

IMMA

# IMMA

## Financial Statements 2018

Ospidéal Ríoga  
Cill Mhaighneán  
Baile Átha Cliath 8  
D08 FW31, Éire

Royal Hospital  
Kilmainham  
Dublin 8  
D08 FW31, Ireland

#### Board Members

David Harvey – Cathaoirleach/Chairman, Mary Apied, Gerard Byrne, Jane Dillon Byrne,  
John Cunningham, Dermot Dwyer, Emma Goltz, Denis Hickie, Penelope Kenny, Margot Lyons,  
Sheila O'Regan agus/and Tim Scanlon.

**Irish Museum of Modern Art/Áras Nua-Ealaíne na hÉireann**  
(A Company Limited by Guarantee)

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**Irish Museum of Modern Art/Áras Nua-Ealaíne na hÉireann**  
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**DIRECTORS AND PROFESSIONAL SERVICE PROVIDERS**

**Directors:**

Mary Apied	David Harvey (Chairman)
Gerard Byrne	Denis Hickie
* John Cunningham	Penelope Kenny
Jane Dillon Byrne	*Margot Lyons
Dermod Dwyer	Sheila O'Regan
Emma Goltz	Tim Scanlon

\* The following members were appointed:

John Cunningham	17 July 2018
Margot Lyons	17 July 2018

<b>IMMA Director (Interim)</b>	Dr Moling Ryan to 28 February 2019
<b>IMMA Director</b>	Annie Fletcher from 1 Mar 2019
<b>Charity Number</b>	20012793
<b>Secretary:</b>	Tim Scanlon resigned 15 January 2019 Fintan McDonald appointed 15 January 2019
<b>Bankers:</b>	Bank of Ireland, James Street, Dublin 8
<b>Auditors:</b>	The Comptroller and Auditor General, 3A Mayor Street Upper, Dublin 1
<b>Registered Office:</b>	Royal Hospital, Kilmainham, Dublin 8
<b>Solicitors:</b>	Ivor Fitzpatrick & Company, 44-45 St. Stephen's Green, Dublin 2

# **Irish Museum of Modern Art/Áras Nua-Ealaíne na hÉireann**

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## **DIRECTORS' REPORT**

The directors present their annual report together with the audited financial statements for the year ended 31 December 2018.

## **PRINCIPAL ACTIVITY**

The principal business of the Company is the management and development of The Irish Museum of Modern Art at the Royal Hospital Kilmainham and the promotion of the Royal Hospital Kilmainham and its grounds as a major cultural and artistic centre, accessible to the public.

## **STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2018.**

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 FRS102. By 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 The Companies Act 2014.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company financial statements and 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 the profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and the directors' report includes all disclosures under Companies Act 2014, and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **ACCOUNTING RECORDS**

The measures taken by the directors to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014, regarding adequate accounting records are the implementation of necessary policies and procedures for recording transactions, the employment of competent accounting personnel with appropriate expertise and the provision of adequate resources to the financial function. The accounting records of the company are maintained at the Royal Hospital Kilmainham, Dublin 8. The Board is responsible for safeguarding the assets of the Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **RESULTS**

Details of the results for the year and state of affairs at the year-end are set out on Pages 8 – 29.

## **REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS**

The financial position at year end was satisfactory. However future levels of activity depend on the Oireachtas Grant allocated to the museum. The Board considers that the financial statements of IMMA present a true and fair view of the financial performance and the financial position of IMMA at 31 December 2018.

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budget and, on an annual basis, formally review the performance of the company with reference to this budget.

**Disclosures Required by the Code of Practice for the Governance of State Bodies (2016)**

The following disclosures are required by the Code of Practice:

- Employee Short-Term Benefits – See Note 11 to the Financial Statements
- Consultancy Costs – Detailed in Note 8
- Legal costs – Detailed in Note 8
- Travel costs – Domestic travel, international travel and Board Expenses are detailed in Note 8
- Hospitality Expenditure – Detailed in Note 8

**KEY PERSONNEL CHANGES**

Dr Moling Ryan (Interim Director) finished on 28 February 2019.

Annie Fletcher commenced as Director on 1 March 2019.

**SUB-COMMITTEES**

Two Committees established by the Board were operational during the financial year:

**The Finance, Audit & Risk Committee** has been established by the Board as independent and objective to oversee the sustainability of the internal control systems at IMMA, and the risk management arrangements in place.

The three issues on which it is required to report, as detailed in the Code of Practice include: Governance issues; Financial Reporting; and The quality of internal and external audit.

