

CRAWFORD ART GALLERY CORK

**REPORTS AND FINANCIAL STATEMENTS
(COMPANY LIMITED BY GUARANTEE AND NOT
HAVING A SHARE CAPITAL)**

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016



CRAWFORD ART GALLERY CORK

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CRAWFORD ART GALLERY CORK

DIRECTORS AND OTHER INFORMATION

DIRECTORS

John R Bowen (Chairman) - retired 15/03/2017
Rose McHugh (Chairman) - appointed 15/03/2017
Eamonn Maxwell - appointed 15/03/2017
Barrie O'Connell - appointed 15/03/2017
Catherine Hammond - appointed 15/03/2017
Karen Kelly - appointed 15/03/2017
Gareth O'Callaghan - appointed 15/03/2017
Josephine Browne - appointed 15/03/2017
Frank Nyhan - appointed 15/03/2017
Ann Doherty
Tim Brosnan
Susan McCarthy - appointed 06/01/2016
Mary Hegarty - appointed 06/01/2016

SECRETARY/GALLERY DIRECTOR

Peter Murray - resigned 28/04/2017
Norma Cuddihy - appointed 28/04/2017

COMPANY NUMBER

431177

REGISTERED OFFICE

Crawford Art Gallery
Emmet Place
Cork

BUSINESS ADDRESS

Emmet Place
Cork

BANKERS

Allied Irish Banks plc
66 South Mall
Cork

AUDITOR

Comptroller and Auditor General
3A Mayor Street Upper
Dublin 1

CRAWFORD ART GALLERY CORK

DIRECTORS' REPORT

The directors present their report together with the audited financial statements for the year ended 31 December 2016.

OWNERSHIP OF THE GALLERY

The ownership of the Gallery building and specified assets remain in the ownership of the Cork Education and Training Board. The necessary legislation has not been enacted to transfer these assets to the Crawford Art Gallery Cork. It should be noted however that the Crawford Art Gallery Cork continues to maintain and secure these assets from its annual grant. The Cork Education and Training Board hold the insurance over the Gallery building and specified assets, the cost of which is shared by the Crawford Art Gallery Cork.

PRINCIPAL ACTIVITY AND REVIEW OF THE GALLERY

The principal activity of the company is the operation of an art gallery. There have been no significant changes in the company's activities during the financial year. The company is a company limited by guarantee and not having a share capital.

Crawford Art Gallery Cork had previously capitalised the cost of gallery catalogues as fixed assets. The gallery catalogues related to specific exhibitions were recorded at cost and not depreciated. Under FRS 102, it was necessary to reclassify the previously capitalised costs of these gallery catalogues as inventory and this was reflected in the financial statements for the year ended 31 December 2015. During the year the value of gallery catalogues was assessed for any impairment. This resulted in an impairment charge of €92,921 and the value of inventory was reduced by this amount. This has resulted in a gross loss for the gallery book shop of €71,408.

FUTURE DEVELOPMENTS

The Building and Development Committee has been formed in conjunction with the OPW to put a plan in place for the transfer of assets from the Cork Education and Training Board.

FINANCIAL RISK MANAGEMENT AND OBJECTIVES

The directors confirm that Crawford Art Gallery Cork identifies, evaluates and manages its significant risks on an ongoing basis. This process has been in place both throughout the accounting year and up to the date of approval of the financial statements.

The directors identified the principal risks facing the company relates to the transfer of ownership of the building and specified pieces of the art collection.

RESULTS FOR THE YEAR

	2016	2015
	€	€
(Deficit)/surplus for the year	<u>(70,047)</u>	<u>32,871</u>

ASSETS AND LIABILITIES AND FINANCIAL POSITION

The total assets of the business have increased by €31,756, the total liabilities have decreased by €63,392, resulting in an increase in net assets of €95,148.

EVENTS AFTER THE BALANCE SHEET DATE

There have been no significant events affecting the company since the financial year end which would impact the amounts or disclosures in these financial statements.

CRAWFORD ART GALLERY CORK

DIRECTORS' REPORT

DIRECTORS AND SECRETARY

The present membership of the Board is set out on page 2. In accordance with the constitution the Directors are appointed for a five year term. At the expiration of the five year term the directors are eligible for reappointment.

The following director's term of office expired during the financial year and was reappointed on the same date as follows:

Tim Brosnan's terms of office expired on 03/02/2016 and he was reappointed.

