

**Company Number: 99142**

**Kilkenny Art Gallery Society Company Limited by Guarantee  
Annual Report and Financial Statements  
for the financial year ended 31 December 2020**

# Kilkenny Art Gallery Society Company Limited by Guarantee

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**Kilkenny Art Gallery Society Company Limited by Guarantee  
DIRECTORS AND OTHER INFORMATION**

<b>Directors</b>	Ian Coulter Aideen Barry Kathleen Moran Eamonn Carroll Emily-Ann Gilligan Chloe O'Connor (Resigned 20 June 2020) Seán O hArgáin Beatrice Kelly
<b>Company Secretary</b>	Ian Coulter
<b>Company Number</b>	99142
<b>Charity Number</b>	CHY12922
<b>Registered Office</b>	Butler Gallery Evans' Home John's Quay Kilkenny
<b>Business Address</b>	Butler Gallery Evans' Home John's Quay Kilkenny
<b>Auditors</b>	O'Neill Foley Unlimited Company Chartered Accountants Patrick's Court Patrick Street Kilkenny Ireland
<b>Bankers</b>	Allied Irish Banks plc 3 High Street Kilkenny  St. Canices Credit Union Limited High Street Kilkenny

# Kilkenny Art Gallery Society Company Limited by Guarantee

## DIRECTORS' REPORT

for the financial year ended 31 December 2020

The directors present their report and the audited financial statements for the financial year ended 31 December 2020.

The reports and results of the company are presented in a form that complies with the requirements of the Companies Act 2014 and are in compliance with FRS 102. The company as a registered charity has adopted the Statement of Recommended Practice, Charity SORP (FRS 102) - Accounting and Reporting by Charities 2015.

### **Mission Statement**

The Butler Gallery programmes excellent, contemporary work of local, national and international visual artists in a living way, through exhibition, collection and education projects for the benefit of the widest possible audience. The gallery is committed to playing a central role locally and nationally in developing and for advocating the visual arts through its programme and associated activities.

### **Structure, Governance and Management**

The Kilkenny Art Gallery Society Limited (a company limited by guarantee, without a share capital) is known as the Butler Gallery; reference to company herewith noted as Butler Gallery. The organisation is governed by a Board of Directors who work in a voluntary capacity. Directors do not receive any remuneration in respect of their services to the charity.

The Board of Directors meets on average six times per year. The minimum number of serving Directors is 5 and maximum is 9. A quorum of four people is required for Board Meetings; a quorum of five people is required for General Meetings. The Butler Gallery maintains two sub-committees of the Board: the Exhibition Programming Sub-Committee meets bi-annually and includes board member Aideen Barry, director Anna O'Sullivan and one external member, an invited Visual Arts Expert; the Audit Sub-Committee meets 3-5 times annually and includes board members Beatrice Kelly (Chair), Ian Coulter (Secretary) and board members Eamonn Carroll and Kathleen Moran.

To accommodate our extended brief with a more expansive offer the Butler Gallery took on three new members of staff in 2020. These included: Steven Aylin as Head Technician/Facilities Manager, Máire de Leastar and Shane Gallagher both as Visitor Services Assistants.

The Board and Staff of Butler Gallery are committed to compliance with The Governance Code and Guiding Principles for Fundraising. A Timeline for the full implementation of The Governance Code has been developed.

### **Principal Activity**

Under the Butler Gallery Strategic Plan 2018-2024, our aims are to:

1. *To develop a new venue for the Butler Gallery.*

Following a long development period, and after 44 years based in Kilkenny Castle, the Butler Gallery relocated to Evans' Home in June 2020 and opened to the public in August 2020. Butler Gallery has a ten-year contractual arrangement with Kilkenny County Council. A 99 year lease to the property will be extended to Butler Gallery following this period. We are very grateful for the active support of Kilkenny County Council in this regard.

2. *To retain financial stability and grow income for the gallery programme.*

The Butler Gallery retains stability through the securement of grants, sponsorship, membership fees and occasional sales of artwork from exhibitions. Our continued aim is to develop and grow income generation through our Friends and Patrons and our Corporate Sponsorship programme, fundraising events, and grants through local, national and international public funding agencies. The gallery was successful in securing a match-funding grant from the Arts Council to hire a Development Director to maximise all revenue resources and increase our sustainability. Rebecca Reynolds has been working with the team since April 2019 through 2020 and is involved in raising funds for the organisation. In 2020 we engaged with consultants from The Innovate Room in the lead up to developing a 10-year Financial Plan with assistance from Failte Ireland.

