

Annual Report and Accounts
2004-2005



NATIONAL MUSEUMS & GALLERIES OF NORTHERN IRELAND

**NATIONAL MUSEUMS &
GALLERIES OF NORTHERN IRELAND
Annual Report and Accounts
For the year ended 31st March 2005**

*Laid before the Houses of Parliament by the Department of Culture,
Arts and Leisure in accordance with Paragraph 12(2) and (4) of
the Schedule to the Northern Ireland Act 2000 and Paragraph 32
of the Schedule to the Northern Ireland Act 2000
(Prescribed Documents) Order 2004*

22 February 2007

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1. HISTORY AND ROLE

The National Museums and Galleries of Northern Ireland were established under the Museums and Galleries (Northern Ireland) Order (1998) which merged four long established museums

**Ulster Museum,
Belfast
Ulster Folk and Transport Museum,
Cultra
Ulster American Folk Park,
Omagh, and
Armagh County Museum**

The organisation's remit was extended to include **whowhatwherewhenwhy-W5**, Ireland's only interactive science discovery centre, which opened in March 2001.

This Annual Report covers the period 1 April 2004 to 31 March 2005.

The Museums and Galleries (Northern Ireland) Order 1998 sets out the constitution and responsibilities of the Board of Trustees. The Board is required to:

- ▣ care for, preserve and add to the objects in its collections,
- ▣ secure that the objects are exhibited to the public and assist the public by interpreting the significance of the objects,
- ▣ secure that the objects are available to persons seeking to inspect them in connection with study and research,
- ▣ promote awareness, appreciation and understanding by the public, of art, history and science, of the culture and way of life of people, and of the migration and settlement of people, with particular regards to the heritage of Northern Ireland.

The organisation is principally funded by the Department of Culture, Arts and Leisure (DCAL).

2. THE NATIONAL MUSEUMS AND GALLERIES OF NORTHERN IRELAND

The National Museums and Galleries of Northern Ireland is the province's largest cultural organisation. It makes a key contribution to the achievement of the goals set out in the *Programme for Government*, the priorities outlined in *Building on Progress* and the Department of Culture Arts and Leisure's Corporate Strategy as follows:

- ▣ Providing an excellent environment in which to explore greater understanding of and respect for our culture, history and heritage.
- ▣ Offering and working to improve public access to assets in public ownership.
- ▣ Providing high quality learning programmes to tens of thousands of children and adults in partnership with schools, colleges and universities.
- ▣ Playing a vital role in tourism and as a key partner of the Northern Ireland Tourist Board and Tourism Ireland Limited.
- ▣ Contributing to a positive international image of Northern Ireland
- ▣ Playing a significant role in increasing cultural participation for a wide cross section of Northern Ireland's society.
- ▣ Being a key contributor to Cultural Capital through care and development of the national collections.

Ulster Museum

- ▣ 224,964 visitors in 2004/05
- ▣ Daily education programmes
- ▣ 8,000 sq metres of galleries
- ▣ Rich collections of art, local history, archaeology and natural sciences
- ▣ Constantly changing programme of major exhibitions and events
- ▣ Sited in Belfast's Botanic Gardens

Ulster Folk and Transport Museum

- ▣ 191,810 visitors in 2004/05
- ▣ Education programmes
- ▣ Open air Folk Museum and indoor exhibit galleries
- ▣ Over 50 reconstructed exhibit buildings
- ▣ Award winning Irish Railway Collection
- ▣ Cars, planes, trains, bikes and ships
- ▣ Flight and Titanic galleries
- ▣ Exhibitions, events and daily activities
- ▣ Set in 180 acres of rolling countryside

Ulster American Folk Park

- ▣ 129,614 visitors in 2004/05
- ▣ Telling the story of Irish emigration over the past three centuries
- ▣ Over 30 authentic exhibit buildings with costumed interpreters
- ▣ Indoor "Emigrants" Exhibition
- ▣ Shop and dockside gallery
- ▣ Programmes for students of all ages
- ▣ Major events programme
- ▣ An open air museum in County Tyrone

Armagh County Museum

- ▣ 14,033 visitors in 2004/05
- ▣ The oldest county museum in Ireland
- ▣ Capturing the history and heritage of a city and county
- ▣ St Patrick's Cathedral City and "Orchard" county
- ▣ Involving the community with exhibitions and events
- ▣ Reference library rich in local archive material

Whowhatwhenwherewhy-W5

- ▣ 250,964 visitors in 2004/05
- ▣ Ireland's only interactive discovery centre
- ▣ Part of Odyssey, Northern Ireland's Millennium Landmark Project
- ▣ 140 hands-on exhibits
- ▣ Four dynamic exhibition areas
- ▣ Experiential learning in science, problem solving and creative skills
- ▣ A focus on science education, innovation and imagination
- ▣ Unique experience for visitors of all ages
- ▣ Daily science demonstrations

3. CHAIRMAN'S & CHIEF EXECUTIVE'S FOREWORD

During this year the Board of Trustees took a number of key decisions about the external focus of the National Museums group and about how the organisation should be structured to deliver a more efficient and effective public service.

A new mission statement was developed and reads as follows: "To connect the collections, knowledge and public spaces of the National Museums and Galleries of Northern Ireland with the widest possible audience to inform and inspire their understanding of the past, the present and the future of people, culture, places and of the natural environment here and across the world."

This focus on building a greater engagement with the public in terms of numbers and in terms of the quality of the visitor experience was reflected in the Board's agreement with the Chief Executive on a new leadership structure. New cross-museum directorates of Collections and Interpretation, Learning and Partnership and Marketing, Communications and Trading were designed to improve internal coherence and to deliver greater public engagement. The recruitment of a new post of Director of Human Resources and Organisational Development took place.

With flatline grant-in-aid for the foreseeable future we face significant financial challenges. However the Board and Chief Executive are committed to taking action which will contribute to financial sustainability, both by controlling costs and by increasing self-generated income. A major reform and modernisation programme will be implemented over the next few years.

During the year we achieved the first significant allocation of capital by Government since the organisation was formed in 1998. Across the next three years Government, through the Department of Culture, Arts and Leisure,

has allocated £13.5 million to a range of projects. These include funding towards a major refurbishment of the Ulster Museum which is also attracting significant support from the Heritage Lottery Fund. This project is due for completion in 2009 and will allow the Ulster Museum to play a rejuvenated role in the lives of local citizens and in the development of Belfast and Northern Ireland as a tourist destination.

By a number of objective measures it was an encouraging year for the organisation. Record visitor numbers totalling more than 810,000 were achieved across the group while a number of major accolades were received. In the Irish Museum Awards the Ulster Folk and Transport Museum - celebrating its 40th anniversary - was voted Museum of the Year while the Ulster Museum's "Conflict: the Irish at War" won Best Exhibition. The Ulster Folk and Transport Museum was also voted Northern Ireland Tourist Board's Visitor Attraction of the Year, with W5 a runner-up. The group's website, www.magni.org.uk was voted Best Public Sector Website in Northern Ireland at the Goldeneye awards.

We believe this was a year of real achievement in delivering a high standard of service and in charting a course which will enable us to make a greater contribution to growing our society through learning, cultural participation, purposeful leisure, tourism, economic and social development.



Margaret Elliott CBE
Chairman
Board of Trustees



Tim Cooke
Chief Executive

4. PURPOSE AND STRATEGIC AIMS

Vision:

"Inspiring People's Lives by Opening Horizons"

Mission:

"To connect the collections, knowledge and public spaces of the National Museums and Galleries of Northern Ireland with the widest possible audience to inform and inspire their understanding of the past, present and future of people, culture, places and of the natural environment here and across the world."

Strategic Aims:

Collections

To develop, manage, care for and interpret the collections of the National Museums and Galleries of Northern Ireland for the benefit and enjoyment of the widest possible audiences now and in the future.

Learning and Access

To develop and deliver accessible and innovative learning opportunities that meet the needs of diverse audiences and inspire people to explore their own and other cultures and the natural world.

Visitor Experience

To provide the highest quality experiences and services to visitors in support of our learning and audience development programmes, and to provide accessible and welcoming venues for the display, interpretation and enjoyment of our collections, exhibitions and events.

Profile and Communications

To increase awareness of and engagement with the National Museums and Galleries of Northern Ireland, and to promote understanding and appreciation of their unique contribution to culture, education, tourism and leisure locally, nationally and internationally.

Partnerships

To realise the role of the National Museums and Galleries of Northern Ireland by developing partnerships with clear and mutually beneficial objectives, so that we may share our collections, skills and knowledge locally and further afield.

Capital Development

To enhance and develop the buildings, landscapes and permanent displays in our care in order to create stimulating public spaces for learning and discovery, and to provide excellent facilities for our visitors and for the presentation, storage and care of our collections.

Organisational Leadership and Development

To focus the talent within our organisation in pursuit of our goals and objectives by providing clear leadership, effective structures and fair procedures, promoting equality of opportunity and good relations in a stimulating and enabling culture, by developing and delivering innovative training and development.

Funding, Finance and Resources

To maximise and effectively manage all sources of available funding including self-generated income to enable the best delivery of our strategic objectives, and to ensure that we are efficient, accountable and transparent in our governance and in the management of our financial and other resources.

5. ACHIEVEMENTS

The National Museums and Galleries attracted a record 811,385 visitors during 2004/05, significantly exceeding the attendance performance indicators set for the period.

The following awards were received:

- At the Irish Museum of the Year Awards in January 2005, the overall title and industry accolade, Irish Museum of the Year, was won by the Ulster Folk and Transport Museum along with Best Visitor Publication for the Companion Reader, Monday, Jan 1st 1900. The Ulster Museum won Best Exhibition of 2004 for Conflict: the Irish at War.
- The Ulster Folk and Transport Museum received the Northern Ireland Tourist Board's prestigious title Visitor Attraction of the Year at its annual awards ceremony in May, and in November the Museum also won, for the second consecutive year, Northern Ireland's Best Visitor Attraction 2004 at the Travel and Tourism Awards.
- The National Museums and Galleries website www.magni.org.uk was judged Best Public Sector Website at the Golden Eye Business Awards in April 2004.
- W5 won two commendations in the Northern Ireland Tourism Awards, in the categories of Visitor Attraction of the Year and Marketing Excellence.
- Roger Dixon, Librarian at the Ulster Folk and Transport Museum, was awarded an MBE in the Queen's Birthday Honours list, for Services to Museums.
- The Gilford Cinema Project at the Ulster Folk and Transport Museum.
- The provision of a replica bus to transport visitors around the Ulster Folk and Transport Museum.
- The redevelopment of the entrance and car park to the Ulster American Folk Park.
- The new X2 Flight Experience Exhibition and an 8-seat flight simulator.
- International Marketing, which included the appointment of an international marketing manager for the National Museums.
- Improvements to exhibitions and to the outdoor site at the Ulster American Folk Park.