Susan McCarthy and Mary Hegarty were appointed as directors on 6 January 2016. Rose McHugh, Eamonn Maxwell, Barrie O'Connell, Catherine Hammond, Karen Kelly, Gareth O'Callaghan, Josephine Browne and Frank Nyhan were appointed as directors on 15 March 2017. John R Bowen's office as Chairman was extended by the Minister of Arts, Heritage and the Gaeltacht for a period of six months from the 5 December 2015, with a further extension for 4 months in June 2016, and a final extension in October 2016 until a new Board member was appointed in March 2017, on that date Rose McHugh was appointed as chairman. All other directors and the secretary served throughout the financial year.

DIRECTORS AND SECRETARY'S INTERESTS IN SHARES

The company is limited by guarantee and therefore has no share capital.

HEALTH & SAFETY

The well being of the Gallery Employees is safeguarded through the strict adherence to Health & Safety standards. The safety, Health & Welfare at Work Act 2005 imposes certain requirements on employees and the Gallery takes the necessary action to ensure compliance with the Act.

ACCOUNTING RECORDS

The measures that the directors have taken to secure compliance with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's registered office at Crawford Art Gallery, Emmet Place, Cork.

STATEMENT ON RELEVANT AUDIT INFORMATION

In the case of each of the persons who are directors at the time this report is approved in accordance with section 332 of Companies Act 2014:

- (a) so far as each director is aware, there is no relevant audit information of which the company's statutory auditors are unaware, and
- (b) each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's statutory auditors are aware of that information.

CRAWFORD ART GALLERY CORK

DIRECTORS' REPORT


AUDIT COMMITTEE

The Directors have fulfilled their requirement to establish an Audit & Risk Committee that meets the requirements of Section 167 of the Companies Act 2014.

AUDITOR

The Comptroller and Auditor General acts as auditor in accordance with Section 5 of the Comptroller and Auditor General (Amendment) Act 1993.

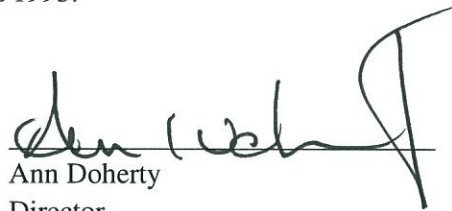
On behalf of the Board



Rose McHugh

Chairman

Date 27.09.17



Ann Doherty

Director

Date 27.09.2017

CRAWFORD ART GALLERY CORK

STATEMENT ON INTERNAL FINANCIAL CONTROL

Responsibility of Internal Financial Control

On behalf of the Crawford Art Gallery Cork, I acknowledge our responsibility for ensuring that an effective system of internal financial control is maintained and operated.

Any system of internal financial control can only provide reasonable but not absolute assurance against material error, misstatement or loss. In considering the effectiveness of internal financial controls, the Board of Directors of the Crawford Art Gallery Cork and its Audit Committee have regard among other things, to the requirements of the Code of Practice for the Governance of State Bodies.

Key Control Procedures

The Board of Directors of Crawford Art Gallery Cork has taken steps to ensure an appropriate control environment in place by:

- clearly defining management responsibilities, authority and accountability;
- establishing formal procedures for monitoring the activities and safeguarding the assets of Crawford Art Gallery Cork ;
- developing a culture of accountability across all levels of the organisation

The systems of internal financial controls is based on a framework of regular management reporting, administration procedures including segregation of duties and a system of delegation and accountability including:

- an annual budgeting and financial reporting system which is reviewed and approved by the board;
- regular reviews by the board of financial plans and results and variances against revenue and capital budgets.

The Board has established procedures to identify and evaluate business risks by:

- Identifying the nature, extent and financial implication of risks facing the body; including the extent and categories which it regards as acceptable
- Assessing the likelihood of identified risks occurring;
- Assessing the Board's ability to manage and mitigate the risks that do occur.

Crawford Art Gallery Cork has an Audit Sub Committee and a Finance and Legal Sub Committee. The Board procured the services of an internal audit function for the first time in 2016.

The Audit Sub Committee met 6 times during 2016. The Board conducted a review of the effectiveness of the system of internal financial controls in respect of 2016.