3. *To reinforce the gallery's role as a leading contemporary arts programmers in the country.*

The Butler Gallery usually presents 4-5 exhibitions of contemporary art annually that reflect the constantly changing nature of visual art practice. In 2020, the Butler Gallery opened the doors in its new venue with the exhibition Amelie Stein: The Bloods (August 7 - October 11) featuring portraits of the men and women of the Defence Forces who were based in the James Stephens Barracks in Kilkenny. Installation photography and interviews with the subjects are featured in a film located in Past Exhibitions on our website. We followed with Cartoon Saloon's WolfWalkers: The Exhibition which was to launch in October but could not open due to Covid restrictions and lockdown. We produced a comprehensive Virtual Tour of the exhibition which was widely viewed and had a robust Learning and Public Engagement programme with a range of diverse talks and workshops. We were only able to reopen to the public in

# Kilkenny Art Gallery Society Company Limited by Guarantee

## DIRECTORS' REPORT

for the financial year ended 31 December 2020

early December for three weeks before another lockdown was announced. Due to the pandemic our physical visitor numbers for 2020 were 16,200 though we had extensive online traffic to our website and through social media.

#### *4. To maintain Museum Accreditation through best practice in care of the collection and exhibitions.*

The gallery continues to uphold standards achieved by Full Museum Accreditation and was last awarded a certificate for 'Maintenance of Accreditation' by the Heritage Council of Ireland in 2018. The company owns and administers an important Permanent Collection that it is committed to safeguarding for the future. Works of art in the Permanent Collection are not for resale.

- The gallery received a donation of a group of photographs from the estate of the artist Gypsy Ray (1949-2020) by her husband, the artist Alan Counihan.
- The US artist Katie Ridley Murphy donated a sculptural work to the collection that had been included in the exhibition A Most Favourable Soil.
- Collector Brendan Burgess donated funds to Butler Gallery to purchase a painting by Vera Klute from her exhibition at the Molesworth Gallery in September to enter our collection.

#### *5. To continue to develop Butler Gallery's innovative, dynamic and accessible Learning and Public Engagement Programmes.*

Butler Gallery provides a comprehensive Learning and Public Engagement Programme for Children and Families, Schools and Third Level, Adult Engagement, Disability Access and Community Engagement. The gallery continued to develop accessible and engaging on-site and off-site learning and public programmes. Grant funding enabled us to continue to programme events, (National Drawing Day, Culture Night) and programmes targeting specific audience-populations (Children's Programme, Culture Club, Azure) and a CPD course for teachers through the Kilkenny Education Centre. Many of these programmes were successfully delivered online due to lockdown.

#### *6. To develop strategic and meaningful partnerships in the arts with organisations locally, nationally and internationally which are of mutual and lasting benefit.*

On-going partnerships with local organisations have been maintained, including collaborations; with the Kilkenny Education Centre for teacher-training; with local primary, post-primary schools and adult education providers in offering tailored Gallery-tours and special engagement projects including a new Young Curators programme with Gaelscoil Osrai through Creative Schools; with local arts and community arts organisations such as the Tony O'Malley Studio, Barnstorm, KCAT and the Kilkenny Arts Office; with St. Gabriel's Alzheimer's and Dementia Ward at St. Canice's Hospital. Nationally, Butler Gallery's collaborations with Age & Opportunity, Arts & Disability Ireland and Azure Network members have continued. Internationally, we remain in touch with past partners and have developed new ones via our Exhibition Programme and our inclusion of American artists and curators in our programme.

### **Principal Risks and Uncertainties**

The directors believe that they are prudent on all risks to which the company is exposed. There continues to be considerable risk and uncertainty around Covid-19. The directors continue to monitor and evaluate the ongoing situation, reviewing and agreeing policies for the management of this and all other risks.

There is always a risk that funding maybe difficult to maintain at operational levels due to changes in the economy. This risk is managed by cost control and budgetary measures and by ensuring through the close relationship with funders that they are kept fully aware of the company requirements and circumstances.

The company has budgetary and financial reporting procedures to manage ongoing financial risk.

### **Going concern**

The company is economically dependent on funding from Public Bodies and this economic dependency is underpinned by agreements between the Public Body and the Company. Accordingly, the financial statements have been prepared on a going concern basis.

### **Financial Results**

The surplus for the financial year after providing for depreciation amounted to €95,338 (2019 - €16,672).

The surplus for 2020, includes €60,820 in specific fundraising and sponsorship net income in relation to the relocation to Evans' Home. These fund raising activities which included an auction of donated art pieces were undertaken in 2018, 2019 and 2020. At the year end, a further €27,500 raised through this same fundraising drive remains accrued as deferred income in the accounts. These funds will be recognised as income when the relevant expenditure is incurred. Also included in the current year's surplus is €10,950, being the value of artwork donated to the gallery collection during the year.

At the end of the financial year, the company has assets of €2,282,710 (2019 - €2,148,093) and liabilities of €546,438 (2019 - €507,159). The net assets of the company have increased by €95,338.

