

National Sculpture Factory Limited
Directors' Report and Financial Statements
for the year ended 31 December 2015

National Sculpture Factory Limited
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National Sculpture Factory Limited
DIRECTORS AND OTHER INFORMATION

Directors	Oisín Creagh Elma O'Donovan Catherine Clancy Anne O'Leary Patricia Brennan Cllr Kieran McCarthy Sean Taylor Aideen Barry Cllr Chris O'Leary Sarah Moran Dr Niall Smith (Appointed 15 January 2015)
Company Secretary	Elma O'Donovan
Company Number	144344
Registered Office	Albert Road, Cork
Business Address	Albert Road Cork
Auditors	Andrew Guerin & Associates Certified Public Accountants and Registered Auditors 19 White Street Georges Quay Cork
Bankers	AIB 66 South Mall, Cork
Solicitors	Timothy J. Hegarty & Son 58 South Mall, Cork

National Sculpture Factory Limited

DIRECTORS' REPORT

for the year ended 31 December 2015

The directors present their report and the audited financial statements for the year ended 31 December 2015.

Principal Activity

The purpose of the company is the provision of large scale working facility for sculptors and mixed media artists which will give them access to machinery, technical expertise, construction and other processes not available in a normal studio. The factory also provides a collective working environment where artists have the opportunity to share ideas, explore new media and find a critical context for their work. A secondary range of services in the areas of sculpture maintenance, marketing and training is also provided. The company operates on a breakeven basis as the majority of their expenditure is funded by grants.

The Company is limited by guarantee not having a share capital.

Principal Risks and Uncertainties

In common with other companies operating in Ireland in this sector, the company faces a decline in funding. The board of directors have taken action to reduce costs and seek other sources of funding to counteract the declining income.

Financial Results

The deficit for the year after providing for depreciation amounted to €(34,103) (2014 - €(19,083)).

Directors

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

Oisín Creagh
Elma O'Donovan
Catherine Clancy
Anne O'Leary
Patricia Brennan
Cllr Kieran McCarthy
Sean Taylor
Aideen Barry
Cllr Chris O'Leary
Sarah Moran
Dr Niall Smith (Appointed 15 January 2015)

There were no changes in shareholdings between 31 December 2015 and the date of signing the financial statements.

In accordance with the Articles of Association, the directors retire by rotation and, being eligible, offer themselves for re-election.

Post Balance Sheet Events

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

Auditors

The auditors, Andrew Guerin & Associates, have indicated their willingness to continue in office in accordance with the provisions of Section 383(2) of the Companies Act, 2014.

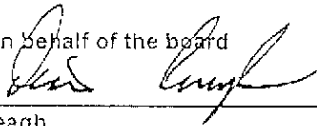
National Sculpture Factory Limited
DIRECTORS' REPORT

for the year ended 31 December 2015

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 Albert Road, Cork.

Signed on behalf of the board



Disin Creagh
Director



Elma O'Donovan
Director

16 March 2016

National Sculpture Factory Limited
STATEMENT OF DIRECTORS' RESPONSIBILITIES

for the year ended 31 December 2015

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable Irish law and Generally Accepted Accounting Practice in Ireland including the accounting standards issued by the Financial Reporting Council.

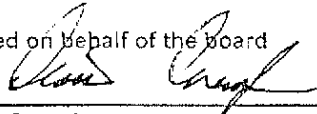
Irish company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with Irish Generally Accepted Accounting Practice (accounting standards issued by the Financial Reporting Council). 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 that 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 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 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.

Signed on behalf of the board



Oisín Creagh
Director



Elma O'Donovan
Director

16 March 2016

INDEPENDENT AUDITOR'S REPORT

to the Members of National Sculpture Factory Limited

We have audited the financial statements of National Sculpture Factory Limited for the year ended 31 December 2015 which comprise the Income and Expenditure Account, the Balance Sheet, the Reconciliation of Shareholders' Funds, the Cash Flow Statement, the Accounting Policies and the related notes. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and accounting standards issued by the Financial Reporting Council (Generally Accepted Accounting Practice in Ireland).

This 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 responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practice Board's Ethical Standards for Auditors, including 'APB Ethical Standard - Provisions Available for Small Entities (Revised)', in the circumstances set out in Note 4 to the financial statements.

Scope of the 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; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

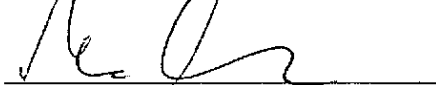
- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2015 and of its results for the year then ended; and
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland and in particular with the requirements of the Companies Act 2014.

Matters on which we are required to report by the Companies Act 2014.

- We have obtained all the information and explanations which we consider 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.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the Directors' Report is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by Sections 305 to 312 of the Act are not made.



