. We use licensed and appropriate organisations to dispose of our waste. During 2021/22, when our offices remained closed to the public, collections of waste were suspended.

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.

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 (CO_2e) emissions so that staff can manage their consumption of resources.

CO_2e emissions (tonnes) – 5 year trend



ENERGY[1]	2021/22	2020/21
Greenhouse gas emissions (CO_2e tonnes)		
Gross emissions, scope 2&3 (indirect)	18	17
Energy consumption (kWh)		
Electricity (renewable)	68,809	59,193
Gas	9,068	9,247
Financial indicators (£)		
Expenditure – energy	11,608	10,049
Water supply costs (office estate) – currently unable to assess, included in service charge	N/A	N/A

[1] Offices only. The impact of home working is not captured.

All three of our offices are leased on a shared occupancy basis, with certain costs included within our service charges. This restricts our ability to accurately assess our total environmental impact from energy usage. Our major use of electricity is in our Cardiff office and the landlord has confirmed that 100% of the supply is from verifiable Natural Renewable sources (wind, water and hydro).

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. 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. Up to and beyond the pandemic this remains a significant practical challenge. There are inevitable fluctuations in the level of CO_2e emissions attributable to travel when we are actively involved in international projects.

In a post-Brexit world, the international marketplace will be increasingly important but we work actively to lessen the environmental impact and will continue to do so as operations return to more normal levels.

STAFF TRAVEL	2021/22	2020/21
Travel emissions (CO_2e tonnes)[1]		
Rail	1	0
Air[2]	1	0
Car/vans	4	0
Travel cost (£)		
Rail	2,919	8
Air	609	0
Car/vans	6,365	635
Travel (miles)		
Rail	10,013	24
Air	3,133	0
Car/vans	14,144	1,410

[1] CO_2e emissions associated with the very limited amount of staff travel during 2020/21 were less than 1 tonne for each mode of transport.

[2] 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 NOx (nitrous oxides) and water vapour when emitted at high altitude.

Nnane Ntube, ‘Talk to Coco’, Watch Africa Cymru – Crossroads of Cultures, Wales-Cameroon

Principal risks and uncertainties

Managing our affairs effectively

As stewards of public funds we must operate in an efficient and accountable manner. Our priorities and funding decisions are agreed by Council in accordance with the policies and procedures that apply to our use of public funds. The Audit & Risk Assurance Committee's (ARAC's) role is to ensure that we deliver on these commitments, doing so in ways that are transparent, accountable and that represent value for money. An extensive programme of internal audit assists us in this work.

Protecting the public's money

An important part of ARAC's work is reviewing our defences against **Fraud** and **Cyber-crime**. Attempts to illegally gain access to our funds and ICT systems occur regularly. Council takes these issues very seriously and ARAC has been looking carefully at our policies and processes to ensure that they are robust and secure. There were no successful attacks during the year.

Draenen Ddu,
Theatr Bara Caws

Taking risks: a balanced approach

Unauthorised access to our systems is just one of a range of potential risks that could compromise our performance and reputation. We expect the organisations that we fund to be well managed and to represent good value for money. Our ongoing monitoring assesses the extent to which this is the case. But we are not so risk averse that we ignore important opportunities for innovation and growth. We aim to take appropriate but informed risks, as circumstances dictate. However, we do not behave recklessly; neither would we wilfully squander public money nor endanger our reputation for prudent and effective delivery.

Our systems of internal control identify and prioritise the risks that could prevent us achieving Council's policies, aims and objectives. They evaluate the likelihood of the risks being realised, consider the impact should they occur, and seek to manage them efficiently, effectively and economically. We continually seek to improve our internal control systems.

ARAC reviews the robustness and suitability of this aspect of Council's work. The **Corporate Assurance Framework** (CAF) and separate **Corporate Risk Register** were scrutinised at regular intervals throughout the year, as was an additional risk register created to capture risks across the organisation that pertained directly to the Covid-19 pandemic. This provided members with greater clarity on the levels of assurance in operation across all of the Council's activities and the corresponding risks identified. ARAC reviewed the Horizon Scanning section of the CAF at each of its meetings.

Financial risk and capital management

The Council holds financial instruments mainly 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.

Risks are managed as follows:

- **Fraud risk** – the Arts Council, in common with most other organisations, is exposed to fraud risk on an increasing and ever more sophisticated scale. We noted a potential for increased fraud risk given current circumstances with Covid-19 and updated our internal anti-fraud controls and checks in response.

- **Liquidity risk** – the Council is satisfied that it has sufficient liquid resources, in the form of cash at bank and agreed funding for 2021/22, to meet all current contracted commitments. The Council does not consider that its activities are exposed to any significant liquidity risk.

- **Interest rate risk** – cash and cash equivalent balances are held in instant access variable rate bank accounts which on average carried an interest rate of 0.02% (2020/21: 0.15%) in the year.

  The Council does not consider that its activities are exposed to significant interest rate risks.

- **Foreign currency risk** – the Council is not currently exposed, to any significant degree, to foreign exchange risks.

- **Cash flow risk** – the Council is not exposed to any significant cash flow risks.

- **Credit risk** – The Council is not exposed to any significant credit risk as the majority of debtors relate to Welsh Government income.

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

Principal risks	Key mitigating actions
Coronavirus Staff contracting the virus results in the Arts Council/teams/services becoming inoperable Covid-19 has a significant and long term detrimental impact on the Sector including: • individual artists and freelancers • organisations/Arts Portfolio Wales	Most staff have continued to work from home for a significant part of the year. However, arrangements are now in place for staff to return to the office on a hybrid arrangement following the move to Alert level 0 and the lifting of restrictions. Staff health and well-being and Welsh Government advice continue to be monitored. Delivery of a second and third round of the Cultural Recovery Fund, in partnership with the Welsh Government, has helped sustain organisations until they can resume publicly-accessible activity at pre-pandemic levels. Alongside the Cultural Recovery Fund the Cultural Contract was introduced, designed to encourage organisations to adopt new commitments to ensure public investment is deployed with a social purpose. We are leading on the development of this work on behalf of Welsh Government. We welcomed the uplift in funding for 2022/23 confirmed by Welsh Government in its Budget announcement in December 2021 and also the Term of Government Remit Letter. Council agreed to pass the 1.5% uplift on to our Arts Portfolio Wales (APW) organisations in 2022/23 to help sustain them in the current financial climate. Several new Lottery programmes were developed. 'Connect and Flourish' was launched to encourage collaborations between organisations and freelancers and 'Create' to fund the development and creation of high-quality arts experiences that help creative individuals and organisations engage and connect with the public. We undertook a Stability Assurance evaluation of each of our APW organisation. We also engaged in discussions with external focus groups and developed a Communication Plan for our rescheduled Investment Review. We revised Creative Learning resources to accommodate Covid-19 restrictions and we explored further collaborations with external partners (e.g. Natural Resources Wales) in the wake of the impact of the pandemic

Principal risks	Key mitigating actions
Governance Insufficient resources and/or poor management results in a significant failure to deliver the key objectives in corporate and operational plans	We established interim arrangements following reductions in Senior Leadership Team personnel. All 7 Council members whose first term of office expired were reappointed for a further term. Key objectives are clearly defined. We use project management disciplines to assist Council officers in the delivery of their work. A formal progress report is presented to Council each quarter. This report also forms the basis for Quarterly Monitoring Meetings between Council's Senior Leadership Team and officials of the Welsh Government.
Planning, strategy and delivery The quality of Council's decision-making is compromised by poor information, particularly if business and operations are disrupted by the pandemic	We revised our research strategy to consider the impact of Covid-19 on the sector and post-Covid restrictions. Meanwhile, we continually reviewed existing arrangements and considered appropriate contingency plans. We rescheduled our next Investment Review which will include wider engagement with both the public and the sector to address those areas currently under-represented. The objectives of the Review will align with our chartered and charitable objectives and Welsh Government's priorities. We expanded our cohort of Arts Associates to bring additional, wider expertise and experience. This will support us to meet our corporate priorities of equalities and resilience, widening engagement with areas that are currently underrepresented. We engaged with them across many activities, including grant-making, lottery funding development, the Investment Review, equalities and future strategy.
Stakeholder and partner engagement Local authority funding cuts and changes in structure have a significant impact on our funding partnerships and relationships We fail to recognise the value of our relationships and the priorities for development	The situation was closely monitored. Reports on potential/likely Local Authority funding cuts and proposed changes were considered on a regular basis. To help deliver against objectives we increased the number of formal partnerships with external stakeholders. We increased engagement with targeted under-represented groups.

Principal risks	Key mitigating actions
Funding Failure of one or more of our Arts Portfolio Wales (APW) organisations or cuts in public sector funding damages the arts across Wales	Core grants to APW organisations account for most of our grant-in-aid funding from Welsh Government. The Portfolio's artistic, financial and operational effectiveness was closely monitored by officers. Regular updates on their financial health, governance and stability were provided to Audit & Risk Assurance Committee and to Council. When necessary, we take a pro-active approach to working directly with organisations that experience difficulties, investing time and expertise to help them resolve matters of concern. We continued to maximise efficiencies in our own running costs to help ensure as much funding as possible was available for direct arts expenditure. Key areas of risk are the financial impact of Covid-19 and the continuing reduction in local authority arts funding. We work with Welsh Government, local authority partners and other key stakeholders to explore alternative strategies for protecting support for creative activity.
Grants management Poor or fraudulent funding applications mean that public funds are not used for the purposes intended The introduction of a new grants management system compromises Council's ability to deliver its critical functions	We take a risk-based approach to our assessment of applications and the 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 achieved. Council takes fraud, corruption and maladministration very seriously and has policies to prevent, and deal with, both, including whistleblowing and anti-fraud polices. These were reviewed during the year. The project to replace our grants management system was monitored closely. Phase 1 closed in December 2021 followed by an evaluation exercise to inform Phase 2. We successfully delivered Cultural Recovery Fund Round 3 through the new grants portal, alongside our cyclical programme of Lottery grants.
Brexit Continuing uncertainty over post-Brexit circumstances has a detrimental impact on the operation of our funded organisations and our own data protection and data sharing considerations	We continue to monitor developments closely. We have a Task Group, including representatives from the Welsh Government and other UK Arts Councils to identify potential risks, lobby the UK Government and provide advice to the sector. With the other UK Arts Council's we have launched Arts InfoPoint to provide support and advice on artists' mobility from the UK to member countries of the European Union (EU). We revised our data protection considerations to reflect UK General Data Protection Regulations (GDPR) and conform with the EU/UK Adequacy Agreement.

Principal risks	Key mitigating actions
Capital projects Poor management of key Lottery capital projects causes delays that place additional funding burdens on the Arts Council	We operate rigorous processes for project monitoring and the release of payments. Contractual agreements are in place to protect the 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.
IT Unforeseen or unexpected outages compromise business continuity There is a breach in our IT security.	A full Disaster Recovery Plan is in place and tested annually. If an incident arises, alternative offsite IT facilities are available. Staff are equipped to work remotely and have done so throughout the pandemic with no significant IT issues. Cyber security and IT penetration tests are conducted annually. We comply with IASME security standards. We have robust reporting and investigation arrangements in the event of a security or data breach.
Personal Data Personal data is lost, compromised or stolen	The Council has controls and policies in place to ensure data security and integrity. Encrypted IT systems ensure the physical security of data is tightly controlled. Staff undertake regular training and awareness sessions.
Staffing Recurrent pressure to cut costs reduces staff capacity to an unacceptable level	Delivering an expanding programme of activity with fewer staff is a continuing concern for Council. Work is underway to deliver projects that support new ways of working. Progress against plans is carefully monitored and reviewed on a quarterly basis, and every effort is made to implement efficient business practices.
Risk management Our current polices and controls fail to protect us from potentially fraudulent activity, particularly under current circumstances and working practices	Council's suite of risk management policies is reviewed regularly. We share good practice with other Welsh Government Sponsored Bodies. Robust assessment and monitoring procedures are in place across all areas of activity to ensure grant monies are used for the specified purpose.

Principal risks	Key mitigating actions
Environment Our published strategy to develop and promote the arts in Wales and internationally has a detrimental impact on the Council's environmental targets Our carbon footprint escalates as lockdown restrictions ease, staff return to our offices and external activity comes back on line	Projects and activity we fund, in response to grant applications and through procurement, must demonstrate an understanding or development of environmental considerations. We hold Green Dragon level 5 accreditation and adopt Future Generations resilience considerations across our offices, including Fair trade, printing/ consumables, energy usage and recycling. Our Travel and Subsistence Policy is based on HM Revenue & Customs and other government practices and rates. Hybrid working arrangements are being introduced in the wake of the pandemic. It is unlikely that all staff will return to the office on a permanent basis. We will continue to use virtual meetings, where appropriate, to save on travel and time. Guidance was issued to staff regarding attending external meetings and events. Over the coming year, aligned with the Welsh Government's Programme for Government and carbon reduction targets, there will be increased focus on our own carbon footprint and that of our funded activity.
Equalities We make little or no progress regarding our equalities agenda	We continue to drive forward our agenda through the joint action plan with other Welsh public bodies and our own Strategic Equality Plan. Additionally, in partnership with Amgueddfa Cymru, we published research reports on community engagement which included social, economic, disability and ethnicity factors. The resulting was a joint Widening Engagement Action Plan. We appointed an Agent for Change at the beginning of the year and, more recently, through the Kickstart programme, an Assistant to the Agent. Our Strategic Equality Committee assesses our performance against our published commitments and reports to Council.

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 grant in aid and 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.

Recurrent, or annual revenue, grants are made to a portfolio of organisations to deliver high quality artistic services – our **Arts Portfolio Wales**. Consideration of revenue status for any organisation is dependent on the availability of funding, the sustainability of the organisation, and demonstration of strong fit with the Council's strategic priorities. Currently, each revenue-funded organisation enters into a funding agreement for a term of one to three years which sets out the anticipated level of funding, the programme of activity to be delivered, requirements for monitoring and annual review, standard conditions of grant, and any additional conditions.

Lottery capital grants, to organisations only, support the purchase, improvement, restoration, building or creation of an asset that will be used for the benefit of the public to develop the organisation's work.

Council delegates Lottery 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.

One-off grants are available to help fund time-limited artistic projects of high quality which best meet the Council's funding priorities. Ongoing monitoring of our grant 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 withheld and/or deferred.

Cash reserves – General Activities

The Council's policy on restricted funds is to record separately grants, donations and other sources of income which are received for a specific purpose or project, or where restrictions are imposed that are narrower than the Council's overall objectives. All of these incoming resources have been utilised in the year for their intended purpose.

Most of the Council's unrestricted funds are committed during the year, in accordance with the conditions of grant-in-aid issued by the Welsh Government. Any surplus funds are carried forward and used in furtherance of the Council's chartered objectives in the following year. There were no designated funds at 31 March 2022.

Our holding of cash reserves is restricted by the Welsh Government's directions on month-end and year-end flexibility. Within those parameters, our policy is to manage cash flow by drawing down funds each month to meet planned expenditure with a modest allowance for unforeseen short-term cash requirements. We review this policy and our reserves position annually.

At 31 March 2022 the unrestricted cash funds were £335,000 (2021: £593,000).

The accounts have been prepared on a going concern basis and there are no material uncertainties about our ability to continue in operation.

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 Digital, 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.

The Council's banking service is provided by **Santander UK plc**.

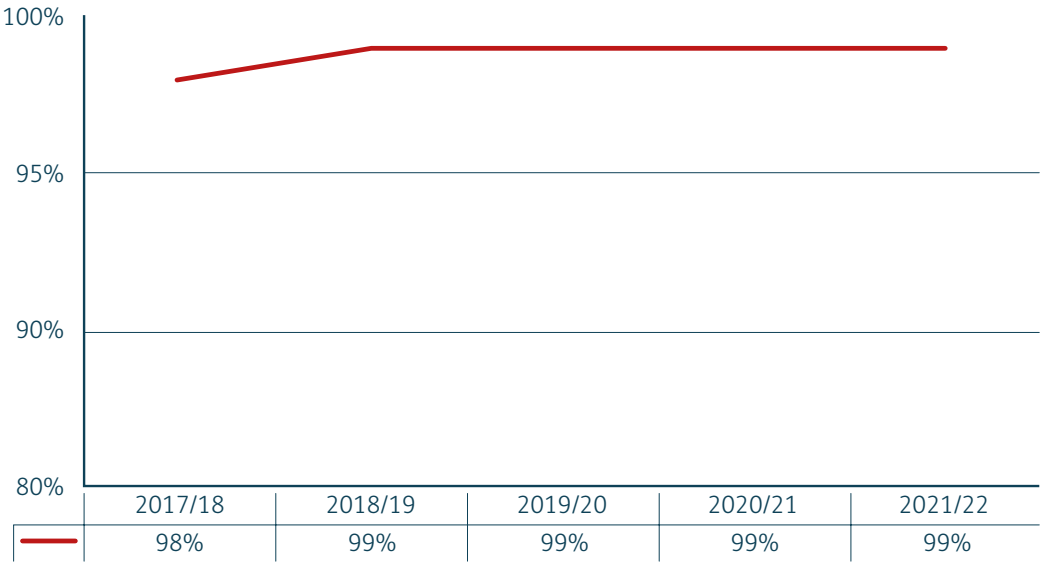
All interest and other investment income earned on cash and bank balances which arise as a result of funding from the Welsh Government is surrendered to HM Treasury via the Welsh Consolidated Fund.

Balances held in the National Lottery Distribution Fund remain under the stewardship of the Secretary of State for Digital, 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

Council follows the Late Payment of Commercial Debts (Interest) Act 1998, and the UK Government's Better Payment Practice Code. 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.

We aim to pay all invoices, including disputed invoices once the dispute has been settled, in line with these terms. During the year ended 31 March 2022, the Council paid 99% (2020/21: 99%) 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 2021/22, 87% (2020/21: 95%) 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 – General Activities

	2021/22 £'000	2020/21 £'000
Headlines from the General Activities accounts:		
Total income for the year	48,000	55,281
Excess of expenditure over income	(47)	(374)
Net current assets	2,382	2,432
Total fund balances at 31 March	2,419	2,466
Forward commitments of grants for the following year	27,484	27,082
The separate Lottery Distribution accounts show:		
The Council's share of the proceeds from the National Lottery	18,078	18,138
The combined		
Total income for both general and Lottery activities was	66,242	73,478
and		
Total charitable arts expenditure for both general and Lottery activities was	**70,563**	67,718

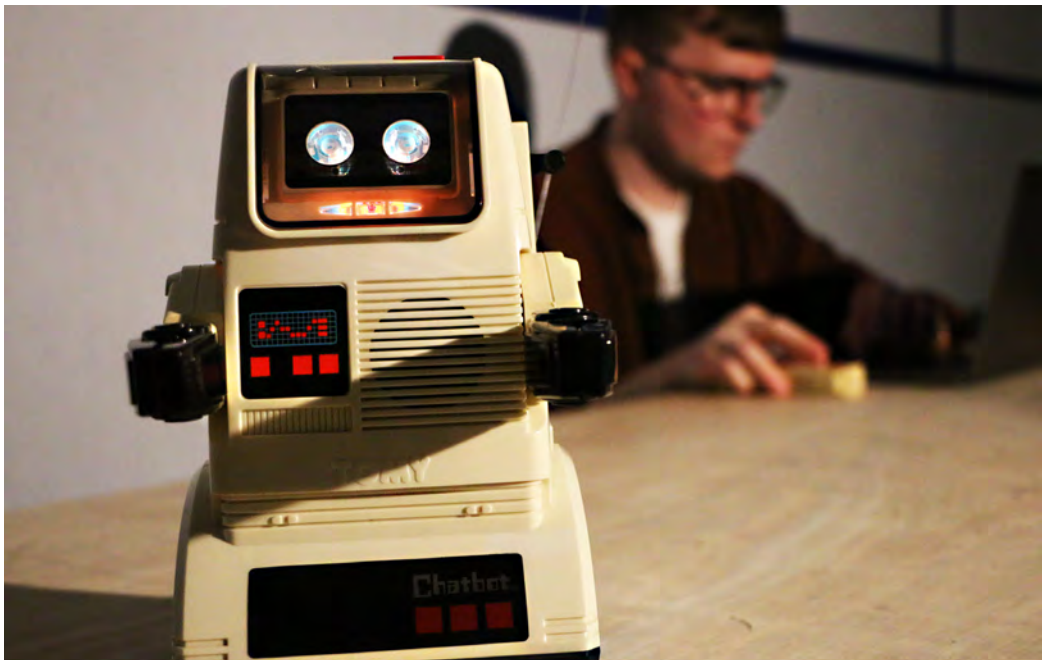
The Council's income for 2021/22 was £7.3m (13%) less than the previous year. The main reason was the lower amount of restricted Cultural Recovery Funding received from Welsh Government to provide support to arts organisations during another year defined by the Covid-19 pandemic. This year we received £12.7m for rounds 2 and 3 of the Fund compared with £18.3m for the first round in 2020/21.

There was a net reduction in funds of £47,000: unrestricted funds reduced by £629,000 while restricted funds increased by £582,000.

The reduction in unrestricted funds reflects our use of reserves from the previous year.

The increase in restricted funds relates primarily to ongoing, inevitable delays in delivering aspects of our Creative Learning through the Arts programme, given the ongoing disruption to activity in schools. The programme has been extended for a further three years so all funds will roll forward for future developments.

At 31 March 2022 we had unrestricted reserves of £0.7m (2021: £1.3m) and restricted reserves of £1.8m (2021: £1.2m). The level of our unrestricted reserves is directly affected by the Welsh Government's policy on year-end cash balances, as outlined in the *Cash reserves* section above. The Council is permitted to carry over from one financial year to the next no more than 2% of its total non-Lottery income. We were within this cap on 31 March 2022 but £300,000 of this year's cash grant-in-aid was undrawn and will be drawn down during 2022/23 to meet liabilities accruing to 2021/22 and included in this year's financial statements.



Automa,
James Nash / Volcano
Theatre Company

Financial Results – Lottery Distribution

	2021/22 £'000	2020/21 £'000
Headlines from the Lottery Distribution accounts:		
Share of proceeds from the National Lottery	18,078	18,138
Net grants made	20,637	9,827
Net (expenditure)/income for the year	(6,165)	4,382
Balance held in the National Lottery Distribution Fund at 31 March	26,165	22,121
Reserves at 31 March	**6,180**	12,345

Grants processed

	2021/22	2020/21
Number of applications received:		
Capital schemes	6	5
Arts Resilience Fund (Covid-19)	-	446
Revenue schemes	766	161
	772	612
Number of grants made:	**374**	387
Value of grants made:	£'000	£'000
Capital schemes	5,739	1,990
Arts Resilience Fund (Covid-19)	-	2,994
Revenue schemes	15,179	5,030
	20,918	10,014
Grants payable at 31 March:		
Capital schemes	9,143	4,643
Arts Resilience Fund (Covid-19)	11	244
Revenue schemes	11,339	6,000
	20,493	10,887

Our National Lottery proceeds were higher than originally budgeted, largely due to spikes in income towards the end of the year. However, Council continues to monitor closely the trend in the share of proceeds received by the good causes and the potential impact on future Lottery-funded programmes.

The ring-fencing of funds for our ongoing Capital programme and the progress of development of those key projects continues to impact our annual cash flows. Council allocated a total of £22m for the programme in 2012/13 for a period of five years. However, several priority projects remain at their development stages and Council considers it important to show commitment to them, and other financers, by leaving indicative funding offers in place. So our remaining capital budget allocation of approximately £1.8m has been rolled through to 2022/23.

In the previous financial year, 2020/21, our ability to grant Lottery funding was severely impacted by the pandemic and we reported a significant underspend. Arts activity normally funded by National Lottery proceeds was curtailed by the impact of lockdown and social distancing so we repurposed resources to support our Urgent Response and Stabilisation Funds. This year we've seen increased grant-making through our Connect and Flourish and Create schemes which provide a new way of thinking in the sector focused on collaborative working. We also awarded a £5m capital grant towards the redevelopment of Theatr Clwyd. The sum was set aside by Council some time ago, in addition to the ongoing Capital programme, but this is another project delayed by the pandemic.

As a result of these new and delayed grant commitments our expenditure in 2021/22 has exceeded our in-year income by £6.2m, utilising reserves brought forward from previous years.

At year-end grants payable totalled £20.493m (2021: £10.887m). Undrawn funds in the National Lottery Distribution Fund plus cash and cash equivalents totalled £27.966m (2021: £24.264m). Our share of balances held in the National Lottery Distribution Fund increased by approximately 18% from last year.

Remuneration and Staff Report

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.

Each year Council publishes a **Pay Policy Statement**. This includes a detailed breakdown of the make up of our staff. It also addresses Gender Equality and Equal Pay reporting.

Council ensures that appropriate facilities are available for disabled employees. Public signage also promotes the Council as a bilingual organisation.

Our HR policies

Council's aim is to be a progressive, family friendly employer. We operate a number of HR policies that reflect our 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, consultation and negotiation

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.

We undertake regular surveys of staff to identity any issues or areas for improvement.

Remuneration

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

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

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

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 Chair, Phil George, took up the position on 1 April 2016 and is in his third term which expires on 31 March 2023.

The Chief Executive and Directors – the Senior Leadership 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 Interim Chief Executive has been employed on a temporary contract, initially for a period of six months to the end of August 2022.

The dates of commencement and termination of employment are:

Phil George
Chair
1 April 2016

Michael Elliott
Interim Chief Executive
7 March 2022

Nicholas Capaldi
Chief Executive
15 September 2008 to 30 September 2021

Siân Tomos
Director of Arts Development from 1 February 2012 to 5 September 2021
Chief Executive from 6 September 2021
3 May 1994 to 19 November 2021

Richard Nicholls
Director of Operations
28 September 2020

Rebecca Nelson
Director of Finance and Business Services
17 June 2019

Diane Hebb
Director of Arts Engagement from 1 February 2012
13 January 1992

Staff turnover

Across the whole Council:

	2021/22	2020/21
Average number of employees (headcount)	86.25	81.75
Leavers	4	9
Starters	11	5
Average turnover	4.64%	11.01%

Average turnover is calculated as follows:

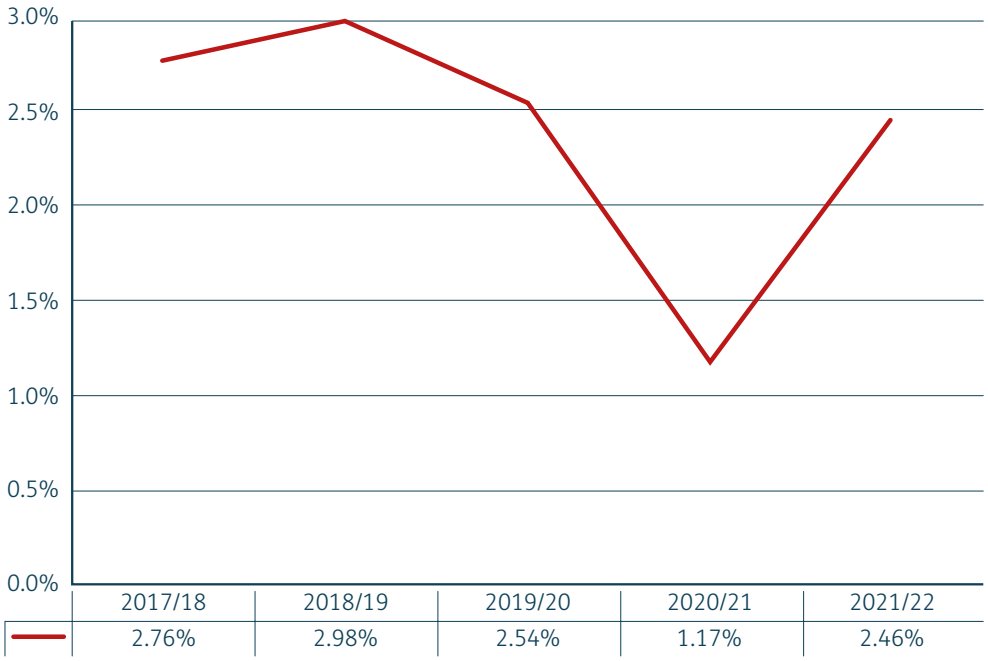
$$\frac{\text{total number of leavers over the year}}{\text{average total number employed over the year}} \times 100$$

Sickness absence

Across the whole Council:

	2021/22	2020/21
Days lost as a result of sickness	532	240.5
Average number of employees (headcount)	86.25	81.75
Average number of days lost per employee	6.17	2.94

This represented an absence rate of 2.46% (2020/21: 1.17%) based on 250.5 (2020/21: 250.5) working days. This is a return to more normal levels following the first year of the pandemic where national lockdowns resulted in much lower sickness absence.



Consultancy

During 2021/22 the Council paid no consultancy costs (2020/21: £2,000) in relation to expert advice and opinion obtained to assist in strategic decision-making. Nothing (2020/21: £2,000) is charged in these financial statements.

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:

> (real increase in pension* x 20) + (real increase in any lump sum) – (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 Leadership Team (audited):

	2021/22 £'000			2020/21 £'000		
Name Position	**Emoluments band**	**Pension benefits**	**Single total remuneration**	Emoluments band	Pension benefits	Single total remuneration
Michael Elliott[1] Interim Chief Executive from 7 March 2022	5-10	-	5-10	N/A	N/A	N/A
Full year equivalent	100-105					
Siân Tomos Director of Arts Development to 5 September 2021 Chief Executive from 6 September 2021 to 19 November 2021	50-55	55	105-110	75-80	32	105-110
Full year equivalent	90-95					
Nicholas Capaldi Chief Executive to 30 September 2021	50-55	5	55-60	100-105	30	130-135
Full year equivalent	100-105					
Richard Nicholls[2] Director of Operations from 28 September 2020	85-90	20	105-110	35-40	1	40-45
Full year equivalent				75-80		
Diane Hebb[2] Director of Arts Engagement	85-90	72	155-160	75-80	26	100-105
Rebecca Nelson[2] Director of Finance and Business Services	85-90	25	110-115	70-75	18	90-95

[1] The Interim Chief Executive has elected not to join a pension scheme and there is no requirement to auto-enrol him.

[2] The emoluments for 2021/22 include an extra responsibility allowance of £5,000-£10,000.

The pension benefits of the Senior Leadership Team (audited):

	2021/22 £'000	2021/22 £'000	2021/22 £'000	2020/21 £'000	2021/22 £'000
Name Position	Real increase in pension and related lump sum at age 65	Total accrued pension at age 65 as at 31/03/22, or date of leaving if earlier, and related lump sum	Cash Equivalent Transfer Value[1] at 31/03/22, or date of leaving if earlier	Cash Equivalent Transfer Value at 31/03/21	Real increase in Cash Equivalent Transfer Value[2]
Siân Tomos Director of Arts Development to 5 September 2021 Chief Executive from 6 September 2021 to 19 November 2021	Pension 2.5-5 Lump sum 7.5-10	Pension 30-35 Lump sum 95-100	733	633	52
Nicholas Capaldi Chief Executive to 30 September 2021	Pension 0-2.5 Lump sum 0-2.5	Pension 15-20 Lump sum 45-50	359	338	5
Richard Nicholls Director of Operations from 28 September 2020	Pension 0-2.5 Lump sum 2.5-5	Pension 0-5 Lump sum 0-5	17	1	11
Diane Hebb Director of Arts Engagement	Pension 2.5-5 Lump sum 10-12.5	Pension 20-25 Lump sum 70-75	469	421	62
Rebecca Nelson Director of Finance and Business Services	Pension 0-2.5 Lump sum 2.5-5	Pension 0-5 Lump sum 5-10	40	27	12

[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 Chair 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 £185 (2020/21: £16) was reimbursed to 1 (2020/21: 1) Council members for travel and subsistence costs incurred on Council business. The aggregate amount allocated to General Activities was £96 (2020/21: £8) and to Lottery Distribution £89 (2020/21: £8).

The total actual emoluments of the Chair and Chief Executive were made up of (audited):

	2021/22 £	2020/21 £
Chair		
Salary	43,810	43,810
Chief Executives		
Former Chief Executive (to 30 September 2021) – Nicholas Capaldi		
Salary	51,548	101,830
Employer's pension contribution	10,077	21,282
	61,625	123,112
Former Chief Executive (from 6 September to 19 November 2021) – Siân Tomos		
Salary	21,751	-
Employer's pension contribution	4,546	-
	26,297	-
Current Interim Chief Executive (from 7 March 2022) – Michael Elliott		
Salary	7,413	-
Chief Executives' total		
Salary	80,712	101,830
Employer's pension contribution	14,623	21,282
	95,335	123,112

66% (2020/21: 67%) of the Chair's and 72% (2020/21: 72%) of the Chief Executives' emoluments are charged to General Activities and 34% (2020/21: 33%) of the Chair's and 28% (2020/21: 28%) of the Chief Executives' to Lottery Distribution.

Reimbursed travel and subsistence expenses incurred and defrayed whilst on Council business:	2021/22 £	2020/21 £
Chair	£185	£16
Chief Executives	£627	£41

52% (2020/21: 51%) of the Chair's and Chief Executive's expenses are charged to General Activities and 48% (2020/21: 49%) to Lottery Distribution.

	2022	2021
The range of annual remuneration (full time equivalents) at 31 March was (whole Council):	£21,064 to £101,830	£23,419 to £101,830

The Chief Executive is the highest paid member of staff.
During the year the Chief Executive's remuneration did not change (2020/21: increase 2.5%). Staff as a whole received a pay award of 2.75% (2020/21: increase 2.5%).

The annual remuneration (full time equivalents) of employees and the ratios between each of those and the pay of the Chief Executive at 31 March were (whole Council):		
25th percentile	£30,142	£33,890
	1:3.4	1:3.0
Median (50th) percentile	£43,829	£42,656
	1:2.3	1:2.4
75th percentile	£43,829	£52,919
	1:2.3	1:1.9

Annual remuneration comprises salary only. No benefits were paid.
The differences between the remuneration ratios at 31 March 2022 and 2021 reflect the impact of:
(a) an increase in the number of staff employed;
(b) a pay award to all eligible staff which did not apply to the Chief Executive; and
(c) a job re-evaluation exercise settled in 2020/21.

Staff composition at 31 March (full time equivalents – whole Council)	2022			2021		
	Male	**Female**	**Total**	Male	Female	Total
Senior Leadership Team	2	2	4	2	3	5
Portfolio Managers/Heads of Department	7	8	15	6	8	14
Senior Officers	13	20	33	13	18	31
Officers	2	9	11	2	9	11
Team Co-ordinators/Personal Assistants	2	16	18	2	12	14
	26	**55**	**81**	25	50	75
	32%	68%		33%	67%	

Parliamentary Accountability and Audit Report (audited)

Remote contingent liabilities

The Council is an admitted employer of the Arts Council Retirement Plan 1994. The Plan is a funded, defined benefit, multi-employer scheme where the participating employers are unable to identify their shares of the underlying assets and liabilities.

In the event of the withdrawal of an employer, the debt triggered under section 75 of the Pensions Act 1995 would be calculated using the solvency shortfall of the entire Plan, not the employer's own asset share and liabilities. Also, in the event of Plan wind up, as the Plan is a "last man standing" arrangement all employers would be jointly and severally liable for the total shortfall in the Plan.

It is not practical to estimate the financial impact.

Losses, special payments and gifts

The Council incurred no losses during the year and made no gifts.

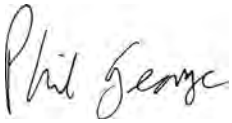
During the year the Council entered into a settlement agreement and made an ex-gratia payment to a former employee. This payment is charged in full in the General Activities accounts.

Fees and charges income

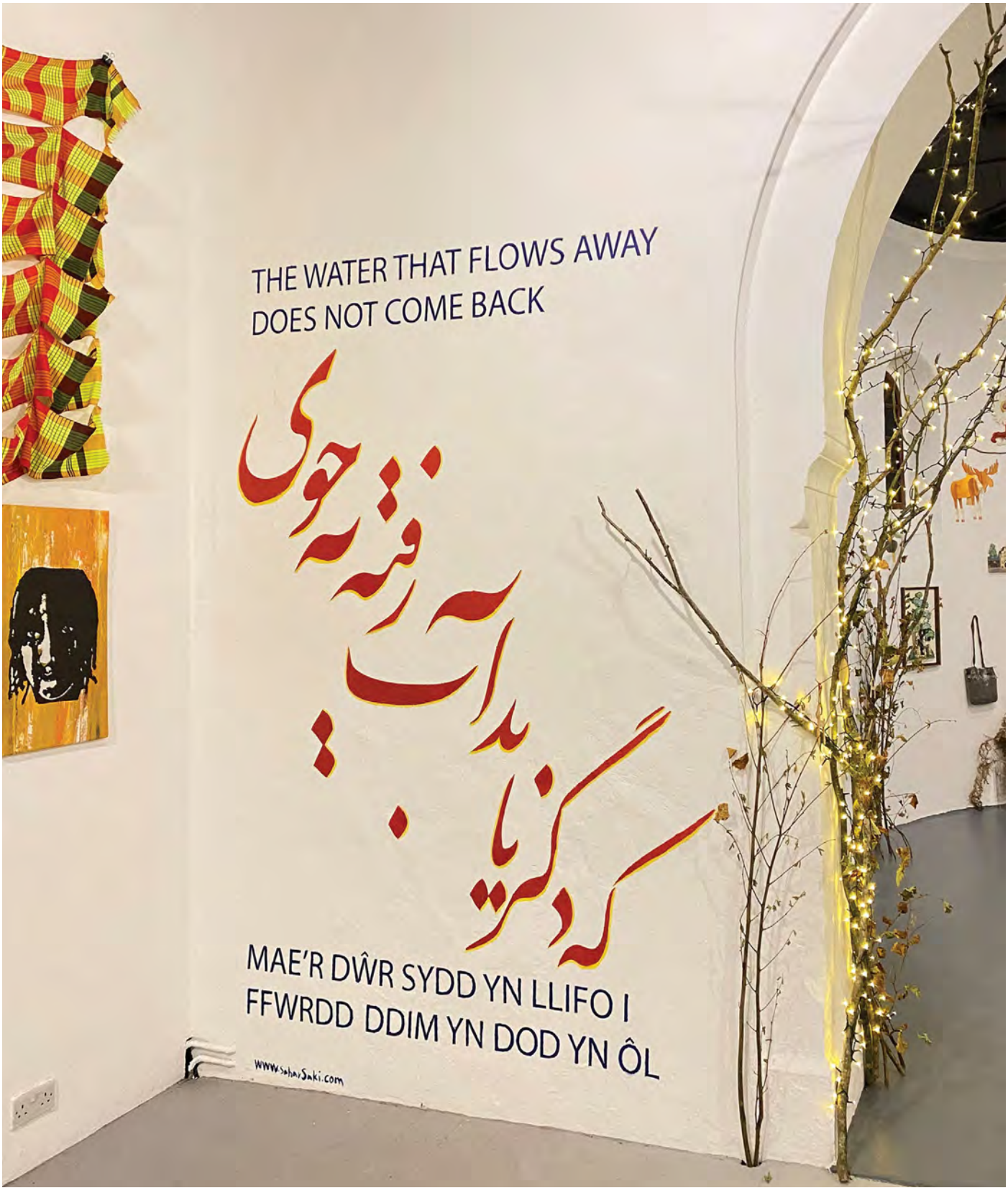
The Council has no material income of this kind.

Michael Elliott
Accounting Officer
8 July 2022

Endorsed on behalf of Council:



Phil George
Chair
8 July 2022


THE WATER THAT FLOWS AWAY
DOES NOT COME BACK
MAE'R DŴR SYDD YN LLIFO I
FFWRDD DDIM YN DOD YN ÔL
www.saharSaki.com

Sahar Saki

The year ahead: 2022/23

As we come out of lockdown and into the next financial year we are faced with a society that has fundamentally changed. We have a sector that has seen real crises and is still very much in recovery mode. Our focus is on how a future arts sector in Wales should look. Embarking on our Investment Review in tandem with our new Corporate Plan we have set an ambitious work programme for the coming year.

Moving Beyond Compliance, National Dance Company Wales delivered in partnership with Cartrefi Cymru, to explore how movement can benefit the wellbeing of staff working in care settings. (Image: Jim Elliot)

Our Operation Plan for 2022/23 has been developed under the framework of the Well-being of Future Generations Act (WFGA) and informed by Council's priorities and the requirements of the Programme for Government included in our Remit Letter.

The Plan identifies 9 key programme areas:

- Investment Review
- Recovery and transformation
- Widening engagement and equalities
- Arts, health and wellbeing
- Young people and Creative Learning
- Promoting the use of the Welsh language in and through the arts
- International
- Arts and climate justice
- Future ways of working for the Arts Council

Each programme area identifies which of the 7 goals of the WFGA it contributes to and how the 5 ways of working are applied to its underlying activity. Each programme area also identifies the appropriate requirements of our Term of Government Remit Letter.

Two years from the onslaught of the pandemic, the world is now a very different place. The Plan reflects the priorities we are currently facing, which include:

- developing our Investment Review objectives and approach against the backdrop of the significant impact the pandemic has had on arts organisations

- progressing our commitments to our Equalities agenda through our published action plans

- developing commitments to increase support and opportunities for young people and promoting physical and mental health and wellbeing through progression of our flagship Creative Learning and Arts and Health programmes

- evaluating the current health of the sector and seeking ways in which we may offer targeted support to specific areas and artforms where needed

- reviewing our international activity, particularly as travel restrictions ease, to ensure we still maximise opportunities to support and promote Wales and Welsh artists in the world and contribute to Welsh Government's International Strategy, including potential new waves of the pandemic and the need for commitment to climate justice

- committing to actions, through the sector and our own activity, to help achieve the Welsh Government's goal of Net Carbon 0 by 2030

- reviewing and redefining our own activity and working arrangements in the wake of the pandemic, including development of our next Corporate Plan and simplifying and streamlining our grant-making activities

Investment Review

During this year we'll be recommencing work on our deferred Investment Review – our periodic review of our Arts Portfolio Wales. The aim of the Investment Review is to identify the organisations best able to help us deliver our cultural priorities.

This work must get to the stage where a wider, more diverse group of people and organisations have been given the opportunity to provide their thoughts and for these to be brought together into a new 'vision' document.

The vision document will include consideration of key areas of Arts Council priorities such as those published in our Corporate Plan, *For the benefit of all*, the WFGA, the finalised version of the Cultural Contract and thoughts on emerging from the pandemic contained in *Re-setting the dial*.

Informed by the vision, we will define the terms of reference for the Review and the key outcomes we want to achieve. We will also consider the application process, ensuring it is clear and accessible.

The Review is scheduled to open to applications in March 2023. The assessment and decision-making will take place throughout 2023/24 and funding for the new Portfolio will take effect from April 2024.

Our key actions:

1. developing and publishing our vision for the new Arts Portfolio Wales
2. developing and publishing the terms of reference for the Investment Review
3. developing and publishing the application process for the Investment Review

Recovery and transformation

The world today looks very different from the world before Covid 19. We've seen an unprecedented impact on our economy, our culture and our way of life. Overnight, the global pandemic led to the suspension of all public activities and a collapse in the social, living and working environment for everybody.

For the last two years our default position has been 'emergency response'. Now, as we embark on learning to live with the pandemic and consider 'what next', it can't be based on 'business as usual'. Instead, we must take a fresh look at how we can achieve a strong and resilient arts sector that properly reflects culture and society in modern day Wales.

During this year we will take action to evaluate the impact and challenges of the pandemic on the sector – organisations, creative individuals and freelancers, and audiences and participants. We will seek ways to offer support and development opportunities to those who wish to work in the arts and ways to encourage audiences and participants to return to the arts.

Our key actions:

1. understanding and responding to challenges facing organisations following the pandemic
2. understanding and responding to the challenges facing individuals and freelancers following the pandemic
3. creating inclusive career opportunities for the arts workforce
4. contributing to and supporting development of Welsh Government's new Culture Strategy
5. developing a successor to the extended Lottery Capital Programme
6. developing and delivering arts-focused strategic projects
7. progressing Welsh Government's National Contemporary Art Gallery project
8. progressing the capital development of Theatr Clwyd

Widening engagement and equalities

We are committed to developing an approach to arts and culture that actively engages individuals and communities across Wales in deciding what counts as culture, where it happens and who makes and experiences it.

There are significant challenges and barriers faced by individuals and communities in relation to engaging with the arts. Over recent years these have been evidenced through the voices of the Black Lives Matter and "WeShallNotBeRemoved" campaigns which brought into sharp focus the impact of structural racism and ableism that has been prevalent in society as a whole and has prevented engagement with the culture and the arts. So, too, have the voices of those facing socio-economic disadvantage been heard, telling us clearly about the barriers and challenges they face in creating and accessing the arts.

We believe strongly that culture in Wales should reflect the lives of all its citizens.

People and communities facing barriers to engagement, neuro-divergent, deaf and disabled people, and people facing socio-economic disadvantage, not least those in post-industrial communities, are integral and central to our cultural life. And our priorities have been set to provide targeted actions to help make his happen.

We will deliver against our commitments in our published action plans and the Programme for Government. We will listen and understand the barriers faced and take action to address these. We will form new strategies and work in partnership with others, including our Portfolio organisations, to deepen and widen our engagement with groups and communities across Wales, particularly those currently under-represented, and through the delivery of targeted equality action plans.

Our key action:

1. implementing the recommendations and commitments contained in our published Strategic Equality Plan and, in partnership with Amgueddfa Cymru, our joint Widening Engagement Action Plan

Arts, health and wellbeing

The importance of the arts for health and wellbeing is central to our mission and becoming ever-more widely accepted. The positive impact that creative activities have on our wellbeing has never been more evident than during the pandemic when people, communities and frontline workers have increasingly turned to the arts as a vital source of enjoyment, connection, meaning and comfort.

Wellbeing is a healthy ambition that requires a holistic approach across all aspects of life. The wellbeing agenda underpins our wider strategy and activity – it's not limited to arts and health.

However, our resources are small in relation to the health sector. This is why we align our work with the priorities of government and the Health Boards, supporting Welsh Government initiatives such as Age Friendly Wales, improving mental health provision and sustaining the work of the Health Board Co-ordinator posts. We want to respond to the challenge of making scalable interventions in key areas of wellbeing and health in Wales. This year we will also establish an internal Arts and Health programme team to carry this work forward.

As well as the Health Boards, we will work with existing partners such as the Welsh NHS Confederation and the Baring Foundation and invest in relationships with key strategic bodies. We will continue important work such as the Cartrefi initiative and support social prescribing to tackle isolation and help wellbeing, including mental health.

We will improve opportunities for front-line workers to benefit from arts interventions through the delivery of our online resource Cultural Cwtsh and seek to identify and source additional funds to support our Arts and Health programme.

Our key action:

1. consolidating and further developing our approach to Arts and Health in Wales

Young people and Creative Learning

Active engagement with the arts can transform the way children and young people learn and explore the world around them. It can change the way they see themselves, their aspirations, as well as helping them to develop the self respect and worth that will be such an important part of their life skills for the future.

Creative Learning has placed the arts and creativity at the heart of the school curriculum. It has used the power of the arts to reinvigorate the school day and through ambitious professional development to re ignite the creativity of teachers themselves.

As we embark on the next phase of the Creative Learning through the Arts programme our strategy continues to pioneer new ways in which more schools can draw on practical ways of bringing the excitement and inspiration of the arts into the classroom and develop the creativity of our young people.

Our work in this area will also take us outside of the school setting as we explore options for supporting a 'Summer of Fun' including a school holiday enrichment programme.

We want to contribute to the eradication of child poverty in Wales and support those young people whose life chances are disadvantaged through social and economic influences.

We want as many young people as possible in Wales to believe that the opportunity is there for them to be the best they can – or want – to be, performing with their peers at the highest level, celebrating and demonstrating their creative talents and having a voice in our strategies that will set the course for their future. To facilitate this we will explore options for creating a Young Peoples' Network and a cohort of Young Associates.

We want young people to have the opportunity to produce, enjoy and take part in creative activity that they find relevant, contemporary, and exciting.

Our key actions:

1. delivering year 1 of the 3-year extension to Creative Learning
2. developing and supporting opportunities for children and young people to engage in the arts outside of the school setting
3. embedding the involvement of young people in strategies across the Council's wider work

Promoting the use of the Welsh Language in and through the arts

Nothing makes Wales more distinctive than the Welsh Language. It is part of what defines us as a nation and we have a role towards achieving the Welsh Government's target of one million speakers by 2050. We'll insist on the fair and equal treatment of Welsh. It's not just a matter of compliance with the requirements of Government language legislation. It's about committing to development and seizing the opportunities that Welsh language creativity offers.

Our key actions:

1. developing and launching our Welsh Language Strategy
2. increasing partnership working with the National Centre for Learning Welsh, Mentrau Iaith and Urdd Gobaith Cymru
3. implementing the recommendations in our response to the Welsh Language Mapping report
4. requiring our Arts Portfolio Wales organisations, where appropriate, to adopt ambitious Welsh Language plans

International

In 2021 we set out to re-think our international work in the context of four seismic global challenges which are felt locally in Wales: the pandemic, climate emergency and social justice, equalities, and establishing new international relationships following exit from the European Union (EU).

Covid-19 restrictions and quarantines have affected international travel. But as international working becomes possible again, it will be essential that Wales-based artists and organisations who depend on international work for their livelihoods are able to nurture new opportunities. During this year we will be developing a Framework by which we evaluate the impact of our work against the 7 WFGA goals.

We will deliver *Wales in Venice 10* and review Wales' relationship with the Venice Biennale and other major events in the context of the climate emergency, Brexit and our commitment to equalities and access for the future.

We will continue our investment in *Bro a byd – local and global wellbeing goals*, developing a new approach to diversity.

Following the creation of the UK Arts Infopoint, in partnership with the other UK Arts Councils, we will gather intelligence and information needed to enable organisations to continue employing European artists, present artistic programmes and tour in the EU.

Our key actions:

1. reviewing, resetting and delivering our international activity
2. working with Welsh Government on projects that support the realisation of its International Strategy and action plans

Arts and climate justice

We proactively support the Welsh Government's Net Carbon 0 ten year action plan for all public sector bodies in Wales to meet their Carbon 0 targets by 2030.

We are developing an activity plan with Natural Resources Wales (NRW) to drive forward our Memorandum of Understanding to deliver the Creative Nature Partnership. This includes developing working approaches between us and NRW to identify areas of collaboration with a focus on maximising and sharing resources to support the creative sector to move towards Net Carbon 0. Creative Nature Fellowships for 8 artists across artforms will create new work, in and/or about the environment, to inspire new approaches to practice that strives for innovation and challenges established ways of working.

Cultural Sector Route to Net-Zero will identify areas of collaboration with a focus on maximising and sharing resources across the sector and we will work with the Future Generations Commissioner to establish benchmarks and protocols to monitor the environmental and wellbeing impact of activities.

We will develop our own working practices to drive decarbonisation and support the Green Agenda, including reviewing and improving our own recycling and waste reduction and reviewing our future working models to consider more environmentally and staff wellbeing-friendly approaches such as hybrid working.

Our key action:

1. developing and delivering our own plan for climate justice and the arts

Future ways of working for the Arts Council

A crucial piece of work for us this year will be to produce and publish a new Corporate Plan to guide and support our work over the next 5 years. It will include the objectives of our Investment Review and the yardstick by which the new Portfolio will be evaluated. It will consider how we transform the arts in Wales and those who rely on and engage with it. It will set a clear course of action to help reduce the harm to our environment and support climate justice to safeguard our planet for future generations.

However, we cannot – and should not – do this alone. We will engage with existing partners and forge new relationships to achieve shared goals.

We will develop our own workforce, introducing equality and diversity champions, and encouraging and offering opportunities for staff to develop. We will review our own working arrangements and our offices to ensure they are fit for our future way of working.

