

Waterford Arts Festival Company Limited by Guarantee
Directors' Report and Unaudited Financial Statements
for the financial year ended 31 December 2022

**O'Callaghan Advisory
Chartered Accountants
Longfield House
Moulerstown
Glenmore
Waterford**

Company Number: 399896

Waterford Arts Festival Company Limited by Guarantee
DIRECTORS AND OTHER INFORMATION
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Waterford Arts Festival Company Limited by Guarantee

DIRECTORS' REPORT

for the financial year ended 31 December 2022

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

Principal Activity and Review of the Business

The principal activity of the company is the organising and staging of the Imagine Arts Festival in Waterford city each year which incorporates the Waterford Writers Weekend.

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

There has been no significant change in these activities during the financial year ended 31 December 2022.

Principal Risks and Uncertainties

Under Irish company law the company is required to give a description of the principal risks and uncertainties faced, as well as a listing of the key performance indicators used to monitor performance.

The principal risks and uncertainties that the organisation face include a reduction or loss in financial support from key funders and reductions in attendance figures caused by factors such as lack of interest in, or information about, acts and performances presented by Waterford Arts Festival Company Limited by Guarantee. The directors acknowledge that great care must be taken when booking acts and performances to ensure that a suitably interested and informed audience is available, in order to minimise the risk of loss.

The key performance indicators that should be utilised to address these risks and uncertainties are a monitoring of the ongoing relationship with key funders, a monitoring of the current economic environment, and timely access to accurate awareness and attendance information and audience feedback through the carrying out of ongoing appropriate market research.

Financial Results

The surplus/(deficit) for the financial year after providing for depreciation amounted to €5,941 (2021 - €(11,612)).

At the end of the financial year, the company has assets of €39,096 (2021 - €22,763) and liabilities of €13,388 (2021 - €2,996). The net assets of the company have increased by €5,941.

Directors and Secretary

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

Colum Anthony Breslin
Natalie Fitzpatrick
Cllr Joe Kelly (Resigned 31 January 2023)
John Fitzpatrick
Donal Nolan

The secretary who served throughout the financial year was Donal Nolan.

In accordance with the Articles of Association John Fitzpatrick and Colum Anthony Breslin retire by rotation and, being eligible, offer themselves for re-election.

Future Developments

The company plans to continue its present activities and current operating levels, as adjusted for any significant changes in available funding, as explained further below.

Post Balance Sheet Events

The Waterford Writers Weekend has not formed part of the 2023 Imagine Arts Festival. Other than a consequential reduction in the overall income and expenditure of the Festival this has not had any financial effect on the company.

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

Political Contributions

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

Waterford Arts Festival Company Limited by Guarantee DIRECTORS' REPORT

for the financial year ended 31 December 2022

Accounting Records

To ensure that adequate accounting records are kept in accordance with the Companies Act 2014 the directors have appointed appropriately experienced bookkeeping personnel to maintain appropriate computerised accounting systems. The accounting records are located at the company's office at Theatre Royal, The Mall, Waterford.

Signed on behalf of the board

John Fitzpatrick
Director

Colum Anthony Breslin
Director

22 November 2023

Waterford Arts Festival Company Limited by Guarantee

DIRECTORS' RESPONSIBILITIES STATEMENT

for the financial year ended 31 December 2022

General responsibilities

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. 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.

Directors' declaration on unaudited financial statements

In relation to the financial statements which comprise the Income and Expenditure Account, the Balance Sheet, the Reconciliation of Members' Funds, the Cash Flow Statement and the related notes:

The directors approve these financial statements and confirm that they are responsible for them, including selecting the appropriate accounting policies, applying them consistently and making, on a reasonable and prudent basis, the judgements underlying them. They have been prepared on the going concern basis on the grounds that the company will continue in business.

The directors confirm that they have made available to O'Callaghan Advisory, (Chartered Accountants), all the company's accounting records and provided all the information, books and documents necessary for the compilation of the financial statements.

The directors confirm that to the best of their knowledge and belief, the accounting records reflect all the transactions of the company for the financial year ended 31 December 2022.

