

**Company Number: 654958**

**Kilkenny Arts Festival Company Limited by Guarantee**

**Annual Report and Financial Statements**

**for the financial year ended 31 December 2022**

## **Kilkenny Arts Festival Company Limited by Guarantee**

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## **Kilkenny Arts Festival Company Limited by Guarantee DIRECTORS AND OTHER INFORMATION**

<b>Directors</b>	Thomas O'Toole Emer Foley Conor Langton (Resigned 22 February 2022) Lorelei Harris Brian Fennelly Michael O'Toole Christine Monk Mairead Meagher Conor McAndrew Cathal Smyth (Appointed 22 February 2022)
<b>Company Secretary</b>	Thomas O'Toole
<b>Company Chairperson</b>	Emer Foley
<b>Festival Director</b>	Olga Barry
<b>Company Number</b>	654958
<b>Registered Office</b>	11 Patricks Court Patrick Street Kilkenny
<b>Auditors</b>	O'Neill Foley Unlimited Company Chartered Accountants and Statutory Auditors The Brewhouse Abbey Quarter Kilkenny Ireland
<b>Bankers</b>	AIB Bank - Kilkenny 3-4 High Street Kilkenny  St. Cancies Credit Union Limited High Street Kilkenny
<b>Solicitors</b>	Poe Kiely Hogan Lanigan 21 Patrick Street Kilkenny

# Kilkenny Arts Festival Company Limited by Guarantee

## DIRECTORS' REPORT

for the financial year ended 31 December 2022

The directors present their report and the audited financial statements for the financial year ended 31 December 2022.

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 has adopted the Statement of Recommended Practice, Charity SORP (FRS 102) - Accounting and Reporting by Charities 2015.

### Mission Statement

The main objective for which the Company is established is to organise and manage an Arts Festival, which takes place every August in Kilkenny City and its environs for the benefit of the public. The Artistic Policy of the festival is: Create an integrated, bespoke programme of world-class artistic experiences over the festival period, continuing to grow audiences in a variety of ways through differing levels of engagement.

- Bring together international and Irish artists of world stature for unique residencies, premieres and collaborations.
- Work with other leading Irish arts organisations and artists to strengthen the position of arts and culture in Irish society.
- Showcase the special atmosphere and acoustics of Kilkenny's medieval buildings and gardens.
- Positively project Kilkenny on the global stage and be a key driver of its reputation for arts, culture, creativity and heritage.

### Structure, Governance and Management

Kilkenny Arts Festival CLG (formally known as Kilkenny Arts Week Ltd T/A Kilkenny Arts Festival) transitioned from a friendly society to a Company Limited by Guarantee in August 2019. Kilkenny Arts Festival as a CLG was formed under a Memorandum of Association which establishes the objects and powers of the company and is governed under its constitution and managed by a Board of Directors. Directors work in a voluntary capacity and do not receive any remuneration in respect of their service to the festival. The minimum number of serving directors is 5 and maximum is 9. A quorum of 5 people is required for a General Meeting.

In 2019, Kilkenny Arts Festival CLG established a finance sub-committee consisting of Olga Barry (Festival Director) Brian Fennelly (Board Member) and Tom O'Toole (Secretary) who meet 3-5 times per year to project and review the company's financial performance. Cathal Smyth (Board Member) joined the finance sub committee in 2022.

The Board and Staff of Kilkenny Arts Festival are committed to compliance with The Governance Code and Guiding Principles for Fundraising.

### Principal Activity

Covid 19 continued to provide challenges for the Festival with some productions having a small number of cases during the rehearsal period, as well as some artists quarantining. Because of Covid 19 the Festival continued with their Covid testing for staff and the personnel involved in various productions. With some testing positive, personnel had to be replaced for the relevant production run, with additional costs incurred as a result.

The organisation and in particular the core staff had substantial institutional knowledge and the addition of a producer to the core team was highly effective across the festival. The 2022 festival was our marketing manager's first full festival and whilst the role is not full-time, which the organisation continues to monitor, the marketing manager progressed the digital capacity of the festival reach. Development was spread across the core team with an increase in small businesses sponsorship and because of the work of the core team the sponsorship target was exceeded. This no doubt reflects the high enthusiasm from the businesses for the return of the full festival. The organisation was also fully engaged with supporting local hospitality throughout the pandemic which was rewarded by the increased sponsorship.