The Department of Culture, Arts & Leisure allocated a total of £13.5m over the 3 year period 2005 / 2008 for the capital redevelopment of the Ulster Museum, for capital maintenance works at other museums, for Phase 1 of a long term storage development and as matched funding towards Peace II grants received via the Northern Ireland Tourist Board.

Fundraising initiatives throughout the year secured grants totalling over £1.3m from a range of Trusts, Foundations and businesses for a variety of projects such as:

6. MAJOR EXHIBITIONS AND EVENTS

The National Museums and Galleries of Northern Ireland's exhibitions and events programmes provided the highest quality experiences to our visitors in support of our learning and audience development programmes. Importantly, they made accessible the National Museums' collections, encouraged a greater number of visits, and helped to exploit the advantages we have as a multidisciplinary organisation of history, art and sciences. The programmes of popular and specialist events and exhibitions promoted museum visitation to extended audiences and provided wonderful opportunities for lifelong learning and promoting social awareness.

Major exhibitions and events mounted during the year included:

Ulster Museum

At the Ulster Museum a programme of new art exhibitions including **Irish Art: Lavery to Le Brocqy, Irish Art: Le Brocqy to the present, Dutch and Flemish Old Masters and British, European and American Post-war painting**, proved very popular and were attended by larger than usual audiences.

As part of the **Star Loans** programme made available by the British Museum Partnership UK items of Inuit costume were installed in the **Arctic Traditions** exhibition at the Ulster Museum. This was complemented by a well-illustrated talk on aspects of Inuit costume given by Jonathan King of the British Museum.

The Museum's art department curated the exhibition **A Distinctive Palette: the Art of Georgina Moutray Kyle**, which opened at the Naughton Gallery, Queens University Belfast. This exhibition includes

a combination of works drawn from the collections of the Ulster Museum, the Ulster Folk and Transport Museum and Armagh County Museum.

One of the highlights of the year was the exhibition of **Landscapes by Martin Gale**, which was organised in partnership with the Baird Group and opened in December.

The **75th Anniversary of the Ulster Museum** was celebrated with a lunch attended by the Lord Mayor of Belfast, Councillor Tom Ekin. To mark the event a special exhibition reflecting the establishment and history of the Ulster Museum went on display for visitors.

One of the biggest exhibition openings, which attracted many thousands of visitors, was **The Art of the Garden**, a major touring exhibition from Tate Britain. It was opened by popular television celebrity and gardener, Diarmuid Gavin.

Complementary to **The Art of the Garden**, an exhibition of ceramics from the National Museums and Galleries' collection, **Flora Porcelain**, opened on the same day.

The season of **Northern Bank Lectures** which began in October was successfully launched with Jon Snow's charismatic talk **Shooting History**. Neil MacGregor, Director of the British Museum provided a fascinating lecture which launched the Northern Ireland strand of the British Museum's prestigious Partnership UK initiative.

The exhibition **Native American Art: Irish American Trade**, which was on loan through the partnership, also opened at the Museum, and the **Dunaverney Flesh Hook**, from north Antrim, which is normally on permanent exhibition at the British Museum, was unveiled for its half-year visit to the Ulster Museum. The exhibition **British and American Paintings of the Twentieth Century** was on display throughout the summer and

attracted significant numbers of local and international visitors.

Ulster Folk & Transport Museum

The season started well with more than 10,000 visitors enjoying a series of traditional calendar events held for St Patrick's Day, Mothering Sunday and Easter Celebrations.

Two important new exhibits at the Ulster Folk and Transport Museum, **Ballinderry House and Forge** and the **Omagh Presbyterian Meeting House**, were formally opened by in May by the Minister for Culture, Arts and Leisure, Angela Smith MP. This was one of the largest opening events to take place at the Museum and was attended by many leading representatives from churches, tourism, arts and culture in Northern Ireland.

Museums and Galleries Month in May included a host of events attracting a wide range of visitors including the **International Museums Day Lecture** given by Richard Gibbon, formerly senior curator of the National Railway Museum, York, **Old Vehicles Day**, the early morning **RSPB Dawn Chorus Walk**, and the traditional annual **May Day Celebrations**.

In July over 3,000 visitors celebrated the **Fortieth Anniversary** of the Museum at a high profile event which show-cased the development of the living museum with its costumed visitor guides, working buildings and traditional crafts. The event attracted significant press, publicity and goodwill for the Museum throughout Northern Ireland. The new **Guide to the Exhibit Buildings** available in seven languages, and visitor publication **Monday, January 1, 1900** were launched at these celebrations.

Many thousands of visitors from home and abroad enjoyed a wide range of events during the summer period including special programmes provided for tourists visiting the museum from the many cruise ships which docked in Belfast.

Major events included **Bombardier Family Day** and the **Rare Breeds Show and Sale** which together attracted almost 15,000 visitors over three days in August.

The **National Launch of Storyfest**, sponsored by Arts and Business, took place in the Irish Railway Collection in September and was attended by over 500 school children.

Well over 3,000 visitors attended the very successful annual **Halloween Celebrations** in October and a new event, **Model Railway Day**, organised by the Friends of Cultra attracted over 2,000 visitors and enthusiasts to the Transport Museum.

Special **Christmas Celebrations** during December, which attracted capacity audiences, included **Spirit of Christmas Past**, a **Traditional Music Concert** featuring Matt Molloy, and a series of **Carols by Candlelight** services in the Museum's Kilmore Church.

The year ended on a high note in March, with the formal opening of Ireland's most comprehensive exhibition on flight by Concorde pilot, Captain Brian Walpole, in the General Transport Galleries. This exciting and unique exhibition, **X2 Flight Experience**, combined the latest in technology, alongside iconic items such as the around-the-world balloon capsule flown by Richard Branson and Per Lindstrand, the original twin rudder from a 1909 Short Wright flyer, and an ongoing visible restoration programme for the Short Sealand flying boat. The star attraction was the new £140,000 8-seater flight simulator, which along with many other interactives, provided a range of activities and fun learning experiences for all age groups.

Ulster American Folk Park

Almost 2,000 visitors were welcomed to **Music on the Move** during the first

weekend in May and also that month a celebration of weddings on both sides of the Atlantic, **Old, New, Borrowed and Blue: Rural Ulster** with its music, dancing and traditional feast delighted large audiences.

In June many visitors enjoyed **Celebrate Canada**, a special celebration of Irish - Canadian links and shared heritage to raise awareness of the strong ties between the peoples of Canada and Ireland.

The highlight of the year, attracting many thousands of visitors, was the **Native American Art, Irish American Trade, The Stonyhurst Mullanphy Collection**, a touring exhibition organised through the British Museum UK Partnership, which was opened in July by Native American Don Tenoso, a descendant of Chief Sitting Bull. The exhibition, which attracted extensive media coverage, included a rare map showing land sales in the 1770s, a pow-wow costume, weapons and armour from the horseback hunters of Great Plains and many other fascinating American objects.

One of the largest and most successful events in the Folk Park's annual calendar is the **Thirteenth Annual Appalachian and Bluegrass Festival** which took place in September. More than 130 performers contributed to the Festival, the largest of its kind in Europe, which drew artists from the USA, Holland, Italy, England and Ireland. The artists also provided outreach performances at other local venues, attracting additional audiences to the many thousands attending the Festival at the Museum.

Record crowds enjoyed the celebrations marking **American Independence** between 1 and 4 July which featured participants from throughout Europe in American Civil War re-enactments in the outdoor Museum. Don Tenoso, a Lakota Sioux, provided workshops on Native American crafts and skills.

During July and August the **Woodfest** event, which explored all aspects of the

story of wood, attracted several thousand visitors. The event received support from the Natural Resources Rural Tourism Initiative, which is administered by Sperrins Tourism.

President Woodrow Wilson's ancestral home was prepared and opened to the public over the summer months as part of a partnership with Strabane District Council.

The popular three day **Halloween Festival** in October was booked to capacity and successive groups of "frightened" visitors were taken on a series of ghostly tours as darkness fell on the outdoor museum to learn about the mysteries of Halloween long past.

A new and successful event, **Days of Christmas Past** in December, featured many familiar Christmas customs in rural Ulster and the American frontier and delighted many thousands of visitors in family groups.

Armagh County Museum

The touring exhibition, **Kings in Conflict**, was shown at Armagh County Museum in September, to coincide with the screening of the programme on the Battle of the Boyne, by the BBC as part of the series, **Battlefield Britain**. Large visitor numbers attended **Billy and the Boyne**, a special event organised at the Museum which featured BBC producers Louis Edmondson and Paul McGuigan.

A touring exhibition organised by the NI Regional Curators Group, **All Change: The Social Impact of the Railways**, opened in September and was on show until February attracting significant numbers of visitors to the Museum during this period. The exhibition was supported by the Heritage Lottery Fund, the Northern Ireland Museums Council and the participating museums.

The Armagh Art Club Summer Exhibition opened in June and continued until

September. This was the forty-second year of the partnership with the Art Club and the exhibition continues to be an established and successful event on the Museum's annual calendar.

Another popular attraction with visitors during the year was the **60s Art and Fashion**, a display drawn from the larger exhibition previously shown at the Ulster Museum.

Whowhatwhenwherewhy - W5

Dinosaur Encounter, a spectacular display of moving, roaring animatronic dinosaurs, opened in early July and was a major success attracting more than 95,000 visitors to W5. Many thousands of visitors also enjoyed workshops, including **JURASSIC Slime**, organised in the context of the exhibition.

A fabulous photographic exhibition, **The Wildlife Photographer of the Year** exhibition was displayed in early summer and attracted many visitors inspired by the fantastic images. Appropriately in June, **Noses are Red**, a series of demonstrations to explain hay-fever took place with support from the Wellcome Trust.

An imaginative exhibition of illustrations for children, **Every Picture Tells a Story**, included the original artwork from many popular children's books and proved very popular with younger audiences.

A touring exhibition from the National Science Museum, **Nuclear Waste: Can you handle it?** attracted large numbers of visitors who explored many of the issues associated with this controversial subject.