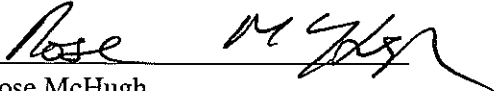
CRAWFORD ART GALLERY CORK

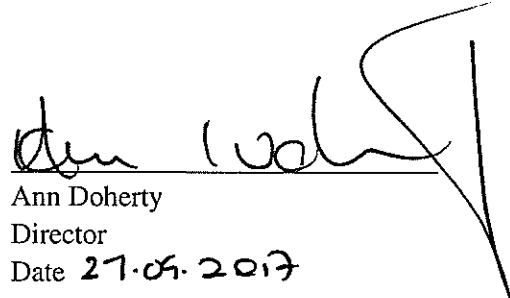
STATEMENT ON INTERNAL FINANCIAL CONTROL

The audit identified four instances of non-competitive procurement for services acquired by the Gallery during the year. The total amount paid by the Gallery in respect of these services in the year was €66,970. The cumulative amount spent by the Gallery for these services over the three year period 2014 to 2016 was €138,896.

Management will review current procedures with the Internal Auditor and where necessary make adjustments.

On behalf of the Board of Crawford Art Gallery Cork


Rose McHugh
Chairman
Date 27.09.2017


Ann Doherty
Director
Date 27.09.2017

CRAWFORD ART GALLERY CORK

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the directors' report and the financial statements in accordance with the Companies Act 2014 and the applicable 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("relevant financial reporting framework").

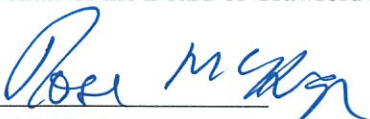
Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the surplus or deficit of the company for the financial year and otherwise comply with the Companies Act 2014.

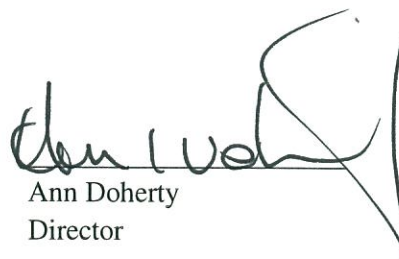
In preparing those financial statements, the directors are required to:

- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the 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 profit or loss 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 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.

On behalf of the Board of Crawford Art Gallery Cork


Rose McHugh
Chairman


Ann Doherty
Director

Date 27.09.2017



Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Crawford Art Gallery Cork Limited

I have audited the financial statements of the Crawford Art Gallery Cork Limited for the year ended 31 December 2016 under the Comptroller and Auditor General (Amendment) Act 1993. The financial statements comprise the statement of income and expenditure and retained revenue reserves, the statement of financial position, the statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and generally accepted accounting practice in Ireland.

Responsibilities of the directors

The directors are responsible for the preparation of the financial statements, for ensuring that they give a true and fair view and otherwise comply with the Companies Act 2014 and for ensuring the regularity of transactions.

Responsibilities of the Comptroller and Auditor General

My responsibility is to audit the financial statements and to report on them in accordance with applicable law.

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation.

My audit is carried out in accordance with the International Standards on Auditing (UK and Ireland) and in compliance with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements, sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of

- whether the accounting policies are appropriate to the company's circumstances, and have been consistently applied and adequately disclosed
- the reasonableness of significant accounting estimates made by the directors in the preparation of the financial statements, and
- the overall presentation of the financial statements.

I also seek to obtain evidence about the regularity of financial transactions in the course of audit.

Opinion on the financial statements

In my opinion, the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2016 and of its income and expenditure for 2016; and
- have been properly prepared in accordance with generally accepted accounting practice in Ireland; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Matters on which I am required to report by the Companies Act 2014

I have obtained all the information and explanations that I consider necessary for the purposes of my audit. In my opinion, the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited. The financial statements are in agreement with the accounting records.

In my opinion, the information given in the directors' report is consistent with the financial statements.

Matters on which I report by exception

I report by exception if I find

- any material instance where money has not been applied for the purposes intended or where the transactions did not conform to the authorities governing them, or
- the statement on internal financial control does not reflect the company's compliance with the Code of Practice for the Governance of State Bodies, or
- the disclosures of directors' remuneration and transactions as specified by the Companies Act 2014 are not made, or
- there are other material matters relating to the manner in which public business has been conducted.

I have nothing to report in regard to those matters upon which reporting is by exception.