### Highlights Include:-

The culmination of the trilogy of outdoor Shakespeare co- productions with Rough Magic in a presentation of The Tempest in a new location at the Castle Park; providing an atmospheric and distinct theatre experience.

A co-production with Opera Collective Ireland of Handel's Semele, also partnering again with the Akademie Fur Alte Musik and for the first time with Sestina vocal ensemble. This production also won the Best Opera Production award at the Irish Times Theatre Awards.

The festival continued to partner with the premier music ensembles on the island including Chamber Choir Ireland, Crash Ensemble, Irish Chamber Orchestra and Irish Baroque Ensemble presenting a range of classical and newly commissioned projects.

Other classical highlights included an epic solo/adapted performance of the Bach Cello Suites by Johnny Gandelsman, Sophie von Otter with Brooklyn Rider and the complete Shostakovich String Quartet Cycle performed by the Carducci String Quartet over several days.

## **Kilkenny Arts Festival Company Limited by Guarantee DIRECTORS' REPORT**

for the financial year ended 31 December 2022

Other outdoor/site responsive highlights included regular collaborators Loosysmokes new show In Rhythms performed in a warehouse near Callan and Luke Murphy's Slow Tide performed on the river Nore near the new Abbey Quarter and the ever-popular free concert series, Secret Garden Music.

The Marble City Sessions were again co-curated by Martin Hayes and included his own new ensemble Common Ground as well as Ye Vagabonds, Nell Ní Chróinín, Kate Ellis, Cormac McCarthy and Maya Yousef; and the Rollercoaster Sessions co-curated with Rollercoaster Records included the first Irish performance by Keeley Forsyth, Myles O'Reilly, Bas Jan and Majja Sofia..

The festival included a number of premieres of works commissioned by KAF -A Strange Beauty, by Linda Buckley for Crash Ensemble; Eirú and Amergin, a poetic libretto by Theo Dorgan and new music by Colm Mac Iomaire, performed by a specially formed festival ensemble; Wicked Little Atoms at the Edge of an Echo, by Dave Holland, an extended, immersive club track experience performed by Holland and percussionist Jeremy Hickey.

The Festival continued its important partnership with the Butler Gallery and presented selected works from Kevin Atherton in The Return; and in its own pop-up festival gallery at Kieran's College presented the young artist Stephen Doyle in Self Identity: An Exploration.

### **Engagement**

At a time when audiences and citizens continued to look at the Arts Festival for both solace and pleasure, KAF's attendance figures reflected both in new ways of engaging with the arts and in particular the marketing campaigns for KAF 2022, which aimed at fulfilling a number of different key objectives, including: -

1. Achieving ticket sales targets.
2. Raising the profile of the festival locally and nationally.
3. Providing a visual footprint for the Festival within Kilkenny itself – "dressing the town".
4. Continuing to develop initiatives with partners and sponsors, to contribute to amplifying positive aspects of Kilkenny while also securing financial support.

Taking place in a difficult environment for events (an industry wide projected fall of approximately 25% in attendees because of the Covid fall-out) the marketing campaign was developed to try to reach as many of our target audiences were possible with the most efficient use of budget achieving the above objectives.

### **Audience Figures**

- 154 physical events were presented over the ten-day period.
- 10,721 patrons attended paid ticketed events.
- 10,437 patrons attended unpaid events, of which 7,949 attended exhibitions.
- Overall attendance figure of 22,980 over the ten-day period of the festival.

Kilkenny Arts Festival entered the 2022 season having been awarded €550,000 from the Arts Council under strategic funding. This represented a 14.82% increase in Arts Council core funding for 2022; the festival enters 2023 with an award of €580,000 from the Arts Council under strategic funding.

Conditions remain challenging and the Board of KAF continues to engage closely with funders and strictly manage all financial risks involved.

### **Principal risks and Uncertainties**

The area of public funding and general economic conditions in Ireland will continue to pose ongoing challenges across the festival model. This financial risk is managed by the board and its finance committee through cost control, financial reporting procedures and budgetary measures and by ensuring public funders are kept fully aware of the company requirements and circumstances.

### **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 amounted to €4,144 (2021 - €19,059).

At the end of the financial year, the company has assets of €324,484 (2021 - €303,939) and liabilities of €295,176 (2021 - €278,775). The net assets of the company have increased by €4,144.

