



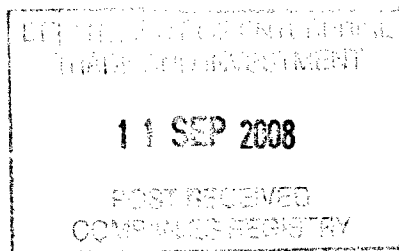
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NORTHERN IRELAND MUSEUMS COUNCIL

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2008**

Co Reg No. NI 27735



FGS McClure Watters
Chartered Accountants
Registered Auditors

NORTHERN IRELAND MUSEUMS COUNCIL

COMPANY INFORMATION

Directors

Mr L Scott
Professor T Fraser
Mr I Wilson
Dr J Bardon
Mr I Hill
Ms S McAnena
Mr M McKee
Dr E Crooke
Mr B Mackey
Ms N Cunningham
Councillor R Stirling
Alderman Mrs T Black
Councillor G McKeen
Mr J Glendinning

Secretary

C Bailey

Company number

NI 27735

Registered office

6 Crescent Gardens
Belfast
N Ireland
BT7 1NS

Auditors

FGS McClure Watters
Number One
Lanyon Quay
Belfast
BT1 3LG

Bankers

Bank of Ireland
364 Lisburn Road
Belfast
BT9 6GL

Solicitors

L'Estrange and Brett
Arnott House
12-16 Bridge Street
Belfast
BT1 1LS

NORTHERN IRELAND MUSEUMS COUNCIL

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NORTHERN IRELAND MUSEUMS COUNCIL

FOREWORD TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

The directors present their report and financial statements for the year ended 31 March 2008.

History, statutory background and review of the business

The Northern Ireland Museums Council was established by order of the Minister for the Department of Education on 1 April 1993, and is now a Non-Departmental Public Body responding to the Minister for the Department of Culture, Arts and Leisure (DCAL).

Since that date the principal activity of the Council has continued to be the support of regional and local museums in Northern Ireland and the maintenance and improvement of their standards of collections' care and service to the public and also the promotion of a coherent framework of museum provision.

There have been no significant changes in the activities of the Council during the year under review. However, it is envisaged that the Council's functions will be transferred to local and central government at some point in the future, as part of the Review of Public Administration. In view of this decision, the Department of Culture, Arts and Leisure has indicated that it will not guarantee to fund the Council beyond 31 March 2010.

Results

The results for the financial year are fully set out in the income and expenditure account on page 7.

The deficit for the year amounted to £300,122 which has been deducted from reserves.

Post balance sheet events

No significant events have occurred since the date of the balance sheet which affect the Council or which materially affect the financial statements of the Council.

Accounting policies

The financial statements have been prepared in accordance with statements of standard accounting practice issued by UK accountancy bodies in a form directed by the Department of Culture, Arts and Leisure, as approved by the Department of Finance and Personnel.

Fixed assets

Full details of all movements in fixed assets during the year are set out in the notes to the financial statements.

Corporate status

The company is a private company limited by guarantee and does not have a share capital. The liability of each member is limited to an amount not exceeding one pound. The company has been recognised as a charity by the Inland Revenue (No: XO 1107/93).

Employment policies

The Council's policy is to employ all of its employees, including disabled and non disabled persons, on the same basis. The Council also fully embraces Fair Employment and Equal Opportunities legislation and proactively pursues its obligations under The Northern Ireland Act (1998) Section 75.

Charitable donations

The Council made no charitable donations during the year.

Better payment practice code

The Council's policy is to fully comply with the CBI better payment practice code.

NORTHERN IRELAND MUSEUMS COUNCIL

FOREWORD TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

Register of Members' Interests

The Council maintains a Register of Members' Interests in its offices at 6 Crescent Gardens, Belfast, BT7 1NS. This register can be viewed by the public during the Council's normal opening hours.

Independence of auditors

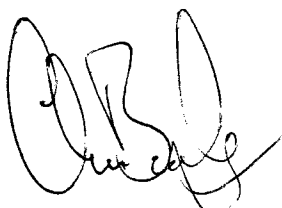
The Council's auditors, FGS McClure Watters, also provide a payroll bureau service. This service is reviewed by the Board and in the opinion of the directors, does not compromise the independence of the external auditor. During the year FGS McClure Watters were paid £532 for payroll services.

