

Carlow Arts Festival Company Limited by Guarantee
Annual Report and Audited Financial Statements
for the financial year ended 31 December 2020

KSI Faulkner Orr Limited
Behan House
10 Lower Mount Street
Dublin 2
Ireland

Company Number: 345215
Charity Number: CHY12243
Charities Regulatory Authority Number: 20035419

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Carlow Arts Festival Company Limited by Guarantee
REFERENCE AND ADMINISTRATIVE INFORMATION

Directors	Chris Chapman Ed Cahill Emma Martin Suzanne Morrissey Forde Niamh Lunny Emma Geoghegan (Resigned 10 June 2020) Fintan Phelan David Morgan (Resigned 1 October 2020)
Company Secretary	Lisa Williamson (Resigned on 10 December 2020) Roisin Lawlor (Appointed on 15 April 2021)
Charity Number	CHY12243
Charities Regulatory Authority Number	20035419
Company Number	345215
Registered Office and Principal Address	Enterprise House O'Brien Road Co Carlow R93 Y0Y3
Auditors	KSI Faulkner Orr Limited Behan House 10 Lower Mount Street Dublin 2 Ireland
Bankers	Bank of Ireland Shamrock Plaza Green Lane Co Carlow Ireland

Carlow Arts Festival Company Limited by Guarantee DIRECTORS' ANNUAL REPORT

for the financial year ended 31 December 2020

The directors present their Directors' Annual Report, combining the Directors' Report and Trustees' Report, and the audited financial statements for the financial year ended 31 December 2020.

The financial statements are prepared in accordance with the Companies Act 2014, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Directors' Report contains the information required to be provided in the Directors' Annual Report under the Statement of Recommended Practice (SORP) guidelines. The directors of the company are also charity trustees for the purpose of charity law and under the company's constitution are known as members of the board of trustees.

In this report the directors of Carlow Arts Festival Company Limited by Guarantee present a summary of its purpose, governance, activities, achievements and finances for the financial year 2020.

The company is a registered charity and hence the report and results are presented in a form which complies with the requirements of the Companies Act 2014 and, although not obliged to comply with the Statement of Recommended Practice for Smaller Entities (the FRSSSE) (effective 1 January 2015), the organisation has implemented its recommendations where relevant in these financial statements.

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

Mission

Carlow Arts Festival is an annual multi-disciplinary arts festival which takes place in Carlow town and is the first of the summer arts festivals in Ireland. Now in its 42nd year, the festival supports arts and culture in all its forms, promoting the growth of visual art, theatre, music, dance, spectacle, multi-disciplinary arts, digital arts and entertainment by offering wide-ranging artistic experiences and activities to appeal to a diverse domestic and international audience of all ages.

Objectives

We aim to introduce our audiences to new art forms and cutting-edge work that they may not otherwise have access to. We aim to provide as many free experiences as possible so that economic status is never a barrier to experiencing the best of national and international art. We aim to offer a broad spectrum of experiences that enables and encourages audiences to do more and see more. The festival was reimaged in 2020 in a way that continued to allow the presentation of international artists. The digitisation of the festival also resulted in a significantly increased international audience, we aim to build and enhance this digital space in the immediate future. Carlow Arts Festival continues to build its strong history of bringing contemporary visual art to the town through constant development of the visual arts strand of the festival, Artworks, in a meaningful manner in partnership with VISUAL.

Strategy

In 2020 a new Strategic Plan for the period 2020-2023 was developed in consultation with Carlow Arts Festival's Management and Board. In particular it seeks to address the impact of Covid-19 on how we make and present the festival, and to introduce new working models that can influence long-term working practices within the festival.

The impact of Covid-19 on the arts and cultural sector world-wide means the festival is now operating in a completely different set of circumstances than expected. This has greatly informed the preparation of the plan and discussions between the Management team and Board, supported by consultant Naomi Russell.

An important constant in articulating our ambitions and plan for the years ahead is to hold close to our core values of inclusion, audacity, fun, passion and preparedness. Due to travel restrictions, we have redefined our programming approach, we seek now to go deeper in how we work and in our relationship with artists, our local community, our audiences and 'our place' in Carlow.