Our key actions:

1. developing our new Corporate Plan through which we will embed Future Generations principles
2. revisiting and revitalising our public value partnerships identifying how we can co-invest public funding in shared priority areas, building on current arrangements
3. developing our own workforce and Council in areas to include greater representation
4. returning to office/hybrid working arrangements
5. reviewing our effectiveness in grant making

Firelei Báez, 'the soft afternoon air as you hold us all in a single death (To breathe full and Free: a declaration, a re-visioning, a correction)', 2021 (detail) Installation view: Artes Mundi 9. Courtesy the artist and James Cohan, New York. (Image: Stuart Whipps)

Financial Statements
General Activities

Statement of the Accounting Officer's responsibilities

Under Article 11 of the Royal Charter dated 30 March 1994 (as amended) the Council is required to prepare for each financial year a statement of accounts in the form and on the basis determined by Welsh Ministers. 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, Balance Sheet and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the accounting principles and disclosure requirements of the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 ("the SORP") and, to the extent that it clarifies or builds on the requirements of the SORP, the Government Financial Reporting Manual and in particular to:

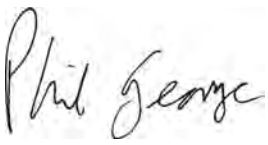
- observe the Accounts Direction issued by Welsh Ministers, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the SORP and the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements;
- prepare the financial statements on a going concern basis; and
- confirm that the Report and Financial Statements as a whole is fair, balanced and understandable and take personal responsibility for the Report and Financial Statements and the judgements required for determining that it is fair, balanced and understandable.

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 Welsh Public Money published by the Welsh Government.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the Council's auditor is aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

Michael Elliott
Accounting Officer
8 July 2022

Endorsed on behalf of Council:



Phil George
Chair
8 July 2022

The Certificate and independent auditor's report of the Auditor General for Wales to the Trustees of the Arts Council of Wales

Opinion on financial statements

I certify that I have audited the financial statements of the Arts Council of Wales General Activities Account for the year ended 31 March 2022 under Article 11 of the Arts Council of Wales' Royal Charter. These comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion the financial statements:

- give a true and fair view of the state of the Arts Council of Wales' affairs as at 31 March 2022 and of its net expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with Welsh Ministers' directions issued under Article 11 of the Arts Council of Wales' Royal Charter.

Opinion on regularity

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

Basis of opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. The Statement of Recommended Practice sets out the requirements for other information, however neither it nor legislation, nor the directions issued to the Arts Council of Wales set out the content and form of the Annual Governance Statement or Remuneration Report presented with the financial statements. The Accounting Officer is responsible for the other information in the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon. My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Report on other requirements

Opinion on other matters

The Statement of Recommended Practice sets out the requirements for other information, however neither it nor legislation, nor the directions issued to the Arts Council of Wales set out the content and form of the Governance Statement or Remuneration Report presented with the financial statements. Therefore, I am not able to confirm that the Governance Statement or Remuneration Report issued with financial statements have been prepared in accordance with guidance.

In my opinion, based on the work undertaken in the course of my audit, the information given in the other information to be issued with financial statements is consistent with the financial statements.

Although there are no legislative requirements for a Remuneration Report, the Arts Council of Wales has prepared such a report and, in my opinion, that part ordinarily required to be audited has been properly prepared in accordance with HM Treasury guidance.

In my opinion, based on the work undertaken in the course of my audit:

- the information given in the Performance Report and Operational Review and the Accountability Report (excluding the Governance Statement and Remuneration Report) for the financial year for which the financial statements are prepared is consistent with the financial statements and the Performance Report and Operational Review and the Accountability Report have been prepared in accordance with the Charities SORP (FRS102).

Matters on which I report by exception

In the light of the knowledge and understanding of the body and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Operational Review, Accountability Report or the Governance Statement.

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

- sufficient accounting records have not been kept;
- the financial statements and the audited part of the Remuneration Report are not in agreement with the accounting records and returns;
- information specified by Welsh Ministers regarding remuneration and other transactions is not disclosed; or
- I have not received all of the information and explanations I require for my audit.

Responsibilities

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Chief Executive as Accounting Officer is responsible for preparing the financial statements in accordance with Article 11 of the Arts Council of Wales' Royal Charter and Welsh Ministers' directions made thereunder, for being satisfied that they give a true and fair view, and for such internal control as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accounting Officer is responsible for assessing the body's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- enquiring of management, the Arts Council of Wales' internal auditor and those charged with governance, including obtaining and reviewing supporting documentation relating to the Arts Council of Wales' policies and procedures concerned with:
    - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
    - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
    - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;

- considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition, posting of unusual journals, accounting estimates and grant funding; and

- obtaining an understanding of the Arts Council of Wales' framework of authority as well as other legal and regulatory frameworks that the Arts Council of Wales operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the Arts Council of Wales.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;

- enquiring of management, the Audit and Risk Assurance Committee and legal advisors about actual and potential litigation and claims;

- reading minutes of meetings of those charged with governance and the Council; and

- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all of the audit team and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the Arts Council of Wales' controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Responsibilities for regularity

The Accounting Officer is responsible for ensuring the regularity of financial transactions.

I obtain sufficient evidence to give reasonable assurance that the expenditure and income have been applied to the purposes intended by the Senedd and the financial transactions conform to the authorities which govern them.

Report

I have no observations to make on these financial statements.

Adrian Crompton

Auditor General for Wales

12 July 2022

24 Cathedral Road
Cardiff
CF11 9LJ

The Arts Council of Wales

Statement of Financial Activities

for the year ended 31 March 2022

	Note	Unrestricted funds £'000	Restricted funds £'000	2021/22 Total £'000	2020/21 Total £'000
INCOME					
Donations:					
Grant-in-aid from the Welsh Government		31,000	300	31,300	32,278
Other grants and donations	3	126	16,484	16,610	22,949
		31,126	16,784	47,910	55,227
Income from charitable activities:					
Services and sponsorship	4	64	-	64	23
Investment income:					
Bank interest		0	0	0	2
Other income	5	26	-	26	29
Total income		**31,216**	**16,784**	**48,000**	55,281
EXPENDITURE					
Charitable activities	6	31,128	16,842	47,970	55,588
Governance costs	8	77	-	77	66
Bank interest surrendered to Welsh Consolidated Fund		-	-	-	1
Total expenditure		**31,205**	**16,842**	**48,047**	55,655
Net income/(expenditure)		**11**	**(58)**	**(47)**	(374)
Gross transfers between funds	13	(640)	640	0	-
Net movement in funds		**(629)**	**582**	**(47)**	(374)
Reconciliation of funds					
Fund balances brought forward	13	1,295	1,171	2,466	2,840
Total funds carried forward		**666**	**1,753**	**2,419**	2,466

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

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

The notes on pages 121 to 146 form part of these financial statements

The Arts Council of Wales

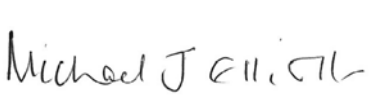
Balance Sheet

as at 31 March 2022

		31 March 2022 £'000		31 March 2021 £'000	
Fixed assets	Note				
Intangible fixed assets	9a		-		1
Tangible fixed assets	9b		67		66
Total fixed assets			**67**		67
Current assets					
Debtors	10	2,762		6,338	
Cash and cash equivalents		1,525		1,416	
Total current assets		**4,287**		7,754	
Liabilities: falling due within one year					
Creditors	11a	(1,905)		(5,322)	
Net current assets			**2,382**		2,432
Total assets less current liabilities			**2,449**		2,499
Creditors: falling due after more than one year					
Creditors	11b		(30)		(33)
Net assets			**2,419**		2,466
The funds of the charity					
Unrestricted funds	13		666		1,295
Restricted funds	13		1,753		1,171
			2,419		2,466

The notes on pages 121 to 146 form part of these financial statements

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



Michael Elliott
Accounting Officer
8 July 2022

Phil George
Chair
8 July 2022

The Arts Council of Wales

Statement of Cash Flows

for the year ended 31 March 2022

	Note	2021/22 £'000	2020/21 £'000
Net cash outflow from operating activities	15a	163	(852)
Net cash inflow from investing activities	15b	0	1
Net cash outflow associated with capital assets	15c	(54)	(34)
Change in cash and cash equivalents in the year		**109**	(885)
Cash and cash equivalents brought forward		1,416	2,301
Cash and cash equivalents carried forward		**1,525**	1,416

The notes on pages 121 to 146 form part of these financial statements

The Arts Council of Wales

General Activities Account
Notes forming part of the financial statements

for the year ended 31 March 2022

1. Accounting policies

a. **Basis of preparation**

These financial statements are prepared on a going concern basis and under the historical cost convention modified to include certain fixed assets at their value to the Council on a current cost basis. They have been prepared in accordance with the Accounts Direction issued by Welsh Ministers and meet the requirements of the Charities Acts 2006, 2011 and 2016, of the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their account in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) issued on 16 July 2014 ("the SORP") and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102). In addition to compliance with the SORP regard is given to the requirements of the Government Financial Reporting Manual (FReM) issued by HM Treasury to the extent that it clarifies or builds on the requirements of the SORP. A summary of the principal accounting policies which have been applied consistently are set out below.

Impact of standards not yet effective

The application of any new or amended accounting standards is governed by their adoption by the Charity Commission and FReM. The Council applies changes to standards when they become effective. There are no known material impacts from accounting standard changes that have been issued and are not yet effective on the financial statements in the period of initial application.

b. **Subsidiary undertakings – Cerdd Cymru:Music Wales Limited**

Cerdd Cymru:Music Wales was a private, trading company, limited by guarantee and registered in Wales (number 7759122). It was incorporated on 1 September 2011 as a 50% joint arrangement with the Welsh Music Foundation to develop and improve, both nationally and internationally, the knowledge, understanding, practice and sustainability of the arts and creative industries, and particularly of music in Wales.

Cerdd Cymru:Music Wales became a wholly-owned subsidiary of the Council during 2016/17 following the liquidation of the Welsh Music Foundation.

As Cerdd Cymru:Music Wales had been dormant in recent years, with all overseas activity managed directly through Wales Arts International (the Council's international unit), in March 2021 Council approved the voluntary winding up of the subsidiary. Cerdd Cymru:Music Wales was dissolved on 26 October 2021.

c. Income

All income is accounted for on an accruals basis, with the exception of legacies, donations and gifts which are recognised only when they are received. Capital grants receivable are treated as income.

No income is recorded net of expenditure in the Statement of Financial Activities.

d. Lottery distribution

These financial statements do not cover the Council's lottery distribution function for which separate financial statements have been prepared in accordance with directions issued by the Secretary of State for Digital, Culture, Media & Sport.

The Council incurs costs which support both its general activities and lottery distribution functions. In accordance 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.

The apportionments are usually reviewed every two years and whenever there is a significant change to the staff structure or the programmes of activity.

e. Expenditure

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.

f. Grants awarded

Subsidy expenditure is incurred in the form of grants which are formally offered to organisations funded by the Council. Grants are offered in support of a programme of activities planned for, or to commence in, a particular financial year and in most circumstances are charged to the Statement of Financial Activities in that year.

Forward commitments made in the year relating to next year's activity, as disclosed in note 17, are not charged to the Statement of Financial Activities. The grant-in-aid to meet these commitments cannot be recognised until it is received so, in this respect, we have been unable to apply all principles of paragraph 7 of the SORP. The Trustees do not believe the inclusion of the forward commitments would provide a true and fair view of the application of the Council's resources.

Grants unpaid at the year end are shown as creditors in the Balance Sheet. Any advance payments which have been made in respect of approved grants relating to next year's activities are shown in the Balance Sheet as current assets.

All grants offered are listed in the annex to this Annual Report.

g. Services and sponsorship

Services and sponsorship comprise the direct costs, including staff and depreciation, attributable to charitable activities.

h. Allocation of operating costs

Operating costs have been allocated first between charitable activities and governance. Operating costs relating to charitable activities have been apportioned to reflect the time spent by staff in delivering direct activities and in support of their delivery. The allocation and analysis of these costs is in notes 6 and 7.

i. Governance costs

Governance costs comprise all costs involving the public accountability of the Council as a charity and its compliance with regulation and good practice. These costs are analysed in note 8.

j. Foreign currency

Revenue received and expenditure incurred in foreign currencies is converted at the exchange rate prevailing at the time of the transaction. Balances held in foreign currencies are converted at the rate prevailing at the Balance Sheet date. Transactions and balances covered by forward contracts are converted at the contract rate.

k. Recognition of liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

l. Fund accounting

Restricted funds are those which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Council for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Unrestricted funds are those which are available for use at the discretion of Council in furtherance of its chartered objectives and which have not been designated for other purposes.

Where support costs are allocated to restricted charitable activities a transfer is made from unrestricted funds to cover these costs.

m. Fixed assets

The Council owns two freehold properties, the Sherman Theatre and the Rubicon Dance Studio, which are let on long leases at peppercorn rents to tenants which are not controlled by the Council and with no provision for repossession by the Council. Based on the advice of external and independent chartered surveyors, the residual value of these freehold interests is considered to be negligible so these assets are held in the accounts at a nil value.

Website development costs, in accordance with FRS 102, are treated as tangible fixed assets.

Computer software licences are treated as intangible fixed assets if they cover more than one year.

Other than freehold properties all tangible and intangible fixed assets are included at historical cost less an allowance for depreciation and amortisation. The Council considers that there is no significant difference between the book and market values.

n. Amortisation and depreciation

Individual assets costing £1,000 or above are capitalised and a full year's amortisation or depreciation is provided in the year of acquisition. Amortisation of intangible fixed assets and depreciation on tangible fixed assets is provided at rates calculated to write off the cost or valuation of each asset to its residual value on a straight line basis over its expected useful life as follows:

Computer software licences	over 3 years
Leasehold improvements	over the term of the lease
Furniture, fixtures and fittings	over 10 years
Equipment	over 4 years
Website development costs	over 3 years
Computer system	over 3 years

o. Leases

The costs of operating leases are charged to the Statement of Financial Activities on a straight line basis over the life of the lease.

p. Pensions

The Council is an admitted employer of the Arts Council Retirement Plan 1994 (ACRP) which provides defined benefits to Council employees. The costs of the Council's contributions are charged to the Statement of Financial Activities so as to spread the cost of pensions over employees' working lives.

The Plan is a funded, defined benefit, multi-employer scheme where the participating employers are unable to identify their shares of the underlying assets and liabilities. The scheme has therefore been accounted for as if it were a defined contribution scheme, in accordance with FRS 102. The Council has made payments to fund a deficit relating to past service. If further deficit payments are needed, following future revaluations, the Council will recognise a provision for the present value of contributions payable in accordance with the terms of any relevant funding agreement. All contributions towards the deficit are charged to the Statement of Financial Activities.

The Council also has 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 FRS 102.

q. Taxation

Non-recoverable Value Added Tax arising from expenditure on non-business activities is charged to the Statement of Financial Activities or capitalised as a fixed asset where applicable.

r. Financial instruments

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

Financial liabilities: Trade creditors are not interest bearing and are stated at their nominal value.

2. General activities and Lottery distribution: combined income and charitable arts expenditure

The separate Lottery distribution account shows the Council's 2021/22 share of the proceeds from the National Lottery of £18,078,000 (2020/21: £18,138,000). The combined total income for both general and Lottery activities for 2021/22 was £66,242,000 (2020/21: £73,478,000). The combined total direct charitable arts expenditure for 2021/22 was £70,563,000 (2020/21: £67,718,000).

3. Income

Donations: Other grants and donations

	Unrestricted funds £'000	Restricted funds £'000	2021/22 Total £'000	2020/21 Total £'000
Creative Learning through the Arts Programme (note 18):				
Welsh Government grant	-	978	978	750
Arts Council of Wales Lottery grant	-	750	750	1,083
Other income	-	-	-	45
Prior year grants no longer required or repaid	126	12	138	4
Welsh Government Cultural Recovery Funding (CRF)	-	12,697	12,697	18,348
Welsh Government contribution for other activities	-	1,816	1,816	2,208
Grants to Wales Arts International	-	83	83	-
Arts Council England (for Hynt)	-	83	83	-
Natural Resources Wales (for Creative Nature programme)	-	65	65	-
Freelands Foundation	-	-	-	500
Private donations	-	-	-	11
	126	**16,484**	**16,610**	22,949

4. Income from charitable activities – Services and sponsorship

	Unrestricted funds £'000	Restricted funds £'000	2021/22 Total £'000	2020/21 Total £'000
Night Out scheme: – contributions from venues/promoters	24	-	24	2
Contributions for Wales Arts International	-	-	-	2
Collectorplan – gallery fees	36	-	36	18
Other income	4	-	4	1
	64	-	64	23

5. Other income

	Unrestricted funds £'000	Restricted funds £'000	2021/22 Total £'000	2020/21 Total £'000
Contribution from the Lottery Distribution account: for use of fixed assets	26	-	26	29

6. Expenditure – Charitable activities

	Direct activities £'000	Grant[1] funding £'000	Support[2] costs £'000	2021/22 Total £'000	2020/21 Total £'000
Grant making and arts development	972	42,400	1,851	45,223	53,018
Creative Learning through the Arts Programme (note 18)	956	263	-	1,219	1,541
Arts strategy	430	-	18	448	242
International	582	-	25	607	430
Services: Night Out & Collectorplan	272	-	12	284	200
Advocacy and research	181	-	8	189	157
	3,393	**42,663**	**1,914**	**47,970**	55,588
From unrestricted funds				31,128	30,728
From restricted funds				16,842	24,860
				47,970	55,588

[1] Grant funding	To institutions £'000	To individuals £'000	2021/22 Total £'000	2020/21 Total £'000
From unrestricted funds				
Arts Portfolio Wales	26,782	-	26,782	26,782
Covid-19 support	-	-	-	880
Strategic awards	609	173	782	408
From restricted funds				
Arts Portfolio Wales	300	-	300	300
Covid-19 support	12,934	-	12,934	20,014
Creative Learning through the Arts Programme	263	-	263	932
Strategic awards	1,537	65	1,602	2,040
	42,425	**238**	**42,663**	51,356

All grants are listed in the annex to this Annual Report.

[2] Support costs	Gross costs £'000	Deduct Recharges to Lottery Distribution £'000	2021/22 Net charge to General Activities £'000	2020/21 Net charge to General Activities £'000
Staff and related costs	2,660	1,261	1,399	1,270
Infrastructure	601	290	311	337
Office running costs	17	8	9	8
Professional fees and promotion	182	106	76	43
Irrecoverable VAT	132	67	65	68
Amortisation and depreciation	54	-	54	60
	3,646	**1,732**	**1,914**	1,786

7. Staff costs

a. Total staff costs consist of:	Permanently employed £'000	Other £'000	Gross costs £'000	Deduct Recharges to Lottery Distribution £'000	2021/22 Net charge to General Activities £'000	2020/21 Net charge to General Activities £'000
Wages and salaries	2,952	500	3,452	943	2,509	2,286
Social security costs	310	52	362	99	263	238
Other pension costs	553	89	642	177	465	416
Apprenticeship Levy	3	-	3	-	3	1
	3,818	**641**	**4,459**	**1,219**	**3,240**	2,941
Staff costs are incorporated in the financial statements as follows:						
Charged to Direct activities (note 6)			1,894	-	1,894	1,678
Charged to Support costs (note 6)			2,516	1,203	1,313	1,230
Charged to Governance (note 8)			49	16	33	33
			4,459	**1,219**	**3,240**	2,941

The average number of staff (full time equivalents) employed during the year was:	Permanently employed	Other	Across the whole Council	On Lottery Distribution activities	2021/22 On General Activities	2020/21 On General Activities
On charitable activities:						
directly charged	9	10	19	-	19	17
recharged	28	1	29	-	29	27
In support of our charitable activities	31	1	32	23	9	9
	68	**12**	**80**	**23**	**57**	53

Staff composition at 31 March (full time equivalents – whole Council)	2022			2021		
	Male	Female	Total	Male	Female	Total
Senior Leadership Team	2	2	4	2	3	5
Portfolio Managers/Heads of Department	7	8	15	6	8	14
Senior Officers	13	20	33	13	18	31
Officers	2	9	11	2	9	11
Team Co-ordinators/Personal Assistants	2	16	18	2	12	14
	26	**55**	**81**	25	50	75
	32%	68%		33%	67%	

	2022	2021
The range of annual remuneration (full time equivalents) at 31 March was (whole Council):	£21,064 to £101,830	£23,419 to £101,830
The Chief Executive is the highest paid member of staff. During the year the Chief Executive's remuneration did not change (2020/21: increase 2.5%). Staff as a whole received a pay award of 2.75% (2020/21: increase 2.5%).		
The annual remuneration (full time equivalents) of employees and the ratios between each of those and the pay of the Chief Executive at 31 March were (whole Council):		
25th percentile	£30,142 1:3.4	£33,890 1:3.0
Median (50th) percentile	£43,829 1:2.3	£42,656 1:2.4
75th percentile	£43,829 1:2.3	£52,919 1:1.9
Annual remuneration comprises salary only. No benefits were paid. The differences between the remuneration ratios at 31 March 2022 and 2021 reflect the impact of: (a) an increase in the number of staff employed; (b) a pay award to all eligible staff which did not apply to the Chief Executive; and (c) a job re-evaluation exercise settled in 2020/21.		

b. The Chief Executive and Directors – the Senior Leadership Team – 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:

(real increase in pension* x 20) + (real increase in any lump sum) – (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 Leadership Team (audited):

	2021/22 £'000			2020/21 £'000		
Name Position	**Emoluments band**	**Pension benefits**	**Single total remuneration**	Emoluments band	Pension benefits	Single total remuneration
Michael Elliott[1] Interim Chief Executive from 7 March 2022	5-10	-	5-10	N/A	N/A	N/A
Full year equivalent	100-105					
Siân Tomos Director of Arts Development to 5 September 2021 Chief Executive from 6 September 2021 to 19 November 2021	50-55	55	105-110	75-80	32	105-110
Full year equivalent	90-95					
Nicholas Capaldi Chief Executive to 30 September 2021	50-55	5	55-60	100-105	30	130-135
Full year equivalent	100-105					
Richard Nicholls[2] Director of Operations from 28 September 2020	85-90	20	105-110	35-40	1	40-45
Full year equivalent				75-80		
Diane Hebb[2] Director of Arts Engagement	85-90	72	155-160	75-80	26	100-105
Rebecca Nelson[2] Director of Finance and Business Services	85-90	25	110-115	70-75	18	90-95

[1] The Interim Chief Executive has elected not to join a pension scheme and there is no requirement to auto-enrol him.

[2] The emoluments for 2021/22 include an extra responsibility allowance of £5,000-£10,000.

The pension benefits of the Senior Leadership Team (audited):

Name Position	2021/22 £'000 Real increase in pension and related lump sum at age 65	2021/22 £'000 Total accrued pension at age 65 as at 31/03/22, or date of leaving if earlier, and related lump sum	2021/22 £'000 Cash Equivalent Transfer Value[1] at 31/03/22, or date of leaving if earlier	2020/21 £'000 Cash Equivalent Transfer Value at 31/03/21	2021/22 £'000 Real increase in Cash Equivalent Transfer Value[2]
Siân Tomos Director of Arts Development to 5 September 2021 Chief Executive from 6 September 2021 to 19 November 2021	Pension 2.5-5 Lump sum 7.5-10	Pension 30-35 Lump sum 95-100	733	633	52
Nicholas Capaldi Chief Executive to 30 September 2021	Pension 0-2.5 Lump sum 0-2.5	Pension 15-20 Lump sum 45-50	359	338	5
Richard Nicholls Director of Operations from 28 September 2020	Pension 0-2.5 Lump sum 2.5-5	Pension 0-5 Lump sum 0-5	17	1	11
Diane Hebb Director of Arts Engagement	Pension 2.5-5 Lump sum 10-12.5	Pension 20-25 Lump sum 70-75	469	421	62
Rebecca Nelson Director of Finance and Business Services	Pension 0-2.5 Lump sum 2.5-5	Pension 0-5 Lump sum 5-10	40	27	12

[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 Chair, with the approval of the Charity Commission, 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 £185 (2020/21: £16) was reimbursed to 1 (2020/21: 1) Council member.

The total actual emoluments of the Chair and Chief Executive were made up of:

	2021/22 £	2020/21 £
Chair		
Salary	43,810	43,810
Chief Executives		
Former Chief Executive (to 30 September 2021) – Nicholas Capaldi		
Salary	51,548	101,830
Employer's pension contribution	10,077	21,282
	61,625	123,112
Former Chief Executive (from 6 September to 19 November 2021) – Siân Tomos		
Salary	21,751	-
Employer's pension contribution	4,546	-
	26,297	-
Current Interim Chief Executive (from 7 March 2022) – Michael Elliott		
Salary	7,413	-
Chief Executives' total		
Salary	80,712	101,830
Employer's pension contribution	14,623	21,282
	95,335	123,112

66% (2020/21: 67%) of the Chair's and 72% (2020/21: 72%) of the Chief Executives' emoluments are charged in these financial statements and the remainder to Lottery Distribution activities.

Travel and subsistence expenses incurred and defrayed whilst on Council business:	2021/22 £	2020/21 £
Chair	£185	£16
Chief Executives	£627	£41

52% (2020/21: 51%) of the Chair's and Chief Executive's expenses are charged in these financial statements and the remainder to Lottery Distribution activities.

c. 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 FRS 102.

An independent actuarial valuation of the ACRP normally takes place every three years. The most recent valuation, as at 31 March 2019, came into effect on 1 April 2020. The valuation introduced new contribution rates for the Council in respect of accruing benefits. It assumes a continuing requirement that a minimum level of payment be made each year towards the past service deficit, at a rate advised by the scheme actuary, until 31 March 2029.

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 key financial assumptions used were:

- Retail Prices Index (RPI) increases – Market Implied RPI Inflation curve with allowance for 0.3% per annum (p.a.) inflation risk premium
- Consumer Prices Index (CPI) increases – RPI curve less 1.0% p.a.
- Pension increases – equal to the relevant inflation assumption
- Salary increases – in line with CPI inflation
- Discount rate (past service) – market implied gilt yield curve plus 1.25% per annum
- Discount rate (future service) – market implied gilt yield curve plus 1.60% per annum

Contributions by the Council and its employees were:

	Council		Employees	
	2021/22	2020/21	2021/22	2020/21
For all staff	20.9%	20.9%	6.0%	6.0%

There were no changes to the contribution rates from 1 April 2022.

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 a defined contribution scheme, The People's Pension, as an alternative option for employees who are not members of the ACRP. The Council contributed 5% and the employee 3% during the year. These rates may change in the future, in line with the requirements of the legislation.

8. Resources expended
Governance costs

	Gross costs £'000	Deduct Recharges to Lottery Distribution £'000	2021/22 Net charge to General Activities £'000	2020/21 Net charge to General Activities £'000
Chair's remuneration	49	16	33	33
Auditor's remuneration – Audit	49	23	26	25
Internal audit	33	16	17	8
Legal and consultancy fees	1	-	1	0
Council meetings, including travel and subsistence	-	-	-	0
Committee meetings, including travel and subsistence	-	-	-	0
	132	55	77	66

9. Fixed assets

a. Intangible fixed assets	Computer software licences £'000
Cost at 1 April 2021	297
Additions	-
Disposals	-
Cost at 31 March 2022	297
Amortisation at 1 April 2021	296
Charge for the year	1
Disposals	-
Amortisation at 31 March 2022	297
Net book value at 31 March 2022	**0**
Net book value at 1 April 2021	1

b. Tangible fixed assets	Alterations to leasehold properties £'000	Computer system, furniture, etc £'000	Website £'000	Total £'000
Cost at 1 April 2021	107	706	95	908
Additions	-	54	-	54
Disposals	-	-	-	-
Cost at 31 March 2022	107	760	95	962
Depreciation at 1 April 2021	107	640	95	842
Charge for the year	-	53	-	53
Disposals	-	-	-	-
Depreciation at 31 March 2022	107	693	95	895
Net book value at 31 March 2022	**-**	**67**	**-**	**67**
Net book value at 1 April 2021	-	66	-	66

Amortisation and depreciation charged has been allocated to charitable activities within support costs (note 6).

c. Net book value at 31 March 2022 represents fixed assets used by the Council in support of its charitable activities.

The Council's freehold properties in Cardiff, the Sherman Theatre and the Rubicon Dance Studio, are let on long leases at peppercorn rents to tenants which are not controlled by the Council and with no provisions either for reviewing the rents or repossession by the Council.

The Sherman Theatre was acquired by the Welsh Arts Council, a division of the Arts Council of Great Britain, in September 1987 at a cost of £897,000 and immediately let for a term of 125 years. At the dissolution of the Arts Council of Great Britain in March 1994 the freehold interest was transferred to the newly formed Arts Council of Wales.

The Rubicon Dance Studio was acquired by the Welsh Arts Council in February 1988 at a cost of £11,315 and subject to an existing lease for a term of 999 years commencing 1 January 1986. The freehold interest was transferred to the Arts Council of Wales in March 1994.

The most recent external and independent valuation of the Council's freehold properties was as at 31 March 2004. It was undertaken by Elizabeth Hill, a Member of the Royal Institute of Chartered Surveyors, for and on behalf of Cooke & Arkwright, Chartered Surveyors. Because of the impact of the leases it was the surveyor's opinion that the freehold interests had a nil or nominal value, so these assets are held in the accounts at nil value.

Council does not consider it necessary to undertake a further valuation until there is a significant reduction in the residual terms of the leases or earlier termination.

10. Debtors (falling due within one year)

	2021/22 £'000	2020/21 £'000
Welsh Government – grant-in-aid	300	800
Welsh Government – Cultural Recovery Funding	462	3,687
Welsh Government – other funds	148	-
Collectorplan loans[1]	479	266
Trade debtors	135	60
Other debtors	812	1,102
	2,336	5,915
Deduct Specific provision for doubtful debts	-	-
Sub-total: Debtors	2,336	5,915
Prepayments	199	238
	2,535	6,153
Due from Lottery distribution fund for recharged costs:		
Cost apportionments	227	185
	2,762	6,338

[1] Collectorplan is the Council's interest-free loan scheme, available to the general public to support the purchase of contemporary works of art and crafts from participating galleries across Wales. Loans from £50 up to £5,000 are repaid by monthly instalments over a maximum period of 1 year.

11. Creditors

		2021/22 £'000	2020/21 £'000
a.	**Creditors**: falling due within one year		
	Grants payable	1,280	4,911
	Taxation and social security	145	94
	Trade creditors	141	31
	Other creditors	130	76
	Accruals and deferred income	209	210
		1,905	5,322
b.	**Creditors**: falling due after more than one year		
	Grants payable	**30**	33

12. Contingent liability

The Council is an admitted employer of the Arts Council Retirement Plan 1994. The Plan is a funded, defined benefit, multi-employer scheme where the participating employers are unable to identify their shares of the underlying assets and liabilities.

In the event of the withdrawal of an employer, the debt triggered under section 75 of the Pensions Act 1995 would be calculated using the solvency shortfall of the entire Plan, not the employer's own asset share and liabilities. Also, in the event of Plan wind up, as the Plan is a "last man standing" arrangement all employers would be jointly and severally liable for the total shortfall in the Plan.

13. Statement of funds

	At 1 April 2021 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	At 31 March 2022 £'000
Unrestricted income funds					
General fund	1,295	31,216	(31,205)	(640)	666
Total unrestricted funds	**1,295**	**31,216**	**(31,205)**	**(640)**	**666**
Restricted funds					
Income					
Welsh Government Cultural Recovery Funding	-	12,697	(13,239)	542	0
Welsh Government for other specific arts activity	57	2,116	(2,245)	92	20
CLTA Programme	999	1,740	(1,219)	-	1,520
Arts Council England (for Hynt)	-	83	(13)	1	71
Natural Resources Wales (for Creative Nature)	-	65	(68)	3	0
National Centre for Learning Welsh	8	-	(8)	0	0
Wales Arts International activity	14	83	(50)	2	49
	1,078	16,784	(16,842)	640	1,660
Capital					
Alun Llywelyn Williams Memorial Fund (income to provide bursary for young artist)	13	-	-	-	13
Brian Ross Memorial Fund (income to provide bursary for young visual artist)	80	-	-	-	80
	93	-	-	-	93
Total restricted funds	**1,171**	**16,784**	**(16,842)**	**640**	**1,753**
Total funds	**2,466**	**48,000**	**(48,047)**	**0**	**2,419**

The Alun Llywelyn Williams and Brian Ross Memorial Funds are represented by cash at bank and are within the total of £1,525,000 shown on the Balance Sheet.

14. Analysis of net assets between funds

Fund balances at 31 March 2022 are represented by:	Unrestricted funds £'000	Restricted funds £'000	Total £'000
Fixed assets	67	-	**67**
Current assets	1,844	2,443	**4,287**
Creditors: falling due within one year	(1,215)	(690)	**(1,905)**
Creditors: falling after more than one year	(30)	-	**(30)**
Total net assets	**666**	**1,753**	**2,419**

15. Cash flow information

		2021/22 £'000	2020/21 £'000
a.	**Cash flows from operating activities**		
	Net incoming/(outgoing) resources	(47)	(374)
	Bank interest received (net of surrender)	0	(1)
	Amortisation and depreciation (note 9)	54	60
	(Increase)/Decrease in grants paid in advance	0	140
	(Increase)/Decrease in debtors	3,576	(4,259)
	Increase/(Decrease) in creditors falling due within one year	(3,417)	3,578
	Increase/(Decrease) in creditors falling due after more than one year	(3)	4
	Net cash inflow/(outflow) from operating activities	**(163)**	(852)
b.	**Cash flows from investing activities**		
	Bank interest received	0	2
	Bank interest surrendered to Welsh Consolidated Fund	0	(1)
	Net cash inflow from operating activities	**0**	1
c.	**Cash flows associated with capital assets**		
	Payments to acquire intangible fixed assets (note 9a)	0	-
	Payments to acquire tangible fixed assets (note 9b)	(54)	(34)
	Net cash outflow associated with capital assets	**(54)**	**(34)**

16. Commitments on operating leases

At 31 March 2022 the Council had the following commitments for future payments under non-cancellable operating leases:

	Land and buildings		Equipment	
Total due	2022 £'000	2021 £'000	2022 £'000	2021 £'000
within one year	123	132	0	2
later than one year and not later than five years	499	494	0	-
later than five years	233	360	0	-
	855	986	**0**	2

Lease payments of £154,000 have been recognised as an expense during the year (2020/21: £108,000). 52% (2020/21: 51%) of the costs are charged in these financial statements and the remainder to lottery distribution activities.

17. Forward commitments

	2022 £'000	2021 £'000
Grants		
Forward funding – grants formally offered	**27,484**	27,082

Forward funding at 31 March 2022 represents allocations to Arts Portfolio Wales organisations for 2022/23.

18. Creative Learning through the Arts Programme

The Creative Learning through the Arts Programme is designed to:

- improve educational attainment
- build an education system that will directly contribute to a stronger economy, greater innovation, greater creativity, and to the cultural capital of the nation
- bring about a step change in the range and quality of opportunities given to children and young people to engage with and learn about the arts and culture

The first phase, from 2015 to 2020, was funded by a joint investment of £20 million pounds from the Welsh Government in partnership with the Arts Council of Wales, working with the regional education consortia, schools, local authorities and the wider arts and cultural sector. The Programme requires the active involvement of artists, creative professionals and arts, culture and heritage organisations working in partnership with teachers and schools.

The programme was extended for two years from 2020 to 2022 and the Welsh Government has announced a further extension for another three years to 2025.

The Council's investment comes from Lottery funds. This, together with the Welsh Government's contribution and all Programme expenditure, is accounted for in these financial statements. This approach has been agreed with the Council's external auditors and the Department for Digital, Culture, Media & Sport.

	2021/22 £'000	2020/21 £'000
Income		
Welsh Government grant	978	750
Arts Council of Wales Lottery grant	750	1,083
Prior year grants repaid	12	4
Partnership income	-	45
Bank interest	0	1
	1,740	1,883
Expenditure		
Lead Creative Schools	718	1,073
Arts and education programme	20	10
Arts and creative learning cross-programme	37	48
Central management costs	445	410
Support costs (from unrestricted funds)	-	-
	1,220	1,541

19. Financial instruments

Financial Reporting Standard 102 requires disclosure of the role which financial instruments have had during the period in creating or changing the risks the Council faces in undertaking its functions.

Liquidity risks – In 2021/22 £46,791,000 or 97% of the Council's income was derived from the Welsh Government (2020/21: £53,584,000 or 97%). Of the remaining income £750,000 or 2% was derived from the Arts Council of Wales' Lottery Distribution account for the Creative Learning through the Arts Programme (2020/21: £1,083,000 or 2%) and £459,000 or 1% was derived from investment income and sundry income (2020/21: £614,000 or 1%). The Council does not consider that its general activities are exposed to any significant liquidity risk and is satisfied that future income is sufficient to meet its commitments.

Interest rate risks – Cash balances which are drawn down from the Welsh Government 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 0.02% in the year (2020/21: 0.15%). The effective unrestricted cash balance at the year end was £335,000 (2021: £593,000). The Council does not consider that its general activities are exposed to significant interest rate risks.

Foreign currency risk – The general activities of the Council are not exposed to any significant foreign exchange risks.

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

Credit risk – The Council is not exposed to any significant credit risk as the majority of debtors relate to Welsh Government income.

20. Corporation Tax

The Council is a charitable Welsh Government sponsored body and as such is exempt from Corporation Tax under Section 505 ICTA 1988.

21. Events after the reporting period

Authorisation of these financial statements for issue

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

22. Related party transactions

Public bodies

The Council is a Welsh Government sponsored body.

The Welsh Parliament/Welsh Government is regarded as a related party. During the year the Council had no material transactions with the Welsh Parliament/Welsh Government apart from the grant-in-aid disclosed in the Statement of Financial Activities and the restricted grants disclosed in note 3.

Individuals

Members of Council, Committees, staff or other related parties (being close family members) undertook financial transactions (listed below) with the Council 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 grants or other payments by the Council in 2021/22 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.

Under the Council's Code of Best Practice an interest is deemed to persist for a minimum period of one year after the individual has left the position which created the interest. This policy is reflected in the disclosures which follow.

Transactions with the Council as a Lottery distributor are recorded in the equivalent note to the separate Lottery Distribution Account.

Council members Role	Organisation	Transaction 2021/22 (number)	Total Value 2021/22 £	Total balance outstanding at 31 March 2022[1] £
Elen ap Robert				
Director	Welsh National Opera	Grant (1)	4,583,851	Nil
Chair	Eisteddfod Genedlaethol	Grant (0)	Nil	300
Lhosa Daly				
Employment	National Trust	Grant (1)	25,000	2,500
Devinda De Silva				
Employment	National Theatre Wales	Grant (1) Invoice (1)	1,624,075 960	Nil Nil
Board member	Dirty Protest	Grant (2) Invoice (1)	135,372 8,863	11,144 Nil
Board member	Disability Arts Cymru	Grant (4)	244,367	72,630
Advisor	Migrations	Grant (1)	20,200	Nil
Andy Eagle				
Employment	Chapter	Grant (4)	1,706,331	59,700
Kate Eden				
Council member	Aberystwyth University	Grant (3) Invoice (1)	1,385,833 47	23,792 Nil
Ruth Fabby				
Employment	Disability Arts Cymru	Grant (4)	244,367	72,630
Professor Tudur Hallam				
Employment	Swansea University	Grant (1) Invoice (1)	126,770 9,000	Nil Nil
Tafsila Khan				
Employment	Wales Millennium Centre	Grant (4)	5,872,226	49,605
Board member	FIO	Grant (0)	Nil	500
Board member	Taking Flight	Grant (2)	75,456	14,803
Panel member	National Theatre Wales	Grant (1) Invoice (1)	1,624,075 960	Nil Nil
Gwennan Mair				
Employment	Theatr Clwyd	Grant (1)	1,200,000	800
Drama board member	Eisteddfod Genedlaethol	Grant (0)	Nil	300
Victoria Provis				
Council	University of Wales Trinity Saint David	Grant (0)	Nil	6,631
Dafydd Rhys				
Employment	Aberystwyth University	Grant (3) Invoice (1)	1,385,833 47	23,792 Nil
Dr Sarah Younan				
Volunteer	Watch Africa Cymru	Grant (1)	9,850	9,850

Committee members Role	Organisation	Transaction 2021/22 (number)	Total Value 2021/22 £	Total balance outstanding at 31 March 2022[1] £
Andrew Butler				
Employment (Family member)	Audit Wales	Invoice (1)	24,959	Nil
Jayne Woods				
Council	University of Wales Trinity Saint David	Grant (0)	Nil	6,631

Staff members Role	Organisation	Transaction 2021/22 (number)	Total Value 2021/22 £	Total balance outstanding at 31 March 2022[1] £
Karine Décorne				
Board member	Migrations	Grant (1)	20,200	Nil
Board member (Family member)	Datrys	Grant (1)	5,112	Nil
Gillian Hughes				
Employment (Family member)	Awen Cultural Trust	Grant (2)	209,770	Nil
Rhian Hâf Jones				
Member	Eisteddfod Genedlaethol Cymru	Grant (0)	Nil	300
Duncan Lackie				
Governor	Ysgol Pen-y-Groes	Grant (0)	Nil	1,000
Sally Lewis				
Employment (Family member)	National Dance Company Wales	Grant (2) Invoice (3)	853,362 2,700	10,000 Nil
Employment (Family member)	Ballet Cymru	Grant (2)	287,152	Nil
Judith Musker Turner				
Employment (Family member)	Calan	Invoice (1)	396	Nil
Sian Parry-Jones				
Governor	Ysgol Hamadryad	Grant (1)	1,000	Nil
Daniel Trivedy				
Board member	Elysium Gallery	Grant (2)	54,450	49,500
Eluned Hâf Williams				
Employment (Family member)	Canolfan Gerdd William Mathias	Grant (1)	50,000	50,000

[1] The total balance outstanding at the year-end may include amounts in respect of grants awarded in previous years but not yet paid.

Financial Statements
Lottery Distribution

Statement of 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 Digital, Culture, Media & 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, Statement of Financial Position 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:

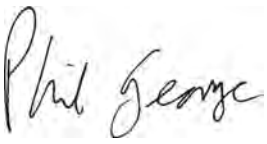
- observe the Accounts Direction issued by the Secretary of State for Digital, Culture, Media & Sport, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable 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;
- prepare the financial statements on a going concern basis; and
- confirm that the Report and Financial Statements as a whole is fair, balanced and understandable and take personal responsibility for the Report and Financial Statements and the judgements required for determining that it is fair, balanced and understandable.

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 Welsh Public Money published by the Welsh Government and Managing Public Money published by HM Treasury.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the Council's auditor is aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

Michael Elliott
Accounting Officer
8 July 2022

Endorsed on behalf of Council:



Phil George
Chair
8 July 2022

The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament and Members of the Senedd

Opinion on financial statements

I certify that I have audited the financial statements of the Arts Council of Wales Lottery Distribution Account for the year ended 31 March 2022 under the National Lottery etc. Act 1993.

The financial statements comprise the Arts Council of Wales Lottery Distribution Account's

- Statement of Financial Position as at 31 March 2022;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted International Accounting Standards.

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 2022 and of its total comprehensive expenditure for the year then ended; and
- have been properly prepared in accordance with the National Lottery etc. Act 1993 and Secretary of State directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure 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.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 Audit of Financial Statements of Public Sector Entities in the United Kingdom. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I have also elected to apply the ethical standards relevant to listed entities. I am independent of the Arts Council of Wales Lottery Distribution Account in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Arts Council of Wales Lottery Distribution Account's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Arts Council of Wales Lottery Distribution Account's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Arts Council of Wales Lottery Distribution Account is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

Other information

The other information comprises information included in the Report accompanying the financial statements, but does not include the financial statements nor my auditor's certificate and report. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the National Lottery etc. Act 1993.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Secretary of State directions made under the National Lottery etc. Act 1993; and

- the information given in the Performance Report and Operational Review and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Arts Council of Wales Lottery Distribution Account and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Operational Review and Accountability report.

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

- I have not received all of the information and explanations I require for my audit; or
- adequate accounting records have not been kept by the Arts Council of Wales Lottery Distribution Account or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Council and Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Arts Council of Wales and the Accounting Officer are responsible for:

- maintaining proper accounting records;
- the preparation of the financial statements and Annual Report in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ensuring that the Annual Report and accounts as a whole is fair, balanced and understandable;
- internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error; and
- assessing the Arts Council of Wales Lottery Distribution Account's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council and Accounting Officer anticipates that the services provided by the Arts Council of Wales Lottery Distribution Account will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the National Lottery etc. Act 1993.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, we considered the following:

- the nature of the sector, control environment and operational performance including the design of the Arts Council of Wales Lottery Distribution Account's accounting policies;
- inquiring of management, Arts Council of Wales Lottery Distribution Account's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Arts Council of Wales Lottery Distribution Account's policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Arts Council of Wales Lottery Distribution Account's controls relating to the Arts Council of Wales Lottery Distribution Account's compliance with National Lottery etc. Act 1993 and Managing Welsh Public Money;
- discussing among the engagement team and involving relevant internal specialists, including IT specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Arts Council of Wales Lottery Distribution Account for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override of controls.

I also obtained an understanding of the Arts Council of Wales Lottery Distribution Account's framework of authority as well as other legal and regulatory frameworks in which the Arts Council of Wales Lottery Distribution Account operates, focusing on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Arts Council of Wales Lottery Distribution Account. The key laws and regulations I considered in this context included the National Lottery etc. Act 1993, Managing Welsh Public Money, employment law and tax legislation.

Audit response to identified risk

As a result of performing the above, the procedures I implemented to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;

- enquiring of management and the Audit & Risk Assurance Committee concerning actual and potential litigation and claims;

- reading and reviewing minutes of meetings of those charged with governance and the Council and internal audit reports; and

- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

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

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies

Comptroller and Auditor General

13 July 2022

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

The Arts Council of Wales

Lottery Distribution Account
Statement of Comprehensive Net Expenditure

for the year ended 31 March 2022

	Notes	2021/22 £'000	2021/22 £'000	2020/21 £'000	2020/21 £'000
Expenditure					
Management and administration:					
Staff costs	2a	1,219		1,105	
Other operating costs	2b	595		580	
			1,814		1,685
Expenditure on the arts:					
Grants made		20,918		10,014	
Less: Lapsed and revoked grants		(281)		(187)	
Net grants made	7		20,637		9,827
Delegated distributors	9		1,885		2,195
Other arts awards	3		60		90
Direct costs of grant making	2c		11		18
			22,593		12,130
Total expenditure			**24,407**		13,815
Income					
Share of proceeds from the National Lottery	4		18,078		18,138
Investment income on balances in the National Lottery Distribution Fund	4		25		10
Partnership income			100		-
Interest receivable			1		3
Grants recoverable			38		46
Total income			**18,242**		18,197
Total Comprehensive (Expenditure)/ Income for the year			**(6,165)**		4,382

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 161 to 172 form part of these financial statements.

The Arts Council of Wales

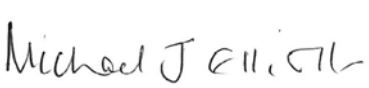
Lottery Distribution Account
Statement of Financial Position

as at 31 March 2022

	Notes	31 March 2022 £'000	31 March 2022 £'000	31 March 2021 £'000	31 March 2021 £'000
Current assets:					
Financial assets:					
Investments – balance held in the National Lottery Distribution Fund	4	26,165		21,121	
Trade and other receivables	5	151		151	
Cash and cash equivalents	8	1,801		2,143	
Total current assets			28,117		24,415
Total assets			28,117		24,415
Trade payables and other current liabilities – amounts falling due within one year:					
Trade and other payables	6	(255)		(210)	
Other liabilities:					
Delegated distributors	6	(1,189)		(973)	
Grants	6	(16,078)		(9,004)	
Total payables and other current liabilities			(17,522)		(10,187)
Non-current assets plus net current assets			10,595		14,228
Trade payables and other non-current liabilities – amounts due after more than one year:					
Grants	7		(4,415)		(1,883)
Assets less liabilities			**6,180**		12,345
Equity/Reserves:					
Net Expenditure account			**6,180**		12,345

The notes on pages 161 to 172 form part of these financial statements.

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



Michael Elliott
Accounting Officer
8 July 2022

Phil George
Chair
8 July 2022

The Arts Council of Wales

Lottery Distribution Account Statement of Cash Flows

for the year ended 31 March 2022

	2021/22 £'000	2020/21 £'000
Cash flows from operating activities		
Net income/(expenditure)	(6,165)	4,382
Bank interest	(1)	(3)
(Increase)/Decrease in the balance held in the National Lottery Distribution Fund	(4,044)	(4,085)
(Increase)/Decrease in trade and other receivables	-	(1)
Increase/(Decrease) in trade and other payables and other liabilities	261	406
Increase/(Decrease) in grants payable	9,606	317
Net cash inflow/(outflow) from operating activities	**(343)**	1,016
Cash flows from investing activities		
Bank interest	1	3
Net cash inflow from investing activities	**1**	3
Cash and cash equivalents		
Net increase/(decrease) in cash and cash equivalent balances	**(342)**	1,019
Balance at 1 April	2,143	1,124
Balance at 31 March	**1,801**	2,143

Statement of Changes in Equity

for the year ended 31 March 2022

	2021/22 £'000	2020/21 £'000
Balance at beginning of year	12,345	7,963
Net income/(expenditure) for the year	(6,165)	4,382
Balance at end of year	**6,180**	12,345

The notes on pages 161 to 172 form part of these financial statements.

The Arts Council of Wales

Lottery Distribution Account
Notes forming part of the financial statements

for the year ended 31 March 2022

1. Accounting policies

a. Basis of preparation

These financial statements are prepared on a going concern basis and under the historical cost convention. They have been prepared in a form directed by the Secretary of State for Digital, Culture, Media & 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) as interpreted for the public sector context within the Government Financial Reporting Manual issued by HM Treasury.

IFRS 16 is a new accounting standard that sets out the principles for the recognition, measurement, presentation and disclosure of leases. It is generally effective from 1 January 2019 but for UK public sector bodies has been deferred until 1 April 2022.

IFRS 17 is a new accounting standard that sets out the principles for the recognition, measurement, presentation and disclosure of insurance contracts. It is generally effective from 1 January 2023.

Impact of standards not yet effective

The application of any new or amended IFRS is governed by their adoption by the Government Financial Reporting Manual. The Council applies changes to standards when they become effective. There are no known material impacts from IFRS changes that have been issued and are not yet effective on the financial statements in the period of initial application.

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. Delegation to external partners

The Council has fully operational delegation agreements in place with a number of bodies to act as lead organisations in the delivery of grant schemes. The statutory grant decision-making function is delegated to the bodies. The terms of the external delegation are set out in formal agreements and satisfy the conditions of the Council's Financial Directions. The obligations of the Council's Accounting Officer are unchanged by the delegation.

Annual sums delegated by the Council to the partners are recognised as expenditure in the Statement of Comprehensive Net Income/Expenditure. Funds are drawn down by the partners to meet grant commitments as they fall due. Undrawn funds at the year-end are included in the Statement of Financial Position as liabilities. Further details are disclosed in note 9.

f. National Lottery Distribution Fund

Balances held in the National Lottery Distribution Fund remain under the stewardship of the Secretary of State for Digital, Culture, Media & Sport. However, the share of these balances attributable to the Council is as shown in the accounts at amortised cost and, at the Statement of Financial Position date, has been certified by the Secretary of State for Digital, Culture, Media & Sport as being available for distribution by the Council in respect of current and future commitments.

g. 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 Plan is a funded, defined benefit, multi-employer scheme where the participating employers are unable to identify their shares 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 made payments to fund a deficit relating to past service. If further deficit payments are needed, following future revaluations, the Council will recognise a provision for the present value of contributions payable in accordance with the terms of any relevant funding agreement. A share of all contributions towards the deficit is charged to the Statement of Comprehensive Net Income/Expenditure.

The Council also has 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.

h. 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.

i. 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.