## Kilkenny Arts Festival Company Limited by Guarantee DIRECTORS' REPORT

for the financial year ended 31 December 2022

### Directors and Secretary

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

Thomas O'Toole  
Emer Foley  
Conor Langton (Resigned 22 February 2022)  
Lorelei Harris  
Brian Fennelly  
Michael O'Toole  
Christine Monk  
Mairead Meagher  
Conor McAndrew  
Cathal Smyth (Appointed 22 February 2022)

The secretary who served throughout the financial year was Thomas O'Toole.

In accordance with the Constitution, Lorelei Harris retires by rotation and, being eligible, offer themselves for re-election.

### Meetings

During 2022 the Board of Directors met 5 times; a table setting out the attendance of directors at meetings of the Board is given below.

	Joined the Board	Retired from Board	Meetings Attendance in 2022 (Possible Meetings)
Emer Foley	2019		5 (5)
Thomas O' Toole	2019		4 (5)
Brian Fennelly	2019		5 (5)
Lorelei Harris	2019		3 (5)
Michael O' Toole	2019		2 (5)
Christine Monk	2019		2 (5)
Conor Langton	2019	2022	1(1)
Mairead Meagher	2021		5 (5)
Conor Mc Andrew	2021		4 (5)
Cathal Smyth	2022		3 (4)

### Future Developments

The Kilkenny Arts Festival/company plans to continue its present activities. Strategic funding from the Arts Council (the festival's principal funder) has increased, which is enabling the company management and directors plan towards the 2023 festival and beyond. The directors and management will continue to engage closely with funders and strictly manage all financial risks involved.

### Post Balance Sheet Events

There have been no significant events affecting the company since year end.

### 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.

## Kilkenny Arts Festival Company Limited by Guarantee DIRECTORS' REPORT

for the financial year ended 31 December 2022

### 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 11 Patricks Court, Patrick Street, Kilkenny.

### Signed on behalf of the board

Thomas O'Toole  
Thomas O'Toole (2017-2023) 07-0447-11

Thomas O'Toole  
Director

17 July 2023

Emer Foley  
Emer Foley (2017-2023) 07-0447-11

Emer Foley  
Director

17 July 2023

## Kilkenny Arts Festival Company Limited by Guarantee DIRECTORS' RESPONSIBILITIES STATEMENT

for the financial year ended 31 December 2022

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.

### Disclosure of Information to Auditor

Each persons who are directors at the date of approval of this report confirms that:

- 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

Thomas O'Toole  
(Thomas O'Toole Ltd 23, 2023-02-07 09:11:01)

Thomas O'Toole  
Director

17 July 2023

Emer Foley  
(Emer Foley Ltd 22, 2023-07-17 11:01)

Emer Foley  
Director

17 July 2023



# **INDEPENDENT AUDITOR'S REPORT**

## **to the Members of Kilkenny Arts Festival Company Limited by Guarantee**

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

#### **Opinion**

We have audited the financial statements of Kilkenny Arts Festival Company Limited by Guarantee ('the company') for the financial year ended 31 December 2022 which comprise the Income and Expenditure Account, the Balance Sheet, the Reconciliation of Members' Funds, the Cash Flow Statement and 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" issued in the United Kingdom by the Financial Reporting Council.

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 2022 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 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 applicable legal requirements.

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 and the financial statements are in agreement with the accounting records.

## **INDEPENDENT AUDITOR'S REPORT**

### **to the Members of Kilkenny Arts Festival 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 requirements of any of 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 set out on page 8, 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 and Statutory Auditors

The Brewhouse

Abbey Quarter

Kilkenny

Ireland

**17 July 2023**

## **Kilkenny Arts Festival 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 Arts Festival Company Limited by Guarantee**  
**STATEMENT OF FINANCIAL ACTIVITIES**