The four defining principals of the new strategy are;

1. Longer form collaboration, through how we invest in artists and developing art led participation with and for local people.
2. Opening up Carlow; physically by using more of Carlow as our stage, and continuing to build on our central commitment of access to great art for everyone.
3. Harnessing the power of digital technology to continue to rethink, reset and reinvent what we do, the work artists can make and how we reach audiences.
4. Making the organisation fit for purpose, including strengthening our partnerships, growing our financial resilience and fundraising capacity and skills and capabilities in the digital arena.

Carlow Arts Festival Company Limited by Guarantee DIRECTORS' ANNUAL REPORT

for the financial year ended 31 December 2020

Structure

As a result of the new strategy for Carlow Arts Festival there have been changes to the organisational structure. In addition to the Festival Director and Producer, the festival will employ a Creative Producer, a Communications & Development Manager and a Digital Coordinator. Working closely with the Festival Director and the Communications and Development manager, the Creative Producer will be responsible for long-form Artistic and participative collaborations in Carlow as well as identifying and pursuing funding sources to resource them.

The Digital Coordinator is a fixed term role and will be responsible for enabling seamless and professional digital distribution of the work created for the festival. The Communications and Development manager will enable the Festival to communicate with its audience and stakeholders throughout the year. The role will also be engaged in fundraising and development for the Festival. In this new structure the role of Festival Manager has been made redundant.

Review of activities

In the first half of 2020 Covid-19 spread throughout the world. The impact on CAF is that we had to cancel the festival as it was planned for 2020. We mounted one physical event – Artworks, which continued until the end of September 2020. The festival was reimagined and produced as a mainly online and digital event called 'Slices'. These 'digital slices' of the Festival were rolled out over a period from May to November 2020.

In Slice #1 Festival Director Jo Mangan hosted a panel discussion at TechCity Connect, exploring all that great Art has to offer and how the current adversity might lead towards a better place.

Slice #2 was an audacious free-to-view live broadcast on the 6th June, during what should have been the physical Festival. It featured a stellar line up of national, international and native Carlow Artists from a diverse range of Arts forms including Circus, Opera, Dance, Comedy, Theatre, Visual Art, New Writing and Music. The family friendly hour long broadcast was praised by the Head of the Irish Deaf Society, as 'the perfect example of accessibility'.

Slice #3 'Shelter and Place', was a co-production with Cork Mid-Summer Festival. Artists Leon Butler and Peter Power created an interactive experience that was a digital monument to unseen stories and quarantine spaces. Audiences were invited to share imagery of their own lockdown spaces and experiences which were abstracted and included in the piece.

Slice #4, 'ARTWORKS' is the continuing successful partnership with Visual, the awards this year were won by Helena Gorey and Ciara Roche.

Slice #5, a virtual reality film experience in the home ran for the month of August.

Slice #6 is the continued archiving of the Festival in the National Festival Archive in UCD. The archive records the journey of the festival, from its foundations by a forward thinking group of volunteers in 1979 to its position as one of 5 festivals recognised by the Arts Council of Ireland of strategic importance. The local community was asked to get involved with the endeavour by submitting material, stories or images that they may have in relation to the festival over the years. This archive will form a vital resource in the understanding of the value of the festival to the community, from a cultural perspective and as a catalyst for other artistic activity.

Slice #7, in partnership with Carlow County Council, has been the dissemination of €38,500 in 'Wedge Funds' to 35 different Artists. There were 325 exceptional applications for the inaugural Wedge Fund. Noting the lack of opportunities for artists in 2020, the aim was to give artists support that would allow them 'time and space to think, dream, breath, learn, create, develop, design and inspire. The panel were astonished by the volume and quality of the submissions.

Principle risks and uncertainties

The directors consider the following to be the principal risks and uncertainties faced by the company:

The continuing pandemic means the future of live, 'mass gathering' events is still uncertain. At the very least, there will be no mass gatherings until the majority of the population has been vaccinated. Restrictions on gatherings and social distancing are likely to remain with us for some time yet. As of February 2021 new variants of the virus are being identified which raise further questions about when society may reopen.

The new strategy has sought to address this risk by focusing on locally produced work, that can be made and experienced regardless of the level of 'Living with Covid' we are in. Additionally, spreading the festival out to cover more geographic area in Carlow and across a longer period as well as ensuring the work can be shared and viewed digitally means the festival can continue to deliver on its remit.