Record numbers of visitors attended the extensive and exciting **Easter Programme** during the holiday period, when families enjoyed a variety of imaginative activities including **Eggs-treme Racing, Dinosaur Egg Hunt, Eggtastic Eggsperiments, Edible Explosions, and Cosmic Comets.**

Almost 10,000 visitors young and old, participated in a range of spooky events for Halloween half-term week in October, including: **Big Bat Hunt, Superstitious Science Show, Firework Fantastic, Bat Mask Making, and Halloween Tales.** An exhibition of **Illustrations by P J Lynch**, was the inspiration for a **Big Draw** event on 16 October, when large numbers of visitors helped turn W5 into a mythical forest.

Christmas Special Events which were booked to capacity included teddy bear design workshops, candle making, ice racing with remote control cars, and an interactive workshop about the science of snow.

7. ACCESS AND LEARNING

The National Museums continued to maximise the potential of learning through a range of diverse programmes and activities that were tailored to the needs of different target groups. The all-inclusive strategy embraced nursery, primary and post primary audiences, lifelong and independent learning, and digital learners.

The programmes recognised the need to facilitate and encourage visitors and users with a range of learning styles, interests, ages, backgrounds and abilities, and were designed to encourage minority and disadvantaged groups to engage with our collections.

The Museums have extended and improved the range of programmes for day visitors, as well as for those who stayed overnight in on-site residential facilities, and have worked to increase the number of groups who visited as part of cross-community programmes.

A synopsis of the many and varied education events and activities held across each of the National Museums and Galleries throughout the year is as follows:

Ulster Museum

32,669 people participated in organised education programmes at the Museum, including a variety of primary school children and representatives of community groups.

- **A Walk on the Wild Side**, a major two day event designed for family learning was held on the weekend of 9 and 10 October. Some twenty environmental organisations, including the Woodland Trust, the Royal Society for the Protection of Birds the Happy Hedgehog Sanctuary joined the event, which was timed to coincide with

BBC TV's landmark series British Isles "A Natural History", and which attracted 1,700 visitors.

- During July and August, many thousands of visitors took part in educational activities including art workshops, special tours with discussion sessions and craft workshops based on **Arctic Traditions** and interpretative projects linked to natural sciences. These activities were focused on families, informal groups, pre-school children and informal learners.
- Outreach initiatives included a workshop and talk **After the Holocaust: the new lives and businesses established by Jewish refugees in Northern Ireland** which was delivered at Belfast Synagogue as part of the programme of events relating to Holocaust Memorial Day.

Ulster Folk and Transport Museum

23,793 education groups were welcomed to the Museum during the year including children attending special schools, Irish language schools and schools engaged in the Community Relations Programme.

- Visits to the Museum as part of the cross community programme, were organised for young people from the Sandy Row and Clonard areas of Belfast, and from Counties Monaghan and Fermanagh.
- Through the partnership with Public Achievement, a group of young people from townships of Capetown, South Africa, visited the Museum.
- An imaginative pioneering partnership was developed between the Museum and the Towers Project in Newtownards, in relation to the Youth Justice Agency. Young people, who were working out Attendance Centre Orders, were given tuition in basket making in a safe and supervised environment within the Museum.

Ulster American Folk Park

A total of 28,619 school children were welcomed to the Museum during the year.

- The Museum welcomed students from Montclair Kimberly Academy in New Jersey, and a number of delegates representing the International Museum Theatre Alliance in May.
- In June, hundreds of students attended the **Trans-Atlantic Dance Workshops for Schools**, an exploration of dance traditions within these islands and of how dance styles transferred with emigrants across the Atlantic.
- Almost 200 children, drawn from summer schemes emphasising numeracy and literacy skills, enjoyed a series of educational workshops led by Don Tenoso, a member of the Lakota Sioux and an ethnographer at the Smithsonian Institute, Washington. Don Tenoso also led interpretative sessions for the general public during his work with the Museum.

Armagh County Museum

3,260 people participated in organised education programmes including:

- **The Youth Art** event, working with Single Identity groups, Social Patners for Reconciliation and Investment in New Generations (SPRING) and Reconciliation Education & Community Training (REACT), was launched in late June. A tutor worked in the galleries with participants to make a collaborative piece of art.
- **The Friday Arts and Crafts Group** for visitors with visual impairments continued to meet at the Museum, and in June, a handling session was hosted for members of Dungannon Visually Impaired Group.
- Also in June, the Museum hosted a training day on Cultural Diversity in partnership with the Northern Ireland Museums' Council.

W5

A total of 39,051 schoolchildren visited W5 during the year.

- ▣ W5 worked in partnership with Belfast Education and Library board to complete the YESIP (Youth International Social Inclusion Programme), a three year initiative with Mount Gilbert and St Gabriels' schools, both of which are located in identified areas of social deprivation.
- ▣ A total of some 440 children from seven schools joined in Forensic Challenge, a series of workshops for Key Stages 2 and 3, in which young people explored the skills of the Scene of Crime Officer.
- ▣ A number of classes from two primary schools in Belfast were involved in a joint programme with FAS (the Training and Employment Agency in ROI) and the Kennedy Space Authority, when the first black astronaut, Captain Winston E Scott, talked about his travels in space.
- ▣ Part of the Halloween programme included a storytelling session interpreted through sign language which extended access to aurally disadvantaged visitors.

8. PARTNERSHIPS

Partnerships continued to be a vital part of the National Museums landscape throughout the year enabling us to share our knowledge, skills and collections in mutually beneficial relationships which provided opportunities to develop even stronger and more strategic alliances for the future and to deliver much more together, than could have been achieved separately.

We have continued to work with a diverse and rich stream of national and local organisations – with local councils, government departments, schools, colleges and universities, education and library boards, museums at home and abroad, with educational and charitable foundations, with media and business partners, tourism organisations, community groups, charities and the voluntary sector.

We continue to be active partners in many priority programmes within Northern Ireland through our extensive involvement with other museums, educational and tourism organisations throughout Ireland, across the UK and around the world. This has enabled us to deliver real and measurable benefits in learning, research, scholarship, tourism, community relations, creativity and social inclusion.

Through these important partnerships and considered alliances, the National Museums and Galleries of Northern Ireland work to extend our contribution to enriching society now and for the future.

**NATIONAL MUSEUMS & GALLERIES
OF NORTHERN IRELAND**

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2005

9. FINANCIAL STATEMENTS

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FOREWORD TO THE FINANCIAL STATEMENTS

1. CONSTITUTION

The Museums and Galleries (Northern Ireland) Order 1998 established a Board of Trustees for the National Museums and Galleries of Northern Ireland and provided that all property, rights and liabilities of the Trustees of the Ulster Museum and the Trustees of the Ulster Folk and Transport Museum would transfer to the Board. The Museums and Galleries (Northern Ireland) Order 1998 repealed previous legislation affecting the Ulster Museum and the Ulster Folk and Transport Museum and the Trustees of the Ulster Museum and the Trustees of the Ulster Folk and Transport Museum were thereby abolished.

The Order requires the Trustees to care for, preserve and add to the objects in its collections, for the purposes of exhibiting to the public and making objects available in connection with study or research, and generally to promote awareness, appreciation and understanding of art, history, science, culture and migration and settlement of people.

The National Museums and Galleries of Northern Ireland assumed responsibility for the Ulster American Folk Park from October 1998.

Under Article 10(2) of the Museums and Galleries (NI) Order 1998 the Museum is required to prepare a statement of accounts for each financial year in the form and on the basis determined by the Department of Culture, Arts and Leisure with the approval of the Department of Finance and Personnel.

The financial statements of the National Museums and Galleries of Northern Ireland are required to be audited by the Comptroller and Auditor General for Northern Ireland.

Whowhatwherewhenwhy Limited ("W5") was incorporated to manage and operate the Science Centre built as part of Odyssey, the landmark Millennium Project based in Belfast. Whowhatwherewhenwhy Limited does not have a share capital but is a company limited by guarantee. It is registered with the Inland Revenue as a charitable body for taxation purposes. The Chief Executive of the National Museums and Galleries of Northern Ireland ("MAGNI") and several members of MAGNI's Board of Trustees are directors of W5. The Directors of W5 consider that the Board of Trustees of the National Museums and Galleries of Northern Ireland is the ultimate controlling party of W5 by virtue of the fact that MAGNI is the sole member of the company. The results of W5 have been included in the financial statements of the National Museums and Galleries of Northern Ireland.

2. RESULTS AND APPROPRIATIONS

The net surplus credited to the general reserve was £288,249. This has resulted in a general reserve carried forward of £1,185,503.

3. REVIEW OF MAJOR ACTIVITIES

In 2004 MAGNI became the most successful museum body in Ireland, in the Irish Museum of the Year Awards taking the highest accolade and three of the six top prizes. The Ulster Folk and Transport Museum won overall title Museum of the Year and Best Publication for Visitors, while the Ulster Museum won Best Exhibition for Conflict: the Irish at War.

Ulster Museum

At the Ulster Museum a programme of new art exhibitions were well attended

by larger than usual audiences, including Irish Art: Lavery to Le Brocqy, (opened 1 May), *Irish Art: Le Brocqy to the present*, (opened 30 April), *Dutch and Flemish Old Masters*, (opened 7 May) and *British, European and American Post-war painting*, (opened 3 June). As part of the *Star Loans* programme made available by The British Museum Partnership UK, items of Inuit costume were installed in the *Arctic Traditions* exhibition at the Ulster Museum. This was complemented by Jonathan King of the British Museum's well-illustrated talk on aspects of Inuit costume. Eileen Black of the Museum's art department curated the exhibition *A Distinctive Palette: the Art of Georgina Moutray Kyle*, which opened at the Naughton Gallery, Queen's University Belfast (QUB). The exhibition includes works drawn from the collections of the Ulster Museum, the Ulster Folk and Transport Museum and Armagh County Museum.

One of the highlights of the year was the exhibition of landscapes by Martin Gale, which was organised in partnership with The Baird Group and opened on 3 December continuing until March.

The 75th Anniversary of the Museum was celebrated with a lunch attended by the Lord Mayor of Belfast, Councillor Tom Ekin, and invited guests. A special exhibition reflecting the establishment and history of the organisation went on display.

One of the biggest openings was *The Art of the Garden*, a major touring exhibition from Tate Britain, opened by Diarmuid Gavin on 1 October. Flora Porcelain, an exhibition of ceramics from the MAGNI collection to complement *Art of the Garden* opened on the same day. The season of Northern Bank Lectures on 22 October was successfully launched with Jon Snow's talk *Shooting History*. Later that month, Neil MacGregor Director of the British Museum provided a fascinating lecture which launched the Northern Ireland strand of the British Museum's prestigious Partnership UK

initiative. The exhibition *Native American Art: Irish American Trade*, which is on loan through the partnership, also opened at the Museum that evening, and the Dunaverney Flesh Hook, from north Antrim, which is normally on permanent exhibition at the British Museum, was unveiled for its half year visit to the Ulster Museum.