for the financial year ended 31 December 2022

	2022 Unrestricted	2022 Restricted	Total 31 Dec 2022	Total 31 Dec 2021
<b>Income</b>				
<i>Incoming resources from generated fund:</i>				
Grant and Donations	72,000	690,500	762,500	730,789
Government Covid Grants	-	-	-	16,467
Support in kind	160,000	-	160,000	70,000
<i>Incoming resources from company activities:</i>				
Operation of Arts Festival	272,590	-	272,590	40,903
<b>Total Income</b>	<b>504,590</b>	<b>690,500</b>	<b>1,195,090</b>	<b>858,159</b>
<b>Expenditure</b>				
<i>Cost of Generating funds:</i>				
Publicity/Marketing	4,820	115,745	120,565	53,356
<i>Charitable activities:</i>				
Artistic programme	335,626	321,862	657,488	504,965
Management costs	-	252,893	252,893	210,779
Support in kind	160,000	-	160,000	70,000
<b>Total Expenditure</b>	<b>500,446</b>	<b>690,500</b>	<b>1,190,946</b>	<b>839,100</b>
<b>Net Income/(Expenditure) and net movement in funds for the year</b>	<b>4,144</b>	<b>-</b>	<b>4,144</b>	<b>19,059</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 17 July 2023 and signed on its behalf by:

Thomas O'Toole  
Thomas O'Toole (Jul 23, 2023) 0007 C(17-1)

**Thomas O'Toole**  
**Director**

Emer Foley  
Emer Foley (Jul 27, 2023) 0005 C(17-1)

**Emer Foley**  
**Director**

**Kilkenny Arts Festival Company Limited by Guarantee**  
**BALANCE SHEET**  
as at 31 December 2022

	Notes	2022 €	2021 €
<b>Fixed Assets</b>			
Tangible assets	10	18,356	22,583
<b>Current Assets</b>			
Debtors	11	25,695	25,575
Cash and cash equivalents		280,433	255,781
		306,128	281,356
<b>Creditors: amounts falling due within one year</b>	12	(283,176)	(262,307)
<b>Net Current Assets</b>		22,952	19,049
<b>Total Assets less Current Liabilities</b>		41,308	41,632
amounts falling due after more than one year	13	(12,000)	(16,468)
<b>Net Assets</b>		29,308	25,164
<b>Reserves</b>			
Income and expenditure account		29,308	25,164
<b>Members' Funds</b>		29,308	25,164

The financial statements have been prepared in accordance with the small companies' regime.

Approved by the board on 17 July 2023 and signed on its behalf by:

Thomas O'Toole  
(Thomas O'Toole) (2nd 29, 27/12/23) (25,164)

Thomas O'Toole  
Director

Emer Foley  
(Emer Foley) (2nd 29, 27/12/23) (25,164)

Emer Foley  
Director

**Kilkenny Arts Festival Company Limited by Guarantee**  
**RECONCILIATION OF MEMBERS' FUNDS**  
as at 31 December 2022

	Restricted funds	Unrestricted funds	Total
	€	€	€
At 31 December 2021	34,438	(9,274)	25,164
Surplus for the financial year	-	4,144	4,144
At 31 December 2022	<u>34,438</u>	<u>(5,130)</u>	<u>29,308</u>

# Kilkenny Arts Festival Company Limited by Guarantee

## CASH FLOW STATEMENT

for the financial year ended 31 December 2022

	Notes	2022 €	2021 €
<b>Cash flows from operating activities</b>			
Surplus for the financial year		4,144	19,059
Adjustment for;			
Depreciation		6,549	6,084
Amortisation of government grants		(4,468)	(4,470)
		<u>6,225</u>	<u>20,673</u>
Movements in working capital:			
Movement in debtors		(120)	(17,257)
Movement in creditors		32,114	83,566
		<u>38,219</u>	<u>86,982</u>
Cash generated from operations			
		<u>38,219</u>	<u>86,982</u>
<b>Cash flows from investing activities</b>			
Payments to acquire tangible assets		(2,322)	(22,561)
		<u>(2,322)</u>	<u>(22,561)</u>
<b>Cash flows from financing activities</b>			
Repayment of short term loan		(12,549)	(14,325)
Government grants		-	20,000
		<u>(12,549)</u>	<u>5,675</u>
Net cash (used in)/generated from financing activities			
		<u>(12,549)</u>	<u>5,675</u>
<b>Net increase in cash and cash equivalents</b>		23,348	70,096
<b>Cash and cash equivalents at beginning of financial year</b>		255,618	185,522
		<u>255,618</u>	<u>185,522</u>
<b>Cash and cash equivalents at end of financial year</b>	17	<u>278,966</u>	<u>255,618</u>