# Kilkenny Art Gallery Society Company Limited by Guarantee

## DIRECTORS' REPORT

for the financial year ended 31 December 2020

### Directors and Secretary

The directors who served throughout the financial year, except as noted, were as follows:

Ian Coulter  
Aideen Barry  
Kathleen Moran  
Eamonn Carroll  
Emily-Ann Gilligan  
Chloe O'Connor (Resigned 20 June 2020)  
Seán Ó hArgáin  
Beatrice Kelly

The secretary who served throughout the financial year was Ian Coulter.

In accordance with the Constitution, Kathleen Moran, Eamonn Carroll and Emily-Ann Gilligan retire by rotation and, being eligible, offer themselves for re-election.

### Meetings

During 2020, the Board of Directors met 8 times; a table setting out the attendance of directors at meetings of the Board is given below.

	Joined the Board	Retired from the Board	Meetings attended in 2020 (possible meetings)
Beatrice Kelly	28 June 2014		8 (8)
Ian Coulter	13 April 2016		8 (8)
Aideen Barry	03 November 2016		5 (8)
Seán Ó hArgáin	04 February 2015		8 (8)
Chloe O'Connor	28 September 2011	20 June 2020	7 (8)
Eamonn Carroll	22 May 2019		6 (8)
Emily-Ann Gilligan	22 May 2019		8 (8)
Kathleen Moran	22 May 2019		8 (8)

### Future Developments

The Butler Gallery/company plans to continue its present activities. It is the gallery's aim to maintain excellence and continue to present original and ambitious work and to develop audiences.

The directors are monitoring developments around Covid-19 and while there is uncertainty, the directors continue to evaluate the situation in order to respond to the resulting challenges.

### Post Balance Sheet Events

The company's operations have continued to be affected after year end by the global outbreak of Covid-19. The directors, in line with government directives, have made decisions which, in their opinion, protect the health and safety of their employees and the company's underlying activities. The directors are confident their decisions, together with the company's improved financial position and continued government funding will ensure the future sustainability of the company.

### Political Contributions

The company did not make any disclosable political donations in the current financial year.

### Auditors

The auditors, O'Neill Foley Unlimited Company, (Chartered Accountants) have indicated their willingness to continue in office in accordance with the provisions of section 383(2) of the Companies Act 2014.

### Taxation Status

The company is registered with Charities Regulatory Authority and it's CRA number is 20038977. The company has exemption from tax under CHY 12922.

# Kilkenny Art Gallery Society Company Limited by Guarantee DIRECTORS' REPORT

for the financial year ended 31 December 2020

## Statement on Relevant Audit Information

In accordance with section 330 of the Companies Act 2014, so far as each of the persons who are directors at the time this report is approved are aware, there is no relevant audit information of which the statutory auditors are unaware. The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and they have established that the statutory auditors are aware of that information.

## Accounting Records

To ensure that adequate accounting records are kept in accordance with sections 281 to 285 of the Companies Act 2014, the directors have employed appropriately qualified accounting personnel and have maintained appropriate computerised accounting systems. The accounting records are located at the company's office at Butler Gallery, Evans' Home, John's Quay, Kilkenny.

## Signed on behalf of the board

*Mrs. Kathleen Moran*

Mrs. Kathleen Moran | May 26, 2021 | 15:06 GMT+1

**Kathleen Moran**  
Director

26 May 2021

*Ian Coulter*

**Ian Coulter**  
Director

26 May 2021

# Kilkenny Art Gallery Society Company Limited by Guarantee DIRECTORS' RESPONSIBILITIES STATEMENT

for the financial year ended 31 December 2020

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable Irish law and regulations.

Irish company law requires the directors to prepare financial statements for each financial year. Under the law the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the surplus or deficit of the company for the financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and surplus or deficit of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be readily and properly audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

- there is no relevant audit information (information needed by the company's auditor in connection with preparing the auditor's report) of which the company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

**Signed on behalf of the board**

*Mrs. Kathleen Moran*

Mrs. Kathleen Moran (May 28, 2021 18:06 GMT+1)

**Kathleen Moran**  
Director

26 May 2021

*Ian Coulter*

Ian Coulter (May 28, 2021 18:44 GMT+1)

**Ian Coulter**  
Director

26 May 2021



# **INDEPENDENT AUDITOR'S REPORT**

## **to the Members of Kilkenny Art Gallery Society Company Limited by Guarantee**

### **Report on the audit of the financial statements**

#### **Opinion**

We have audited the financial statements of Kilkenny Art Gallery Society Company Limited by Guarantee ('the company') for the financial year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Reconciliation of Members' Funds, the Cash Flow Statement, the information on Government Grants – in accordance with Circular 13/2014 and the related notes to the financial statements, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2020 and of its surplus for the financial year then ended;
- have been properly prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and the Provisions Available for Audits of Small Entities, in the circumstances set out in note 5 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

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

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

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### **Other Information**

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2014**

In our opinion, based solely on the work undertaken in the course of the audit, we report that:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with the Companies Act 2014.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited. In our opinion the financial statements are in agreement with the accounting records.