**The Collections and Acquisitions Committee** has been established by the Board to oversee the Museum's Collection of Contemporary Art. The responsibilities of the committee include: To maintain and review the Museum's collection management policies; to oversee and report on the management of the Museum's collection; and to approve acquisitions to the Museum's collection.

The committees have Terms of Reference approved by the Board and present annual reports to the Board.

**PERFORMANCE EVALUATION OF THE BOARD**

A detailed self-evaluation questionnaire based on that contained in the Code of Practice for the Governance of State Bodies was completed by all Board members and by members of the Finance, Audit and Risk Committee during 2018. The responses have been collated and evaluated and are being formally considered by the Board and the Committee.

**STATEMENT OF COMPLIANCE**

The Board has adopted the Code of Practice for the Governance of State Bodies (2016) and has procedures in place to ensure compliance with the Code. IMMA was in full compliance with the Code of Practice for 2018.

On behalf of the Board



David Harvey  
Director



Penelope Kenny  
Director

Date: 23 AUGUST 2019

# **Irish Museum of Modern Art/Áras Nua-Ealaíne na hÉireann**

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## **STATEMENT ON INTERNAL CONTROL**

### **Responsibility for System of Internal Control**

On behalf of the Board of Directors of the Irish Museum of Modern Art, I acknowledge our responsibility for ensuring that an effective system of internal control is maintained and operated. This responsibility takes account of the requirements of the Code of Practice for the Governance of State Bodies (2016).

### **Purpose of the System of Internal Control**

A system of internal control cannot eliminate risk, rather it is designed to make assessments of the risk environment and to manage risk at levels it deems appropriate. The system can only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely period.

The system of internal control, which accords with guidance issued by the Department of Public Expenditure and Reform has been in place in IMMA for the year ended 31 December 2018 and up to the date of approval of the financial statements.

### **Capacity to Handle Risk**

IMMA has a Finance, Audit & Risk Committee (FARC) comprising six members with financial and audit expertise. Five members are also board members, one of whom is the Chair, and there is one external member. The FARC met five times in 2018.

IMMA has established an internal audit function which is adequately resourced, and conducts a programme of work agreed with the FARC.

The FARC has developed a risk policy that sets out its risk appetite, the risk management processes in place and details the roles and responsibilities of staff in relation to risk. The policy has been issued to all staff who are expected to work within IMMA's risk management policies, to alert management on emerging risks and control weaknesses and assume responsibility for risks and controls within their own area of work.

### **Risk and Control Environment**

IMMA has implemented a risk management system which identifies and reports key risks and the management action being taken to address and, to the extent possible, to mitigate those risks.

A risk register is in place that identifies the key risks facing IMMA and these have been identified, evaluated and graded according to their significance. The register is reviewed and updated by the FARC on a quarterly basis. The outcome of these assessments is used to plan and allocate resources to ensure risks are managed to an acceptable level.

The risk register details the controls and actions needed to mitigate risks and responsibility for operation of controls assigned to specific staff. I confirm that a control environment containing the following elements is in place:

- procedures for all key business processes have been documented;
- financial responsibilities have been assigned at management level with corresponding accountability;
- there is an appropriate budgeting system with an annual budget that is kept under review by senior management;
- there are systems aiming at ensuring the security of the information and communication technology systems; and
- there are systems in place to safeguard the assets of IMMA.

### **On-going Monitoring and Review**

Formal procedures have been established for monitoring control processes and control deficiencies are communicated to those responsible for taking corrective action and to management and the Board, where relevant, in a timely way. I confirm that the following ongoing monitoring systems are in place:

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- key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies;
- reporting arrangements have been established at all levels where responsibility for financial management has been assigned, and
- there are regular reviews by senior management of periodic and annual performance and financial reports that indicate performance against budgets/forecasts.

### Procurement

I confirm that IMMA has procedures in place to ensure compliance with current procurement rules and guidelines and that during 2018 IMMA complied with those procedures, other than the contract disclosed in the Internal Control Issues paragraph below.

### Annual Review of Controls

I confirm that IMMA has procedures to monitor the effectiveness of its risk management and control procedures. IMMA's monitoring and review of the effectiveness of the system of internal control is informed by the work of the internal and external auditors, the Finance, Audit and Risk Committee which oversees their work, and the senior management within IMMA responsible for the development and maintenance of the internal control framework.

I confirm that the Board conducted an annual review of the effectiveness of the internal controls for 2018 on 27 February 2019.