The exhibition *British and American Paintings of the Twentieth Century* ran from 4 June until 30 August.

Armagh County Museum

The touring exhibition *Kings in Conflict* (originally organised some years ago) was shown at Armagh County Museum in September, to coincide with the screening of the programme on the Battle of the Boyne, which was shown on 10 September by the BBC as part of the series, *Battlefield Britain*. There were good attendances at *'Billy and the Boyne'*; a special event organised at the Museum and featuring BBC producers Louis Edmondson and Paul McGuigan. *All Change: the social impact of the railways* was opened on 30 September 2004 by Primrose Wilson and Mark Kennedy, Railway Curator at the Ulster Folk and Transport Museum. This touring exhibition was organised by the NI Regional Curators Group, with support from Heritage Lottery Fund (HLF), Northern Ireland Museums Council (NIMC) and the participating museums. It was on show until February.

The Armagh Art Club Summer Exhibition opened in June and continues until September. This was the forty-second year of the partnership with the Art Club and the exhibition is an established and successful partnership event on the Museum's annual calendar.

Another popular attraction during the year was the *60s art and fashion*, a display drawn from the larger exhibition previously shown at the Ulster Museum.

Ulster Folk & Transport Museum

The Minister for Culture, Arts and Leisure, Angela Smith MP formally opened two important new exhibits at the Ulster Folk and Transport Museum, Ballinderry House and Forge and the Omagh Presbyterian Meeting House, on Wednesday 5 May. It was one of the largest opening events at the Museum and was attended by the Right Reverend Dr Ivan McKay, Moderator of the Presbyterian Church in Ireland, and by many representatives of arts and culture in Northern Ireland. Museums and Galleries Month events included International Museums' Day lecture given by Richard Gibbon, formerly senior curator of the National Railway Museum, York. On 12 May the exhibition *Marcus Ward and Company of Belfast* was opened at Belfast Central Library (BCL), by Dr Aideen McGinley, Permanent Secretary, DCAL. Roger Dixon, museum librarian, worked in partnership with Belfast Central Library on this project, and wrote the accompanying publication.

Coshkib Hill Farm at the museum was the setting for a series of six programmes *Century Farm* broadcast by BBC during the autumn. The very successful programmes featured the experiences of the McGrath family living 1904 style for a period of six weeks during the summer. The fortieth anniversary of the opening of the Museum was attended by 3,430 people and the publication Monday January 1, 1900 was launched at the celebrations attracting significant press and publicity for the Museum. Almost 1,000 visitors attended special programmes provided to tourists visiting the Museum from cruise ships docked in Belfast. Some 500 children attended the *National Launch of Storyfest* in the Irish Railway Collection on 30 September with sponsorship from Arts & Business.

Ulster American Folk Park

Almost 2,000 visitors were welcomed to *Music on the Move* during the first weekend in May and also that month *Old, New, Borrowed and Blue: Rural Ulster and American Frontier Weddings* took place. In June many visitors enjoyed *Celebrate Canada*, a special celebration of Irish/Canadian links and shared heritage to raise awareness of the strong ties between the peoples of Canada and Ireland. One of the highlights of the year was the Native American Art, Irish American Trade, *The Stonyhurst Mullanphy Collection*, a touring exhibition organised through the British Museum UK Partnership, which opened on 1 July by Native American Don Tenoso, a descendant of Chief Sitting Bull, attracting huge media attention.

One of the most successful events in the Ulster American Folk Park's annual calendar was the *Thirteenth Annual Appalachian and Bluegrass Festival* held at the museum in September. More than 130 performers contributed to the Festival, the largest of its kind in Europe, which drew artists from the USA, Holland, Italy, England and Ireland. The artists also provided performances at venues other than the museum, reaching between 2,000 and 3,000 people in addition to those attending the Festival itself. Record crowds enjoyed the celebrations marking American Independence between 1 and 4 July. Participants were drawn from across Europe to join in the re enactments, and Don Tenoso, a Lakota Sioux descended from Chief Sitting Bull provided workshops on Native American crafts and skills. During July and August the *Woodfest* that explored all aspects of the story of wood, attracted several thousand visitors. The event received support from the Natural Resources Rural Tourism Initiative, which is administered by Sperrins Tourism. During the summer

President Woodrow Wilson's ancestral home was prepared and opened to the public as part of a partnership with Strabane District Council.

W5

The overall activity of the Charity and the Group during the year was extremely pleasing with record numbers visiting during the summer when W5 hosted Dinosaur Encounter. The Science Centre attracted some 247,000 users during the year maintaining its position as one of the best attended paying visitor attractions in Northern Ireland. Records show that most visitors stayed for over three hours and enjoyed their visit. Since opening, 62% of all schools in Northern Ireland have visited W5. Outreach programmes within schools, at science festivals and in hospitals accounted for 12,741 users.

The centre received the Northern Ireland Tourist Board Visitor Attraction of the Year Award for 2004/05, the second time it has received the award in the last three years. W5 also gained "Investors in People" accreditation during the year. Both of these awards are a significant tribute to the staff's hard work and commitment to the success of the Charity.

Work has continued to develop innovative workshops for formal and informal education groups, especially the schools curriculum for Key Stages One to Five in a wide variety of curriculum areas from Science, Art and Design to Geography. New initiatives in relation to supporting the programmes for government were developed particularly around the fields of energy/renewables, waste, health, citizenship and creativity. Funding was obtained from a number of organisations to encourage debate on topical issues, indicating the role which W5 plays by making science and related subjects relevant to young people.

Specialised programmes have been developed promoting mutual understanding between diverse social groups and promoting the social inclusion of groups with special needs. Special Needs schools in particular make frequent return visits to the centre and outside agencies employ W5's resources to help them to achieve their social education objectives and social responsibilities.

4. MARKET VALUE OF LANDS AND BUILDINGS

All land and buildings were revalued at 31 March 2005 by Valuation and Lands Agency. This includes the residential centre at the Ulster American Folk Park which had not been previously revalued.

5. FIXED ASSETS

A significant amount was invested in capital improvements across all sites. This included refurbishment of the public restaurant at the Ulster American Folk Park, upgrade of car parking, roads and the installation of site lighting at the Ulster Folk and Transport Museum.

6. COLLECTIONS ACQUISITIONS

A Hector McDonnell oil painting, a Hughie O'Donoghue oil painting on linen canvas, a late eighteenth century "Turner Body" or "Felspathic Stoneware" tankard, and two Belleek plaques were amongst the items acquired for the art collections. A number of important pieces of Bronze were acquired for the archaeology collection and a fossil fish was acquired for Geology.

The Ulster Folk & Transport Museum acquired a pair of Short-Wright propellers and a collection of Irish Nationalist posters and correspondence.

7. IMPORTANT EVENTS SINCE THE END OF THE FINANCIAL YEAR

National Museums and Galleries of Northern Ireland has secured £7 million from the Department of Culture, Arts and Leisure for a major refurbishment of the Ulster Museum. A Stage 1 pass has been achieved with the Heritage Lottery Fund for a further £4.5m investment. The architectural project teams have already been appointed and construction work is due to commence in September 2006.

8. CHARITABLE DONATIONS

Charitable donations made by the National Museums and Galleries of Northern Ireland in the year did not exceed £200 in aggregate.

9. DISABLED PERSONS

The National Museums and Galleries of Northern Ireland is committed to and operates within its agreed policy on equal opportunities in relation to the employment and career development of disabled staff.

10. EMPLOYEE INVOLVEMENT

The maintenance of a highly skilled and motivated workforce is vital to the success of the National Museums and Galleries of Northern Ireland in terms of its care of the national collections and its service to the public. The Board ensures employee involvement through regular briefing of all employees by means of staff meetings, the promotion of good industrial relations and through formal and informal management/trade union contacts.

11. PROMPT PAYMENT POLICY

The National Museums and Galleries of Northern Ireland is committed to prompt payment of bills for goods and services and makes every effort to pay suppliers within 30 days of receipt of goods and services, or the invoice, whichever is the later. In the year ended 31 March 2005, the National Museums and Galleries of Northern Ireland paid 77% (2004: 80%) of invoices within 30 days of the date of receipt of invoice.

Dame G M M Keegan

Professor E McLaughlin

Mr W H C Montgomery

Mr S Neeson MLA

Mrs W E Osborne

Mr T Shaw CBE

Dr N A Walker

12. FINANCIAL TARGETS

The National Museum and Galleries of Northern Ireland group's key financial target for 2004/05 was to operate within the restraints created by the total grants and operating income received and receivable in the year and, in the light of the notified planning figure for 2004/05, to create a small operational surplus for transfer to the General Reserve. This target was achieved, transferring a Group surplus of £288,249.

The accounts on pages 28 to 50 were approved by the Board of Trustees of the National Museums and Galleries of Northern Ireland on and are signed on its behalf.



Chairman of The Board of Trustees
M Elliott



Chief Executive
T Cooke

13. TRUSTEES

The following trustees were appointed for a 4 year period commencing 1 July 2002

Mrs M Elliott CBE
(Chairman)

Sir K Bloomfield
(Vice Chairman)

Mr D E Harvey

Mr M Adair
(resigned September 2004)

Miss L Beers

Lt Col (Rtd) R Bickers

Ms P Flanagan

STATEMENT OF TRUSTEES' AND CHIEF EXECUTIVE'S RESPONSIBILITIES

Under Article 10(2) of the Museums and Galleries (NI) Order 1998 the Museum is required to prepare a statement of accounts for each financial year in the form and on the basis determined by the Department of Culture, Arts and Leisure with the approval of the Department of Finance and Personnel. The accounts are prepared on an accruals basis and must give a true and fair view of the National Museums and Galleries Northern Ireland's state of affairs at the year end and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

In preparing the accounts the Trustees are required to:

- ▣ observe the accounts direction issued by the Department of Culture, Arts and Leisure including relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- ▣ make judgements and estimates on a reasonable basis;
- ▣ state whether applicable accounting standards have been followed and disclose and explain any material departures in the financial statements;
- ▣ prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the National Museums and Galleries Northern Ireland will continue in operation.

The Accounting Officer for the Department of Culture, Arts and Leisure has designated the Chief Executive as

the Accounting Officer for the National Museums and Galleries of Northern Ireland. His relevant responsibilities as Accounting Officer, including the responsibility for the propriety and regularity of the public finances, for which he is answerable, and for keeping of proper records, are set out in the Non-Departmental Public Bodies' Accounting Officer Memorandum, issued by the Department of Finance and Personnel.

