

Financial Statements

Art Gallery (UCC) Ltd

For the year ended 30 September 2015

Company Information

Directors	Dr. Michael Murphy Professor Gerard Wrixon Mareta Doyle Stuart McLaughlin Professor Caroline Fennell Nicholas Fox Weber Brian Fay
Company secretary	Bridget Hartnett
Registered number	357578
Registered office	Secretary's Office University College Cork Western Road Cork
Independent auditors	Grant Thornton Chartered Accountants & Registered Auditors 14 South Mall Cork Ireland
Bankers	Bank of Ireland 32 South Mall Cork
Solicitors	Ronan Daly Jermyn 2 Park Place Citygate Park Mahon Cork

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Directors' report

For the year ended 30 September 2015

The directors present their annual report and the audited financial statements for the year ended 30 September 2015.

Principal activities

The principle activity of the company is the operation of the Lewis Glucksman Art Gallery at University College Cork.

Review of developments of the business and future developments

The directors are satisfied with the progress of the company and are endeavouring to continue this in the coming year.

Employees

In the view of the directors, the company's policies related to the welfare of its employees are in accordance with the Safety, Health and Welfare Act 1988.

Results

The loss for the year, after taxation, amounted to €16,373 (2014 - loss €16,195).

Directors and their interests

All directors served throughout the year. Under the Articles of Association the directors are not required to retire by rotation. In accordance with Section 329 of the Companies Act 2014, the directors' shareholdings and the movements therein during the financial year ended 30 September 2015 were as follows:

Dr. Michael Murphy
Professor Gerard Wrixon
Mareta Doyle
Stuart McLaughlin
Professor Caroline Fennell
Nicholas Fox Weber
Brian Fay

Political contributions

The Electoral Amendment Political Funding Act 2012, requires companies to disclose all political donations to any individual party over €200 in value made during the financial year. The directors on enquiry are satisfied that no such donations in excess of this amount have been made by the company.

Post balance sheet events

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

Directors' report

For the year ended 30 September 2015

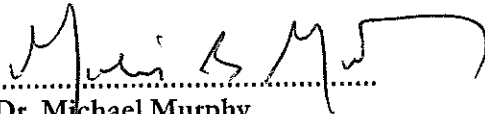
Accounting Records

The measures taken by the directors 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 University College Cork, Western Road, Cork.

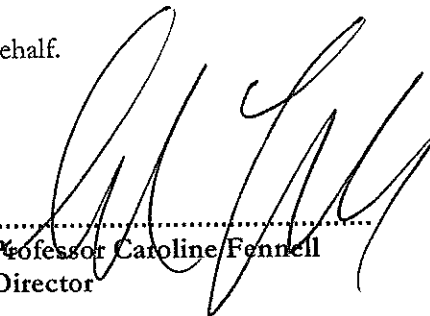
Auditors

On 27 July 2015 Welch & Co resigned as auditors and Grant Thornton were appointed to office in accordance with Section 383(2) of the Companies Act 2014.

This report was approved by the board and signed on its behalf.


.....
Dr. Michael Murphy
Director

Date: 08/01/16


.....
Professor Caroline Fennell
Director

Date: 13/1/2016

Directors' responsibilities statement

For the year ended 30 September 2015

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

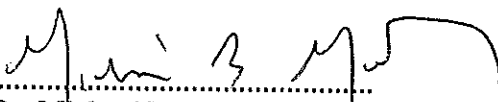
Irish company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with Irish Generally Accepted Accounting Practice ("Irish GAAP"). Under the company law, the directors must not 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 profit or loss of the company for the financial year and otherwise comply with 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 judgments 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.

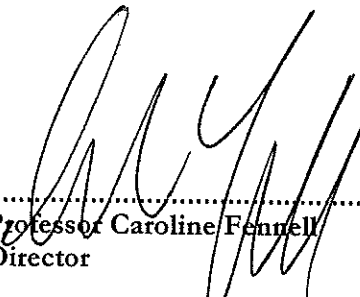
The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with 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



.....
Dr. Michael Murphy
Director

Date: 27/01/16


.....
Professor Caroline Fennell
Director

Date: 13/1/2016

Independent auditors' report to the shareholders of Art Gallery (UCC) Ltd

We have audited the financial statements of Art Gallery (UCC) Ltd for the year ended 30 September 2015, which comprise the Profit and loss account, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

This report is made solely to the company's members, as a body, in accordance with Section 193 of the Companies Act 1990. 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 Auditors' 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 Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements giving a true and fair view. 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 Practices Board's Ethical Standards for Auditors.