Andrew Guerin

for and on behalf of

ANDREW GUERIN & ASSOCIATES

Certified Public Accountants and Registered Auditors

19 White Street

Georges Quay

Cork

16 March 2016

National Sculpture Factory Limited
INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 December 2015

	Notes	2015 €	2014 €
Income	5	374,808	390,686
Expenditure		<u>(408,911)</u>	<u>(409,769)</u>
Deficit for the year		<u><u>(34,103)</u></u>	<u><u>(19,083)</u></u>

The company has no recognised gains or losses other than the results for the year. The results for the year have been calculated on the historical cost basis. The company's income and expenses all relate to continuing operations.

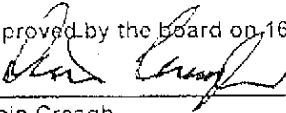
National Sculpture Factory Limited

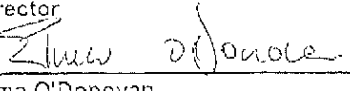
BALANCE SHEET

as at 31 December 2015

	Notes	2015 €	2014 €
Fixed Assets			
Tangible assets	8	<u>323,843</u>	<u>375,395</u>
Current Assets			
Debtors	9	5,924	14,173
Cash and cash equivalents		<u>66,506</u>	<u>33,772</u>
		<u>72,430</u>	<u>47,945</u>
Creditors: Amounts falling due within one year	10	<u>(79,131)</u>	<u>(25,619)</u>
Net Current (Liabilities)/Assets		<u>(6,701)</u>	<u>22,326</u>
Total Assets less Current Liabilities		<u>317,142</u>	<u>397,721</u>
Government grants	12	<u>(323,623)</u>	<u>(370,099)</u>
Net (Liabilities)/Assets		<u>(6,481)</u>	<u>27,622</u>
Reserves			
Income and expenditure account		<u>(6,481)</u>	<u>27,622</u>
Equity attributable to owners of the company		<u>(6,481)</u>	<u>27,622</u>

Approved by the Board on 16 March 2016 and signed on its behalf by


 Oisín Creagh
 Director


 Elma O'Donovan
 Director

National Sculpture Factory Limited
RECONCILIATION OF SHAREHOLDERS' FUNDS
as at 31 December 2015

	Retained earnings	Total
	€	€
At 1 January 2014	46,705	46,705
Deficit for the year	(19,083)	(19,083)
At 31 December 2014	27,622	27,622
Deficit for the year	(34,103)	(34,103)
At 31 December 2015	(6,481)	(6,481)

National Sculpture Factory Limited
CASH FLOW STATEMENT
for the year ended 31 December 2015

	Notes	2015 €	2014 €
Cash flows from operating activities for the year		(34,103)	(19,083)
Adjustments for:			
Depreciation		51,552	52,242
Amortisation of government grants		(46,476)	(47,506)
		<u>(29,027)</u>	<u>(14,347)</u>
Movements in working capital:			
Movement in debtors		8,249	(10,369)
Movement in creditors		53,512	3,238
		<u>32,734</u>	<u>(21,478)</u>
Net increase/(decrease) in cash and cash equivalents		32,734	(21,478)
Cash and cash equivalents at 1 January 2015		33,772	55,250
Cash and cash equivalents at 31 December 2015	14	<u><u>66,506</u></u>	<u><u>33,772</u></u>

National Sculpture Factory Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2015

1. GENERAL INFORMATION

National Sculpture Factory Limited is a company limited by guarantee incorporated in the Republic of Ireland.

2. ACCOUNTING POLICIES

Statement of compliance

The financial statements of the company for the year ended 31 December 2015 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. These are the company's first set of financial statements prepared in accordance with FRS 102.

Basis of preparation

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

Accounting Convention

The financial statements are prepared under the historical cost convention.

Income

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

Government grants

Capital grants received & receivable are treated as deferred income and amortised to the profit & loss account over the useful economic life of the asset to which it relates. Revenue grants are credited to the profit & loss account when received.

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:

Long leasehold property	-	6.67% Straight line
Fixtures, fittings and equipment	-	10% Straight Line
Motor vehicles	-	20% Straight Line

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.

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.

Employee benefits

The company operates a PRSA pension scheme in respect of certain employees.

Taxation

The company is exempt from Corporation Tax under the Charities Act Ireland. Charity number CY9881 applies.

National Sculpture Factory Limited
NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2015

continued

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Balance Sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the rates of exchange ruling at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The resulting exchange differences are dealt with in the Income and Expenditure Account.

3. GOING CONCERN

The future of the National Sculpture Factory Limited is largely reliant on receipt of Arts Council Funding. Funding has been confirmed for 2016. The board of directors have a reasonable expectation that the company will receive funding after this and has adequate resources to continue operational existence for the foreseeable future. Therefore the board of directors continue to adopt the going concern basis in preparing the financial statements.

4. PROVISIONS AVAILABLE FOR 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.

5. INCOME

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 providing large scale working facility for sculptors and artists & also secondary services of sculpture maintenance, consulting, marketing and training.