### Internal Control Issues

- **Collections** – It was noted in the 2017 Financial Statements that policies in relation to collection, acquisition, disposal and loans were in draft form. These policies have now been completed and adopted by the Collections & Acquisitions committee.
- **Procurement** – A cleaning contract to the value of €137,957 in 2018 was due for renewal in 2015. The tender for the new contract was delayed due to the closure of the North Range for remediation works. It is intended that the tender will be issued in 2019.



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David Harvey  
Director

Date: 23 AUGUST 2019



# Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

## Report for presentation to the Houses of the Oireachtas

### Irish Museum of Modern Art

#### Opinion on the financial statements

I have audited the financial statements of the Irish Museum of Modern Art for the year ended 31 December 2018 as required under the provisions of section 5 of the Comptroller and Auditor General (Amendment) Act 1993. The financial statements comprise the statement of income and expenditure and retained revenue reserves, the statement of comprehensive income, the statement of financial position, the statement of cash flows and the related notes, including a summary of significant accounting policies.

In my opinion, the financial statements

- give a true and fair view of the assets, liabilities and financial position of the Irish Museum of Modern Art at 31 December 2018 and of its income and expenditure for 2018
- have been properly prepared in accordance with Financial Reporting Standard (FRS) 102 — *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*, and
- have been properly prepared in accordance with the Companies Act 2014.

#### *Basis of opinion*

I conducted my audit of the financial statements in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the company and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### *Conclusions related to going concern*

The directors have prepared the financial statements on a going concern basis. As described in the appendix to this report, I conclude on

- the appropriateness of the use by the directors of the going concern basis of accounting and
- 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.

I have nothing to report in that regard.

#### Opinion on matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, I report that, in my opinion,

- the information given in the directors' report is consistent with the financial statements, and
- the directors' report has been prepared in accordance with the Companies Act 2014.

I have obtained all the information and explanations that I consider necessary for the purposes of my audit.

In my opinion, the company's accounting records were sufficient to permit the financial statements to be readily and properly audited, and the financial statements are in agreement with the accounting records.



## Report of the C&AG (continued)

The Companies Act 2014 also requires me to report if, in my opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made. I have nothing to report in that regard.

### **Report on information other than the financial statements, and on other matters**

The directors have presented certain other information with the financial statements. This comprises the annual report, the directors' report and the statement on internal control. My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

I have nothing to report in that regard.



**Andrew Harkness**  
**For and on behalf of the**  
**Comptroller and Auditor General**

**28 August 2019**

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**STATEMENT OF INCOME AND EXPENDITURE AND RETAINED REVENUE RESERVES  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	NOTE	2018 €	2017 €
Oireachtas Grant	3.	<u>5,915,943</u>	<u>5,252,311</u>
<b><u>OTHER INCOME</u></b>			
Commercial activities	4.	868,759	1,146,813
Sponsorship	5.	237,882	237,140
Interest receivable	6.	0	67
Other income		30,966	19,320
Programme receipts	7.	147,191	199,075
Net deferred pension funding	19c.	<u>1,346,515</u>	<u>1,203,311</u>
		<u>2,631,313</u>	<u>2,805,726</u>
<b><u>TOTAL INCOME</u></b>		<b><u>8,547,256</u></b>	<b><u>8,058,037</u></b>
<b><u>EXPENDITURE</u></b>			
Commercial activities	4.	402,999	420,679
Arts programme	7.	2,160,931	2,151,229
Administration/curatorial/security	8.	3,676,571	3,250,925
Marketing	9.	148,046	143,386
Maintenance	10.	738,820	850,520
Retirement Benefit Costs	19a.	<u>1,317,389</u>	<u>1,270,465</u>
<b><u>TOTAL EXPENDITURE</u></b>		<b><u>8,444,756</u></b>	<b><u>8,087,204</u></b>
Surplus/(Deficit) for the year before appropriations	2.	<b>102,500</b>	<b>(29,167)</b>
Donated and Heritage Funds Works of Art	18.	<u>2,013,546</u>	<u>1,756,122</u>
Transfer to Capital Account		<u>(2,013,546)</u>	<u>(1,756,122)</u>
Surplus/(Deficit) for the year after appropriations		<b>102,500</b>	<b>(29,167)</b>
Balance brought forward at 1 January		<u>(189,361)</u>	<u>(160,194)</u>
Balance carried forward at 31 December		<u>(86,861)</u>	<u>(189,361)</u>

The Statement of Cash Flows and notes 1 to 23 form part of these financial statements.