The apportionments are usually reviewed every two years and whenever there is a significant change to the staff structure or the programmes of activity.

j. 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 any appropriate loss allowance. 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	2021/22 Total £'000	2020/21 Total £'000
Wages and salaries charged to Lottery distribution activity	921	22	943	862
Social security costs	97	2	99	80
Other pension costs	173	4	177	163
	1,191	**28**	**1,219**	1,105

More detailed disclosures are contained in the Remuneration and Staff Report.

b. Management and administration: Other operating costs	2021/22 £'000	2020/21 £'000
Staff related costs	58	35
Infrastructure	291	327
Office running costs	8	8
Professional and consultancy fees	77	57
Lottery promotion	29	21
Irrecoverable VAT	67	72
Charge for use of fixed assets	26	29
Auditor's remuneration – Audit[1]	23	22
Internal audit	16	9
Council and committee meetings, including travel and subsistence	0	0
	595	580

[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% (2020/21: 49%).

c. Expenditure on the arts: Direct costs of grant making	2021/22 £'000	2020/21 £'000
Assessors' fees	8	11
Resilience Fund support	1	4
Irrecoverable VAT	2	3
	11	18

3. Other arts awards

	2021/22 £'000	2020/21 £'000
Unlimited awards in association with Arts Council England	60	60
Beyond Borders awards in association with PRS Foundation	-	30
	60	90

4. National Lottery Distribution Fund

Distributing activities are funded by allotted proceeds from the National Lottery which are held in the National Lottery Distribution Fund (NLDF). The NLDF is administered by the Department for Digital, Culture, Media and Sport. The National Lottery operator calculates the proceeds on an annual basis as set out in the National Lottery Licence. Payments are made to the NLDF each week on the basis of actual sales and prizes. The percentages of proceeds receivable into the NLDF then payable to each lottery distributing body are set out in National Lottery etc. Act 1993 sections 22 and 23 as amended by Statutory Instrument 2010 No. 2863 'The Apportionment of Money in the National Lottery Distribution Fund Order 2010'. The Council receives 1% of total annual proceeds receivable into the NLDF and draws down the proceeds when needed.

	2021/22 £'000	2020/21 £'000
Balance held in the National Lottery Distribution Fund at 1 April	22,121	18,036
Allocation of Lottery proceeds	18,078	18,138
Investment income receivable	25	10
Drawn down in the year	(14,059)	(14,063)
Balance held in the National Lottery Distribution Fund at 31 March	**26,165**	22,121

The balance in the National Lottery Distribution Fund at 31 March 2022 is in accordance with the Interim Certificate issued by the Department for Digital, Culture, Media & Sport.

5. Trade and other receivables

	2021/22 £'000	2020/21 £'000
Other receivables	150	150
Grants recoverable	1	1
	151	151

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

	2021/22 £'000	2020/21 £'000
Trade and other payables:		
Trade payables	5	2
Due to the Arts Council of Wales General Activities account:		
for apportioned costs[1]	227	177
for other recharges	-	8
Accruals and deferred income	23	23
Sub-total: Trade and other payables	255	210
Other liabilities:		
Delegated distributors[2]	1,189	973
Grants (note 7)	16,078	9,004
Sub-total: Other liabilities	17,267	9,977
Total current liabilities	**17,522**	10,187

[1] The amount due to the Arts Council of Wales General Activities account is made up of:		
Recharges of apportioned costs		
– Staff	144	111
– Overheads	57	37
– Charge for use of assets	26	29
	227	177

[2] The Council has delegated Lottery funds (note 9) to the following distributors:		
Undrawn funds at 31 March		
– Ffilm Cymru Wales (for film)	1,152	781
– Tŷ Cerdd (for community & Welsh music)	-	91
– BBC Wales (for digital development)	-	85
– Nesta (for specific projects)	6	-
– Literature Wales (for writers' bursaries)	31	16
	1,189	973

7. Grants

	£'000 Capital	£'000 Revenue schemes	2021/22 £'000 Total	2020/21 £'000 Total
Payable at 1 April	4,643	6,244	10,887	10,570
Grants made in the year	5,739	15,179	20,918	10,014
Amounts not taken up	(75)	(206)	(281)	(187)
Charged to Statement of Comprehensive Net Income/Expenditure	5,664	14,973	**20,637**	9,827
Grants paid in the year	(1,164)	(9,867)	(11,031)	(9,510)
Payable at 31 March[1]	9,143	11,350	**20,493**	10,887
Falling due within one year	5,643	10,435	16,078	9,004
Falling due after more than one year	3,500	915	4,415	1,883
	9,143	11,350	**20,493**	10,887
[1] Ageing of grants payable:				
2021/22	-	-	-	9,004
2022/23	5,643	10,435	16,078	1,860
2023/24	3,500	829	4,329	23
2024/25	-	86	86	-
	9,143	11,350	**20,493**	10,887

Grants approved but not formally offered at 31 March which are not recognised in the Statement of Comprehensive Net Income/Expenditure and Statement of Financial Position	-	-

8. Cash and cash equivalents

	2021/22 £'000	2020/21 £'000
The following balances at 31 March were held at:		
Commercial banks and cash in hand	**1,801**	2,143

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 *Horizons* £'000	**Literature Wales** for writers' bursaries £'000	**Tŷ Cerdd** for community & Welsh music £'000	**2021/22 Total** £'000	2020/21 Total £'000
Undrawn funds at 1 April (restated)	866	-	-	16	91	973	479
Delegated for the year	1,495	23	115	97	155	1,885	2,195
	2,361	23	115	113	246	2,858	2,674
Drawn down in the year	(1,209)	(17)	(115)	(82)	(246)	(1,669)	(1,701)
Undrawn funds at 31 March	1,152	6	-	31	-	1,189	973
Grants recorded as payable by the delegated distributors at 31 March	976	94	1	57	34	1,162	1,471

Full lists of the grants administered by the delegated distributors during 2021/22 are included in the annexes to this Annual Report.

10. Contingent asset

Sale of Olympic Park

The National Lottery Distributors are entitled to receive a share of receipts from the sale of land on Queen Elizabeth Olympic Park in return for their contribution of an additional £675m to the funding of the London 2012 Olympic and Paralympic Games. This was announced in 2007. The arrangements are set out in a legal agreement between the Secretary of State for Digital, Culture, Media & Sport and the Greater London Authority (GLA) dated 29 March 2012 which sets out the distribution of funds between the GLA and the Lottery Distributors via the Department for Digital, Culture, Media & Sport (DCMS). Land sales are likely to take place over a lengthy period, estimated to be up to 2036/37. The GLA has advised that sales are forecast to return less than £200m with payments to the Lottery Distributors beginning in 2026/27.

11. Events after the reporting period

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.

12. 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 2021/22 £18,078,000 or 99.1% of the Council's Lottery distribution income was derived from the National Lottery (2020/21: £18,138,000 or 99.7%). Of the remaining income £25,000 or 0.14% was derived from investment returns from the balance held with the National Lottery Distribution Fund (2020/21: £10,000 or 0.05%) and £139,000 or 0.8% from other investment income and sundry income (2020/21: £49,000 or 0.25%). 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 0.02% in the year (2020/21: 0.15%). The cash and cash equivalents balance at the year end was £1,801,000 (2021: £2,143,000). 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.

Credit risk – The Council is not exposed to any significant credit risk.

13. Related party transactions

Public bodies

The Council is a Welsh Government sponsored body.

The Welsh Parliament/Welsh Government is regarded as a related party and details of transactions with the Welsh Parliament/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 Digital, Culture, Media & Sport which is regarded as a related party. During the year the Council had no material transactions with the Department for Digital, Culture, Media & Sport other than those shown in the Statement of Comprehensive Net Income/Expenditure.

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/Expenditure.

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 2021/22 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.

Under the Council's Code of Best Practice an interest is deemed to persist for a minimum period of one year after the individual has left the position which created the interest. This policy is reflected in the disclosures which follow.

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

Council members Role	Organisation	Transaction 2021/22 (number)	Total Value 2021/22 £	Total balance outstanding at 31 March 2022[1] £
Elen ap Robert				
Chair	Eisteddfod Genedlaethol Cymru	Grant (1)	75,000	75,000
Devinda De Silva				
Board member	Dirty Protest	Grant (2)	175,339	143,671
Board member	Disability Arts Cymru	Grant (2)	222,514	124,279
Andy Eagle				
Employment	Chapter	Grant (1)	160,330	84,045
Kate Eden				
Council member	Aberystwyth University	Grant (0)	Nil	2,200
Ruth Fabby				
Employment	Disability Arts Cymru	Grant (2)	222,514	124,279
Tafsila Khan				
Board member	FIO	Grant (3)	155,391	161,248
Employment	Wales Millennium Centre	Grant (1)	80,000	80,000
Board member	Taking Flight	Grant (1)	13,670	88,643
Gwennan Mair				
Employment	Theatr Clwyd	Grant (1)	12,300	17,116
Drama board member	Eisteddfod Genedlaethol Cymru	Grant (1)	75,000	75,000
Local board member	Eisteddfod yr Urdd	Grant (1)	49,500	49,500
Victoria Provis				
Council member	University of Wales Trinity Saint David	Grant (0)	Nil	65,700
Dafydd Rhys				
Employment	Aberystwyth Arts Centre	Grant (0)	Nil	2,200
Dr Sarah Younan				
Volunteer	Watch Africa Cymru	Grant (1)	5,000	5,000

Committee members Role	Organisation	Transaction 2021/22 (number)	Total Value 2021/22 £	Total balance outstanding at 31 March 2022[1] £
Ruth Cayford				
Employment	Cardiff Council (St David's Hall)	Grant (0)	Nil	54,856
Jayne Woods				
Council member	University of Wales Trinity Saint David	Grant (0)	Nil	65,700

Staff members Role	Organisation	Transaction 2021/22 (number)	Total Value 2021/22 £	Total balance outstanding at 31 March 2022[1] £
Karine Décorne				
Board member (Family member)	Datrys	Grant (1)	9,849	Nil
Rhian Hâf Jones				
Lle Celf group Member	Eisteddfod Genedlaethol Cymru	Grant (1)	75,00	75,00
Sally Lewis				
Employment (Family member)	National Dance Company Wales	Grant (2)	125,610	12,561
Employment (Family member)	Ballet Cymru	Grant (2)	90,889	88,834
Judith Musker Turner				
Band member (Family member)	Calan	Grant (0)	Nil	1,726
Daniel Trivedy				
Board member	Elysium Gallery	Grant (2)	54,450	49,500
Eluned Hâf Williams				
Employment (Family member)	Canolfan Gerdd William Mathias	Grant (1)	50,000	50,000

[1] The total balance outstanding at the year-end may include amounts in respect of grants awarded in previous years but not yet paid.

Annexes

not forming part of the financial statements

General Activities – Grants 2021/22

Core funding to Arts Portfolio Wales organisations

Aberystwyth Arts Centre	£542,548
Arad Goch	£350,703
Artes Mundi Prize	£149,590
Artis Community Cymuned	£202,160
Arts Care	£134,377
Arts Connection	£65,921
Ballet Cymru	£255,152
BBC National Orchestra of Wales	£813,989
Blackwood Miners' Institute	£130,798
Canolfan Ucheldre Centre	£76,063
Canolfan Gerdd William Mathias	£81,134
Chapter	£664,622
Community Music Wales	£106,488
Cwmni'r Frân Wen	£235,576
Dawns i Bawb	£86,204
Disability Arts Cymru	£167,237
Ffotogallery	£201,666
g39	£70,992
Galeri	£319,716
Glynn Vivian Art Gallery	£126,770
Hafren	£108,191
Head4Arts	£152,125
Hijinx Theatre	£157,400
Impelo	£113,841
Jukebox Collective	£169,514
Literature Wales	£750,429
Live Music Now Wales	£45,637
Llantarnam Grange Arts Centre	£86,204
Mid Wales Opera	£105,474
Mission Gallery	£96,346
Mostyn	£393,496
Music Theatre Wales	£221,342
National Dance Company Wales	£843,362
National Theatre Wales	£1,624,075

Core funding to Arts Portfolio Wales organisations

NEW Dance	£76,354
NoFit State Community Circus	£196,749
Oriel Davies Gallery	£226,260
Oriel Myrddin Trust	£47,666
Peak	£78,479
Pontardawe Arts Centre	£63,892
Pontio Arts	£283,199
Rhondda Cynon Tâf Theatres	£152,480
Riverfront	£126,770
Rubicon Dance	£196,749
Ruthin Craft Centre	£393,496
Sherman Theatre	£1,138,383
Sinfonia Cymru	£220,221
Taliesin Arts Centre	£222,325
Tanio (Valley and Vale Community Arts)	£177,074
Theatr Bara Caws	£282,881
Theatr Brycheiniog	£196,749
Theatr Clwyd	£1,822,802
Theatr Felinfach	£60,850
Theatr Genedlaethol Cymru	£1,040,892
Theatr Iolo	£259,573
Theatr Mwldan	£270,827
Theatr na nÓg	£319,569
Torch Theatre	£452,522
trac – Music Traditions Wales	£81,134
Tŷ Cerdd	£206,775
Valleys Kids	£123,729
Volcano Theatre Company	£211,505
Wales Millennium Centre	£3,876,834
Welsh National Opera	£4,583,851
Ystradgynlais Miners' Welfare	£42,067
Total Arts Portfolio Wales grants	**£27,081,799**

Creative Learning through the Arts Programme

Arts and education networks

Arts Active Trust	£10,000
	£10,000

Lead Creative Schools

Aberdare Park Primary School	£1,000
Abersychan School	£1,000
Adamsdown Primary School	£3,000
Alaw Primary School	£1,000
Albany Primary School	£1,000
All Saints' Church in Wales Primary School	£1,000
All Saints' School, Gresford	£1,000
Alltwen Primary School	£1,000
Bedwas High School	£1,000
Birchgrove Primary School	£595
Bishop Gore School	£1,000
Black Lane County Primary	£900
Blackwood Miners' Institute	£20,000
Blaenavon Heritage VC Primary School	£1,000
Blaenycwm Primary School	£3,720
Brecon High School	£1,000
Bryn Primary School	£2,000
Brynteg School	£1,000
Bwlchgwyn CP School	£1,000
Cadoxton Primary School	£2,800
Caradog Primary School	£1,000
Carreghofa County Primary School	£1,000
Castle Park Primary	£1,000
Catwg Primary School	£1,000
Cefn Hengoed Community School	£1,000
Christchurch Primary Church in Wales VA Primary school	£2,000
Clyro Church in Wales Primary School	£1,000
Coedpenmaen Primary School	£1,000
Cogan Primary School	£2,000
Crickhowell High School	£1,000
Cross Ash Primary School	£2,000
Cwmbran High School	£5,000
Cwmffrwdoer Primary School	£3,000
Darran Park Primary School	£1,000
Deri Primary School	£2,000
Deri View Primary School	£4,000
Elfed High School	£960
Franksbridge Primary School	£3,000
Gaer Primary School	£2,000

Glyn Gaer Primary School	£1,860
Gowerton Primary School	£1,000
Graig-Y-Rhacca Primary and Nursery Community School	£3,000
Gwaunmeisgyn Primary School	£2,000
Hawthorn High School	£1,000
Hay Primary School	£1,000
Hendrefoilan Primary School	£1,000
Henllys Church in Wales School	£2,000
Heronsbridge Special School	£3,000
Howardian Primary School	£1,000
Kitchener Primary School	£2,000
Knelston Primary School	£720
Knighton Church in Wales Primary School	£1,000
Llanbedr Church in Wales Primary School	£2,000
Llanbister Community Primary School	£1,000
Llancaeach Junior School	£2,000
Llandaff Church in Wales Primary School	£1,000
Llandough Primary School	£1,000
Llandrindod Wells Church in Wales Primary School	£2,000
Llanedeyrn Primary School	£1,000
Llanfaes Community Primary School	£1,000
Llanfair Primary	£1,000
Llangattock Church in Wales School	£2,000
Llangatwg Community School	£300
Llangynidr Community Primary School	£1,000
Llanilltud Faerdref Primary School	£1,000
Llanishen High School	£465
Llansannor and Llanharry Church in Wales Primary School	£2,000
Llantilio Pertholey Primary School	£2,000
Llanwern High School	£2,000
Lliswerry Primary School	£450
Llwynypia Primary School	£1,000
Machen Primary School	£1,000
Madras VA Primary School	£2,840
Maesglas Primary School	£1,000
Maesgwyn Special School	£1,000
Milford Haven School	£1,000
Monnow Primary School	£2,000
Montgomery Church in Wales School	£1,000
Moorland Primary School	£1,000
Morriston Comprehensive School	£2,000
Morriston Primary School	£1,000
Mount Stuart Primary School	£2,000
Nannerch VC School	£1,000
Nant Celyn Primary School	£1,000
Nant y Parc Primary School	£2,000
Nercwys Village Primary School	£1,000
Oak Field Primary School	£1,000
Ogmore Vale Primary School	£1,000

Our Lady and St Michael's Roman Catholic Primary School	£1,000
Pentrehafod School	£2,000
Penybont Primary School	£1,000
Pen-y-fai primary school	£1,000
Penyrheol Comprehensive School	£1,000
Pillgwenlly Primary School	£2,000
Priory Church in Wales School	£1,000
Queen Elizabeth High School	£1,000
Radnor Primary School	£2,000
Rhayader Church in Wales Primary School	£2,000
Rhos Primary School	£1,000
Rhws Primary School	£2,000
Rhydypenau Primary School	£1,000
Richmond Park School	£1,000
Ringland Primary	£2,000
Risca Community Comprehensive School	£1,000
Rumney Primary School	£765
Severn Primary School	£3,843
Shirenewton Primary School	£3,000
Sketty Primary	£900
St Brigid's School	£1,000
St Gwladys Bargoed	£3,000
St Illtyd's Catholic High School	£1,000
St Joseph's Roman Catholic Primary School	£1,000
St Margaret's Catholic Primary School	£1,000
St Mark's VA School	£1,945
St Mary's and St Patrick's Catholic Primary	£1,000
St Mellons Church Wales Primary School	£2,000
St Monica's Church in Wales Primary School	£2,000
St Nicholas Church in Wales Primary School	£1,000
St. David's Church in Wales Primary School	£1,000
St. David's Roman Catholic Primary School	£1,000
St. Gabriel's and Raphael's Roman Catholic Primary School	£1,000
St. Illtyd Primary School	£1,000
St. Joseph's Roman Catholic Cathedral School	£1,760
St. Mary the Virgin Church in Wales Primary School	£3,000
St. Mary's Brymbo	£1,000
St. Mary's Catholic Primary School	£1,000
St. Peter's Primary School	£2,000
St. Alban's Catholic Primary School	£1,000
The Maelor School	£1,000
The River Centre	£1,000
Thornhill Primary School	£2,000
Ton-yr-Ywen Primary School	£1,000
Torfaen Pupil Referral Unit	£2,000
Townhill Community Primary School	£1,000
Trealaw Primary School	£1,000
Tredegar Park Primary School	£1,558
Treorchy Comprehensive School	£1,000

Treorchy Primary School	£1,000
Treowen Community Primary School	£1,000
Tŷ'n y Wern Primary School	£800
Tynewydd Primary School	£1,000
Usk Church in Wales Primary School	£2,000
Victoria Community Primary School	£3,000
Victoria Primary School	£2,000
Windsor Clive Primary School	£2,000
Y Bont Faen Primary	£1,000
Ynysfach Primary School	£2,000
Ysgol Aberconwy	£1,000
Ysgol Acrefair	£2,000
Ysgol Bod Alaw	£900
Ysgol Bro Idris	£2,000
Ysgol Bro Pedr	£1,000
Ysgol Bro Tawe	£1,000
Ysgol Bryn Teg	£1,000
Ysgol Clywedog	£2,000
Ysgol Cwm Banwy, Ysgol yr Eglwys yng Nghymru	£1,000
Ysgol Cynwyd Sant	£1,000
Ysgol Cystennin	£1,000
Ysgol Deganwy	£1,000
Ysgol Dyffryn Nantlle	£1,000
Ysgol Dyffryn Taf	£3,900
Ysgol Esgob Morgan	£2,000
Ysgol Feithrin Rhydaman	£1,000
Ysgol Ffridd y Llyn	£2,000
Ysgol Friars	£1,000
Ysgol Glan Aber	£3,000
Ysgol Glan Clwyd	£1,000
Ysgol Glan Morfa	£1,000
Ysgol Gogarth, Llandudno	£1,000
Ysgol Gyfun Cwm Rhymni	£720
Ysgol Gyfun Gwynllyw	£5,000
Ysgol Gyfun Gymraeg Bro Myrddin	£700
Ysgol Gymraeg Bro Morgannwg	£1,000
Ysgol Gymraeg Coed y Gof	£2,000
Ysgol Gymraeg Cwmbran	£1,000
Ysgol Gymraeg Gwaun y Nant	£800
Ysgol Gymraeg Pwll Coch	£1,000
Ysgol Gymraeg Sant Curig	£1,000
Ysgol Gymraeg Y Fenni	£1,000
Ysgol Gymraeg Ystalyfera Bro Dur	£315
Ysgol Gymuned Llannerch-y-medd	£1,000
Ysgol Gynradd Abererch	£1,000
Ysgol Gynradd Bodedern	£1,000
Ysgol Gynradd Cenarth	£1,000
Ysgol Gynradd Gymraeg Castell-nedd	£1,000
Ysgol Gynradd Gymraeg Evan James	£1,000

Ysgol Gynradd Gymraeg Llwyncelyn	£2,800
Ysgol Gynradd Gymraeg Llwynderw	£1,000
Ysgol Gynradd Gymraeg Pontardawe	£369
Ysgol Gynradd Gymraeg Trebannws	£1,000
Ysgol Gynradd Gymraeg Tyler Ynn	£1,000
Ysgol Gynradd Gymunedol Eglwyswrw	£1,000
Ysgol Gynradd Rhosgadfan	£1,000
Ysgol Hamadryad	£1,000
Ysgol Llanddulas	£2,000
Ysgol Llandrillo yn Rhos	£1,000
Ysgol Llanfechell	£2,000
Ysgol Llanychllwydog	£1,000
Ysgol Maes Garmon	£1,000
Ysgol Maes y Felin	£1,000
Ysgol Maes y Mynydd	£1,000
Ysgol Maesincla	£960
Ysgol Maesydderwen	£1,000
Ysgol Min Y Ddol	£1,000
Ysgol Morgan Llwyd	£1,000
Ysgol Mynydd y Garreg	£1,000
Ysgol Penllwyn	£1,000
Ysgol Penrhyncoch	£1,000
Ysgol Plas Brondyffryn	£1,000
Ysgol Reoledig Llanfair Dyffryn Clwyd	£1,000
Ysgol Sant Elfod	£2,000
Ysgol Santes Tudful	£1,000
Ysgol Saron	£1,000
Ysgol Sychdyn Community School	£1,000
Ysgol Tal-y-bont	£1,000
Ysgol Terrig	£1,600
Ysgol Treganna	£1,000
Ysgol Trelawnyd V A School	£1,000
Ysgol Tudno	£1,000
Ysgol Twm o'r Nant	£2,000
Ysgol Tynrheol	£1,000
Ysgol Wat's Dyke	£2,000
Ysgol y Creuddyn	£1,000
Ysgol y Dderwen	£1,000
Ysgol Y Ddraig	£630
Ysgol y Ddwylan	£1,000
Ysgol y Foryd	£662
Ysgol y Llan	£1,000
Ysgol Y Mynydd Du	£3,000
Ysgol y Preseli	£252
Ysgol-y-Graig Primary School	£1,000
Ystrad Mynach Primary School	£1,000
	£340,789
Total Creative Learning through the Arts grants	**£350,789**

Strategic awards

Cultural Recovery Fund 2 (Covid-19 support for organisations)

4Pi Productions	£97,062
Aberystwyth Arts Centre	£605,365
Addo	£41,942
Afan Arts	£23,742
Andrew Logan Museum of Sculpture	£9,747
Arcade Campfa	£11,838
Artes Mundi Prize	£90,000
Articulture	£44,818
Arts Migrations	£20,200
Aubergine Cafe and Events	£29,871
Avant Cymru	£33,579
Awen Cultural Trust	£163,306
AZ Elite	£7,962
Ballet Cymru	£32,000
Canolfan a Menter Gymraeg Merthyr Tudful	£43,245
Canolfan Gerdd William Mathias	£17,635
Canolfan Ucheldre Centre	£25,000
Cardiff M.A.D.E.	£22,060
CARN	£20,668
CAVMS	£23,000
Celf Able	£11,282
CellB	£42,007
Chapter	£624,709
Cimera	£7,500
Citrus Arts	£41,184
Common Wealth	£43,516
Company of Sirens	£14,500
Congress Theatre Company	£29,000
Culture Colony	£27,860
Cwmni'r Frân Wen	£87,693
Dance Blast	£11,809
Datrys	£5,112
Denbighshire Music Cooperative	£82,226
Dirty Protest Theatre	£85,687
Elysium Gallery	£37,363
Engage Cymru	£10,470
Ensemble Cymru	£20,202
Familia de la Noche	£11,629
FFIN Dance	£15,374
Ffiwsar	£8,050
Ffotogallery	£60,000
g39	£79,147
Galeri Caernarfon	£676,000
Galerie Simpson Artists	£14,500

good cop bad cop productions	£12,736
Goodwick Brass Band	£5,724
Green Man Trust	£45,111
Gwyn Hall – Celtic Leisure	£110,379
Hafren	£139,000
Haul – arts in health	£13,970
Jones the Dance	£27,383
Jony Easterby Productions	£52,500
Jukebox Collective	£52,343
Leeway Productions	£35,575
Lewis Merthyr Band	£13,680
Light Ladd and Emberton	£33,867
Lighthouse Theatre	£9,080
Live Music Now Wales	£55,340
Llantarnam Grange Arts Centre	£52,694
Made in Roath	£10,440
Majical Youth	£44,651
Makers Guild in Wales	£74,384
Melville Centre for the Arts	£18,340
Memorial Hall and Theatre	£85,956
Menai Bridge Band	£8,562
Mentrau Creadigol Cymru	£65,062
Mercury Theatre Wales	£7,600
Mid Wales Arts	£1,997
Mission Gallery	£31,589
Mostyn	£29,413
Motion Control Dance (MCD)	£14,333
Music in Hospitals and Care Cymru	£33,333
National Youth Arts Wales	£74,963
Neath Little Theatre	£7,350
Newbridge Memo	£23,607
Newport Playgoers / Dolman Theatre	£37,455
NoFit State Community Circus	£47,263
Operasonic	£13,413
OPRA Cymru	£17,915
Organised Kaos Youth Circus	£19,052
Oriel Plas Glyn-y-Weddw	£74,000
Papertrail Llwybr Papur	£9,030
Peak Cymru	£45,428
Pontio Arts	£250,000
PuppetSoup	£25,277

Radiate Arts	£27,600
RecRock	£11,350
Rhiwbina Amateur Theatrical Society	£3,724
Royal Cambrian Academy	£20,564
Royal Welsh College of Music and Drama	£253,436
Shakespeare LINK	£4,242
Sherman Theatre	£102,898
Small World Theatre	£34,736
Sound Progression	£42,540
Sounds Like Radio	£3,468
Span Arts	£24,881
Spectacle Theatre	£23,265
Steps4Change	£23,466
Stiwt Arts Trust	£28,000
Swansea City Opera	£14,270
Tabernacl (Bethesda)	£53,834
tactileBOSCH Projects	£10,000
Taking Flight Theatre Company	£48,541
Taliesin Arts Centre	£126,113
The Albert Hall Theatre	£12,212
The Aloud Charity	£55,000
The City of Cardiff (Melingriffith) Brass Band	£5,133
The Cory Band	£40,000
The Other Room	£19,495
The Riverfront Theatre and Arts Centre – Newport Live	£250,000
The Sustainable Studio	£28,490
The Welsh Chamber Orchestra	£6,900
Theatr Brycheiniog	£113,747
Theatr Mwldan	£184,000
Tickledom Theatrical Productions	£21,200
Torch Theatre Company	£226,802
Tredegar Town Band Society	£20,953
UPROAR	£12,885
Valleys Kids	£49,673
Vic Studios	£28,743
Vision Fountain	£14,594
Wales Arts Review	£7,260
Wales Millennium Centre	£1,499,333
Wonderbrass	£7,905
Wyeside Arts Centre	£49,000
Y Tŷ Celf – The Art House	£17,000
Ysgol Glanaethwy	£28,800
	£8,695,708

Cultural Recovery Fund 3 (Covid-19 support for organisations)

4Pi Productions	£79,694
Aberystwyth Arts Centre	£237,920
Addo	£10,721
Afan Arts	£19,622
Aubergine Cafe and Events	£34,130
Avant Cymru	£23,730
Awen Cultural Trust	£46,464
Canolfan Ucheldre Centre	£25,000
Celf O Gwmpas	£16,000
CellB	£31,596
Chapter	£397,000
Cimera	£5,009
Citrus Arts	£32,207
Common Wealth	£32,259
Company of Sirens	£9,780
Côr Meibion Maelgwn	£1,919
Creu Cymru	£11,500
Culture Colony	£21,762
Cwmni'r Frân Wen	£20,411
Dawns i Bawb	£5,867
Denbighshire Music Cooperative	£51,500
Dirty Protest Theatre	£49,685
Elysium Gallery	£38,481
Ffotogallery	£10,000
Galeri Caernarfon	£315,000
Gwyn Hall – Celtic Leisure	£84,176
Hafren	£92,548
Ifton Colliery Band	£9,690
Jones the Dance	£9,800
Jony Easterby Productions	£37,100
Light Ladd and Emberton	£15,724
Memorial Hall and Theatre	£72,827
Mentrau Creadigol Cymru	£26,047
Mercury Theatre Wales	£4,100
Mid Wales Arts	£25,318
Mission Gallery	£19,172
New Theatre	£96,461

Newbridge Memo	£32,571
NoFit State Community Circus	£48,063
NONaffArt	£6,081
OPRA Cymru	£7,500
Organised Kaos Youth Circus	£19,719
Oriel Plas Glyn-y-Weddw	£57,051
Peak Cymru	£12,680
Pontio Arts	£100,000
Radiate Arts	£13,481
Rhiwbina Amateur Theatrical Society	£1,600
Royal Welsh College of Music and Drama	£79,050
Sherman Theatre	£30,598
Span Arts	£19,287
Stiwt Arts Trust	£42,110
Tabernacl (Bethesda)	£36,033
Taking Flight Theatre Company	£26,915
Taliesin Arts Centre	£28,857
The Albert Hall Theatre	£4,024
The Cory Band	£9,000
The Other Room	£18,500
The Riverfront Theatre and Arts Centre – Newport Live	£98,000
The Sustainable Studio	£32,663
The Welsh Chamber Orchestra	£5,200
Theatr Brycheiniog	£135,000
Theatr Clwyd Trust	£383,667
Theatr Mwldan	£99,420
Tickledom Theatrical Productions	£25,980
Torch Theatre	£161,476
Touch Trust	£28,587
Tredegar Town Band Society	£19,209
Valleys Kids	£31,299
Wales Arts Review	£6,248
Wales Millennium Centre	£496,059
Wyeside Arts Centre	£57,335
	£4,193,483

Strategic grants – Venice Biennale of Arts

Artes Mundi Prize	£70,000
Disability Arts Cymru	£69,630
	£139,630

Strategic grants – Creative Nature

Kathryn Ashill	£26,500
Angela Davies	£25,000
Kirsti Davies	£25,000
Dylan Huw	£25,000
Durre Mughal	£25,000
Rhys Slade-Jones	£25,000
Fern Thomas	£27,080
Heledd Wyn	£25,000
	£203,580

Welsh Government Capital awards

Flintshire County Council (for Theatr Clwyd)	£1,200,000
Oriel Davies Gallery	£40,000
	£1,240,000

Strategic grants – Arts Engagement

Arts Active Trust	£2,000
Arts Marketing Association	£2,000
Association of Independent Promoters	£1,250
Aubergine Cafe and Events	£1,987
Tom [Christopher Thomas] Cheesman	£2,000
Creu Cymru	£57,330
Disability Arts Cymru	£5,000
Dominika Rau	£2,000
Engage Cymru	£36,825
g39	£22,000
Gentle Radical	£69,500
Jukebox Collective	£2,000
Larynx Entertainment	£2,000
National Youth Arts Wales	£4,009
National Youth Arts Wales (from Welsh Government for music support activities)	£100,000
Off Ya Trolley Productions	£5,000
Andrea Perez Nieto	£2,000
Jack Philp	£2,000
Queens Hall	£1,980
Steps4Change	£2,000
The Romani Cultural Arts Company	£15,000
The Wallich	£2,000
	£339,881

Strategic grants – Arts Development

Arts & Business Cymru	£50,000
BBC Wales Commissioning Department	£20,000
Dawns i Bawb	£20,000
Hay Festival of Literature and the Arts	£35,000
Oriel Davies Gallery (2 awards)	£24,500
The National Trust	£25,000
	£174,000

Strategic grants – Arts & Health

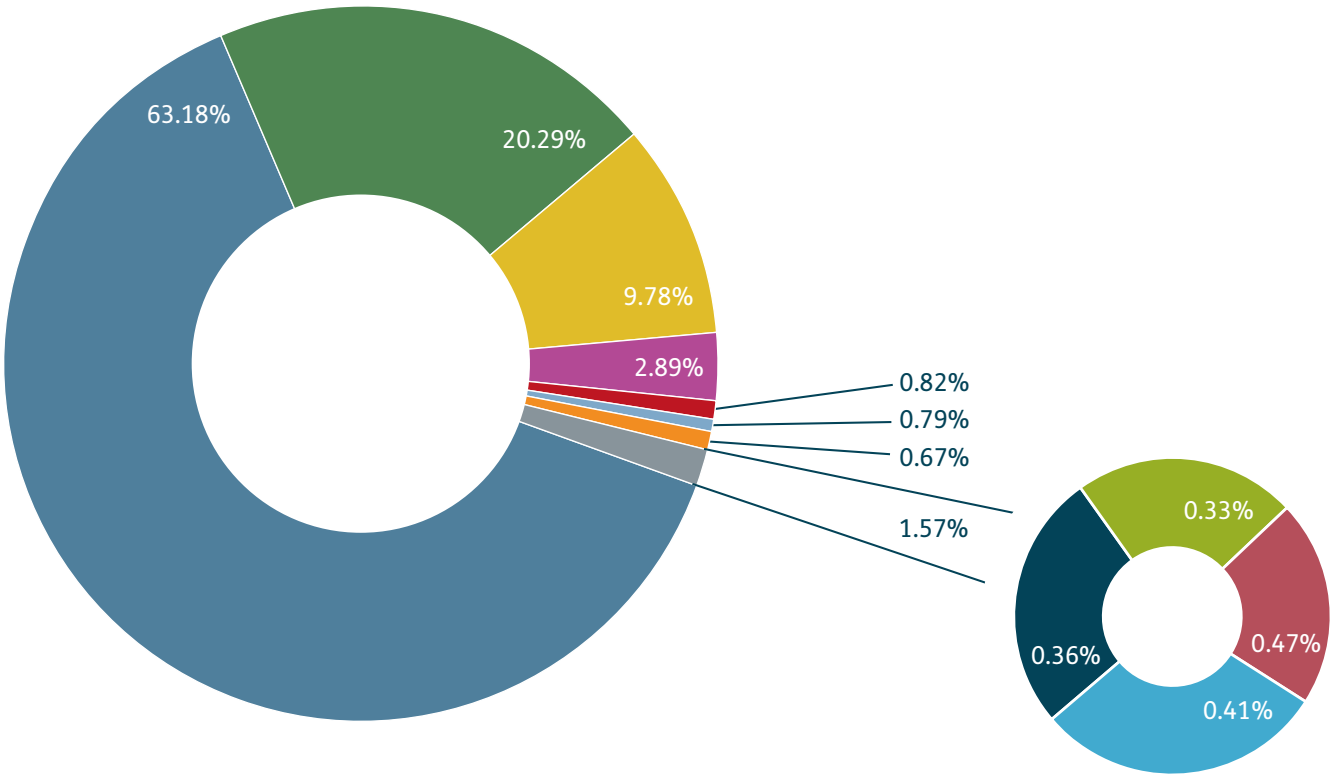
Cardiff and Vale University Health Board	£25,000
Cwm Taf University Health Board	£25,000
Engage Cymru	£35,000
Mental Health Foundation	£15,000
Powys Teaching Health Board	£25,000
Re-Live	£30,000
	£155,000

Strategic grants – Wales Arts International

Amgueddfa Cymru – National Museum Wales	£1,300
Manon Awst	£3,765
BBC National Orchestra of Wales (2 awards)	£10,000
Chris Bird-Jones	£4,839
Tom Burmeister	£4,990
Chapter	£20,000
Gareth Clark	£2,728
Creative Carbon Scotland	£10,000
Disability Arts Cymru	£2,500
Focus Wales	£22,000
Green Man Trust	£7,406
Michal Iwanowski	£4,000
Literature Wales	£1,000
National Dance Company Wales	£10,000
Bethan Roberts	£6,259
The Aloud Charity	£33,000
Tabernacl (Bethesda)	£107,600
Tŷ Cerdd	£17,302
Valleys Kids	£10,625
Watch Africa Cymru	£9,850
	£289,164

Total Strategic awards	£15,430,446
Total Grants Offered	**£42,863,034**

General Activities Grants by Type



- Arts Portfolio Wales
- Cultural Recovery Fund 2
- Cultural Recovery Fund 3
- Welsh Government capital awards
- Creative Learning through the Arts
- Arts Engagement
- Wales Arts International
- Creative Nature Fund
- Arts Development
- Arts & Heath
- Venice Biennale of Art

What did our grants support?

	Value of grants		No of grants
Grants to support Arts Portfolio Wales:			
Theatres & arts centres	£7,077,081	16.51%	16
Theatre production & presentation	£6,730,460	15.70%	8
Opera	£4,910,667	11.46%	3
Visual & applied arts	£1,792,486	4.18%	10
Dance	£1,741,176	4.06%	7
Music	£1,448,890	3.38%	6
Arts & young people	£1,165,421	2.72%	4
Community arts	£1,101,203	2.57%	9
Literature	£750,429	1.75%	1
Circus & carnivals	£196,749	0.46%	1
Disability arts	£167,237	0.39%	1
Creative Learning through the Arts	£350,789	0.82%	281
Other grants:			
Strategic awards	£15,430,446	36.00%	270
	£42,863,034		**617**

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 2021/22

net of offers not taken up or withdrawn

Grants to organisations

Capital grants	
Canolfan Ucheldre Centre	£600,000
Flintshire County Council (for Theatr Clwyd)	£5,000,000
Borough Theatre Abergavenny	£50,000
Hafren	£30,000
Tabernacl (Bethesda)	£28,620
YMCA Port Talbot	£30,000
	£5,738,620

Business Development – Open Lottery	
Articulture	£86,238
Arts Business Cymru	£40,000
Coleg Cambria	£23,431
Eternal Community Media	£9,860
Forte Projects	£50,000
G-Expressions	£47,700
Groundwork Pro	£48,368
It's My Shout	£50,000
Rubicon Dance	£35,184
Sistema Cymru Codi'r To	£6,000
Taking Flight Theatre Company	£13,670
Theatr Clwyd Trust	£12,300
Tŷ Cerdd (2 awards)	£76,330
	£499,081

Commissioning, Making and Presenting – Open Lottery	
4Pi Productions	£46,910
Abergavenny Writing Festival	£9,506
Aberjazz	£16,000
Adverse Camber	£30,476
Arcadecardiff	£45,800
Artes Mundi Prize	£159,985
Arts & Business Cymru	£2,840
Arts Alive	£105,865
Arts Disability Wales (2 awards)	£222,514
Ballet Cymru	£39,789
Bangor New Music Festival	£9,980
Beyond the Border (2 awards)	£238,805
Black RAT Productions	£22,000
Brecon Jazz Club	£10,800

Butetown Artists	£10,000
Caffi Isa	£3,000
Canolfan Gerdd William Mathias	£50,000
Cardiff Small Theatre (2 awards)	£62,250
Chapter	£160,330
Chepstow Festival of Arts	£8,923
Chippy Lane Productions	£10,000
Cimera	£143,701
Company of Sirens	£22,800
Contemporary Temporary Artspace	£62,500
Cowbridge Music Festival	£30,000
Culture Colony	£50,000
Cwmni Mega	£60,000
Cwmni'r Frân Wen	£49,676
Datrys	£9,849
De Oscuro	£10,000
Deaf Hub Wales	£126,780
Dirty Protest	£158,340
Eisteddfod Genedlaethol Cymru	£75,000
Elysium Gallery	£49,500
Ensemble Cymru	£10,000
Familia de la Noche (2 awards)	£59,290
FFIN Dance	£9,446
Ffotogallery	£45,000
Fio	£48,000
Fishguard Music Festival	£50,000
Flossy and Boo	£101,900
Focus Wales (2 awards)	£90,000
Forté Project	£26,500
Galerie Simpson Artists	£49,250
gentle / radical	£149,950
Aber Food Surplus	£31,700
Green Man Trust (2 awards)	£79,030
Theatr3	£9,400
Gŵyl Beaumaris Festival	£10,000
Gwyn Pemberton Dance (2 awards)	£185,899
Hijinx Theatre	£115,885
History in Character	£48,600
Holy Hiatus	£9,995
How to Win Against History	£50,000
Joon Dance	£52,500
Khamira	£26,580
Leeway Productions	£91,531
Lighthouse Theatre	£40,000
Llangollen Fringe Festival	£20,000
Llangollen International Musical Eisteddfod	£80,000
Menter Caerdydd	£50,000
Menter Iaith Bro Morgannwg	£10,000
Mentrau Creadigol Cymru	£48,036

Mercury Theatre	£36,282
Merthyr Tydfil Leisure Trust	£26,800
Mess Up The Mess	£152,860
Mid Wales Opera	£99,500
Motion Control Dance (MCD)	£8,994
Mr and Mrs Clark	£7,870
National Dance Company Wales	£115,610
Nearside Productions	£10,000
Noctown	£9,350
NoFit State Community Circus	£49,050
North Wales International Music Festival (2 awards)	£89,450
Opera'r Ddraig	£50,550
OPRA Cymru	£42,600
Os Nad Nawr	£15,998
Papertrail	£26,000
PeopleSpeakUp	£50,000
Pigtown Theatre	£34,555
Plas Bodfa Projects	£56,000
Presteigne Festival of Music and the Arts	£30,000
PRS Foundation	£20,000
Race Council Cymru	£99,940
Ransack Dance Company (2 awards)	£60,000
Richard Chappell Dance	£28,590
Riverside Festival Association	£8,976
Royal Welsh College of Music and Drama	£44,509
Sesiwn Fawr Dolgellau	£31,500
Sherman Theatre	£32,286
Soel Connect	£39,910
St. David's Cathedral Festival	£10,000
Still Reeling	£10,000
Striking Attitudes	£50,000
Swansea City Opera & The Opera School of Wales	£49,750
Sweetshop Revolution	£24,233
Tabernacl (Bethesda)	£36,372
tactileBOSCH studios	£10,000
Taliesin Arts Centre	£34,500
The Riverfront	£49,000
The Romani Cultural Arts Company	£50,000
Theatr Iolo	£35,000
Theatr Monte	£10,000
Theatr na n'Óg	£100,000
Theatrau Sir Gar (2 awards)	£111,552
Tin Shed Theatre Company (2 awards)	£159,228
Tŷ Pawb	£126,050
Ucheldre Centre	£118,700
University of Wales Bangor	£49,675
UPROAR	£47,835
Urban Circle Productions	£85,000
Urdd Gobaith Cymru	£49,500

Vale of Glamorgan Festival	£50,000
Valleys Kids	£135,205
Voluntary Arts Network	£109,208
Wales Arts Review	£43,000
Wales Millennium Centre	£80,000
Wales Puja Committee	£6,060
Ways of Working	£155,900
yello brick	£30,250
Ystradgynlais Miners' Welfare and Community Hall	£50,540
	£6,866,149

Connect & Flourish

Action in Caerau and Ely	£135,954
Addo	£82,800
Artstation	£152,700
Jukebox Studios	£152,000
madeinroath	£159,900
Menter Iaith Maldwyn	£120,608
Mentrau Creadigol Cymru	£109,880
Mr and Mrs Clark	£61,350
NoFit State Community Circus	£127,000
People Make It Work	£107,710
Sherman Theatre	£100,840
Stonewall Cymru	£149,500
Studio Cybi	£11,910
The Successors of the Mandingue	£150,000
Undercurrents	£115,425
Venue Cymru	£72,825
	£1,810,402

Creative Pathways – Open Lottery

Engage Cymru	£49,950
PYST	£38,052
Tŷ Cerdd	£49,980
	£137,982

Creative Pathways – Criw Celf

Arts Active Trust	£92,500
Llantarnam Grange Arts Centre	£36,359
Mission Gallery	£72,975
Mostyn	£87,993
Powys County Council	£34,875
	£324,702

Equalities – Creative Steps

Fio	£97,391
gentle / radical	£30,000
G-Expressions	£91,932
Laku Neg	£41,913
Taking Flight	£103,244
The Hold Up	£9,000
Urban Circle Productions	£138,613
	£512,093

International Opportunities Fund

Articulture	£1,870
Beyond the Border	£4,500
Cymdogion Celtaidd	£3,950
Elysium Gallery	£4,950
Oasis One World Choir	£1,750
Royal Welsh College of Music and Drama	£2,000
The Successors of the Mandingue	£5,000
Tin Shed Theatre Company (2 awards)	£6,050
Watch Africa Cymru	£5,000
	£35,070

Wales and the World – Open Lottery

Common Wealth	£16,051
Dirty Protest	£16,999
	£33,050

Widening Engagement – Open Lottery

Ardour Academy	£15,589
Awel Aman Tawe	£37,813
Ballet Cymru	£51,100
Caerphilly County Borough Council	£22,322
Can You CIC It? (Independent Venue Community)	£9,599
Cardiff M.A.D.E.	£42,937
Cardiff Writers' Circle	£5,012
CARN	£48,384
Cathays & Central Youth & Community Project	£9,400
Celf-Able	£37,380
CellB	£18,374

City and County of Swansea	£51,520
Community Music Wales	£40,287
Company of Sirens	£10,650
Conwy Arts Trust	£50,000
Cwmni Cymunedol Bro Ffestiniog	£50,000
Cwmni'r Fran Wen (2 awards)	£145,630
Dance Blast	£44,520
Engage (National Association for Gallery Education)	£45,300
Ffynnon Llandysul Eglwys Bresbyteraidd Cymru	£50,000
Fio	£10,000
G-Expressions	£49,816
Gritty Realism Productions	£30,000
Gwyn Pemberton Dance	£10,103
Jukebox Studios	£50,000
Made In Roath	£49,994
Makers Guild in Wales	£43,793
Melville Centre for the Arts	£42,520
Memorial Hall Theatre	£39,569
Mostyn	£45,841
NoFit State Community Circus	£46,210
NONaffArt	£35,883
North East Wales Dance	£39,965
Oasis One World Choir	£9,600
Pill Carnival Committee	£25,000
Radiate Arts	£9,998
Sound Progression	£50,000
South Riverside Community Development Centre	£45,000
Span Arts	£50,940
The Aloud Charity	£29,425
Tŷ Pawb	£100,000
University of Wales Bangor	£38,840
Waunifor Art Club	£10,250
write4word	£46,510
Y Tŷ Celf – The Art House	£12,000
YMCA Swansea	£38,532
	£1,745,606

Arts Portfolio Wales

National Youth Arts Wales	£359,260
	£359,260

Arts and Health – Open Lottery

ABMU Arts in Health Board	£30,045
Aesop	£49,766
Cardiff & Vale University Health Board	£52,351
Community Music Wales	£35,000
Denbighshire Leisure	£18,217
Haul	£10,000
Head4Arts	£9,315
Live Music Now Wales	£42,931
National Dance Company Wales	£10,000
PeopleSpeakUp	£50,000
The Body Hotel	£16,992
The Forget-me-Not Chorus Cardiff	£48,810
University of Wales Institute Cardiff	£47,276
Welsh National Opera	£50,000
Y Tŷ Celf – The Art House	£10,543
	£481,246

Arts and Health – with the support of the Baring Foundation

ABMU Arts in Health Board	£28,600
Aneurin Bevan University Health Board	£28,600
Betsi Cadwaladr University Health Board	£28,600
Cardiff & Vale University Health Board	£28,600
Cwm Taf Morgannwg University Health Board	£28,600
Hywel Dda University Health Board	£28,600
Powys Teaching Health Board	£28,600
	£200,200

Creative Learning through the Arts Programme

Arts Council of Wales (General Activities)	£750,000
	£750,00

PRS for Music Foundation

PRS Foundation	£40,000
	£40,000

Total Grants to Organisations	**£19,533,461**

Grants to Individuals

Commissioning, Making and Presenting – Open Lottery	
Christensen, Sarah	£10,000
Griffin, Isobel	£9,950
King, Susan	£5,000
Marshall Parsons, Alex	£15,825
Maynard, Clare	£3,700
Williams, Tomos	£30,290
	£74,765

Creative Pathways – Open Lottery	
Ali, Tariq	£5,440
Ashill, Kathryn	£37,644
Barclay, Julie	£2,500
Beeby, Beca	£10,000
Berry, Jo	£4,275
Biggs, Georgina	£53,200
Bull, Emily	£9,900
Camara, Idrissa	£45,000
Cardew, Thomas	£10,000
Cartwright, Jason	£8,751
Chambers, Gareth	£10,000
Churchill, Gareth	£4,600
Davies, Huw	£6,400
Davies, Phoebe	£10,000
Dear, Bethan	£26,500
Emerald, Teifi	£8,803
Fitzgerald, Ciaran	£13,052
Frayne-Ford, Emma	£3,240
Glennan, Jack	£2,562
Goodridge, Francesca	£9,900
Grey, Tessa	£7,200
Hallas, Penny	£2,592
Harris, Christopher	£30,187
Harris, Sean	£25,570
Hereford, Luke	£25,000
Hill, Nikki	£3,246
House, Beth	£1,598
Hoyt, Zena	£2,025
Hudson, James	£6,192
Hughes, Matthew	£9,693
Hurlstone, Ian	£27,320
Ioan, Osian M	£27,766

James, Dafydd	£36,389
James, Shaun	£10,000
Jones, Ann	£10,000
Junkere, Lucille	£9,981
Khan, Imran	£10,000
Lawrence Davies, Nicholas	£9,875
Lesdema, Eric	£7,868
Lezama, Jesse	£7,900
Linnell, Jeremy	£40,494
Lloyd, Daniel	£28,373
Lowe, Krystal	£26,471
Matsena, Anthony	£49,999
McGilvary, Owain	£9,695
Morgan-Davies, David	£5,850
Neighbour, Alison	£40,079
Ngalle Charles, Eric	£9,765
Orrell, Jeanette	£17,993
Pasotra, Tina	£39,923
Payne, Katie	£53,299
Philp, Jack	£42,689
Poland, Sarah	£10,000
Potter, Clare	£4,036
Redgrave, Gaia	£11,960
Renzel, Paula	£6,080
Roche, Nik	£8,637
Rose, Lee	£1,440
Russell-Thompson, Nye	£37,052
Sabin, Caroline	£2,500
Saki, Sahar	£10,000
Salt, Katie	£11,762
Shooter, Kate	£10,000
Smith, Angharad	£7,380
Smith-Williams, Rebecca	£26,685
Thomas, Elin	£4,315
Thomas, Fern	£6,898
Trow, Kristel	£27,000
Williams, Angharad	£11,450
Williams, Ceriann	£47,739
Wyn Kelly, Rebecca	£8,190
Young, Elinor	£9,035
	£1,178,958

Wales in Edinburgh

Fong, Joanne	£15,700
	£15,700

International Opportunities Fund

Appleton, Melissa	£5,000
Bailey, Claire	£4,820
Bird-Jones, Christine	£4,000
Bolton, Andrew	£5,683
Boyd, Patrick	£1,650
Brown, Carol	£4,800
Bruno, Sebastian	£2,400
Cardew, Thomas	£4,887
Chambers, Gareth	£1,715
Clode, Simon	£5,000
Evans, Chris Tally	£5,700
Fuge, Esther	£5,000
Haworth, Alys V K	£5,000
Hobson, Louise	£4,122
Hopkins, Sarah	£5,000
James, Richard	£2,636
Jenkins, Paul	£2,150
Lewis, Charlotte	£3,600
Luke, Kristin	£3,950
Mughal, Durre	£962
Neighbour, Alison	£4,600
Parry, Iwan	£5,000
Plowman, Lynne	£4,000
Rowlands, Ian	£1,480
Smith, Andrew	£2,070
Thomas, Seren	£4,926
Williams, Angharad	£4,382
Williams, Dominic	£1,185
	£105,718

Total Grants to Individuals	**£1,375,141**
Total Grants Offered net of offers not taken up or withdrawn	**£20,908,602**

Grants Administered by Ffilm Cymru Wales

Development

CANUK Productions	£24,999
Delta Pictures	£23,700
IE IE Productions	£24,980
Joio	£24,250
Little Door Productions	£21,675
Perfect Motion	£15,750
Post Card Productions	£22,500
Shoot from the Hip Films	£24,979
Snafu Pictures	£24,350
Standoff Pictures	£24,000
Stage 27 Pictures	£24,200
Truth Department	£23,197
Western Edge Pictures	£24,800
	£303,380