Patricia Sheehan

For and on behalf of the
Comptroller and Auditor General

29 September 2017


CRAWFORD ART GALLERY CORK

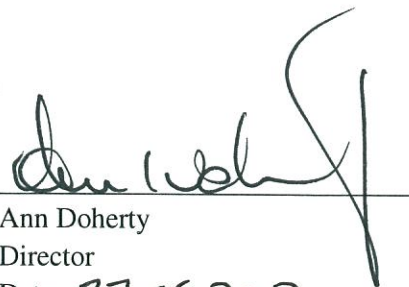
STATEMENT OF INCOME AND EXPENDITURE AND RETAINED REVENUE RESERVES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

	Note	2016 €	2015 €
Income			
Oireachtas Grants	2 a	1,369,989	1,356,247
Gallery Bookshop Net (Loss)/ Profit	2 b	(71,408)	21,912
Own Resource Income	2 c	87,658	58,747
Donated artwork	10	15,220	68,700
Total Income		<u>1,401,459</u>	<u>1,505,606</u>
Expenditure			
Wages and Salaries	3	(576,286)	(556,308)
Exhibitions & Display collections	4	(349,376)	(357,040)
Other Administration costs	5	(380,649)	(392,565)
Total Expenditure		<u>(1,306,311)</u>	<u>(1,305,913)</u>
Net Operating Surplus for the Year		95,148	199,693
Transfer to the Capital Account			
Donated Assets	10	(15,220)	(68,700)
Other Fixed Assets	10	(149,975)	(98,122)
		<u>(165,195)</u>	<u>(166,822)</u>
(Deficit)/Surplus for the Year after transfer to the Capital Account		(70,047)	32,871
Balance Brought Forward at 1 January		441,058	408,187
Balance Carried Forward at 31 December		<u>371,011</u>	<u>441,058</u>

Notes 1 to 13 form part of these financial statements.

On behalf of the Board of Crawford Art Gallery Cork


 Rose McHugh
 Chairman
 Date: 27.09.2017

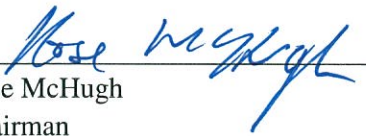

 Ann Doherty
 Director
 Date: 27.09.2017

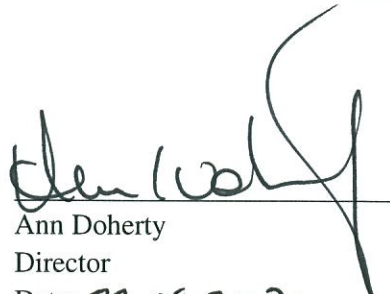
CRAWFORD ART GALLERY CORK
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

		2016	2015
	Notes	€	€
Fixed Assets			
Property, plant & equipment	6	559,287	453,539
Artworks	7	5,963,452	5,904,005
Total Fixed Assets		6,522,739	6,357,544
Current Assets			
Receivables	8	7,767	6,554
Inventory		29,676	120,427
Cash and cash equivalents		425,815	469,716
		463,258	596,697
Current Liabilities (amounts falling due within one year)			
Payables	9	(92,247)	(155,639)
Net Current assets		371,011	441,058
Total Net Assets		6,893,750	6,798,602
Representing			
Capital account	10	6,522,739	6,357,544
Retained revenue reserves		371,011	441,058
		6,893,750	6,798,602

Notes 1 to 13 form part of these financial statements.

On behalf of the Board of Crawford Art Gallery Cork


 Rose McHugh
 Chairman
 Date: 21.09.2017


 Ann Doherty
 Director
 Date: 21.09.2017

CRAWFORD ART GALLERY CORK

STATEMENT OF CASHFLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

	2016 €	2015 €
Cashflows from operating Activities		
Excess Income over Expenditure	95,148	199,693
Donated Artwork	(15,220)	(68,700)
Depreciation and Impairment of Fixed Assets	61,862	72,572
(Decrease)/Increase in Payables	(63,392)	34,771
(Increase)/Decrease in Receivables	(1,213)	2,206
Decrease/(Increase) in Inventory	90,751	(4,649)
Net Cash Inflow from Operating Activities	167,936	235,893
Cash Flows from Investing Activities		
Expenditure on Fixed Assets:		
Property, Plant & Equipment	(167,610)	(143,265)
Artwork	(44,227)	(27,429)
Net Cash Outflow From Investing Activities	(211,837)	(170,694)
Cash Flows from Financing Activities	-	-
Net Cash Inflow/(Outflow) From Financing Activities	-	-
Net (Decrease)/Increase in Cash and Cash Equivalents	(43,901)	65,199
Net Funds at 1 January (per Balance Sheet 2015 audited financial statements)	469,716	404,517
Net funds at 31 December (per Balance Sheet)	425,815	469,716
Movement in Net Funds in the Year	(43,901)	65,199

Notes 1 to 13 form part of these financial statements.