Signed on behalf of the board

John Fitzpatrick
Director

Colum Anthony Breslin
Director

22 November 2023

**Waterford Arts Festival Company Limited by Guarantee
ACCOUNTANTS' REPORT
to the Board of Directors on the Compilation of the unaudited financial
statements of Waterford Arts Festival Company Limited by Guarantee for the
financial year ended 31 December 2022**

In accordance with our engagement letter and in order to assist you to fulfil your duties under the Companies Act 2014, we have compiled for your approval the financial statements of the company for the financial year ended 31 December 2022 as set on pages 7 to 13 which comprise the Income and Expenditure Account, the Balance Sheet, the Reconciliation of Members' Funds, the Cash Flow Statement and the related notes from the company's accounting records and from information and explanations you have given to us.

As a practising member firm of the Institute of Chartered Accountants Ireland, we are subject to its ethical and other professional requirements which are detailed at
<<https://www.charteredaccountants.ie/Professional-Standards/Home>>

This report is made solely to the Board of Directors of Waterford Arts Festival Company Limited by Guarantee, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this 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 its Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with guidance issued by Chartered Accountants Ireland and have complied with the ethical guidance laid down by Chartered Accountants Ireland relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet for the year ended 31 December 2022 your duty to ensure that Waterford Arts Festival Company Limited by Guarantee has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and surplus of Waterford Arts Festival Company Limited by Guarantee. You consider that Waterford Arts Festival Company Limited by Guarantee is exempt from the statutory audit requirement for the financial year.

We have not been instructed to carry out an audit or a review of the financial statements of Waterford Arts Festival Company Limited by Guarantee. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

O'CALLAGHAN ADVISORY

Chartered Accountants
Longfield House
Moulerstown
Glenmore
Waterford

22 November 2023

Waterford Arts Festival Company Limited by Guarantee INCOME AND EXPENDITURE ACCOUNT

for the financial year ended 31 December 2022

	Notes	2022 €	2021 €
Income		107,519	86,642
Expenditure		(101,578)	(98,254)
Surplus/(deficit) for the financial year		<u>5,941</u>	<u>(11,612)</u>
Total comprehensive income		<u>5,941</u>	<u>(11,612)</u>

Approved by the board on 22 November 2023 and signed on its behalf by:

John Fitzpatrick
Director

Colum Anthony Breslin
Director

Waterford Arts Festival Company Limited by Guarantee

BALANCE SHEET

as at 31 December 2022

	Notes	2022 €	2021 €
Fixed Assets			
Tangible assets	6	457	582
Current Assets			
Debtors	7	4,000	3,379
Cash and cash equivalents		34,639	18,802
		<u>38,639</u>	<u>22,181</u>
Creditors: amounts falling due within one year	9	<u>(13,388)</u>	<u>(2,996)</u>
Net Current Assets		<u>25,251</u>	<u>19,185</u>
Total Assets less Current Liabilities		<u>25,708</u>	<u>19,767</u>
Reserves			
Income and expenditure account		25,708	19,767
Equity attributable to owners of the company		<u>25,708</u>	<u>19,767</u>

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

We as Directors of Waterford Arts Festival Company Limited by Guarantee, state that -

(a) the company is availing itself of the exemption provided for by Chapter 15 of Part 6 of the Companies Act 2014,

(b) the company is availing itself of the exemption on the grounds that the conditions specified in section 358 are satisfied,

(c) the members of the company have not served a notice on the company under section 334(1) in accordance with section 334(2),

(d) we acknowledge the company's obligations under the Companies Act 2014, to keep adequate accounting records and prepare financial statements which give a true and fair view of the assets, liabilities and financial position of the company at the end of its financial year and of its profit or loss for such a financial year and to otherwise comply with the provisions of the Companies Act 2014 relating to financial statements so far as they are applicable to the company.

Approved by the board on 22 November 2023 and signed on its behalf by:

John Fitzpatrick
Director

Colum Anthony Breslin
Director

Waterford Arts Festival Company Limited by Guarantee
RECONCILIATION OF MEMBERS' FUNDS

as at 31 December 2022

	Retained surplus	Total
	€	€
At 1 January 2021	31,379	31,379
Deficit for the financial year	<u>(11,612)</u>	<u>(11,612)</u>
At 31 December 2021	19,767	19,767
Surplus for the financial year	<u>5,941</u>	<u>5,941</u>
At 31 December 2022	<u>25,708</u>	<u>25,708</u>