Directors

The directors who served during the year are listed on the company information page.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information



Accounting Officer

Registered Office

6 Crescent Gardens
Belfast
BT7 1NS

Date: 26 June 2008

NORTHERN IRELAND MUSEUMS COUNCIL

STATEMENT OF NDPB'S AND CHIEF EXECUTIVE'S RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2008

The Directors are required to prepare a statement of accounts in the form and on the basis directed 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 Northern Ireland Museums Council'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 Directors are required to:

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

The Accounting Officer for the Department of Culture, Arts and Leisure has designated the Chief Executive as the Accounting Officer of the Northern Ireland Museums Council. His relevant responsibilities as Accounting Officer, including his responsibility for the propriety and regularity of the public finances 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.



Accounting Officer

Date: 24 June 2008

NORTHERN IRELAND MUSEUMS COUNCIL

STATEMENT ON INTERNAL CONTROL

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

The system of internal control is designed to manage rather than eliminate the 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 the principal risks to the achievement of the Council's policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. The system of internal control has been in place in Northern Ireland Museums Council for the year ended 31 March 2008 and up to the date of approval of the annual report and accounts, and accords with DFP guidance.

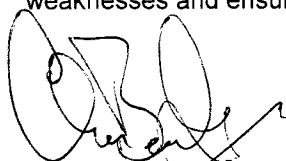
The Board of Northern Ireland Museums Council ensures that procedures for verifying that aspects of risk management and internal control are regularly reviewed and reported on. Consequently, risk management has been incorporated more fully into the corporate planning and decision making of the Northern Ireland Museums Council.

During the course of the year, the HELM Corporation in its capacity as internal auditors provided me as Accounting Officer with Substantial (medium) assurance that the systems of control are sufficiently robust.

I have carried out appropriate procedures to ensure that I have identified the Northern Ireland Museums Council's objectives and risks and determined a control strategy for each of the significant risks. As a result, risk ownership has been allocated to the appropriate staff and Northern Ireland Museums Council has set out its attitude to risk to the achievement of its objectives. The Board of the Northern Ireland Museums Council:

- undertakes an annual analysis of risk in relation to its objectives and its principle actions in pursuit of its objectives
- maintains a risk register which the Board reviews formally every six months
- incorporates risk management fully into corporate planning and decision making.

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 executive managers within the Northern Ireland Museums Council who have responsibility for the development and maintenance of the internal control framework, and comments made by both internal and external auditors in their management letter and other reports. I have been advised on the implications of the report of my review of the effectiveness of the system of internal control by the Board and the Audit Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.



Accounting Officer

Date: 24 June 2008

NORTHERN IRELAND MUSEUMS COUNCIL

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NORTHERN IRELAND MUSEUMS COUNCIL

We have audited the financial statements of Northern Ireland Museums Council for the year ended 31 March 2008 which comprise the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Article 243 of the Companies (NI) Order, 1986. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

As described on page 3 the company's directors are responsible for the preparation of the Annual Report and financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and Department of Finance and Personnel directions made thereunder, and for ensuring the regularity of financial transactions.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and with International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies (Northern Ireland) Order 1986 and any relevant directions made by the Department of Finance and Personnel. We also report 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. We also report to you if, in our opinion, the Foreword is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We review whether the statement on page 4 reflects the Northern Ireland Museums Council compliance with the Department of Finance and Personnel's guidance on the Statement on Internal Control and we report if it does not. We are not required to consider whether the Accounting Officer's statements on internal control cover all risks and controls, or form an opinion on the effectiveness of the Northern Ireland Museums Council's corporate governance procedures or its risk and control procedures.

We read the Foreword and consider the implications for our report if we become aware of any apparent misstatements within it.

NORTHERN IRELAND MUSEUMS COUNCIL

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF NORTHERN IRELAND MUSEUMS COUNCIL

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

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

Opinion

In our opinion:

The financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2008 and of its deficit, recognised gains and losses and cash flows for the year then ended;

The financial statements have been properly prepared in accordance with the Companies (Northern Ireland) Order 1986 and Department of Finance and Personnel directions made thereunder; and

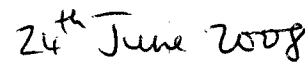
In all material respects, the expenditure and income has been applied to the purpose intended by Parliament and the financial transactions conform to the authorities which govern them.