# **INDEPENDENT AUDITOR'S REPORT**

## **to the Members of Kilkenny Art Gallery Society Company Limited by Guarantee**

### **Matters on which we are required to report by exception**

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report. The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the company. We have nothing to report in this regard.

### **Respective responsibilities**

#### **Responsibilities of directors for the financial statements**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, if applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operation, or has no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is contained in the appendix to this report, located at page 11, which is to be read as an integral part of our report.

#### **The purpose of our audit work and to whom we owe our responsibilities**

Our report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. 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 any 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.



**David Walsh**  
**for and on behalf of**  
**O'NEILL FOLEY UNLIMITED COMPANY**  
Chartered Accountants  
Patrick's Court  
Patrick Street  
Kilkenny  
Ireland

**26 May 2021**

## **Kilkenny Art Gallery Society Company Limited by Guarantee**

### **APPENDIX TO THE INDEPENDENT AUDITOR'S REPORT**

#### **Further information regarding the scope of our responsibilities as auditor**

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

# Kilkenny Art Gallery Society Company Limited by Guarantee

## STATEMENT OF FINANCIAL ACTIVITIES

for the financial year ended 31 December 2020

	Notes	2020 Unrestricted funds €	2020 Restricted funds €	Total 31 December 2020 €	Total 31 December 2019 €
<b>Income</b>					
<b>Charitable activities</b>					
Grants		25,000	345,900	370,900	314,859
<b>Donations &amp; Membership</b>					
Donations & Gifts		18,640	-	18,640	27,250
Membership & Fundraising		71,078	-	71,078	17,202
Sponsorship		-	68,980	68,980	10,776
<b>Other Trading Activities</b>					
Professional fees		7,023	-	7,023	12,262
Art Sales Commissions		810	-	810	-
Books, Catalogues & Merchandise		5,314	-	5,314	-
<b>Other Income</b>					
Interest income		1	-	1	1
Government Covid Grants		-	38,825	38,825	-
<b>Total Income</b>	<b>7</b>	<b>127,866</b>	<b>453,705</b>	<b>581,571</b>	<b>382,350</b>
<b>Expenditure</b>					
<b>On Charitable Activities</b>					
Art Gallery Expenses		32,528	453,705	486,233	365,678
<b>Total Expenditure</b>		<b>32,528</b>	<b>453,705</b>	<b>486,233</b>	<b>365,678</b>
<b>Net Income (Expenditure) and net movement in funds for the year</b>		<b>95,338</b>	<b>-</b>	<b>95,338</b>	<b>16,672</b>

The Statement of Financial Activities includes all gains and losses recognised in the year. All the income and expenditure derive from continuing operations.

The financial statements were approved by the board on 26 May 2021 and signed on its behalf by:

*Mrs. Kathleen Moran*

Mrs. Kathleen Moran (May 28, 2021 18:06 GMT+1)

**Kathleen Moran**  
Director

  
**Ian Coultier**  
Director

# Kilkenny Art Gallery Society Company Limited by Guarantee

## BALANCE SHEET

as at 31 December 2020

	Notes	2020 €	2019 €
<b>Fixed Assets</b>			
Tangible assets	9	2,023,547	2,010,206
<b>Current Assets</b>			
Stocks	10	4,676	-
Debtors	11	32,313	10,495
Cash and cash equivalents		222,174	127,392
		259,163	137,887
<b>Creditors: Amounts falling due within one year</b>	12	(167,955)	(98,753)
<b>Net Current Assets</b>		91,208	39,134
<b>Total Assets less Current Liabilities</b>		2,114,755	2,049,340
Amounts falling due after more than one year	13	(378,483)	(408,406)
<b>Net Assets</b>		1,736,272	1,640,934
<b>Reserves</b>			
Revaluation reserve	16	1,319,718	1,319,718
Capital reserves and funds	16	65,953	65,953
Income and expenditure account		350,601	255,263
<b>Members' Funds</b>		1,736,272	1,640,934

The financial statements have been prepared in accordance with the provisions applicable to company's subject to the small companies' regime and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", applying Section 1A of that Standard.