CRAWFORD ART GALLERY CORK

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

1 Accounting Policies

The basis of accounting and significant accounting policies adopted by Crawford Art Gallery Cork are set out below. They have all been applied consistently throughout the year and for the preceding year.

a) General Information

Crawford Art Gallery Cork is a company incorporated in Ireland under the Companies Act 2014. The address of the registered office is given on page 2. The nature of the company's operations and its principal activities are set out in the directors' report on page 3 - 5.

Crawford Art Gallery Cork's primary objective as set out in (Part 2) of the Memorandum of Association are as follows:

- to advance education by developing and promoting the practice of art sculpture and design and in the fine arts and applied arts generally and to promote the Crawford Art Gallery Cork as an educational centre for the arts and as a major cultural and artistic centre.
- to provide free of charge access at all times to the Gallery's collection
- to provide on a fee basis, but free of charge if appropriate facilities for exhibitions, demonstrations, displays, conferences, lectures, tours, visits, functions of an artistic nature.
- to promote and encourage public awareness and appreciation of culture and the arts generally and of the activities of the gallery particularly.

Crawford Art Gallery Cork is a Public Benefit Entity (PBE).

b) Statement of Compliance

The financial statements of Crawford Art Gallery Cork for the year ended 31 December 2016 have been prepared in accordance with FRS 102, the financial reporting standard applicable in the UK and Ireland issued by the Financial Reporting Council (FRC), as promulgated by Chartered Accountants Ireland.

c) Basis of Preparation

The financial statements have been prepared on a going concern basis and under the historical cost convention, except for certain assets and liabilities that are measured at fair values as explained in the accounting policies below. The financial statements are in the form approved by the Minister for Arts Heritage & the Gaeltacht and have been prepared in compliance with the requirements of the Companies Act 2014. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to Crawford Art Gallery Cork financial statements.

CRAWFORD ART GALLERY CORK

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

1 Accounting Policies Continued

d) Revenue

Oireachtas Grants

Oireachtas grants are recognised on a cash receipts basis.

Interest income

Interest income is recognised on an accruals basis using the effective interest rate method.

Other Revenue

Other revenue is recognised on an accruals basis.

e) Property, Plant & Equipment

Property, plant & equipment are recorded at cost less accumulated depreciation, adjusted for any provision for impairment. Depreciation is provided on all property, plant & equipment, with the exception of Heritage assets, at rates estimated to write off the cost less the estimated residual value of each asset on a straight line basis over their estimated useful lives, as follows:

Improvement to leasehold premises	2% Straight Line
Equipment	12.5% Straight Line
Furniture and fixtures	12.5% Straight Line
Digital archive	12.5% Straight Line

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of an age and in the condition expected at the end of its useful life.

If there is objective evidence of impairment of the value of an asset, an impairment loss is recognised in the Statement of Income and Expenditure and Retained Revenue Reserves in the year.

f) Heritage Assets

Donated artworks are held at valuation. Initial valuations are carried out by the gallery director with reference to experts in particular areas, as well as collecting auction house results and recent sales achieved for particular works. Purchased art works are held at cost. At each reporting date the Gallery determines whether any of its heritage assets are impaired. The bulk of the Gallery's collection is vested in the Cork Education and Training Board and not included on the statement of financial position of the company.

g) Inventory

Inventories are measured at the lower of cost or estimated selling price less costs to complete and sell.

CRAWFORD ART GALLERY CORK

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

1 Accounting Policies Continued

h) Receivables

Receivables are recognised at fair value, less a provision for doubtful debts. The provision for doubtful debts is a specific provision, and is established when there is objective evidence that Crawford Art Gallery Cork will not be able to collect all amounts owed to it. All movements in the provision for doubtful debts are recognised in the Statement of Income and Expenditure and Retained Revenue Reserves.

i) Employee Benefits

Short Term Benefits

Short term benefits such as holiday pay are recognised as an expense in the year, and benefits that are accrued at year-end are included in the Payables figure in the Statement of Financial Position.

Retirement Benefits

In July 2011 agreement was reached with the Department of Arts, Heritage and the Gaeltacht and the Cork Education and Training Board to transfer the retirement benefit contributions of staff back to the Cork Education and Training Board scheme and thus no further liability for pension entitlements attaches to the Gallery.