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, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the company's affairs as at 30 September 2015 and of its loss for the year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Independent auditors' report to the shareholders of Art Gallery (UCC) Ltd

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 proper books of account have been kept by the company.
- The financial statements are in agreement with the books of account.
- In our opinion the information given in the Directors' report is consistent with the financial statements.
- The Balance sheet shows an excess of liabilities over assets and, in our opinion, on that basis there did exist at 30 September 2015 a financial situation which under section 40(1) of the Companies (Amendment) Act 1983 may require the convening of an Extraordinary general meeting of the company. This meeting has been convened for 30 September 2015.

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 law are not made.

14 South Mall
Cork
Ireland

Date:

Michael Nolan, FCA
for and on behalf of
Grant Thornton
Chartered Accountants
Registered Auditors

Profit and loss account

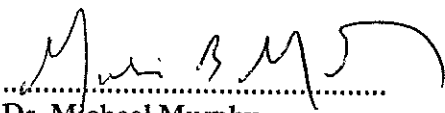
For the year ended 30 September 2015

	Note	2015 €	2014 €
Income		503,683	459,038
Administrative expenses		(518,362)	(473,510)
Operating loss	4	(14,679)	(14,472)
Interest payable and similar charges	3	(1,694)	(1,723)
Loss on ordinary activities before taxation		(16,373)	(16,195)
Tax on loss on ordinary activities	5	-	-
Loss for the financial year	12	(16,373)	(16,195)

All amounts relate to continuing operations.

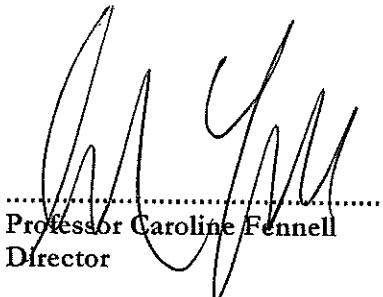
There were no recognised gains and losses for 2015 or 2014 other than those included in the Profit and loss account.

Signed on behalf of the board



 Dr. Michael Murphy
 Director

Date: 07/01/16



 Professor Caroline Fennell
 Director

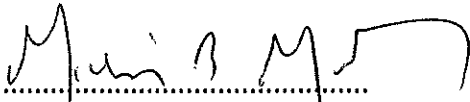
Date: 13/11/2016

Balance sheet

As at 30 September 2015

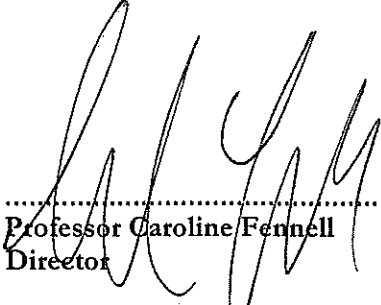
	Note	€	2015 €	€	2014 €
Fixed assets					
Tangible assets	6		1,241,578		1,257,478
Current assets					
Stocks	7	5,700		5,700	
Debtors	8	220,746		266,234	
Cash at bank		47,898		26,484	
			<u>274,344</u>	<u>298,418</u>	
Creditors: amounts falling due within one year	9		<u>(78,604)</u>	<u>(103,524)</u>	
Net current assets			<u>195,740</u>	<u>194,894</u>	
Total assets less current liabilities			<u>1,437,318</u>	<u>1,452,372</u>	
Creditors: amounts falling due after more than one year	10		<u>(1,747,588)</u>	<u>(1,746,269)</u>	
Net liabilities			<u>(310,270)</u>	<u>(293,897)</u>	
Capital and reserves					
Called up share capital presented as equity	11		1		1
Profit and loss account	12		<u>(310,271)</u>	<u>(293,898)</u>	
Shareholders' deficit	13		<u>(310,270)</u>	<u>(293,897)</u>	

Signed on behalf of the board:



 Dr. Michael Murphy
 Director

Date: 07/01/16



 Professor Caroline Fennell
 Director

Date: 13/1/2016

Cash flow statement

For the year ended 30 September 2015

	Note	2015 €	2014 €
Net cash flow from operating activities	16	22,171	(75,404)
Returns on investments and servicing of finance	17	(1,694)	(1,723)
Increase/(Decrease) in cash in the year		<u>20,477</u>	<u>(77,127)</u>
Movement in net debt in the year		20,477	(77,127)
Net funds at 1 October 2014		26,484	103,611
Net funds at 30 September 2015		<u><u>46,961</u></u>	<u><u>26,484</u></u>

The notes on pages 9 to 16 form part of these financial statements.