STATEMENT ON INTERNAL CONTROL

1. SCOPE OF RESPONSIBILITY

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the National Museums and Galleries of Northern Ireland's (MAGNI's) policies, aims and objectives, agreed by the Department of Culture, Arts & Leisure's (DCAL's) Ministers, whilst safeguarding the public funds and Museums' assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Government Accounting Northern Ireland.

MAGNI is a Non Departmental Public Body established under the Museums and Galleries (Northern Ireland) Order 1998 and sponsored by the Department of Culture, Arts & Leisure (DCAL). The Executive Directors of MAGNI meet regularly, both monthly and quarterly, with DCAL Museums Branch; such meetings include updates on all activities and developments on the management of risk within MAGNI.

2. THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of MAGNI's policies, aims and objectives, to evaluate the likelihood of those risks being

realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in MAGNI for the year ended 31 March 2005 and up to the date of approval of the annual report and accounts, and accords with DFP guidance.

3. CAPACITY TO HANDLE RISK

Leadership is given to the risk management process by the MAGNI Board of Trustees and Audit Committee. As Accounting Officer, I provide quarterly updates to the MAGNI Audit Committee on actions taken to minimise the exposure to the major risks identified within the MAGNI Risk Management Strategy. The MAGNI Executive and Senior Management Teams are fully involved in the continual review and management of risks and are trained and equipped to manage risk in a way appropriate to their authority and duties. The internal auditors provide advice and guidance on good practice in the management of risk throughout the audit process.

4. THE RISK AND CONTROL FRAMEWORK

The key elements of the MAGNI risk strategy are as follows:-

- ▣ Identification and Review of Key Risks / Activities
- ▣ Assessment and Rating of Key Risks / Activities
- ▣ Analysis of Current Risk Response and Controls
- ▣ Identification of possible actions and allocation of responsibility
- ▣ Setting Review Timetable
- ▣ Implementing Agreed Actions
- ▣ Reviewing and Reporting at Relevant Level

5. REVIEW OF EFFECTIVENESS

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive managers within MAGNI who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

As required by MAGNI's Risk Management Strategy, the MAGNI Executive Team held its annual risk management workshop in August 2005 in order to identify the organisation's objectives and key risks and to document these in the form of a "MAGNI Major Risks Mitigation & Control Plan". Following the workshop this Plan was completed and approved by MAGNI's Audit Committee in September 2005. In order to ensure that the identified risks are appropriately managed, the Plan summarises the key risks, examines existing controls, allocates risk ownership and details an action plan to mitigate against each risk.

MAGNI employs a firm of internal auditors who operate to standards defined in the Government Internal Audit Manual. The internal auditors finalised their report on the year 2004/05 in June 2005. Their work reviewed the following areas:

- ▣ Corporate Governance
- ▣ Risk Management
- ▣ Relationship/reputation management
- ▣ Financial ledger and budgetary control
- ▣ Payroll
- ▣ Creditor payments
- ▣ Cash and banking

- ▣ Fixed Assets
- ▣ Sponsorship, donations and grant income
- ▣ Income (including admissions, trading and other income)
- ▣ Human Resources
- ▣ Fraud & Corruption
- ▣ Visitor Experience / Audience Development

The work of the internal auditors is informed by an analysis of the risk to which MAGNI is exposed, and annual internal audit plans are based on this analysis. The analysis of risk and the internal audit plans are endorsed by MAGNI's Audit Committee and approved by me. The Internal Auditors provide me with quarterly reports on internal audit work carried out within MAGNI. These reports include their independent opinion on the adequacy and effectiveness of MAGNI's system of internal financial control together with their recommendations for improvement. W5 was not included in the scope of the internal audit of MAGNI in 2004/05. W5 employs its own external auditors, ASM Horwath.

6. SIGNIFICANT INTERNAL CONTROL ISSUES

The internal audit function for the 2004/05 year provided limited assurance in the areas of Risk Management, Fixed Assets, Income, Human Resources, Fraud & Corruption, Visitor Experience/Audience Development and the associated recommendations are being actioned by management.



T Cooke
Chief Executive

THE CERTIFICATE OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSE OF COMMONS AND THE NORTHERN IRELAND ASSEMBLY

I certify that I have audited the financial statements on pages 28 to 50 under the Museums and Galleries (Northern Ireland) Order 1998. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 35.

Respective responsibilities of the Trustees, the Chief Executive and Auditor

As described on page 23, the Trustees and Chief Executive are responsible for the preparation of the financial statements in accordance with the Museums and Galleries (Northern Ireland) Order 1998 and Department of Culture, Arts and Leisure directions made thereunder and for ensuring the regularity of financial transactions. The Trustees and Chief Executive are also responsible for the preparation of the other contents of the Annual Report. My responsibilities, as independent auditor, are established by statute and I have regard to the standards and guidance issued by the Auditing Practices Board and the ethical guidance applicable to the auditing profession.

I report my opinion as to whether the financial statements give a true and fair view and are properly prepared in

accordance with the Museums and Galleries (Northern Ireland) Order 1998 and Department of Culture, Arts and Leisure directions made thereunder, and whether in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. I also report if, in my opinion, the Foreword is not consistent with the financial statements, if the National Museums and Galleries of Northern Ireland has not kept proper accounting records, or if I have not received all the information and explanations I require for my audit.

I read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. I consider the implications for my certificate if I become aware of any apparent misstatements or material inconsistencies with the financial statements.

I review whether the statement on pages 24 and 25 reflects the National Museums and Galleries of Northern Ireland compliance with the Department of Finance and Personnel's guidance on the Statement on Internal Control. I report if it does not meet the requirements specified by the Department of Finance and Personnel, or if the statement is misleading or inconsistent with other information I am aware of from my audit of the financial statements. I am not required to consider, nor have I considered whether the Accounting Officer's Statement on Internal Control covers all risks and controls. I am also not required to form an opinion on the effectiveness of the National Museums and Galleries of Northern Ireland corporate governance procedures or its risk and control procedures.

Basis of audit opinion

I conducted my audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustees and Chief Executive in the preparation of the financial statements, and of whether the accounting policies are appropriate to the National Museums and Galleries of Northern Ireland circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by error, or by fraud or other irregularity and that, in all material respects, the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. In forming my opinion I have also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In my opinion:

- ▣ the financial statements give a true and fair view of the state of affairs of the National Museums and Galleries

of Northern Ireland at 31 March 2005 and of the deficit, total recognised gains and losses and cash flows for the year then ended and have been properly prepared in accordance with the Museums and Galleries (Northern Ireland) Order 1998 and directions made thereunder by the Department of Culture, Arts and Leisure; and

- ▣ in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

I have no observations to make on these financial statements.



J M Dowdall CB
Comptroller and Auditor General

Northern Ireland Audit Office
106 University Street
Belfast BT7 1EU

CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT

	NOTES	2005 £	2004 £
GROSS INCOME			
Department of Culture, Arts and Leisure Grants	3	12,408,807	12,567,646
Other Specimen Grants	17	78,481	42,355
Other Grants		691,687	416,582
Income From Activities	4	4,583,867	3,122,598
		<u>17,762,842</u>	<u>16,149,181</u>
EXPENDITURE			
Staff Costs	5	10,376,255	9,767,713
Depreciation	8	2,085,710	1,756,073
Other Operating Charges	6	5,521,695	4,718,851
Specimen Purchases	9	231,808	192,373
		<u>18,215,468</u>	<u>16,435,010</u>
Interest Paid		4,808	4,738
Interest Received		11,330	6,868
DEFICIT FOR THE YEAR BEFORE NOTIONAL COSTS			
	7	(446,104)	(283,699)
Notional cost of capital	2	<u>(1,746,084)</u>	<u>(1,648,192)</u>
DEFICIT FOR THE YEAR AFTER NOTIONAL COSTS			
		(2,192,188)	(1,931,891)
Adjustment for notional cost of capital	2	1,746,084	1,648,192
Transfer from revaluation reserve	16	<u>734,353</u>	<u>627,190</u>
NET TRANSFER TO GENERAL RESERVE	19	<u><u>288,249</u></u>	<u><u>343,491</u></u>

All amounts included in the above statement relate to the continuing operations of the National Museums and Galleries of Northern Ireland.

The notes on pages 35 to 50 form part of these financial statements.

INCOME AND EXPENDITURE ACCOUNT

	NOTES	2005 £	2004 £
GROSS INCOME			
Department of Culture, Arts and Leisure Grants	3	12,408,807	12,567,646
Other Specimen Grants	17	78,481	42,355
Other Grants		691,687	416,582
Income From Activities	4	1,828,712	1,284,944
		<u>15,007,687</u>	<u>14,311,527</u>
EXPENDITURE			
Staff Costs	5	9,455,665	8,955,316
Depreciation	8	2,060,254	1,751,243
Other Operating Charges	6	4,354,733	3,756,421
Specimen Purchases	9	231,808	192,373
		<u>16,102,460</u>	<u>14,655,353</u>
Interest Paid		4,808	4,738
Interest Received		7,738	5,911
DEFICIT FOR THE YEAR BEFORE NOTIONAL COSTS			
	7	(1,091,843)	(342,653)
Notional cost of capital	2	<u>(1,746,084)</u>	<u>(1,648,192)</u>
DEFICIT FOR THE YEAR AFTER NOTIONAL COSTS			
		(2,837,927)	(1,990,845)
Adjustment for notional cost of capital	2	1,746,084	1,648,192
Transfer from revaluation reserve	16	<u>734,353</u>	<u>627,190</u>
NET TRANSFER (FROM)/TO GENERAL RESERVE	19	<u><u>(357,490)</u></u>	<u><u>284,537</u></u>

All amounts included in the above statement relate to the continuing operations of the National Museums and Galleries of Northern Ireland.

The notes on pages 35 to 50 form part of these financial statements.

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	2005 £	2004 £
Deficit for the financial year	(2,192,188)	(1,931,891)
Unrealised surplus on the revaluation of fixed assets	4,759,402	3,084,542
Total recognised gains and losses recognised since last annual report	<u>2,567,214</u>	<u>1,152,651</u>

The notes on pages 35 to 50 form part of these financial statements.