On behalf of the Board



David Harvey  
Director



Penelope Kenny  
Director

Date: 23 AUGUST 2019

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**STATEMENT OF COMPREHENSIVE INCOME**

	NOTE	2018 €	2017 €
Surplus/(Deficit) for the year after appropriations		<u>102,500</u>	<u>(29,167)</u>
Experience (gains) on retirement benefit obligations		364,865	246,597
Changes in assumptions underlying the present value of retirement benefit obligations		<u>747,174</u>	<u>345,880</u>
Total actuarial loss/(gain) in the year	19b.	1,112,039	592,477
Adjustment to Deferred Benefits Funding		<u>(1,112,039)</u>	<u>(592,477)</u>
Total Comprehensive income/(deficit) for the year		<u>102,500</u>	<u>(29,167)</u>

The Statement of Cash Flows and notes 1 to 23 form and part of these financial statements.

On behalf of the Board



David Harvey  
Director



Penelope Kenny  
Director

Date: 23 AUGUST 2019

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**STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 DECEMBER 2018**

	NOTE	2018 €	2018 €	2017 €	2017 €
<b><u>FIXED ASSETS</u></b>					
Heritage Assets	12.	34,640,990		32,552,305	
Property, plant & equipment	13.	<u>241,770</u>	34,882,760	<u>170,435</u>	32,722,740
<b><u>CURRENT ASSETS</u></b>					
Inventory	14.	32,352		30,804	
Receivables	15.	104,245		293,447	
Cash and cash equivalents		<u>1,001,716</u>		<u>883,873</u>	
		<u>1,138,313</u>		<u>1,208,124</u>	
<b><u>CURRENT LIABILITIES: amounts falling due within one year</u></b>					
Payables	16.	<u>(1,324,657)</u>		<u>(1,538,761)</u>	
<b>NET CURRENT LIABILITIES</b>			<b><u>(186,344)</u></b>		<b><u>(330,637)</u></b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>34,696,416</b>		<b>32,392,103</b>
Deferred Retirement Benefit Funding Asset	19c.	19,203,446		18,968,970	
Retirement Benefit Obligations	19b.	<u>(19,203,446)</u>	-	<u>(18,968,970)</u>	-
<b>TOTAL NET ASSETS</b>			<b><u>34,696,416</u></b>		<b><u>32,392,103</u></b>
<b><u>REPRESENTING:</u></b>					
Retained Revenue Reserves			(86,861)		(189,361)
Capital Account (Works of Art)	18.		34,577,640		32,488,956
Deferred Capital Grants	3.		<u>205,637</u>		<u>92,508</u>
			<u>34,696,416</u>		<u>32,392,103</u>

The Statement of Cash Flows and notes 1 to 23 form part of these financial statements.

On behalf of the Board



David Harvey  
Director



Penelope Kenny  
Director

Date: 23 AUGUST 2019

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	2018 €	2017 €
<b>Net Cash flows from Operating Activities</b>			
(Deficit)/Surplus for year		102,500	(29,167)
Depreciation of Fixed Assets	13.	138,461	103,462
Decrease/ (Increase) in inventory	14.	(1,548)	33,505
Decrease/ (Increase) in receivables		189,202	9,548
Increase/ (Decrease) in payables		(214,105)	37,180
Increase/(Decrease) in deferred capital grants		113,129	52,358
Bank charges paid	8.	12,078	12,700
Bank Interest received	6.	0	(67)
Transfer to Capital Account –Works of Art		75,138	215,667
<b>Net Cash Inflow from Operating Activities</b>		<u>414,855</u>	<u>435,186</u>
<b>Cash Flows from Investing Activities</b>			
Capital Expenditure		<u>(284,934)</u>	<u>(353,829)</u>
<b>Net Cash Flows from Investing Activities</b>		<u>(284,934)</u>	<u>(353,829)</u>
<b>Cash flows from Financing Activities</b>			
Bank interest received	6.	0	67
Bank interest paid	8.	(12,078)	(12,700)
<b>Net Cash Flows from Financing Activities</b>		<u>(12,078)</u>	<u>(12,633)</u>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>		117,843	68,724
Cash and Cash Equivalents at 1 January		883,873	815,149
<b>Cash and Cash Equivalents at 31 December</b>		<u>1,001,716</u>	<u>883,873</u>

**NOTES TO THE FINANCIAL STATEMENTS**

**1. ACCOUNTING POLICIES**

The basis of accounting and significant accounting policies adopted by the Irish Museum of Modern Art are set out below. They have all been applied consistently throughout the year and for the preceding year.

**a. GENERAL INFORMATION**

The Irish Museum of Modern Art was set up under the Companies Act 1963, (as replaced by the Companies Act 2014) with a head office at the Royal Hospital Kilmainham, Dublin 8.