Emphasis of matter

On forming our opinion, we have considered the adequacy of the disclosures made in Note 1 of the financial statements concerning the uncertainty over the future of the organisation and the impact of preparing the accounts on a discontinuation basis. In view of the significance of this uncertainty, we consider that it should be drawn to your attention, but our opinion is not qualified in this respect.


FGS McClure Watters

Chartered Accountants
Registered Auditor


24th June 2008

Number One
Lanyon Quay
Belfast
BT1 3LG

NORTHERN IRELAND MUSEUMS COUNCIL

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2008

		2008	2007
	Notes	£	£
Income	2	113,918	109,494
Operating expenses		(190,004)	(179,594)
Administrative expenses		(226,445)	(214,595)
Operating deficit	3	(302,531)	(284,695)
Credit in respect of notional costs	4	2,409	2,320
Deficit for the year		(300,122)	(282,375)

The income and expenditure account has been prepared on the basis that all operations are continuing operations.

The notes on pages 12 - 19 form part of the financial statements

NORTHERN IRELAND MUSEUMS COUNCIL

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 MARCH 2008

	Notes	2008 £	2007 £
Loss for the financial year		(300,122)	(282,375)
Department of Culture, Arts and Leisure Grant		305,934	280,347
Total recognised gains and losses relating to the year		<u>5,812</u>	<u>(2,028)</u>

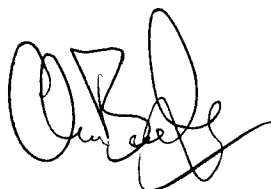
NORTHERN IRELAND MUSEUMS COUNCIL

BALANCE SHEET AS AT 31 MARCH 2008

	Notes	2008 £	£	2007 £	£
Fixed assets					
Tangible assets	7		7,832		12,489
Current assets					
Debtors	8	4,515		6,579	
Cash at bank and in hand		301,760		254,572	
		<u>306,275</u>		<u>261,151</u>	
Creditors: amounts falling due within one year	9	<u>(243,184)</u>		<u>(208,403)</u>	
Net current assets			63,091		52,748
Total assets less current liabilities			70,923		65,237
Accruals and deferred income	10		(222)		(348)
			<u>70,701</u>		<u>64,889</u>
Capital and reserves					
Income and expenditure account	11		70,701		64,889

The financial statements were approved by the Board on24TH JUNE 2008

Accounting Officer



Chairman



The notes on pages 12 - 19 form part of the financial statements

NORTHERN IRELAND MUSEUMS COUNCIL

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2008

	2008 £	2007 £
RECONCILIATION OF OPERATING DEFICIT TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES		
Operating deficit	(302,531)	(284,695)
Depreciation of tangible assets	5,126	5,230
Loss on disposal of tangible assets	-	272
Notional interest on cost of capital	2,409	2,320
Decrease in debtors	2,064	4,254
Increase in creditors within one year	34,781	23,002
Capital grant released	(126)	(126)
Net cash outflow from operating activities	(258,277)	(249,743)

CASH FLOW STATEMENT

Net cash outflow from operating activities	(258,277)	(249,743)
Capital expenditure and financial investment	(469)	(4,230)
Cash inflow before use of liquid resources and financing	(258,746)	(253,973)
Financing	305,934	280,347
Increase/(decrease) in cash in the year	47,188	26,374

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

Increase/(decrease) in cash in the year	47,188	26,374
Change in net funds resulting from cash flows	47,188	26,374
Movement in net funds in the year	47,188	26,374
Opening net funds	254,572	228,198
Closing net funds	301,760	254,572

NORTHERN IRELAND MUSEUMS COUNCIL

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2008

1 Analysis of cash flows for headings netted in the cash flow statement

	2008 £	2007 £
Capital expenditure and financial investment		
Purchase of tangible assets	(469)	(4230)
Net cash outflow from capital expenditure & financial investment	<u>(469)</u>	<u>(4230)</u>
Financing		
Department of Culture, Arts and Leisure Grant	305,934	280,347
Net cash inflow from financing	<u>305,934</u>	<u>280,347</u>

2 Analysis of changes in net funds

	01 April 2007 £	Cash Movements £	31 March 2008 £
Cash at bank	254,572	47,188	301,760
Net funds	<u>254,572</u>	<u>47,188</u>	<u>301,760</u>

NORTHERN IRELAND MUSEUMS COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the modified historical cost convention and in accordance with the Accounts Direction given by the Department of Culture, Arts and Leisure. The principal accounting policies are set out below:

Going Concern

Following the Review of Public Administration (RPA), Northern Ireland Museum Council's functions are to be transferred to local and central government. This may result in the cessation of funding from the Department of Culture, Arts and Leisure. As this grant funding is currently the major contributor to the Council, it is not apparent as to whether NIMC will be able to continue to function as a going concern after 1st April 2010.