Approved by the board on 26 May 2021 and signed on its behalf by:

*Mrs. Kathleen Moran*

Mrs. Kathleen Moran (May 28, 2021 18:36 GMT+1)

Kathleen Moran  
Director



Ian Coulter (May 28, 2021 18:44 GMT+1)

Ian Coulter  
Director

**Kilkenny Art Gallery Society Company Limited by Guarantee**

**RECONCILIATION OF MEMBERS' FUNDS**

as at 31 December 2020

	Retained surplus (Unrestricted) €	Revaluation reserve €	Capital redemption reserve €	Special reserve €	Total €
<b>At 1 January 2019</b>	238,591	1,319,718	61,153	4,800	1,624,262
Surplus for the financial year	16,672	-	-	-	16,672
<b>At 31 December 2019</b>	255,263	1,319,718	61,153	4,800	1,640,934
Surplus for the financial year	95,338	-	-	-	95,338
<b>At 31 December 2020</b>	<b>350,601</b>	<b>1,319,718</b>	<b>61,153</b>	<b>4,800</b>	<b>1,736,272</b>

## Kilkenny Art Gallery Society Company Limited by Guarantee

### CASH FLOW STATEMENT

for the financial year ended 31 December 2020

	Notes	2020 €	2019 €
<b>Cash flows from operating activities</b>			
Surplus for the financial year		95,338	16,672
Adjustments for:			
Interest receivable and similar income		(1)	(1)
Depreciation		57,786	6,509
Amortisation of government grants		(45,820)	(2,000)
		<u>107,303</u>	<u>21,180</u>
Movements in working capital:			
Movement in stocks		(4,676)	-
Movement in debtors		(21,818)	14,792
Movement in creditors		69,202	74,425
		<u>150,011</u>	<u>110,397</u>
<b>Cash flows from investing activities</b>			
Interest received		1	1
Payments to acquire tangible fixed assets		(71,127)	(29,899)
		<u>(71,126)</u>	<u>(29,898)</u>
Net cash used in investment activities		(71,126)	(29,898)
<b>Cash flows from financing activities</b>			
Government grants		15,897	-
		<u>15,897</u>	<u>-</u>
<b>Net increase in cash and cash equivalents</b>		<b>94,782</b>	80,499
<b>Cash and cash equivalents at beginning of financial year</b>		<b>127,392</b>	46,893
<b>Cash and cash equivalents at end of financial year</b>	<b>20</b>	<b>222,174</b>	127,392

**KILKENNY ART GALLERY SOCIETY COMPANY LIMITED BY  
GUARANTEE**  
**INFORMATION RELATING TO GOVERNMENT GRANTS – IN ACCORDANCE WITH  
CIRCULAR 13/2014**

for the financial year ended 31 December 2020

Name of Grantor	Name of Grant	Purpose	Term	Amount Awarded	Amount taken as income 2020	Cash received	Prepayment/ (Accrual) Movement during year
				€	€	€	€
The Arts Council	Regularly Funded Organisation Grant	Programming, Education, Salaries and Running Costs	2020 – 1 year	324,000	324,000	324,000	-
The Arts Council	RAISE	Fund Development Manager position	2020 – 1 year	24,000	14,400	24,000	(9,600)
Kilkenny County Council	Annual Funding	Programming and Events	2020 – 1 year	25,000	25,000	25,000	-
Kilkenny County Council	Culture night	Adult Critics Group	2020 – 1 year	1,500	1,500	1,500	-
Kilkenny County Council	Creative Ireland WolfWalkers Funding	WolfWalkers Exhibition funding	2020 – 1 year	6,000	6,000	6,000	-
Faite Ireland	Adaption Grant	Costs of adapting the premises due to Covid	2020 – 1 year	7,500	7,500	7,500	-
Dept. of Tourism, Culture, Arts, Gaeltacht, Sport & Media	Cutural Capital Scheme 2019 – 2022	Capital adaptations & purchase of equipment re. Covid	2020 – 1 year	8,397	8,397	8,397	-
The Arts Council	Capacity Building Support Scheme		2020 – 1 year	18,130	-	16,317	(16,317)
The Arts Council	Regularly Funded Organisation Grant	Programming, Education, Salaries and Running Costs	2021 – 1 year	-	-	81,000	(81,000)

Grant income received is applied to the purpose for which it is received as detailed above.

The company holds a valid tax clearance certificate and is compliant with Circular 44/2006 "Tax Clearance Procedures Grants, Subsidies and Similar Type Payments".



# Kilkenny Art Gallery Society Company Limited by Guarantee

## NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2020

### 1. GENERAL INFORMATION

Kilkenny Art Gallery Society Company Limited by Guarantee is a company limited by guarantee incorporated in the Republic of Ireland. Butler Gallery, Evans' Home, John's Quay, Kilkenny is the registered office, which is also the principal place of business of the company. The nature of the company's operations and its principal activities are set out in the Directors' Report. The financial statements have been presented in Euro (€) which is also the functional currency of the company.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

#### Statement of compliance

The financial statements of the company for the year ended 31 December 2020 have been prepared on the going concern basis and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102).