**LIMITED BY GUARANTEE**

The Company, which was incorporated on the 18<sup>th</sup> April 1985 under the Companies Act 1963, is limited by guarantee and does not have a share capital.

Every Board member is liable for the debts and liabilities of the Company in the event of a winding up to such amount as may be required but not to exceed €1.27 per member.

**b. PRINCIPAL ACTIVITY**

The principal business of the Company is the management and development of The Irish Museum of Modern Art at the Royal Hospital Kilmainham and the promotion of the Royal Hospital Kilmainham and its grounds as a major cultural and artistic centre accessible to the public.

Irish Museum of Modern Art is a Public Benefit Entity.

**c. STATEMENT OF COMPLIANCE**

The financial statements of The Irish Museum of Modern Art for the year ended 31 December 2018 have been prepared in accordance with FRS102, the financial reporting standard applicable in the UK and Ireland issued by the Financial Reporting Council (FRC), as promulgated by Chartered Accountants Ireland.

**d. BASIS OF PREPARATION**

The financial statements have been prepared under the historical cost convention, except for certain assets and liabilities that are measured at fair values as explained in the accounting policies below. The financial statements are in the form approved by the Minister for Culture, Heritage, and the Gaeltacht with the concurrence of the Minister for Public Expenditure and Reform under the Companies Act 2014. The following accounting policies have been applied consistently in dealing with the items which are considered material in relation to the Irish Museum of Modern Art's financial statements.

**e. REVENUE**

**OIREACHTAS GRANTS (Non-Capital)**

Revenue is generally recognised on an accrual basis; one exception to this is in the case of Oireachtas Grants which are recognised on a cash receipts basis.

**OIREACHTAS GRANTS (Capital)**

Grants allocated for the purpose of the acquisition of works of art are treated as being donated capital and are transferred to the Capital Account (Works of Art). Grants allocated for the purchase of tangible fixed assets are amortised over the life of the relevant fixed asset purchased.

**INCOME FROM COMMERCIAL ACTIVITIES**

The income from the Commercial Activities of the Company is accounted for on an accruals basis and reported exclusive of Value Added Tax.

**SPONSORSHIP**

Sponsorship income is credited to the Statement of Income and Expenditure and Retained Revenue Reserves in the year in which the applicable expenditure is incurred. Where expenditure has been deferred to a future period any income relevant to that expenditure will also be deferred.

**f. CAPITAL ACCOUNT (Works of Art)**

The Capital Account (Works of Art) represents the income allocated for the acquisition of works of art and the value of works donated to the Company under Tax legislation.

**g. PROPERTY, PLANT & EQUIPMENT**

Property, Plant & Equipment are shown at cost less accumulated depreciation, adjusted for any provision for impairment. Depreciation is charged on the straight-line basis at the annual rate set out below, so as to write off the assets, adjusted for estimated residual value over their expected useful life.

Furniture, Fittings & Equipment	25% per annum
Motor Vehicles	25% per annum

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of an age and in the condition expected at the end of its useful life.

If there is objective evidence of impairment to the value of an asset, an impairment loss is recognised in the Statement of Income and Expenditure and Retained Revenue Reserves in the year.

**h. HERITAGE ASSETS (Works of Art)**

All works of art recorded in the Statement of Financial Position are of an artistic nature and are maintained principally for their contribution to knowledge and culture.

The Royal Hospital building and any other locations operated by IMMA are owned and maintained by the State and are not the property of the Company.

**Disclosure:**

**i) The nature and scale of heritage assets held by IMMA.**

The Irish Museum of Modern Art is home to the National Collection of modern and contemporary art, with over 4,000 works categorised by the following major headings:

- Graphic Art & Photography – refers to two-dimensional works on a flat surface such as prints, drawings and photography
- Paintings – application of paint onto a solid surface such as canvas, board or linen
- Sculpture –three-dimensional object

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- Installation – three-dimensional works that often are site specific and designed to transform the perception of a space. This often includes audio-visual works that transform a space
- New Media/other – including digital art, computer graphics, computer animation/other types of medium include tapestry, works with multiple mediums and IMMA's archive Time-Based Media

The collection is firmly rooted in the present and important new works are added to the collection each year. Our collection of modern art is regularly enhanced by purchase, commission, donation or loan with a particular emphasis on work from the 1940s onwards.

### **ii) The policy for the acquisition, preservation, management and disposal of heritage assets.**

The Irish Museum of Modern Art was set up as a company limited by guarantee and not having a share capital under the Companies Act 2014. We are a National Cultural Institution under the auspices of the Minister for Culture, Heritage and the Gaeltacht.