Waterford Arts Festival Company Limited by Guarantee

CASH FLOW STATEMENT

for the financial year ended 31 December 2022

	Notes	2022 €	2021 €
Cash flows from operating activities			
Surplus/(deficit) for the financial year		5,941	(11,612)
Adjustments for:			
Depreciation		125	125
		<u>6,066</u>	<u>(11,487)</u>
Movements in working capital:			
Movement in debtors		(621)	(360)
Movement in creditors		10,392	1,645
		<u>15,837</u>	<u>(10,202)</u>
Cash generated from/(used in) operations		<u>15,837</u>	<u>(10,202)</u>
Net increase/(decrease) in cash and cash equivalents		15,837	(10,202)
Cash and cash equivalents at beginning of financial year		18,802	29,004
Cash and cash equivalents at end of financial year	8	<u>34,639</u>	<u>18,802</u>

Waterford Arts Festival Company Limited by Guarantee

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2022

1. General Information

Waterford Arts Festival Company Limited by Guarantee is a company limited by guarantee incorporated in Ireland. Theatre Royal, The Mall, Waterford 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102).

The company is a Public Benefit Entity in accordance with FRS 102.

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 represents the total operating income of the company received and receivable for the period.

Gifts in kind

Gifts in kind received are stated at their estimated cash equivalent value and are included in both sponsorship income and the appropriate expense category.

Tangible assets and depreciation

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

Office equipment	-	15% Straight Line
Stage equipment	-	15% 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.

Taxation

The company is not liable to Corporation Tax by approval of the Revenue Commissioners.

Waterford Arts Festival Company Limited by Guarantee

NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2022

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. Departure from Companies Act 2014 Presentation

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

4. Operating surplus/(deficit)	2022	2021
	€	€
Operating surplus/(deficit) is stated after charging:		
Depreciation of tangible assets	125	125
	<u> </u>	<u> </u>

5. Employees

The average monthly number of employees, excluding directors (who serve in a voluntary capacity), during the financial year was 1, (2021 - 0).

	2022	2021
	Number	Number
Festival management	1	-
	<u> </u>	<u> </u>

6. Tangible assets

	Office equipment	Stage equipment	Total
	€	€	€
Cost			
At 1 January 2022	832	1,200	2,032
	<u> </u>	<u> </u>	<u> </u>
At 31 December 2022	832	1,200	2,032
	<u> </u>	<u> </u>	<u> </u>
Depreciation			
At 1 January 2022	250	1,200	1,450
Charge for the financial year	125	-	125
	<u> </u>	<u> </u>	<u> </u>
At 31 December 2022	375	1,200	1,575
	<u> </u>	<u> </u>	<u> </u>
Net book value			
At 31 December 2022	457	-	457
	<u> </u>	<u> </u>	<u> </u>
At 31 December 2021	582	-	582
	<u> </u>	<u> </u>	<u> </u>

7. Debtors	2022	2021
	€	€
Other debtors	4,000	3,379
	<u> </u>	<u> </u>

8. Cash and cash equivalents	2022	2021
	€	€
Cash and bank balances	34,639	18,802
	<u> </u>	<u> </u>

Waterford Arts Festival Company Limited by Guarantee

NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2022

9. Creditors	2022	2021
Amounts falling due within one year	€	€
Trade creditors	298	-
Taxation	803	-
Accruals	12,287	2,996
	13,388	2,996

10. 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.

11. Capital commitments

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

12. Directors' remuneration

The directors serve in a voluntary capacity and are not remunerated.

13. Related party transactions

There were no transactions with related parties during the year.

14. Post-Balance Sheet Events

The Waterford Writers Weekend has not formed part of the 2023 Imagine Arts Festival. Other than a consequential reduction in the overall income and expenditure of the Festival this has not had any financial effect on the company.

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

15. Grant income

Public funding and grants received and receivable and treated as income for the year were as follows:

	2022	2021
	€	€
Waterford City & County Council	48,000	48,000
The Arts Council	14,800	19,600
Failte Ireland	3,000	1,875
	65,800	69,475

In 2022 Waterford City and County Council also provided sponsorship of €4,000 towards the Moncrieff concert from funding made available by the Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media under the Local Live Performance Scheme. In 2021 Waterford City & Council also provided sponsorship support of €1,000 towards the John Shinnors Solo Exhibition.

16. Approval of financial statements

The financial statements were approved and authorised for issue by the board of directors on 22 November 2023.