



**Cyngor Celfyddydau Cymru**  
**Arts Council of Wales**

## GENERAL ACTIVITIES

Report and Financial Statements  
for the year ended 31 March 2023



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

Charity number 1034245

## In this report...

What we do...	4
Chair's foreword	5
<b>Performance Report and Operational Review</b>	<b>7</b>
Chief Executive's statement	8
Our strategy 2017-2023 "For the benefit of all"	10
Public benefit	13
Creative learning through the arts	15
Our performance	18
Equalities	27
Welsh language	30
Future generations	32
Environmental performance	35
Principal risks and uncertainties	37
Financial and business review	45
The year ahead: 2023/24	49

<b>Accountability Report</b>	<b>53</b>
<b>Corporate Governance</b>	<b>54</b>
Our Trustees	54
Statement of the Accounting Officer's responsibilities	59
Governance statement	60
<b>Remuneration and Staff Report</b>	<b>74</b>
<b>Parliamentary Accountability and Audit Report</b>	<b>78</b>
The Certificate and Report of the Auditor General for Wales	79
<b>Financial Statements</b>	<b>84</b>
Statement of financial activities	85
Balance sheet	86
Statement of cash flows	87
Notes forming part of the financial statements	88
<b>Annex</b> (not forming part of the financial statements)	<b>106</b>
Grants awarded	107

## 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 to 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.

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.

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**  
Chair

# Performance Report and Operational Review

64.4%

of all respondents in  
Wales had attended an  
arts event in 2022/23

(2019/20: 70.4%)

Source:  
National Survey for Wales

17.8%

of all respondents in Wales  
participated in the arts in  
2022/23

(2019/20: 19.1%)

Source:  
National Survey for Wales

92.1%

of all respondents that  
had participated in the  
arts in 2022/23 did so at  
an in-person session

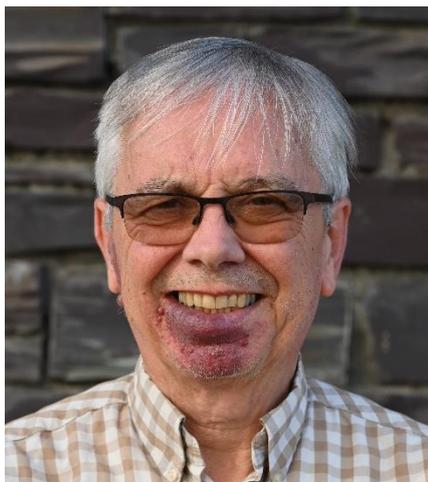
Source:  
National Survey for Wales

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.

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**.



# 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 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 2022/23 and the public benefit that these activities deliver.

**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

Almost  
**6,500**

teacher engagements with the *Creative Learning* programme since 2015

**153,500**

learner engagements with *Creative Learning* activities since 2015

**3,350**

creative practitioner engagements with the *Creative Learning* programme since 2015

Over  
**1,200**

visits to high-quality events supported through *Go and See* since 2015

## 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.

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

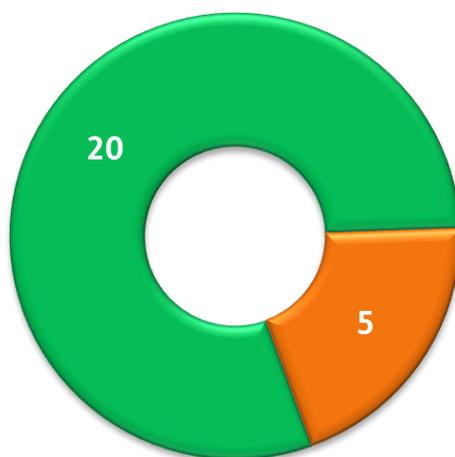
Our Operational Plan 2022-23 represented the last year of Corporate Plan 'For the Benefit of All', which ceased at the end of March 2023. We identified 9 key programmes of work and highlighted the key priorities and corresponding actions within each. Each programme area was mapped against the seven well-being 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



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.
  - 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.

### 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 [Velindre 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.
- [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**.
- 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

- 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 **Ty 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 864million 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 **Gwranddo** fund for artists in Wales to listen to indigenous languages and practice across the world.

### 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

- As part of our **Creative Nature** Memorandum of Understanding with **Natural Resource 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.

- 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.

1,741

funding applications processed

(2021/22: 1,587)

763

*Collectorplan* loans to support the purchase of contemporary art

(2021/22: 853)

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%)

We retained **Green Dragon Level 5** the highest category of environmental performance

## Equalities



“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

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.

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.

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



“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

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.

Activities undertaken by the Committee during 2022/23 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 the appointment of a **Welsh Language Enabler** and a new Director of Arts Development whose remit includes the Council's Welsh language strategy
4. supporting and encouraging the innovative work developed by the Welsh Language Enabler, including the launch of a new scheme called **Llais y Lle**
5. working with the Welsh Government on **Leading in a Bilingual Country** training sessions
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 creative freelancers within the arts sector and appoint a **Learning Welsh Coordinator**
8. 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.

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.