6. OPERATING DEFICIT

	2015	2014
	€	€
Operating deficit is stated after charging/(crediting):		
Depreciation of tangible fixed assets	51,552	52,242
Amortisation of Government grants	(46,476)	(47,506)
	<u>5,076</u>	<u>(4,264)</u>

7. EMPLOYEES AND REMUNERATION

Number of employees

The average number of persons employed (including executive directors) during the year was as follows:

	2015	2014
	Number	Number
Office & administration	6	6
	<u>6</u>	<u>6</u>

The staff costs comprise:

	2015	2014
	€	€
Wages and salaries	186,018	188,059
Social welfare costs	20,296	19,714
Pension costs	18,006	15,422
	<u>224,320</u>	<u>223,195</u>

National Sculpture Factory Limited
NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2015

continued

8. TANGIBLE FIXED ASSETS	Long leasehold property €	Fixtures, fittings and equipment €	Motor vehicles €	Total €
Cost or Valuation				
At 31 December 2015	851,623	347,166	7,850	1,206,659
Depreciation				
At 1 January 2015	504,470	318,944	7,850	831,264
Charge for the year	40,920	10,632	-	51,552
At 31 December 2015	545,390	329,576	7,850	882,816
Net book value				
At 31 December 2015	306,233	17,510	-	323,843
At 31 December 2014	347,153	28,242	-	375,395
8.1. TANGIBLE FIXED ASSETS PRIOR YEAR				
Cost or Valuation				
At 31 December 2014	851,623	347,166	7,850	1,206,659
Depreciation				
At 1 January 2014	463,645	307,627	7,850	779,022
Charge for the year	40,925	11,317	-	52,242
At 31 December 2014	504,470	318,944	7,850	831,264
Net book value				
At 31 December 2014	347,153	28,242	-	375,395
At 31 December 2013	388,078	39,559	-	427,637
9. DEBTORS				
			2015 €	2014 €
Trade debtors			1,924	3,213
Other debtors			1,500	8,997
Prepayments and accrued income			2,500	1,963
			5,924	14,173

National Sculpture Factory Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2015

continued

10.	CREDITORS		
	Amounts falling due within one year	2015 €	2014 €
	Trade creditors	6,312	2,677
	Taxation (Note 11)	5,677	5,360
	Accruals	5,892	5,582
	Deferred Income	61,250	12,000
		<u>79,131</u>	<u>25,619</u>
11.	TAXATION	2015 €	2014 €
	Creditors: PAYE	5,677	5,360
12.	GOVERNMENT GRANTS DEFERRED	2015 €	2014 €
	At 1 January 2015	370,099	417,605
	Written off	(46,476)	(47,506)
	At 31 December 2015	<u>323,623</u>	<u>370,099</u>
13.	STATUS		
	The liability of the members is limited. The status of the Company is Limited by Guarantee.		
	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 € 2.		
14.	CASH AND CASH EQUIVALENTS	2015 €	2014 €
	Cash and bank balances	66,506	33,772
15.	APPROVAL OF FINANCIAL STATEMENTS		

The financial statements were approved and authorised for issue by the board of directors on 16 March 2016.

NATIONAL SCULPTURE FACTORY LIMITED

SUPPLEMENTARY INFORMATION

RELATING TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

NOT COVERED BY THE REPORT OF THE AUDITORS

THE FOLLOWING PAGES DO NOT FORM PART OF THE AUDITED FINANCIAL STATEMENTS

National Sculpture Factory Limited
SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS
DETAILED INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 December 2015

	2015	2014
	€	€
Income		
Arts Council Funding	241,125	248,675
C.C.C grant	14,400	14,400
Rentals	19,585	15,146
Membership	1,048	1,230
Workshops	860	7,031
Misc Income inc Ignite	19,081	54,974
Commissions & Consultancy	32,233	1,724
Amortisation of government grants	46,476	47,506
	<u>374,808</u>	<u>390,686</u>
Expenditure		
Wages and salaries	186,018	188,059
Social welfare costs	20,296	19,714
Workshops	1,584	10,767
Lectures	357	1,640
Resource/Publication/Library	789	626
Residencies	20	(923)
Factory/Studio facility expenses	15,614	25,933
Special projects inc Ignite	43,891	42,046
Commissions Consultancy	7,780	2,104
Staff pension costs	18,006	15,422
Staff training	637	229
Board	1,403	1,194
Rent & Rates	9,955	9,955
Insurance	8,756	8,938
Computer bureau costs	-	112
Light and heat	12,240	11,959
Repairs and maintenance	4,204	-
Postage	18	28
Stationary	1,879	2,142
Telephone	7,323	8,523
Advertising	178	550
Print & design	707	200
Computer costs	4,062	1,420
Travelling expenses	6,015	2,314
Bank charges	655	693
Admin (misc)	1,528	438
Auditor's remuneration	3,444	3,444
Depreciation	51,552	52,242
	<u>408,911</u>	<u>409,769</u>
Net deficit	<u>(34,103)</u>	<u>(19,083)</u>