Production

Artemisia Films	£200,000
IE IE Productions	£24,999
Perfect Motion	£49,999
The Road of Excess	£49,999
Truth Department	£3,500
Spring Films	£91,809
	£420,306

Exhibition Festivals

Abergavenny Film Society	£4,869
Aberystwyth Arts Centre	£13,215
Cardiff International Lesbian Film & Arts Festival	£4,995
Chapter	£15,000
Cymmer Community Library	£4,116
Focus Wales	£3,500
Galeri Caernarfon	£12,000
Kotatsu Japanese Animation Festival	£3,530
Memo Arts Centre	£9,764
Neuadd Ogwen	£6,350
Taliesin Arts Centre	£11,510
The Festivals Company	£15,000
Theatre Gwaun	£6,000
Wales One World Festival	£12,688
Watch-Africa Film Festival	£4,706
Wicked Wales	£11,874
Yr Egin	£9,270
	£148,387

Exhibition Cinema Funding

4Pi Productions UK	£9,879
Aberystwyth Arts Centre	£15,000
Cardiff Animation Festival	£11,860
CellB	£12,650
The Welfare Ystradgynlais	£5,000
	£54,389

Total Grants from Ffilm Cymru Wales net of offers not taken utp or withdrawn	**£926,462**

Grants Administered by BBC Cymru Wales

Horizons: Launchpad Fund

Aisha Kigs	£2,000
Alekxandr	£2,000
Alice Low	£2,000
Anwar Siziba	£1,000
Artshawty	£500
Asha Jane	£1,500
Bandicoot	£750
CELAVI	£1,000
Cerys Hafana	£2,000
Chasing Shadows	£900
Ci Gofod	£150
Clwb Fuzz	£891
cupsofte	£1,000
Gwenno Morgan	£2,000
Hana Lili	£1,900
Hemes	£1,000
James and the Cold Gun	£2,000
K(E)NZ	£900
Kim Hon	£1,500
Kinnigan	£500
Knomad	£2,000
L E M F R E C K	£2,000
Lloydy Lew	£2,000
Luke RV	£2,000
Mace the Great	£1,000
Malan	£700
Mali Hâf	£1,000
Mantaraybryn	£1,000
Mirari More	£500

Niques	£500
Panta Ray	£2,000
Rebecca Hurn	£2,000
Roman Yasin	£1,000
skylrk.	£1,970
Soren Araújo	£1,000
Su San Yong	£500
SYBS	£1,500
SZWÉ	£1,000
Tapestri	£1,000
Tara Bandito	£1,000
Teddy Hunter	£1,500
Thallo	£1,000
The Bug Club	£2,000
VOYA	£1,000
Winger Records	£1,000
WOBBLI BOI	£623
WYNT	£2,000
XL Life	£1,500
YazMean	£1,340
	£63,124

Total Grants from BBC Cymru Wales net of offers not taken utp or withdrawn	**£63,124**

Grants Administered by Literature Wales

Grants	
Ackers, Anastacia	£3,592
Adams, Rosy	£3,592
Belltree, Kittie Alys	£3,592
Doyle, Jonathan	£3,592
Edwards, Alix	£3,592
Greenwood, Simone Yolande	£3,592
Huxley, Benjamin David	£3,592
Keehan, Bridget	£3,592
Keys, Ciaran	£3,592
Kitcher, Amy Elizabeth	£3,592
Morrison, Hattie Seren Mai	£3,592
Parritt, Frankie Pavis	£3,592
Shapland, Anthony	£3,592
	£46,696

Total Grants from Literature Wales net of offers not taken utp or withdrawn	£46,696

Grants Administered by Tŷ Cerdd

Create	
Aberystwyth University	£2,000
Bangor Music Festival	£2,000
Bangor University	£1,750
Butetown Arts & Culture Association	£2,000
Canolfan Gerdd William Mathias	£2,000
Cantorion Rhos	£1,800
Cardiff County & Vale of Glamorgan Youth Orchestra Association	£1,000
ChromaMusic Community group	£2,000
Côr Caerdydd	£1,000
Cory Band	£750
Dare to Sing	£750
Fishguard and West Wales International Music Festival	£1,620
Hijinx Theatre	£2,000
Hummadruz	£1,500
Jones the Dance	£1,500
Ladies of Rage	£1,800
Lighthouse Theatre	£1,500
Little Live Projects	£2,000
National Youth Arts Wales	£1,750
New Era Talent	£1,750
North Wales International Music Festival (2 awards)	£2,250
Oasis One World Choir	£2,000
Presteigne Festival of Music and the Arts	£2,000
Sinfonia Cymru	£1,800
Swansea City Opera	£2,000
Taking Flight Theatre Company	£1,500
The Dean and Chapter of Bangor Cathedral	£900
Touch Trust Ltd	£1,781
UK Breakin'	£2,000
Urban Circle Newport	£1,800
Vale of Glamorgan Brass Band	£750
Vale of Glamorgan Festival	£1,750
Welsh Chamber Orchestra	£750
	£53,751

Inspire

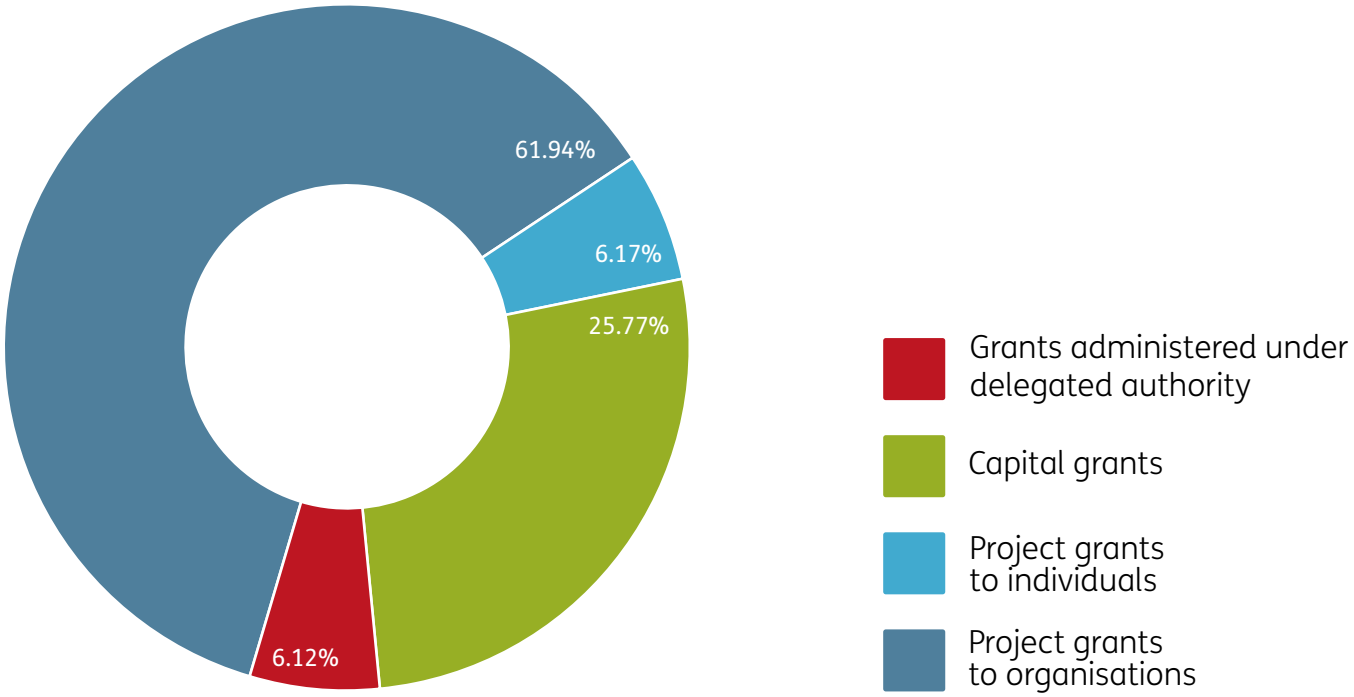
Be Extra – Wellbeing for the Arts	£1,800
Brecon Beacons Music Trust	£1,500
CAVM S Youth Jazz Orchestra	£1,250
City of Cardiff (Melingriffith) Brass Band	£2,000
Cory Band	£1,500
Disability Arts Cymru	£1,000
Eisteddfod Genedlaethol Cymru	£1,500
Fishguard and West Wales International Music Festival	£600
Forté Project	£1,500
Grange Pavilion Youth Forum	£1,800
gwallgofiaid	£2,000
High Grade Grooves Academy	£1,750
Lab 7even	£1,800
Little Live Projects	£1,500
Menai Bridge Band Porthaethwy	£1,500
Music Theatre Wales	£2,000
National Youth Arts Wales	£1,000
New Era Talent	£2,000
North Wales International Music Festival	£1,000
One Heart Drummers	£2,000
Presteigne Festival of Music and the Arts	£2,000
Sistema Cymru	£1,500
SONIG Youth Music Industry	£2,000
Touch Trust	£1,800
Tylorstown Band	£2,000
UCAN Productions	£1,710
Urdd Gobaith Cymru	£1,250
Young Music Makers of Dyfed	£2,000
Ysgol Syr Hugh Owen	£1,000
	£46,260

Engage

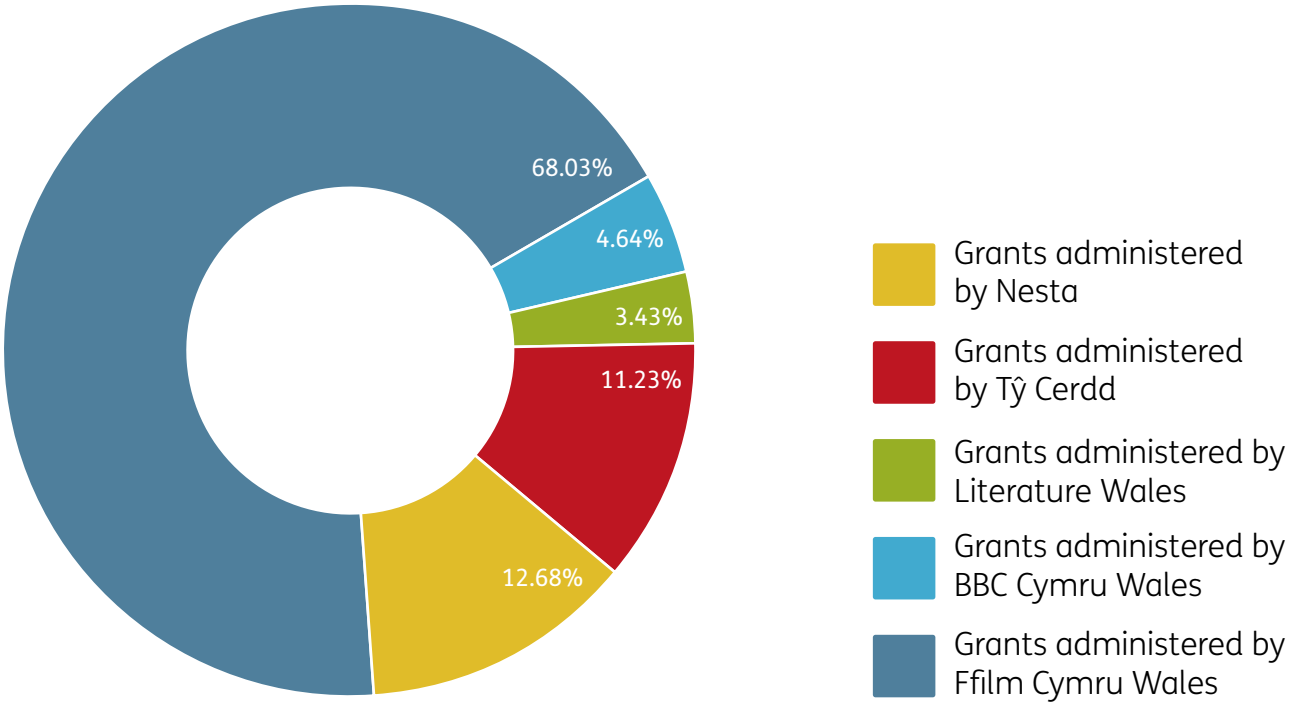
Aubergine Cafe and Events	£1,800
Bangor Music Festival	£2,000
Bangor University	£400
Barry Arts Festival	£400
Beacons	£1,800
Bridgend Male Choir	£500
Butetown Arts & Culture Association	£1,500
Canolfan Gerdd William Mathias	£1,500
Canolfan Owain Glyndwr	£1,225
Cantorion Menai	£1,500
ChromaMusic Community group	£2,000
Côr Bro Ogwr	£1,200
Côr Caerdydd	£1,000
Côr Meibion Maelgwn	£350
Cymdeithas Eisteddfodau Cymru	£1,250
Disability Arts Cymru	£1,888
Eisteddfod Gadeiriol Caerdydd	£2,000
Fishguard and West Wales International Music Festival (2 awards)	£1,913
Forget-Me-Not Chorus Cardiff	£1,800
Grange Pavilion Youth Forum	£1,800
Gŵyl Beaumaris Festival	£1,000
Ladies of Rage Cardiff	£500
Lewis Merthyr Band	£2,000
Listen to the Voice of Fire	£1,856
Little Live Projects	£350
Llandovery Male Voice Choir	£2,000
Llandovery Sheep Festival	£1,750
Music Now Community Group	£1,960
MusicFest Aberystwyth	£1,312
National Youth Arts Wales	£2,000
Newport Community Voices Association	£840
Oasis One World Choir	£705
One Heart Drummers	£2,000
Presteigne Festival of Music and the Arts	£1,500
St Woolos Sinfonia	£1,000
The Glyndwr Ensemble	£536
Touch Trust	£540
UPROAR	£1,500
Vale of Glamorgan Festival	£1,750
	£52,925

Total Grants from Tŷ Cerdd net of offers not taken utp or withdrawn	**£152,936**

Lottery Grants by Type



Delegated Authority Grants



General Activities and Lottery Distribution

Report and Financial Statements for the year ended 31 March 2022

Cyngor Celfyddydau Cymru
Arts Council of Wales

CYNGOR CELFYDDYDAU CYMRU

England & Wales - Charity number 1034245

Accounts

Cyngor Celfyddydau Cymru
Arts Council of Wales

General Activities & Lottery Distribution

Report and Financial Statements for the year ended 31 March 2021

Charity number 1034245

Arts Council of Wales is committed to making information available in large print, braille, audio and British Sign Language and will endeavour to provide information in languages other than Welsh or English on request.

Arts Council of Wales operates an equal opportunities policy

Noddir gan Lywodraeth Cymru
Sponsored by Welsh Government

Yn dyfarnu arian / Awarding funds from
Y LOTERI GENEDLAETHOL
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Front cover: Why Are People Clapping!? by Ed Myhill
National Dance Company Wales (image: Kirsten McTernan)

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

arts.wales

Summer Hub 2020
Theatr Clwyd (image: Dafydd Owen, Ffotonant)

Established by Royal Charter on 30 March 1994, we exist to support and develop the arts in Wales for the benefit of people throughout Wales, and to support Welsh arts 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.

This has been a year of significant disruption and upheaval. The Covid-19 pandemic has had a huge impact on our work and on that of the artists and arts organisations that provide opportunities for the people of Wales to enjoy, take part and work in the arts. Our efforts during the year have therefore had to be redeployed to support the sector to survive and recover and to think afresh about the challenges that are likely to face us in the future.

We look forward to public arts activity resuming and our focus will be on helping the arts to re-build resilience and to reach out to new and wider audiences.

We will do this by using the public funds that are allocated to us by the Welsh Government. We will also continue to distribute the money that we receive from the National Lottery.

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

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

A Turning Point for the Arts and for Wales

It's been a dark and deeply troubling year. Too many have lost loved ones and not been able to mourn them as they longed to do. Major family events such as weddings and significant birthday celebrations have been postponed or shrunk in scale. Many have lost their jobs or fear losing them. The poor and the unvalued and disregarded have suffered the most.

Artists and people who work in the arts have endured these things along with their fellow citizens. Their organisations will be among the last to go back to full, economic activity and jobs will disappear on the way. And many individual freelancers and creators have seen their income disappear completely and are having to look at futures outside the arts.

And yet I've never felt more strongly, in pavement or Zoom conversations and all across the web and social media, how important the arts are to us all. We miss cinema, theatre, live music, visual art, dance – we miss their lifegiving energies and soul-sustaining solace with a deep ache.

And we've been hungry for the human expressivity and imagination we could find online. I've seen it in extraordinary work produced for virtual and digital experience. I've seen it in the way artists have engaged with schools, with mental health support and with particular local needs.

The arts sector is in a battle for survival, a battle against wasting precious creativity, skills and experience. And yet across the sector you hear everywhere the conviction that it's not enough to protect and defend. We need to make radical change, to reach more widely and more fairly with lifegiving and mind-expanding opportunities to experience and create the arts.

The pandemic has glaringly revealed the gross inequalities that blight our society and it's added to their oppressive weight.

Theatr Bara Caws

And we've all been challenged by the voices, the hurts, the deaths of ethnically and culturally diverse people and of disabled people who are so much more vulnerable to the health threats and constrictions which have worried everyone. Black Lives Matter and the We Shall Not Be Removed movement are compelling us to make the change we've talked about for too long.

This has to be a turning point. For sure, we want to go back to sharing arts experiences again. We want to gather in crowds at exciting events and festivals. We want spontaneity and the touch of human contact. We want to shoulder our way to a crowded bar.

But we must not go back to the structural inequalities that have shut out people because of their ethnicity, their disability or the economic poverty in their family and community – communities where currently access to the arts is simply not good enough.

At the Arts Council of Wales, we've committed to changing our own organisation, so that we understand more fully the lived experiences of those people who have suffered exclusion and blocks to fulfilment. And we've committed to working with the 67 organisations we revenue fund to achieve changes in their workforces, boards and programmes of work to make them more representative and diverse.

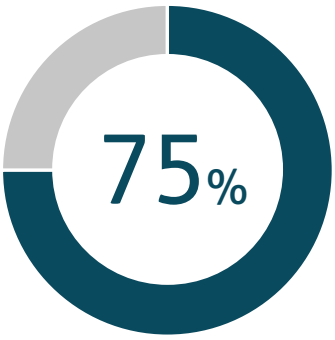
Our Lottery funding programmes have begun to be made easier to access and more open to excluded voices, with decisions on funding that reflect the urgent need to put right inequalities. Amongst these, in our bilingual nation, we recognise the need to increase activity in the Welsh language, especially in theatre.

Our cutting-edge programmes of Creative Learning in schools across Wales and of Arts and Health collaboration with the 7 health boards will also broaden access and opportunity. These programmes reach beyond traditional arts venues while seeking to draw a wider range of people into them.

All of these challenges and achievements require the talented and deeply-committed staff that we are fortunate to have. I pay tribute to them here for their unstinting efforts in sustaining and developing the arts sector in a year of urgent need for prompt emergency and recovery funding.

But I end with special thanks to our outgoing Chief Executive, Nick Capaldi. For 13 years, he has shown vision, tenacity, utter commitment, diplomatic skills, crystal clear analysis and above all, the absolute integrity we seek in all our public servants. In challenging times, none more so than in the last year, he has protected and developed the arts sector and shaped our sense of its future at the heart of Welsh society. He deserves our warmest gratitude and we honour him for all he has done.

Phil George
Chair



of adults in Wales attended the arts

2019/20: 87%
Source: Wales Omnibus Survey

Trustees' Report and Management commentary

Resilience and renewal...

Chief Executive, Nick Capaldi, reflects on an extraordinary year for society and the arts.

What a year it has been. Covid-19 has had an unprecedented impact on our economy, our culture and our way of life. Overnight, this global pandemic led to the suspension of all public activities and a collapse in the living and working environment for everybody.

Organisations, unable to generate ticketed and earned income, faced an immediate fight for survival as they tried to find new ways of sustaining their businesses in the face of the threat of insolvency. Individual artists reported the wholesale cancellation of work and many left the arts altogether in search of employment elsewhere. A tragedy in every sense.

The Arts Council responded quickly, working with the Welsh Government to distribute emergency funding. And organisations responded to the Covid restrictions by moving work online where they could, and furloughing staff where they couldn't. The extent and level of our grant-giving far exceeded anything seen in previous years. In all, we distributed £23.9m of urgent and emergency support to over 750 individuals and organisations – a notable achievement given that Arts Council staff were working from home at this time.

In spite of the unprecedented disruption, artists and arts organisations presented inspiring and engaging work under these most difficult of circumstances. Organisations also responded positively to the wider public health need, distributing food, volunteering staff to Test and Trace, making their facilities available for public health screening. The arts demonstrated – once again – their resilience, imagination and their place at the heart of communities.

Now, as we look cautiously towards the easing of Covid restrictions, the world looks very different to how it did before the pandemic. So, as we consider "what next?", we're not talking about "business as usual" – instead,

we must take a fresh look at how we can achieve a strong and resilient arts sector that properly reflects culture and society in modern-day Wales.

Public health crises aren't equal opportunities events. The most marginalised, and people with the fewest economic and social advantages, are generally the worst affected, while the wealthy, connected and healthy are usually better able to weather the storm. Areas of Wales battling the effects of long-standing poverty and economic disadvantage have been harshly affected by Covid-19. And the heightened attention in recent months given to the lived experiences of culturally and ethnically diverse people and deaf and disabled people have filled our newspapers and television screens. No one can now be unaware of the disproportionate impact of Covid on these people and communities.

Catrin Finch, Other Voices Cardigan 2021 filmed at the National Museum of Wales in Cardiff. Theatr Mwldan (image: Jennie Caldwell)

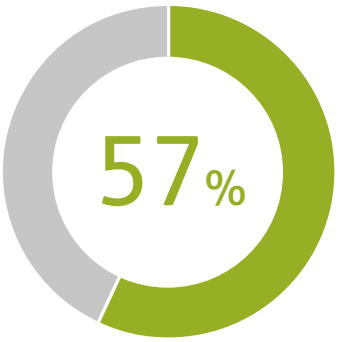
But it's not just a question of how quickly venues can re-open and resume activity, it's about what happens when they do.

We're seeing a profound questioning and re shaping of values across all aspects of public life. And as these values shift and evolve, we mustn't find ourselves caught between nostalgia for a 'comfortable' past and the worries of an uncertain future.

That change is needed is inarguable. But it's about making 'good' choices. A generous, fair-minded and tolerant society is instinctively inclusive. It values and respects the creativity of all its citizens. And if we want Wales to be fair, prosperous and confident, improving the quality of life of people in all of its communities, then we must make the choices that enable this to happen. We must expect the future to look, and feel, very different.

In conclusion, this is my last annual report as Chief Executive of the Arts Council of Wales. Looking back over my thirteen years in the role I feel enormously privileged to have worked with so many extraordinary people and to have encountered artists and creative professionals of inspirational talent and achievement. I've also been lucky to have enjoyed the support of two excellent Council Chairs – Dai Smith and Phil George – and to have worked with so many eminent and committed Council members. My final words are reserved for my staff colleagues. Your commitment and energy is remarkable. You've been wonderful to work with and have made every one of those thirteen years a complete joy. Thank you.

Nick Capaldi
Chief Executive



of adults in Wales took part in arts activity

2019/20: 49%
Source: Wales Omnibus Survey

Making the arts central to the life and well-being of the nation

Our mission

Our strategy for recovery and renewal

The principles that drive our work

Our priorities

Our vision is of a creative Wales where the arts are central to the life and well-being of the nation. We remain committed to our vision, in spite of Covid-19.

Our goal is the re-building of a creative Wales in which our best talents are revealed, nurtured and shared; a country in which the widest possible cross-section of people in Wales is enabled to enjoy and take part in the arts; a country in which excellent work is valued, protected and supported to grow. This is described in more detail in our corporate plan – "For the benefit of all".

Two priorities underpin this strategy. They are:

1. Promoting **Equalities** as the foundation of a clear commitment to reach more widely and deeply into all communities across Wales.

2. **Strengthening the Capability and Resilience** of the sector, enabling creative talent to thrive

Council has also identified a further action to support the delivery of these two priorities:

3. **Enabling the Arts Council to work more effectively,** collaborating more imaginatively with like-minded partners across Wales

Responding to Covid-19

2020/21 was a challenging and unpredictable year. And uncertainty will continue for some time to come. Responding to the demands that Covid-19 brings will define, in the immediate term, how we support and invest in the arts. We look forward to a moment when emergency response is not our default position and when we can shift our focus to more developmental activity. But for the time being, defending and protecting the arts will be at the centre of our work and we'll continue to work closely with the Welsh Government to secure those goals.

Our financial strategy will need to be agile and flexible. We'll look carefully at what it's possible to support given the Covid restrictions that apply during the year. But some activities will take longer to re-establish and it will take time before we can confidently invest in types of activity that aren't able, in the short-term, to operate on a financially sustainable basis. How we support this activity to return to a more financially sustainable basis will be an important part of our continuing recovery strategy.

The Covid-19 pandemic is changing the way we all live, our outlook and how we engage in the arts, culture and creativity. At its core, the arts are a social as well as cultural experience. As the Covid-19 restrictions ease, audiences and participants will seek out the social and engagement aspects of art and culture even more than usual. As they do, they're likely to take more of an interest in how the arts connect to them as individuals and communities. Our funding will reflect what's relevant and deliverable given need and circumstance.

591*
arts events were run by our portfolio of funded organisations, generating attendances of
696,507*

* This data summarises the findings of the 2020/21 Arts Portfolio Wales (APW) Surveys. APW organisations are required to complete a biannual survey as a condition of their funding agreements. There are currently 67 APW organisations but only 60 organisations have been able to complete the survey by the extended deadline of 18 June. This data covers those 60 organisations only.

Drawing Games, Arts Connection - Cyswllt Celf

The priorities of the Welsh Government set the overall context for our work. The Welsh Government's expectations of us are set out in an annual Remit Letter. The Remit Letter for 2020/21 set out four categories of activity. These are listed below with the Welsh Government's aims for each:

1 United and Connected

"Our aim is to build a nation where people take pride in their communities, in the Welsh identity and language, and our place in the world."

2 Ambitious and Learning

"Our aim is to instil in everyone a passion to learn throughout their lives."

3 Prosperous and Secure

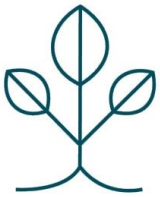
"Our aim is a Welsh economy which delivers individual and national prosperity while spreading opportunity and tackling inequality."

4 Healthy and Active

"Our aim is to improve health and well-being in Wales, for individuals, families and communities... and to shift our approach from well-being to prevention."

As a Welsh Government Sponsored Body, we operate within a complex network of public policies, strategies and legislation. The most important of these is the Welsh Government's Well-being of Future Generations legislation. Well-being and sustainability are fundamental to our work. Our activities address all seven of the well-being goals:

1
a prosperous Wales



2
a resilient Wales

3
a healthier Wales

4
a more equal Wales

5
a Wales of more cohesive communities

6
a Wales of vibrant culture and thriving Welsh Language

7
a globally responsible Wales

We also adopt, in our planning and in the delivery of our work, the legislation's "five ways of working": Long-term, Prevention, Integration, Collaboration, Involvement.

CROMEN, Marc Rees
Taliesin (image: Hywel Harries)

Public benefit

Making the arts central to the life and well-being of the nation

In setting our objectives, and in the planning of our work, Council members have given serious consideration to the Charity Commission's general guidance on public benefit. Public benefit is at the centre of all aspects of our work. This commitment is strengthened by the Welsh Government's Well-being of Future Generations legislation.

As a Welsh Government Sponsored Body (WGSB) we allocate taxpayers' money for the benefit of the Welsh public.

The funding that we distribute has a number of public purposes:

1. it helps to make sure that Welsh audiences are able to enjoy and take part in high quality arts activities
2. it enables investment in the commissioning, production and exhibition of the arts, helping to sustain the careers of creative professionals in Wales
3. it makes the arts more affordable, bringing them within reach of more people
4. it encourages innovation and risk-taking, raising the quality and diversity of the arts made and promoted in Wales
5. it furthers the cultural, social and economic priorities of the Welsh Government

Public funding also helps to address 'gaps' in the market by investing in those activities that the commercial sector either won't, or isn't able to, support. In all aspects, our funding is intended to encourage the best of the arts and to enable as many people as possible to enjoy and take part in these activities.

We undertake detailed research each year to assess the extent to which we're achieving these goals. In the pages that follow, we set out the key highlights of our work during 2020/21 and the public benefit that these activities deliver.

Creative learning through the arts

Creative learning through the arts: an action plan for Wales 2015-2020, has transformed the learning experiences of pupils across Wales since 2015. By placing the arts and creativity at the heart of education this ground-breaking programme has supported schools in developing new approaches to curriculum design. It has also supported teachers in exploring innovative approaches to teaching and supported pupils to grow as independent, creative learners who are more engaged, more confident and higher achievers.

A programme of extraordinary reach and impact

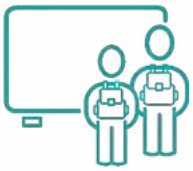
Over the first five years of the programme, *Creative learning through the arts* has:

engaged with over
1,240
state-maintained schools
(83% of schools in Wales)

seen
1,566 creative practitioners
contracted to work in our schools

provided opportunities for over
134,000
pupils to engage in arts and creative learning activities

enabled almost
4,600 teachers
to participate in professional development and training linked to developing creative skills in the expressive arts



increased and improved over
100 opportunities
for teachers and learners in our schools to work with artists and arts/cultural/heritage organisations on a range of more in-depth and exploratory projects through **Creative Collaborations**

involved
658 schools
in intensive creative learning projects through the **Lead Creative Schools Scheme**

provided opportunities for schools and arts organisations to share best practice and find partnerships through **Regional Arts** and **Education Networks**

supported over
800 visits
to high-quality arts and cultural events in galleries, theatres, arts centres and other venues through **Go and See**

The Aloud Charity's Creative Collaborations project, Fitzalan High School, Cardiff
(image: Jake Morley)

800 learners and 72 teachers from 34 schools participated in the online Lead Creative Schools Scheme.

Key work in 2020/21

In February 2020, and with the support of the Welsh Government, the Arts Council of Wales was pleased to announce a second phase for the programme. Our focus for this second phase was on continuing to support schools on the journey towards the development and delivery of Curriculum for Wales. The **Lead Creative Schools Scheme** has remained at the heart of delivery, providing opportunities for more schools, pupils and teachers, to experience this transformational approach to teaching and learning.

This phase is designed to:

support more schools to develop creative approaches to teaching and learning, building on the knowledge and expertise of the schools already engaged in the Lead Creative Schools Scheme

provide Continuing Professional Learning opportunities for teachers and artists

support schools to explore creative approaches to curriculum development and design

continue to widen opportunities for learners to explore high quality arts and cultural experiences through **Go and See**

support the development of creative skills in our learners

A continuation of the learning response to Covid-19

At the very start of the first year of this phase our plans had to be re-designed to respond to the dramatic changes in education due to the onset of Covid-19. As a creative programme, we were able to respond swiftly and imaginatively to these challenges and developed an 'intervention' that could be delivered through online platforms.

Our work has included the commissioning of **Expressive Arts Masterclasses** and we curated a virtual **Go and See** collection. This transported teachers and learners into theatre performances, virtual exhibitions, museum tours, behind the scenes visits and more, providing new and stimulating cultural experiences for both home and school settings.

Through a re-imagined **Lead Creative Schools Scheme** that was delivered online, teachers, learners and creative professionals worked in collaboration and found new ways of working to support the creativity and well-being of learners.

800 learners and **72** teachers from **34** schools participated in the online Lead Creative Schools Scheme.

In the autumn of 2020, we were able to relaunch our Lead Creative Schools Scheme and offered funding to **85** new schools to design and deliver creative learning projects. We trained an additional **221** teachers and **213** creative practitioners.

We launched a strand that has a specific focus on **secondary schools**. We invited secondary schools that were part of the scheme in the first phase to become part of a small cohort of schools working together to explore how creative learning approaches could be embedded across the curriculum. This proved to be a particular challenge in the first phase and the aim is for these schools to explore the methodology and develop learning resources that can be used to support other secondary schools. There will be a strong focus on professional learning as part of this project and the successful schools will come together with creative professionals to co-design an approach and to share their learning. We have **19** schools signed up to this project.

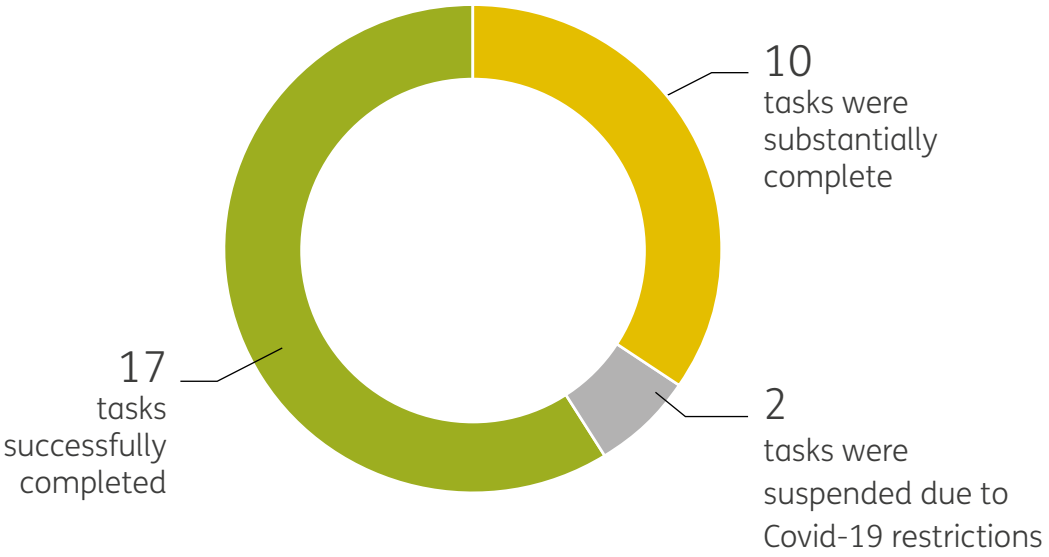
25 schools and **25** creative professionals have joined forces to devise and deliver innovative and creative projects that explore the key themes of ***Cynefin: Black, Asian and minority ethnic Wales***. This draws upon the strengths of the Lead Creative Schools Scheme that has helped schools explore new ideas and approaches to teaching and learning over the last 6 years and involves developing the skills of Black artists to deliver creative learning projects.

Our performance

A year of strong performance against our corporate objectives

Our Operational Plan for 2020/21 provided the focus for our work. It contained 29 key tasks, each with its own targets. Progress was monitored throughout the year through quarterly progress reports that are presented to Council. We also met quarterly with officials of the Welsh Government.

We successfully completed over half our tasks in 2020/21. At the end of the year:



Throughout 2020/21, Covid-19 remained the focus of our attention and activity. This is likely to be the case for the foreseeable future as we see a gradual easing of restrictions and emergence from the pandemic.

Consequently we revised a number of our key actions to reflect our response to this and other recent developments, including our departure from the European Union on 31 December 2020. We identified the key pieces of work that we embarked upon throughout this year to support and steer the sector through these issues.

At the same time, we needed to ensure we adapted our own organisation to Covid-19 working and continued to support our staff.

Our position at the year end compared to the original targets in our Operational Plan 2020/21 was as follows.

We re-purposed our originally agreed National Lottery funding programmes to support arts organisations and individual artists through the Covid-19 pandemic

- providing urgent emergency funding of £5.5m to over 750 individuals and organisations through an Arts Resilience Fund
- distributing £5m of National Lottery funding through our Connect and Flourish programme, encouraging organisations, individuals and creative professionals to work together to re-build public arts activity and,
- in partnership with Welsh Government providing £18m of revenue and capital funding through a Cultural Recovery Fund, helping 170 organisations to protect themselves against the impact of the Covid-19 emergency

We implemented a number of activities to widen our engagement with communities and the individuals they serve. We worked to remove barriers to engagement and participation in the arts:

- receiving an unprecedented 55 applications to our "Sharing Together" funding programme reflecting the conversations that we'd held around the Black Lives Matter and #WeShallNotBeRemoved movements
- developing an action plan based on the recommendations of our commissioned Welsh Language Mapping Report
- commissioning, in partnership with Amgueddfa Cymru, specific research into community engagement to include social, economic, disability and ethnicity factors

New partnerships helped promote professional development for individuals – we collaborated with:

- Weston Jerwood Fund – work is underway with 7 bursaries
- UK Social Mobility Commission – to develop a 'toolkit' to increase employment opportunities in the creative sector for those from lower socioeconomic backgrounds
- Natural Resources Wales – entering into a Memorandum of Understanding focused on developing shared capacity and resources and launching a dedicated Creative Nature Fund to support individual artists
- the campaigning Freelancer Pledge Steering Group – becoming a member to ensure fair pay for individual creative practitioners

JERWOOD ARTS

Social Mobility Commission

Cyfoeth Naturiol Cymru Natural Resources Wales

We published our new Strategic Equality Action Plan – priorities included:

- continuing our Creative Steps programme, and starting to develop a Creative Steps for Individuals funding strand (to be launched early in 2021/22)
- progressing the Memorandum of Understanding with 10 other public bodies in Wales to agree a set of Strategic Equality Objectives that we would implement in partnership as part of our new Strategic Equality Plans 2020-2024
- appointment of our Agent for Change to help drive forward our Equality agenda, both within our organisation and externally

We progressed the second phase of Creative learning through the arts:

- in response to a request from Welsh Government we're currently developing a Creative Learning Recovery Fund that will assist learners to re-engage with their learning following the pandemic
- we launched Cynefin: Black, Asian and minority ethnic Wales - we received a total of 61 applications. 25 schools have been awarded a grant and a further 18 schools will join us from the autumn term onwards
- training is now complete for Creative Agents, School Coordinators and Creative Practitioners and all 84 Lead Creative Schools projects are underway.
- awarded 19 applications to our enhanced offer for secondary schools

We continued to progress our programme of Arts and Health – activities included:

- renewing our Memorandum of Understanding with the Welsh NHS Confederation for a further 3 years
- establishing and supporting specialist arts co-ordinator posts in each Health Board
- continuing to promote the benefit of arts in health as part of the Confederation's Cross Party Group meetings held online throughout the year
- the set up of the Health, Arts, Research, People (HARP) funding programme
- implementing the Seed Fund (for Research and Development) – this selected 4 Health challenges to which 54 artists/arts organisations responded, applying to be creative partners
- implementing the Nourish Fund (for large grants) with 20 expressions of interest now progressing towards submitting a full application
- developing Cultural Cwtch – a website of creative resources to support NHS and social care staff's well-being throughout the pandemic and beyond
- developing a new Arts, Health and Well-being Lottery Fund for launch in the new financial year
- launching NHS Decides

We engaged in an extensive programme of international activity – this included:

- a formal Partnership Agreement with the Welsh Government around international working which will extend into 2021/22
- the re-opening of our International Opportunities Fund that had been suspended earlier in the year because of Covid-19
- undertaking a series of conversations and focus groups with the sector culminating in the report Reimagining International Work in Arts and Culture in Wales and the World
- the announcement of Wales as international partner for Showcase Scotland at Celtic Connections
- participation in UNESCO meetings around cultural values providing information and intelligence on the potential implications of Brexit
- securing investment from Arts Council England for the Arts Infopoint UK project, providing support and advice on artists mobility from the UK to EU, and a commitment to this investment over two financial years
- being a member of the Wales in Germany stakeholder group, in preparation for the launch of the Year of Wales in Germany 2021

We've continued to deliver against our key tasks in spite of Covid-19 with all staff equipped to work from home throughout the year. Achievements include:

Finance and grant-making

- putting in place processes and procedures to pay out an additional £24m of funding in emergency Covid-19 support
- producing full sets of Annual Reports and Financial Statements for 2019/20
- launching a number of new funding programmes and publishing guidance and help notes
- introducing the Welsh Government's new Cultural Contract, an initiative designed to ensure that public funding of the arts has a social and cultural as well as economic purpose
- introducing the Well-being of Future Generations 7 goals and 5 Ways of Working into our revised Funding Agreements with our Portfolio organisations

Communications

- launching a new Bilingualism Promotion Pack in collaboration with the Welsh Language Commissioner
- ensuring that our published content is fully bilingual and meets AAA accessibility standards
- increasing our publication of material in alternative formats, including EasyRead and British Sign Language
- introducing weekly information videos for staff, keeping them informed of Arts Council news during the period of homeworking

Technology

- implementing a new Grants Management System and online application portal
- introducing a new intranet and migration to SharePoint 2019

Human Resources

- concluding our Pay and Grading Review, ensuring that our pay structures were fit for purpose
- monitoring staff well-being through surveys and regular contact between line managers and their teams
- continuing development and training opportunities for staff
- appointing an Agent for Change to progress our Equality Agenda, internally and externally

Prevention and resilience

- achieving a successful programme of internal audit, providing substantial assurance to our Council
- revising internal policies to accommodate home-working arrangements
- achieving a successful programme of internal audit, providing substantial assurance to our Council
- maintaining Green Dragon Level 5 accreditation for environmental sustainability
- promoting of the green agenda across all of our activities, internally and externally, through our grant-making activities

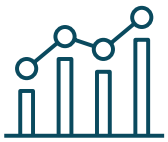
Not all targets were fully completed during the year. In most cases, the reason was the need to re-order key activities in response to the onset of Covid-19.

The main projects affected were:

Funding strategy – we had planned a significant review of the way that we fund key organisations and projects:

- the Investment Review 2020, our major review of funding to Portfolio Organisations, has been rescheduled to start in Autumn 2021
- we've deferred the final stages of our review of Lottery funding because existing funds were temporarily reallocated to the Covid-19 response
- we've had to phase in the deployment of our cohort of Arts Associates

Publication of research data – Covid-19 affected some of our planned activity, including:



- our Arts Portfolio Wales Survey and Omnibus Reports
- two tasks were put on hold, our Children and Young People Lottery programme and Night Out activities

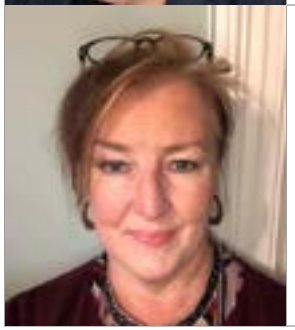
Poster artwork by Peter Stevenson part of the 'Three Skeleton Key' radio play commissioned by Aberystwyth Arts Centre

Corporate Governance

Our Trustees

Council Members who served since 1 April 2020 were:

Attendance of Trustees at meetings during 2020/21	Council	Audit & Risk Assurance Committee	Capital Committee	HR & Remuneration Committee	Strategic Equality Committee	Welsh Language Committee	Future Generations Committee
	Number of meetings held:						
	10	5	4	3	3	4	1
Phil George **Chair** from 1 April 2016	10						
Marian Wyn Jones from 1 April 2012 to 31 March 2021 **Vice Chair** from 1 April 2017 to 31 March 2021 Chair of Welsh Language Committee to 31 March 2021	7					4	
Kate Eden from 1 April 2017 **Vice Chair** from 1 April 2021 Chair of Audit & Risk Assurance Committee Member of HR & Remuneration Committee	10	5		3			

Attendance of Trustees at meetings during 2020/21		Council	Audit & Risk Assurance Committee	Capital Committee	HR & Remuneration Committee	Strategic Equality Committee	Welsh Language Committee	Future Generations Committee
		Number of meetings held:						
		10	5	4	3	3	4	1
	Iwan Bala from 1 November 2016 Member of Wales in Venice Advisory Committee	5						
	Lhosa Daly from 1 April 2019 Chair of Future Generations Committee	9						1
	**Ceri Ll Davies** from 1 April 2021							

Attendance of Trustees at meetings during 2020/21	Council	Audit & Risk Assurance Committee	Capital Committee	HR & Remuneration Committee	Strategic Equality Committee	Welsh Language Committee	Future Generations Committee
	Number of meetings held:						
	10	5	4	3	3	4	1
Devinda De Silva from 1 April 2019 Member of Strategic Equality Committee (Chair from 1 April 2021)	9				2		
Andy Eagle from 1 November 2016 Chair of Capital Committee	9		4				
Ruth Fabby MBE from 1 April 2021							

Attendance of Trustees at meetings during 2020/21		Council	Audit & Risk Assurance Committee	Capital Committee	HR & Remuneration Committee	Strategic Equality Committee	Welsh Language Committee	Future Generations Committee
		Number of meetings held:						
		10	5	4	3	3	4	1
	Michael Griffiths OBE from 1 April 2012 to 31 March 2021 Chair of HR & Remuneration Committee to 31 March 2021	10			3			
	Professor Tudur Hallam from 1 April 2019 Member of Welsh Language Committee (Chair from 1 April 2021)	9					4	
	Gwennan Mair Jones from 1 April 2019 Member of Future Generations Committee	9						1

Attendance of Trustees at meetings during 2020/21	Council	Audit & Risk Assurance Committee	Capital Committee	HR & Remuneration Committee	Strategic Equality Committee	Welsh Language Committee	Future Generations Committee
	Number of meetings held:						
	10	5	4	3	3	4	1
Tafsila Khan from 1 April 2021							
Alison Mears Esswood from 1 April 2019 Member of HR & Remuneration Committee (Chair from 1 April 2021)	9			3			
Andrew Miller from 1 April 2012 to 31 March 2021 Chair of Strategic Equality Committee to 31 March 2021	10				3		

Attendance of Trustees at meetings during 2020/21		Council	Audit & Risk Assurance Committee	Capital Committee	HR & Remuneration Committee	Strategic Equality Committee	Welsh Language Committee	Future Generations Committee
		Number of meetings held:						
		10	5	4	3	3	4	1
	Keith Murrell from 1 April 2021							
	Victoria Provis from 1 April 2019 Member of Capital Committee	10		4				
	Dafydd Rhys from 1 April 2017 Member of Audit & Risk Assurance Committee	9	4					

Attendance of Trustees at meetings during 2020/21		Council	Audit & Risk Assurance Committee	Capital Committee	HR & Remuneration Committee	Strategic Equality Committee	Welsh Language Committee	Future Generations Committee
		Number of meetings held:						
		10	5	4	3	3	4	1
	Elen ap Robert from 1 April 2021							
	Prue Thimbleby from 1 April 2021							
	Dr Sarah Younan from 1 April 2019 Member of Audit & Risk Assurance Committee	9	4					

Attendance of independent Committee members at meetings during 2020/21

	Audit & Risk Assurance Committee	Capital Committee	HR & Remuneration Committee	Strategic Equality Committee	Welsh Language Committee	Future Generations Committee
	Number of meetings held:					
	5	4	3	3	4	1
Andrew Butler	4					
Elid Morris	5					
Arwel Thomas	5					
Ruth Cayford		4				
Mark Davies		1				
Roland Evans		1				
Alan Hewson		4				
Valerie Ellis			1			
Philip Westwood			2			
Guto Gwilym-Taylor				3		
Ele Hicks				3		
Lara Ratnaraja				3		
Shereen Williams				2		

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, other than the remuneration of the Chair, are disclosed in the financial statements under *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 - General Activities
Auditor General for Wales
Wales Audit Office
24 Cathedral Road
Cardiff
CF11 9LJ

Auditor - Lottery Distribution
Comptroller & Auditor General
157-197 Buckingham Palace Road
London
SW1W 9SP

Internal auditor
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

Governance Statement

This Governance Statement is the personal responsibility of me, Nick 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've 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're 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.

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 **Deputy Minister for Arts and Sport**. Our work is also subject to the scrutiny of Committees of the **Welsh Parliament.** 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're 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're accountable to the UK's Secretary of State for Digital, Culture, Media & 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're 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 contract to National Audit Office by Audit Wales. Audit Wales also audits our General Activities account.

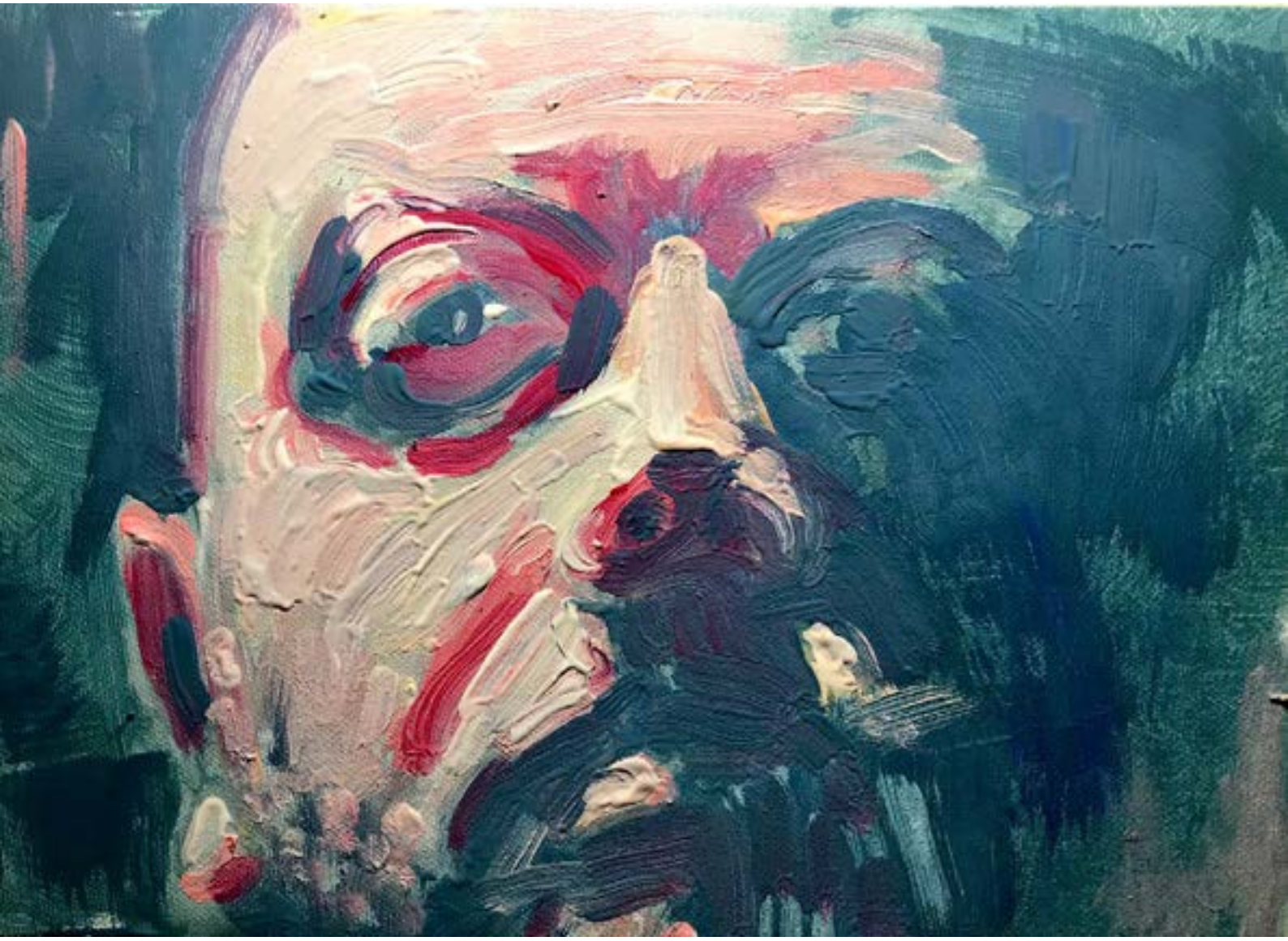
As a charity we have to ensure that we comply with the requirements of the Charities Acts 1960, 2006, 2011 and 2016. As such, we follow guidance issued by the Charity Commission, acting solely to further our chartered and charitable objectives.

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've 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 and management 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 **Audit Wales** are all able to investigate the Council's affairs.



Emerge by John Gavan, a participant on our Creative Connections|| Breathing Space project.
Tanio

Our Governance arrangements

We're governed by a Board of Trustees – Council – consisting of a Chair and up to seventeen other independent members, one of whom is appointed as Vice-Chair. Our Trustees are appointed by the Deputy Minister for Arts and Sport through an open selection process. Appointments are usually for a three-year term, renewable for a maximum of two additional terms.