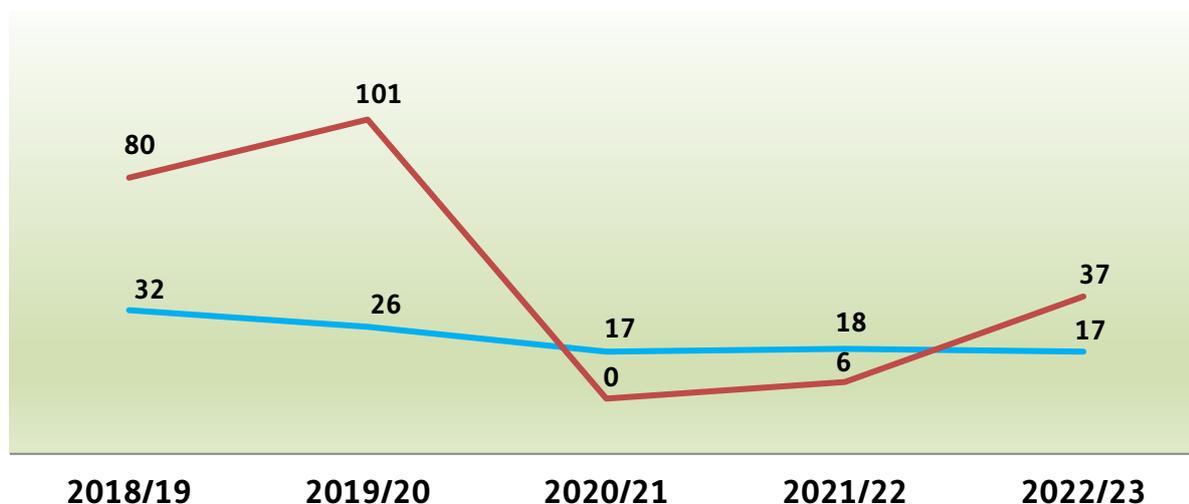
WASTE	2022/23	2021/22
Non-financial (tonnes)		
Landfill	0	0
Reused/recycled	0	0

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<sub>2</sub>e) emissions so that staff can manage their consumption of resources.

**CO<sub>2</sub>e emissions (tonnes) - 5 year trend**  
— Energy: Greenhouse gases    — Staff travel



ENERGY <sup>1</sup>	2022/23	2021/22
<b>Greenhouse gas emissions (CO<sub>2</sub>e tonnes)</b>		
Gross emissions, scope 2&3 (indirect)	17	18
<b>Energy consumption (kWh)</b>		
Electricity (renewable)	72,854	68,809
Gas	8,285	9,068
<b>Financial indicators (£)</b>		
Expenditure – energy	15,482	11,608
Water supply costs (office estate) – currently unable to assess, included in service charge	N/A	N/A

<sup>1</sup> 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<sub>2</sub>e emissions attributable to travel when we are actively involved in international projects.

STAFF TRAVEL	2022/23	2021/22
<b>Travel emissions (CO<sub>2</sub>e tonnes)</b>		
Rail	3	1
Air <sup>1</sup>	24	1
Car/vans	10	4
<b>Travel cost (£)</b>		
Rail	15,372	2,919
Air	19,317	609
Car/vans	16,943	6,365
<b>Travel (miles)</b>		
Rail	45,407	10,013
Air	97,664	3,133
Car/vans	36,083	14,144

<sup>1</sup>Includes the influence of radiative forcing in air travel emissions to capture the maximum climate impact. Radiative forcing is a measure of the environmental impact of emissions of NO<sub>x</sub> (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 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. 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 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
<p><b>Coronavirus</b> 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:</p> <ul style="list-style-type: none"> <li>- individual artists and freelancers</li> <li>- organisations/Arts Portfolio Wales</li> </ul>	<p>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.</p> <p>We continue to monitor staff availability and health through routine timesheets and sickness reporting arrangements. Data evidences no additional measures are required.</p> <p>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.</p>
<p><b>Governance</b> 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</p>	<p>Comprehensive hand over arrangements for both new appointments were in place.</p> <p>The incoming Chief Executive was involved in the drafting of the Strategic Plan at the earliest opportunity.</p> <p>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.</p> <p>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.</p>

Principal risks	Key mitigating actions
<p><b>Planning, strategy and delivery</b></p> <p>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</p>	<p>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.</p> <p>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.</p>
<p><b>Financial and resource management</b></p> <p>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</p>	<p>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.</p> <p>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.</p> <p>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.</p>

Principal risks	Key mitigating actions
<p><b>Funding</b></p> <p>Failure of one or more of our Arts Portfolio Wales (APW) organisations or cuts in public sector funding damages the arts across Wales</p> <p>Currently funded capital projects fail to secure additional funds to cover current spiralling costs and therefore at risk of not completing</p>	<p>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 &amp; 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.</p> <p>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.</p>
<p><b>Grants management</b></p> <p>Poor or fraudulent funding applications mean that public funds are not used for the purposes intended</p> <p>The introduction of a new grants management system compromises Council's ability to deliver its critical functions</p>	<p>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.</p> <p>Council takes fraud, corruption and maladministration very seriously and has policies to prevent, and deal with, both, including whistleblowing and anti-fraud policies. These were reviewed during the year.</p> <p>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.</p>

Principal risks	Key mitigating actions
<p><b>Brexit</b> 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</p>	<p>We continue to monitor developments closely.</p> <p>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).</p> <p>We revised our data protection considerations to reflect the UK General Data Protection Regulation (UK GDPR) and conform with the EU/UK Adequacy Agreement.</p>
<p><b>Stakeholder and partner engagement</b> Local Authority funding cuts and changes in its structure have a significant impact on our funding partnerships and relationships</p>	<p>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.</p>
<p><b>IT</b> Unforeseen or unexpected outages compromise business continuity</p> <p>There is a breach in our IT security.</p>	<p>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.</p> <p>Cyber security and IT penetration tests are conducted annually. We comply with IASME security standards.</p> <p>We have robust reporting and investigation arrangements in the event of a security or data breach.</p>
<p><b>Personal Data</b> Personal data is lost, compromised or stolen</p>	<p>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.</p>
<p><b>Staffing</b> Recurrent pressure to cut costs reduces staff capacity to an unacceptable level</p>	<p>Delivering an expanding programme of activity with fewer staff is a continuing 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.</p>