**Kilkenny Arts Festival Company Limited by Guarantee**  
**INFORMATION RELATING TO GOVERNMENT GRANTS – IN**  
**ACCORDANCE WITH CIRCULAR 13/2014**  
for the financial year ended 31 December 2022

Name of Grantor	Name of Grant	Purpose	Term	Amount Awarded	Amount taken as income 2022	Cash received	Prepayment/ (Accrual) Movement during year
				€	€	€	€
The Arts Council	Strategic Funding 2022 Purpose Revenue Funding	Festival Funding	2022 – 1 year	550,000	550,000	412,500	137,500
The Arts Council	Strategic Funding 2023 Purpose Revenue Funding	Festival Funding	2023 – 1 year	580,000	-	192,500	(192,500)
Faite Ireland	2022 Strategic Festival Investment Plan	Festival Funding	2022 – 1 year	50,000	50,000	50,000	-
Kilkenny County Council	Festival and Events Assistance Scheme	Festival Funding	2022 – 1 year	51,000	51,000	51,000	-
Kilkenny County Council	Creative Ireland Fund	Festival Funding	2022 – 1 year	38,200	5,000	38,200	(33,200)
The Arts Council	Music Commissions grant	Festival funding	2022 – 1 year	12,000	-	9,600	

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 Arts Festival Company Limited by Guarantee

## NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2022

### 1. General Information

Kilkenny Arts Festival Company Limited by Guarantee is a company limited by guarantee incorporated in the Republic of Ireland. 11 Patricks Court, Patrick Street, 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 2022 have been prepared on the going concern basis and in accordance with generally accepted accounting principles in Ireland and Irish statute comprising the Companies Act 2014 and in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) issued by the Financial Reporting Council.

The company 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 is recognised by inclusion in the Statement of Financial Activities (including Income and Expenditure Account) only when the company is legally entitled to the income, receipt is probable and the amounts involved can be measured with sufficient reliability.

##### Income 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 or offer of funding has been communicated to the company, the related expenditure incurred, and there is reasonable probability 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.

##### Income from donations and legacies

Income from donations and legacies, 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 probable, 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 receives confirmation of unconditional entitlement to the bequest, the activities which it is intended to fund have been undertaken and the related expenditure incurred.

# Kilkenny Arts Festival Company Limited by Guarantee

## NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2022

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### Income from other trading activities

Income from other trading activities is recognised once the company is legally entitled to the income, receipt is probable, and the amounts can be measured with sufficient reliability. Other trading activities of the company include but are not limited to fundraising.

### Income from investments

Income from investments is recognised once the company is legally entitled to the income, receipt is probable, and the amounts can be measured with sufficient reliability.

### Other income

Income from sources not defined above is recognised once the company is legally entitled to the income, receipt is probable, and the amounts can be measured with sufficient reliability.

## 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 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 assets and depreciation

Tangible 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 assets, less their estimated residual value, over their expected useful lives as follows:

Plant and machinery	-	7 years
Fixtures, fittings and equipment	-	7 years
Computers and website	-	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.

## Borrowing costs

Borrowing costs relating to the acquisition of assets are capitalised at the appropriate rate by adding them to the cost of assets being acquired. Investment income earned on the temporary investment of specific borrowings pending their expenditure on the assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

## Taxation

There is no charge to corporation tax as the company is a designated "not for profit" organisation under the relevant tax laws.

## 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.

**Kilkenny Arts Festival Company Limited by Guarantee**  
**NOTES TO THE FINANCIAL STATEMENTS**

for the financial year ended 31 December 2022

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**Financial Instruments**

**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.

**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:

**Impairment of Trade Debtors**

The company trades with a varied number of customers on credit terms. Some debts due may not be paid through the default of a small number of customers. The company uses estimates based on historical experience and current information in determining the level of debts for which an impairment charge is required. The level of impairment required is reviewed on an ongoing basis. The total amount of trade debtors is €11,175 (2021: €20,275).

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

Long-lived assets comprising primarily of leasehold property, artwork and fixtures, fittings 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 €18,356 (2021: €22,583).

**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. Share Capital**

In 2019, the Kilkenny Arts Festival transitioned from an Industrial and Provident Society to a Company Limited by Guarantee. The issued share capital in the Industrial Provident Society has been reallocated to accruals, with the original subscriber amounts repayable to the members on demand.