The risk that public funding may not be maintained at current levels, or that other income (fundraising/donations/box office sales) may not reach projected targets, especially in light of the economic impact of the Pandemic.

Carlow Arts Festival Company Limited by Guarantee DIRECTORS' ANNUAL REPORT

for the financial year ended 31 December 2020

These risks are managed by cost control and budgetary measures and procedures to ensure quality delivery of all operational aspects of the festival. The company has budgetary and financial reporting procedures to manage ongoing financial risk. The company has adequate financial control systems in place to manage granted funds. The company CEO is in regular contact with our funders, maintaining relationships and staying abreast of potential changes that may arise as a result of the current economic situation.

Future Developments

(As of going to print in April 2021) The intention is that Carlow Arts Festival will return this year with a hybrid model of live and digital experiences – working closely with national and international partners.

The festival will be spread over 10 days (4-13 June) to accommodate people over a longer period of time and a wider variety of sites – including the landmark Braun site in Carlow Town.

The full 2021 programme (to be announced in full in May) will include a large scale visual and performing arts project and a film at the Braun site; a continued focus on outdoor circus and spectacle with Fidget Feet, Spraoi & Tumble Circus; an installation work bringing together Irish National Opera and artist Michael Trainor; an expansion of our Digital strand to include bespoke work by Irish artists as well as a Virtual Reality festival campus; and a large scale, high-profile visual art commission by Maser.

However, we are keeping a close eye on government directives and continue to draw up a range of scenario plans for different outcomes and plans will be redrafted to adapt to whatever level of restrictions we find ourselves in.

Financial Review

The results for the financial year are set out on page 11 to 13 and additional notes are provided showing income and expenditure in greater detail.

Financial Results

At the end of the financial year the company has assets of €63,189 (2019 - €17,033) and liabilities of €47,223 (2019 - €17,634). The net liabilities of the company have decreased by €16,567.

Directors and Secretary

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

Chris Chapman
Ed Cahill
Emma Martin
Suzanne Morrissey Forde
Niamh Lunny
Emma Geoghegan (Resigned 10 June 2020)
Fintan Phelan
David Morgan (Resigned 1 October 2020)

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

The secretary who served throughout the financial year was Lisa Williamson.

Compliance with Sector-Wide Legislation and Standards

The company engages pro-actively with legislation, standards and codes which are developed for the sector. Carlow Arts Festival Company Limited by Guarantee subscribes to and is compliant with the following:

- The Companies Act 2014
- The Charities SORP (FRS 102)

Auditors

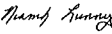
J O'Sullivan & Co. resigned as auditors during the financial year and the directors appointed KSI Faulkner Orr Limited, to fill the vacancy.

Carlow Arts Festival Company Limited by Guarantee
DIRECTORS' ANNUAL REPORT
for the financial year ended 31 December 2020

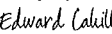
Accounting Records

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 Enterprise House, O'Brien Road, Co Carlow, R93 YOY3.

Approved by the Board of Directors on 6/24/2021 and signed on its behalf by:

DocuSigned by:


Niamh Lunny
Director

DocuSigned by:


Ed Cahill
Director

Carlow Arts Festival Company Limited by Guarantee DIRECTORS' RESPONSIBILITIES STATEMENT

for the financial year ended 31 December 2020

The directors are responsible for preparing 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 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 net income or expenditure 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 and apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice: Accounting and Reporting by Charities (2015);
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the relevant financial reporting framework, 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 operation.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

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 net income or expenditure of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and the Directors' Annual Report comply with 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.

In so far as the directors are aware:

- 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 as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Approved by the Board of Directors on 6/24/2021 and signed on its behalf by:

DocuSigned by:
Niamh Lunny
-----A1B2EAA1DAB343E-----
Niamh Lunny
Director

DocuSigned by:
Edward Cahill
-----FE251DC68A047C-----
Ed Cahill
Director

INDEPENDENT AUDITOR'S REPORT

to the Members of Carlow Arts Festival Company Limited by Guarantee

Report on the audit of the financial statements

Opinion

We have audited the company financial statements of Carlow Arts Festival Company Limited by Guarantee for the financial year ended 31 December 2020 which comprise the Statement of Financial Activities (incorporating an Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement and the 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" and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102.