Each Trustee brings specific expertise and knowledge to the oversight and development of our activities. At the year-end our Council comprised of the Chair plus fourteen members, but terms of office for three of those members expired on 31 March 2021. Subsequently, through the Welsh Government's Public Appointments process, six new members have joined so, at the time of signing these accounts, Council membership stands at the maximum allowed by our Royal Charter, seventeen members plus the Chair.

The Chair of Council is a remunerated position, at a rate set annually by the Welsh Government. All other Trustees provide their time and expertise on a voluntary basis. However, they're reimbursed for out-of-pocket expenses incurred on Council business.

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 Arts Associates 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 is reviewed and updated at least every two years. You can find a copy on our website.

In accordance with the Code, each member of Council, of each Committee, and all Arts Associates and staff are required to complete an annual **Declaration of Interest** statement, and to ensure that changes in circumstances are notified promptly. They 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 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 Arts Council are disclosed in the notes to the financial statements under *Related party transactions*.

Council, the Audit & Risk Assurance Committee and HR & Remuneration Committee all carried out a **self-assessment review** of their performance during the year. The findings of these evaluations were positive. 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 were being 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 and diversity of arts expertise and skills on the Trustee Board as new members are appointed. Particular areas of focus will include the recovery and development of artistic activity post Covid-19, our periodic review of our Portfolio membership through our Investment Review, driving further commitment to Equalities and the Welsh language amongst funded organisations, and the effective use of information and communication technology.

HOOF at Christmas 2020 (image: Kirsten McTernan)

The *Corporate governance in central government departments: code of good practice*, issued by HM Treasury, does not directly apply to the Arts Council of Wales. However, as Accounting Officer, I'm 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.

Whistleblowing

The Council has an established whistleblowing 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

Decisions taken by our Council and Committees are informed by advice provided by Arts Council staff. Papers and reports produced by officers are expected to show clearly all relevant information needed to enable informed decisions to be taken. All key papers highlight: financial, HR and the Well-being of Future Generations Act's 5 Ways of Working; risks; and an assurance statement.

Papers are circulated in advance of each Council and Committee meeting; tabled items and verbal reports are only accepted in exceptional circumstances. Council was content during the year with the timeliness and quality of 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. There were no instances of this happening in 2020/21.

Where appropriate and relevant, advice from officers is supplemented 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 polices are finalised.

We provide funding to third parties

One of the Council's most important duties is the distribution of funding to develop and support the arts in Wales. We're a major distributor of funding – from the Welsh Government, the National Lottery and other sources.

We've developed robust and accountable systems and procedures to support this key activity. Grant-making and monitoring processes are reviewed annually by our internal auditors. Audit Wales 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're implemented on a timely basis.

Security of data

We hold large amounts of data and treat seriously our obligations under the **Data Protection Act** which, following the United Kingdom's departure from the European Union, incorporates the **General Data Protection Regulations (GDPR)**. 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.

The high-level review over IT controls carried out by our external auditors and our programme of internal audit reviews carried out during the year revealed no serious issues. Similarly, the annual security review on behalf of Welsh Government highlighted no matters of serious concern in this area. To the best of my knowledge and belief, no loss of data occurred during the year.

Complaints

Complaints about our work are investigated according to our Complaints Policy. Sometimes our policy requires a complaint to be investigated by an Independent Complaints Reviewer. For reasons of openness and transparency, we publish all final reports from the Reviewer. No complaints were referred to the Independent Reviewer in 2020/21.

Ministerial directions

As a Welsh Government Sponsored Body we're 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.

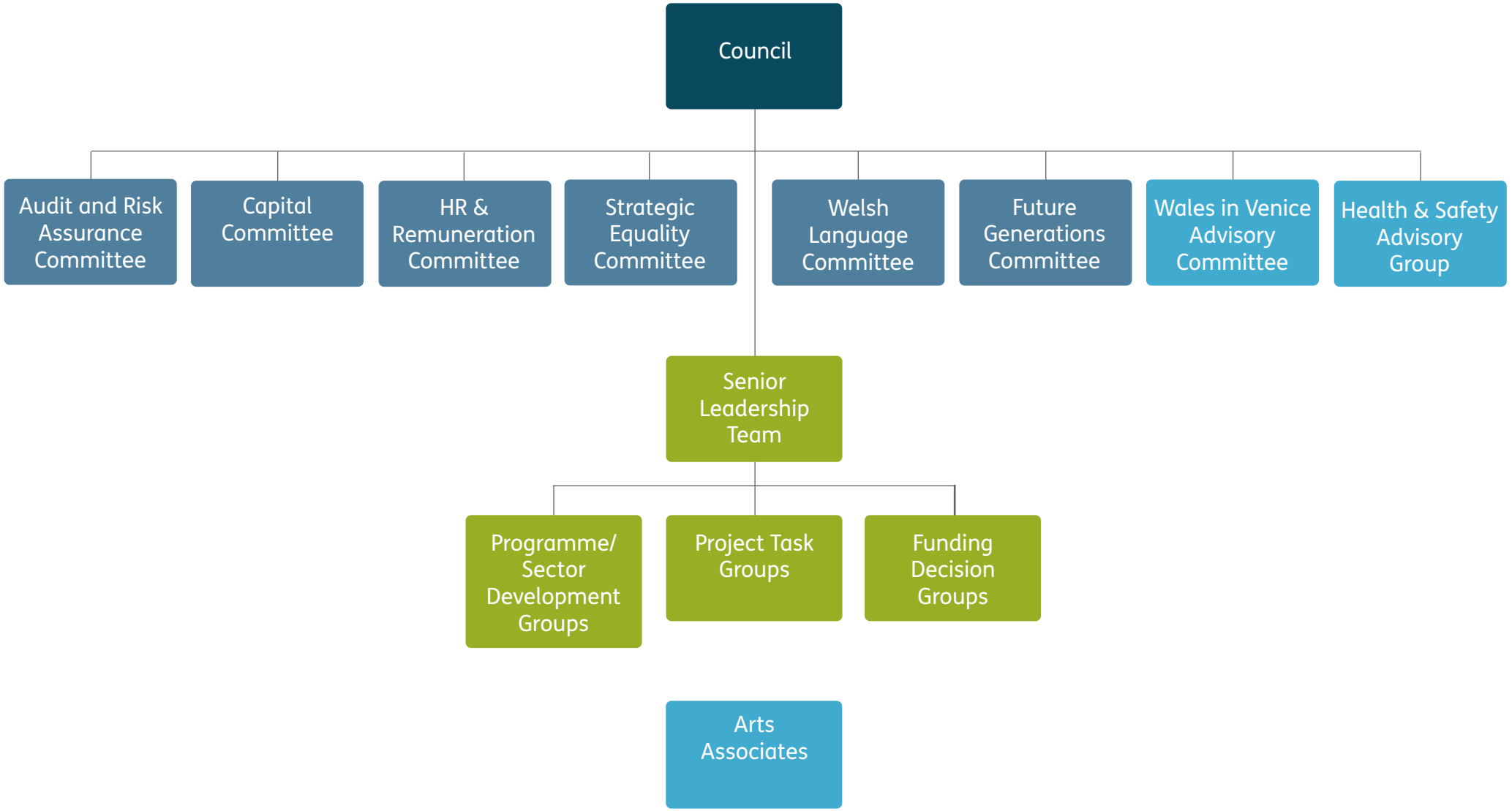
To help support its work, Council has appointed six committees to provide specialist advice. These are: Audit & Risk Assurance Committee; Capital Committee; HR & Remuneration Committee; Strategic Equality Committee; Welsh Language Committee and Future Generations Committee. There is also an advisory committee for Wales' presence at the international Biennale of Art in Venice and a Health & Safety Advisory Group.

Each Committee includes Council members, one of whom acts as Chair, and has provision for 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 to note. Terms of reference for each committee, which are reviewed annually, can be found on our website.

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.

During the year we continued to draw on the services and experience of our cohort of **Arts Associates**. The Associates, who began their work during 2019/20, support executive staff. Their specialist knowledge contributes to policy development, the assessment of grant applications, and advice to officers.

Postcards to the Future, Glynn Vivian Art Gallery


Council
Audit and Risk Assurance Committee
Capital Committee
HR & Remuneration Committee
Strategic Equality Committee
Welsh Language Committee
Future Generations Committee
Wales in Venice Advisory Committee
Health & Safety Advisory Group
Senior Leadership Team
Programme/ Sector Development Groups
Project Task Groups
Funding Decision Groups
Arts Associates

Council is responsible for the strategic direction and management of our organisation. It is also responsible for ensuring, through the Chief Executive, that we operate within the various accountabilities required of us.

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.

Council sets the annual budget, decides on the annual allocation of grants to organisations in the Arts Portfolio Wales, and approves all grants over £50,000 or, in the case of Lottery funded capital projects, over £250,000 and Resilience awards over £100,000. Decisions below these thresholds are delegated to authorised staff and to the Capital Committee.

Members assist with Council Committees. They may also attend arts events across Wales as representatives of Council.

Rakie Ayola, Who Runs Towards A Fire, Sherman Theatre

Council activities undertaken during 2020/21 included:

1. As part of its ongoing scrutiny of **Governance**, preparing and monitoring the **Operational Plan** for the year. Council also received and noted the **Committees'** year-end reports to inform its **Governance Statement** as part of this Annual Report and approved the **Annual Financial Statements 2019/20** and **Budget** allocations for 2020/21

2. Approving the redeployment of money from our **National Lottery Funding Programmes** and repurposing of these funds for the **Arts Resilience Funds** to offer urgent support to the Sector in response to the Covid-19 pandemic

3. Approving the terms of our **Cultural Recovery Fund** programme delivered in partnership with Welsh Government

4. Considering and monitoring, through regular briefings, our response to the impact of both **Brexit** and **Covid-19**, both externally on the cultural sector and internally on operational matters

5. Approving the revised strategy for our **international** work, informed by the recommendations in the **Watch Africa Cymru** Report

6. Endorsing the findings of the **Welsh Language Mapping Report**, and agreeing an approach with Welsh Government on a further phase of the **Creative Learning programme**

7. Approving the revised **Strategic Equality Plan 2020-24** in response to issues highlighted through **Black Lives Matter** and **We Shall Not be Removed** and the outcomes of the **Pay Review.**

Council held its meetings online throughout the year. It met 10 times during 2020/21 to discharge its responsibilities. An extraordinary meeting was also called at short notice in April 2020 in response to the Covid-19 pandemic and UK Government announcement of a national lockdown. During the year, members in total attended meetings on 134 out of a possible 150 occasions. Council meetings are normally held approximately every 6 weeks. However, on occasion, additional meetings were arranged this year to consider responses to the pandemic. Copies of agendas and minutes of our Council meetings can be found on our website.

Our governance response to Covid-19

Protecting the well-being of our staff has been paramount. As concern grew about the spread of the virus we took an early decision to bar international travel and to restrict movement in the UK. And, as soon as it became clear that a strict policy of social distancing would be needed, we closed our offices and asked all staff to work from home.

Fortuitously, we were well-prepared for this shift in working practices. As part of the development of a more 'fleet of foot' organisation, we had been in the process of introducing an Agile Working policy. At the point at which 'lockdown' was enforced, all staff had already been equipped to work remotely. Due to locking down as early as possible, we've not experienced any severe sickness in staff and there have been no absences of key management personnel.

The majority of our internal processes are electronic and have worked well remotely. Physical signatures have been replaced with electronic signatures and email audit trails. Our internal audit plan was conducted remotely with no significant impact on performance or outcomes.

We were able to set up a number of virtual meeting rooms to host all our committee and Council meetings. Duties of each committee have remained the same and Council's ability to make decisions has not been compromised during the pandemic period. We've updated our Corporate Assurance Framework and Risk Register accordingly.

In terms of our risk appetite, we've had to react quickly to the demands of the sector to create emergency funding. In doing so, we had to adjust our processes to efficiently get the funds to where they were most needed. Ordinarily, grants are given after some development discussion with an Arts Council officer. Here, the officer would get to know the artist and help develop the project for funding. With the Urgent Response funds, individuals applied without any background involvement from officers. This meant an increased risk of people applying who were unknown to the Arts Council and a potentially heightened risk of fraud. To mitigate this risk we used, for the first time, the National Fraud Initiative (NFI) 'AppCheck' tool which allowed us to background check applicants, agreeing applicants to the electoral register, checking their addresses and ensuring residency in Wales. All usual background checks which we would have done pre-Covid were performed as well.

In terms of strategic planning and our equalities duties, we remain committed to our corporate priorities and these have formed part of the assessment process of the Urgent Response funds.

We delivered the Cultural Recovery Fund in partnership with Welsh Government. We liaised closely with Welsh Government throughout this process to identify any duplicate applications and reduce the risk of double funding. We continue to report weekly to Welsh Government all payments made from this fund.

We also updated our internal anti-fraud procedures to include consideration of any revised or new working arrangements introduced as a result of the pandemic and the requirement to work from home.

It is our view that the effectiveness of governance hasn't been compromised by the pandemic.

4.7%

Arts Council running costs as a proportion of total income (whole Council)

(2019/20: 7.4%)

Audit & Risk Assurance Committee

"The Committee provides robust oversight of our governance arrangements. It scrutinises the adequacy and effectiveness of our systems of internal control, and tests our risk management arrangements. Our role is to support the organisation to be as efficient as it can, ensuring that Council's delivery of activity is effective and represents value for money."

Kate Eden
Chair, Audit & Risk Assurance Committee

As stewards of public funds we must operate in an efficient and accountable manner. Our priorities and funding decisions are agreed by Council in accordance with the policies and procedures that apply to our use of public funds. The Audit & Risk Assurance Committee's role is to ensure that we deliver on these commitments, doing so in ways that are transparent, accountable and resilient.

An extensive programme of internal audit assists us in this work, assessing the quality of our delivery against the standards that we have set.

Committee activities undertaken during 2020/21 included:

1. Strengthening the robustness and suitability of the management of Council's work by reviewing and updating our **Corporate Assurance Framework** and **Corporate Risk Register.** Regular scrutiny has given us a clearer view of the potential vulnerabilities in our operations

2. Reviewing our defences against **Fraud** and **Cyber-crime**, including a comparison of our own anti-fraud procedures against the recommendations set out in Audit Wales' report Raising our Game – Tackling Fraud in Wales. We're better able to withstand the increased number and sophistication of external attempts to breach our security, particularly in consideration of the potential increase in external security threats throughout the current lockdown period

3. Scrutinising the organisational and financial health of Council's **Arts Portfolio Wales**, and the scale of impact of the Covid-19 pandemic

4. Reporting to Council on the outcome of **internal audit reviews** commissioned by the Committee and monitoring the progress of recommendations for action

5. Understanding key aspects of Council's operations, such as our response to **Covid-19**, the replacement of our **grant management system**, further work being undertaken in response to the recommendations of Audit Wales' report on the Well-being of Future Generations and on the various Memoranda of Understanding, ensuring that the Committee is well informed about Council's wider activities.

The Committee met 5 times during 2020/21 to discharge its responsibilities. During the year, members in total attended meetings on 27 out of a possible 30 occasions. Committee meetings are normally held quarterly, with an additional meeting in early summer.

Audit outcomes

The findings of the Audit Wales annual audits are reported to our Audit & Risk Assurance Committee which 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.

Our internal auditor, Deloitte LLP, gave the following opinion in their annual report:

> "Based on the conclusions of our work, we can provide the Arts Council with **substantial assurance** in relation to the organisation's arrangements for risk management, governance and internal control. Our opinion has not been limited by any shortfall in resources, absence of skills, or any significant limitation of scope of internal audit activity which would adversely affect our ability to form an opinion."

Capital Committee

"During an unprecedented year, the Committee has continued to oversee the development of a number of capital projects that are at different stages in the RIBA Plan of Work. This included the monitoring of projects currently on site to recommending significant funding for major capital developments. The Committee also welcomed the delivery of the Covid-19 Cultural Recovery Fund which distributed £1.9m of Welsh Government funding towards capital projects across Wales."

Andy Eagle
Chair, Capital Committee

For more than two decades Council has been investing funds from the National Lottery into capital projects. Across Wales we're helping organisations to enhance and extend their activities by funding the creation of exemplary buildings, transforming the places in Wales where people enjoy and take part in the arts.

Council ring-fenced approximately £22m for its most recent Capital programme, originally due to end on 31 March 2017. Our larger, more involved capital projects can take several years to reach a point where we can award major funding and then further time in construction. This meant that there were a number of key projects that were still in development and not in the position to apply for construction funding before this date. Capital Committee and Council agreed that the remainder of the budget could be rolled forward into future years whilst officers work with applicants to develop the projects.

The cycle of a 'normal' capital project involves a number of steps to ensure that our funding is applied as effectively as possible and once a major capital award is made there is still significant work to be done to ensure a successful outcome. In some cases this can take several years after a final application for funding.

As a result of this the number of applications has reduced from the levels of previous years whilst our monitoring and payment processes continue as normal.

Alongside the usual capital application programme, a significant focus for the Council has been to support organisations and individuals impacted through Covid-19. Whilst not overseen by Capital Committee, in 2020/21 officers delivered the Covid-19 Cultural Recovery Fund (Capital). 67 applications were received with a total request of £2.4m. 56 applications were successful with a total awarded of £1.9m.

Although the Committee is not working on new entries into the Capital programme for major works, it continues to scrutinise ongoing projects and accept applications for those earlier entries into the programme that are progressing to later stages of the RIBA programme of works. This includes monitoring spend on projects currently in development and on site, including Pontypridd YMCA, Borough Theatre, Abergavenny, Oriel Myrddin Gallery, Ucheldre Centre and Cwmni'r Fran Wen who were awarded a major capital grant in 2020/2021. It is also working on smaller, discrete elements of funding such as improving accessibility, environmental sustainability and, more recently, ringfenced funding specifically to deal with minor Covid-19 related adaptations.

Covid test centre at Aberyswyth Arts Centre

Committee activities undertaken during 2020/21 included:

1. Scrutinising **5 applications** with a total request for funding of £1.9m. All were successful and funded in full

2. Continuing to assist the development of the ambitious plans for the refurbishment of **Theatr Clwyd** including the distribution of £3m of Welsh Government funding (£1.8m in 2020/21 with a further £1.2m in 2021/22) for the delivery of design and development work to RIBA Stage 4

3. Ensuring that all capital projects in which Council invests meet **Building Research Establishment Environmental Assessment Method** (BREEAM) sustainability standards.

The Committee met 4 times during 2020/21 to discharge its responsibilities. During the year, members in total attended meetings on 18 out of a possible 24 occasions. Committee meetings are held approximately every 2 months, but with fewer meetings during the summer.

HR & Remuneration Committee

"Advising on the health and well-being of the Council's staff is the Committee's principal function. We encourage the development of progressive, forward looking policies and practice and provide a positive and supportive challenge to the delivery by our staff of HR activities."

Mike Griffiths
Chair, HR & Remuneration Committee
(to 31 March 2021)

Committee activities undertaken during 2020/21 included:

1. Publication of a **Pay Policy Statement.** This includes a detailed breakdown of the make up of our staff. It also addresses Gender Equality and Equal Pay reporting

2. Monitoring the progress of the comprehensive **job evaluation review** and the **restructuring of pay and salary scales**

3. Reviewing **HR management information** data to monitor the performance and health and well-being of staff during the Covid-19 pandemic

4. Setting levels of **remuneration** and monitoring the performance of the **Chief Executive**

5. Promoting staff **learning and development** with the implementation of the iHasco portal to deliver **health and safety and general compliance courses.**

Mike Griffiths' term as a Council member ended on 31 March 2021. Council appointed Alison Mears Esswood to succeed him as Chair of the HR & Remuneration Committee from 1 April 2021.

The Committee met 3 times during 2020/21 to discharge its responsibilities. Members in total attended on 12 out of a possible 15 occasions.

Health & Safety

"The newly formed Advisory Group has focused on ensuring processes and policies are in place to protect our staff from risk and to ensure that the premises, facilities and equipment they use are Covid safe."

Rebecca Nelson
Chair, Health and Safety Advisory Group

The Advisory Group held its first meeting in September 2020. Its membership comprises three members of staff and three staff representatives of the Council's recognised trade union, Unite. The Group is chaired by the Director of Finance and Business Services.

The activities in the Group's first six months included:

1. updating and republishing our **Health and Safety Policy**
2. reviewing all **risk assessments** currently in place
3. reviewing and updating the Council's **Eye Testing Policy**
4. managing **Incident Reporting** and monitoring
5. monitoring and implementation of **Welsh Government Guidelines on Covid-19**
6. Promoting **staff well-being**, including proposing daily 'Zoom-free' time.

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.

Nick Capaldi, Accounting Officer
2 July 2021

Endorsed on behalf of Council:

Phil George, Chair
2 July 2021

Equalities

7,255*
participatory sessions run by our portfolio of funded organisations were targeted at people in the protected characteristics group

"The global pandemic has resulted in huge challenges for the arts in Wales, none more so than addressing historic under-representation and unequal opportunity - both challenges presented anew in 2020 by the Black Lives Matter and #WeShallNotBeRemoved movements. Andrew Ogun's appointment as our Agent for Change gives me every confidence that the Council is now set on an irreversible path to deliver positive change for all marginalised communities."

Andrew Miller
Chair, Strategic Equality Committee
(to 31 March 2021)

* This data summarises the findings of the 2020/21 Arts Portfolio Wales (APW) Surveys. APW organisations are required to complete a biannual survey as a condition of their funding agreements. There are currently 67 APW organisations but only 60 organisations have been able to complete the survey by the extended deadline of 18 June. This data covers those 60 organisations only.

The end of 2019/20 saw the unprecedented onslaught of the Covid-19 crisis. The sudden onset of this global pandemic in a single night saw the suspension of all arts activities and a change in the living and working environment for everybody. The arts and cultural sector came to a standstill and this situation was set to continue throughout the year.

It was clear from early on that a crisis such as this was going to affect our most vulnerable artists and communities the hardest. This was highlighted during the course of the year by the #WeShallNotBeRemoved campaign, which brought into sharp relief the challenges facing D/deaf, disabled and neurodivergent artists across Wales.

The emergence of Black Lives Matter also focused attention on the very real impact of structural racism that has been prevalent in the arts in Wales and in society as a whole. We engaged in conversations during 2020/21 that resulted in the Council acknowledging structural inequalities within our own organisation and across the arts in Wales. In particular we recognised the pain and trauma that structural racism and ableism inflicts and acknowledged that power and privilege can be a serious barrier to equality, representation and inclusion.

Maker Space, Anya Paintsil – Afro Hair and textile themed project
Tŷ Pawb

This led to deep reflection and a review of our existing Strategic Equality plan and the development of objectives and a series of actions that will drive forward much needed radical change in our approach.

Activities undertaken by the Strategic Equality Committee during 2020/21 included:

1. Drafting and publishing our new **Strategic Equality Plan for 2020-24**, identifying a new set of objectives and actions to drive forward substantive change within the Council and across the sector

2. Appointing an **Agent for Change** whose knowledge and lived experience will lead a process of cultural change within the Arts Council itself and drive forward change across the sector in Wales

3. Monitoring where our funding has reached. Data have shown an increase in the number of disability-led organisations and those led by artists from culturally and ethnically diverse backgrounds, successfully applying for funds. This was the same across the re-funding schemes launched throughout the year, including our **Emergency Response Fund, Stabilisation Fund and Cultural Recovery Fund**

4. Evaluating and reviewing our **Funding processes**, to inform new approaches to reaching artists and arts organisations that have traditionally faced barriers

5. Continuing to support 7 organisations on their business development journey through our **Creative Steps** scheme and developing, through sector wide conversations, a strand that will focus on supporting individual artists and creatives

6. Upgrading our Equalities Monitoring Group to a full **Committee** of the Council.

Andrew Miller's term as a Council member ended on 31 March 2021. Council appointed Devinda de Silva to succeed him as Chair of the Strategic Equality Committee from 1 April 2021.

The Committee met 3 times during 2020/21 to discharge its responsibilities. Members in total attended on 16 out of a possible 18 occasions.

Welsh language

3,497*
participatory sessions were run by our portfolio of funded organisations in Welsh, resulting in attendances of
103,870*

"Nothing makes Wales more distinctive than the Welsh Language. It is part of what defines us as a nation and the Council has a crucial role towards achieving the Welsh Government's target of one million speakers by 2050.

We are finding new and innovative ways of producing and promoting creativity through the medium of Welsh informed by the Welsh Language Mapping and the Marketing through the Medium of Welsh reports. In response to these, the Council will invest in a Welsh Language Development Officer so that the language becomes an integral part of a thriving contemporary culture and our artists and arts organisations have access to the support and inspirational ideas they need to make this a reality."

Marian Wyn Jones
Chair, Welsh Language Committee
(to 31 March 2021)

* This data summarises the findings of the 2020/21 Arts Portfolio Wales (APW) Surveys. APW organisations are required to complete a biannual survey as a condition of their funding agreements. There are currently 67 APW organisations but only 60 organisations have been able to complete the survey by the extended deadline of 18 June. This data covers those 60 organisations only.

As a bilingual organisation, our commitment to the Welsh language is integral to our work. 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.

In its strategy, Cymraeg 2050, the Welsh Government notes its long term target is to achieve one million Welsh Language speakers by 2050. We believe that in working through the arts, we can support Welsh Government to deliver on its strategic themes within this, particularly around:

- an increase in the number of Welsh speakers
- an increase in the use of Welsh
- creating favourable conditions within the arts sector for the language to thrive.

Activities undertaken by the Welsh Language Committee during 2020/21 included:

1. Monitoring **progress against Council's Welsh Language priorities**, identifying for Council where more progress is required

2. Ensuring successful implementation and maintenance of the **Welsh Language Standards**

3. Publishing a new online **Bilingualism Promotion Pack** for the arts sector in partnership with the office of the Welsh Language Commissioner

4. Partnering with the **National Centre for Learning Welsh** to improve or refine the language skills of staff and artists within the arts sector, including partnering with Theatr Genedlaethol Cymru on a Iaith Gwaith course

5. Commissioning two ground breaking reports: the **Welsh Language Mapping Report** and the **Welsh Language Marketing Report** and developing action plans in response to the findings.

Marian Wyn Jones' term as a Council member ended on 31 March 2021. Council appointed Tudur Hallam to succeed her as Chair of the Welsh Language Committee from 1 April 2021.

The Committee met 4 times during 2020/21 to discharge its responsibilities. Members in total attended on 8 out of a possible 8 occasions.

Top: Y Tŵr, Music Theatre Wales & Theatr Genedlaethol Cymru (image: Clive Barda)
Bottom: Baby, Bird and Bee, Theatr Iolo (image: Kirsten McTernan)

Future generations

“Wales should be a fair, prosperous and sustainable country, improving the quality of life of people in all its communities. This vision feels even more relevant and necessary as we move forward into recovery following the impact of Covid-19.

“We all know the impact hasn’t been felt equally. The pandemic has harmed the poor and vulnerable the most and it’s threatening to push millions more into poverty worldwide. Recovery will require us to change our behaviour and do things differently to support those most affected and in need. The Welsh Government’s Well-being of Future Generations legislation challenges us to make better, more sustainable decisions and to plan carefully for the needs of future generations. This is a challenge that we continue to tackle with passion. We will be approaching Covid recovery with this at the forefront of our thinking to ensure sustainable principles and action underpins all of our work.”

Lhosa Daly
Chair, Future Generations Committee

The Well-being of Future Generation (Wales) Act 2015 is landmark legislation that aims to improve the economic, social, environmental and cultural well-being of Wales. The Arts Council of Wales is one of the public bodies named in the Act that must comply with the legislation.

The Act has underpinned our mission all year. We strive to undertake our work in a sustainable way, considering the impact that our work has for people living, experiencing and participating in the arts in Wales – now and in the future. We have also embraced the principle of the Act and see it as a vital opportunity to contribute as an arts sector to the 7 Well-being Goals. By taking an holistic approach we can bring creativity and imagination to many aspects of public life for mutual benefit.

Activities undertaken by the Future Generations Committee during 2020/21 were limited this year due to the work dealing with emergency funding and urgent situations relating to the Covid-19 pandemic. However, we embedded our commitment to the 5 Ways of Working even further this year with, amongst many other examples, extensive sector consultations, re-imagining funding schemes and our invigorated response to increasing diversity in the arts and in our own organisation.

0*

performances supported by the Arts Council's Night Out scheme

(2019/20: 537)

* The lockdown as a result of the Covid-19 outbreak meant that all Night Out events for 2020/21 were cancelled and no future bookings were accepted. Cancellation fees were paid to performers for the 105 events already booked through the scheme when lockdown began.

Committee activities undertaken during 2020/21 included:

1. Embedding the Future Generations **Five Ways of Working** (Involve, Collaborate, Prevent, Integrate, Long term), in our policies, strategies and in the delivery of our work. This was of paramount consideration to us during this last year, particularly after the impact of movements such as Black Lives Matter, #WeShallNotBeRemoved and the climate emergency.

2. Working with the Cultural Alliance in Wales to develop an approach to **environmental responsibility** for funding organisations

3. Ensuring retention of our **Green Dragon Level 5 Accreditation** for environmental sustainability

4. Reducing our carbon footprint considerably through the use of our **information technology** infrastructure which enabled us to operate remotely throughout lockdown

5. Reducing the **environmental impact** of our international activity to virtually zero whilst maintaining international contact and exchange.

The Committee met once during 2020/21 to discharge its responsibilities. Members in total attended on 2 out of a possible 2 occasions.

Environmental performance

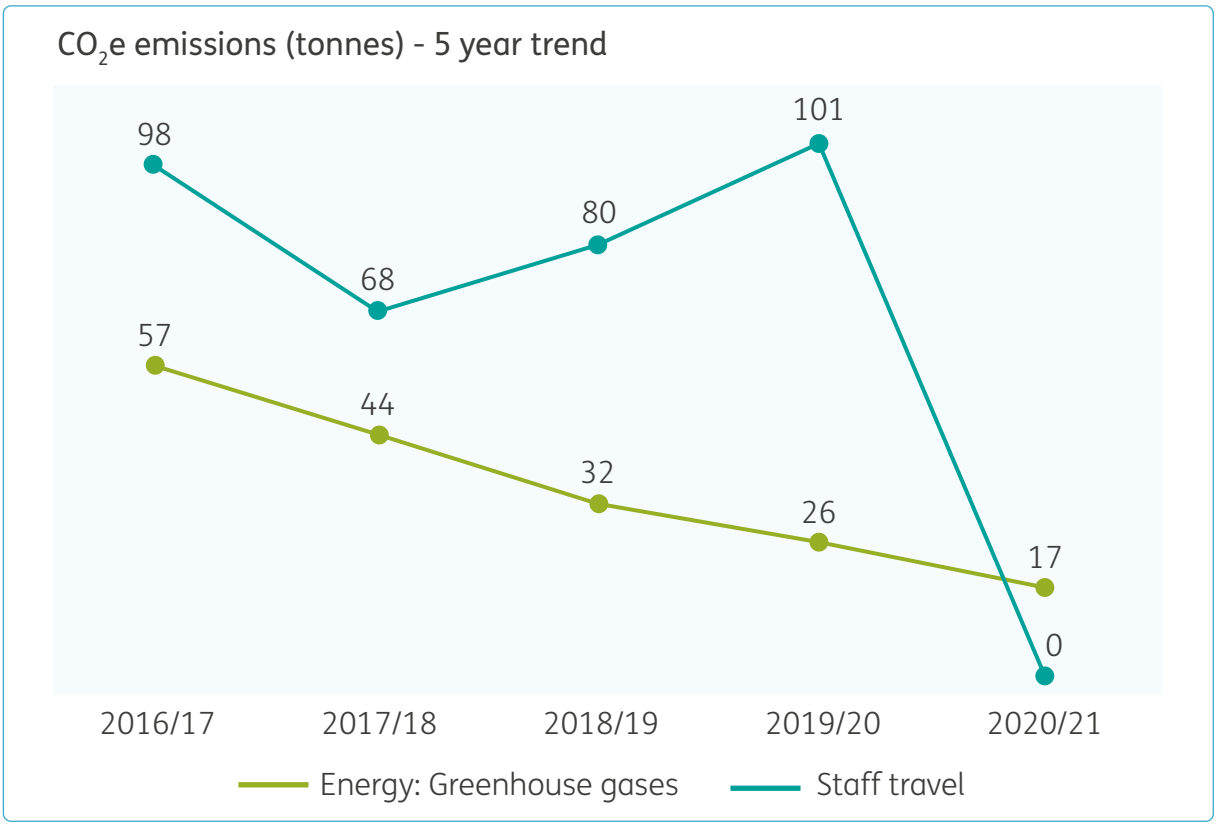
We promote the minimisation of waste amongst our staff by encouraging reduction, reuse and recycling and waste separation, reducing the amount sent to landfill.

Waste	2020/21	2019/20
Non-financial (tonnes)		
Landfill	0.001	0.08
Reused/recycled	0.009	3.02

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.

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 (CO_2e) emissions so that staff can manage their consumption of resources.



Energy	2020/21	2019/20
Greenhouse gas emissions (CO_2e tonnes)		
Gross emissions, scope 2&3 (indirect)	**17**	26
Energy consumption (kWh)		
Electricity (renewable)	**59,193**	91,332
Gas	**9,247**	11,041
Financial indicators (£)		
Expenditure – energy	**10,049**	15,364
Water supply costs (office estate) – currently unable to assess, included in service charge	**N/A**	N/A

All three of our offices are leased on a shared occupancy basis, with certain costs included within our service charges. This restricts our ability to accurately assess our total environmental impact from energy usage. Our major use of electricity is in our Cardiff office and the landlord has confirmed that 100% of the supply is from verifiable Natural Renewable sources (wind, water and hydro).

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. 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. Until the Covid-19 pandemic this remained a significant practical challenge. The usual inevitable fluctuations in the level of CO_2e emissions attributable to travel, especially when we are actively involved in international projects, fell to almost nothing during 2020/21.

In a post-Brexit world, the international marketplace will be increasingly important. During 2019/20 we undertook considerable programmes of international work, much of it supporting Welsh Government priorities in China and Japan. We work actively to lessen the environmental impact and will continue to do so when operations return to more normal levels.

We retained
Green Dragon Level 5
the highest category of environmental performance

Staff Travel	2020/21	2019/20
Travel emissions (CO_2e tonnes)		
Rail	0	9
Air[1]	0	72
Car/vans	0	20
Travel cost (£)		
Rail	8	37,883
Air	0	39,221
Car/vans	635	28,585
Travel (miles)		
Rail	24	128,827
Air	0	283,808
Car/vans	1,410	63,522

[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 NOx (nitrous oxides) and water vapour when emitted at high altitude

Principal risks and uncertainties

Managing our affairs effectively

As stewards of public funds we must operate in an efficient and accountable manner. Our priorities and funding decisions are agreed by Council in accordance with the policies and procedures that apply to our use of public funds. The Audit & Risk Assurance Committee's (ARAC's) role is to ensure that we deliver on these commitments, doing so in ways that are transparent, accountable and that represent value for money. An extensive programme of internal audit assists us in this work.

Protecting the public's money

An important part of ARAC's work has been reviewing our defences against **Fraud** and **Cyber-crime**. Attempts to illegally gain access to our funds and ICT systems occur regularly. Council takes these issues very seriously and ARAC has been looking carefully at our policies and processes to ensure that they're robust and secure. There were no successful attacks during the year.

Taking risks: a balanced approach

Unauthorised access to our systems is just one of a range of potential risks that could compromise our performance and reputation. We expect the organisations that we fund to be well-managed and to represent good value for money. Our monitoring through the year assesses the extent to which this is the case. But we mustn't become so risk averse that we ignore important opportunities for innovation and growth. We aim to take appropriate but informed risks, as circumstances dictate. However, we wouldn't behave recklessly; neither would we wilfully squander public money nor endanger our reputation for prudent and effective delivery.

Our systems of internal control identify and prioritise the risks that could prevent us achieving Council's policies, aims and objectives. They evaluate the likelihood of the risks being realised, consider the impact should they occur, and seek to manage them efficiently, effectively and economically. We continually seek to improve our internal control systems.

ARAC continued to review the robustness and suitability of this aspect of Council's work. The **Corporate Assurance Framework (CAF)** and separate **Corporate Risk Register** were scrutinised at regular intervals throughout the year. An additional risk register was created to capture risks across the organisation that pertained directly to the Covid-19 pandemic. This provided members with greater clarity on the levels of assurance in

operation across all of the Council's activities and the corresponding risks identified. ARAC reviewed the Horizon Scanning section of the CAF at each of its meetings.

Financial risk and capital management

The Council holds financial instruments mainly 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.

Risks are managed as follows:

Fraud risk – the Arts Council, in common with most other organisations, is exposed to fraud risk on an increasing and ever more sophisticated scale. We noted a potential for increased fraud risk given current circumstances with Covid-19 and updated our internal anti-fraud controls and checks in response.

Liquidity risk – the Council is satisfied that it has sufficient liquid resources, in the form of cash at bank and agreed funding for 2020/21, to meet all current contracted commitments. The Council does not consider that its activities are exposed to any significant liquidity risk.

Interest rate risk – cash and cash equivalent balances are held in instant access variable rate bank accounts which on average carried an interest rate of 0.15% (2019/20: 0.5%) in the year.

The Council does not consider that its activities are exposed to significant interest rate risks.

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

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

Credit risk – The Council is not exposed to any significant credit risk as the majority of debtors relate to Welsh Government income.

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

Principal risks	Key mitigating actions
Coronavirus Staff contracting virus results in organisation/teams/services becoming inoperable Covid-19 has significant and long term detrimental impact on Sector including: • individual artists and freelancers • organisations/Arts Portfolio Wales	All staff redeployed to work from home since 17 March 2020 and offices closed. UK and Welsh Governments' direction on preventative measures observed. Daily Health Survey circulated to record current health and self-isolating status across all staff, monitored by HR, with results reported to Senior Leadership Team. Future 2020/21 provision of lottery programmes suspended to allow funds to be diverted to help protect Sector from impact of Covid-19 and subsequent longer-term repercussions. Additional funding secured from external partners, stakeholders and other sources. Resilience Fund designed to accommodate immediate and longer-term needs, including considerations other than those based on artistic activity and outputs (e.g. financial). Delivery of the Cultural Recovery Fund in partnership with Welsh Government, to help sustain organisations until they can resume publicly accessible activity. This fund also saw the introduction of the Cultural Contract, designed to encourage organisations to adopt new commitments that ensure that public investment is deployed with a social purpose. Additional, regular guidance published on alternative sources of funding that may be available to individuals and organisations (e.g. Government emergency schemes). Arts Portfolio Wales (APW) organisations offered rescheduled revenue funded payments to ease cashflow considerations.

Principal risks	Key mitigating actions
Governance Poor management results in a significant failure to deliver the key objectives in corporate and operational plans	Anticipated outcomes are clearly defined. We use project management disciplines to assist Council officers in the delivery of their work. A formal progress report is presented to Council each quarter. This report also forms the basis for Quarterly Monitoring Meetings between Council's senior leadership team and officials of the Welsh Government.
Funding Cuts in public sector funding could damage the arts across Wales	National Lottery income continues to be unpredictable. We manage the underlying trend of reducing levels of income for the Lottery good causes. We continue to maximise efficiencies in our own running costs. This helps us to ensure that as much funding as possible is available for direct arts expenditure. Key areas of risk are the financial impact of Covid-19 and the continuing reduction in local authority arts funding. We're working with Welsh Government, local authority partners and other key stakeholders to explore alternative strategies for protecting support for creative activity.
Key arts organisations fail as a consequence of funding cuts or Covid-19	The organisations in our Arts Portfolio Wales account for the majority of our grant-in-aid funding. The Portfolio's artistic, financial and operational effectiveness is closely monitored by officers. Regular updates on the financial health, governance and stability of our annually funded organisations are provided to Audit & Risk Assurance Committee and to Council. When necessary, we take a pro-active approach to working directly with organisations that experience difficulties, investing time and expertise to help them to resolve matters of concern.

Principal risks	Key mitigating actions
Grants management Poor or fraudulent funding applications mean that public funds are not used for the purposes intended	We take a risk-based approach to our assessment of applications and the 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, both, including whistleblowing and anti-fraud polices. These were reviewed during the year.
Brexit Continuing uncertainty over Brexit and the end of the Transition period has a detrimental impact on the operation of our funded organisations and our own data protection and data sharing considerations	We continue to monitor developments closely. We have convened a Task Group including representatives from the Welsh Government and UK Arts Councils. Between us we identify potential risks, lobby the UK Government and provide advice to the sector. In accordance with advice issued by the Information Commissioner and Welsh Government we have made preparations to ensure appropriate data protection considerations are in place should the UK Government fail to reach an Adequacy Agreement.
Capital projects Poor management of key Lottery Capital projects causes delays that place additional funding burdens on the Arts Council	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.

Principal risks	Key mitigating actions
IT Unforeseen or unexpected outages compromise business continuity	A full Disaster Recovery Plan is in place and tested annually. Should an incident arise, alternative offsite IT facilities are available. Our staff are equipped to work remotely and have been doing so since 17 March with no significant IT issues.
There is a breach in our IT security.	Cyber security and IT penetration tests are conducted annually. We comply with IASME security standards.
Personal Data Personal data is lost, compromised or stolen	The Council has controls and policies in place to ensure data security and integrity. Encrypted IT systems ensure that the physical security of data is tightly controlled.
Staffing Recurrent pressure to cut costs reduces staff capacity to an unacceptable level	Delivering an expanding programme of activity with fewer staff is a continuing concern for Council. Progress against plans is carefully monitored and reviewed on a quarterly basis, and every effort is made to implement efficient business practices.
Environment Published strategy to develop and promote the arts in Wales and internationally has a detrimental impact on the Council's environmental targets	Projects and activity we financially support through grant applications and procurement are required to demonstrate an understanding or development of environmental considerations. We hold Green Dragon level 5 accreditation and adopt Future generations resilience considerations including Fair trade, printing / consumables, energy usage and recycling considerations across our offices. Our Travel and Subsistence Policy is based on agreed HMRC and Governmental practices and rates.
Equalities We make little or no progress regarding our equalities agenda	We have developed a joint action plan with other Welsh public bodies to drive this agenda forward. Our own Strategic Equality Plan has been revised and republished. Our Strategic Equality Committee assesses our performance against our published commitments and reports to our Council. We have created a new post and appointed an Agent for Change.

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 grant-in-aid and 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.

Recurrent, or annual revenue, grants are made to a portfolio of organisations to deliver high quality artistic services – our **Arts Portfolio Wales.** Consideration of revenue status for any organisation is dependent on the availability of funding, the sustainability of the organisation, and demonstration of strong fit with the Council's strategic priorities. Currently, each revenue-funded organisation enters into a funding agreement for a term of one to three years which sets out the anticipated level of funding, the programme of activity to be delivered, requirements for monitoring and annual review, standard conditions of grant, and any additional conditions.

Lottery capital grants, to organisations only, support the purchase, improvement, restoration, building or creation of an asset that will be used for the benefit of the public to develop the organisation's work.

Council delegates Lottery 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.

1,705
funding applications processed

(2019/20: 1,417)

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 delegatees by the Council's internal auditors and by the Comptroller and Auditor General for the review of the operation of the delegated functions.

One-off grants are available to help fund time-limited artistic projects of high quality which best meet the Council's funding priorities. Ongoing monitoring of our grant 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 withheld and/or deferred.

Question and answer session. R & D performance of The Night Porter at The Park & Dare Theatre (image: Abigail Savage Lewis)

Cash reserves – General Activities

The Council's policy on restricted funds is to record separately grants, donations and other sources of income which are received for a specific purpose or project, or where restrictions are imposed that are narrower than the Council's overall objectives. All of these incoming resources have been utilised in the year for their intended purpose.

Most of the Council's unrestricted funds are committed during the year, in accordance with the conditions of grant-in-aid issued by the Welsh Government. Any surplus funds are carried forward and used in furtherance of the Council's chartered objectives in the following year. There were no designated funds at 31 March 2021.

Our holding of cash reserves is restricted by the Welsh Government's directions on month-end and year-end flexibility. Within those parameters, our policy is to manage cash flow by drawing down funds each month to meet planned expenditure with a modest allowance for unforeseen short-term cash requirements. We review this policy and our reserves position annually.

At 31 March 2021 the unrestricted cash funds were £593,000 (2020: £1.796m).

The accounts have been prepared on a going concern basis and there are no material uncertainties about our ability to continue in operation.

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 Digital, 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.

The Council's banking service is provided by **Santander UK plc**.

All interest and other investment income earned on cash and bank balances which arise as a result of funding from the Welsh Government is surrendered to HM Treasury via the Welsh Consolidated Fund.

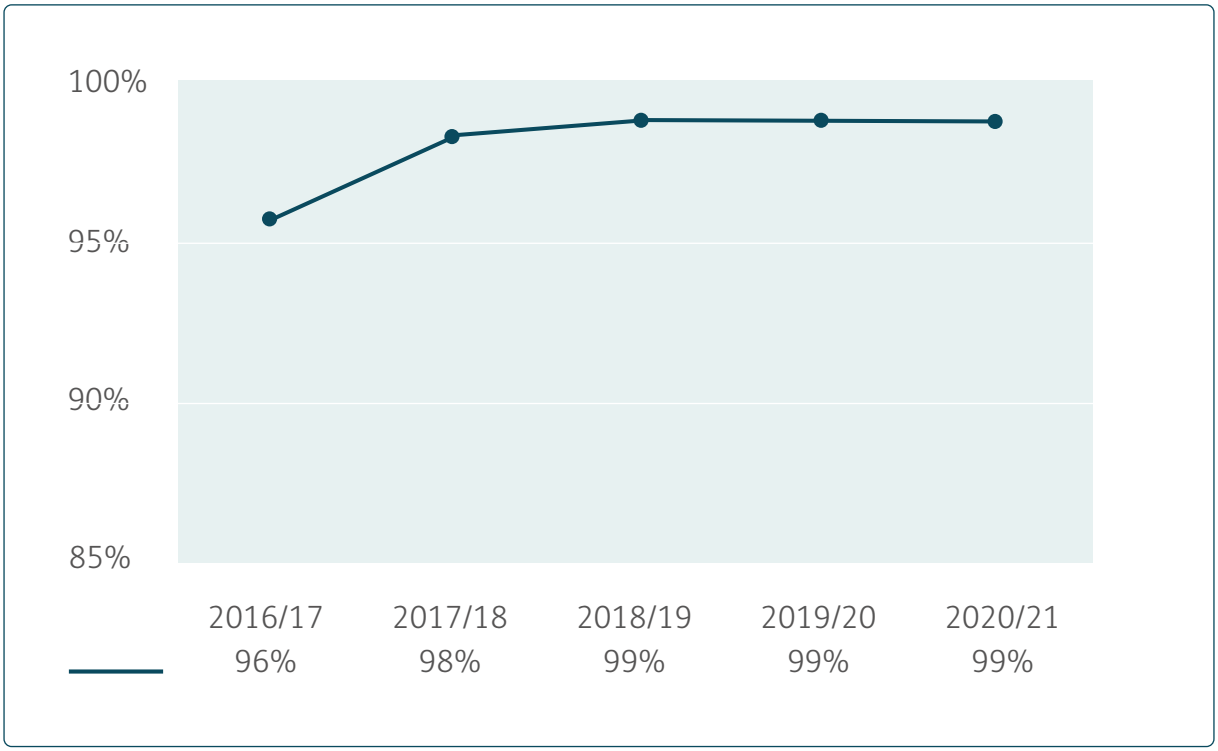
Balances held in the National Lottery Distribution Fund remain under the stewardship of the Secretary of State for Digital, Culture, Media and Sport so, although the

Council receives investment income on its share of such balances, the Council has no investment powers over the Fund.

Payment of creditors

Council follows the Late Payment of Commercial Debts (Interest) Act 1998, and the UK Government's Better Payment Practice Code. 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.

We aim to pay all invoices, including disputed invoices once the dispute has been settled, in line with these terms. During the year ended 31 March 2021, the Council paid 99% (2019/20: 99%) 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 2020/21, 95% (2019/20: 95%) 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 – General Activitities

	2020/21 £000	2019/20 £000
Headlines from the General Activities accounts:		
• Total income for the year	**55,281**	35,787
• Excess of expenditure over income	**(374)**	(6)
• Net current assets	**2,399**	2,776
• Total fund balances at 31 March	**2,466**	2,840
• Forward commitments of grants for the following year	**27,082**	27,082
The separate Lottery Distribution accounts show:		
• The Council's share of the proceeds from the National Lottery	**18,138**	17,761
The combined: Total income for both general and Lottery activities was	**73,478**	53,687
and Total charitable arts expenditure for both general and Lottery activities was	**67,718**	48,433

The Council's income for 2020/21 was £19.5m (55%) more than the previous year. The main reason was the substantial restricted income of £18.3m from Welsh Government for the Cultural Recovery Fund to provide support to arts organisations during a year which has been defined by the Covid-19 pandemic. We are also grateful to the Freelands Foundation for their contribution of £0.5m towards our Urgent Response awards to individual creative practitioners.

There was a net reduction in funds of £374,000: unrestricted funds reduced by £701,000 while restricted funds increased by £327,000.

The reduction in unrestricted funds reflects our use of reserves from the previous year. The Welsh Government had approved a sum of £1.166m be brought forward and used for our Urgent Response awards. This is reflected in the gross transfers between our unrestricted and restricted funds during the year.

The outbreak of the pandemic impacted our plans significantly, not least the Creative Learning through the Arts programme. As a result, expenditure on that programme was considerably less (£1.541m in 2020/21 compared with £3.016m in 2019/20)

than expected and this is the main reason for the net increase in our restricted funds this year. We have included these funds in our budget for 2021/22.

At 31 March 2021 we had unrestricted reserves of £1.3m (2020: £2m) and restricted reserves of £1.2m (2020: £0.8m). The level of our unrestricted reserves is directly affected by the Welsh Government's policy on year-end cash balances, as outlined in the ***Cash reserves*** section above. The Council is permitted to carry over from one financial year to the next no more than 2% of its total non-Lottery income. We were within this cap on 31 March 2021 but £800,000 of this year's cash grant-in-aid was undrawn and will be drawn down during 2021/22 to meet liabilities accruing to 2020/21 and included in this year's financial statements.

478

Collectorplan loans to support the purchase of contemporary art

(2019/20: 960)

Financial results – Lottery Distribution

	2020/21 £000	2019/20 £000
Headlines from the Lottery Distribution accounts:		
• Share of proceeds from the National Lottery	**18,138**	17,761
• Net grants made	**9,827**	10,388
• Excess of income over expenditure	**4,382**	3,268
• Balance held in the National Lottery Distribution Fund at 31 March	**22,121**	18,036
• Reserves at 31 March	**12,345**	7,963

Grants processed

	2020/21	2019/20
Number of applications received:		
Capital schemes	5	11
Arts Resilience Fund (Covid-19)	446	-
Revenue schemes	161	654
	612	666
Number of grants made:	**387**	411
Value of grants made:	£'000	£'000
Capital schemes	1,990	1,406
Arts Resilience Fund (Covid-19)	2,994	-
Revenue schemes	5,030	9,305
	10,014	10,711
Grants payable at 31 March:		
Capital schemes	4,643	4,024
Arts Resilience Fund (Covid-19)	244	-
Revenue schemes	6,000	6,546
	10,887	10,570

Our National Lottery proceeds were higher than originally budgeted, largely due to spikes in income towards the end of the year. However, Council continues to monitor closely the trend in the share of proceeds received by the good causes and the potential impact on future Lottery-funded programmes.

The ring-fencing of funds for our ongoing Capital programme and the progress of development of those key projects continues to impact our annual cash flows. Council allocated a total of £22m for the programme in 2012/13 for a period of five years. However, a number of projects remain in development so the remaining budget allocation of approximately £2.6m has been rolled through to 2021/22.

Our ability to grant Lottery funding in 2020/21 has been severely impacted by the pandemic and we are reporting a significant underspend. Arts activity that is normally funded by National Lottery proceeds has been curtailed by the impact of lockdown and social distancing. Our initial response was to repurpose funding to support our Urgent Response and Stabilisation Funds. We also increased our delegated budgets to further deliver our priorities: we gave additional funding of £450,000 to Nesta, our Arts and Health partner; £50,000 to Tŷ Cerdd for community music organisations unable to access support elsewhere; and an additional £15,000 to BBC Cymru Wales for the Launchpad scheme. Strategically, we developed and awarded funding of £2.275m under our Connect and Flourish scheme, the purpose of which was to provide a new way of thinking in the sector with a focus on collaborative working.