Principal risks	Key mitigating actions
<p><b>Risk management</b></p> <p>Our current polices and controls fail to protect us from potentially fraudulent activity, particularly under current circumstances and working practices</p>	<p>Council's suite of risk management policies is reviewed regularly. We share good practice with other Welsh Government Sponsored Bodies.</p> <p>Robust assessment and monitoring procedures are in place across all areas of activity to ensure grant monies are used for the specified purpose.</p>
<p><b>Environment</b></p> <p>Our published strategy to develop and promote the arts in Wales and internationally has a detrimental impact on the Council's environmental targets</p> <p>Our carbon footprint escalates as staff return to our offices and external activity comes back online</p> <p>The current environmental crisis has a longer term impact for future generations</p>	<p>Projects and activity we fund, in response to grant applications and through procurement, must demonstrate an understanding or development of environmental considerations.</p> <p>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 &amp; Customs and other government practices and rates.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>

Principal risks	Key mitigating actions
<p><b>Equalities</b></p> <p>We make little or no progress regarding our equalities agenda</p>	<p>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.</p> <p>Equalities and Widening Engagement is one of the 6 key principles underpinning our Investment Review and new Strategy.</p> <p>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.</p> <p>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.</p> <p>Our Strategic Equality Committee assesses our performance against our published commitments and reports to Council.</p>

# Financial and business review

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

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.

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

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 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](#).

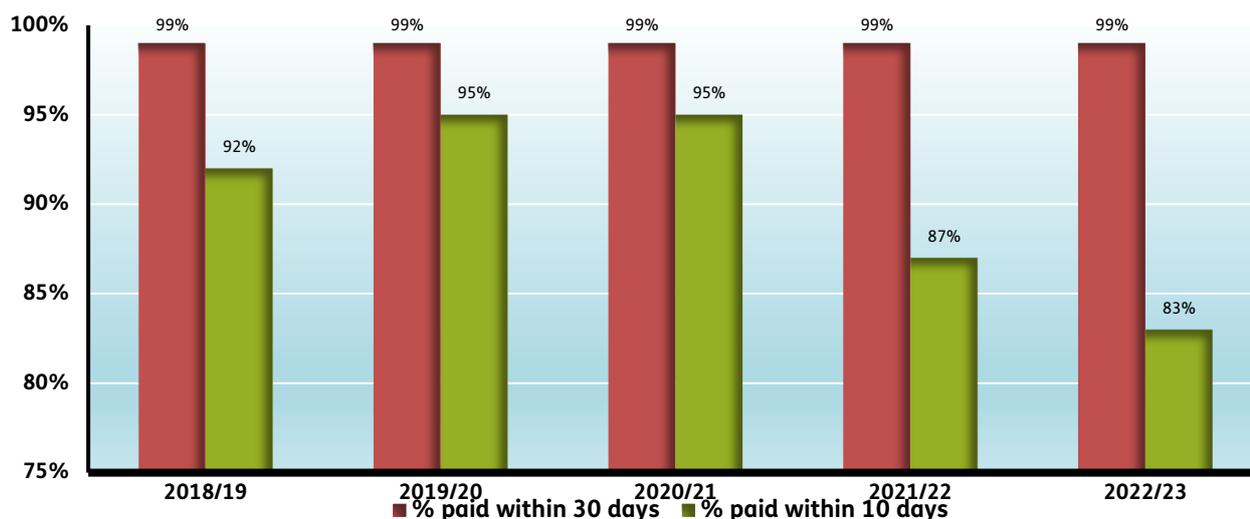
All interest and other investment income earned on cash and bank balances which arise as a result of funding from the Welsh Government is surrendered to HM Treasury via the Welsh Consolidated Fund.

## 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 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

	2022/23 £'000	2021/22 £'000
<b>Headlines from the General Activities accounts:</b>		
• 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
<b>The separate Lottery Distribution accounts show:</b>		
• The Council's share of the proceeds from the National Lottery	17,681	18,078
<b>The combined:</b>		
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.

## 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.

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 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.

**Dafydd Rhys**  
Accounting Officer  
20 October 2023

Endorsed on behalf of Council:

**Maggie Russell**  
Chair  
20 October 2023

# Accountability Report

# Corporate Governance

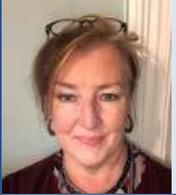
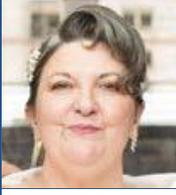
## Our Trustees

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
	<b>Maggie Russell</b> Chair from 1 April 2023	N/A						
	<b>Phil George</b> Chair from 1 April 2016 to 31 March 2023	3/3						
	<b>Kate Eden</b> from 1 April 2017 <b>Interim Chair</b> from 1 October 2022 to 31 March 2023 <b>Vice Chair</b> from 1 April 2021 Chair of Audit & Risk Assurance Committee Member of HR & Remuneration Committee	5	2/2		1/1			
	<b>Lhosa Daly</b> 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