These accounts have been prepared on a going concern basis as, in the opinion of the directors, accounts prepared under a discontinuation basis would not be materially different.

1.2 Changes in accounting policies

In accordance with the Financial Reporting Manual (FReM), Grants and Grants in Aid, NIMC has treated Grant in Aid received from the Department of Culture, Arts and Leisure (DCAL) as a financing flow, and not as revenue. These monies are received from DCAL to enable NIMC to finance its activities and meet its statutory obligations rather than to acquire specific goods and services for the Department. The FReM states that grant in aid is analagous to a contribution from a "controlling party" and as such does not meet a GAAP-based definition of income.

1.3 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.4 Income

Income represents amounts receivable from grant bodies (with the exception of DCAL grants, see Note 1.2 above) and amounts receivable for goods and services.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	33% per annum straight line
Office equipment and furniture	15% per annum straight line

1.6 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.7 Pensions

Past and present staff of the Northern Ireland Museums Council are covered by the provisions of the Principal Civil Service Pensions Schemes (NI) (PCSPS(NI)), described in Note 6. The defined benefit salaries are unfunded and are non-contributory, except in respect of dependants' benefits. All contributions are charged to the Income and Expenditure Account as incurred.

NORTHERN IRELAND MUSEUMS COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

1 Accounting policies (continued)

1.8 Government grants

Grants of a revenue nature to acquire specific goods and services are credited to income in the year in which they are received. Grant in Aid from NIMC's sponsoring department (DCAL) is credited directly to reserves. Grants relating to specific depreciating assets are credited to a Deferred Creditor account and are released to revenue over the expected useful life of the relevant assets. Grants received for non-depreciating assets are credited directly to reserves.

1.9 Cost of capital

The accounts include provision for a notional interest cost of capital employed by the Council during the year, at 3.5% (last year 3.5%) of the average capital employed. The credit entry corresponding to the notional cost of capital is shown as a reversing entry below the results for the year.

2 Income	2008	2007
	£	£
Membership fees	8,475	8,840
Sundry income	160	123
Big Lottery income	84,499	88,158
Bank interest receivable	11,701	9,189
Michael Project	3,750	-
Training income	5,333	3,184
	<u>113,918</u>	<u>109,494</u>

3 Surplus of expenditure over income for the year	2008	2007
	£	£
Operating deficit is stated after charging:		
Capital grant release	(126)	(126)
Depreciation of tangible assets	5,126	5,230
Operating lease rentals	38,128	38,112
External Audit fees	4,406	4,406
Accountancy services	-	1,710
	<u></u>	<u></u>

4 Notional costs

Notional cost of capital

The income and expenditure account bears a non-cash charge for interest relating to the use of capital by the Northern Ireland Museums Council. The basis of the charge is 3.5% (last year 3.5%) of the average capital employed by the Council during the year defined as total assets less liabilities.

5 Taxation

There is no liability to corporation tax due to the charitable status of the entity.

NORTHERN IRELAND MUSEUMS COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

6 Directors and employees

Number of employees

The average monthly number of employees during the year was:

	2008 Number	2007 Number
Administration	4	4

Employment costs

	2008 £	2007 £
Wages and salaries	104,310	103,863
Social security costs	7,819	7,420
Other pension costs	22,250	19,551
	134,379	130,834

There were no emoluments paid to directors during the year (2007 - Nil).

NORTHERN IRELAND MUSEUMS COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

6 Directors and employees

(continued)

The Principal Civil Service Pension Schemes (NI) (PCSPS(NI)) of which most of the council's employees are members are unfunded, multi-employer, defined benefit schemes, but NIMC is unable to identify its share of the underlying assets and liabilities. The most up to date actuarial valuation was carried out at 31 March 2003 and details of this valuation are available in the PCSPS (NI) resource accounts.