The company as a registered charity has adopted the Statement of Recommended Practice, Charity SORP (FRS 102) - Accounting and Reporting by Charities 2015.

#### Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention except for certain properties and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council.

The company qualifies as a small company as defined by section 280A of the Companies Act 2014 in respect of the financial year, and has applied the rules of the 'Small Companies Regime' in accordance with section 280C of the Companies Act 2014.

#### Income

##### *Income resources*

Incoming resources are recognised by inclusion in the statement of financial activities only when the company is legally entitled to the income, virtually certain of receipt and the amounts involved can be measured with sufficient reliability.

##### *Incoming resources from charitable activities Grants from governments and other co-funders*

Grants from governments and institutional donors, are recognised as income when the activities which they are intended to fund have been undertaken, the related expenditure incurred, and there is reasonable certainty of receipt.

Income due to the company from governments and institutional sources but not yet received at year end is included in debtors in the balance sheet, and funds already received but not yet utilised are shown in creditors.

##### *Incoming resources from generated funds Voluntary income*

Voluntary income, which consists of monetary donations from the public (including legacies), and from corporate and major donors, together with related tax refunds, is recognised in the period in which the organisation is entitled to the resource, receipt is virtually certain, and when the amount can be measured with sufficient reliability. In the case of monetary donations from the public this income is generally recognised when the donations are received; with legacies it is when the client received confirmation of unconditional entitlement to the bequest; the activities which it is intended to fund have been undertaken and the related expenditure incurred; whereas, with tax refunds it is when claims are compiled and submitted to the revenue authorities for reimbursement.

##### *Income from services*

Service Income is recognised once the company is legally entitled to the income, virtually certain of receipt, and the amounts can be measured with sufficient reliability.

# Kilkenny Art Gallery Society Company Limited by Guarantee

## NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2020

### Commission

Commission is earned from the sale of paintings on behalf of artists. Such commission is included in the accounting period in which a deposit or full payment is received for the painting sold.

### Fund Accounting

#### *Restricted Funds*

Restricted funds represent funding, grants, donations and sponsorships received which can only be used for particular purposes specified by the donors and binding on the directors. Such purposes are within the overall aims of the charity.

#### *Unrestricted Funds*

Unrestricted funds represent amounts which may be spent or applied at the discretion of the Directors in furtherance of the objectives of the company. They may include designated reserves which are earmarked by the directors for specific projects.

### Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the measured reliably. Expenditure is classified under the following activity headings:

Cost of raising funds.

Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the charity and their associated support costs.

Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

### Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of tangible fixed assets, less their estimated residual value, over their expected useful lives as follows:

Artwork	-	nil (see note 8)
Land and buildings leasehold	-	10 years
Fixtures, fittings and equipment	-	5 years

The carrying values of tangible fixed assets are reviewed annually for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

### Stocks

Stocks are valued at the lower of cost and net realisable value. Cost comprises expenditure incurred in the normal course of business in bringing stocks to their present location and condition. Full provision is made for obsolete and slow moving items. Net realisable value comprises actual or estimated selling price (net of trade discounts) less all further costs to completion or to be incurred in marketing and selling.

### Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

### Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

### Taxation

The company has a charitable tax exemption on its income under the provision of section 207 of the Taxes Consolidation Act 1997. The charity number is CHY 12922.

The company is registered with Charities Regulatory Authority and it's CRA number is 20038977.

# Kilkenny Art Gallery Society Company Limited by Guarantee

## NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2020

### Government grants

Grants are recognised using the accruals model when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Grants towards capital expenditure are credited to deferred income and are released to the profit and loss account over the expected useful life of the related assets, by equal annual instalments. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

### Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The company has made judgements, estimates and assumptions about the carrying amounts of assets and liabilities that were not readily apparent from other sources in the application of the company's accounting policies. Estimates and judgements are continually evaluated and are based in historical experience and other factors that are considered to be reasonable under the circumstances.

The directors are of the assumption that there are no critical judgements (other than those involving estimates) that have a significant effect on the amounts recognised in the financial statements. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

#### Going Concern

The directors have prepared budgets and cash flows for a period of at least twelve months from the date of the approval of the financial statements which demonstrate that there is no material uncertainty regarding the company's ability to meet its liabilities as they fall due, and to continue as a going concern. On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the company was unable to continue as a going concern.