New entrant staff employed by the company after 1 January 2013 are members of the Single Public Service Pension Scheme in accordance with Public Service Pensions (Single Scheme and Other Provisions) Act 2012. The company makes the necessary deductions from salaries for staff who are part of the scheme. Employee contributions are transferred to the Department of Public Expenditure and Reform on a monthly basis in accordance with the Public Service Pensions (Single Scheme and Other Provisions) Act 2012.

j) Capital Account

The capital account represents the amount of unamortised income used for capital purposes along with transfers of donated artwork from the Statement of Income and Expenditure and Retained Revenue Reserves.

k) Critical Accounting Judgements and Estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements.

CRAWFORD ART GALLERY CORK
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

1 Accounting Policies Continued

1) Valuation of Artwork Donated

Donated assets are valued by the gallery director through referencing to experts in particular areas, as well as through collecting auction house results and recent sales achieved for particular works of art.

CRAWFORD ART GALLERY CORK

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

2 Income

a) Oireachtas Income

The Oireachtas Grants voted to Crawford Art Gallery Cork from Vote 33 - Department of Arts, Heritage and the Gaeltacht as shown in the financial statements consist of:

		2016	2015
	Sub-head	€	€
Grants for current expenditure	A6	1,072,000	1,089,000
Grants for capital expenditure	A7	162,000	162,000
AIB exhibition	A6	-	60,247
Capital funding for emergency electrical and roof works	A7	90,000	45,000
Capital funding for Dublin Castle	A7	6,174	-
Dublin Castle Exhibition	A6	14,815	-
Conflicting Visions Exhibition	A6	25,000	-
		<u>1,369,989</u>	<u>1,356,247</u>

b) Gallery Shop Net (Loss)/ Profit

		2016	2015
		€	€
Sales		32,639	39,669
Cost of Sales			
Opening Stock	120,426	115,778	
Purchases	13,297	22,405	
Closing Stock	(122,597)	(120,426)	
		<u>11,126</u>	<u>17,757</u>
Gross Profit		<u>21,513</u>	<u>21,912</u>
Impairment*		(92,921)	-
Net (Loss)/Profit		<u>(71,408)</u>	<u>21,912</u>

* Prior to the introduction of FRS 102 the Gallery previously capitalised the cost of gallery books as fixed assets. On transition to FRS 102 these previously capitalised costs were reclassified as inventory. These books are commissioned and published to enhance Gallery exhibits and are available to purchase in the Gallery book shop and online. In compliance with the requirements of FRS 27.2 Impairment of Inventories, it was necessary to reduce the carrying value of these inventory items by €92,291.

CRAWFORD ART GALLERY CORK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

	2016	2015
c) Own Resource Income and Donations	€	€
Rental Income	40,081	35,644
Education	18,111	19,066
Bank Deposit Income	97	788
Donations:		
Gallery Visitors	3,375	3,249
Private Donation - Adam Buck	9,994	-
City Hall Perceptions (AIB)	10,000	-
City Hall Perceptions (HSE)	6,000	-
	<u>87,658</u>	<u>58,747</u>

CRAWFORD ART GALLERY CORK

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

3 Employees and Remuneration

Number of employees	2016 Number	2015 Number
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The average number of persons employed by the company (including the director) during the year was:

18	18
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Crawford Art Gallery's (ECF) target in 2016 was 13.5, the total staff employed (WTE) as at 31 December 2016 was 13.5. The ECF target in 2015 was 13.5, the total staff employed (WTE) as at 31 December 2015 was 13.5.

The staff costs are comprised of:-	2016 €	2015 €
Wages and salaries	526,545	509,404
Employers contribution to social welfare	49,741	46,904
	<u>576,286</u>	<u>556,308</u>

Contracted staff costs of €62,100 are not included in staff costs of €576,286 (2015: €556,308). These costs are included in note 5 (administration costs - legal and professional).

Employee benefits breakdown

	Number of Employees	
Range of total employee benefits	2016	2015
From - To	€	€
€60,000 - €69,999	-	-
€70,000 - €79,999	1	1

Pension levy of €15,366 (2015: €19,102) has been deducted from salaries and this amount has been paid over to the Department of Arts, Heritage and the Gaeltacht.

CRAWFORD ART GALLERY CORK

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

3 Employees and Remuneration - continued

Gallery Director's Remuneration

The Director's remuneration for 2016 was made up of an annual basic salary of €76,841 (2015: €73,995). The pension entitlements do not extend beyond the standard entitlements in the public sector defined benefit superannuation scheme. Expenses incurred by the Gallery Director in 2016 amounted to €4,005 (2015: €7,216) of which €Nil (2015: €3,422) related to foreign travel.