For 2007/08, employer's contributions of £18,617 were payable to the PCSPS (NI) (2006/07 £17,867) at one of four rates in the range 16.5% to 23.5% of pensionable pay, based on salary bands. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred and they reflect past experience of the scheme.

Employees joining after 1 October 2002 could opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employer's contributions were paid to one or more of a panel of four appointed stakeholder pension providers. Employer contributions are age related and range from 3% to 12.5% of pensionable pay. Employers also match employee contributions up to 3% of pensionable pay. In addition, employer contributions of 0.8% of pensionable pay, were payable to PCSPS (NI) to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees.

Contributions due to the partnership pension providers at the balance sheet date were nil. Contributions prepaid at that date were nil.

Senior managers

The following, using actual figures, shows the pension entitlement of the most senior member of the Council for the year ended 31 March 2008.

Chris Bailey
(Chief
Executive)
£

Salary including performance pay	45,000-50,000
Benefits in kind	-
Real increase in pension during year	0 - 2,500
Real increase in lump sum during year	0 - 2,500
Total accrued pension at 60 at 31/03/08	10,000-15,000
Total accrued lump sum at 60 at 31/03/08	30,000
Cash equivalent transfer value CETV at 31/03/07	164,000
Cash equivalent transfer value CETV at 31/03/08	192,000
Real increase in CETV after adjustment for inflation and changes in market investment factors	5,000

Salary

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

NORTHERN IRELAND MUSEUMS COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

6 Directors and employees

(continued)

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by the Inland Revenue as a taxable emolument. No senior managers received benefits in kind during 2007/08.

Pensions

Pension benefits are provided through the Civil Service pension arrangements. From 1 October 2002 civil servants may be in one of three statutory based "final salary" defined benefit schemes (classic, premium and classic plus). The schemes are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium and classic plus are increased annually in line with changes in the Retail Prices Index. New entrants after 1 October 2002 may choose between membership of premium or joining a good quality "money purchase" stakeholder based arrangement with a significant employer contribution (partnership pension account).

Employee contributions are set at the rate of 1.5% of pensionable earnings for classic and 3.5% for premium and classic plus. Benefits in classic accrue at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic there is no automatic lump sum (but members may give up (commute) some of their pension to provide a lump sum). Classic plus is essentially a variation of premium, but with benefits in respect of service before 1 October 1992 calculated broadly as per classic.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee. The employee does not have to contribute but, where they do make contributions, these will be matched by the employer up to a limit of 3% (in addition to the employer's basic contribution). Employers who also contribute a further 0.8% of pensionable salary to cover the cost of centrally provided risk benefit cover (death in service and ill health retirement).

Further details about the CSP arrangements can be found at the website www.civilservicepensions-ni.gov.uk.

Rows 5 and 6 of the table above show the member's cash equivalent transfer value (CETV) accrued at the beginning and the end of the reporting period. Row 7 reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation; contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and used common market valuation factors for the start and end of the period.

NORTHERN IRELAND MUSEUMS COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

6 Directors and employees

(continued)

A cash equivalent transfer value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures, and from 2003-04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the CSP arrangements and for which the CS Vote has received a transfer payment commensurate to the additional pension liabilities being assumed. They also include an additional pension benefit accrued to the member as a result of their purchasing additional year's pension service in the scheme at their own expense. CETVs are calculated within the guidelines and frame work prescribed by the Institute and Faculty of Actuaries.

7 Tangible fixed assets

	Computer equipment	Office equipment and furniture	Total
	£	£	£
Cost			
At 1 April 2007	44,093	39,992	84,085
Additions	469	-	469
	<hr/>	<hr/>	<hr/>
At 31 March 2008	44,562	39,992	84,554
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 April 2007	40,762	30,834	71,596
Charge for the year	2,074	3,052	5,126
	<hr/>	<hr/>	<hr/>
At 31 March 2008	42,836	33,886	76,722
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 March 2008	1,726	6,106	7,832
	<hr/>	<hr/>	<hr/>
At 31 March 2007	3,331	9,158	12,489
	<hr/>	<hr/>	<hr/>