#### Useful Lives of Tangible and Intangible Fixed Assets

Long-lived assets comprising primarily of leasehold property, artwork and fixtures, fitting and equipment represent a significant portion of total assets. The annual depreciation and amortisation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of residual values. The directors regularly review these useful lives and change them if necessary to reflect current conditions. In determining these useful lives management consider technological change, patterns of consumption, physical condition and expected economic utilisation of the assets. Changes in the useful lives can have a significant impact on the depreciation and amortisation charge for the financial year. The net book value of Tangible Fixed Assets subject to depreciation at the financial year end date was €2,023,547 (2019: €2,010,206).

### 4. DEPARTURE FROM COMPANIES ACT 2014 PRESENTATION

The directors have elected to present a Statement of Financial Activities instead of a Profit and Loss Account in these financial statements as this company is a not-for-profit entity.

### 5. PROVISIONS AVAILABLE FOR AUDITS OF SMALL ENTITIES

In common with many other businesses of our size and nature, we use our auditors to assist with the preparation of the financial statements.

### 6. OPERATING SURPLUS

	2020	2019
	€	€
<b>Operating surplus is stated after charging/(crediting):</b>		
Depreciation of tangible fixed assets	57,786	6,509
Government grants received	(38,825)	-
Amortisation of Government grants	(45,820)	(2,000)
	<u>          </u>	<u>          </u>

**Kilkenny Art Gallery Society Company Limited by Guarantee**  
**NOTES TO THE FINANCIAL STATEMENTS**

continued

for the financial year ended 31 December 2020

**7. INCOME**

	Unrestricted Funds	Restricted Funds	Total Funds
	€	€	€
Arts Council Annual Revenue Grant	-	324,000	324,000
Arts Council RAISE Grant	-	14,400	14,400
Local Authority Funding	25,000	7,500	32,500
Sponsorship	-	68,980	68,980
Donations and Sundry Income	18,640	-	18,640
Art Sales Commission	810	-	810
Membership and Fundraising	71,078	-	71,078
Books, catalogues and merchandise	5,314	-	5,314
Professional fees	7,023	-	7,023
Interest received	1	-	1
Government Covid Grants	-	38,825	38,825
	127,866	453,705	581,571

During 2020 the company received in kind support to the value of €55,000. In accordance with company accounting policy both the in kind support and related expenditure are excluded from the profit and loss account. Included in donations is €10,950 being the value of art work gifted to the gallery collection during the year.

The whole of the company's income is attributable to its market in the Republic of Ireland and is derived from the principal activity of operating an Art Gallery.

Included in government grants received is the following support received during the year:

- Temporary Wage Subsidy Scheme:

The company received €38,825 in the form of wage subsidy supports introduced by the Irish government in response to the ongoing Covid-19 pandemic. The company was entitled to the subsidy on the basis it met the qualifying criteria, namely a reduction in turnover from the previous period.

**8. EMPLOYEES**

The average monthly number of employees, including directors, during the financial year was 7, (2019 - 5).

	2020 Number	2019 Number
Administration	7	5
The staff costs comprise:	€	€
Wages and salaries	216,174	170,085
Social welfare costs	15,981	16,637
	232,155	186,722

During the financial year no employees were paid a salary of greater than €60,000.

**Kilkenny Art Gallery Society Company Limited by Guarantee**  
**NOTES TO THE FINANCIAL STATEMENTS**

continued

for the financial year ended 31 December 2020

**9. TANGIBLE FIXED ASSETS**

	Artwork €	Land and buildings leasehold €	Fixtures, fittings and equipment €	Total €
<b>Cost</b>				
At 1 January 2020	1,596,603	404,820	114,156	2,115,579
Additions	10,950	-	60,177	71,127
At 31 December 2020	<u>1,607,553</u>	<u>404,820</u>	<u>174,333</u>	<u>2,186,706</u>
<b>Depreciation</b>				
At 1 January 2020	-	-	105,373	105,373
Charge for the financial year	-	40,482	17,304	57,786
At 31 December 2020	<u>-</u>	<u>40,482</u>	<u>122,677</u>	<u>163,159</u>
<b>Net book value</b>				
At 31 December 2020	<u><u>1,607,553</u></u>	<u><u>364,338</u></u>	<u><u>51,656</u></u>	<u><u>2,023,547</u></u>
At 31 December 2019	<u>1,596,603</u>	<u>404,820</u>	<u>8,783</u>	<u>2,010,206</u>

**Artwork**

The company's permanent art collection has been revalued based on an internal valuation carried out by the directors in 2015. Periodic revaluation of the collection will be carried out. Paintings within the collection are not for resale, are included in the accounts at current valuation and are not depreciated.

**Land and Buildings Leasehold**

These consist of professional fees incurred in relation to the "Evans' Home Project", and following the relocation in 2020, depreciation is being charged on an annual basis.

**10. STOCKS**

	2020 €	2019 €
Finished goods and goods for resale	<u>4,676</u>	<u>-</u>

The replacement cost of stock did not differ significantly from the figures shown.