## 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
	<p><b>Ceri Ll Davies</b> from 1 April 2021</p> <p>Member of Audit &amp; Risk Assurance Committee from 1 July 2022 Member of Strategic Equality Committee</p>	6	4/4			2		
	<p><b>Devinda De Silva</b> from 1 April 2019 <b>Interim Vice Chair</b> from 1 October 2022 to 31 March 2023 Chair of Strategic Equality Committee</p>	6				2		
	<p><b>Andy Eagle</b> from 1 November 2016 to 30 November 2022</p> <p>Chair of Capital Committee to 30 November 2022</p>	2/4		1/3				
	<p><b>Ruth Fabby MBE</b> from 1 April 2021</p> <p>Member of Strategic Equality Committee from</p>	7				1		
	<p><b>Professor Tudur Hallam</b> from 1 April 2019</p> <p>Chair of Welsh Language Committee</p>	6					3	
	<p><b>Gwennan Mair Jones</b> from 1 April 2019</p> <p>Member of Welsh Language Committee from 1 March 2023 Chair of Future Generations Committee from 1 October 2022</p>	6					0/1	2
	<p><b>Tafсила Khan</b> from 1 April 2021</p> <p>Member of Capital Committee</p>	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
	<p><b>Alison Mears Esswood</b> from 1 April 2019</p> <p>Member (Chair to 30 September 2022) of HR &amp; Remuneration Committee</p>	7			3			
	<p><b>Keith Murrell</b> from 1 April 2021</p> <p>Member of HR &amp; Remuneration Committee</p>	7			3			
	<p><b>Victoria Provis</b> from 1 April 2019</p> <p>Member (Chair from 1 December 2022) of Capital Committee</p>	7		5				
	<p><b>Dafydd Rhys</b> from 1 April 2017 to 22 August 2022</p> <p>Member of Audit &amp; Risk Assurance Committee to 22 August 2022</p>	3/3	2/2					
	<p><b>Elen ap Robert</b> from 1 April 2021</p> <p>Chair of HR &amp; Remuneration Committee from 1 October 2022 Member of Welsh Language Committee</p>	7			2/2		2	
	<p><b>Prue Thimbleby</b> from 1 April 2021</p> <p>Member of Future Generations Committee</p>	7						2
	<p><b>Dr Sarah Younan</b> from 1 April 2019</p> <p>Member of Audit &amp; Risk Assurance Committee</p>	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 Rees 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 note 22 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  
Helo 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

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

#### 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

## 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:

**Dafydd Rhys**  
Accounting Officer  
20 October 2023

**Maggie Russell**  
Chair  
20 October 2023

# 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.

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.

### 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*.

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 policies 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.

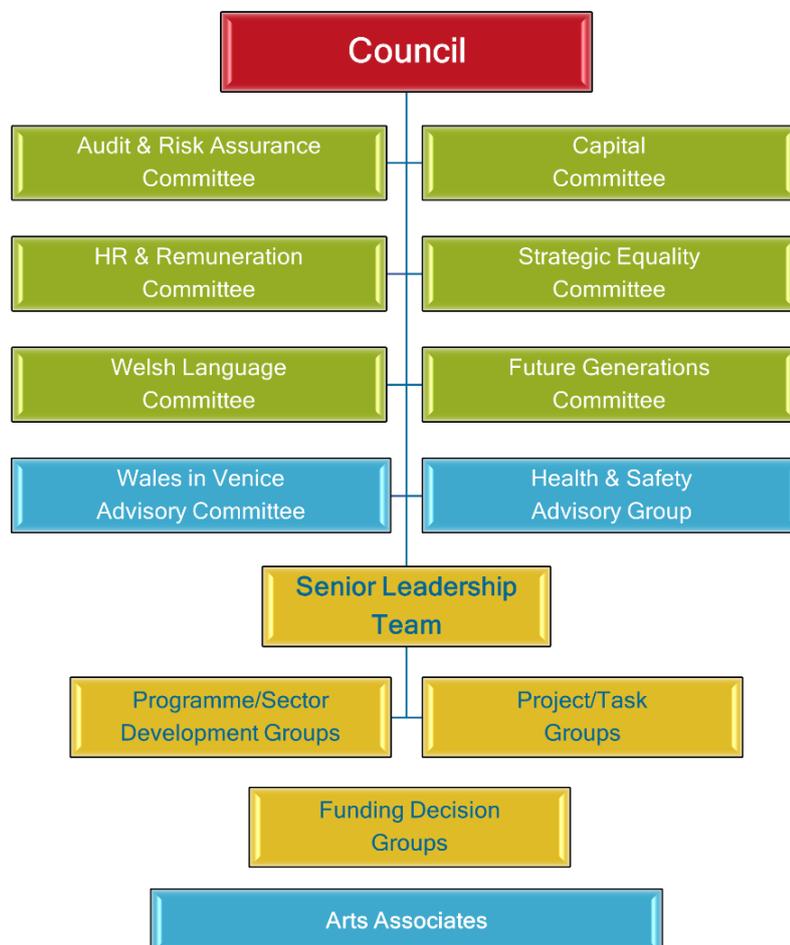
## Our Governance Structure

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.

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.

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



“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.

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 Wales** 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 Report](#), progress of our [Investment Review](#), and scrutiny of our [Annual Report and Financial Statements](#)

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 effective risk management, control and governance processes in place."

## Capital Committee



“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

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.

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 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

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 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

# 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 identify 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, 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:

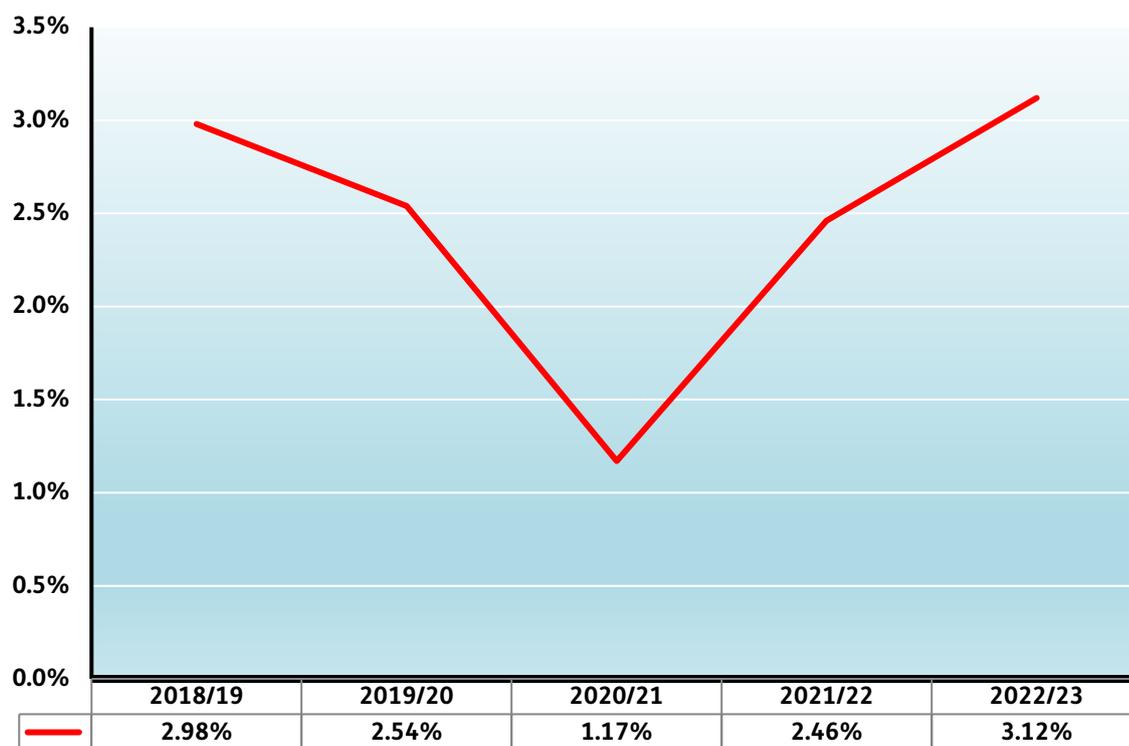
	<p><b>Maggie Russell</b> Chair</p> <p>1 April 2023</p>		<p><b>Phil George</b> Chair</p> <p>1 April 2016 to 31 March 2023</p>
	<p><b>Dafydd Rhys</b> Chief Executive</p> <p>17 October 2022</p>		<p><b>Michael Elliott</b> Interim Chief Executive</p> <p>7 March 2022 to 1 November 2022</p>
	<p><b>Richard Nicholls</b> Director of Operations</p> <p>28 September 2020</p>		<p><b>Rebecca Nelson</b> Director of Finance and Business Services</p> <p>17 June 2019</p>
	<p><b>Diane Hebb</b> Director of Arts Engagement from 1 February 2012</p> <p>13 January 1992</p>		<p><b>Lleucu Siencyn</b> Director of Arts Development</p> <p>9 May 2022</p>

## 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.



## 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:

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

## 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 in these financial statements.

# 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 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 respects 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](http://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

# Financial Statements

# THE ARTS COUNCIL OF WALES

## 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
<b>INCOME</b>					
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
		<u>32,603</u>	<u>28,429</u>	<u>61,032</u>	<u>47,910</u>
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
		<u>32,777</u>	<u>28,439</u>	<u>61,216</u>	<u>48,000</u>
<b>EXPENDITURE</b>					
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	-
		<u>31,423</u>	<u>29,554</u>	<u>60,977</u>	<u>48,047</u>
<b>Net income/(expenditure)</b>					
Gross transfers between funds	13	1,354	(1,115)	239	(47)
		<u>(918)</u>	<u>918</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		<u>436</u>	<u>(197)</u>	<u>239</u>	<u>(47)</u>
<b>Reconciliation of funds</b>					
Fund balances brought forward	13	666	1,753	2,419	2,466
<b>Total funds carried forward</b>		<u>1,102</u>	<u>1,556</u>	<u>2,658</u>	<u>2,419</u>

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 88 to 105 form part of these financial statements

# THE ARTS COUNCIL OF WALES

## BALANCE SHEET

as at 31 March 2023

	Note	31 March 2023		31 March 2022	
		£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Intangible fixed assets	9a		4		0
Tangible fixed assets	9b		130		67
<b>Total fixed assets</b>			<u>134</u>		<u>67</u>
<b>Non-current assets</b>					
Debtors	10a		8,570		-
<b>Current assets</b>					
Debtors	10b	16,768		2,762	
Cash and cash equivalents		1,491		1,525	
<b>Total current assets</b>		<u>18,259</u>		<u>4,287</u>	
<b>Liabilities: falling due within one year</b>					
Creditors	11a	(15,534)		(1,905)	
		<u>(15,534)</u>		<u>(1,905)</u>	
<b>Net current assets</b>			<u>2,725</u>		<u>2,382</u>
<b>Total assets less current liabilities</b>			<u>11,429</u>		<u>2,449</u>
<b>Creditors: falling due after more than one year</b>					
Creditors	11b		(8,771)		(30)
<b>Net assets</b>			<u>2,658</u>		<u>2,419</u>
<b>The funds of the charity</b>					
Unrestricted funds	13		1,102		666
Restricted funds	13		1,556		1,753
			<u>2,658</u>		<u>2,419</u>

The notes on pages 88 to 105 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

## 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)
<b>Change in cash and cash equivalents in the year</b>		<b>(34)</b>	<b>109</b>
Cash and cash equivalents brought forward		1,525	1,416
<b>Cash and cash equivalents carried forward</b>		<b>1,491</b>	<b>1,525</b>

The notes on pages 88 to 105 form part of these financial statements

# THE ARTS COUNCIL OF WALES

## 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
<i>Creative Learning through the Arts Programme</i> (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 the Creative Nature programme)	-	65	65	65
	<b>12</b>	<b>28,129</b>	<b>28,141</b>	<b>16,610</b>

### 4. Income from charitable activities - Services and sponsorship

	Unrestricted funds £'000	Restricted funds £'000	2022/23 Total £'000	2021/22 Total £'000
<i>Night Out</i> scheme:				
- contributions from venues/promoters	116	-	116	24
<i>Collectorplan</i> - gallery fees	29	-	29	36
Other income	6	-	6	4
	<b>151</b>	<b>-</b>	<b>151</b>	<b>64</b>

