



Central Community Relations Unit
Central Secretariat
20-24 Donegall Street
Belfast BT1 2GP
Tel. Belfast (01232) 520700 Ext
Direct Line 54
Fax: (01232) 544500

Mr Gearoid O Caireallan
La
Culturlann McAdam O Fiaich
216 Falls Road
BELFAST
BT12 6AH

28 July 1997

Dear Mr O Caireallain

FINANCIAL ASSISTANCE FOR LA UNDER THE COMMUNITY RELATIONS PROGRAMME

Our thanks to you and Seamas Mac Seain for meeting Tony Canavan and me on 21 July. The discussion was, I feel, a very useful and constructive one which resulted in a large measure of agreement as to a possible way forward for La.

As far as CCRU is concerned, we are content that the findings of the Capita evaluation of February 1995 remain relevant and that La's work contains a valuable community relations component which merits funding under the Community Relations Programme. However since the newspaper is essentially a commercial enterprise there are limits as to how much support CCRU can offer and we are also constrained by the many other pressures on the limited Community Relations budget. Consequently, I regret to say that there is no prospect of any increase in your existing level of funding from this source, though, as explained, other Government agencies, eg MBW, may be able to help with a marketing initiative if it can be demonstrated that this would be likely to lead to increased employment/economic activity.

As discussed, we would also suggest that La should review its options for generating more income. It is noted that the price per copy has remained at 60p since at least 1995 and even a marginal increase of 10p would produce an additional £5000 or so a year. There may also be scope for increasing advertising charges, though these may

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be more price sensitive than the cover price; a 10% increase would generate a further £1000 a year. Together these would find the £6000 increase in support which you requested from CCRU towards your printing and accountancy costs.

CCRU's main difficulty in relation to its continued funding of La is the recurring difficulties which you encounter in complying with the conditions set down in successive letters of offer. For Departmental accountability reasons, it is essential that these are met, otherwise we ourselves could be liable to censure by the Audit Office and ultimately by the Public Accounts Committee. I should make it clear that the conditions are fairly standard and no other organisations which we fund appear to have any insurmountable problem in meeting them. The main ones which we would wish to see complied with, before we would issue a letter of offer covering the remainder of the financial year, are as follows:

1. the introduction of a basic double entry cash book showing receipts and payments under relevant headings with provision also for the recording of debtors and creditors;
2. the holding of formal Board meetings to which a CCRU observer would be invited at not more than two monthly intervals; such meetings to be notified at least 2 weeks in advance and to be held in normal working hours;
3. receipt by CCRU of the audited accounts for 1996/97, duly signed and certified, by no later than 30 September 1997;
4. written confirmation that all legal requirements pertaining to the company and its employees will be strictly observed.
5. CCRU support to be acknowledged in the newspaper.

On receipt of your agreement in principle to these points, I would be prepared to issue a letter of offer covering the period 1 July to 30 September 1997. The issue of a further letter of offer covering the remainder of the financial year up to 31 March 1998 will be subject to our being generally satisfied that you have complied fully with the conditions of grant, including the receipt by 30 September of the company accounts, certified by the nominated auditor. As you will appreciate, therefore, it will be to La's advantage if the points listed can be addressed as early as possible.

Finally, with regard to our undertaking to break the ice with MBW for you, I have spoken to Jack O'Connor and he is expecting you to contact him.

Yours sincerely

Denis Ritchie

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