**11. DEBTORS**

	2020 €	2019 €
Trade debtors	<u>32,313</u>	<u>10,495</u>

**12. CREDITORS**

<b>Amounts falling due within one year</b>	2020 €	2019 €
Accruals	<u>167,955</u>	<u>98,753</u>

Included in accruals is €27,500 of net fundraising income in relation to the remaining fit-out/renovation of Evans' Home. This deferred income will be recognised when the relevant expenditure is incurred.

**13. CREDITORS**

<b>Amounts falling due after more than one year</b>	2020 €	2019 €
Government grants (Note 14)	<u>378,483</u>	<u>408,406</u>

**Kilkenny Art Gallery Society Company Limited by Guarantee**  
**NOTES TO THE FINANCIAL STATEMENTS**

continued

for the financial year ended 31 December 2020

<b>14. GOVERNMENT GRANTS DEFERRED</b>	<b>2020</b>	2019
	€	€
<b>Capital grants received and receivable</b>		
At 1 January 2020	<b>416,406</b>	416,406
Increase in financial year	<b>15,897</b>	-
	<hr/>	<hr/>
At 31 December 2020	<b>432,303</b>	416,406
	<hr/>	<hr/>
<b>Amortisation</b>		
At 1 January 2020	<b>(8,000)</b>	(6,000)
Amortised in financial year	<b>(45,820)</b>	(2,000)
	<hr/>	<hr/>
At 31 December 2020	<b>(53,820)</b>	(8,000)
	<hr/>	<hr/>
<b>Net book value</b>		
At 31 December 2020	<b>378,483</b>	408,406
	<hr/>	<hr/>
At 1 January 2020	<b>408,406</b>	410,406
	<hr/>	<hr/>

Deferred government grants includes €406,406 in capital grants received in 2010, 2011, 2012 and 2013 in respect of the professional fees incurred in relation to the "Evans' Home" project. Following the relocation to Evans' Home in 2020, these capital grants are being amortised to the profit and loss account on an annual basis. Capital grants of €10,000 were received during 2016 and €15,897 during 2020 for new equipment. These grants will be amortised over the expected useful life of the related assets.

**15. STATUS**

The liability of the members is limited.

Every member of the company undertakes to contribute to the assets of the company in the event of its being wound up while they are members or within one year thereafter for the payment of the debts and liabilities of the company contracted before they ceased to be members and the costs, charges and expenses of winding up and for the adjustment of the rights of the contributors among themselves such amount as may be required, not exceeding € 1.27.

**16. RESERVES**

**Unrestricted Funds**

Unrestricted Funds represent a retained surplus which may be spent or applied at the discretion of the Directors in furtherance of the objectives of the Company. They may include designated reserves which are earmarked by the directors for specific projects.

**Revaluation Reserve**

**Artwork**

The directors previously revalued the paintings on 31 December 1994 based on a valuation carried out by Mr John Taylor of Taylor Galleries Dublin. The 1994 valuation resulted in an increase in value and revaluation reserve amounting to €585,084. In 2015 the directors carried out an internal valuation and valued the collection at €1,542,403, with the increase in value of €734,634, being credited to the revaluation reserve. The directors have over three decade's experience of assessing the value of works of art and refer to experts in particular areas where necessary.

**Capital Redemption Reserve**

Arising on takeover of assets and liabilities of Kilkenny Art Gallery Society.

**Special Reserve**

Arts Council joint purchases grants. The Arts Council has a lien entitling them to half the sale proceeds of any painting purchases under this scheme.

**Kilkenny Art Gallery Society Company Limited by Guarantee**  
**NOTES TO THE FINANCIAL STATEMENTS**

continued

for the financial year ended 31 December 2020

**17. CAPITAL COMMITMENTS**

The company had no material capital commitments at the year ended 31 December 2020.

**18. RELATED PARTY TRANSACTIONS**

No director was remunerated or received any other benefits or expenses from the company during the year.

**19. POST-BALANCE SHEET EVENTS**

The company's operations have continued to be affected after year end by the global outbreak of Covid-19. The directors, in line with government directives, have made decisions which, in their opinion, protect the health and safety of their employees and the company's underlying activities. The directors are confident their decisions, together with the company's improved financial position and continued government funding will ensure the future sustainability of the company.

**20. CASH AND CASH EQUIVALENTS**

	<b>2020</b>	2019
	€	€
Cash and bank balances	<b>221,331</b>	126,549
Cash equivalents	<b>843</b>	843
	<u><b>222,174</b></u>	<u>127,392</u>

**21. APPROVAL OF FINANCIAL STATEMENTS**

The financial statements were approved and authorised for issue by the board of directors on 26 May 2021.