CONSOLIDATED BALANCE SHEET

FIXED ASSETS	NOTES	2005 £	2004 £
Tangible assets	8	51,864,739	47,122,383
CURRENT ASSETS			
Stock	10	212,537	185,909
Debtors	11	1,439,628	889,573
Cash at bank and in hand	12	931,151	1,924,172
		<u>2,583,316</u>	<u>2,999,654</u>
CURRENT LIABILITIES			
Creditors - amounts due within one year	13	<u>1,987,173</u>	<u>2,042,771</u>
NET CURRENT ASSETS		596,143	956,883
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>52,460,882</u></u>	<u><u>48,079,267</u></u>
Financed by:			
Deferred Government Grants	14	5,455,234	4,824,657
Capital Account	15	9,702,171	10,263,089
Revaluation Reserve	16	36,033,324	32,008,275
Specimen Fund	17	19,766	19,766
Government Loan	18	64,884	66,226
General Reserve	19	<u>1,185,503</u>	<u>838,254</u>
		<u><u>52,460,882</u></u>	<u><u>48,079,267</u></u>

The notes on pages 35 to 50 form part of these financial statements.

The accounts on pages 28 to 50 were approved by the Board of Trustees of the National Museums and Galleries of Northern Ireland on Tuesday 10th January 2006 and are signed on its behalf



Chairman of The Board of Trustees
M Elliott



Chief Executive
T Cooke

BALANCE SHEET

	NOTES	2005 £	2004 £
FIXED ASSETS			
Tangible assets	8	51,097,925	47,046,895
CURRENT ASSETS			
Stock	10	184,455	160,576
Debtors	11	1,037,498	521,010
Cash at bank and in hand	12	703,967	1,791,541
		1,925,920	2,473,127
CURRENT LIABILITIES			
Creditors - amounts due within one year	13	1,267,779	1,499,832
NET CURRENT ASSETS			
		658,140	973,295
TOTAL ASSETS LESS CURRENT LIABILITIES			
		51,756,066	48,020,190
Financed by:			
Deferred Government Grants	14	5,455,234	4,824,657
Capital Account	15	9,702,171	10,263,089
Revaluation Reserve	16	36,033,324	32,008,275
Specimen Fund	17	19,766	19,766
Government Loan	18	64,884	66,226
General Reserve	19	480,687	838,177
		51,756,066	48,020,190

The notes on pages 35 to 50 form part of these financial statements.

The accounts on pages 28 to 50 were approved by the Board of Trustees of the National Museums and Galleries of Northern Ireland on Tuesday 10th January 2006 and are signed on its behalf.



Chairman of The Board of Trustees
M Elliott



Chief Executive
T Cooke

CASH FLOW STATEMENT

	2005	2004
	£	£
Net cash inflow from operating activities	63,120	140,146
Return on investments and servicing of finance	6,522	2,130
Capital Expenditure	(1,995,617)	(451,206)
Net cash outflow before financing	(1,925,975)	(308,930)
Financing	1,564,849	575,380
(Decrease)/Increase in Cash & Cash Equivalents	(361,126)	266,450
<hr/>		
Reconciliation of net cash flow to movement in net funds		
(Decrease) Increase in cash for the period	(361,126)	266,450
Net funds at 1 April 2004	750,013	483,563
Net funds at 31 March 2005	388,887	750,013
<hr/>		
Reconciliation of operating deficit to net cash inflow from operating activities		
Operating deficit	(2,192,188)	(1,931,891)
Notional costs	1,746,084	1,648,192
Depreciation	2,085,710	1,756,073
Deferred government grant release	(709,805)	(730,387)
Specimens purchased	(231,808)	(192,373)
(Profit) / Loss on disposal of Fixed Assets	(650)	216,326
(Increase) / Decrease in stock	(26,629)	8,536
(Increase) in debtors	(550,054)	(20,499)
Increase / (Decrease) in creditors	509,900	(75,176)
Deposit interest receivable	(11,330)	(6,868)
Bank interest paid	4,808	4,738
Capital account release	(560,918)	(536,525)
Net cash inflow from operating activities	63,120	140,146

The notes on pages 35 to 50 form part of these financial statements.

GROSS CASH
FLOWS

	2005 £	2004 £
Returns on investment and servicing of finance		
Interest received	11,330	6,868
Interest paid	(4,808)	(4,738)
Net cash inflow from operating activities	<u>6,522</u>	<u>2,130</u>
Capital expenditure		
Payments to acquire tangible fixed assets	<u>(1,995,617)</u>	<u>(451,206)</u>
Financing		
Department of Culture, Arts and Leisure	1,405,382	434,264
Other grants	78,481	42,355
Transfer from recurrent grant	82,327	100,018
Repayment of government loans	(1,341)	(1,257)
	<u>1,564,849</u>	<u>575,380</u>

	31 March 2005 £	1 April 2004 £	Change 2005 £
ANALYSIS OF CHANGES IN NET FUNDS			
Cash at bank and in hand	931,151	1,924,172	(993,021)
Bank overdraft	(542,264)	(1,174,159)	631,895
	<u>388,887</u>	<u>750,013</u>	<u>(361,126)</u>

The notes on pages 35 to 50 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING CONVENTION

These financial statements have been prepared in accordance with the historical cost convention as modified by the revaluation of certain assets.

Without limiting the information given, the accounts meet the accounting and disclosure requirements of the Companies (Northern Ireland) Order 1986, the accounting standards issued or adopted by the Accounting Standards Board and disclosure requirements issued by the Department of Finance and Personnel in so far as those requirements are appropriate. Significant departures from accounting standards are disclosed and explained in the notes and the financial effects quantified where practicable.

2. ACCOUNTING POLICIES

The principal policies which have been adopted in the preparation of these accounts are as follows:

Basis of Consolidation

The consolidated accounts comprise the accounts of W5 and MAGNI and are made up to 31 March 2005.

Tangible Assets and Depreciation

Land and buildings are stated at cost or valuation. Depreciation is calculated to write off the valuation of buildings on a straight line basis over the expected useful life of each building.

The minimum level of capitalising of tangible Fixed Assets is generally £1,000, although lower valued items may be pooled and capitalised where they constitute a unit or group.

Where the effect on the financial statements is material, the cost of other fixed assets is restated annually to reflect their replacement cost using the relevant price indices at the year end. The revaluation surplus, net of the corresponding adjustment to accumulated depreciation, is credited to revaluation reserve.

The straight line depreciation rates used for these and other fixed assets are as follows:

Buildings	2% - 5% per annum
Environmental service system	5% per annum
Computer equipment	25% per annum
Fixtures and Equipment	10% - 25% per annum
Plant and Machinery	25% per annum
Motor vehicles	25% per annum

Stocks

Stocks have been valued at the lower of cost and estimated net realisable value. There is no significant difference between the historic cost and current cost of stocks.

Repairs and Renewals

This expenditure is charged to revenue in the year in which the expenditure is incurred.

Pensions

Staff of the National Museums and Galleries of Northern Ireland are members of the Principal Civil Service Pension Scheme (Northern Ireland) which is a contracted out salary related scheme and is essentially non contributory. The National Museums and Galleries of Northern Ireland makes employer contributions to the cost of pension cover provided for its staff, which are charged to the Income and Expenditure account as they arise. The rate of the employer's contribution ranges from 12% to 18% depending on salary level, as advised by the Department

of Finance and Personnel. W5 operates a defined contribution scheme for certain employees. The assets of the scheme are held separately from those of the company in independently administered funds, and contributions are charged to the profit and loss account in the period to which they relate.

Government Grants

Grants and other income of a revenue nature are credited to income in the year in which they are receivable.

Grants related to specific depreciating assets are credited to a deferred government grants account and are released to revenue over the expected useful life of the relevant assets. Grants received for non-depreciating assets are credited direct to reserves.

Grants received for purchase of specimens are credited to the specimen fund and released to the income and expenditure account in the year of expenditure.

Notional costs

These financial statements make provision for the notional interest cost of capital employed by the National Museums and Galleries of Northern Ireland. The income and expenditure account includes the notional cost of capital employed calculated as 3.5% (2004: 3.5%) of the average capital employed over the financial year.

Value Added Taxation (VAT)

All income and expenditure is stated exclusive of VAT, which is fully recoverable by the National Museums and Galleries Northern Ireland.

Capitalisation of Non-Operational Heritage Assets

Non-operational heritage assets are not capitalised, as it is considered that the cost of obtaining a valuation of these assets is not warranted in terms of the benefits which the valuation would deliver.

3. DEPARTMENT OF CULTURE, ARTS AND LEISURE GRANTS

	2005	2004
	£	£
Revenue grants (DCAL)	11,005,757	11,150,717
DCAL (to finance specimens purchased)	50,000	50,000
Specimen fund	82,327	100,018
Deferred Government grants released	709,805	730,387
Transfer from Capital Account	560,918	536,524
	<u>12,408,807</u>	<u>12,567,646</u>

4. INCOME FROM ACTIVITIES

	GROUP		MAGNI	
	2005	2004	2005	2004
	£	£	£	£
Trading Income				
Shop (Note 20)	555,362	488,156	340,253	341,659
Café (Note 20)	148,385	118,802	120,987	107,983
	<u>703,747</u>	<u>606,958</u>	<u>461,240</u>	<u>449,642</u>
Other Income				
Consultancy fees	4,015	4,599	4,015	4,599
Photographic sales	87,896	53,135	87,896	53,135
Hire of facilities	83,807	74,343	83,807	74,343
Fees and other income	3,966	4,297	3,966	4,297
Admissions	1,401,847	1,127,997	665,459	558,166
Events income	235,084	223,131	47,640	53,119
Sponsorship	601,205	243,364	426,205	36,283
Donations	92,170	87,146	11,870	6,842
Rental income	174	106	174	106
Sale of asset	384	186	384	186
Courses & staff guides	19,556	27,726	19,556	27,726
Catering concessions	16,500	16,500	16,500	16,500
Restricted grant income	787,887	144,386	-	-
Subvention funding - DCAL and OTC	542,526	501,630	-	-
Other - W5	3,103	7,094	-	-
	<u>3,880,120</u>	<u>2,515,640</u>	<u>1,367,472</u>	<u>835,302</u>
	<u>4,583,867</u>	<u>3,122,598</u>	<u>1,828,712</u>	<u>1,284,944</u>

W5 is projected to operate at a continuing deficit, which is then met by subvention from DCAL and Odyssey Trust Company, so that the company makes neither a profit nor a loss.

5. STAFF COSTS

	GROUP		MAGNI	
	2005 £	2004 £	2005 £	2004 £
Salaries & wages (including temporary non-payroll staff)	8,820,011	8,266,084	7,979,762	7,528,395
Employers National Insurance	638,348	600,692	574,236	543,998
	917,896	900,937	901,667	882,923
Superannuation	10,376,255	9,767,713	9,455,665	8,955,316
Less amounts allocated to:				
Shop & Café Trading	(196,825)	(173,465)	(196,825)	(173,465)
	<u>10,179,430</u>	<u>9,594,248</u>	<u>9,258,840</u>	<u>8,781,851</u>

Included within the above totals are amounts of £146,543 (2004 - £107,287) paid in respect of employment agency staff. Employment agency staff are not employees of the National Museums and Galleries of Northern Ireland and are not included in the employee numbers shown below.