# Kilkenny Arts Festival Company Limited by Guarantee

## NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2022

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### 7. Going Concern

The financial statements have been prepared on a going concern basis. The validity of this assumption is dependent on continued public funding and continued positive trading and cashflow performance for the 2023 festival, and beyond.

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. The 2023 festival will take place at increased engagement levels and the company's overall level of funding will increase. The directors will apply these funds to discharge wages, fixed overheads and 2023 programme fees.

On the basis of the above, combined with the company's positive trading reserves at year end, the directors consider it appropriate to prepare financial statements on a going concern basis. The financial statements do not contain any adjustments that would arise if adequate funding was not available or in relation to any additional costs and liabilities which may arise should the going concern basis no longer be applicable.

### 8. Grants and Donations

	Unrestricted Funds €	Restricted Funds €	Total Funds €
Arts Council Annual Revenue Grant		550,000	550,000
Arts Council other grants		500	500
Local Authority Funding		71,000	71,000
Faillte Ireland Funding		50,000	50,000
Sponsorship and Friends income	72,000		72,000
Earned Revenue – artistic	272,590		272,590
Heritage Council Funding		4,000	4,000
Department of Foreign Affairs		10,000	10,000
Creative Ireland Fund		5,000	5,000
Support in kind	160,000		160,000
	<u>504,590</u>	<u>690,500</u>	<u>1,195,090</u>

During 2022 the company received in kind support to the value of €160,000. In accordance with company accounting policy both the in kind support and related expenditure are included in the profit and loss account.

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 Arts Festival.

### 9. Employees

The average monthly number of employees, excluding non-executive directors, during the financial year was 3, (2021 - 3).

	2022	2021
The staff costs comprise of		
Wages and salaries:	113,328	118,748
Social Welfare costs	11,428	12,840
	<u>124,756</u>	<u>131,588</u>

During the financial year, one employee was paid a salary of greater than €60,000

**Kilkenny Arts Festival Company Limited by Guarantee**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**10. Tangible assets**

	Plant and machinery	Fixtures, fittings & equipment	Computers & Website	Total
	€	€	€	€
<b>Cost</b>				
At 1 January 2022	47,181	48,830	128,041	224,052
Additions	-	-	2,322	2,322
At 31 December 2022	47,181	48,830	130,363	226,374
<b>Depreciation</b>				
At 1 January 2022	47,181	45,838	108,450	201,469
Charge for the financial year	-	955	5,594	6,549
At 31 December 2022	47,181	46,793	114,044	208,018
<b>Net book value</b>				
At 31 December 2022	-	2,037	16,319	18,356
At 31 December 2021	-	2,992	19,591	22,583

**11. Debtors**

	2022	2021
	€	€
Trade debtors	11,175	20,275
Prepayments	14,520	5,300
	<u>25,695</u>	<u>25,575</u>

**12. Creditors**

Amounts falling due within one year	2022	2021
	€	€
Amounts owed to credit institutions	1,467	12,712
Trade creditors	12,768	39,368
Taxation	11,148	8,134
Accruals	257,793	202,093
	<u>283,176</u>	<u>262,307</u>

**13. Creditors**

Amounts falling due after more than one year	2022	2021
	€	€
Government grants	12,000	16,468

**14. 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.

**15. Capital commitments**

The company had no material capital commitments at the financial year-ended 31 December 2022.

**Kilkenny Arts Festival Company Limited by Guarantee**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**16. Post-Balance Sheet Events**

There have been no significant events affecting the company since the financial year-end.

<b>17. Cash and cash equivalents</b>	<b>2022</b>	<b>2021</b>
	<b>€</b>	<b>€</b>
Cash and bank balances	<b>280,433</b>	255,781
Bank overdrafts	<b>(1,467)</b>	(163)
	<b><u>278,966</u></b>	<b><u>255,618</u></b>

**18 Reconciliation of Net Cash Flow to Movement in Net Debt**

	<b>Opening balance</b>	<b>Cash flows</b>	<b>Closing balance</b>
	<b>€</b>	<b>€</b>	<b>€</b>
Short-term borrowings	(12,549)	12,549	-
<b>Total liabilities from financing activities</b>	<b><u>(12,549)</u></b>	<b><u>12,549</u></b>	<b><u>-</u></b>
<b>Total net debt</b>			<b><u>-</u></b>

**19. Approval of financial statements**

The financial statements were approved and authorised for issue by the board of directors on 17 July 2023.