### 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	<b>15</b>	<b>-</b>	<b>15</b>	<b>26</b>

### 6. Expenditure - Charitable activities

	Direct activities £'000	Grant <sup>1</sup> funding £'000	Support <sup>2</sup> costs £'000	2022/23 Total £'000	2021/22 Total £'000
Grant making and arts development <i>Creative Learning through the Arts Programme</i> (note 18)	1,222	53,293	1,894	56,409	45,223
Arts strategy	1,005	1,209	-	2,214	1,219
International	573	-	20	593	448
Services: <i>Night Out &amp; Collectorplan</i>	905	-	31	936	607
Advocacy and research	489	-	17	506	284
	225	-	8	233	189
	<b>4,419</b>	<b>54,502</b>	<b>1,970</b>	<b>60,891</b>	<b>47,970</b>
From unrestricted funds				31,337	31,128
From restricted funds				29,554	16,842
				<b>60,891</b>	<b>47,970</b>

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
<i>Creative Learning through the Arts</i> 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
	<b>54,279</b>	<b>223</b>	<b>54,502</b>	<b>42,663</b>

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	1,399
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
	<b>3,950</b>	<b>1,980</b>	<b>1,970</b>	<b>1,914</b>

## 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	-
	<b>3,984</b>	<b>1,008</b>	<b>4,992</b>	<b>1,377</b>	<b>3,615</b>	<b>3,240</b>

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
	<b>4,992</b>	<b>1,377</b>	<b>3,615</b>	<b>3,240</b>

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
	<b>69</b>	<b>17</b>	<b>86</b>	<b>25</b>	<b>61</b>	<b>57</b>

#### Staff composition at 31 March

(full time equivalents – whole Council)

	Male	2023 Female	Total	Male	2022 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
	<b>28</b>	<b>59</b>	<b>87</b>	<b>26</b>	<b>55</b>	<b>81</b>
	32%	68%		32%	68%	

#### Emoluments by bands

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:

	2022/23	2021/22
£60,000 to £69,999	1	1

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

	2023	2022
	£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	£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.

- 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	2022/23			2021/22		
	Emoluments band £'000	Pension benefits £'000	Single total remuneration £'000	Emoluments band £'000	Pension benefits £'000	Single total remuneration £'000
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 <sup>1</sup> 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 <sup>2</sup> Director of Operations	80-85	17	95-100	85-90	20	105-110
Diane Hebb <sup>2</sup> Director of Arts Engagement	80-85	(35)	45-50	85-90	72	155-160
Rebecca Nelson <sup>2</sup> 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					

<sup>1</sup> The Interim Chief Executive elected not to join a pension scheme and there was no requirement to auto-enrol him.

<sup>2</sup> 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		2022/23		2022/23	2021/22	2022/23
	Real increase in pension and related lump sum at age 65 £'000		Total accrued pension at age 65 as at 31/03/23, or date of leaving if earlier, and related lump sum £'000		Cash Equivalent <sup>1</sup> Transfer Value at 31/03/23 £'000	Cash Equivalent Transfer Value at 31/03/22, or date of leaving if earlier £'000	Real increase <sup>2</sup> in Cash Equivalent Transfer Value £'000
Dafydd Rhys Chief Executive from 17 October 2022	Pension	0-2.5	Pension	0-5	9	N/A	6
	Lump sum	0-2.5	Lump sum	0-5			
Richard Nicholls Director of Operations	Pension	0-2.5	Pension	0-5	20	17	4
	Lump sum	2.5-5	Lump sum	5-10			
Diane Hebb Director of Arts Engagement	Pension	(2.5)-0	Pension	20-25	390	469	(25)
	Lump sum	(5)-(2.5)	Lump sum	70-75			
Rebecca Nelson Director of Finance and Business Services	Pension	0-2.5	Pension	0-5	28	40	1
	Lump sum	0-2.5	Lump sum	10-15			
Lleucu Siencyn Director of Arts Development from 9 May 2022	Pension	0-2.5	Pension	0-5	7	N/A	3
	Lump sum	0-2.5	Lump sum	0-5			

<sup>1</sup> **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.

<sup>2</sup> **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 £
<b>Chairs<sup>1</sup></b>		
Chair (to 31 March 2023) – Phil George		
Salary	<u>25,556</u>	<u>43,810</u>
Interim Chair (from 1 October 2022 to 31 March 2023) – Kate Eden		
Salary	<u>17,524</u>	<u>-</u>
Chairs' total		
Salary	<u>43,080</u>	<u>43,810</u>

<sup>1</sup> 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	<u>9,764</u>	<u>-</u>
	<u>56,485</u>	<u>-</u>
Former Interim Chief Executive (from 7 March 2022 to 1 November 2022) – Michael Elliott		
Salary	<u>65,643</u>	<u>7,413</u>
Former Chief Executive (to 30 September 2021) – Nicholas Capaldi		
Salary	-	51,548
Employer's pension contribution	<u>-</u>	<u>10,077</u>
	<u>-</u>	<u>61,625</u>
Former Chief Executive (from 6 September to 19 November 2021) – Siân Tomos		
Salary	-	21,751
Employer's pension contribution	<u>-</u>	<u>4,546</u>
	<u>-</u>	<u>26,297</u>
Chief Executives' total		
Salary	112,364	80,712
Employer's pension contribution	<u>9,764</u>	<u>14,623</u>
	<u>122,128</u>	<u>95,335</u>

66% (2021/22: 66%) of the Chair's and 72% (2021/22: 72%) of the Chief Executives' emoluments are charged in these financial statements and the remainder to lottery distribution activities.