The Chair of the Board of Trustees received an honorarium of £8,555 (2004 - £8,385) for the year. No other remuneration was paid to trustees in the year.

The following, using actual figures, shows the pension entitlements of the most senior staff members of the National Museums and Galleries of Northern Ireland for the year ended 31 March 2005:

	Age	Salary (£k)	Real increase in pension at 60 (£k)	Total accrued pension at 60 at 31/3/05 (£k)
Mr Tim Cooke, <i>Chief Executive - MAGNI</i>	46	95 - 100	0 - 2.5	0 - 5
Mr Marshall McKee <i>Director of Operations</i>	53	65 - 70	0 - 2.5	15 - 20
Mr John Gilmore <i>Director of Development</i>	57	60 - 65	0 - 2.5	15 - 20
Mrs Katrina O'Dowd <i>Director of Finance</i> (Resigned from post 15 January 2005)	39	30 - 35	0 - 2.5	0 - 5
Ms Amanda Lilley <i>Acting Director of Finance & Planning</i> (Appointed Director on 1 September 2005)	36	15 - 20	0 - 2.5	0 - 5
Mrs Jude Helliker <i>Director of Human Resources</i> (Appointed Director on 25 October 2004)	38	20 - 25	0 - 2.5	0 - 5

“Salary” includes gross salary; performance pay or bonuses; overtime and any other allowance to the extent that it is subject to UK taxation.

Pension benefits are provided through the Principal Civil Service Pension Scheme. This is a statutory scheme which provides benefits on a “final salary” basis at a normal retirement age of 60. Benefits accrue at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to 3 years’ pension is payable on retirement. Members pay contributions of 1.5% of pensionable earnings. Pensions increase in payment in line with the Retail Prices Index. On death, pensions are payable to the surviving spouse at a rate of half the member’s pension. On death in service, the scheme pays a lump sum benefit of twice pensionable pay and also provides a service enhancement on computing the spouse’s pension. The enhancement depends on length of service and cannot exceed 10 years. Medical retirement is possible in the event of serious ill-health. In this case, pensions are brought into payment immediately without actuarial

reduction and with service enhanced as for widow(er) pensions.

W5 operates a defined contribution scheme for certain employees. The assets of the scheme are held separately from those of the company in independently administered funds, and contributions are charged to the profit and loss account in the period to which they relate.

Tim Cooke, as Chief Executive has assumed the responsibilities of Accounting Officer for the year ended 31 March 2005. Katrina O’Dowd resigned from her post of Director of Finance with effect from 15 January 2005. Her role was assumed on a temporary basis by Amanda Lilley. Following an external recruitment process, Amanda Lilley was appointed Director of Finance and Planning with effect from 1 September 2005. Jude Helliker was appointed Director of Human Resources with effect from 25 October 2004. This post had previously been vacant.

The average weekly number of employees during the year was made up as follows:

	2005 No.	2004 No.
Curatorial	62	60
Collections	27	30
Design	17	17
Administration, Finance and Personnel	45	61
Education and Marketing	27	33
Secretarial	17	17
Trading	22	36
Visitor and Gallery services	192	152
Contract staff	13	12
Health and safety	1	1
Armagh County Museum	6	7
	<hr/>	<hr/>
	429	426
	<hr/> <hr/>	<hr/> <hr/>

6. OTHER OPERATING CHARGES

	GROUP		MAGNI	
	2005 £	2004 £	2005 £	2004 £
Rent and rates	739,272	716,882	658,972	636,578
Light, heat and water	472,340	464,239	381,515	387,310
Repairs, renewals and maintenance	579,049	320,404	511,110	289,048
Maintenance and display of specimens	71,191	94,803	71,191	94,803
Cleaning materials and laundry	117,672	109,992	60,763	57,105
Travelling and subsistence:				
Staff	114,869	103,559	114,869	102,953
Trustees	1,542	2,038	1,542	2,038
Uniforms and clothing	37,303	27,371	37,303	27,371
Course and training fees	46,180	56,397	46,180	56,397
Health and safety expenses	14,065	13,691	13,209	12,220
Printing, stationery and office expenses	107,443	77,558	107,443	77,558
Telephone and postage	110,378	115,278	110,378	115,278
Insurance	275,383	292,847	173,759	187,107
Legal, audit and professional fees	270,419	170,050	237,260	141,593
Bank charges	4,452	2,892	4,452	2,892
Recruitment costs	36,380	18,828	36,380	18,828
Publicity & promotion	360,812	247,165	244,075	128,947
Computer maintenance	123,800	150,578	123,800	150,578
Photographic expenses	8,629	12,707	8,629	12,707
Events	198,275	130,982	198,275	130,982
Exhibition expenses	694,980	298,316	582,559	253,519
Conference expenses and hospitality	18,286	18,168	18,286	18,168
Education services	94,493	111,016	63,667	84,894
Transport expenses	9,837	14,093	8,732	12,343
Books, newspapers and periodicals	23,983	20,409	23,983	20,409
MAGNI publications	96,824	60,570	96,824	78,647
Grants and subscriptions	19,218	16,890	19,218	16,890
Research projects and development	63,244	86,307	63,244	86,307
Excavation and field work	11,232	1,621	11,232	1,621
Audio expenses	4,799	8,533	4,799	8,533
Grounds and farm expenses	4,354	8,745	4,354	8,745
Library expenses	1,288	3,396	1,288	3,396
Contracted out security	101,950	102,069	69,517	75,468
Provision for Bad or Doubtful Debts	2,502	793	2,502	793
Trading (Shop & Café)	375,568	332,476	244,073	238,070
Service charge	179,562	172,972	-	-
Business operations	74,328	53,626	-	-
Human resources	18,102	22,893	-	-
Front of house	1,875	2,465	-	-
Design	6,298	13,175	-	-
Directors office	9,127	4,351	-	-
General expenses	8,919	10,634	-	-
Consumables	6,359	4,554	-	-
Corporate hire expenses	5,763	6,193	-	-
(Profit) / Loss on disposal of fixed assets	(650)	216,325	(650)	216,325
	<u>5,521,695</u>	<u>4,718,851</u>	<u>4,354,733</u>	<u>3,756,421</u>

7. DEFICIT FOR THE YEAR

Expenditure is stated after chaging:

Auditors' and accountants' remuneration:	2005	2004
	£	£
The Audit Office - Current year	28,000	28,000
- Prior year over accrual	(468)	-
	<u>27,532</u>	<u>28,000</u>
External accountants - internal audit provision	<u>27,360</u>	<u>34,150</u>

8. TANGIBLE FIXED ASSETS

GROUP

Cost	Land and Buildings £	Fixtures and Equipment £	Plant and Machinery £	Motor Vehicles £	Total £
At 1 April 2004	47,107,645	3,993,507	18,935	62,828	51,182,915
Additions	1,335,046	625,990	35,294	75,834	2,072,164
Disposals	-	-	-	(15,000)	(15,000)
Revaluation	3,343,953	(33,251)	-	649	3,311,351
At 31 March 2005	51,786,644	4,586,246	54,229	124,311	56,551,430

Accumulated depreciation

At 1 April 2004	1,439,563	2,561,982	4,159	54,828	4,060,532
Charge for year	1,643,157	411,394	7,538	23,621	2,085,710
Disposals	-	-	-	(11,500)	(11,500)
Revaluation	(1,439,563)	(8,975)	-	487	(1,448,051)
At 31 March 2005	1,643,157	2,964,401	11,697	67,436	4,686,691

Net book value

At 31 March 2005	50,143,487	1,621,845	42,532	56,875	51,864,739
At 31 March 2004	45,668,082	1,431,525	14,776	8,000	47,122,383

Land and buildings at net book value comprise:

	2005 £	2004 £
Long leaseholds	50,143,487	45,668,082

Included within Land & Buildings are assets in the course of construction. This includes £606,595 in respect of W5 and these assets are due to come into use in late 2005.

During the year, street lighting was installed at the Ulster Folk and Transport Museum, which was not fully completed at the year end. The value included within fixed assets was £46,193.

8. TANGIBLE FIXED ASSETS (CONTINUED)

MAGNI

Cost	Land and Buildings £	Fixtures and Equipment £	Motor Vehicles £	Total £
At 1 April 2004	47,107,645	3,930,154	62,828	51,100,627
Additions	728,451	551,097	75,834	1,355,382
Disposals	-	-	(15,000)	(15,000)
Revaluation	3,343,953	(33,251)	649	3,311,351
At 31 March 2005	51,180,049	4,448,000	124,311	55,752,360
Accumulated depreciation				
At 1 April 2004	1,439,563	2,559,341	54,828	4,053,732
Charge for year	1,643,157	393,476	23,621	2,060,254
Disposals	-	-	(11,500)	(11,500)
Revaluation	(1,439,563)	(8,975)	487	(1,448,051)
At 31 March 2005	1,643,157	2,943,842	67,436	4,654,435
Net book value				
At 31 March 2005	49,536,892	1,504,158	56,875	51,097,925
At 31 March 2004	45,668,082	1,370,813	8,000	47,046,895

Land and buildings at net book value comprise:

	2005 £	2004 £
Long leaseholds	49,536,892	45,668,082

Land and Buildings were revalued by the Valuation and Lands Agency at 31 March 2005. The method of valuation used was open market value, existing

use value or depreciated replacement cost as appropriate indices to each site. All other assets were revalued in line with appropriate indices at 31 March 2005.

9. SPECIMENS	2005 £	2004 £
Purchased during year:		
Fine Art	70,000	600
Applied Art	47,703	8,107
Archaeology and Ethnography	-	1,070
History	14,675	1,700
Geology	24,860	9,151
Transport	28,494	-
New World Development	18,560	20,461
Open Air Museum	27,516	151,284
	<u>231,808</u>	<u>192,373</u>

The historic cost of specimens purchased since the establishment of the individual Museums is £8,062,773. This total does not include donated specimens or specimens transferred from the Belfast Museum and Art Gallery.