#### **Acquisition.**

IMMA collection is the National Collection of Modern and Contemporary Art and collects in the present. Its remit is to collect the art of now for the future, to reflect key developments in contemporary visual culture and to keep them in the public domain for future generations.

#### **Donation.**

All donations must be first approved for acquisition by the Director and Head of Collections before they are brought before the Collections and Acquisitions Committee.

#### **Purchase.**

All purchases must be first approved for acquisition by the Director and Head of Collections before they are brought before the Collections and Acquisitions Committee. The Director has discretion to purchase works up to a certain value.

#### **Preservation & Management.**

IMMA monitors and in most cases actively controls the environment (temperature, humidity, light levels) in order to prolong the life of the assets. We also engage with conservation experts when required. The works of art are publically exhibited in rotation in IMMA's public programme. Individual works may be viewed in storage by prior appointment.

#### **Disposal.**

IMMA does not dispose of any works of art for financial profit. In exceptional circumstances, if a work of art is impaired beyond redemption (i.e. cannot be conserved), the work of art is removed from the database and de-accessioned.

The Museum acquires works of art through a variety of methods;

- a) Donations under Section 1003 of the Taxes Consolidation Act 1997.
- b) Donated Works of Art
- c) Purchased Works of Art.

### **iii) The accounting policies adopted for heritage assets including details of measurement bases used.**

The Value attributed to the asset at the time of acquisition is as follows:



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a) Donations under Section 1003 of the Taxes Consolidation Act 1997.

Certain tax liabilities can be settled by way of donation of an important heritage item to a specified national collection provided certain conditions are met. The market value is assessed at the time of donation.

b) Donated Works of Art.

These are valued by an internal expert at the time of acquisition based on comparative works of art and external market factors.

c) Purchased Works of Art.

These are recorded at the cost of acquisition.

The museum does not conduct an annual valuation and as a result, works of art are carried at cost of acquisition.

d) Impairment Review

The value of any works of art is not altered by market fluctuations in value. The museum reviews the condition of all artworks when going on loan or on public display.

iv) **All Heritage Assets are included in the Statement of Financial Position.**

v) **Heritage Assets recorded in the Statement of Financial Position are disclosed in Note 12.**

A summary of transactions relating to Heritage Assets showing cost and value of assets acquired in the period in each of the categories outlined is disclosed in Note 12.

i. **INVENTORY**

Inventory is stated at the lower of cost and net realisable value. Net realisable value is defined as the estimated selling price less all costs to be incurred in marketing, selling and distribution.

j. **TAXATION**

The Company is exempt from Corporation Tax under section 76 of the Taxes Consolidation Act, 1997.

k. **RETIREMENT BENEFIT**

The Museum operates a defined benefit pension scheme which is funded annually on a pay as you go basis from monies available to it, including monies provided by The Department of Culture, Heritage and the Gaeltacht.

Pension costs reflect pension benefits earned by employees in the period and are shown net of staff pension contributions which are treated as refundable to the Department in accordance with financing arrangements. An amount corresponding to the pension charge is recognised as income to the extent that it is recoverable, and offset by grants received in the year to discharge pension payments.

IMMA also operates the Single Public Services Pension Scheme ("Single Scheme"), which is a defined benefit scheme for pensionable public servants appointed on or after 1 January 2013. Single Scheme members' contributions are paid over to the Department of Public Expenditure and Reform (DPER). Actuarial gains or losses arising on scheme liabilities are reflected in the Statement of Comprehensive Income and a corresponding adjustment is recognised in the amount recoverable from the Department of Culture, Heritage and the Gaeltacht.

The financial statements reflect, at fair value, the assets and liabilities arising from the Irish Museum of Modern Art's pension obligations and any related funding, and recognises the costs of providing

pension benefits in the accounting periods in which they are earned by employees. Retirement benefit scheme liabilities are measured on an actuarial basis using the projected unit credit method.

## **I. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the reporting date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements.

### **a) Impairment of Works of Art**

The value of any works of art is not altered by market fluctuations in value. The museum reviews the condition of all artworks when going on loan or on public display. In addition, procedures are in place for a full physical verification of artworks every five years in line with standard museum practice. This verification involves a review of the condition of those works. An impairment loss would be recognised if a work of art is impaired beyond redemption, i.e. cannot be conserved. The work of art would then be removed from the database and de-accessioned. The museum does not conduct an annual valuation and as a result, works of art are carried at cost of acquisition. The value of any works of art is not altered by market fluctuations in value. There was no requirement for an impairment loss at the reporting date.