Our resourcing and staffing has also been heavily affected by the delivery of the Cultural Recovery Fund, which saw an additional £18m of Welsh Government funding awarded to the sector by us. Consequently, less officer time has been spent on the delivery of Lottery programmes.

Our plans presented to Council in February 2021 show a commitment to spend these reserves in 2021/22 and they have been built into our budget for next year.

At year-end grants payable totalled £10.887m (2020: £10.570m). Undrawn funds in the National Lottery Distribution Fund plus cash and cash equivalents totalled £24.264m (2020: £19.160m). Our share of balances held in the National Lottery Distribution Fund increased by approximately 23% from last year.

Remuneration and Staff Report

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.

Each year Council publishes a **Pay Policy Statement**. This includes a detailed breakdown of the make-up of our staff. It also addresses Gender Equality and Equal Pay reporting.

Council ensures that appropriate facilities are available for disabled employees. Public signage also promotes the Council as a bilingual organisation.

Our HR policies

Council's aim is to be a progressive, family-friendly employer. We operate a number of HR policies that reflect our 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, consultation and negotiation

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.

We undertake regular surveys of staff to identity any issues or areas for improvement.

Job Evaluation

During 2020/21 we continued to work with our union colleagues to finalise our comprehensive process of **job review and evaluation**. A new pay and grading system was introduced from 1 August 2020.

Remuneration

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

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

With the approval of the Charity Commission the Chair is remunerated at a rate determined by the Welsh Government which reflects a minimum time commitment to Council business. Annual increases of the Chair's salary are also advised by the Welsh Government but he receives no bonus payments and is not a member of the Arts Council's 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, as in previous years, the Chief Executive waived his entitlement to a non-consolidated bonus for 2020/21 and has 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 Chair, Phil George, took up the position on 1 April 2016 and is in his second term which expires on 31 March 2022.

The Chief Executive and Directors – the Senior Leadership 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.

31,192*
participatory sessions were run by our portfolio of funded organisations, resulting in attendances of
948,387*

* This data summarises the findings of the 2020/21 Arts Portfolio Wales (APW) Surveys. APW organisations are required to complete a biannual survey as a condition of their funding agreements. There are currently 67 APW organisations but only 60 organisations have been able to complete the survey by the extended deadline of 18 June. This data covers those 60 organisations only.

The dates of commencement and termination of employment are:

Phil George
Chairman

1 April 2016

Nicholas Capaldi
Chief Executive

15 September 2008

Richard Nicholls

Director of Operations

28 September 2020

Diane Hebb

Director of Arts Engagement
from 1 February 2012

13 January 1992

Rebecca Nelson

Director of Finance and Business Services

17 June 2019

Siân Tomos

Director of Arts Development
from 1 February 2012

3 May 1994

Sickness absence

Across the whole Council:

	2020/21	2019/20
Days lost as a result of sickness	**240.5**	556
Average number of employees (headcount)	**81.75**	86.75
Average number of days lost per employee	**2.94**	6.41

This represented an absence rate of 1.17% (2019/20: 2.54%) based on 250.5 (2019/20: 252) working days.

Consultancy

During 2020/21 the Council paid consultancy costs of £2,000 (2019/20: less than £1,000) in relation to expert advice and opinion obtained to assist in strategic decision-making. An amount of £2,000 is charged to General Activities (2019/20: less than £1,000) and an amount of less than £1,000 to Lottery Distribution (2019/20: less than £1,000).

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:

(real increase in pension* x 20) + (real increase in any lump sum) – (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 Leadership Team (subject to audit):

	2020/21			2019/20		
Name Position	Emoluments band £'000	Pension benefits £'000	Single total remuneration £'000	Emoluments band £'000	Pension benefits £'000	Single total remuneration £'000
Nicholas Capaldi Chief Executive	100-105	30	130-135	95-100	24	120-125
Richard Nicholls Director of Operations from 28 September 2020 Full year equivalent	35-40 75-80	1	40-45	N/A	N/A	N/A
Katherine Davies Director of Arts Funding Services to 31 December 2019 Full year equivalent	-	-	-	55-60 70-75	16	70-75
Diane Hebb Director of Arts Engagement	75-80	26	100-105	70-75	19	90-95
Rebecca Nelson Director of Finance and Buisness Services from 17 June 2019 Full year equivalent	70-75	18	90-95	55-60 70-75	13	65-70
Siân Tomos Director of Arts Development	75-80	32	105-110	70-75	22	95-100

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

Name Position	2020/21 Real increase in pension and related lump sum at age 65	2020/21 Total accrued pension at age 65 as at 31/03/21 and related lump sum	2020/21 Cash Equivalent[1] Transfer Value at 31/03/21	2019/20 Cash Equivalent Transfer Value at 31/03/20	2020/21 Real increase[2] in Cash Equivalent Transfer Value
	£'000	£'000	£'000	£'000	£'000
Nicholas Capaldi Chief Executive	Pension 0-2.5 Lump sum 2.5-5	Pension 15-20 Lump sum 45-50	338	309	27
Richard Nicholls[3] Director of Operations from 28 September 2020	Pension 0-2.5 Lump sum 0-2.5	Pension 0-5 Lump sum 0-5	1	N/A	1
Diane Hebb Director of Arts Engagement	Pension 0-2.5 Lump sum 2.5-5	Pension 15-20 Lump sum 55-60	421	400	23
Rebecca Nelson Director of Finance and Business Services	Pension 0-2.5 Lump sum 2.5-5	Pension 0-5 Lump sum 5-10	27	12	11
Siân Tomos Director of Arts Development	Pension 0-2.5 Lump sum 5-7.5	Pension 25-30 Lump sum 85-90	633	600	28

[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.

[3] In addition to the above, Richard Nicholls was a member of the People's Pension defined contribution scheme for a period of five months from his appointment until 28 February 2021. Total employee and employer contributions for this period were £1,510.

The Chair 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 £16 **(2019/20: £15,216)** was reimbursed to 1 **(2019/20: 14)** Council member for travel and subsistence costs incurred on Council business. The aggregate amount allocated to General Activities was less than £1,000 **(2019/20: £8,223)** and similarly for Lottery Distribution (2019/20: £6,993).

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

	2020/21	2019/20
	£	£
Chairman		
Salary	43,810	43,810
Chief Executive		
Salary	101,830	99,346
Employer's pension contribution	21,282	21,260
	123,112	120,606

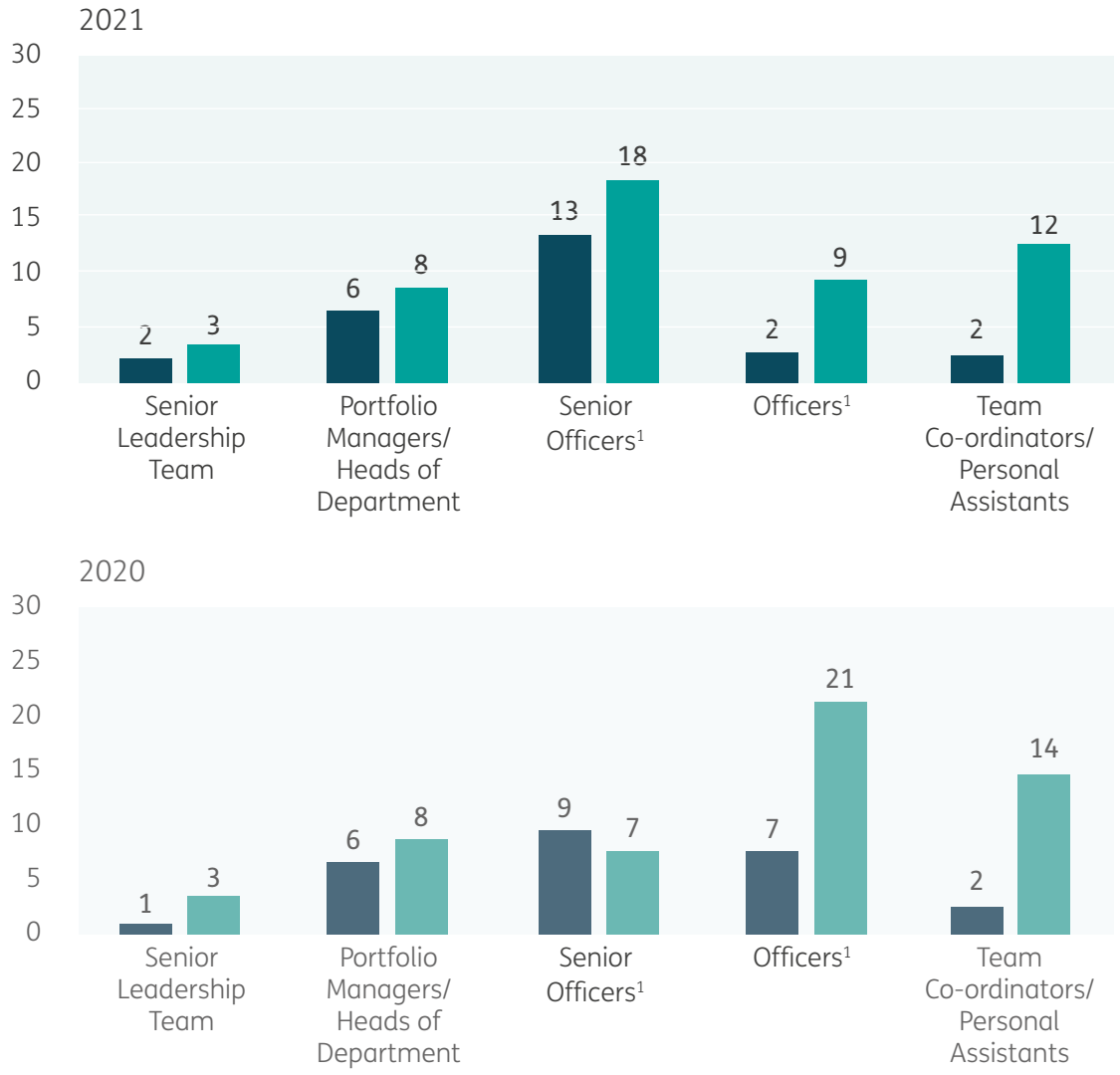
67% (2019/20: 68%) of the Chair's and 72% (2019/20: 70%) of the Chief Executive's emoluments are charged to General Activities and 33% (2019/20: 32%) of the Chair's and 28% (2019/20: 30%) of the Chief Executive's to Lottery Distribution.

Reimbursed travel and subsistence expenses incurred and defrayed whilst on Council business:		
Chairman	£16	£4,631
Chief Executive	£41	£5,963

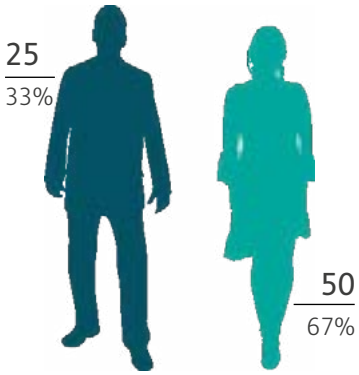
51% (2019/20: 53%) of the Chair's and Chief Executive's expenses are charged to General Activities and 49% (2019/20: 47%) to Lottery Distribution.

The median annual remuneration (full time equivalents) at 31 March was (whole Council) (subject to audit):	£42,656	£33,063
The range of annual remuneration (full time equivalents) at 31 March was (whole Council) (subject to audit):	£23,419 to £101,830	£21,013 to £99,346
The ratio between the median annual remuneration and the annual remuneration of the highest paid member of staff was (whole Council) (subject to audit):	1:2.4	1:3.0

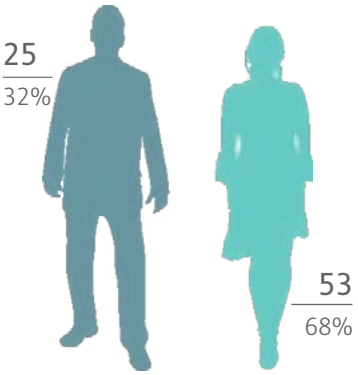
Staff composition at 31 March (full time equivalents – whole Council)



Total 2021 (75)



Total 2020 (78)



Male

Female

[1] A new pay and grading system was introduced from 1 August 2020.

Compensation schemes - exit packages (whole Council):

Exit package cost band	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band	
	2020/21	2019/20	**2020/21**	2019/20	**2020/21**	2019/20
Up to £10,000	-	4	-	-	-	4
£10,001 to £25,000	-	1	-	-	-	1
Total number of exit packages	-	5	-	-	-	5
Total cost (£'000)	-	32	-	-	-	32

Redundancy costs are determined in accordance with the provisions of the Council's redundancy policy. The Council usually pays exit costs when employment ends but provides for the exit costs in full at the point when there is sufficiently detailed information to do so.

All of last year's costs were charged to General Activities.

Parliamentary Accountability and Audit Report
(subject to audit)

Remote contingent liabilities

The Council is an admitted employer of the Arts Council Retirement Plan 1994. The Plan is a funded, defined benefit, multi-employer scheme where the participating employers are unable to identify their shares of the underlying assets and liabilities.

In the event of the withdrawal of an employer, the debt triggered under section 75 of the Pensions Act 1995 would be calculated using the solvency shortfall of the entire Plan, not the employer's own asset share and liabilities. Also, in the event of Plan wind up, as the Plan is a "last man standing" arrangement all employers would be jointly and severally liable for the total shortfall in the Plan.

It is not practical to estimate the financial impact.

Losses, special payments and gifts

The Council incurred no losses during the year and made no special payments or gifts.

Fees and charges income

The Council has no material income of this kind.

Nick Capaldi, Accounting Officer
2 July 2021

Endorsed on behalf of Council:

Phil George, Chairman
2 July 2021

We are operating in the most severe of times for our sector. The Covid-19 emergency means that our immediate aim for the future is to sustain and support our key organisations and artists in Wales whilst still focusing on the need to provide arts ‘For the benefit of all…’

Wales Millennium Centre (image: Nick Morrish)

Impact on the arts

The world looks very different today from how it did before Covid-19. We've seen an unprecedented impact on our economy, our culture and our way of life. Overnight, the global pandemic led to the suspension of all public activities and a collapse in the social, living and working environment for everybody. Arts venues closed, artists and creative freelancers were without work. Areas of Wales where people experience severe poverty and economic disadvantage have been harshly affected by Covid-19. And the heightened attention in recent months given to the lived experiences of D/deaf, disabled and neurodivergent people, and Ethnically and Culturally Diverse people has filled our newspapers and television screens.

No one can now be unaware of the disproportionate impact of the Covid-19 virus on diverse communities.

That change is needed is inarguable. But it's about making 'good' choices to ensure that we build back a better future for the arts in Wales – a future that's truly "For the benefit of all". By working together, we have the opportunity to "reset the dial", creating arts that are strong, diverse and inclusive. This is the focus of our Operational Plan for 2021/22.

Encouraging and supporting the creation of exciting and engaging high quality arts is our "core business".

We work to create a supportive environment in which artists and arts organisations are more likely to prosper – an environment which:

- identifies and nurtures creative talent, wherever it's found in Wales, to its full potential
- supports and celebrates imagination, innovation and ambition
- recognises the fundamental importance of equality and fair access to funding
- nurtures creativity through the medium of Welsh and English
- enables artists to develop a professional career in Wales
- equips individuals and organisations with the skills and knowledge to exploit new markets
- is connected internationally, with well-being commitments contributing towards meeting global goals

Recovering from the destructive consequences of Covid-19 will be the focus of our work in 2021/22. The resilient organisation of the future will be embedded within the community that it serves. It will adopt a business model that can withstand change, whether planned or unexpected.

As the sector recovers after Covid-19, safeguards will be required to ensure that public funding for arts organisations benefits the freelance workforce. All those involved in the arts must pull together to protect the precarious freelance workforce as recovery begins to take root. If we don't, we risk the diversity and success of the wider arts and creative industries.

An important part of achieving this will be the work that we're doing to develop a new "**Cultural Contract**".

The Cultural Contract is a partnership project with the Welsh Government. It aims to ensure that public funding for the arts has social, cultural and economic purposes.

At the heart of the Cultural Contract is a commitment to:

- improving the diversity of organisations' boards, workforce and programmes of work
- increasing opportunities for individual artists and creative freelancers
- ensuring that those working in the arts are fairly paid
- encouraging organisations to measure the environmental and well-being impact of their activities against the Well-being of Future Generations Goals

During 2021/22 we'll also be recommencing work on our deferred Investment Review – our periodic review of our Arts Portfolio Wales. The aim of the Investment Review is to identify the organisations best able to help us to deliver our cultural priorities. During 2021/22 we will examine the terms of reference of the Review and the key outcomes we want to achieve as its result.

Our key actions:

1. Protecting the sustainability of the revenue-funded Arts Portfolio Wales (APW)
2. Recommencing our Investment Review
3. Embedding the Cultural Contract in APW Funding Agreements and Lottery funding programmes, reporting on its impact
4. Promoting Lottery funding programmes that encourage collaboration between organisations, artists, audiences and participants in a Covid safe way
5. Launching a new Lottery funding programme to support individual artists and creative freelancers to make work and develop skills
6. Ensuring that fair rates of pay and gender equality are adopted as standard across the arts
7. Promoting opportunities for creative professionals to work in our Creative Learning through the Arts and our Arts and Health programmes
8. Working with the Future Generations Commissioner to establish benchmarks and protocols to monitor the environmental and well-being impact of activities, including international activities of the Arts Portfolio Wales
9. Working with partners on strategic opportunities to develop the skills of creative professionals

Our approach will continue to reflect the Welsh Government's 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 remains a priority that informs all aspects of our work in 2021/22.

Sustainable development will be one of our central organising principles and we will put the well-being of the people of Wales, now and in the future, at the centre of our decision-making processes.

We will engage in the 5 ways of working to provide a holistic response to the future of the sector, engaging with a wide variety of stakeholders to lead the debate. Our achievements will also be underpinned by the Future Generations Committee which will look at how our activity will operate during and after the Covid-19 crisis.

Widening engagement

We must expect the future to look, and feel, very different. And by this we mean better – more diverse and more representative of the social and cultural richness of contemporary Wales.

There's no hierarchy of equality. We should embrace equality and celebrate difference, wherever it's found in race, gender, sexuality, age, disability, language and economic poverty. We mustn't ignore ableist and racist behaviour or the systemic and structural oppression of individuals and communities who have experienced discrimination. Neither should we ignore the impact that poverty can have on people's opportunity to enjoy and take part in the arts. Poverty is one of the worst injustices that anyone can face and it pervades communities in many parts of Wales.

Change is long overdue, and our specific commitments are set out in our Strategic Equality Plan 2020 to 2024.

Traditional definitions of culture, creativity and the arts can sometimes themselves be barriers to people taking part. We need to make sure our funding supports different kinds of arts and reaches a greater range of artists and communities. We want more people in Wales to be able to choose to make the arts a part of their lives.

We know the arts in Wales will be stronger, more exciting and more relevant if they embrace more people. The arts still tend to be seen as for the most privileged in society. We need to change this.

Our key actions:

1. Implementing our Strategic Equality Plan and reporting on its impact
2. Driving forward the commitments in Council's Black Lives Matters statement, improving the diversity of the Arts Council's decision making structures, its workforce and its funding
3. Requiring our Arts Portfolio Wales organisations to adopt ambitious equalities plans that embrace the growing multiculturalism and multilingualism of Wales in their governance structures, workforce and activities
4. Extending our Creative Steps programme, building the resilience of organisations and development of individuals from diverse backgrounds
5. Increasing the amount of funding allocated and opportunities available to deliver on our equalities targets
6. Investing in new ways of working with diverse communities across Wales, including implementation of the Welsh Government Race Equality Plan
7. Appointing an "Agent for Change"

Promoting Welsh Language activity

Few things make Wales more distinctive than the Welsh Language. But if we're to help sustain the language, it's very important that there are opportunities to socialise, discuss, debate and engage with a broad range of artistic activity and experiences – and that these reflect the diversity of Welsh-speaking communities across Wales.

We'll insist on the fair and equal treatment of Welsh. It's not just a matter of compliance with the requirements of Government language legislation. It's about committing to development and seizing the opportunities that Welsh language creativity offers.

Any artist or arts organisation in Wales should find it as easy and rewarding to work in Welsh as in English. This isn't always the case. So we want to fund more work in Welsh.

Our key actions:

1. Ensuring that Welsh Language speakers are well represented on our Council and workforce
2. Requiring our Arts Portfolio Wales organisations to adopt ambitious Welsh Language plans that include clear targets for the inclusion of Welsh speakers in their governance structures, workforce and activities
3. Implementing the recommendations in our response to the "Welsh Language Mapping report" published in 2020
4. Increasing, and reporting on, the Welsh language activity that we fund, creating specific funds to invest in developing, making and presenting Welsh language arts
5. Supporting and promoting the UNESCO Decade of Indigenous Languages and connecting to local well-being and global goals

Supporting health and well-being through the arts

The importance of the Arts for health and well-being is central to our mission and becoming ever-more widely accepted.

The positive impact that creative activities have on our well-being has never been more evident than during the current pandemic when people, communities and frontline workers have increasingly turned to the arts as a vital source of enjoyment, connection, meaning and solace. Our Arts & Health work involves some of the most marginalised and vulnerable people in our communities delivering benefits across the full ranges of age, class and geography in Wales.

Partnerships underpin all our Arts & Health work. We work closely with colleagues within the NHS and Social Care to embed and grow creative approaches to healthcare within the system as well as to develop links out to the arts community.

Well-being is a healthy ambition that requires a holistic approach across all aspects of life. The well-being agenda underpins our wider strategy and activity – it's not limited to Arts and Health.

Additionally, our resources are small in relation to Health. This is why we're being clear about where our interventions will have most impact. Key to this is aligning our work with the priorities of Government and the Health Boards and to respond to the challenge of making scalable interventions in key areas of well-being and health in the Welsh population.

Our key actions:

1. Continuing to invest in specialist Arts and Health posts in each of Wales' Health Boards and driving forward our partnership work with the Welsh NHS Confederation
2. Launching a new Lottery funding programme to support innovative Arts and Health projects
3. Developing a website of creative resources to support NHS and social care staff's well-being (as part of the wider suite of NHS support for the healthcare workforce)

Young People and Creative Learning

An active engagement with the arts can transform the way children and young people learn and explore the world around them.

It can change the way they see themselves – even what they dream of for the future – as well as helping them to develop the self-respect and worth that will be such an important part of their life skills for the future.

Developing our young people as Creative Contributors is at the heart of the new curriculum for Wales. Our strategy continues to pioneer new ways in which more schools can draw on practical ways of bringing the excitement and inspiration of the arts into the classroom and develop the creativity of our young people. This is embodied in our Creative Learning programme. Creative Learning has challenged Government to place the arts at the heart of the school curriculum. It has challenged the Arts Council to harness the power of the arts to reinvigorate the school day and through ambitious professional development to re-ignite the creativity of teachers themselves.

We're equally interested in supporting those young people whose life chances are disadvantaged through social and economic influences.

Our approach therefore focuses on two objectives: supporting our young people to develop their creative skills and talents; and fostering an environment in which that talent can be identified, inspired, nurtured and celebrated.

We want as many young people as possible in Wales to believe that the opportunity is there for them to be the best they can – or want – to be, performing with their peers at the highest level, celebrating and demonstrating their creative talents. Above all else, we want young people to have the opportunity to enjoy and take part in creative activity that they find relevant, contemporary, and exciting.

Our key actions:

1. Implement the second year of the Creative Learning extension phase, developing proposals for the future sustainability of the programme
2. Develop a funding programme to support the development and delivery of youth arts projects in communities
3. Embed the involvement of young people in strategies across Council's wider work

Working internationally is essential to developing a dynamic and exciting, open and welcoming country with creativity at its heart.

Our arts, our culture and our languages give Wales its unique global personality. Our historical involvement in colonialisation, both as colonised and as part of a colonising empire, gives us a unique cultural context that resonates with many other minority cultures. Our story is relatable around the world.

The global pandemic has put the livelihoods of artists in Wales and around the world at risk. It has also thrown structural inequalities into sharp focus. Movements like Black Lives Matter, We Shall Not Be Removed as well as the Climate Emergency have highlighted the value of Wales' Well-being Act to "build back equal" and in a sustainable way.

The arts have a change-making role to play in enabling communities to maximise their contribution towards local and global well-being goals and, importantly, in creating a different story for us all to pass on to future generations.

Covid-19 restrictions and quarantines are affecting the ease of international travel. But as international working becomes possible again, it will be essential that those Wales-based artists and organisations who depend on international work for their livelihoods are able to nurture new opportunities. It will also be important to share those opportunities with emerging talents in Wales, removing barriers to artists from minoritised communities by eradicating potential inequalities in our processes and programmes.

We can learn from the *pause* in international travel and consider how a 'blended approach' of digital and physical activity can benefit the arts in Wales to connect internationally.

The growth of digital content responding to the well-being agenda in Wales during the pandemic is an unplanned but welcome development. We must learn from this growth in our sector how content created on platforms like AM is now designed with, and for, international and local audiences.

International collaboration currently faces the "double whammy" of Covid-19 and the post-Brexit UK/EU Trade Agreement. New arrangements represent a fundamental change to how we engage with our European and global partners.

Thanks to our membership of the On the Move European network for artists mobility, Arts Council of Wales is leading on the creation of a new UK Arts Infopoint, in partnership with Arts Council England, the Arts Council of Northern Ireland and Creative Scotland. Together we're now gathering the intelligence and information needed for organisations to continue to employ European artists, present artistic programme and tour in the EU.

Europe is a source of key talent and expertise for the arts and creative industries in Wales. The reciprocal and easy two-way flow of this talent has been a core part of the success of the creative industries as a major growth area of the UK economy. Exceptional talent in the arts and creative industries is as vital to the success of the sector and European workers provide a steady stream of skills in areas where we currently lack capacity or expertise. It will be difficult for Wales and the UK to attract and retain talent from the EU without new interventions.

Our key actions:

1. Revising and re-launching the International Opportunities Fund in Autumn 2021 ensuring it is equal, open, accessible, representative and transparent
2. Investing in and developing the "Bro a byd – local and global well-being goals". Connecting to the wider diversity and equalities agenda of Council and through our Lottery funding programmes
3. Working with the Welsh Government on projects that support the realisation of its International Strategy and action plans. Priority will be given this year to Celtic partnerships that support the "Year of Wales" in Celtic Connections, the new Statement of Intent with Ireland, Year of Wales in Germany, a new programme with Welsh Government in Canada and North America as well as our continued work with Welsh Government in Japan
4. Leading on establishing the UK Arts Infopoint to capture intelligence, and to advise government and the sector post-Brexit on artists mobility and visa issues
5. Building and strengthening our relationships with key European Networks such as Informal European Theatre Movement (IETM), "On the Move" and Culture Action Europe

Financial Statements
General Activities

Statement of the Accounting Officer's responsibilities

Under Article 11 of the Royal Charter dated 30 March 1994 (as amended) the Council is required to prepare for each financial year a statement of accounts in the form and on the basis determined by Welsh Ministers. 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, Balance Sheet and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the accounting principles and disclosure requirements of the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 ("the SORP") and, to the extent that it clarifies or builds on the requirements of the SORP, the *Government Financial Reporting Manual* and in particular to:

- observe the Accounts Direction issued by Welsh Ministers, 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 SORP and the *Government Financial Reporting Manual* have been followed, and disclose and explain any material departures in the financial statements;
- prepare the financial statements on a going concern basis; and
- confirm that the Report and Financial Statements as a whole is fair, balanced and understandable and take personal responsibility for the Report and Financial Statements and the judgements required for determining that it is fair, balanced and understandable.

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 Welsh Public Money published by the Welsh Government.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the Council's auditor is aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

Endorsed on behalf of Council:

Nick Capaldi
Accounting Officer
2 July 2021

Phil George
Chair
2 July 2021

The Certificate and independent auditor's report of the Auditor General for Wales to the Trustees of the Arts Council of Wales

Opinion on financial statements

I certify that I have audited the financial statements of the Arts Council of Wales General Activities Account for the year ended 31 March 2021 under Article 11 of the Arts Council of Wales' Royal Charter. These comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Consolidated Cash Flow Statement and related notes, including a summary of significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In my opinion the financial statements:

- give a true and fair view of the state of the Arts Council of Wales' affairs as at 31 March 2021 and of its net expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with Welsh Ministers' directions issued under Article 11 of the Arts Council of Wales' Royal Charter.

Opinion on regularity

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

Basis for opinions

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

In auditing the financial statements, I have conluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectivley, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilites and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. The Accounting Officer is responsible for the other information in the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon. My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing ro report in this regard.

Report on other requirements

Opinion on other matters

Although there are no legislative requirements for a Remuneration and Staff Report, the Arts Council of Wales has prepared such a report and, in my opinion, that part ordinarily required to be audited has been properly prepared in accordance with Welsh Ministers' directions made under Article 11 of the Arts Council of Wales' Royal Charter.

In my opinion, based on the work undertaken in the course of my audit:

- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and the Governance Statement has been prepared in accordance with Welsh Minsters' guidance; and

- the information given in the Performance Report, Operational Review and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements and the Performance Report, Operational Review and Accountability Report have been prepared in accordance with the Charities SORP (FRS102).

Matters on which I report by exception

In the light of the knowledge and understanding of the body and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report, Operational Review and Accountability Report or the Governance Statement.

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

- sufficient accounting records have not been kept;
- the financial statements and the audited part of the Remuneration and Staff Report are not in agreement with the accounting records and returns;
- information specified by Welsh Ministers regarding remuneration and other transactions is not disclosed; or
- I have not received all of the information and explanations I require for my audit.

Responsibilities

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Chief Executive as Accounting Officer is responsible for preparing the financial statements in accordance with Article 11 of the Arts Council of Wales' Royal Charter and Welsh Ministers' directions made thereunder, for being satisfied that they give a true and fair view and for such internal control as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accounting Officer is responsible for assessing the body's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- enquiring of management, the Arts Council of Wales' internal auditor and those charged with governance, including obtaining and reviewing supporting documentation relating to the Arts Council of Wales' policies and procedures concerned with:

    - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
    - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
    - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;

- considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition, posting of unusual journals, accounting estimates and grant funding; and

- obtaining an understanding of the Arts Council of Wales' framework of authority that had a direct effect on the financial statements.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;

- enquiring of management and the Audit and Risk Assurance Committee about actual and potential litigation and claims;

- reading minutes of meetings of those charged with governance and the Council; and

- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all of the audit team and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the Arts Council of Wales' controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Responsibilities for regularity

The Accounting Officer is responsible for ensuring the regularity of financial transactions.
I obtain sufficient evidence to give reasonable assurance that the expenditure and income have been applied to the purposes intended by the Senedd and the financial transactions conform to the authorities which govern them.

Report

I have no observations to make on these financial statements.

Adrian Crompton
Auditor General for Wales

24 Cathedral Road
Cardiff, CF11 9LJ

9 July 2021

General Activities Account
Consolidated Statement of Financial Activities

for the year ended 31 March 2021

	Note	Unrestricted funds £'000	Restricted funds £'000	2020/21 Total £'000	2019/20 Total £'000
INCOME					
Donations:					
Grant-in-aid from the Welsh Government		31,978	300	32,278	31,582
Other grants and donations	3	1	22,948	22,949	3,984
		31,979	23,248	55,227	35,566
Income from charitable activities:					
Services and sponsorship	4	22	1	23	180
Investment income:					
Bank interest		1	1	2	14
Other income	5	29	-	29	27
Total income		**32,031**	**23,250**	**55,281**	35,787
EXPENDITURE					
Charitable activities	6	30,728	24,860	55,588	35,706
Governance costs	8	66	-	66	76
Bank interest surrendered to Welsh Consolidated Fund		1	-	1	11
Total expenditure		**30,795**	**24,860**	**55,655**	35,793
Net income/(expenditure)		**1,236**	**(1,610)**	**(374)**	(6)
Gross transfers between funds	14	(1,937)	1,937	-	-
Net movement in funds		**(701)**	**327**	**(374)**	(6)
Reconciliation of funds					
Fund balances brought forward	14	1,996	844	2,840	2,846
Total funds carried forward		**1,295**	**1,171**	**2,466**	2,840

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

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

The notes on pages 130 to 158 form part of these financial statements

General Activities Account
Consolidated balance sheet

as at 31 March 2021

	Note	31 March 2021 £'000	31 March 2021 £'000	31 March 2020 £'000	31 March 2020 £'000
Fixed assets					
Intangible fixed assets	9a		1		2
Tangible fixed assets	9b		66		91
Total fixed assets			**67**		93
Current assets					
Grants paid in advance	10	-		140	
Debtors	11	6,338		2,079	
Cash and cash equivalents		1,416		2,301	
Total current assets		**7,754**		4,520	
Liabilities: falling due within one year					
Creditors	12a	(5,322)		(1,744)	
		(5,322)		(1,744)	
Net current assets			**2,432**		2,776
Total assets less current liabilities			**2,499**		2,869
Creditors: falling due after more than one year					
Creditors	12b		(33)		(29)
Net assets			**2,466**		2,840
The funds of the charity					
Unrestricted funds	14		1,295		1,996
Restricted funds	14		1,171		844
			2,466		2,840

The notes on pages 130 to 158 form part of these financial statements

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

Nick Capaldi, Accounting Officer
2 July 2021

Phil George, Chair
2 July 2021

General Activities Account
Consolidated Statement of Cash Flows

for the year ended 31 March 2021

	Note	2020/21 £'000	2019/20 £'000
Net cash outflow from operating activities	16a	(852)	(105)
Net cash inflow from investing activities	16b	1	3
Net cash outflow associated with capital assets	16c	(34)	(45)
Change in cash and cash equivalents in the year		**(885)**	(147)
Cash and cash equivalents brought forward		2,301	2,448
Cash and cash equivalents carried forward		**1,416**	2,301

The notes on pages 130 to 158 form part of these financial statements

General Activities Account
Notes forming part of the financial statements

for the year ended 31 March 2021

1. Accounting policies

a. Basis of preparation

These financial statements are prepared on a going concern basis and under the historical cost convention modified to include certain fixed assets at their value to the Council on a current cost basis. They have been prepared in accordance with the Accounts Direction issued by Welsh Ministers and meet the requirements of the Charities Acts 2006, 2011 and 2016, of the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their account in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) issued on 16 July 2014 ("the SORP") and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102). In addition to compliance with the SORP regard is given to the requirements of the Government Financial Reporting Manual (FReM) issued by HM Treasury to the extent that it clarifies or builds on the requirements of the SORP. A summary of the principle accounting policies which have been applied consistently are set out below.

Impact of standards not yet effective

The application of any new or amended accounting standards is governed by their adoption by the Charity Commission and FReM. The Council applies changes to standards when they become effective. There are no known material impacts from accounting standard changes that have been issued and are not yet effective on the financial statements in the period of initial application.

b. Subsidiary undertakings – Cerdd Cymru:Music Wales Limited

Cerdd Cymru:Music Wales is a private, trading company, limited by guarantee and registered in Wales (number 7759122). It was incorporated on 1 September 2011 as a 50% joint arrangement with the Welsh Music Foundation to develop and improve, both nationally and internationally, the knowledge, understanding, practice and sustainability of the arts and creative industries, and particularly of music in Wales.

Cerdd Cymru:Music Wales Limited became a wholly owned subsidiary of the Council during 2016/17 following the liquidation of the Welsh Music Foundation.

The transactions of the subsidiary are included within the consolidated financial statements on the 'line by line' method (see note 19).

c. Income

All income is accounted for on an accruals basis, with the exception of legacies, donations and gifts which are recognised only when they are received. Capital grants receivable are treated as income.

No income is recorded net of expenditure in the Statement of Financial Activities.

d. Lottery distribution

These financial statements do not cover the Council's lottery distribution function for which separate financial statements have been prepared in accordance with directions issued by the Secretary of State for Digital, Culture, Media & Sport.

The Council incurs costs which support both its general activities and lottery distribution functions. In accordance 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.

The apportionments are usually reviewed every two years and whenever there is a significant change to the staff structure or the programmes of activity.

e. Expenditure

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.

f. Grants awarded

Subsidy expenditure is incurred in the form of grants which are formally offered to organisations funded by the Council. Grants are offered in support of a programme of activities planned for, or to commence in, a particular financial year and in most circumstances are charged to the Statement of Financial Activities in that year.

Forward commitments made in the year relating to next year's activity, as disclosed in note 18, are not charged to the Statement of Financial Activities. The grant-in-aid to meet these commitments cannot be recognised until it is received so, in this respect, we have been unable to apply all principles of paragraph 7 of the SORP. The Trustees do not believe the inclusion of the forward commitments would provide a true and fair view of the application of the Council's resources.

Grants unpaid at the year end are shown as creditors in the Balance Sheet. Any advance payments which have been made in respect of approved grants relating to next year's activities are shown in the Balance Sheet as current assets.

All grants offered are listed in the annex to this Annual Report.

g. Services and sponsorship

Services and sponsorship comprise the direct costs, including staff and depreciation, attributable to charitable activities.

h. Allocation of operating costs

Operating costs have been allocated first between charitable activities and governance. Operating costs relating to charitable activities have been apportioned to reflect the time spent by staff in delivering direct activities and in support of their delivery. The allocation and analysis of these costs is in notes 6 and 7.

i. Governance costs

Governance costs comprise all costs involving the public accountability of the Council as a charity and its compliance with regulation and good practice. These costs are analysed in note 8.

j. Foreign currency

Revenue received and expenditure incurred in foreign currencies is converted at the exchange rate prevailing at the time of the transaction. Balances held in foreign currencies are converted at the rate prevailing at the Balance Sheet date. Transactions and balances covered by forward contracts are converted at the contract rate.

k. Recognition of liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

l. Fund accounting

Restricted funds are those which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Council for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Unrestricted funds are those which are available for use at the discretion of Council in furtherance of its chartered objectives and which have not been designated for other purposes.

Where support costs are allocated to restricted charitable activities a transfer is made from unrestricted funds to cover these costs.

m. Fixed assets

The Council owns two freehold properties, the Sherman Theatre and the Rubicon Dance Studio, which are let on long leases at peppercorn rents to tenants which are not controlled by the Council and with no provision for repossession by the Council. Based on the advice of external and independent chartered surveyors, the residual value of these freehold interests is considered to be negligible so these assets are held in the accounts at a nil value.

Website development costs, in accordance with FRS 102, are treated as tangible fixed assets.

Computer software licences are treated as intangible fixed assets if they cover more than one year.

Other than freehold properties all tangible and intangible fixed assets are included at historical cost less an allowance for depreciation and amortisation. The Council considers that there is no significant difference between the book and market values.

n. Amortisation and depreciation

Individual assets costing £1,000 or above are capitalised and a full year's amortisation or depreciation is provided in the year of acquisition. Amortisation of intangible fixed assets and depreciation on tangible fixed assets is provided at rates calculated to write off the cost or valuation of each asset to its residual value on a straight line basis over its expected useful life as follows:

Computer software licences	over 3 years
Leasehold improvements	over the term of the lease
Furniture, fixtures and fittings	over 10 years
Equipment	over 4 years
Website development costs	over 3 years
Computer system	over 3 years

o. Leases

The costs of operating leases are charged to the Statement of Financial Activities on a straight line basis over the life of the lease.

p. Pensions

The Council is an admitted employer of the Arts Council Retirement Plan 1994 (ACRP) which provides defined benefits to Council employees. The costs of the Council's contributions are charged to the Statement of Financial Activities so as to spread the cost of pensions over employees' working lives.

The Plan is a funded, defined benefit, multi-employer scheme where the participating employers are unable to identify their shares of the underlying assets and liabilities. The scheme has therefore been accounted for as if it were a defined contribution scheme, in accordance with FRS 102. The Council has made payments to fund a deficit relating to past service. If further deficit payments are needed, following future revaluations, the Council will recognise a provision for the present value of contributions payable in accordance with the terms of any relevant funding agreement. All contributions towards the deficit are charged to the Statement of Financial Activities.

The Council also has 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 FRS 102.

q. Taxation

Non-recoverable Value Added Tax arising from expenditure on non-business activities is charged to the Statement of Financial Activities or capitalised as a fixed asset where applicable.

r. Financial instruments

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

Financial liabilities: Trade creditors are not interest bearing and are stated at their nominal value.

2. General activities and Lottery distribution: combined income and charitable arts expenditure

The separate Lottery distribution account shows the Council's 2020/21 share of the proceeds from the National Lottery of £18,138,000 (2019/20: £17,761,000). The combined total income for both general and Lottery activities for 2020/21 was £73,478,000 (2019/20: £53,687,000). The combined total direct charitable arts expenditure for 2020/21 was £67,718,000 (2019/20: £48,433,000).

3. Income
Donations: Other grants and donations

	Unrestricted funds £'000	Restricted funds £'000	2020/21 Total £'000	2019/20 Total £'000
Creative Learning through the Arts Programme (note 20):				
Welsh Government grant	-	750	750	2,000
Arts Council of Wales Lottery grant	-	1,083	1,083	1,299
Other income	-	45	45	14
Prior year grants no longer required or repaid	-	4	4	7
Welsh Government Cultural Recovery Funding	-	18,348	18,348	-
Welsh Government contribution for other activities	-	2,208	2,208	614
Freelands Foundation	-	500	500	-
Private donations	1	10	11	50
	1	22,948	22,949	3,984

4. Income from charitable activities - Services and sponsorship

	Unrestricted funds £'000	Restricted funds £'000	2020/21 Total £'000	2019/20 Total £'000
Night Out scheme:				
- contributions from venues/promoters	2	-	2	136
Contributions for Wales Arts International	1	1	2	2
Collectorplan - gallery fees	18	-	18	33
Other income	1	-	1	9
	22	**1**	**23**	180

5. Other income

	Unrestricted funds £'000	Restricted funds £'000	2020/21 Total £'000	2019/20 Total £'000
Contribution from the Lottery Distribution account:				
for use of fixed assets	**29**	-	**29**	27

6. Expenditure - Charitable activities

	Direct activities £'000	Grant[1] funding £'000	Support[2] costs £'000	2020/21 Total £'000	2019/20 Total £'000
Grant making and arts development	842	50,424	1,752	53,018	30,466
Creative Learning through the Arts Programme (note 20)	609	932	-	1,541	3,016
Arts strategy	234	-	8	242	439
International	416	-	14	430	874
Services: *Night Out* & *Collectorplan*	193	-	7	200	634
Advocacy and research	152	-	5	157	277
	2,446	**51,356**	**1,786**	**55,588**	35,706

From unrestricted funds	30,728	31,703
From restricted funds	24,860	4,003
	55,588	35,706

[1] Grant funding	To institutions £'000	To individuals £'000	2020/21 Total £'000	2019/20 Total £'000
From unrestricted funds				
Arts Portfolio Wales	26,782	-	26,782	26,490
Covid-19 support	472	408	880	-
Strategic awards	384	24	408	924
From restricted funds				
Arts Portfolio Wales	300	-	300	300
Covid-19 support	19,514	500	20,014	-
Creative Learning through the Arts Programme	932	-	932	1,612
Strategic awards	1,947	93	2,040	150
	50,331	**1,025**	**51,356**	29,476

All grants are listed in the annexes to this Annual Report.

[2] Support costs	Gross costs £'000	Deduct Recharges to Lottery Distribution £'000	2020/21 Net charge to General Activities £'000	2019/20 Net charge to General Activities £'000
Staff and related costs	2,394	1,124	1,270	1,294
Pensions	-	-	-	212
Infrastructure	664	327	337	371
Office running costs	16	8	8	6
Professional fees and promotion	121	78	43	40
Irrecoverable VAT	140	72	68	64
Amortisation and depreciation	60	-	60	58
	3,395	**1,609**	**1,786**	2,045

7. Staff costs

a. Total staff costs consist of:

	Permanently employed £'000	Other £'000	Gross costs £'000	Deduct Recharges to Lottery Distribution £'000	2020/21 Net charge to General Activities £'000	2019/20 Net charge to General Activities £'000
Wages and salaries	2,734	414	3,148	862	2,286	2,383
Social security costs	278	40	318	80	238	227
Other pension costs	506	73	579	163	416	430
Apprenticeship Levy	1	-	1	-	1	1
Redundancy costs	-	-	-	-	-	32
Agency costs	-	-	-	-	-	2
	3,519	**527**	**4,046**	**1,105**	**2,941**	3,075

Staff costs are incorporated in the financial statements as follows:

Charged to Direct activities (note 6)	1,678	-	1,678	1,852
Charged to Support costs (note 6)	2,319	1,089	1,230	1,190
Charged to Governance (note 8)	49	16	33	33
	4,046	**1,105**	**2,941**	3,075

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

	Permanently employed	Other	Across the whole Council	On Lottery Distribution activities	2020/21 On General activities	2019/20 On General activities
On charitable activities:						
directly charged	8	9	17	-	17	20
recharged	27	-	27	-	27	28
In support of our charitable activities	29	2	31	22	9	9
Agency staff	-	-	-	-	-	-
	64	**11**	**75**	**22**	**53**	57

Staff composition at 31 March (full time equivalents – whole Council)	2021			2020		
	Male	**Female**	**Total**	Male	Female	Total
Senior Leadership Team	2	3	5	1	3	4
Portfolio Managers/Heads of Department	6	8	14	6	8	14
Senior Officers[1]	13	18	31	9	7	16
Officers/Development Officers[1]	2	9	11	7	21	28
Team Co-ordinators/Personal Assistants	2	12	14	2	14	16
	25	**50**	**75**	25	53	78
	33%	**67%**		32%	68%	

[1] A new pay and grading system was introduced from 1 August 2020.

	2021	2020
The median annual remuneration (full time equivalents) at 31 March was (whole Council):	£42,656	£33,063
The range of annual remuneration (full time equivalents) at 31 March was (whole Council):	£23,419 to £101,830	£21,013 to £99,346
The ratio between the median annual remuneration and the annual remuneration of the highest paid member of staff was (whole Council):	1:2.4	1:3

Compensation schemes - exit packages (whole Council):

	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band	
	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
Up to £10,000	-	4	-	-	-	4
£10,001 to £25,000	-	1	-	-	-	1
Total number of exit packages	-	5	-	-	-	5
Total cost (£'000)	-	32	-	-	-	32

Redundancy costs were determined in accordance with the provisions of the Council's redundancy policy. The Council usually pays exit costs when employment ends but provides for the exit costs in full at the point when there is sufficiently detailed information to do so.

100% of the costs were charged in last year's financial statements.

b. The Chief Executive and Directors – the Senior Leadership Team – 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:
(real increase in pension* x 20) + (real increase in any lump sum) – (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 Leadership Team:

Name Position	2020/21 Emoluments band £'000	2020/21 Pension benefits £'000	2020/21 Single total remuneration £'000	2019/20 Emoluments band £'000	2019/20 Pension benefits £'000	2019/20 Single total remuneration £'000
Nicholas Capaldi Chief Executive	100-105	30	130-135	95-100	24	120-125
Richard Nicholls Director of Operations from 28 September 2020	35-40	1	40-45	N/A	N/A	N/A
Full year equivalent	75-80					
Katherine Davies Director of Arts Funding Services Services to 31 December 2019	-	-	-	55-60	16	70-75
Full year equivalent				70-75		
Diane Hebb Director of Arts Engagement	75-80	26	100-105	70-75	19	90-95
Rebecca Nelson Director of Finance and Business Services from 17 June 2019	70-75	18	90-95	55-60	13	65-70
Full year equivalent				70-75		
Siân Tomos Director of Arts Development	75-80	32	105-110	70-75	22	95-100

Name Position	2020/21 Real increase in pension and related lump sum at age 65	2020/21 Total accrued pension at age 65 as at 31/03/21 and related lump sum	2020/21 Cash Equivalent[1] Transfer Value at 31/03/21	2019/20 Cash Equivalent Transfer Value at 31/03/20	2020/21 Real increase[2] in Cash Equivalent Transfer Value
	£'000	£'000	£'000	£'000	£'000
Nicholas Capaldi Chief Executive	Pension 0-2.5 Lump sum 2.5-5	Pension 15-20 Lump sum 45-50	338	309	27
Richard Nicholls[3] Director of Operations from 28 September 2020	Pension 0-2.5 Lump sum 0-2.5	Pension 0-5 Lump sum 0-5	1	N/A	1
Diane Hebb Director of Arts Engagement	Pension 0-2.5 Lump sum 2.5-5	Pension 15-20 Lump sum 55-60	421	400	23
Rebecca Nelson Director of Finance and Business Services	Pension 0-2.5 Lump sum 2.5-5	Pension 0-5 Lump sum 5-10	27	12	11
Siân Tomos Director of Arts Development	Pension 0-2.5 Lump sum 5-7.5	Pension 25-30 Lump sum 85-90	633	600	28

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.

3 In addition to the above, Richard Nicholls was a member of the People's Pension defined contribution scheme for a period of five months from his appointment until 28 February 2021. Total employee and employer contributions for this period were £1,510

The Chair, with the approval of the Charity Commission, 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. Council meeting costs for 2020/21 include an aggregate amount of £16 (2019/20: £15,216) reimbursed to 1 (2019/20: 14) Council member.

The total actual emoluments of the Chair and Chief Executive were made up of:

	2020/21 £	2019/20 £
Chair		
Salary	43,810	43,810
Chief Executive		
Salary	101,830	99,346
Employer's pension contribution	21,282	21,260
	123,112	120,606

67% (2019/20: 68%) of the Chair's and 72% (2019/20: 70%) of the Chief Executive's emoluments are charged in these financial statements and the remainder to lottery distribution activities.

	2020/21 £	2019/20 £
Travel and subsistence expenses incurred and defrayed whilst on Council business:		
Chair	16	4,631
Chief Executive	41	5,963

51% (2019/20: 53%) of the Chair's and Chief Executive's expenses are charged in these financial statements and the remainder to lottery distribution activities.

c 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 FRS 102.

An independent actuarial valuation of the ACRP normally takes place every three years. The most recent valuation, as at 31 March 2019, came into effect on 1 April 2020. The valuation introduced new contribution rates for the Council in respect of accruing benefits. It assumes a continuing requirement that a minimum level of payment be made each year towards the past service deficit, at a rate advised by the scheme actuary, until 31 March 2029.

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 key financial assumptions used were:

- Retail Prices Index (RPI) increases - Market Implied RPI Inflation curve with allowance for 0.3% per annum (p.a.) inflation risk premium
- Consumer Prices Index (CPI) increases - RPI curve less 1.0% p.a.
- Pension increases - equal to the relevant inflation assumption
- Salary increases – in line with CPI inflation
- Discount rate (past service) - market implied gilt yield curve plus 1.25% per annum
- Discount rate (future service) - market implied gilt yield curve plus 1.60% per annum

Contributions by the Council and its employees were:

	Council		Employees	
	2020/21	2019/20	**2020/21**	2019/20
For all staff	20.9%	21.4%	6.0%	6.0%

In 2019/20 the Council made an additional lump sum payment of £400,000 and it was agreed with the actuaries that no further deficit payments would be needed until the next revaluation. The Council's Lottery Distribution account contributed £188,000 towards that deficit payment.

There were no changes to the contribution rates from 1 April 2021.

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 a defined contribution scheme, The People's Pension, as an alternative option for employees who are not members of the ACRP. The Council contributed 5% and the employee 3% during the year. These rates may change in the future, in line with the requirements of the legislation.

8. Resources expended
Governance costs

	Gross costs £'000	Deduct Recharges to Lottery Distribution £'000	2020/21 Net charge to General Activitiesl £'000	2019/20 Net charge to General Activities £'000
Chair's remuneration	49	16	33	33
Auditor's remuneration - Audit	47	22	25	23
Internal audit	17	9	8	9
Consultancy fees	0	0	0	1
Council meetings, including travel and subsistence	0	0	0	8
Committee meetings, including travel and subsistence	0	0	0	2
	113	47	66	76

9. Fixed assets

a. Intangible fixed assets

	Computer software licences £'000
Cost at 1 April 2020	297
Additions	-
Disposals	-
Cost at 31 March 2021	297
Amortisation at 1 April 2020	295
Charge for the year	1
Disposals	-
Amortisation at 31 March 2021	296
Net book value at 31 March 2021	**1**
Net book value at 1 April 2020	2

b. Tangible fixed assets

	Alterations to leasehold properties £'000	Computer system, furniture, etc £'000	Website £'000	Total £'000
Cost at 1 April 2020	107	672	95	874
Additions	-	34	-	34
Disposals	-	-	-	-
Cost at 31 March 2021	107	706	95	908
Depreciation at 1 April 2020	107	581	95	783
Charge for the year	-	59	-	59
Disposals	-	-	-	-
Depreciation at 31 March 2021	107	640	95	842
Net book value at 31 March 2021	**-**	**66**	**-**	**66**
Net book value at 1 April 2020	-	91	-	91

Amortisation and depreciation charged has been allocated to charitable activities within support costs (note 6).

c. Net book value at 31 March 2021 represents fixed assets used by the Council in support of its charitable activities.