10. STOCKS	GROUP		MAGNI	
	2005 £	2004 £	2005 £	2004 £
Shop and café goods for resale	147,839	139,479	119,757	114,146
Academic publications for resale	23,585	5,072	23,585	5,072
Maintenance materials and consumables	23,841	26,788	23,841	26,788
Farm stock	17,272	14,570	17,272	14,570
	<u>212,537</u>	<u>185,909</u>	<u>184,455</u>	<u>160,576</u>

11. DEBTORS	GROUP		MAGNI	
	2005 £	2004 £	2005 £	2004 £
Trade debtors	303,514	376,469	190,908	172,570
Prepayments and accrued income	549,241	344,070	259,717	179,406
Other debtors	586,873	169,034	586,873	169,034
	<u>1,439,628</u>	<u>889,573</u>	<u>1,037,498</u>	<u>521,010</u>

12. CASH AT BANK AND IN HAND	GROUP		MAGNI	
	2005 £	2004 £	2005 £	2004 £
Cash at Bank and in hand	931,151	1,924,172	703,967	1,791,541

13. CREDITORS (amounts falling due within one year)	GROUP		MAGNI	
	2005 £	2004 £	2005 £	2004 £
Bank overdraft	542,264	1,174,159	542,264	1,174,159
Trade creditors	159,002	181,705	-	-
Other taxes and social security	260,073	51,231	220,618	-
Accruals and deferred income	625,837	555,886	453,705	291,160
Sundry creditors	399,997	79,790	51,192	34,513
	1,987,173	2,042,771	1,267,779	1,499,832

14. DEFERRED GOVERNMENT GRANTS	2005 £	2004 £
Gross Value of Deferred Grants:		
At 1 April 2004	12,924,158	12,539,804
Increase during the year - Grants Received	1,355,382	384,264
Transfer of fixed assets	(15,000)	-
At 31 March 2005	14,264,540	12,924,158
Less Grants released to Income and Expenditure Account:		
At 1 April 2004	8,099,501	7,369,114
Grant released during the year	709,805	730,387
Transfer of fixed assets		
At 31 March 2005	8,809,306	8,099,501
Net Value of Deferred Grants		
At 31 March 2005	5,455,234	4,824,657

Deferred Government grants relate to specific depreciating assets. These grants are therefore released to the Income & Expenditure Account on the same basis as the relevant depreciation is charged.

15. CAPITAL ACCOUNT

	2005	2004
	£	£
At 1 April 2004	10,263,089	10,799,614
Department of Culture and Leisure Grants	1,355,382	384,264
Increase in Deferred Government Grants (Note 14)	(1,355,382)	(384,264)
Release to Income & Expenditure Account	(560,918)	(536,525)
	<hr/>	<hr/>
At 31 March 2005	9,702,171	10,263,089
	<hr/> <hr/>	<hr/> <hr/>
Represented by:		
Land and Buildings	9,767,056	10,329,315
Less: Government Loans	(64,885)	(66,226)
	<hr/>	<hr/>
	9,702,171	10,263,089
	<hr/> <hr/>	<hr/> <hr/>

16. REVALUATION RESERVE

	2005	2004
	£	£
At 1 April 2004	32,008,275	29,550,923
Surplus/(Deficit) on revaluation of fixed assets	3,311,351	(2,553,315)
Depreciation adjustment on revaluation	1,448,051	5,637,857
Reserve released relating to depreciation charge on revalued amount	(734,353)	(627,190)
	<hr/>	<hr/>
At 31 March 2005	36,033,324	32,008,275
	<hr/> <hr/>	<hr/> <hr/>

17. SPECIMEN FUND

	2005	2004
	£	£
At 1 April 2004	19,766	19,766
Department of Culture, Arts and Leisure Grant	50,000	50,000
Recurrent Grant	82,327	100,018
Strategic Investment Board Grant	21,000	-
Other Grants	78,481	42,355
Specimens purchased (Note 9)	(231,808)	(192,373)
	<hr/>	<hr/>
At 31 March 2005	19,766	19,766
	<hr/> <hr/>	<hr/> <hr/>

18. GOVERNMENT LOANS

The principal of the loans from the government loans fund outstanding at 31 March 2005 was £64,884 (2004: £66,226) consisting of 8 loans repayable by bi-annual instalments. The loans were used to purchase the Manor House and Dalchoolin at the Ulster Folk and Transport Museum. Charges remain on these properties until the loans are paid in full. The longest loan matures in 28 years. The movements on the fund in the year were as follows:

	2005 £	2004 £
At 1 April 2004	66,226	67,483
Add : Interest Charged	4,598	4,683
Less : Amounts Repaid	(5,940)	(5,940)
	<hr/>	<hr/>
At 31 March 2005	<u>64,884</u>	<u>66,226</u>

19. GENERAL RESERVE

	GROUP		MAGNI	
	2005 £	2004 £	2005 £	2004 £
At 1 April 2004	897,254	553,763	838,177	553,640
Transfer from/(to) income and expenditure account	288,249	343,491	(357,490)	284,537
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2005	<u>1,185,503</u>	<u>897,254</u>	<u>480,687</u>	<u>838,177</u>

20. TRADING ACCOUNTS

Neither of the following trading accounts for the shop or the café include any element of the establishment or administration charges which are contained within Note 6.

	GROUP		MAGNI	
	2005 £	2004 £	2005 £	2004 £
SHOP				
Sales	555,362	488,156	340,253	341,659
Opening stock	120,440	138,841	120,440	138,841
Purchases	325,394	267,916	216,071	180,619
Closing stock	(140,631)	(120,440)	(140,631)	(120,440)
Cost of Sales	<u>305,203</u>	<u>286,317</u>	<u>195,880</u>	<u>199,020</u>
Gross Profit	250,159	201,839	144,373	142,639
Less:				
Overheads	2,224	3,162	2,224	3,162
Salaries, Wages and National Insurance Costs	<u>115,056</u>	<u>106,295</u>	<u>115,056</u>	<u>106,295</u>
Net Profit	<u>132,879</u>	<u>92,382</u>	<u>27,093</u>	<u>33,182</u>
CAFÉ				
Sales	148,385	118,802	120,987	107,983
Opening stock	2,373	626	2,373	626
Purchases	68,468	44,724	46,296	37,615
Closing stock	(2,711)	(2,373)	(2,711)	(2,373)
Cost of Sales	<u>68,130</u>	<u>42,977</u>	<u>45,958</u>	<u>35,868</u>
Gross Profit	80,255	75,825	75,029	72,115
Less:				
Overheads	11	20	11	20
Salaries, Wages and National Insurance Costs	<u>81,769</u>	<u>67,170</u>	<u>81,769</u>	<u>67,170</u>
Net Profit/(Loss)	<u>(1,525)</u>	<u>8,635</u>	<u>(6,751)</u>	<u>4,925</u>

21. FINANCIAL COMMITMENTS

At 31 March 2005 the group had annual commitments under non-cancellable operating leases as follows:

	GROUP		MAGNI	
	2005 £	2004 £	2005 £	2004 £
Land and buildings				
Expiring in more than five years	74,700	74,700	-	-
Other				
Expiring in less than one year	1,350	-	-	-
Expiring in two to five years	5,600	5,600	-	-
	6,950	5,600	-	-

22. ANALYSIS OF CHANGES IN FINANCING DURING THE YEAR

	Deferred Government Grants 2005 £	Specimen Fund 2005 £	Capital Account 2005 £
At 1 April 2004	4,824,657	19,766	10,799,614
Cash inflow from financing: Grants	1,355,382	210,808	(536,525)
Transfer to income and expenditure account	(724,805)	(231,808)	(560,918)
Closing balance			
At 31 March 2005	5,455,234	(1,234)	9,702,171

23. RELATED PARTY TRANSACTIONS

The National Museums and Galleries of Northern Ireland is a non departmental public body funded by the Department of Culture, Arts and Leisure for Northern Ireland.

The Department of Culture, Arts and Leisure is regarded as a related party. During the year, the National Museums and Galleries of Northern Ireland had no material transactions with the Department of Culture, Arts and Leisure other than the receipt of Grant in Aid.

There were a number of material transactions with other Government Departments and other Central Government Bodies. Most of these transactions were with the Department of

Environment for Northern Ireland and the Department of Finance and Personnel.

During the year, none of the board members, key management staff or other related party has undertaken any material transactions with the National Museums and Galleries of Northern Ireland, with the exception of Margaret Elliott. The Elliott Trainor Partnership, of which Mrs Elliott is a senior partner, provided sponsorship of £5,000 to the Art of the Garden exhibition, a major exhibition which took place at the Ulster Museum, during the year.

Included in deferred income is a grant of £10,000 received from BBC,NI in 1998. A former member of the Board of Trustees, Mr Mark Adair, is Secretary and Head of Public Policy of BBC,NI. The grant was secured prior to Mr Adair's appointment to the Board in July 2002. Mr Adair resigned from his post during September 2004.

24. FINANCIAL COMMITMENTS AND CONTINGENT LIABILITIES

At the year end the National Museums and Galleries of Northern Ireland had no capital commitments.

W5 had entered into contracts for future capital expenditure amounting to £874,533.

1. OTHER GRANTS

	2005	2004
	£	£
Other grants comprise the following:		
Environment & Heritage Service (EHS) - CEDaR	169,546	99,266
Dragonfly	38,029	16,774
Community Relations Council - Peace II	32,291	26,806
Flight experience	28,700	7,792
Community Relations Council - Music on the Move	1,850	2,000
Natural Resource Tourism Initiative	175,211	-
Northern Ireland Tourist Board (NITB) International Marketing	66,180	-
Education for mutual understanding	53,166	-
BSP Habitas	25,002	-
Rita Lila Howard	21,000	-
Coming to Our Senses	19,566	-
Community Archive Network for Northern Ireland (CANNI)	17,913	-
Terminology	10,051	-
Comenius thematic network (EU funding)	6,065	-
British Museum (BM) - Dunaverney / Arctic traditions	5,643	-
BM Partnership	5,045	-
EHS - Alien websites	4,800	-
BSP Rathlin (Sponges)	2,021	-
GEM Conference	2,000	-
Art of Gold	1,281	-
Arts Council - Goldsmith in residence	-	10,657
Victims Fund	-	79,000
Community Relations Council	-	46,104
DoE Excavation Blackwater	-	1,215
EHS - Lepidoptera	-	5,109
EHS - Brian Nelson	-	4,700
EHS - re electronic public interface	-	32,720
Queens University	-	20,660
Western Education & Library Board (WELB)	-	1,504
Sir Halle Stewart Trust	-	15,730
Joseph Rowntree Charitable Trust	-	13,969
Department of Agriculture and Rural Development (DARD), Natural Resource Tourism Initiative, Sperrins Tourism	-	26,934
US Consulate - Storytelling festival	-	1,623
Canadian High Commission, Celebrate Canada	-	1,019
Tesco SO	-	3,000
Other Grants	6,327	-
	<u>691,687</u>	<u>416,582</u>

Annual Report and Accounts
2004>2005

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