Board members' Emoluments	Board Fees	Vouched Expenses	Meetings Attended
John R Bowen (Chairman)	-	1,459	6
Tim Brosnan	-	-	4
Ann Doherty	-	-	3
Susan McCarthy	-	113	5
Mary Hegarty	-	942	6
		<u>2,514</u>	

The Directors serve on the Board on a voluntary capacity and receive no fees or remuneration for time spent carrying out these duties.

The vouched expenses paid did not include any foreign travel.

During 2016, six board meetings were held.

The following directors' terms of office expired during the financial year and they were reappointed as follows:

John R Bowen retired as Chairman on 15/07/2016. The following directors' terms of office expired during the year and were reappointed as follows:

Tim Brosnan - expired and reappointed 03/02/2016.

John R Bowen - expired and reappointed 14/06/2016 and 03/10/2016.

Susan McCarthy and Mary Hegarty were appointed as directors on 06/01/2016.

Rose McHugh, Eamonn Maxwell, Barrie O'Connell, Catherine Hammond, Karen Kelly, Gareth O'Callaghan, Josephine Browne and Frank Nyhan were appointed as directors on 15/03/2017.

CRAWFORD ART GALLERY CORK

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

4 Exhibitions & Display Collections	2016	2015
	€	€
Educational Programme	43,030	27,656
AIB Mall Galleries	-	58,097
Photography - permanent collection	-	520
Permanent Collection Travel and Curatorial	3,709	2,212
Other Temporary Exhibitions & Specific Collections	162,256	123,376
Website Development	3,220	7,630
Framing, journals & subscriptions	2,787	1,962
Advertising	13,176	16,440
Security	121,198	119,147
	<u>349,376</u>	<u>357,040</u>
5 Other Administration Costs	2016	2015
	€	€
General building and ground maintenance	49,752	47,151
Insurance and ground rents	49,486	48,045
Light and heat	44,252	47,798
Print, postage and stationery	18,534	17,182
Health and safety	3,028	1,127
Telephone, internet and data processing	15,091	15,895
Travel and subsistence	9,988	5,847
Shared services costs- excluding travel	456	555
Foreign travel	466	4,964
Meeting expenses	3,024	1,429
Legal and professional	101,130	111,296
Audit	16,501	15,000
Internal Audit	4,828	-
Bank charges	2,127	1,927
General expenses	-	524
Translation services	124	1,253
Depreciation	61,862	72,572
	<u>380,649</u>	<u>392,565</u>

CRAWFORD ART GALLERY CORK

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

6 Property, Plant & Equipment

	Furniture & Fixtures	Imp to Lease Premises	Digital Archive	Equipment	Total
	€	€	€	€	€
Cost /Valuation					
At 1 January 2016	204,099	236,379	24,916	370,229	835,623
Additions	8,616	45,403	40,495	73,096	167,610
At 31 December 2016	212,715	281,782	65,411	443,325	1,003,233
Depreciation					
At 1 January 2016	139,919	8,747	7,700	225,718	382,084
Charge for the year	21,322	5,108	3,992	31,440	61,862
At 31 December 2016	161,241	13,855	11,692	257,158	443,946
Net book values					
At 31 December 2016	51,474	267,927	53,719	186,167	559,287
At 31 December 2015	64,180	227,632	17,216	144,511	453,539

No amount has been included in these financial statements for any artwork, equipment or assets in existence at the Gallery on the incorporation of the company. These remain the property of Cork Education and Training Board (Cork ETB). The ownership of the Gallery building and specified assets remain the ownership of Cork ETB.

In respect of the prior year :-

	Furniture & Fixtures	Imp to Lease Premises	Digital Archive	Equipment	Total
	€	€	€	€	€
Cost /Valuation					
At 1 January 2015	201,618	178,933	17,923	293,884	692,358
Additions	2,481	57,446	6,993	76,345	143,265
At 31 December 2015	204,099	236,379	24,916	370,229	835,623
Depreciation					
At 1 January 2015	114,498	4,101	4,585	186,328	309,512
Charge for the year	25,421	4,646	3,115	39,390	72,572
At 31 December 2015	139,919	8,747	7,700	225,718	382,084
Net book values					
At 31 December 2015	64,180	227,632	17,216	144,511	453,539
At 31 December 2014	87,120	174,832	13,338	107,556	382,846

CRAWFORD ART GALLERY CORK

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

7 Art Works

	Purchased Artworks €	Donated Artworks €	Total €
Cost /Valuation			
At 1 January 2016	562,905	5,341,100	5,904,005
Additions	44,227	15,220	59,447
At 31 December 2016	<u>607,132</u>	<u>5,356,320</u>	<u>5,963,452</u>

Initial recognition of donated artwork is at valuation, as valued by the gallery director. Valuations are carried out through referring to experts in particular areas, as well as through collating auction house results and recent sales achieved for particular works of art. At each reporting date all artwork is assessed for impairment in particular in respect of physical deterioration, breakage, or doubts as to their authenticity.