The Council's freehold properties in Cardiff, the Sherman Theatre and the Rubicon Dance Studio, are let on long leases at peppercorn rents to tenants which are not controlled by the Council and with no provisions either for reviewing the rents or repossession by the Council.

The Sherman Theatre was acquired by the Welsh Arts Council, a division of the Arts Council of Great Britain, in September 1987 at a cost of £897,000 and immediately let for a term of 125 years. At the dissolution of the Arts Council of Great Britain in March 1994 the freehold interest was transferred to the newly formed Arts Council of Wales.

The Rubicon Dance Studio was acquired by the Welsh Arts Council in February 1988 at a cost of £11,315 and subject to an existing lease for a term of 999 years commencing 1 January 1986. The freehold interest was transferred to the Arts Council of Wales in March 1994.

The most recent external and independent valuation of the Council's freehold properties was as at 31 March 2004. It was undertaken by Elizabeth Hill, a Member of the Royal Institute of Chartered Surveyors, for and on behalf of Cooke & Arkwright, Chartered Surveyors. Because of the impact of the leases it was the surveyor's opinion that the freehold interests had a nil or nominal value, so these assets are held in the accounts at nil value.

Council does not consider it necessary to undertake a further valuation until there is a significant reduction in the residual terms of the leases or earlier termination.

10. Grants paid in advance

In certain circumstances, requiring the authorisation of the Chief Executive, the Council makes advance payments before the year to which the grant relates. The power is limited to situations where the recipient organisation would otherwise suffer financial hardship.

	2020/21 £'000	2019/20 £'000
Payments in respect of the following year's grants	-	140

11. Debtors (falling due within one year)

	2020/21 £'000	2019/20 £'000
Welsh Government – grant-in-aid	800	-
Welsh Government – Cultural Recovery Funding	3,687	-
Collectorplan loans[1]	266	422
Trade debtors	60	140
Other debtors	1,102	1,050
	5,915	1,612
Deduct Specific provision for doubtful debts	-	-
Sub-total: Debtors	5,915	1,612
Prepayments	238	267
	6,153	1,879
Due from Lottery distribution fund for recharged costs:		
Cost apportionments	185	200
	6,338	2,079

[1] *Collectorplan* is the Council's interest-free loan scheme, available to the general public to support the purchase of contemporary works of art and crafts from participating galleries across Wales. Loans from £50 up to £5,000 are repaid by monthly instalments over a maximum period of 1 year.

12. Creditors

		2020/21 £'000	2019/20 £'000
a.	**Creditors:** falling due within one year	4,911	932
	Grants payable	94	111
	Taxation and social security	31	238
	Trade creditors	76	118
	Other creditors	210	320
	Accruals and deferred income	-	25
	Current liabilities of Cerdd Cymru:Music Wales (note 19)	**5,322**	1,744
b.	**Creditors:** falling due after more than one year		
	Grants payable	**33**	29

13. Contingent liability

The Council is an admitted employer of the Arts Council Retirement Plan 1994. The Plan is a funded, defined benefit, multi-employer scheme where the participating employers are unable to identify their shares of the underlying assets and liabilities.

In the event of the withdrawal of an employer, the debt triggered under section 75 of the Pensions Act 1995 would be calculated using the solvency shortfall of the entire Plan, not the employer's own asset share and liabilities. Also, in the event of Plan wind up, as the Plan is a "last man standing" arrangement all employers would be jointly and severally liable for the total shortfall in the Plan.

14. Statement of funds

	At 1 April 2020 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	At 31 March 2021 £'000
Unrestricted income funds					
General fund	1,996	32,031	(30,795)	(1,937)	1,295
Total unrestricted funds	**1,996**	**32,031**	**(30,795)**	**(1,937)**	**1,295**
Restricted funds					
Income					
Welsh Government Cultural Recovery Funding	-	18,348	(18,975)	627	-
Welsh Government for other specific arts activity	49	2,508	(3,791)	1,291	57
Freelands Foundation support for individual artists affected by the Covid-19 pandemic	-	500	(517)	17	-
CLTA Programme	656	1,883	(1,541)	1	999
National Centre for Learning Welsh	34	-	(27)	1	8
Wales Arts International activity	12	11	(9)	-	14
	751	23,250	(24,860)	1,937	1,078
Capital					
Alun Llywelyn Williams Memorial Fund (income to provide bursary for young artist)	13	-	-	-	13
Brian Ross Memorial Fund (income to provide bursary for young visual artist)	80	-	-	-	80
	93	-	-	-	93
Total restricted funds	**844**	**23,250**	**(24,860)**	**1,937**	**1,171**
Total funds	**2,840**	**55,281**	**(55,655)**	**-**	**2,466**

The Alun Llywelyn Williams and Brian Ross Memorial Funds are represented by cash at bank and are within the total of £1,416,000 shown on the Balance Sheet.

15. Analysis of net assets between funds

	Unrestricted funds £'000	Restricted funds £'000	Total £'000
Fund balances at 31 March 2021 are represented by:			
Fixed assets	67	-	**67**
Current assets	5,846	1,908	**7,754**
Creditors: falling due within one year	(4,585)	(737)	**(5,322)**
Creditors: falling due after more than one year	(33)	-	**(33)**
Total net assets	**1,295**	**1,171**	**2,466**

16. Cash flow information

		2020/21 £'000	2019/20 £'000
a.	**Cash flows from operating activities**		
	Net incoming/(outgoing) resources	(374)	(6)
	Bank interest received (net of surrender)	(1)	(3)
	Amortisation and depreciation (note 9)	60	58
	(Increase)/Decrease in grants paid in advance	140	162
	(Increase)/Decrease in debtors	(4,259)	(378)
	Increase/(Decrease) in creditors falling due within one year	3,578	34
	Increase/(Decrease) in creditors falling due after more than one year	4	28
	Net cash inflow/(outflow) from operating activities	**(852)**	(105)
b.	**Cash flows from investing activities**		
	Bank interest received	2	14
	Bank interest surrendered to Welsh Consolidated Fund	(1)	(11)
	Net cash inflow from operating activities	**1**	3
	Cash flows associated with capital assets		
	Payments to acquire intangible fixed assets (note 9a)	-	(3)
	Payments to acquire tangible fixed assets (note 9b)	(34)	(42)
c.	**Net cash outflow associated with capital assets**	**(34)**	(45)

17. Commitments on operating leases

At 31 March 2021 the Council had the following commitments for future payments under non-cancellable operating leases:

	Land and buildings		Equipment	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Total due				
within one year	132	132	2	2
later than one year and not later than five years	494	499	-	2
later than five years	360	488	-	-
	986	1,119	2	4

Lease payments of £108,000 have been recognised as an expense during the year (2019/20: £215,000). 51% (2019/20: 53%) of the costs are charged in these financial statements and the remainder to lottery distribution activities.

18. Forward commitments

	2021 £'000	2020 £'000
Grants		
Forward funding - grants formally offered	27,082	27,082

Forward funding at 31 March 2021 represents allocations to Arts Portfolio Wales organisations for 2021/22.

19. Cerdd Cymru:Music Wales Limited

Cerdd Cymru:Music Wales is a private, trading company, limited by guarantee and registered in Wales (number 7759122). It was incorporated on 1 September 2011 as a vehicle to collaborate with the Welsh Music Foundation on projects which will develop and improve, both nationally and internationally, the knowledge, understanding, practice and sustainability of the arts and creative industries, and particularly of music in Wales.

Cerdd Cymru:Music Wales became a wholly owned subsidiary of the Council during 2016/17 following the liquidation of the Welsh Music Foundation.

The company has been dormant in recent years with all overseas activity managed through Wales Arts International. In March 2021 Council approved the voluntary winding up of the company.

	2020/21 £'000	2019/20 £'000
Profit & Loss Account		
Income	-	-
Expenditure	-	-
Net incoming/(outgoing) resources	-	-

	2020/21 £'000	2019/20 £'000
Statement of Financial Position		
Current assets:		
Cash at bank and in hand	-	2
Current liabilities (note 12)	-	(25)
Net assets/(liabilities)	-	(23)
Reserves	-	(23)

20. *Creative Learning through the Arts* Programme

The Creative Learning through the Arts Programme is designed to:

- improve educational attainment
- build an education system that will directly contribute to a stronger economy, greater innovation, greater creativity, and to the cultural capital of the nation
- bring about a step change in the range and quality of opportunities given to children and young people to engage with and learn about the arts and culture

The first phase, from 2015 to 2020, has been funded by a joint investment of £20 million pounds from the Welsh Government in partnership with the Arts Council of Wales, working with the regional education consortia, schools, local authorities and the wider arts and cultural sector. The Programme requires the active involvement of artists, creative professionals and arts, culture and heritage organisations working in partnership with teachers and schools.

The Council's £10 million investment comes from Lottery funds. This, together with the Welsh Government's contribution and all Programme expenditure, is accounted for in these financial statements. This approach has been agreed with the Council's external auditors and the Department for Digital, Culture, Media & Sport.

	2020/21 £'000	2019/20 £'000
Income		
Welsh Government grant	750	2,000
Arts Council of Wales Lottery grant	1,083	1,299
Prior year grants repaid	4	7
Partnership income	45	14
Bank interest	1	2
	1,883	3,322

	2020/21 £'000	2019/20 £'000
Expenditure		
Lead Creative Schools	1,073	911
Arts and education programme	10	600
Arts and creative learning cross-programme	48	562
Central management costs	410	907
Support costs (from unrestricted funds)	-	36
	1,541	3,016

21. Financial instruments

Financial Reporting Standard 102 requires disclosure of the role which financial instruments have had during the period in creating or changing the risks the Council faces in undertaking its functions.

Liquidity risks – In 2020/21 £53,584,000 or 97% of the Council's income was derived from the Welsh Government (2019/20: £34,196,000 or 95%). Of the remaining income £1,083,000 or 2% was derived from the Arts Council of Wales' Lottery Distribution account for the Creative Learning through the Arts Programme (2019/20: £1,299,000 or 4%) and £614,000 or 1% was derived from investment income and sundry income (2019/20: £292,000 or 1%). The Council does not consider that its general activities are exposed to any significant liquidity risk and is satisfied that future income is sufficient to meet its commitments.

Interest rate risks – Cash balances which are drawn down from the Welsh Government 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 0.15% in the year (2019/20: 0.50%). The effective unrestricted cash balance at the year end was £593,000 (2020: £1,796,000). The Council does not consider that its general activities are exposed to significant interest rate risks.

Foreign currency risk – The general activities of the Council are not exposed to any significant foreign exchange risks.

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

Credit risk – The Council is not exposed to any significant credit risk as the majority of debtors relate to Welsh Government income.

22. Corporation Tax

The Council is a charitable Welsh Government sponsored body and as such is exempt from Corporation Tax under Section 505 ICTA 1988.

23. Events after the reporting period

Authorisation of these financial statements for issue

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

24. Related party transactions

Public bodies

The Council is a Welsh Government sponsored body.

The Welsh Parliament/Welsh Government is regarded as a related party. During the year the Council had no material transactions with the Welsh Parliament/Welsh Government apart from the grant-in-aid disclosed in the Statement of Financial Activities and the restricted grants disclosed in note 3.

Subsidiary

Cerdd Cymru:Music Wales Limited is a wholly-owned subsidiary of the Council and the transactions of the company are reported in note 19. There were no balances outstanding at year end.

Individuals

Members of Council, Committees, staff or other related parties (being close family members) undertook financial transactions (listed below) with the Council 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 grants or other payments by the Council in 2020/21 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.

Under the Council's Code of Best Practice an interest is deemed to persist for a minimum period of one year after the individual has left the position which created the interest. This policy is reflected in the disclosures which follow.

Transactions with the Council as a Lottery distributor are recorded in the equivalent note to the separate Lottery Distribution Account.

Member Role	Organisation	Transaction 2020/21 (number)	Total Value 2020/21 £	Total balance outstanding at 31 March 2021[1] £
Council members				
Devinda De Silva				
Employment	National Theatre Wales	Grant (1)	1,624,075	Nil
Board member	Dirty Protest	Grant (3)	121,966	15,835
		Invoice (1)	2,266	Nil
Board member	Disability Arts Cymru	Grant (3)	205,586	3,335
		Invoice (2)	1,300	Nil
Andy Eagle				
Employment	Chapter	Grant (4)	1,425,854	62,110
Board member	Swansea City Opera	Grant (1)	27,200	2,720
Kate Eden				
Council member	Aberystwyth University	Grant (3)	1,191,996	60,244
Professor Tudur Hallam				
Employment	Swansea University	Invoice (1)	9,409	Nil
Marian Wyn Jones				
Board member	Canolfan Gerdd William Mathias	Grant (3)	128,383	4,725
Non-Executive Director	Betsi Cadwaladr Health Board	Grant (0)	Nil	2,500
Council member	Bangor University	Invoice (2)	2,375	Nil

Member Role	Organisation	Transaction 2020/21 (number)	Total Value 2020/21 £	Total balance outstanding at 31 March 2021[1] £
Gwennan Mair				
Employment	Theatr Clwyd	Grant (5)	5,374,758	1,300,196
Drama board member	Eisteddfod Genedlaethol	Grant (1)	300	300
		Invoice (1)	174	Nil
Andrew Miller				
Board member	Welsh National Opera	Grant (1)	4,583,851	Nil
	National Youth Arts Wales	Grant (1)	189,074	18,907
Dafydd Rhys				
Employment	Aberystwyth Arts Centre	Grant (3)	1,191,996	60,244
Dr Sarah Younan				
Employment	National Museum Wales	Grant (1)	110,000	1,395
Volunteer	Watch Africa Cymru	Grant (1)	5,300	5,300
Committee members				
Andrew Butler				
Employment (Family member)	Audit Wales	Invoice (1)	22,519	Nil
Roland Evans				
Employment	Gwynedd County Council	Grant (2)	50,388	19,783

Member Role	Organisation	Transaction 2020/21 (number)	Total Value 2020/21 £	Total balance outstanding at 31 March 2021[1] £
Mark Davies				
Employment	BBC Wales	Grant (1)	813,989	Nil
Ruth Cayford				
Employment	Cardiff Council (including St David's Hall & New Theatre)	Grant (4)	1,642,497	921,023
Valerie Ellis				
Employment	Welsh Parliament	Invoice (1)	34,000	Nil
Members of the Senior Leadership Team				
Diane Hebb				
Governing Body Member	Gwernyfed High School	Grant (1)	8,000	8,000
Other members of staff				
Ann Wright				
Employment (Family member)	KK Solutions	Invoice (1)	54	Nil
Daniel Trivedy				
Employment	Elysium Gallery	Grant (2)	94,345	9,435

Member Role	Organisation	Transaction 2020/21 (number)	Total Value 2020/21 £	Total balance outstanding at 31 March 2021[1] £
Eluned Hâf Williams				
Employment	Canolfan Gerdd William Mathias	Grant (3)	128,383	4,725
(Family member)	BBC Wales	Grant (1)	813,989	Nil
Gillian Hughes				
Employment (Family member)	Awen Cultural Trust	Grant (2)	169,628	13,095
Ian McAndrew				
Board member	Sound Progression	Grant (2)	65,480	6,548
Judith Musker Turner				
Employment (Family member)	Calan	Invoice (1)	550	Nil
Rhian Hâf				
Member	Eisteddfod Genedlaethol Cymru	Grant (1)	300	300
		Invoice (1)	175	Nil
Sally Lewis				
Employment	National Dance Company Wales	Grant (2)	961,313	11,795
(Family member)	Ballet Cymru	Grant (3)	321,629	4,000
		Invoice (5)	1,867	Nil

Member Role	Organisation	Transaction 2020/21 (number)	Total Value 2020/21 £	Total balance outstanding at 31 March 2021[1] £
Sera Walker				
Employment (Family member)	Llantarnam Grange Arts Centre	Grant (1)	97,892	Nil
Sophie Hadaway				
Employment (Family member)	Aberystwyth Arts Centre	Grant (3)	1,191,996	60,244

[1] The total balance outstanding at the year-end may include amounts in respect of grants awarded in previous years but not yet paid.

Financial Statements
Lottery Distribution

Lottery Distribution Account
Statement of 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 Digital, Culture, Media & 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, Statement of Financial Position 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 Digital, Culture, Media & 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;
- prepare the financial statements on a going concern basis; and
- confirm that the Report and Financial Statements as a whole is fair, balanced and understandable and take personal responsibility for the Report and Financial Statements and the judgements required for determining that it is fair, balanced and understandable.

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 Welsh Public Money published by the Welsh Government and Managing Public Money published by HM Treasury.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the Council's auditor is aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

Endorsed on behalf of Council:

Nick Capaldi
Accounting Officer
2 July 2021

Phil George
Chair
2 July 2021

The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament and Members of the Senedd

Opinion on financial statements

I certify that I have audited the financial statements of the Arts Council of Wales Lottery Distribution Account for the year ended 31 March 2021 under the National Lottery etc. Act 1993. The financial statements comprise: the Statements of Comprehensive Net Income, Financial Position, Cash Flows and Changes in Equity; and the related notes, including the significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. The financial reporting framework that has been applied in their preparation is applicable law and International Accounting Standards as interpreted by the Government Financial Reporting Manual issued by HM Treasury.

I have also audited the information in the Accountability Report that is described in that report as having been audited.

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 2021 and of total comprehensive income for the year then ended; and
- have been properly prepared in accordance with the National Lottery etc. Act 1993 and Secretary of State directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure 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.

Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I have also elected to apply the ethical standards relevant to listed entities. I am independent of the Arts Council of Wales Lottery Distribution Account in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Arts Council of Wales Lottery Distribution Account's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Arts Council of Wales Lottery Distribution Account's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Council and the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for Arts Council of Wales Lottery Distribution Account is adopted in consideration of the requirements set out in the Government Financial Reporting Manual issued by HM Treasury, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

Other information

The other information comprises information included in the Report accompanying the financial statements, but does not include the parts of the Accountability Report described in that report as having been audited, the financial statements and my auditor's certificate thereon. The Council and the Accounting Officer is responsible for the other information. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with Secretary of State directions made under the National Lottery etc. Act 1993; and

- the information given in the Performance Report 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

In the light of the knowledge and understanding of the Arts Council of Wales Lottery Distribution Account and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability report. 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; or
- the financial statements and the parts of the Accountability Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual are not made; 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.

Responsibilities of the Council and Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Arts Council of Wales and the Accounting Officer are responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- internal controls as the Council and the Accounting Officer determines is necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- assessing the Arts Council of Wales Lottery Distribution Account's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council and the Accounting Officer anticipates that the services provided by Arts Council of Wales Lottery Distribution Account will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the National Lottery etc. Act 1993.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee

that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

- inquiring of management, the Arts Council of Wales Lottery Distribution Account's internal auditor and those charged with governance, including obtaining and reviewing supporting documentation relating to the Arts Council of Wales Lottery Distribution Account's policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with key laws and regulations which include the National Lottery etc Act 1993 and Managing Welsh Public Money;
- discussing among the engagement team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition, posting of unusual journals, accounting estimates and grant payments; and
- obtaining an understanding of the Arts Council of Wales Lottery Distribution Account's framework of authority as well as other legal and regulatory frameworks that the Arts Council of Wales Lottery Distribution Account operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the Arts Council of Wales Lottery Distribution Account. The key laws and regulations I considered in this context included the National Lottery etc Act 1993, Managing Welsh Public Money, Employment Law, and Tax Legislation.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management and the Audit and Risk Assurance Committee about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Council; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate/report.

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

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies
Comptroller and Auditor General

9 July 2020

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

Lottery Distribution Account
Statement of Comprehensive Net Income

for the year ended 31 March 2021

	Notes	2020/21 £'000	2020/21 £'000	2019/20 £'000	2019/20 £'000
Expenditure					
Management and administration:					
Staff costs	2a	1,105		1,240	
Other operating costs	2b	580		665	
			1,685		1,905
Expenditure on the arts:					
Grants made		10,014		10,711	
Less: Lapsed and revoked grants		(187)		(323)	
Net grants made	7		9,827		10,388
Delegated distributors	9		2,195		2,038
Other arts awards	3		90		45
Direct costs of grant making	2c		18		256
			12,130		12,727
Total expenditure			**13,815**		14,632
Share of proceeds from the National Lottery	4		18,138		17,761
Investment income on balances in the National Lottery Distribution Fund	4		10		86
Interest receivable			3		10
Grants recoverable			46		43
Total income			**18,197**		17,900
Total Comprehensive Income for the year			**4,382**		3,268

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 169 to 181 form part of these financial statements.

Lottery Distribution Account
Statement of Financial Position

as at 31 March 2021

	Notes	31 March 2021 £'000	31 March 2021 £'000	31 March 2020 £'000	31 March 2020 £'000
Non-current assets:					
Trade and other receivables	5a		-		150
Current assets:					
Financial assets:					
Investments - balance held in the National Lottery Distribution Fund	4	22,121		18,036	
Trade and other receivables	5b	151		-	
Cash and cash equivalents	8	2,143		1,124	
Total current assets			24,415		19,160
Total assets			24,415		19,310
Trade payables and other current liabilities – amounts falling due within one year:					
Trade and other payables	6	(210)		(298)	
Other liabilities:					
Delegated distributors	6	(973)		(479)	
Grants	6	(9,004)		(8,104)	
Total payables and other current liabilities			(10,187)		(8,881)
Non-current assets plus net current assets			14,228		10,429
Trade payables and other non-current liabilities – amounts due after more than one year:					
Grants	7		(1,883)		(2,466)
Assets less liabilities			**12,345**		7,963
Equity/Reserves:					
Net Expenditure account			**12,345**		7,963

The notes on pages 169 to 181 form part of these financial statements.
The financial statements were approved by the Arts Council of Wales and signed on its behalf by

Nick Capaldi, Accounting Officer
2 July 2021

Phil George, Chair
2 July 2021

Lottery Distribution Account
Statement of Cash Flows

for the year ended 31 March 2021

	2020/21 £'000	2019/20 £'000
Cash flows from operating activities		
Net income	4,382	3,268
Bank interest	(3)	(10)
(Increase)/Decrease in the balance held in the National Lottery Distribution Fund	(4,085)	(3,142)
(Increase)/Decrease in trade and other receivables	(1)	-
Increase/(Decrease) in trade and other payables and other liabilities	406	244
Increase/(Decrease) in grants payable	317	(619)
Net cash inflow/(outflow) from operating activities	1,016	(259)
Cash flows from investing activities		
Bank interest	3	10
Net cash inflow from investing activities	3	10
Cash and cash equivalents		
Net increase/(decrease) in cash and cash equivalent balances	1,019	(249)
Balance at 1 April	1,124	1,373
Balance at 31 March	2,143	1,124

Statement of Changes in Equity

for the year ended 31 March 2021

	2020/21 £'000	2019/20 £'000
Balance at beginning of year	7,963	4,695
Net income for the year	4,382	3,268
Balance at end of year	12,345	7,963

The notes on pages 169 to 181 form part of these financial statements.

Lottery Distribution Account
Notes forming part of the financial statements

for the year ended 31 March 2021

1. Accounting policies

a. Basis of preparation

These financial statements are prepared on a going concern basis and under the historical cost convention. They have been prepared in a form directed by the Secretary of State for Digital, Culture, Media & 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) as interpreted for the public sector context within the Government Financial Reporting Manual issued by HM Treasury.

IFRS 16 is a new accounting standard that sets out the principles for the recognition, measurement, presentation and disclosure of leases. It is generally effective from 1 January 2019 but for UK public sector bodies has been deferred until 1 April 2022.

IFRS 17 is a new accounting standard that sets our the principles for the recognition, measurement, presentation and disclosure of insurance contracts. It is generally effective from 1 January 2023.

Impact of standards not yet effective

The application of any new or amended IFRS is governed by their adoption by the Government Financial Reporting Manual. The Council applies changes to standards when they become effective. There are no known material impacts from IFRS changes that have been issued and are not yet effective on the financial statements in the period of initial application.

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. Delegation to external partners

The Council has fully operational delegation agreements in place with a number of bodies to act as lead organisations in the delivery of grant schemes. The statutory grant decision-making function is delegated to the bodies. The terms of the external delegation are set out in formal agreements and satisfy the conditions of the Council's Financial Directions. The obligations of the Council's Accounting Officer are unchanged by the delegation.

Annual sums delegated by the Council to the partners are recognised as expenditure in the Statement of Comprehensive Net Income/Expenditure. Funds are drawn down by the partners to meet grant commitments as they fall due. Undrawn funds at the year-end are included in the Statement of Financial Position as liabilities. Further details are disclosed in note 9.

f. National Lottery Distribution Fund

Balances held in the National Lottery Distribution Fund remain under the stewardship of the Secretary of State for Digital, Culture, Media & Sport. However, the share of these balances attributable to the Council is as shown in the accounts at amortised cost and, at the Statement of Financial Position date, has been certified by the Secretary of State for Digital, Culture, Media & Sport as being available for distribution by the Council in respect of current and future commitments.

g. 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 Plan is a funded, defined benefit, multi-employer scheme where the participating employers are unable to identify their shares 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 made payments to fund a deficit relating to past

service. If further deficit payments are needed, following future revaluations, the Council will recognise a provision for the present value of contributions payable in accordance with the terms of any relevant funding agreement. A share of all contributions towards the deficit is charged to the Statement of Comprehensive Net Income/Expenditure.

The Council also has 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.

h. 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.

i. 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.

The apportionments are usually reviewed every two years and whenever there is a significant change to the staff structure or the programmes of activity.

j. 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 any appropriate loss allowance. 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	2020/21 Total £'000	2019/20 Total £'000
Wages and salaries charged to Lottery distribution activity	834	28	862	808
Social security costs	77	3	80	79
Other pension costs[1]	157	6	163	352
Agency costs	-	-	-	1
	1,068	**37**	**1,105**	1,240

[1] Including payments totalling £188,000 towards the pension deficit in 2019/20.

More detailed disclosures are contained in the Remuneration and Staff Report.

b **Management and administration: Other operating costs**

	2020/21 £'000	2019/20 £'000
Staff related costs	35	87
Infrastructure	327	327
Office running costs	8	5
Professional and consultancy fees	57	82
Lottery promotion	21	16
Irrecoverable VAT	72	81
Charge for use of fixed assets	29	27
Auditor's remuneration – Audit[1]	22	21
Internal audit	9	8
Council and committee meetings, including travel and subsistence	0	11
	580	665

[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 49% (2019/20: 47%).

c	Expenditure on the arts: Direct costs of grant making	2020/21 £'000	2019/20 £'000
	Assessors' fees	11	18
	Resilience Fund support	4	195
	NLDF Central administration	-	6
	Irrecoverable VAT	3	37
		18	256

3. Other arts awards

	2020/21 £'000	2019/20 £'000
Beyond Borders awards in association with PRS Foundation	30	45
Unlimited awards in association with Arts Council England	60	-
	90	45

4. National Lottery Distribution Fund

Distributing activities are funded by allotted proceeds from the Na-tional Lottery which are held in the National Lottery Distribution Fund (NLDF). The NLDF is administered by the Department for Digital, Culture, Media and Sport. The National Lottery operator calculates the proceeds on an annual basis as set out in the National Lottery Licence. Payments are made to the NLDF each week on the basis of actual sales and prizes. The percentages of proceeds receivable into the NLDF then payable to each lottery distributing body are set out in National Lottery etc. Act 1993 sections 22 and 23 as amended by Statutory Instrument 2010 No. 2863 'The Apportionment of Money in the National Lottery Distribution Fund Order 2010'. The Council receives 1% of total annual proceeds receivable into the NLDF and draws down the proceeds when needed.

	2020/21 £'000	2019/20 £'000
Balance held in the National Lottery Distribution Fund at 1 April	18,036	14,894
Allocation of Lottery proceeds	18,138	17,761
Investment income receivable	10	86
Drawn down in the year	(14,063)	(14,705)
Balance held in the National Lottery Distribution Fund at 31 March	22,121	18,036

The balance in the National Lottery Distribution Fund at 31 March 2021 is in accordance with the Interim Certificate issued by the Department for Digital, Culture, Media & Sport.

5. Trade and other receivables

		2020/21 £'000	2019/20 £'000
a.	**Non-current assets**		
	Other receivables	-	150
b.	**Current assets**	150	-
	Other receivables	1	-
	Grants recoverable	151	-

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

	2020/21 £'000	2019/20 £'000
Trade and other payables:		
Trade payables	2	64
Due to the Arts Council of Wales General Activities account:		
for apportioned costs[1]	177	200
for other recharges	8	-
Accruals and deferred income	23	34
Sub-total: Trade and other payables	210	298
Other liabilities:		
Delegated distributors[2]	973	479
Grants (note 7)	9,004	8,104
Sub-total: Other liabilities	9,977	8,583
Total current liabilities	**10,187**	8,881

[1] The amount due to the Arts Council of Wales General Activities account is made up of:

Recharges of apportioned costs		
- Staff	111	114
- Overheads	37	59
- Charge for use of assets	29	27
	177	200

[2] The Council has delegated Lottery funds (note 9) to the following distributors:

Undrawn funds at 31 March		
- Ffilm Cymru Wales (for film)	781	405
- Tŷ Cerdd (for community & Welsh music)	91	-
- BBC Wales (for digital development)	85	-
- Literature Wales (for writers' bursaries)	16	74
	973	479

7. Grants

	£'000 Capital	£'000 Revenue schemes	2020/21 £'000 Total	2019/20 £'000 Total
Payable at 1 April	4,024	6,546	10,570	11,189
Grants made in the year	1,990	8,024	10,014	10,711
Amounts not taken up	(3)	(184)	(187)	(323)
Charged to Statement of Comprehensive Net Income/Expenditure	1,987	7,840	**9,827**	10,388
Grants paid in the year	(1,368)	(8,142)	(9,510)	(11,007)
Payable at 31 March[1]	4,643	6,244	**10,887**	10,570
Falling due within one year	3,021	5,983	9,004	8,104
Falling due after more than one year	1,622	261	1,883	2,466
	4,643	6,244	**10,887**	10,570
Ageing of grants payable:	-	-	-	8,104
2020/21	3,021	5,983	9,004	2,137
2021/22	1,622	238	1,860	329
2022/23	-	23	23	-
2023/24	4,643	6,244	**10,887**	10,570

	2020/21 £'000	2019/20 £'000
Grants approved but not formally offered at 31 March which are not recognised in the Statement of Comprehensive Net Income/ Expenditure and Statement of Financial Position	-	109

8. Cash and cash equivalents

	2020/21 £'000	2019/20 £'000
The following balances at 31 March were held at:		
Commercial banks and cash in hand	**2,143**	1,124

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	Nesta for Digital R&D projects	BBC Cymru Wales for *Horizons* & digital development	Literature Wales for writers' bursaries	Tŷ Cerdd for community & Welsh music	2020/21 Total	2019/20 Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Undrawn funds at 1 April	405	-	-	74	-	479	316
Delegated for the year	1,415	450	190	49	91	2,195	2,038
	1,820	450	190	123	91	2,674	2,354
Drawn down in the year	(1,039)	(450)	(105)	(107)	-	(1,701)	(1,875)
Undrawn funds at 31 March	781	-	85	16	91	973	479
Grants recorded as payable by the delegated distributors at 31 March	1,180	173	-	32	86	1,471	779

Full lists of the grants administered by the delegated distributors during 2020/21 are included in the annexes to this Annual Report.

10. Contingent asset

Sale of Olympic Park

The National Lottery Distributors are entitled to receive a share of receipts from the sale of land on Queen Elizabeth Olympic Park in return for their contribution of an additional £675m to the funding of the London 2012 Olympic and Paralympic Games. This was announced in 2007. The arrangements are set out in a legal agreement between the Secretary of State for Digital, Culture, Media & Sport and the Greater London Authority (GLA) dated 29 March 2012 which sets out the distribution of funds between the GLA and the Lottery Distributors via the Department for Digital, Culture, Media & Sport (DCMS). Land sales are likely to take place over a lengthy period, estimated to be up to 2036/37. The GLA has advised that sales are forecast to return less than £200m with payments to the Lottery Distributors beginning in 2026/27.

11. Events after the reporting period

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.

12. 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 2020/21 £18,138,000 or 99.7% of the Council's Lottery distribution income was derived from the National Lottery (2019/20: £17,761,000 or 99.2%). Of the remaining income £10,000 or 0.05% was derived from investment returns from the balance held with the National Lottery Distribution Fund (2019/20: £86,000 or 0.5%) and £49,000 or 0.25% from other investment income and sundry income (2019/20: £53,000 or 0.3%). 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 0.15% in the year (2019/20: 0.5%). The cash and cash equivalents balance at the year end was £2,143,000 (2020: £1,124,000). 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.

Credit risk – The Council is not exposed to any significant credit risk.

13. Related party transactions

Public bodies

The Council is a Welsh Government sponsored body.

The Welsh Parliament/Welsh Government is regarded as a related party and details of transactions with the Welsh Parliament/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 Digital, Culture, Media & Sport which is regarded as a related party. During the year the Council had no material transactions with the Department for Digital, Culture, Media & Sport other than those shown in the Statement of Comprehensive Net Income/Expenditure.

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/Expenditure.

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 2020/21 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.

Under the Council's Code of Best Practice an interest is deemed to persist for a minimum period of one year after the individual has left the position which created the interest. This policy is reflected in the disclosures which follow.

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

Member Role	Organisation	Transaction 2020/21 (number)	Total Value 2020/21 £	Total balance outstanding at 31 March 2021[1] £
Council members				
Iwan Bala				
Member	Butetown Artists Group – Bay Art	Grant (0)	Nil	18,662
Devinda De Silva				
Employment	National Theatre Wales	Grant (0)	Nil	3,569
Board member	Dirty Protest	Grant (1)	29,772	3,977
Andy Eagle				
Employment	Chapter	Grant (0)	Nil	121,584
Board member	Swansea City Opera	Grant (1)	26,852	2,686
Kate Eden				
Council member	Aberystwyth University	Grant (1)	145,000	149,289
Marian Wyn Jones				
Non-Executive Director	Betsi Cadwaladr Health Board	Grant (0)	Nil	3,000
Gwennan Mair				
Employment	Theatr Clwyd	Grant (1)	48,160	5,965
Drama board member	Eisteddfod Genedlaethol	Grant (0)	Nil	7,500

Member Role	Organisation	Transaction 2020/21 (number)	Total Value 2020/21 £	Total balance outstanding at 31 March 2021[1] £
Victoria Provis				
Council member	University of Wales Trinity Saint David	Grant (2)	158,000	256,950
Dafydd Rhys				
Employment	Aberystwyth Arts Centre	Grant (1)	145,000	149,289
Committee members				
Ruth Cayford				
Employment	Cardiff Council (St David's Hall)	Grant (1)	Nil	54,856
Roland Evans				
Employment	Gwynedd County Council	Grant (0)	Nil	13,485
Members of staff				
Lauren Burgess				
Employment (Family member)	Insole Court Trust	Grant (1)	31,050	3,105
Sophie Hadaway				
Employment (Family member)	Aberystwyth Arts Centre	Grant (1)	145,000	149,289

Member Role	Organisation	Transaction 2020/21 (number)	Total Value 2020/21 £	Total balance outstanding at 31 March 2021[1] £
Rhian Hâf				
Lle Celf group member	Eisteddfod Genedlaethol Cymru	Grant (0)	Nil	7,500
Gillian Hughes				
Employment (Family member)	Awen Cultural Trust	Grant (0)	Nil	5,000
Sally Lewis				
Employment (Family member)	Ballet Cymru	Grant (1)	58,000	74,470
Judith Musker Turner				
Band member (Family member)	Calan	Grant (0)	Nil	1,726
Daniel Trivedy				
Director	Elysium Gallery	Grant (0)	Nil	7,477
Chair of the Friends	Glynn Vivian Art Gallery	Grant (0)	Nil	5,226
Sera Walker				
Employment (Family member)	Llantarnam Grange Arts Centre	Grant (1)	4,375	4,215

[1] The total balance outstanding at the year-end may include amounts in respect of grants awarded in previous years but not yet paid.

Annexes

not forming part of the financial statements

General Activities - Grants 2020/21

Core funding to Arts Portfolio Wales organisations

Aberystwyth Arts Centre	£542,548
Arad Goch	£350,703
Artes Mundi Prize	£149,590
Artis Community Cymuned	£202,160
Arts Care	£134,377
Arts Connection	£65,921
Ballet Cymru	£255,152
BBC National Orchestra of Wales	£813,989
Blackwood Miners' Institute	£130,798
Canolfan Gerdd William Mathias	£81,134
Chapter Cardiff Ltd.	£664,622
Community Music Wales	£106,488
Cwmni'r Frân Wen	£235,576
Dawns i Bawb	£86,204
Disability Arts Cymru	£167,237
Ffotogallery	£201,666
g39	£70,992
Galeri	£319,716
Glynn Vivian Art Gallery	£126,770
Hafren	£108,191
Head4Arts	£152,125
Hijinx Theatre	£157,400
Impelo	£113,841
Jukebox Collective	£169,514
Literature Wales	£750,429
Live Music Now Wales	£45,637
Llantarnam Grange Arts Centre	£86,204
Mid Wales Opera	£105,474
Mission Gallery	£96,346
Mostyn	£393,496
Music Theatre Wales	£221,342
National Dance Company Wales	£843,362
National Theatre Wales	£1,624,075
NEW Dance	£76,354
NoFit State Community Circus Ltd	£196,749
Oriel Davies Gallery	£226,260
Oriel Myrddin Trust	£47,666
Peak	£78,479
Pontardawe Arts Centre	£63,892
Pontio Arts	£283,199
Rhondda Cynon Tâf Theatres	£152,480

Riverfront	£126,770
Rubicon Dance	£196,749
Ruthin Craft Centre	£393,496
Sherman Theatre	£1,138,383
Sinfonia Cymru	£220,221
Taliesin Arts Centre	£222,325
Tanio (Valley and Vale Community Arts)	£177,074
Theatr Bara Caws	£282,881
Theatr Brycheiniog	£196,749
Theatr Clwyd	£1,822,802
Theatr Felinfach	£60,850
Theatr Genedlaethol Cymru	£1,040,892
Theatr Iolo	£259,573
Theatr Mwldan	£270,827
Theatr na nÓg	£319,569
Torch Theatre	£452,522
trac - Music Traditions Wales	£81,134
Tŷ Cerdd	£206,775
Ucheldre Centre	£76,063
Valleys Kids	£123,729
Volcano Theatre Company Ltd	£211,505
Wales Millennium Centre	£3,876,834
Welsh National Opera	£4,583,851
Ystradgynlais Miners' Welfare	£42,067
Total Arts Portfolio Wales grants	**£27,081,799**

Creative Learning through the Arts Programme

Arts and education networks	
Arts Active Trust	£10,000
	£10,000
Lead Creative Schools	
Abbey Primary School	£10,000
Bishopston Comprehensive School	£10,000
Brecon High School	£10,000
Broad Haven Primary School	£10,000
Bryn Hafod Primary School	£10,000
Cardiff West Community High School	£8,000
Castle Park Primary	£10,000

Cefn Fforest Primary	£10,000
Christchurch CP School	£10,000
Cwmbach Church in Wales Primary	£10,000
Cyfarthfa High School	£8,000
Darran Park Primary School	£10,000
Ewloe Green School	£10,000
Ffaldau Primary School	£10,000
Fitzalan High School	£8,000
Gelli Primary School	£10,000
Georgetown Primary School	£10,000
Glan Yr Afon Primary School	£10,000
Glanhowy Primary School	£10,000
Glyncollen Primary School	£10,000
Gronant County Primary School	£10,000
Gwauncelyn Primary	£10,000
Gwernyfed High School	£8,000
Hawarden Village Church School	£10,000
Hawthorn High School	£8,000
Heolddu School	£10,000
Islwyn High School	£10,000
Llanishen High School	£10,000
Llansannor & Llanharry C/W Primary School	£10,000
Morriston Primary School	£10,000
Newbridge School	£8,000
Nottage Primary School	£10,000
Oak Field Primary School	£10,000
Our Lady & St Michaels Primary School	£10,000
Pantside Primary School	£10,000
Pontnewydd Primary and Nursery School	£10,000
Porth County Community School	£10,000
Priory Church in Wales School	£10,000
Rhos Primary School	£10,000
Roath Park Primary School	£10,000
St Brigid's School	£10,000
St Mary's and St Patrick's Catholic Primary	£10,000
St Mary's RC Primary Newport	£10,000
St. David's Church in Wales	£10,000
St. David's R.C. Primary School	£10,000
St. Michaels R.C Primary School	£10,000
St.Alban's Catholic Primary School	£10,000
The Maelor School	£10,000
Tir-y-berth Primary School	£10,000
Tredegar Park Primary School	£10,000

Treorchy Comprehensive School	£8,000
Ty'n y Wern Primary	£10,000
Waunfawr Primary School	£10,000
Windsor Clive Primary School	£10,000
Y Bont Faen Primary	£10,000
Ynyshir Primary School	£10,000
Ysgol Aberconwy	£8,000
Ysgol Bro Gwaun	£8,000
Ysgol Bro Hyddgen	£10,000
Ysgol Bryn Coch	£10,000
Ysgol Cedewain	£8,000
Ysgol Cefnllys	£10,000
Ysgol Crug Glas	£8,000
Ysgol Cwm Banwy, Ysgol yr Eglwys yng Nghymru.	£10,000
Ysgol Dafydd Llwyd	£10,000
Ysgol David Hughes	£10,000
Ysgol Dyffryn Ardudwy	£10,000
Ysgol Dyffryn Conwy	£8,000
Ysgol Ein Harglwyddes	£10,000
Ysgol Gellifor	£10,000
Ysgol Glantwymyn	£10,000
Ysgol Gogarth, Llandudno	£8,000
Ysgol Gyfun Cwm Rhymni	£8,000
Ysgol Gyfun Gymraeg Bro Myrddin	£8,000
Ysgol Gyfun Gymraeg Bryn Tawe	£8,000
Ysgol Gyfun Gymraeg Glantaf	£10,000
Ysgol Gymraeg Bro Allta	£10,000
Ysgol Gymraeg Cwm Derwen	£10,000
Ysgol Gymraeg Cwmbran	£10,000
Ysgol Gymraeg Gwenllian	£10,000
Ysgol Gymraeg Sant Baruc	£10,000
Ysgol Gynradd Carno	£10,000
Ysgol Gynradd Gymraeg Calon y Cymoedd	£10,000
Ysgol Gynradd Nefyn	£10,000
Ysgol Gynradd Rhiwlas	£10,000
Ysgol Hafodwenog	£10,000
Ysgol Harri Tudur School	£8,000
Ysgol Llanbrynmair	£10,000
Ysgol Llanfyllin	£10,000
Ysgol Llanon	£10,000
Ysgol Maes y Felin	£10,000
Ysgol Manod	£10,000
Ysgol Pen y Groes	£10,000

Ysgol Rhos Helyg	£10,000
Ysgol Uwchradd Caergybi	£8,000
Ysgol Wat's Dyke	£10,000
Ysgol y Ddwylan	£10,000
Ysgol Y Felinheli	£10,000
Ysgol y Foryd	£10,000
Ysgol y Llan	£10,000
Ysgol y Llys	£10,000
Ysgol y Moelwyn	£8,000
	£982,000
Total *Creative Learning through the Arts* grants	**£992,000**

Strategic awards

Cultural Recovery Fund (Covid-19 support for organisations)	
4Pi Productions (Capital funding)	£9,250
4Pi Productions	£79,655
Aberystwyth Arts Centre (Capital funding)	£50,000
Aberystwyth Arts Centre	£599,448
Aberystwyth Printmakers (Capital funding)	£6,710
Addo	£49,899
Afan Arts	£17,891
Aneurin Leisure Trust	£70,315
Artes Mundi Prize Limited	£100,000
Articulture	£23,494
Arts Migrations CIC	£27,567
Aubergine Cafe and Events CIC (Capital funding)	£7,608
Avant Cymru	£20,000
Awen Cultural Trust (Capital funding)	£38,677
Awen Cultural Trust	£130,951
Ballet Cymru (Capital funding)	£41,477
Ballet Cymru	£25,000
Bay Productions Ltd	£75,212
Borough Theatre Abergavenny	£74,553
Burry Port Town Band	£12,880
Canolfan Gerdd William Mathias Cyf	£20,100
Canolfan Ucheldre Centre (Capital funding)	£10,000
Canolfan Ucheldre Centre	£40,000
Cardiff M.A.D.E. C.I.C.	£17,205
Cardiff Pottery Workshops Foundation	£23,895

Carmarthenshire County Council	£15,942
CARN (Capital funding)	£1,748
CAVMS Ltd	£17,386
Celf O Gwmpas	£27,000
Cellb (Capital funding)	£50,000
Chapter Cardiff Ltd. (Capital funding)	£27,239
Chapter Cardiff Ltd.	£558,993
Cimera (Capital funding)	£7,572
Cimera	£10,156
Citrus Arts (Capital funding)	£7,579
Citrus Arts	£37,634
Common Wealth	£35,005
Community Music Wales (Capital funding)	£11,880
Company of Sirens	£13,860
Congress Theatre Company (Capital funding)	£25,000
Congress Theatre Company	£24,538
Côr Meibion Glynnedd	£1,700
Côr Meibion Maelgwn	£6,500
Côr Meibion Pontypridd	£5,000
Creu Cymru - The Development Agency for Theatres and Arts Centres in Wales	£24,600
Culture Colony (Capital funding)	£43,806
Culture Colony	£47,043
Cwmni Theatr Arad Goch (Capital funding)	£3,438
Cwmni Theatr Arad Goch	£75,404
Cwmni'r Frân Wen (Capital funding)	£9,590
Cwmni'r Frân Wen	£36,892
Dance Blast	£16,148
Dawns i Bawb	£29,000
Denbighshire Leisure Limited	£149,659
Denbighshire Music Cooperative	£73,682
Dirty Protest Theatre (Capital funding)	£45,366
Dirty Protest Theatre	£74,600
Disability Arts Cymru	£33,349
Ebbw Valley Brass (Capital funding)	£16,695
Ebbw Valley Brass	£5,624
Elite Stage Crew	£63,074
Elysium Gallery	£61,718
Ensemble Cymru	£21,495
Ffiwsar	£16,942
Ffotogallery (Capital funding)	£9,428
Ffotogallery	£87,380
Friends of Ceredigion Young Musicians Association	£8,918
g39	£57,840

Galeri Caernarfon Cyf (Capital funding)	£43,500
Galeri Caernarfon Cyf	£934,424
Galerie Simpson Artists	£11,500
Glynn Vivian Art Gallery	£100,000
Goodwick Brass Band	£11,300
Gwyn Emberton Dance	£14,403
Gwyn Hall - Celtic Leisure	£190,998
Hafren (Capital funding)	£8,500
Hafren	£146,957
Hijinx Theatre	£49,878
Ifton Colliery Band	£13,004
Impelo	£15,850
It's My Shout Ltd	£43,039
Jony Easterby Productions	£50,510
JR Events Promotions	£224,629
Leeway Productions	£24,290
Lewis Merthyr Band	£12,500
Light Ladd & Emberton	£23,741
Lighthouse Theatre Ltd	£15,000
Live Music Now Wales	£30,000
Llantarnam Grange Arts Centre (Capital funding)	£11,688
Majical Youth CIC (Capital funding)	£7,531
Majical Youth CIC	£28,125
Makers Guild in Wales	£33,646
Melville Centre For The Arts CIC (Capital funding)	£7,980
Memorial Hall and Theatre (Capital funding)	£8,031
Memorial Hall and Theatre	£95,000
Menai Bridge Band (Capital funding)	£11,125
Mentrau Creadigol Cymru	£79,978
Mercator	£19,775
Mercury Theatre Wales	£10,250
Merthyr Tydfil Leisure Trust (Capital funding)	£50,000
Mess up the Mess Theatre Company	£14,493
Mewn Cymeriad/In Character	£17,363
Mid Wales Arts (Capital funding)	£50,000
Mid Wales Arts	£28,537
Mid Wales Opera	£20,855
Mission Gallery	£19,355
MOSTYN	£21,041
Music in Hospitals & Care Cymru	£48,657
National Dance Company Wales	£117,951
National Youth Arts Wales	£189,074
Neuadd Dwyfor (Capital funding)	£19,783

Neuadd Dwyfor	£17,828
NEW Dance	£17,998
New Theatre (Capital funding)	£9,994
New Theatre	£878,456
Newbridge Memo	£38,536
NoFit State Community Circus Ltd (Capital funding)	£7,915
NoFit State Community Circus Ltd	£234,090
NOVA	£14,623
operasonic cyf	£9,833
OPRA Cymru Cyf	£22,059
Organised Kaos Youth Circus Ltd	£18,000
Oriel Davies Gallery	£61,935
Oriel Plas Glyn-y-Weddw Cyfyngedig	£211,168
Papertrail / Llwybr Papur	£9,190
Peak (Capital funding)	£9,950
Penclawdd Brass Band	£8,000
PeopleSpeakUp LTD	£26,076
Pontardulais Town Band	£3,500
Pontio Arts	£350,000
Pontypridd YMCA (Capital funding)	£190,000
PuppetSoup Ltd	£22,500
pyka	£22,000
Race Council Cymru (Capital funding)	£49,229
Race Council Cymru	£75,350
Radiate Arts CIC	£10,000
Rhiwbina Amateur Theatrical Society	£3,000
Rhondda Cynon Tâf County Borough Council	£458,300
Rhondda Cynon Tâf County Borough Council	£13,890
Rhyl Little Theatre (Capital funding)	£9,995
Royal Buckley Town Band	£4,401
Royal Cambrian Academy	£22,760
Ruthin Craft Centre	£32,689
Samba Galez	£4,000
Seindorf Beaumaris Band (Capital funding)	£24,604
Sherman Theatre	£494,899
Small World Theatre Ltd (Capital funding)	£9,930
Small World Theatre Ltd	£40,443
Sound Progression	£30,480
Span Arts Ltd	£3,168
Spectacle Theatre Ltd	£40,472
Spit and Sawdust	£24,690
St. David's Hall (Capital funding)	£29,227
St. David's Hall	£724,820

Stage Design Ltd	£17,760
Stiwt Arts Trust Ltd.	£50,000
Swansea City Opera	£27,200
Swansea Grand Theatre (Capital funding)	£50,000
Swansea Grand Theatre	£890,000
Tabernacl (Bethesda) Cyf (Capital funding)	£50,000
Tabernacl (Bethesda) Cyf	£31,535
tactileBOSCH Projects (Capital funding)	£8,000
Taking Flight Theatre Company	£57,667
Taliesin Arts Centre	£87,870
Tape Community Music and Film Ltd (Capital funding)	£9,870
Tape Community Music and Film Ltd	£68,320
The Albert Hall Theatre (Capital funding)	£1,995
The City of Cardiff (Melingriffith) Brass Band	£9,750
The Cory Band	£19,855
The Dragon Theatre	£43,111
The Forget-me-Not Chorus Cardiff	£22,500
The Other Room	£28,564
The Riverfront Theatre and Arts Centre - Newport Live (Capital funding)	£50,000
The Riverfront Theatre and Arts Centre - Newport Live	£126,770
The Sustain Theatre CIC (Capital funding)	£10,000
Theatr Brycheiniog (Capital funding)	£40,000
Theatr Brycheiniog	£168,312
Theatr Clwyd (Capital funding)	£50,000
Theatr Clwyd	£500,000
Theatr Colwyn (Capital funding)	£31,706
Theatr Felinfach (Capital funding)	£10,000
Theatr Felinfach	£8,500
Theatr Iolo (Capital funding)	£15,000
Theatr Mwldan (Capital funding)	£49,762
Theatr Mwldan	£228,000
Theatr Twm o'r Nant	£10,000
Theatrau Sir Gar	£175,878
Torch Theatre Company Ltd	£350,000
Tredegar Town Band Society	£19,193
Treorchy Male Choir	£12,320
Tŷ Cerdd	£50,000
Tŷ Pawb (Capital funding)	£13,246
Tŷ Pawb	£96,411
UPROAR	£6,175
Venue Cymru (Capital funding)	£47,965
Vision Fountain CIC	£11,480
Visual Arts Group Wales	£70,300