### **b) Impairment of Property, Plant and Equipment**

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. There was no recognition of impairment at the reporting date.

### **c) Depreciation and Residual Values**

The directors have reviewed the asset lives and associated residual values of all fixed asset classes, and in particular, the useful economic life and residual values of fixtures and fittings, and have concluded that asset lives and residual values are appropriate.

### **d) Retirement Benefit Obligation**

The assumptions underlying the actuarial valuations for which the amounts recognised in the financial statements are determined (including discount rates, rates of increase in future compensation levels, and mortality rates are updated annually based on current economic conditions, and for any relevant changes to the terms and conditions of the pension and post retirement plans.

The assumptions can be affected by:

- i) The discount rate, changes in the rate of return on high-quality corporate bonds.
- ii) Future compensation levels, future labour market conditions.

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**2) (DEFICIT)/SURPLUS FOR THE YEAR**

The (deficit)/surplus is stated after charging:

	2018	2017
	€	€
Auditors remuneration	22,000	20,000
Amortisation of capital grants	(96,669)	(44,219)
Depreciation	<u>138,461</u>	<u>103,461</u>

**3) OIREACHTAS GRANT - from the Department of Culture, Heritage and The Gaeltacht**

	2018	2017
	€	€
Opening balance – Capital Grants	92,508	40,150
Oireachtas Grants received	6,067,798	5,239,577
Oireachtas Grants received - Capital	<u>0</u>	<u>50,000</u>
	6,160,306	5,329,727

**Less**

Allocated to Revenue	(5,848,400)	(5,140,938)
Capital Grant Amortised in line with depreciation	(96,669)	(44,219)
Allocated to Capital – Works of Art	<u>(9,600)</u>	<u>(52,063)</u>

<b>Closing Balance – Capital Grants</b>	<b><u>205,637</u></b>	<b><u>92,508</u></b>
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Oireachtas Grants allocated to Revenue	5,945,069	5,185,157
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Less:

Net Retirement Benefit Obligations payable/(repayable)	<u>(29,126)</u>	<u>67,154</u>
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Oireachtas Grant reported in the Statement of Income and Expenditure and Retained Revenue Reserves	<u>5,915,943</u>	<u>5,252,311</u>
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**4) COMMERCIAL ACTIVITIES**

	2018	2017
	€	€
<b><u>Turnover</u></b>		
Hire of premises & equipment	211,305	516,045
Hire of meadows/outdoors	375,636	377,435
Franchise income	54,593	58,574
Car park income	20,846	27,378
Bookshop sales	<u>206,379</u>	<u>167,381</u>
	<u>868,759</u>	<u>1,146,813</u>

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<b><u>Cost of Sales</u></b>		
Bookshop overheads	116,629	117,210
Bookshop wages	110,556	84,382
Wages & Salaries	91,166	160,245
Cleaning	8,148	11,969
Direct operating expenses	65,276	34,787
Depreciation	<u>11,224</u>	<u>12,086</u>
	<u>402,999</u>	<u>420,679</u>
Surplus	<u>465,760</u>	<u>726,134</u>
<b>5) SPONSORSHIP</b>		
	2018	2017
	€	€
Opening Balance	131,036	57,800
Receivable during year	<u>253,861</u>	<u>318,376</u>
	384,897	376,176
<b><u>Less</u></b>		
Allocated to Revenue –Sponsorship	(237,882)	(237,140)
Allocated to Capital	<u>(25,538)</u>	<u>(8,000)</u>
Closing Balance	<u>121,477</u>	<u>131,036</u>
<b>6) INTEREST RECEIVABLE</b>		
	2018	2017
	€	€
Bank interest receivable	<u>0</u>	<u>67</u>
<b>7) ARTS PROGRAMME</b>		
	2018	2017
	€	€
Programme Receipts	<u>147,191</u>	<u>199,075</u>
<b>Cost of Programme</b>		
Wages & Salaries	943,049	953,456
Depreciation	51,467	47,080
Exhibitions:		
- Running costs	739,902	785,250
Travel - Domestic	592	566
Travel - International	20,409	21,169
Permanent Collection	287,893	240,169
Education & community expenses	87,100	89,143
Education - Fees	<u>30,519</u>	<u>14,396</u>
	<u>2,160,931</u>	<u>2,151,229</u>
Net Cost	<u>2,013,740</u>	<u>1,952,154</u>

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**8) ADMINISTRATION/CURATORIAL/SECURITY**