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 2020 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", as applied in accordance with the provisions of the Companies Act 2014 and having regard to the Charities SORP; 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 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 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 solely on the work undertaken in the course of the audit, we report that:

- the information given in the Directors' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

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. In our opinion the financial statements are in agreement with the accounting records.

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' Annual Report. The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not complied with by the company. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT

to the Members of Carlow Arts Festival Company Limited by Guarantee

Respective responsibilities

Responsibilities of directors for the financial statements

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 operations, 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Further information regarding the scope of our responsibilities as auditor

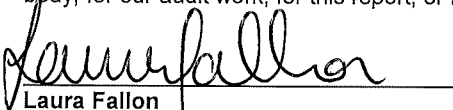
As part of an audit in accordance with ISAs (Ireland), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- 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 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.

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.



Laura Fallon
For and on behalf of
KSI FAULKNER ORR LIMITED
Behan House
10 Lower Mount Street
Dublin 2
Ireland

..... 24/6/2021

Carlow Arts Festival Company Limited by Guarantee

STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating an Income and Expenditure Account)
for the financial year ended 31 December 2020

	Notes	Unrestricted Funds 2020 €	Total 2020 €	Unrestricted Funds 2019 €	Total 2019 €
Incoming Resources					
Donations & Fundraising Charitable activities	3.1	2,215	2,215	53,031	53,031
- Festival income	3.2	7,831	7,831	42,644	42,644
Grant Income	3.3	244,519	244,519	283,019	283,019
Other income	3.4	49,313	49,313	-	-
Total incoming resources		303,878	303,878	378,694	378,694
Resources Expended					
Raising funds	4.1	287,311	287,311	389,557	389,557
Net incoming/outgoing resources before transfers		16,567	16,567	(10,863)	(10,863)
Gross transfers between funds		-	-	-	-
Net movement in funds for the financial year		16,567	16,567	(10,863)	(10,863)
Reconciliation of funds					
Balances brought forward at 1 January 2020	14	(601)	(601)	10,262	10,262
Balances carried forward at 31 December 2020		15,966	15,966	(601)	(601)

The Statement of Financial Activities includes all gains and losses recognised in the financial year.
All income and expenditure relate to continuing activities.

Approved by the Board of Directors on 6/24/2021 and signed on its behalf by:

DocuSigned by:
Niamh Lunny
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Niamh Lunny
Director

DocuSigned by:
Edward Cahill
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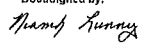
Ed Cahill
Director

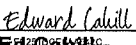
Carlow Arts Festival Company Limited by Guarantee BALANCE SHEET

as at 31 December 2020

	Notes	2020 €	2019 €
Fixed Assets			
Tangible assets	8	3,939	2,429
Current Assets			
Debtors	10	1,673	14,604
Cash at bank and in hand		57,577	-
		59,250	14,604
Creditors: Amounts falling due within one year	11	(47,223)	(17,634)
Net Current Assets/(Liabilities)		12,027	(3,030)
Total Assets less Current Liabilities		15,966	(601)
Funds			
General fund (unrestricted)		15,966	(601)
Total funds	14	15,966	(601)

Approved by the Board of Directors on 6/24/2021 and signed on its behalf by:

DocuSigned by:

 Niamh Lunny
 Director

DocuSigned by:

 Ed Cahill
 Director

Carlow Arts Festival Company Limited by Guarantee**CASH FLOW STATEMENT**

for the financial year ended 31 December 2020

	Notes	2020 €	2019 €
Net cash inflow from operating activities	17	70,392	9,912
Returns on investments and servicing of finance	17	-	(364)
Capital expenditure	17	(4,512)	(2,446)
Movement in cash in the financial year		<u>65,880</u>	<u>7,102</u>
Reconciliation of net cash flow to movement in net funds			
Movement in cash in the financial year		65,880	7,102
Cash and Cash Equivalents at 1 January 2020		(10,268)	(17,370)
Cash and Cash Equivalents 31 December 2020		<u>55,612</u>	<u>(10,268)</u>

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

for the financial year ended 31 December 2020

1. GENERAL INFORMATION

Carlow Arts Festival Company Limited by Guarantee is a company limited by guarantee incorporated in the Republic of Ireland. The registered office of the company is Enterprise House, O'Brien Road, Co Carlow, R93 Y0Y3 which is also the principal place of business of the company. 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 charity's financial statements.