Volcano Theatre Company Ltd (Capital funding)	£3,379
Volcano Theatre Company Ltd	£14,660
Voluntary Arts Network	£27,203
Wales Arts Review Ltd	£8,580
Wales Millennium Centre (Capital funding)	£493,828
Wales Millennium Centre	£3,406,352
Winding Snake Productions	£13,704
Wonderbrass	£10,210
Wyeside Arts Centre Ltd	£65,000
Y Tŷ Celf - The Art House Ltd CIC	£10,000
Yello brick	£31,000
Ystradgynlais Miners' Welfare and Community Hall Trust Ltd (Capital funding)	£7,040
	£18,348,440

Arts Resiliance Fund (Covid-19 Urgent Response and Stabilisation support)

4Pi Productions	£29,863
9Bach	£18,000
Adams, John	£2,500
Addo	£30,416
Allison, Justine	£2,500
Allpress, Alexander	£2,000
Amgueddfa Llandudno Museum	£33,171
Anderson, Hazel	£2,500
Andrew, Richard	£2,500
Arcade Campfa	£10,445
Ashill, Kathryn	£2,500
August 012 Limited	£35,000
Badger, Michael	£2,000
Balla, Jessica	£2,500
Barnes, Emrys	£2,500
Bedwani, Jay	£1,350
Beecham, Wayne	£2,500
Beer, Cheryl	£2,500
Biant, Prithpal	£2,500
Bird-Jones, Christine	£2,000
Blythe, Stacey	£2,500
Bolton, Andrew	£1,500
Bonada, Marja	£2,500
Bowles, Joshua	£2,000
Boyd Williams, Florence	£2,500
Boyd, Patrick	£1,500
Brayley, David	£2,500

Brown, Lisa jên	£2,500
Bruno Sanchez, Sebastian	£2,500
Bryan, Tania	£2,500
Bunstead, Thomas	£2,500
Callan, Jessica	£2,500
Cannon, Martin	£1,500
Canolfan Gerdd William Mathias Cyf	£27,149
Caswell, May	£2,500
Cawte, Claire	£2,500
Cellb	£21,411
Chapter Cardiff Ltd.	£175,000
Charles, Clare	£2,500
Cicolani, Gaia	£2,200
Citrus Arts	£22,799
Clark, Gareth	£2,500
Clarke, Garrin	£1,800
Clough, Siobhan	£845
Clwb Ifor Bach	£35,000
Community Music Wales	£25,200
Coombs, Callum	£2,500
Copeland-Watts, Paul	£2,500
Cordwell, Cara	£1,500
Cove, Robyn	£2,500
Cwmni'r Frân Wen	£21,272
Davies, Mared	£2,500
Davies, Nicola	£850
Davies, Thomas	£2,500
Day-Williams, Jordan	£2,500
Debono, Michael	£2,500
Dickson, Lucy	£2,000
Dimech, Francesca	£2,500
Doreen Patricia	£700
Dunbar, Debbie	£2,000
Eglin, Oliver	£2,000
Eglin, Philip	£2,500
Eiddior, Gwyn	£2,500
Elliott, Christopher	£2,000
Elysium Gallery	£32,627
Evans, Lowri	£2,000
Familia de la Noche	£24,306
Ffotogallery	£34,670
Fiera, Marco	£2,000
Flood-Molyneux, Caitlin	£1,700

Foldi, Janos	£1,000
Furlong, Beth	£2,500
Furlong, Joseph	£2,500
g39	£37,500
Gagglebabble	£17,780
Galeri Caernarfon Cyf	£100,000
Gastaldon, Fagner	£2,400
G-Expressions	£21,000
Gilbert, Adam	£1,800
Gomez, Olivia	£2,500
Gough, Beverley	£2,500
Gould, Rebecca	£2,500
Greenhalgh, Beth	£750
Griffiths, Ellis	£2,500
Griffiths, Marieanne	£2,400
Hafren	£25,000
Hammond, Sonia	£1,500
Harris, Rebecca	£1,500
Hazell, Andy	£2,500
Hopkins, Robert	£2,000
Hudis, Rosalind	£1,000
Hudson, James	£1,249
Hughes, Dafydd	£2,000
Hughes, Erin	£1,800
Hunt, Sue	£800
Huws, Urien	£2,500
It’s My Shout Ltd	£35,000
James, Noel	£2,000
James, Richard	£500
James, Ross	£2,500
Janneh, Mo	£2,500
Jeffrey, Aline	£2,500
Jenkins, Angharad	£2,500
Jenkins, Paul	£1,500
John, Sean Tuan	£2,500
Johns, Dick	£2,500
Johnson, Rebecca	£2,500
Johnson-Soliz, Cecile	£1,500
Jones, Emyr Wyn	£2,500
Jones, Francesca	£1,500
Jones, Karina	£4,500
Jones, Lefi	£2,500
Jones, Osian Meilir	£2,500

Jones, Patrick	£1,000
Kinchin, Rachel	£2,500
King, Jeremy	£2,000
Konstantakou, Chrisoula	£1,500
Lane, Cadi	£2,000
Latham, Jack	£2,500
Laura H Drane Associates Ltd	£11,867
Lewis, Craig	£2,500
Lighthouse Theatre Ltd	£10,000
Likely Story Theatre	£11,863
Lipman, Joel	£2,500
Live Music Now Wales	£18,800
Llewelyn, Jack	£2,500
Llewelyn-Williams, Daniel	£2,500
Lloyd, Clara	£1,000
MacAskill, Blue	£2,000
MacIntyr Huws, Meirion	£2,500
Made In Roath	£6,252
Mallitte, Thomas	£800
Manby, Glen	£600
Manuel, Gavin	£1,000
Marsden, Ami	£2,500
Mavron, Christiana	£2,200
May, Nicole	£2,000
Maynard, Clare	£1,200
Mercer, Katie	£1,000
Mid Wales Arts	£35,000
Miles, Geraint	£2,500
Moger, Alison	£2,500
Morgan, Glyn	£1,800
Morris, Terry	£2,500
Morrison, Craig	£1,650
MOSTYN	£35,000
Mumford, Sarah	£2,500
Murphy, Yvonne	£2,500
Myers, Aidan	£1,500
Nadles, Jasna	£1,800
Noble, Kimberley	£2,050
Noel, Anna	£2,100
Noel, Seren	£1,500
NoFit State Community Circus Ltd	£31,910
O'Connor, Paul	£2,500
Oliver, Stephen	£2,500

OPRA Cymru Cyf	£10,000
Organised Kaos Youth Circus Ltd	£25,508
Oriel Davies Gallery	£35,000
Owen, Damon	£2,000
Owen, Rhodri	£2,500
Owen, Sarah	£2,500
Palfrey, Lowri	£2,000
Papertrail / Llwybr Papur	£4,828
Parry, Lisa	£1,750
Parry-Williams, Emilie	£2,500
Patterson, Michelle	£2,500
Peak	£21,290
Perkins, Charlotte Zoe	£740
Perrott Shiels, Michele	£2,500
Phillips, Kristian	£2,000
Pilyarov, Ruslan	£2,500
Pritchard, Mari	£1,800
Pugh, Timothy	£2,500
Ratigan, Jon	£2,500
Rea, John	£2,500
Redgrave, Gaia	£2,780
Rees, Thomas	£2,500
Restall, Jayne	£2,500
Richardson, Fakhra	£2,500
Roberts, Craig	£2,500
Roche, Nik	£1,500
Rooney, Lauren	£2,500
Russell, Tanya	£2,500
Samuel, Liynyuy Mfikela Jean	£2,500
Saunders, Alun	£2,055
Sawtell, Paul	£2,000
Scully, Philip	£600
Sherman Theatre	£73,500
Smith, Andrew	£700
Smith, Angharad	£2,500
Smith, Rachael	£2,500
Smith, Robert Teddy	£2,500
Smith, Steven	£2,500
Sound Progression	£35,000
Stephens, Carmen	£2,000
Stephens, Clêr	£2,000
Strang, Rosie	£1,500
Syed, Naseem	£2,500
Talbot, Rowan	£2,470

Tattersall, Charlie	£1,000
Taylor, Lisa Eurgain	£2,500
Thair, Richard	£2,500
The Other Room	£35,000
The Riverfront - Newport Live	£34,037
The VC Gallery	£24,660
Theatr Brycheiniog	£60,000
Thomas, Fern	£2,150
Thomas, Gareth	£1,200
Thomas, Laura	£1,500
Thomas, Peter	£2,500
Thomson, Gwen	£800
Tiernan, Kate	£2,000
Torch Theatre	£35,000
Touch Trust Ltd.	£34,802
Tŷ Cerdd - Music Centre Wales	£23,978
Tyler, Gordon	£2,500
Valleys Kids	£27,000
Van Rijswijk, Angharad	£500
Wales Millennium Centre	£175,000
Wall, Leighton	£2,500
Wardlaw, Sarah	£2,500
Watkins, Claire	£2,500
Watkins, Gary	£2,500
Watkins, Jeremy	£1,000
Watkins-Hyde, Ieuan	£2,500
Webb, Celia	£2,500
Whitfield, Alan	£3,500
Whiting, Amanda	£2,500
Willcox, Joe	£2,500
Williams, Angharad	£2,100
Williams, Catrin	£2,500
Williams, Eloise	£2,500
Williams, Jeremy Huw	£2,500
Williams, Llinos	£2,500
Williams, Mari Wyn	£2,500
Williams, Thomas Emlyn	£500
Wimperis, Clare	£2,250
Winding Snake Productions	£10,080
Wyn, Casi	£2,500
Wynne-Paton, Catherine	£1,597
	£2,046,320

Arts Resilience Fund
(Covid-19 Urgent Response support for individuals funded by the Freelands Foundation)

Abell, John	£2,500
Afonwy-Jones, Rebecca	£2,500
Ahmun, Shakeera	£2,500
Antolin, Marc	£2,500
Atwood, Liam	£2,500
Baker, Denise	£2,000
Bale, Gareth	£1,600
Barker, Meredydd	£2,500
Battaggia, Andreamaria	£2,500
Baxter, Samuel	£2,500
Beakhouse, Beau	£2,500
Beatty, Jemma	£2,500
Bevan, Emma	£2,500
Blackhurst, Spike	£2,500
Blade, Carole	£2,500
Boomer, Emma Therese	£2,500
Booth, Helen	£1,900
Bowes, Zillah	£2,500
Brook, Matthew	£2,500
Campbell, Krystal	£1,250
Carless, Rosanna	£2,500
Carter, William	£2,500
Cartwright, Jason	£1,500
Ceidiog Hughes, Gethin	£2,500
Chambers, Allen	£2,500
Chambers, Gareth	£2,000
Chapman, Harriet	£2,500
Choo, Edmond	£2,500
Christensen, Sarah	£2,500
Cooke, Lowri	£2,500
Cooke, Lyndy	£2,500
Cooke-Tapia, Ian	£2,500
Cordwell, Chloe	£1,700
Cotsen, Jonathan	£2,500
Crutchley-Mack, Theo	£2,000
Davies, Angharad	£1,604
Davies, Norman Guy	£1,700
Davies, Wiliam Gareth	£2,500
Dewis, Adeola	£2,200
Dicks, Sophie	£2,500
Dodd, Glyn	£2,500
Dower, Tanya	£2,500

Dubois, Pascal-Michel	£2,500
Dumbleton, Kate	£1,800
Dyer, Kevin	£2,500
Easterby, Jonathan	£2,500
Edwards, Luke	£2,500
Elliott, Helen	£2,500
Erwood, Russel	£2,500
Evans, Angharad	£2,500
Evans, Aron	£2,500
Evans, Geraint	£2,500
Evans, Tudur	£2,500
Farquharson, Andrew	£2,500
Felix, Fany	£786
Ferguson-Walker, Clare	£2,500
Finnemore, Peter	£2,500
Folds, Mark	£2,500
Foley, Ross	£2,500
Fortuna, Jose	£1,000
Found, Jack	£1,585
Gardner, Jan	£1,980
Gardner, Julian	£2,500
Gibbs, Anne	£2,500
Gibbs, Michael	£1,200
Goldberg, Maud	£2,500
Graham, Elaine	£2,500
Griffiths, Carys Hedd	£2,500
Griffiths, Jay	£2,500
Griffiths, Niall	£2,500
Griffiths, Owen	£2,300
Groves, Ellen	£2,500
Gwynfryn Evans, Huw	£2,000
Harmon, Marissa	£2,500
Harries, Ruth	£2,500
Harris, Georgina	£2,000
Harry, Edward-Rhys	£2,500
Hayes, Maria	£1,200
Hazen, Colette	£2,500
Heneker, Joannna	£2,500
Hobson, Louise	£2,500
Hook, Jodie	£2,100
House, Lee	£2,500
Howells, Oliver	£2,500
Howells, Simon	£2,500
Huball, Kristoffer Calan	£2,500

Hughes, Darren	£2,500
Humphreys, Samiwel	£2,500
Hutchinson, Sian	£2,500
Issa, Hanan	£2,500
Jarvis, Bethan Eleri	£2,500
Jenkins, Delyth	£2,500
Jensen, Denni	£2,500
Jones, Dewi Ellis	£2,500
Jones, John Glyn	£2,500
Jones, Lisa	£2,500
Jones, Paul	£2,500
Jones, Rhodri Prys	£2,500
Keenor, Lee-Paul	£2,500
Keineg, Katell	£2,500
Kelly, Rebecca Wyn	£2,500
KilBride, Gerard	£2,500
KilBride, Sarah	£2,500
Kim, Jin Eui	£2,000
Land, Graham	£2,500
Laughlin, Sam	£1,500
Leadill, Sophia	£2,135
Lee, Jaejun	£2,500
Lewis, Carys	£2,500
Lewis, Catherine	£2,500
Lloyd, Kathleen	£2,500
Llwyd, Manon	£2,500
Lopez-Norton, Mathilde	£2,500
MacKinnon-Smith, Stevie	£2,500
Mahoney, David	£2,500
Malia, Helen	£1,945
Marshall, Robert	£2,500
Mason, Bethan Nia	£2,500
Mason, John	£2,500
Massey, Daniel	£2,500
Matthews, Rhiannon	£2,500
McConnach, Andrew	£2,500
McGill, Eric	£2,000
Mckee, Caitlin	£2,500
McParlin, Patricia	£2,500
Melican, Michael	£2,500
Moorhouse, Sara	£2,500
Morris, Elin	£1,500
Morris, Ffion	£2,500
Munn, Zoe	£1,500

Najera, Janire	£2,500
Nicholls, Matt	£2,500
Norris, Linda	£2,500
O hAodha, James	£2,500
Oakley, Elliot	£2,500
Ognjenovic-Morgan, Helen	£2,500
O'kane, Maureen	£2,000
Owen, Dafydd	£2,500
Owen, Geraint	£2,500
Palser, Marega	£2,500
Park, Oliver	£2,500
Parry-Jones, Clare	£2,500
Pavey, Mark	£2,500
Pearce, Nicola	£2,500
Pearson, Gareth Wyn	£2,500
Peate, Claire	£2,500
Pedican, Honor	£2,500
Pickard, Ali	£2,000
Pike, Andrew	£2,500
Podger, Rachel	£2,500
Price, Rhian	£2,500
Rafferty, Michael	£2,500
Rau, Dominika	£2,500
Razi, Mehdi	£2,500
Rees, Laura	£2,500
Rhys, Dyfan Llyr	£2,500
Roberts, Alys	£2,500
Roberts, Dylan Cernyw	£2,500
Roberts, Endaf	£2,500
Roberts, Judith	£2,500
Roberts, Siôn	£2,500
Robinson, Jessica	£2,500
Rust, Clara	£2,500
Saki, Sahar	£2,500
Scurlock, Clifton	£2,500
Shapland, Jo	£2,500
Shelley, Ellen Ruth	£1,200
Shiers, Owen	£2,500
Smith, Christine	£2,500
Smith, Sara	£2,500
Smith-Davies, Bethan	£1,716
Southgate, Barnaby	£2,500
Spencer, Julia	£2,500
Stamp, Shaun	£2,500

Strand, Sylvia	£2,500
Taffinder, Tom	£2,500
Tarrant, Anouska	£2,500
Taylor-Beales, William	£2,500
Thomas, Lowri Elen	£2,500
Thomas, Marc Owain Warren	£2,500
Thomas, Nia Miar	£2,500
Thomas, Sarah	£2,500
Tombs, Sarah	£2,000
Tommis, Colin	£2,500
Tournet, Marine	£2,500
Treharne, Amy	£1,600
Turner, Claire	£2,500
Tyson, Alana	£2,500
Vickerman, Lauren	£2,500
Walsh, Rachel Helena	£2,300
Welsby, Luke	£2,500
White, Joanna	£2,500
White, Thomas	£2,000
White, William	£2,500
Williams, Aled	£2,500
Williams, Daniel	£2,500
Williams, Dominic	£2,500
Williams, Dylan (different individuals same name)	£2,500
Williams, Dylan	£2,500
Williams, Elizabeth Jane	£2,500
Williams, Gwion	£2,500
Williams, Huw	£2,500
Williams, Thomas	£2,500
Williams, Tumi	£1,200
Williams-Jones, Bethan	£2,500
Willis, Richard	£2,000
Withey, Deborah Ann	£2,500
Wood-Bevan, Eleri	£2,000
Yamamoto, Satoko	£2,500
Yhnell, Dean	£2,500
Young, Christopher	£2,500
Zeppellini Verissimo, Susan	£2,500
	£500,001

Welsh Government Capital awards	
Amgueddfa Cymru - National Museum Wales	£110,000
Antonia Osuji	£10,000
Dafydd Williams	£10,000
Emily Laurens	£10,000
Geraint Evans	£10,000
Jo-Anna Duncalf	£10,000
Joao Saramago	£10,000
Michael Roberts	£10,000
Philip Cheater	£10,000
Theatr Clwyd	£1,800,000
	£1,990,000
Strategic grants – Arts Development	
Arts & Business Cymru	£50,000
Dawns i Bawb	£20,000
Menter Caerdydd	£15,000
Society of London Theatre & UK Theatre	£5,000
	£90,000
Strategic grants – Arts Engagement	
Artes Mundi Prize Limited	£2,000
Articulture	£2,000
Avant Cymru	£2,000
Bolt, Stephanie	£1,590
Canolfan a Menter Gymraeg Merthyr Tudful	£40,000
Common Wealth	£1,350
Community Leisure UK	£1,850
Cwmni Theatr Arad Goch	£2,000
Dirty Protest Theatre	£2,000
Disability Arts Cymru	£5,000
FIO	£5,000
Gambogi, Tiago	£2,000
G-Expressions	£18,425
Gough, Matthew	£1,960
Head4Arts	£2,000
Hijinx Theatre	£2,000
Kokoro Arts Ltd	£1,989
Lewis Merthyr Band	£2,000
Lowe, Krystal	£2,000
Maclaen, Ella	£2,000
Mercer, Katie	£4,000
Mughal, Durre	£2,000

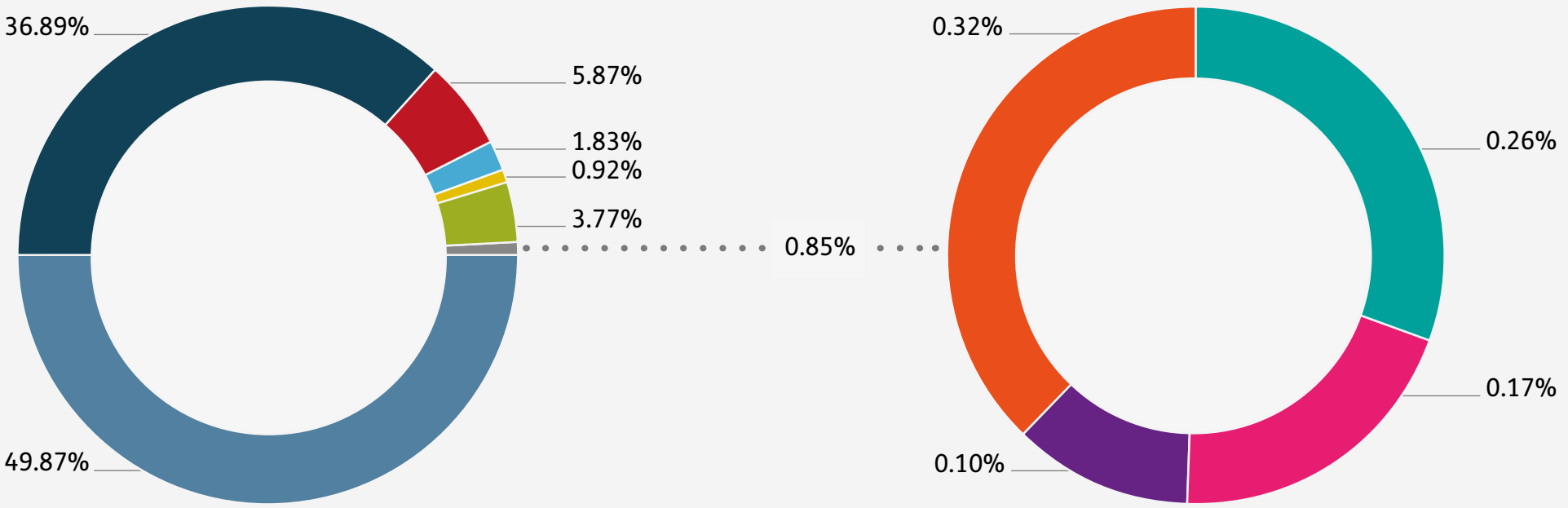
Rau, Dominika	£2,000
Rhondda Arts Festival Treorchy	£2,000
Shape Arts	£15,000
South Riverside Community Development Centre	£4,000
Span Arts Ltd	£1,883
Spectacle Theatre Ltd	£1,950
Stark, Alicia	£2,000
Taking Flight Theatre Company	£11,870
The North Wales Development Trust Ltd	£1,800
Theatr Clwyd	£1,956
Thomas, Amelia	£2,000
Tŷ Cerdd	£2,000
Voluntary Arts Network	£19,586
Yarnell, Anushiye	£2,000
	£175,209

Strategic grants – Arts & Health	
ABMU (now Swansea Bay) Arts in Health Board	£25,000
Cardiff & Vale University Health Board	£25,000
Cwm Taf University Health Board	£25,000
engage (National Association for Gallery Education)	£35,000
GARTH	£25,000
National Youth Arts Wales	£7,656
	£142,656

Strategic grants – Wales Arts International	
CARN	£2,500
Ealaín na Gaeltachta Teo	£5,000
Eisteddfod Genedlaethol Cymru	£300
FOCUS Wales	£15,000
Kelly Owens	£10,000
Mercator	£4,891
Rhondda Arts Festival Treorchy	£3,000
Thomas Burmeister	£3,105
Watch Africa Cymru	£5,300
	£49,096

Total Strategic awards	**£23,341,722**
TOTAL GRANTS OFFERED	**£51,415,521**

General Activities grants by type



What did our grants support?

	Value of grants		No of grants
Grants to support Arts Portfolio Wales:			
Theatres & arts centres	£7,077,081	13.76%	16
Theatre production & presentation	£6,730,460	13.09%	8
Opera	£4,910,667	9.55%	3
Visual & applied arts	£1,792,486	3.49%	10
Dance	£1,741,176	3.39%	7
Music	£1,448,890	2.82%	6
Arts & young people	£1,165,421	2.27%	4
Community arts	£1,101,203	2.14%	9
Literature	£750,429	1.46%	1
Circus & carnivals	£196,749	0.38%	1
Disability arts	£167,237	0.33%	1
Creative Learning through the Arts	£992,000	1.93%	103
Other grants:			
Strategic awards	£23,341,722	45.40%	732
	£51,415,521		**901**

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 2020/21

net of offers not taken up or withdrawn

Grants to Organisations

Capital grants	
Cwmni'r Frân Wen	£1,800,000
Impelo	£10,500
Llantarnam Grange Arts Centre	£4,375
Theatr Brycheiniog	£97,500
Torch Theatre	£77,731
	£1,990,106
Business Development - Open Lottery	
Ballet Cymru	£58,000
Cwmni'r Frân Wen	£100,000
FIO	£98,578
G-Expressions	£91,300
Llangollen International Musical Eisteddfod	£100,000
Mercator: Wales Literature Exchange and Literature Across Frontiers (University of Wales Trinity Saint David)	£95,000
Raymond Williams Foundation	£5,000
Taking Flight Theatre Company	£67,290
The Successors of the Mandingue	£51,680
Tŷ Pawb	£137,050
	£803,898
Children and young people - Open Lottery	
Galeri Caernarfon Cyf	£10,000
GISDA Cyf	£10,000
	£20,000
Commissioning, Making and Presenting - Open Lottery	
Fishguard Folk Festival	£5,000
Mercury Theatre Wales	£10,000
	£15,000
Connect & Flourish	
Aberystwyth Arts Centre	£145,000
Action For Arts Trust Ltd	£80,000
Art Shell	£129,500

Arts & Business Cymru	£69,795
Aubergine Cafe and Events CIC	£77,446
Breaking Barriers Community Arts	£11,672
Butetown Arts & Culture Association	£50,000
Caerphilly County Borough Council Arts Development Team	£9,180
Canolfan a Menter Gymraeg Merthyr Tudful	£150,000
Celf O Gwmpas	£9,750
Celtic Neighbours	£8,420
Cwmni Theatr Invertigo	£10,000
Ffiwsar	£138,996
Ffynnon Llandysul Eglwys Bresbyteraidd Cymru	£68,800
Jukebox Collective	£23,300
Kokoro Arts Ltd	£67,245
Ladies of Rage Cardiff	£22,396
Leeway Productions	£48,260
Llangollen International Musical Eisteddfod	£150,000
Mercator: Wales Literature Exchange and Literature Across Frontiers (University of Wales Trinity Saint David)	£63,000
Mr and Mrs Clark	£17,664
Natural Resources Wales	£54,000
NoFit State Community Circus Ltd	£163,930
Powys County Council	£47,849
Sub-Sahara Advisory Panel	£102,175
Taking Flight Theatre Company	£173,487
The Successors of the Mandingue	£47,750
Theatr Clwyd	£48,160
Tŷ Cerdd	£81,901
Undercurrents	£19,750
Urban Circle Productions	£130,510
Urdd Gobaith Cymru	£16,210
Volcano Theatre Company Ltd	£39,005
	£2,275,151
Creative Pathways - Open Lottery	
The Space CIC	£46,500
	£46,500
Equalities - Creative Steps	
Gentle/Radical	£9,328
Laku Neg	£7,560
Race Council Cymru	£142,520
	£159,408

International Opportunities Fund	
Beyond the Border Storytelling Festival	£5,000
Dirty Protest Theatre	£4,990
Gentle Radical	£3,750
Majical Youth CIC	£4,875
Prestatyn & Meliden Community Action Group	£4,920
Vertical Dance Kate Lawrence	£5,000
	£28,535
Wales and the World - Open Lottery	
Cynhyrchiadau Pam Lai? Productions	£9,570
	£9,570
Widening Engagement - Open Lottery	
Reality Theatre Community Interest Company	£8,383
Shakespeare Link	£10,000
	£18,383
Arts Portfolio Wales	
National Youth Arts Wales	£353,850
	£353,850
Arts Resilience Fund (Covid-19 support)	
73 Degree Community Limited	£3,750
Afan Arts	£12,780
Andrew Logan Museum of Sculpture	£11,255
Ardour Academy	£19,704
Art and Soul Tribe CIC	£14,990
Articulture	£27,950
Arts & Business Cymru	£20,000
Aubergine Cafe and Events CIC	£19,777
Avant Cymru	£9,195
Between The Trees Ltd	£5,289
Beyond the Border Storytelling Festival	£35,000
Bombastic	£33,000
Canolfan a Menter Gymraeg Merthyr Tudful	£35,000
Cardiff Animation Festival	£23,471
Cardiff M.A.D.E. C.I.C.	£21,679
Cardiff Pottery Workshops Foundation	£35,000

Celf Able Limited	£8,911
Celf O Gwmpas	£14,038
Cimera	£15,937
Dance Blast	£14,820
Dirty Protest	£29,772
Flying Bridge Theatre	£35,000
FOCUS Wales	£25,000
Galerie Simpson Artists	£7,446
good cop bad cop productions	£21,500
Green Man Trust Ltd	£35,000
Groundwork Pro	£34,805
Gwyn Emberton Dance	£30,090
Hay Festival of Literature and the Arts Ltd	£35,000
Hummadruz	£7,600
Insole Court Trust	£31,050
Kidz R Us	£12,000
Le Public Space	£32,860
Lewis Merthyr Band	£8,800
Light Ladd & Emberton	£34,963
Majical Youth CIC	£33,236
Makers Guild in Wales	£34,086
Making Sense Community Interest Company	£15,196
Memorial Hall and Theatre	£33,189
Merthyr Tydfil Leisure Trust	£35,000
Mess up the Mess Theatre Company	£20,411
Motion Control Dance (MCD)	£15,500
Museum of Modern Art, Machynlleth	£16,759
Newport Philharmonic Choir	£1,300
PeopleSpeakUp LTD	£33,590
Pigtown Theatre CIC	£1,577
PuppetSoup Ltd	£11,957
Ransack Dance Company	£13,650
Re-Live	£20,633
Rhiwbina Amateur Theatrical Society	£3,544
Site Sit	£10,540
Small World Theatre Ltd	£22,000
Span Arts Ltd	£24,810
Stiwt Arts Trust Ltd.	£30,704
Striking Attitudes	£12,490
Swansea City Opera	£26,852
Tabernacl (Bethesda) Cyf	£23,034
TeliMon Cyf	£7,000
The Cory Band	£35,000

The Forget-me-Not Chorus Cardiff	£12,500
The Gate Arts and Community Centre	£35,000
The Little Theatre Club Rhyl	£17,358
The Potters' Gallery - Oriel y Crochenwyr	£10,926
The Successors of the Mandingue	£13,521
The Welsh Chamber Orchestra Ltd.	£6,300
Tredegar Town Band Society	£16,911
Up Side Down Circus CIC	£10,000
UPROAR	£18,346
Vale of Glamorgan Festival	£10,050
Vic Studios LTD	£14,000
Waunifor Art Club	£11,299
Wyeside Arts Centre Ltd	£5,445
	£1,426,146
***Creative Learning through the Arts* Programme**	
Arts Council of Wales (General Activities)	£1,083,000
	£1,083,000
TOTAL GRANTS TO ORGANISATIONS	**£8,229,547**

Grants to individuals

Commissioning, Making and Presenting - Open Lottery	
Chappell, Richard	£10,000
Fletcher, Lee	£10,000
Goodridge, Francesca	£9,934
Harvey, Michael	£10,000
Matthews, Peter	£8,350
Parri, Sian	£10,000
Rees, Marc	£10,000
Tinnion, Lee	£6,552
Willis, Marcus	£9,941
	£84,777
Creative Pathways - Open Lottery	
Williams, Ceriann	£9,058
	£9,058
Widening Engagement - Open Lottery	
Greenhalgh, Beth	£5,600
	£5,600
International Opportunities Fund	
Angharad Harrop	£3,880
Eric Ngalle Charles	£3,600
Joao Saramago	£2,000
Jorge Lizalde Cano	£2,370
Krystal Lowe	£4,000
Linda Norris	£2,000
Sadia Pineda Hameed	£4,900
	£22,750
Arts Resilience Fund (Covid-19 support)	
Ackers, Stacey	£3,500
Adams, Becky	£6,215
Ahmun, Shakeera	£8,500
Allen, Connor	£5,014
Allpress, Alexander	£3,900
Anderson, Hazel	£8,975

Anderson, Pete	£8,345
Argent, Sarah	£5,450
Ashill, Kathryn	£12,016
Aspland, Lee	£10,000
Balla, Jessica	£9,949
Barley, Emma	£8,534
Barnes, Samuel	£4,050
Beeby, Beca	£7,350
Beer, Cheryl	£9,747
Best, Kelly	£10,000
Bettridge, Dan	£6,200
Bird-Jones, Christine	£7,500
Blade, Carole	£3,200
Blythe, Stacey	£4,390
Bond, Kerry	£3,955
Bond, Stuart (2 awards)	£9,028
Bonello, Gareth	£7,600
Bowen, Alex	£5,000
Bower, Ric	£10,000
Bowes, Zillah	£9,985
Bowles, Joshua (2 awards)	£10,840
Brett, Jessie	£10,000
Briton, Jesse	£9,900
Bromage, Tim	£4,280
Brown, Tammi	£8,434
Bruno Sanchez, Sebastian	£10,000
Bux, Monique	£3,000
Callan, Jessica	£10,000
Campbell, Krystal	£6,521
Carless, Rosanna	£5,000
Carter, Alison	£4,000
Chambers, Gareth	£8,930
Chapple, Carl	£8,743
Clark, Gareth	£9,500
Cliffe, Justin	£9,965
Clifford, Helen	£6,016
Cotsen, Jonathan	£10,300
Crawford, Eady	£8,055
Daimond, Colin	£3,546
Darby, Hannah	£5,040
Davies, Angela	£5,000
Davies, Catherine	£7,546
Davies, Lowri	£7,123

Davies, Rhiannon	£2,160
Davies, Teresa Jenellen	£5,050
De Jesus, Toni	£8,732
Dear, Bethan	£9,680
Divall, Luke	£3,203
Dooley, Freya	£2,786
Dowdall, Morgan	£7,007
Duncan, Alastair	£10,000
Dyson, Catherine	£8,457
Eglin, Oliver	£5,200
Elliot, Rachael	£9,668
Elmi, Asma	£5,000
Elstob, Tom	£2,805
Emerald, Teifi	£2,385
Engelkamp, Hannah	£8,715
Evans, Chris Tally	£8,000
Evans, Geraint	£7,000
Evans, Tracy	£9,950
Evans, Tudur	£10,000
Finch, Catrin	£8,000
Finnemore, Peter	£10,000
Fong, Joanne	£6,975
Goldberg, Maud	£8,917
Griffin, Isabel	£6,535
Griffiths, Tamsin	£12,400
Groves, Ellen	£7,786
Haf, Cêt	£8,085
Hallas, Penny	£1,492
Hameed, Sadia	£6,810
Harris, Christopher	£4,500
Harris, Georgina	£9,948
Harris, Sean	£6,750
Harris, Tracy	£3,250
Hart, Nicola	£9,525
Hartwig, Johana	£6,026
Harvey, Michael	£3,400
Haywood, Kate	£2,000
Heckler, Lauren	£9,730
Hembrough, Graham	£7,975
Higson, Rauni	£1,150
Hill, Mathew David	£4,680
Hill, Rob	£7,000
Hobson, Louise	£7,460

House, Lee	£5,000
Howells, Simon	£7,000
Hughes, Ailsa Mair	£8,239
Hunt, Sue	£6,412
Ifans, Mair Tomos	£1,600
Issa, Hanan	£10,000
Iwanowski, Michal	£3,850
James, Catriona	£2,320
James, Ceri	£10,000
James, Richard	£3,500
Jenkins, Angharad	£6,950
Jenkins, Delyth	£6,615
Jensen, Denni	£9,450
John, Sean Tuan	£6,000
Jones, Gareth	£8,655
Jones, Nathan	£4,252
Jones, Richard	£8,770
Jones, Sam	£5,400
Karadog, Aneirin	£7,200
Keineg, Katell	£7,600
KilBride, Gerard	£5,000
KilBride, Sarah	£4,818
Kim, Jin Eui	£10,000
Knowles, Rebecca	£9,800
Ladd, Eddie	£5,433
Leadill, Sophia	£8,155
Lee, Angharad	£10,000
Leeson, Joshua	£885
Lewis, Catherine	£8,614
Lewis, Charlotte	£4,780
Lewis, Kevin	£6,200
Little, Cath	£5,000
Lizalde Cano, Jorge	£10,383
Lowe, Krystal (2 awards)	£9,010
Luke, Kristin	£5,677
Marfoglia, Matteo	£10,000
McCarron, Ace	£5,670
McPake, Hannah	£8,885
Miah, Mohamad	£2,660
Miller, Lloyd	£1,349
Mockett, Franklin	£4,000
Moger, Alison	£2,000
Morden, Daniel	£8,500

Morgan, Bethan	£3,100
Morus, Gwilym	£7,500
Morus-Jones, Emily	£10,000
Mumford, Sarah	£9,450
Mumford, Tom	£4,776
Munn, Zoe	£6,084
Murphy, Yvonne	£9,100
Mutka, Eeva Maria	£2,600
Myles, Tom	£2,250
Nicholson, Leo	£4,868
Nickels, Shane	£9,912
Niziblian, Lydia	£8,151
Noble, Kimberley	£10,000
O'Doherty, Sian	£5,000
O'Driscoll, Amy	£4,885
Ognjenovic-Morgan, Helen	£10,240
Okwedy, Phil	£7,828
O'Neill, Uma Arwen	£4,500
Osborn, Louise	£9,300
Owen, Angharad	£10,000
Pallant, Tracy	£8,750
Parry-Jones, Clare	£9,600
Parsons, Alex Marshall	£10,000
Pasotra, Tina	£9,878
Pavey, Mark	£10,000
Philp, Jack	£4,643
Pickard, Ali	£7,775
Pilyarov, Ruslan	£6,850
Plowman, Lynne	£9,900
Pountney, Jon	£2,000
Price Williams, Jordan	£6,460
Ratigan, Jon	£5,120
Razi, Mehdi	£10,000
Rea, John	£9,977
Redgrave, Gaia	£10,783
Rees, Marc	£8,790
Rehman, Dean Tarek	£9,576
Ricketts, Chris	£4,850
Roberts, Judith	£10,000
Robinson, Emily	£2,274
Rowlands, Ian	£8,800
Russell-Thompson, Nye	£4,000
Saki, Sahar	£10,000

Saunders, Robert Ian	£10,000
Seer, Eres	£5,198
Shelley, Ellen Ruth	£7,558
Singh, Simran	£6,060
Sinnadurai, Josie	£1,800
Smith, Angharad	£8,200
Smith, Ricky	£5,355
Smith, Steven	£9,325
Sood, Sarita	£4,600
Southgate, Barnaby	£8,000
Spikes, Dorry	£6,463
Stamp, Shaun	£10,000
Stringer, Ruth	£4,988
Sweeney, Theresa	£5,750
Syed, Naseem	£7,870
Taylor, Esther	£5,000
Thomas, Adele	£10,000
Thomas, Amelia	£9,780
Thomas, Julia	£10,200
Thomas, Laura	£5,750
Thomas, Lowri Elen	£8,098
Thomas, Marc Owain Warren	£7,051
Thomson, Gwen	£4,863
Thorley-Fox, Becky	£1,550
Tinker, Tracy	£10,000
Tinnion, Lee	£3,000
Tomos, Cai	£10,000
Treharne, Amy	£6,920
Trimble, Rhys	£3,138
Turoczy, Uschi	£5,175
Tyson, Alana	£10,000
Van Rijswijk, Angharad	£3,500
Veysey, Helena	£3,700
Vicary, Sean	£3,000
Wardlaw, Sarah	£10,000
Watkins-Hyde, Ieuan	£6,000
Whittaker, Paul (2 awards)	£10,830
Williams, Branwen Haf	£6,750
Williams, Dylan	£4,560
Williams, Llinos	£9,990
Williams, Tamar	£8,000
Williams-Jones, Bethan	£5,993
Woodward, Kate	£6,965

Yates, Neil	£8,000
Yhnell, Dean	£9,307
Ynyr, Iola	£9,562
Zandersona, Gundija	£6,920
	£1,566,305
TOTAL GRANTS TO INDIVIDUALS	**£1,688,490**
TOTAL GRANTS OFFERED net of offers not taken up or withdrawn	**£9,918,037**

Grants Administered by Ffilm Cymru Wales

Development	
Awen Media Ltd	£15,500
Prano Bailey-Bond	£24,800
Jay Bedwani	£15,000
Sarah Brocklehurst Productions (2 awards)	£36,500
Caspian Films Ltd	£13,100
Dear Heart Productions	£18,000
Fulwell 73 production company (2 awards)	£38,750
IE IE Productions Limited	£24,000
Old Grog Films Ltd	£20,000
Severn Screen Ltd	£24,999
Standoff Pictures	£15,000
Martha Stone Productions (2 awards)	£40,000
Victoria Falls Entertainment Ltd	£24,999
Vox Pictures Ltd	£24,000
	£334,648

Production	
FAE Films & Television Ltd	£150,000
Fields Park	£100,000
IE IE Productions Limited	£65,875
Kensukes Kingdom Limited	£150,000
Mad as Birds	£200,000
Sgrech Cyf	£12,570
Silver Salt Films	£6,600
Truth Department (Dewi Gregory)	£49,999
	£735,044

Exhibition Festivals	
Aberystwyth Arts Centre	£8,500
Anglesey Arts Forum	£1,500
Arts Connection	£946
Brynamman Public hall and Institute	£12,000
Canolfan S4c YR Egin	£6,755
Cardiff Animation Festival	£8,000
Chapter Arts Centre	£14,000
Clwyd Theatr Cymru	£14,000
Gentle/Radical Film Club	£6,000
Theatre Gwaun	£7,000

Gwallgofiad (Cellb)	£10,770
Iris Prize	£13,000
Kotatsu Japanese Animation Festival	£3,530
Magic Lantern	£10,000
Neuadd Ogwen	£845
Wales One World Film Festival Ltd	£7,950
Watch-Africa Film Festival	£9,842
Wicked Wales	£6,122
	£140,760

TOTAL GRANTS FROM FFILM CYMRU WALES
net of offers not taken up or withdrawn **£1,210,452**

Grants Administered by BBC Cymru Wales

Horizons: Launchpad Fund	
Aleighcia Scott	£2,000
Eadyth	£200
Faith	£500
Foxxglove	£799
Hako	£500
Hemes	£500
High Grade Grooves	£1,000
HVNTER	£1,000
Ifan Pritchard	£1,984
K(E)NZ	£500
Kingkhan	£1,400
Leila Mckenzie	£1,000
Los Blancos	£1,050
Mace the Great	£2,000
Madi	£1,000
Magugu	£1,700
Malan Jones	£500
Mass Accord	£500
Mawpit	£1,000
Minas	£1,000
Monique B	£2,000
Phoenix Rise	£500
Razkid	£1,000
Recordiau Jigcal	£1,540
Rona Mac	£2,000

Something Out of Nothing Records	£2,000
Sonny Double 1	£1,000
Swannick	£500
Sywel Nyw	£1,000
SZWE	£2,000
Thallo	£1,400
The Honest Poet	£970
Traxx £1,100	
	£37,143

TOTAL GRANTS FROM BBC CYMRU WALES	
net of offers not taken up or withdrawn	**£37,143**

Grants Administered by Literature Wales

Connikie, Carl	£2,684
Howell, Daniel	£2,684
Shahwar, Durre	£2,684
Burnett, Emily	£2,684
Issa, Hanan	£2,684
Khan, Jaffrin	£2,684
Thompson, Marvin	£2,684
Morais, Nia	£2,684
Okwedy, Phil	£2,684
Atashi, Shara	£2,684
Rahman, Taz	£2,684
Mohamed, Umulkhayr	£2,684
	£32,208

TOTAL GRANTS FROM LITERATURE WALES	
net of offers not taken up or withdrawn	**£32,208**

Grants administered by Tŷ Cerdd

Create	
Aberhonddu and District Male Choir	£450
Abertillery Town Band	£1,000
Aberystwyth Arts Centre	£750
Aberystwyth Musicfest Ltd.	£500
Artis Community	£1,350
Bangor Music Festival	£1,350
Burry Port Town Band	£1,200
Butetown Arts & Culture Association	£1,350
Eisteddfod Genedlaethol Cymru	£1,000
Hijinx Theatre	£1,350
NEW Sinfonia	£1,350
Operasonic Cyf	£750
OPRA Cymru Cyf	£1,350
Stormz Community For Musical Arts CIC	£1,350
Tân Cerdd CIC	£750
UPROAR	£1,350
Vale of Glamorgan Festival	£1,350
	£18,550

Inspire	
Beacons c/o Rhondda Cynon Taf County Borough Council	£1,000
Fishguard International Festival	£1,350
Galeri Caernarfon Cyf	£1,350
Race Council Cymru	£1,350
Sesiwn Fawr Dolgellau	£1,350
Stormz Community For Musical Arts CIC	£1,000
Tân Cerdd CIC	£1,350
The Successors of the Mandingue Ltd	£1,350
Urdd Gobaith Cymru	£1,350
Young Music Makers of Dyfed	£1,350
	£12,800

Engage	
Bangor Music Festival	£1,000
Fishguard International Festival	£1,250
Forget-me-not Chorus	£700
Race Council Cymru	£1,350

Sound Progression	£1,350
Vale of Glamorgan Festival	£1,000
	£6,650

Resource

Barry Community Choir	£960
Barry Male Voice Choir	£864
Cantorion Rhos	£441
Colstars Youth Theatre	£626
Crwbin Silver Band	£1,000
Ebbw Valley Brass	£976
Ifton Colliery Band	£1,000
Lewis Merthyr Band	£500
Llysfaen Singers	£507
Menai Bridge Band Porthaethwy	£1,000
Newtown Silver Band	£384
Northop Silver Band	£1,000
Ogmore Valley Male Voice Choir	£1,000
Pontardulais Town Band	£585
Talgarth Male Choir	£982
Vale of Glamorgan Brass Band	£107
	£11,932

Rescue

Carmarthen Symphonic Wind Band	£452
Cor Meibion y Brythoniaid	£3,500
Gabalfa Community Choir	£1,200
Gorseinon and District Brass Band	£1,000
Ifton Colliery Band	£4,455
Llysfaen Singers	£2,000
Markham and District Band	£1,000
Seindorf Arian Frenhinol Dyffryn Nantlle	£5,000
Vale of Glamorgan Brass Band	£925
	£19,532

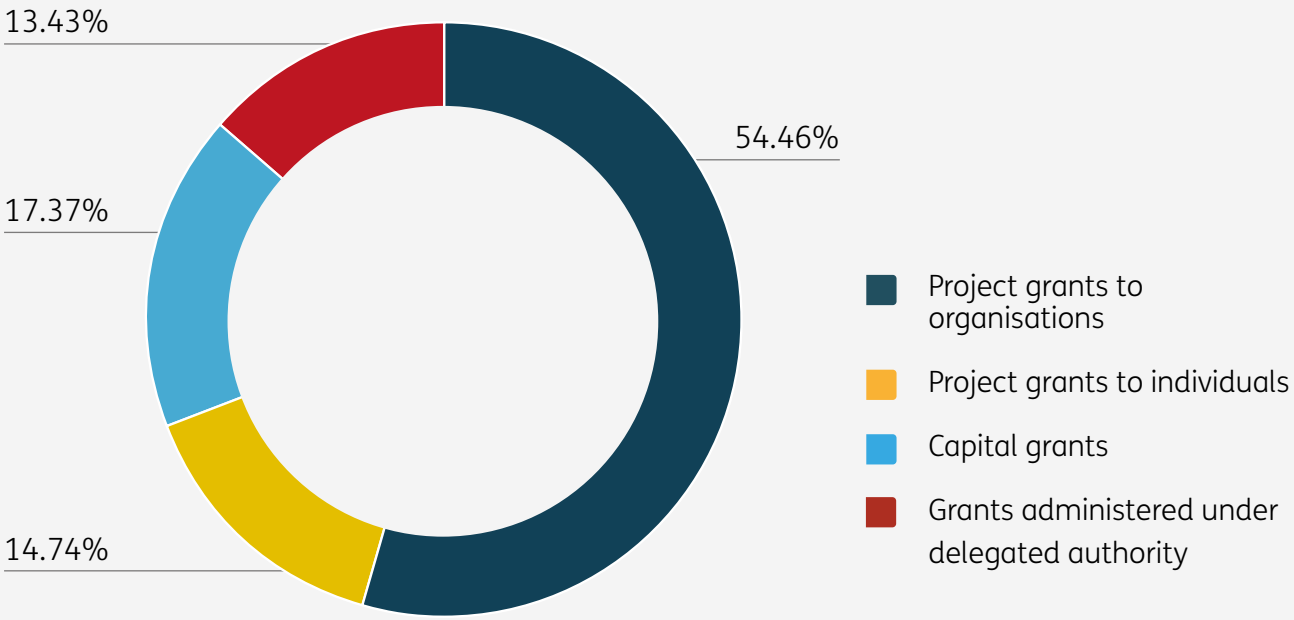
Restart

Abertillery Town Band	£505
Allegra Ladies' Choir	£560
Barry Community Choir	£1,000
Burry Port Town Band	£1,250

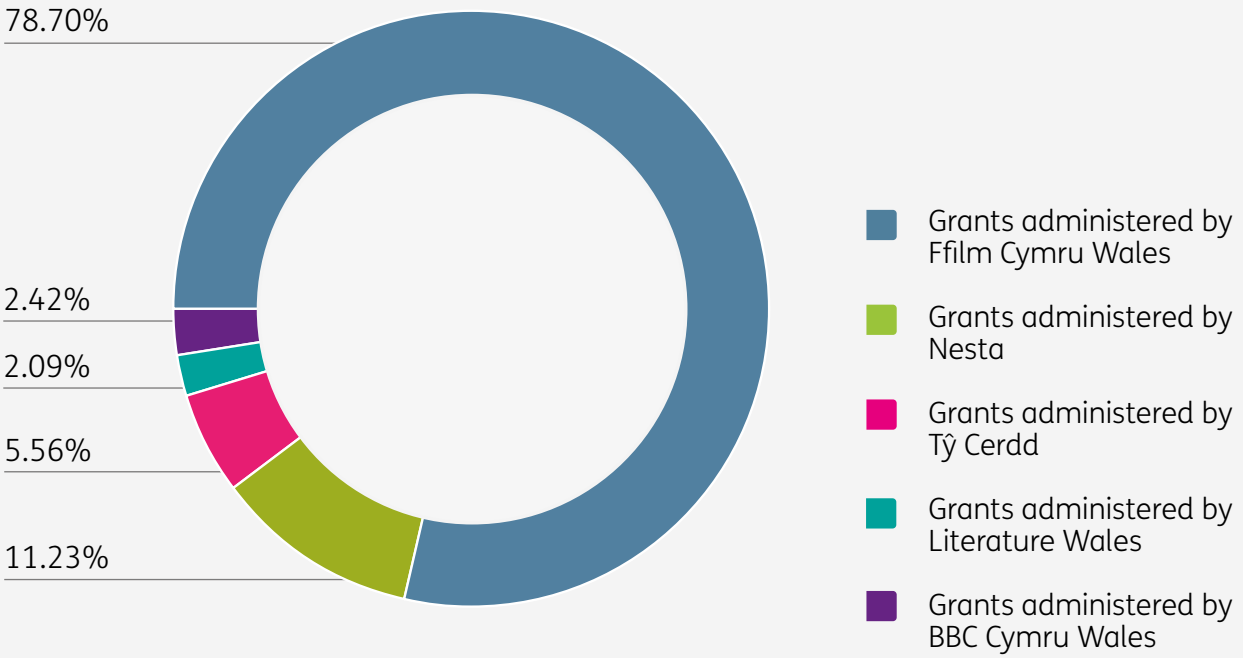
CAVMS Youth Jazz Orchestra	£450
Cor Dyfed Choir	£1,500
Cor y Gleision	£1,000
Cor-y-Cymoedd	£1,520
Creative Stuff Newtown CIC	£654
Lewis Merthyr Band	£1,000
Llwydcoed Band	£500
Markham and District Band	£400
Monmouth Big Band	£500
Newport Philharmonic Choir	£537
Oasis One World Choir CIC	£500
Seindorf Beaumaris Band	£1,500
South Wales Gay Men's Chorus	£1,200
Swansea Music Art Digital	£480
The Cory Band	£1,000
	£16,056

TOTAL GRANTS FROM TŶ CERDD net of offers not taken up or withdrawn	**£85,520**

Lottery Distribution grants by type



Delegated Authority Grants



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