Notes to the financial statements

For the year ended 30 September 2015

1. Accounting policies

1.1 Going concern

The financial statements have been prepared on a going concern basis notwithstanding net liabilities of €310,270 (2014: €293,897), which the directors believe to be appropriate for the following reasons. The future viability of the company is dependent on the company's ability to generate profits and on the continued support of its parent, University College Cork. The directors are confident that University College Cork will continue to provide support to enable the company to continue in operational existence and to discharge its liabilities as they fall due, for the foreseeable future, being a period of not less than twelve months from the date of approval of these financial statements. On this basis, the financial statements have been prepared on a going concern basis. The financial statements do not include any adjustments that would result from the going concern basis of preparation being inappropriate.

1.2 Basis of preparation of financial statements

The financial statements have been prepared in accordance with accounting standards generally accepted in Ireland and the Irish statute comprising the Companies Act 2014. Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those promulgated by the Institute of Chartered Accountants in Ireland and issued by the Financial Reporting Council.

1.3 Income

Income represents private donations and monies received from funding.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is calculated in order to write off the net cost of the assets over their expected useful lives as follows:

Gallery equipment	-	20% straight line basis
Fixtures and fittings	-	10% straight line basis
Office equipment	-	10% straight line basis
Buildings	-	1% straight line basis
Plant and machinery	-	5% straight line basis
Flood capital	-	20% straight line basis

1.5 Stocks

Stocks are valued at the lower of cost and net realisable value.

1.6 Related party disclosures

Details of transactions with related parties of the company have been disclosed in accordance with FRS 8: Related Party Disclosures in the notes to the financial statements.

Notes to the financial statements

For the year ended 30 September 2015

2. Staff costs

Staff costs were as follows:

	2015 €	2014 €
Wages and salaries	<u>277,213</u>	<u>264,636</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2015 No.	2014 No.
Administration	<u>15</u>	<u>15</u>

3. Interest payable and similar charges

	2015 €	2014 €
On bank loans and overdrafts	<u>1,694</u>	<u>1,723</u>

4. Operating loss

The operating loss is stated after charging:

	2015 €	2014 €
Depreciation of tangible fixed assets: - owned by the company	<u>15,900</u>	<u>15,901</u>

5. Taxation

Tax charge on loss on ordinary activities

Under Sections 207, 266 and 609 of the Taxes Consolidation Act 1997 the company has been granted charitable status and is not liable to corporation taxes, deposit interest retention tax or capital gains tax.

Notes to the financial statements

For the year ended 30 September 2015

6. Tangible fixed assets

	Gallery equipment €	Fixtures and fittings €	Buildings €	Land €	Office equipment €	Plant and machinery €	Flood Capital €	Total €
Cost								
At 1 October 2014 and 30 September 2015	45,783	21,637	1,461,465	10	27,304	6,080	133,993	1,696,272
Depreciation								
At 1 October 2014	45,783	21,637	204,486	-	26,815	6,080	133,993	438,794
Charge for the year	-	-	15,830	-	70	-	-	15,900
At 30 September 2015	45,783	21,637	220,316	-	26,885	6,080	133,993	454,694
Net book value								
At 30 September 2015	-	-	1,241,149	10	419	-	-	1,241,578
At 30 September 2014	-	-	1,256,979	10	489	-	-	1,257,478

Notes to the financial statements

For the year ended 30 September 2015

6. Tangible fixed assets (continued)

	Gallery equipment €	Fixtures and fittings €	Buildings €	Land €	Office equipment €	Plant and machinery €	Flood Capital €	Total €
Cost								
At 1 October 2013 and 30 September 2014	45,783	21,637	1,461,465	10	27,304	6,080	133,993	1,696,272
Depreciation								
At 1 October 2013	45,783	21,637	189,871	-	26,745	4,864	133,993	422,893
Charge for the year	-	-	14,615	-	70	1,216	-	15,901
At 30 September 2014	45,783	21,637	204,486	-	26,815	6,080	133,993	438,794
Net book value								
At 30 September 2014	-	-	1,256,979	10	489	-	-	1,257,478
At 30 September 2013	-	-	1,271,594	10	559	1,216	-	1,273,379

Notes to the financial statements

For the year ended 30 September 2015

7. Stocks

	2015 €	2014 €
Finished goods and goods for resale	5,700	5,700

8. Debtors

	2015 €	2014 €
Amounts owed by group undertakings	172,598	201,172
VAT	181	1,181
Prepayments and accrued income	47,967	63,881
	<u>220,746</u>	<u>266,234</u>

9. Creditors:

Amounts falling due within one year

	2015 €	2014 €
Bank loans and overdrafts	937	-
Other taxes (see below)	7,310	813
Accruals	70,357	102,711
	<u>78,604</u>	<u>103,524</u>