Basis of preparation

The financial statements have been prepared on the going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015)".

The company has applied the Charities SORP on a voluntary basis as its application is not a requirement of the current regulations for charities registered in the Republic of Ireland. As permitted by the Companies Act 2014, the company has varied the standard formats in that act for the Statement of Financial Activities and the Balance Sheet. Departures from the standard formats, as outlined in the Companies Act 2014, are to comply with the requirements of the Charities SORP and are in compliance with section 4.7, 10.6 and 15.2 of that SORP.

Fund accounting

The following are the categories of funds maintained:

Restricted funds

Restricted funds represent income received which can only be used for particular purposes, as specified by the donors. Such purposes are within the overall objectives of the company.

Unrestricted funds

Unrestricted funds consist of General and Designated funds.

- General funds represent amounts which are expendable at the discretion of the board, in furtherance of the objectives of the company.
- Designated funds comprise unrestricted funds that the board has, at its discretion, set aside for particular purposes. These designations have an administrative purpose only, and do not legally restrict the board's discretion to apply the fund.

Carlow Arts Festival Company Limited by Guarantee

NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2020

Incoming Resources

Income is recognised by inclusion in the Statement of Financial Activities only when the company is legally entitled to the income, performance conditions attached to the item(s) of income have been met, the amounts involved can be measured with sufficient reliability and it is probable that the income will be received by the company.

Income from charitable activities

Income from charitable activities include income earned from the supply of services under contractual arrangements and from performance related grants which have conditions that specify the provision of particular services to be provided by the company. Income from government and other co-funders is recognised when the company is legally entitled to the income because it is fulfilling the conditions contained in the related funding agreements. Where a grant is received in advance, its recognition is deferred and included in creditors. Where entitlement occurs before income is received, it is accrued in debtors.

Grants from governments and other co-funders typically include one of the following types of conditions:

- Performance based conditions: whereby the company is contractually entitled to funding only to the extent that the core objectives of the grant agreement are achieved. Where the company is meeting the core objectives of a grant agreement, it recognises the related expenditure, to the extent that it is reimbursable by the donor, as income.

-Time based conditions: whereby the company is contractually entitled to funding on the condition that it is utilised in a particular period. In these cases the company recognises the income to the extent it is utilised within the period specified in the agreement.

In the absence of such conditions, assuming that receipt is probable and the amount can be reliably measured, grant income is recognised once the company is notified of entitlement.

Grants received towards capital expenditure are credited to the Statement of Financial Activities when received or receivable, whichever is earlier.

Resources Expended

Expenditure is analysed between costs of charitable activities and raising funds. The costs of each activity are separately accumulated and disclosed, and analysed according to their major components. Expenditure is recognised when a legal or constructive obligation exists as a result of a past event, a transfer of economic benefits is required in settlement and the amount of the obligation can be reliably measured. Support costs are those functions that assist the work of the company but cannot be attributed to one activity. Such costs are allocated to activities in proportion to staff time spent or other suitable measure for each activity.

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:

Fixtures, fittings and equipment	-	33.33% Straight line
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Debtors

Debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Income recognised by the company from government agencies and other co-funders, but not yet received at financial year end, is included in debtors.

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 at bank and in hand

Cash at bank and in hand comprises cash on deposit at banks requiring less than three months notice of withdrawal.

Taxation

No current or deferred taxation arises as the company has been granted charitable exemption. Irrecoverable valued added tax is expensed as incurred.

Carlow Arts Festival Company Limited by Guarantee
NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2020