	2022/23 £	2021/22 £
Travel and subsistence expenses incurred and defrayed whilst on Council business:		
Chairs	593	185
Chief Executives	11,050	627

51% (2021/22: 52%) of the Chair's 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 changed 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
Chairs' 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	-
	<b>134</b>	<b>56</b>	<b>78</b>	<b>77</b>

## 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	<b>301</b>
Amortisation at 1 April 2022	297
Charge for the year	0
Disposals	-
Amortisation at 31 March 2023	<b>297</b>
<b>Net book value at 31 March 2023</b>	<b>4</b>
<b>Net book value at 1 April 2022</b>	<b>0</b>

### 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	<b>107</b>	<b>851</b>	<b>95</b>	<b>1,053</b>
Depreciation at 1 April 2022	107	693	95	895
Charge for the year	-	32	-	32
Disposals	-	(4)	-	(4)
Depreciation at 31 March 2023	<b>107</b>	<b>721</b>	<b>95</b>	<b>923</b>
<b>Net book value at 31 March 2023</b>	<b>0</b>	<b>130</b>	<b>0</b>	<b>130</b>
<b>Net book value at 1 April 2022</b>	<b>0</b>	<b>67</b>	<b>0</b>	<b>67</b>

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
<b>a. Debtors: falling due after more than one year</b>		
Welsh Government – capital funding for redevelopment of Theatr Clwyd	8,570	-
	<u>8,570</u>	<u>-</u>
<b>b. Debtors: falling due within one year</b>		
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 <sup>1</sup>	383	479
Trade debtors	119	135
Other debtors	924	812
	<u>16,169</u>	<u>2,336</u>
<i>Deduct</i> Specific provision for doubtful debts	-	-
<i>Sub-total: Debtors</i>	<u>16,169</u>	<u>2,336</u>
Prepayments	286	199
	<u>16,455</u>	<u>2,535</u>
Due from Lottery distribution fund for recharged costs:		
Cost apportionments	313	227
	<u>16,768</u>	<u>2,762</u>

<sup>1</sup> *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
<b>a. Creditors: falling due within one year</b>		
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
	<u>15,534</u>	<u>1,905</u>
<b>b. Creditors: falling due after more than one year</b>		
Grants payable – capital funding for redevelopment of Theatr Clwyd	8,570	-
Grants payable – other	201	30
	<u>8,771</u>	<u>30</u>

## 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
<b>Unrestricted income funds</b>					
General fund	666	32,777	(31,423)	(918)	1,102
<b>Total unrestricted funds</b>	<b>666</b>	<b>32,777</b>	<b>(31,423)</b>	<b>(918)</b>	<b>1,102</b>
<b>Restricted funds</b>					
<b>Income</b>					
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
	<b>1,660</b>	<b>28,438</b>	<b>(29,542)</b>	<b>918</b>	<b>1,474</b>
<b>Capital</b>					
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
	<b>93</b>	<b>1</b>	<b>(12)</b>	<b>-</b>	<b>82</b>
<b>Total restricted funds</b>	<b>1,753</b>	<b>28,439</b>	<b>(29,554)</b>	<b>918</b>	<b>1,556</b>
<b>Total funds</b>	<b>2,419</b>	<b>61,216</b>	<b>(60,977)</b>	<b>0</b>	<b>2,658</b>

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

	Unrestricted funds £'000	Restricted funds £'000	Total £'000
<b>Fund balances at 31 March 2023 are represented by:</b>			
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 due after more than one year	(33)	(8,738)	(8,771)
<b>Total net assets</b>	<b>1,102</b>	<b>1,556</b>	<b>2,658</b>

## 15. Cash flow information

	2022/23 £'000	2021/22 £'000
<b>a. Cash flows from operating activities</b>		
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)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>55</b>	<b>163</b>
<b>b. Cash flows from investing activities</b>		
Bank interest received	18	0
Bank interest surrendered to Welsh Consolidated Fund	(8)	0
<b>Net cash inflow from operating activities</b>	<b>10</b>	<b>0</b>
<b>c. Cash flows associated with capital assets</b>		
Payments to acquire intangible fixed assets (note 9a)	(4)	0
Payments to acquire tangible fixed assets (note 9b)	(95)	(54)
<b>Net cash inflow/(outflow) associated with capital assets</b>	<b>(99)</b>	<b>(54)</b>

## 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	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Total due				
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	-	-
	<b>766</b>	<b>855</b>	<b>4</b>	<b>0</b>

Lease payments of £155,000 have been recognised as an expense during the year (2021/22: £154,000). 51% (2021/22: 52%) 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 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
<b>Income</b>		
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
	<u>2,032</u>	<u>1,740</u>
<b>Expenditure</b>		
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
	<u>2,214</u>	<u>1,219</u>

## 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.

Member Role	Organisation	Payable Transaction 2022/23 (number)	Total Value 2022/23 £	Total balance outstanding at 31 March 2023 <sup>1</sup> £
<b>Council members</b>				
<b>Elen ap Robert</b> Chair	National Eisteddfod of Wales	Grant (1)	15,000	15,000
Director	Welsh National Opera	Grants (2)	4,699,135	Nil
<b>Lhosa Daly</b> Employment	National Trust	Grant (1)	25,000	2,500