Other taxes

	2015 €	2014 €
PAYE/PRSI	7,310	813

10. Creditors:

Amounts falling due after more than one year

	2015 €	2014 €
Amounts owed to group undertakings	1,747,588	1,746,269

Notes to the financial statements

For the year ended 30 September 2015

11. Share capital

	2015 €	2014 €
Authorised		
1,000,000 Ordinary shares shares of €1 each	<u>1,000,000</u>	<u>1,000,000</u>
Allotted, called up and fully paid		
1 Ordinary shares share of €1	<u>1</u>	<u>1</u>

12. Reserves

	Profit and loss account €
At 1 October 2014	(293,898)
Loss for the financial year	(16,373)
At 30 September 2015	<u>(310,271)</u>

In respect of prior year:

	Profit and loss account €
At 1 October 2013	(277,703)
Loss for the financial year	(16,195)
At 30 September 2014	<u>(293,898)</u>

13. Reconciliation of movement in shareholders' deficit

	2015 €	2014 €
Opening shareholders' deficit	(293,897)	(277,702)
Loss for the financial year	(16,373)	(16,195)
Closing shareholders' deficit	<u>(310,270)</u>	<u>(293,897)</u>

Notes to the financial statements

For the year ended 30 September 2015

14. Contingent liabilities

The Gallery was constructed on lands owned by the company. This construction was undertaken by a number of investors and in relation to this, UCC and the company have given guarantees and indemnities to the investors and banks who have provided funding.

15. Ultimate parent undertaking and controlling party

The company is a subsidiary of University College Cork (UCC) and during the year it had a number of transactions with it and other UCC related companies namely Property Management UCC Ltd (PMUL). At the year end the following amounts were payable to related entities.

Repayment of

	2015	2014
	€	€
Amounts owed by UCC	172,598	201,172
Amount owed by Art Gallery (UCC) to PMUL	(1,635,165)	(1,635,165)
Amount owed by Art Gallery (UCC) to UCC	(112,423)	(111,104)
Total	<u>(1,574,990)</u>	<u>(1,545,097)</u>

16. Net cash flow from operating activities

	2015	2014
	€	€
Operating loss	(14,679)	(14,472)
Depreciation of tangible fixed assets	15,900	15,901
Decrease/(increase) in debtors	16,914	(30,644)
Decrease/(increase) in amounts owed by group undertakings	28,574	(43,525)
Decrease in creditors	(24,538)	(2,664)
Net cash inflow/(outflow) from operating activities	<u>22,171</u>	<u>(75,404)</u>

17. Analysis of cash flows for headings netted in cash flow statement

	2015	2014
	€	€
Returns on investments and servicing of finance		
Interest paid	<u>(1,694)</u>	<u>(1,723)</u>

Notes to the financial statements

For the year ended 30 September 2015

18. Analysis of changes in net funds

	1 October 2014 €	Cash flow €	Other non-cash changes €	30 September 2015 €
Cash at bank and in hand	26,484	21,414	-	47,898
Bank overdraft	-	(937)	-	(937)
Net funds	<u>26,484</u>	<u>20,477</u>	<u>-</u>	<u>46,961</u>

19. Approval of financial statements

The board of directors approved these financial statements for issue on 17th December 2015

Detailed trading and profit and loss account

For the year ended 30 September 2015

	Page	2015 €	2014 €
Income	18	503,683	459,038
Less: Overheads			
Administration expenses	19	(518,362)	(473,510)
Operating loss		<u>(14,679)</u>	<u>(14,472)</u>
Interest payable		(1,694)	(1,723)
Loss for the year		<u><u>(16,373)</u></u>	<u><u>(16,195)</u></u>

Schedule to the detailed accounts

For the year ended 30 September 2015

	2015 €	2014 €
Turnover		
Fundraising and donor gifts	28,363	27,157
Arts Council Grants	57,000	58,500
UCC Educational Services	42,900	42,900
UCC Curatorial Salary	44,304	44,304
UCC Grant	135,000	135,000
Education	20,220	17,508
Gallery Hire	34,985	16,946
Shop Sales	28,128	22,946
Sponsorship	-	5,000
Other Grants	39,925	30,000
Craft Fair	47,307	46,127
Cafe Rental Income	25,551	12,650
	<u>503,683</u>	<u>459,038</u>

Schedule to the detailed accounts

For the year ended 30 September 2015

	2015 €	2014 €
Administration expenses		
Wages and salaries	277,213	264,636
Advertising and marketing	7,966	7,370
Auditors' remuneration	3,304	3,300
Accountancy fees	5,322	4,411
General administration	2,213	2,130
Insurances	5,513	5,513
Depreciation	15,900	15,901
Exhibition programme	131,177	114,102
Gallery hire	8,367	2,702
Fundraising and donor stewardship	2,672	1,281
Craft fair	35,512	31,852
Shop costs	17,593	16,582
Education	5,610	3,136
UCC Art Collection	-	594
	<u>518,362</u>	<u>473,510</u>