The Gallery holds circa 4,000 works in a range of different media, mainly oil canvas, watercolour on paper, stone and metal sculptures and stained glass. The scope of work extends from eighteen century Irish & European Paintings & Sculptures through to contemporary video installation.

All proposals regarding the acquisition of new works for the Crawford Art Gallery collection, whether by purchase, gift bequest or other means are discussed and evaluated by the Gallery Team. The proposal is then reviewed by the Artistic Policy Sub-Committee, who present same, for approval to the Board. Works of Irish Artists of the 20th and 21st centuries are central to the collection. The contemporary collection at the Crawford is focused heavily, but not exclusively on Irish Art. All acquisitions will be documented in accordance with Gallery procedures.

Before disposal can be considered it must be established that the works concerned have not been accessioned or have been deaccessioned. A decision to dispose of a work, whether by exchange, sale, gift or destruction (in the case of a work too badly damaged to be of use) will be the responsibility of the Board acting on the advice of the Director and professional staff and not the curator of the collection acting alone.

The Gallery operates due diligence in the preservation and management of its artwork asset - ensuring works are displayed in such a way as to minimize risk of accidental damage. The Gallery ensures climate control and adequate storage measures are strictly adhered to, in addition CCTV recording is fully operational ensuring all works are secured against theft and security personnel are situated at the entrance to the Gallery with invigilation staffs also present throughout the building.

The Gallery is open for free public access six days a week - (10 am - 5 pm daily with late extended opening to 8 p.m. on a Thursday) throughout the year.

CRAWFORD ART GALLERY CORK

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

7 Art Works - continued

In respect of 2013 - 2015:-

	Purchased Artworks	Donated Artworks	Total
Cost /Valuation	€	€	€
At 1 January 2013	413,152	5,198,200	5,611,352
Additions 2013	40,178	22,000	62,178
Additions 2014	82,146	52,200	134,346
Additions 2015	27,429	68,700	96,129
At 31 December 2015	<u>562,905</u>	<u>5,341,100</u>	<u>5,904,005</u>

8 Receivables and prepayments

	2016	2015
	€	€
Prepayments	7,767	6,554
	<u>7,767</u>	<u>6,554</u>

9 Payables (Amounts falling due within one year)

	2016	2015
	€	€
Accruals and other creditors	60,299	137,427
VAT payable	6,921	2,995
PAYE payable	16,117	11,058
PSWT	3,334	2,904
Other creditors	5,576	1,255
	<u>92,247</u>	<u>155,639</u>

CRAWFORD ART GALLERY CORK

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

10 Capital Account

	2016	2015
	€	€
Opening balance as at 1 January	6,357,544	6,190,722
Transfer from I & E		
Donated Artwork	15,220	68,700
Funding of fixed asset additions		
- Tangible assets	167,610	143,265
- Artwork	44,227	27,429
Amortisation in line with depreciation	(61,862)	(72,572)
	<u>149,975</u>	<u>98,122</u>
Closing balance at 31 December	<u>6,522,739</u>	<u>6,357,544</u>

11 Taxation

The company is exempt from taxation due to its charitable status. The charitable tax exemption number is CHY18818.

12 Related Party Transactions/ Disclosure of Interests

Crawford Art Gallery Cork complies with the 2009 Code of Practice for the Governance of State Bodies issued by the Department of Finance in relation to the disclosures of interests by the Company and members/staff of the Company. Formal procedures exist to ensure adherence with the requirements of the Code.

The company did not enter into any contractual arrangements with undertakings in which the company directors are employed or otherwise interested. There were no transactions during the year in which company directors may have had an interest.

Key management personnel in Crawford Art Gallery Cork consist of the Gallery Director and members of the Board of Directors. Total compensation paid to key management personnel, amounted to €82,305 (2015: €81,894).

For a breakdown of the remuneration and benefits paid to key management personnel, please refer to Note 3.

CRAWFORD ART GALLERY CORK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

13 Approval of Financial Statements

The financial statements were approved by the Board on 27.09.2017