3. INCOME						
3.1 DONATIONS AND FUNDRAISING		Unrestricted Funds	Restricted Funds	2020	2019	
		€	€	€	€	
Donations & Fundraising		<u>2,215</u>	<u>-</u>	<u>2,215</u>	<u>53,031</u>	
3.2 CHARITABLE ACTIVITIES		Unrestricted Funds	Restricted Funds	2020	2019	
		€	€	€	€	
Operations of Arts Festival		<u>7,831</u>	<u>-</u>	<u>7,831</u>	<u>42,644</u>	
3.3 GRANT INCOME		Unrestricted Funds	Restricted Funds	2020	2019	
		€	€	€	€	
Arts Council Grant		165,019	-	165,019	165,019	
Failte Grant		5,000	-	5,000	3,000	
Carlow County Council		62,000	-	62,000	65,000	
Leader Programme 2014-2020		-	-	-	50,000	
LEO - Business Continuity Voucher		2,500	-	2,500	-	
Carlow Creative Ireland Funding		10,000	-	10,000	-	
		<u>244,519</u>	<u>-</u>	<u>244,519</u>	<u>283,019</u>	
3.4 OTHER INCOME		Unrestricted Funds	Restricted Funds	2020	2019	
		€	€	€	€	
COVID 19 Wage Subsidy Scheme		<u>49,313</u>	<u>-</u>	<u>49,313</u>	<u>-</u>	
4. EXPENDITURE						
4.1 RAISING FUNDS		Direct Costs	Other Costs	Support Costs	2020	2019
		€	€	€	€	€
Artistic Programme		133,372	-	-	133,372	247,735
Management Costs		-	-	153,939	153,939	141,822
		<u>128,372</u>	<u>-</u>	<u>153,939</u>	<u>287,311</u>	<u>389,557</u>
5. NET INCOMING RESOURCES				2020	2019	
				€	€	
Net Incoming Resources are stated after charging/(crediting):						
Depreciation of tangible assets				3,002	1,498	
(Surplus)/deficit on disposal of tangible fixed assets				-	25,648	
				<u>-</u>	<u>27,146</u>	
6. INTEREST PAYABLE AND SIMILAR EXPENSES				2020	2019	
				€	€	
On bank loans and overdrafts				<u>-</u>	<u>364</u>	

Carlow Arts Festival Company Limited by Guarantee
NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2020

continued

7. EMPLOYEES AND REMUNERATION

Number of employees

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

	2020	2019
	Number	Number
Festival Director	1	1
Administration	2	2
	<u>3</u>	<u>3</u>

The staff costs comprise:

	2020	2019
	€	€
Wages and salaries	115,163	85,612
Social security costs	3,415	9,375
	<u>118,578</u>	<u>94,987</u>

8. TANGIBLE FIXED ASSETS

	Fixtures, fittings and equipment	Total
	€	€
Cost		
At 1 January 2020	4,496	4,496
Additions	4,512	4,512
At 31 December 2020	<u>9,008</u>	<u>9,008</u>
Depreciation		
At 1 January 2020	2,067	2,067
Charge for the financial year	3,002	3,002
At 31 December 2020	<u>5,069</u>	<u>5,069</u>
Net book value		
At 31 December 2020	<u>3,939</u>	<u>3,939</u>
At 31 December 2019	<u>2,429</u>	<u>2,429</u>

Carlow Arts Festival Company Limited by Guarantee
NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2020

continued

9. TANGIBLE FIXED ASSETS PRIOR FINANCIAL YEAR	Short leasehold property €	Fixtures, fittings and equipment €	Total €
Cost			
At 1 January 2019	29,445	24,662	54,107
Additions	-	2,446	2,446
Disposals	(29,445)	(22,612)	(52,057)
At 31 December 2019	-	4,496	4,496
Depreciation			
At 1 January 2019	4,331	22,647	26,978
Charge for the financial year	-	1,498	1,498
On disposals	(4,331)	(22,078)	(26,409)
At 31 December 2019	-	2,067	2,067
Net book value			
At 31 December 2019	-	2,429	2,429
At 31 December 2018	25,114	2,015	27,129
10. DEBTORS		2020	2019
		€	€
Other debtors		225	337
Taxation and social security costs (Note 12)		1,448	12,230
Prepayments and accrued income		-	2,037
		1,673	14,604
11. CREDITORS		2020	2019
Amounts falling due within one year		€	€
Bank overdrafts		1,965	10,268
Taxation and social security costs (Note 12)		3,861	4,626
Accruals		18,397	2,740
Deferred Income		23,000	-
		47,223	17,634
12. TAXATION AND SOCIAL SECURITY		2020	2019
		€	€
Debtors:			
VAT		1,448	12,230
Creditors:			
PAYE / PRSI		3,861	4,626
13. RESERVES		2020	2019
		€	€
At 1 January 2020		(601)	10,262
Surplus/(Deficit) for the financial year		16,567	(10,863)
At 31 December 2020		15,966	(601)