8 Debtors

	2008	2007
	£	£
Other debtors	4,515	6,579
	<hr/>	<hr/>

NORTHERN IRELAND MUSEUMS COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

9	Creditors: amounts falling due within one year	2008 £	2007 £
	Trade creditors	200	-
	Other creditors	242,984	208,403
		<u>243,184</u>	<u>208,403</u>

10 Accruals and deferred income

	Government grants £
Balance at 1 April 2007	348
Amortisation in the year	(126)
Balance at 31 March 2008	<u>222</u>

11 Statement of movements on income and expenditure account

	Income and expenditure account £
Balance at 1 April 2007	64,889
Retained deficit for the year	(300,122)
Department of Culture, Arts and Leisure Grant	305,934
Balance at 31 March 2008	<u>70,701</u>

NORTHERN IRELAND MUSEUMS COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

12 Related party transactions

Northern Ireland Museums Council is a Non-Departmental Public Body (NDPB) sponsored by Department of Culture, Arts and Leisure (DCAL).

This consists of:

	£
Base Grant	306,000
	<u>306,000</u>

Of these, amounts of £105,586 have been deferred until next year to be allocated against future expenditure, while grant monies of £105,520 received last year and deferred until this year have been allocated to current year expenditure. This results in a DCAL grant income of £305,934 (see note 11). The Council also had various other transactions with other entities for which DCAL is regarded as the parent department.

All of the grants awarded by the Council during the year were distributed to entities which are members of the Museums Council.

13 Financial performance targets

The Council has agreed with the Department of Culture, Arts and Leisure two financial performance targets for the year ended 31 March 2008. The targets and related performances are as follows:

Target	The Council will raise funds from other sources of at least 5% of its base grant-in-aid funding.
Performance	During the year the Council raised funds from other sources totalling £110,542 which represents 36% of its base grant-in-aid funding of £306,000.
Target	The Council will provide 32.0% of its base grant for Project Grant Aid activities.
Performance	£137,511 was provided for Project Grant Aid which represents 45% of base grant.

NORTHERN IRELAND MUSEUMS COUNCIL

DETAILED INCOME AND EXPENDITURE ACCOUNT - SCHEDULE A FOR THE YEAR ENDED 31 MARCH 2008

	2008		2007	
	£	£	£	£
Income				
Membership fees	8,475		8,840	
Big Lottery fund	84,499		88,158	
Sundry income	160		123	
Michael Project	3,750		-	
Bank interest received	11,701		9,189	
Training income	5,333		3,184	
		113,918		109,494
Operating expenses - Sch B	190,004		179,594	
Administrative expenses - Sch B	226,445		214,595	
EU training project expenses - Sch B	-		-	
		(416,449)		(394,189)
Operating deficit		(302,531)		(284,695)
Other interest receivable and similar income				
Credit in respect of notional cost of capital		2,409		2,320
Deficit for the year		(300,122)		(282,375)

NORTHERN IRELAND MUSEUMS COUNCIL

OPERATING AND ADMINISTRATIVE EXPENSES - SCHEDULE B FOR THE YEAR ENDED 31 MARCH 2008

	2008 £	2007 £
Operating expenses		
Grants awarded	92,969	31,192
Projects	97,035	148,402
	<u>190,004</u>	<u>179,594</u>
Administrative expenses		
Wages and salaries	104,310	103,863
Employer's N.I. contributions	7,819	7,420
Staff pension costs	22,250	19,551
Staff training	519	583
Recruitment expenses	7,735	2,049
Rent re operating leases	38,128	38,112
Insurance	1,826	1,785
Telephone	4,067	3,983
Cleaning	864	831
Repairs and maintenance	1,506	1,120
Service charge payable	2,754	1,872
Printing and stationery	5,115	4,450
Advertising	-	705
Books and journals	102	45
Postage	1,507	689
Travelling expenses	6,551	7,940
Internal audit fees	5,728	-
Accountancy	-	1,710
External audit fees	4,406	4,406
Other non-audit fees	532	3,175
Bank charges	497	460
Sundry expenses	1,327	692
Membership fees	1,493	1,458
EU Capital Grant	(126)	(126)
Depreciation	5,126	5,230
Cost of capital	2,409	2,320
Profits/losses on disp of tangibles	-	272
	<u>226,445</u>	<u>214,595</u>