Member Role	Organisation	Payable Transaction 2022/23 (number)	Total Value 2022/23 £	Total balance outstanding at 31 March 2023 <sup>1</sup> £
<b>Devinda De Silva</b>				
Board member	Dirty Protest	Grant (0)	Nil	6,175
Board member	Disability Arts Cymru	Invoice (3) Grant (2)	2,100 175,008	Nil 6,963
Employment	National Theatre Wales	Grant (2)	1,664,920	Nil
<b>Andy Eagle</b>				
Employment	Chapter	Grant (4) Invoice (3)	741,337 2,401	50,000 Nil
<b>Kate Eden</b>				
Council member	Aberystwyth University	Grant (3)	616,193	30,000
<b>Ruth Fabby</b>				
Employment (until December 2022)	Disability Arts Cymru	Grant (2)	175,008	6,963
<b>Tafsila Khan</b>				
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
<b>Gwennan Mair</b>				
Drama board member	National Eisteddfod of Wales	Grant (1)	15,000	15,000
Employment	Theatr Clwyd	Grant (4)	25,368,645	22,336,617
<b>Victoria Provis</b>				
Council member	University of Wales Trinity Saint David	Invoice (3)	203	Nil
<b>Dafydd Rhys</b> (Transactions while Council member up to August 2022)				
Employment (until August 2022)	Aberystwyth University	Grant (1)	550,686	Nil
<b>Prue Thimbleby</b>				
Employment	Swansea Bay Health Board	Grant (1)	25,000	27,500
<b>Dr Sarah Younan</b>				
Volunteer	Watch Africa Cymru	Grant (0)	Nil	1,000
<b><u>Capital Committee members</u></b>				
<b>Jayne Woods</b>				
Council member	University of Wales Trinity Saint David	Invoice (3)	203	Nil

Member Role	Organisation	Payable Transaction 2022/23 (number)	Total Value 2022/23 £	Total balance outstanding at 31 March 2023 <sup>1</sup> £
<b><u>Senior Leadership Team members</u></b>				
<b>Diane Hebb</b> Governor	Gwernyfed High School	Grant (1)	1,000	Nil
<b>Dafydd Rhys</b> (Transactions while staff member from October 2022) Former employment (until August 2022)	Aberystwyth University	Grant (2)	65,507	30,000
<b>Lleucu Siencyn</b> Former employment (until April 2022)	Literature Wales	Grant (2) Invoice (4)	818,788 3,100	31,407 Nil

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

# Annex

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
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	8262
Blackwood Miners Institute	£4,116
Canolfan Gerdd William Mathias	2553
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
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 nŌg	£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
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
Cwmffrwdroer 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
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
Maesyrrhandir 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
Morrison 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
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
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
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
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 Llwynceilyn (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
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 Trefferthyr	£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
	<u>£1,219,788</u>

**Total Creative Learning through the Arts grants** £1,219,788

## Strategic awards

### Welsh Government strategic funding

National Youth Arts Wales	£200,000
	<b>£200,000</b>

### 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
	<b>£155,555</b>

### 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
	<b>£15,750</b>

### 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
	<b>£24,100,000</b>

### Arts Development

Arts & Business Cymru	£50,000
Ffilm Cymru Wales	£4,000
Literature Wales	£57,103
The National Trust	£25,000
	<b>£136,103</b>

### 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
	<b>£360,000</b>

### Arts, Health & 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
	<b>£180,260</b>

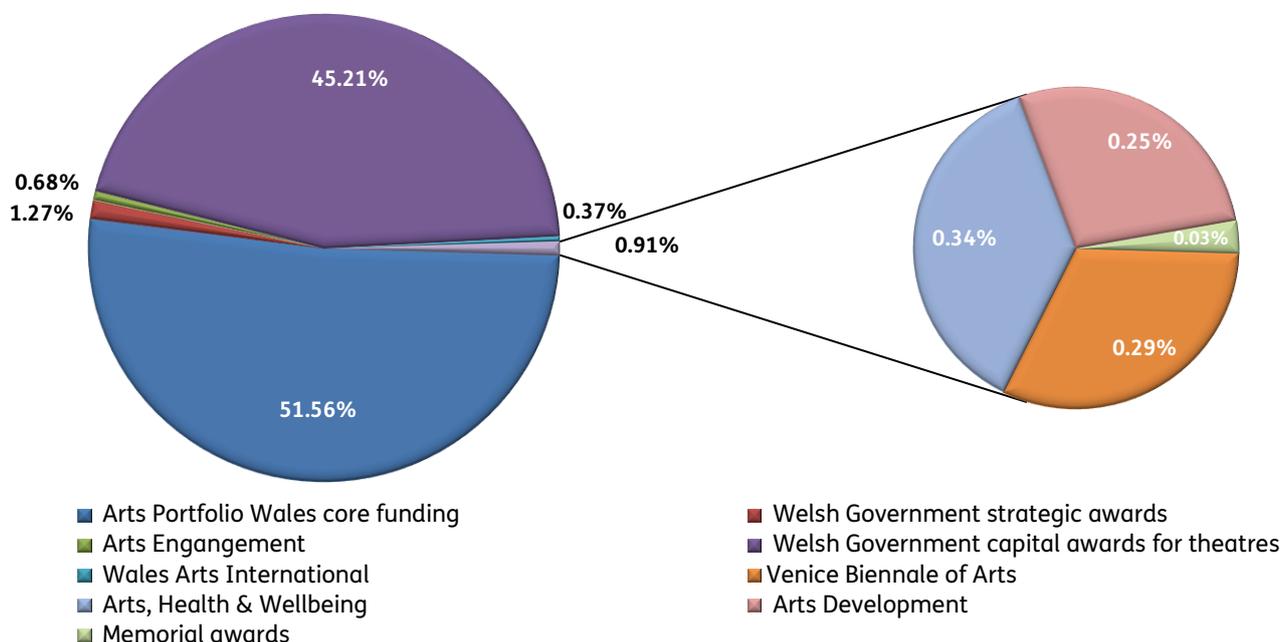
### Wales Arts International

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
	<b>£196,255</b>

**Total Strategic awards** **£25,819,620**

**TOTAL GRANTS OFFERED** **£54,522,935**

## GRANTS BY TYPE



## WHAT DID OUR GRANTS SUPPORT?

	Value of grants		No of grants
<b>Grants to support Arts Portfolio Wales:</b>			
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
<b><i>Creative Learning through the Arts</i></b>	<b>£1,219,788</b>	<b>2.24%</b>	<b>423</b>
<b>Other grants:</b>			
Strategic awards	£25,819,620	47.36%	126
	<b>£54,522,935</b>		<b>615</b>