Carlow Arts Festival Company Limited by Guarantee

NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2020

14. FUNDS**14.1 RECONCILIATION OF MOVEMENT IN FUNDS**

	Unrestricted Funds €	Total Funds €
At 1 January 2019	10,262	10,262
Movement during the financial year	(10,863)	(10,863)
At 31 December 2019	(601)	(601)
Movement during the financial year	16,567	16,567
At 31 December 2020	15,966	15,966

14.2 ANALYSIS OF MOVEMENTS ON FUNDS

	Balance 1 January 2020 €	Income €	Expenditure €	Transfers between funds €	Balance 31 December 2020 €
Unrestricted funds					
Unrestricted General	(601)	303,878	287,311	-	15,966
Total funds	(601)	303,878	287,311	-	15,966

14.3 ANALYSIS OF NET ASSETS BY FUND

	Fixed assets - charity use €	Current assets €	Current liabilities €	Total €
Unrestricted general funds	3,939	60,869	(48,842)	15,966
	3,939	60,869	(43,842)	15,966

15. STATUS

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

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 financial 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.

16. POST-BALANCE SHEET EVENTS

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

17. CASH FLOW STATEMENT**17.1 RECONCILIATION OF OPERATING NET MOVEMENT IN FUNDS TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2020 €	2019 €
Net movement in funds	16,567	(10,499)
Depreciation	3,002	1,498
Gains and losses on disposal of fixed assets	-	25,648
Movement in debtors	12,931	(9,783)
Movement in creditors	37,892	3,048
Net cash inflow from operating activities	70,392	9,912

Carlow Arts Festival Company Limited by Guarantee
NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2020

17.2 CASH FLOW STATEMENT	2020	2019
	€	€
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest paid	-	(364)
	<u> </u>	<u> </u>
CAPITAL EXPENDITURE		
Payments to acquire tangible assets	(4,512)	(2,446)
	<u> </u>	<u> </u>

18. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on 6/24/2021.....

CARLOW ARTS FESTIVAL COMPANY LIMITED BY GUARANTEE

SUPPLEMENTARY INFORMATION

RELATING TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

NOT COVERED BY THE REPORT OF THE AUDITORS

Carlow Arts Festival Company Limited by Guarantee
SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS
OPERATING STATEMENT
for the financial year ended 31 December 2020

	Schedule	2020 €	2019 €
Income			
- Fundraising & donations		2,215	53,031
- Festival Programme Income		17,831	42,644
- Arts Council Grant		165,019	165,019
- Carlow County Council		62,000	65,000
- Failte Grant		5,000	3,000
- Leader programme 2014-2020		-	50,000
- LEO - Business Continuity Voucher		2,500	-
- TWSS COVID 19 Wage Subsidy Scheme		27,254	-
- EWSS COVID-19 Wage Subsidy Scheme		22,059	-
		<u>303,878</u>	<u>378,694</u>
Charitable activities and other expenses	1	(287,311)	(389,557)
Net surplus/(deficit)		<u><u>16,567</u></u>	<u><u>(10,863)</u></u>

Carlow Arts Festival Company Limited by Guarantee
SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS
SCHEDULE 1 : CHARITABLE ACTIVITIES AND OTHER EXPENSES
for the financial year ended 31 December 2020

	2020 €	2019 €
Expenses		
Wages and salaries	115,163	85,612
Social security costs	3,415	9,375
Staff costs	194	1,665
Cost of festival programme	132,775	247,735
Rent payable	1,260	1,800
Insurance	2,085	3,354
Printing, postage and stationery	110	667
Marketing	9,834	-
Telephone	597	342
Website technical support	2,259	-
Travelling and ticketed events	2,920	5,702
Consultancy fees	5,250	-
Accountancy	2,160	1,839
Bank charges	515	644
General expenses	4,778	1,691
Subscriptions	994	1,621
Surpluses/deficits on disposal of tangibles	-	25,648
Depreciation	3,002	1,498
	<u>287,311</u>	<u>389,193</u>
Finance		
Bank interest paid	-	364
	<u>-</u>	<u>364</u>
Total Overheads	<u><u>287,311</u></u>	<u><u>389,557</u></u>