	2018	2017
	€	€
Wages & Salaries	2,882,410	2,592,618
Recruitment charges	60,414	3,346
Consultancy fees – Strategy Development *	15,189	9,999
Tax & Financial Advisory	20,639	31,773
HR & Pensions Advisory	12,824	6,939
Training	33,084	18,800
Postage & telephone	39,908	44,200
Subscriptions	11,399	11,005
Professional fees	27,924	29,462
Legal Fees	16,992	26,030
Office supplies & stationery	164,427	130,413
Sundry	16,221	19,356
Staff Hospitality	1,752	1,693
Coffee Shop/Canteen Expenses	3,782	7,156
Board Meetings/Amalgamation	2,930	2,524
Director’s Expenses – Domestic	314	3,988
Director’s Expenses - international	0	11,513
Travel/ Motor expenses	3,954	3,279
Board – Members expenses - Domestic	1,268	279
Insurance	24,119	19,074
Cleaning	154,229	155,123
Security	42,111	15,620
Depreciation	75,770	44,295
Temporary agency staff	29,724	37,135
Bank charges	12,078	12,700
Health & safety	<u>23,109</u>	<u>12,605</u>
	<u>3,676,571</u>	<u>3,250,925</u>

\*Consultancy costs include the cost of external advice to management and exclude outsourced 'business as usual' functions. Expenditure incurred on legal costs relate to general advice.

**9) MARKETING**

	2018	2017
	€	€
Advertising	2,834	1,648
Wages	47,569	52,606
Public relations	26,262	17,840
Other Marketing	<u>71,381</u>	<u>71,292</u>
	<u>148,046</u>	<u>143,386</u>

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**10) MAINTENANCE**

	<b>2018</b>	<b>2017</b>
	€	€
Security	323,037	333,744
Security Wages		51,522
Gas	151,584	167,057
Electricity	219,835	256,885
Water	23,461	21,688
Cleaning	<u>20,903</u>	<u>19,624</u>
	<u>738,820</u>	<u>850,520</u>

**11) EMPLOYEES AND REMUNERATION**

The average number of persons employed by the company in the financial year was 117 (2017 - 113) and is analysed in the following categories:

WTE's 86 (2017- 86) analysed as follows:-	<b>2018</b>	<b>2017</b>
Commercial	4	7
Programme	54	58
Administration	28	21

Employee numbers (WTE) at 31 December 2018 were 86 (2017: 86)

<b>Staff costs comprise:</b>	<b>2018</b>	<b>2017</b>
<u>Wages &amp; Salaries</u>	€	€
Note 4 Commercial Activities	91,166	160,244
Note 4 Commercial Activities-Bookshop	110,556	84,382
Note 7 Arts Programme	943,049	953,456
Note 8 Administration/Curatorial/Security	2,882,410	2,592,618
Note 9 Marketing	47,569	52,606
Note 10 Maintenance – Security Wages		<u>51,522</u>
Total Wages Costs	<u>4,074,750</u>	<u>3,894,828</u>

<b>Staff Costs Comprise:</b>	<b>2018</b>	<b>2017</b>
	€	€
Wages & Salaries	3,729,920	3,519,139
Termination Benefits	-	20,000
Social Insurance Costs	<u>344,830</u>	<u>355,689</u>
Total	<u>4,074,750</u>	<u>3,894,828</u>

<b>Short Term Benefits Comprise:</b>	<b>2018</b>	<b>2017</b>
	€	€
Basic Pay	3,667,981	3,463,089
Overtime	39,898	39,697
Allowances	<u>22,041</u>	<u>16,353</u>
Total	<u>3,729,920</u>	<u>3,519,139</u>

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Note: For the purposes of this disclosure, short term employee benefits in relation to services rendered during the reporting period include salary, overtime allowances and other payments made on behalf of the employee, but exclude employer's PRSI.

Termination Benefits payments relating to the termination of contracts for two employees during 2017 were made in 2018. The amount of €20,000 was charged to the Statement of Income and Expenditure in 2017 by way of accounting provision.

In 2018 €94,114 (2017: €85,570) of pension levy was deducted and payable to The Department of Culture, Heritage and the Gaeltacht.

In 2018 €25,741 (2017: €12,908) of Employee deductions for the Single Pension Scheme were deducted and payable to the Department for Public Expenditure and Reform.

The salary paid to the Director was €69,088 in 2018 (2017 - €81,353).

The Director's pension entitlements do not extend beyond the standard entitlements in the model defined benefit scheme. The Director was not in receipt of any performance related pay award. The Director has use of the company car but this car is not used solely by the Director. No Benefit-in-Kind accrues.

The ECF Numbers at the end of 2018 were 68 (2017 - 68).

**EMPLOYEE BENEFITS BREAKDOWN**

Range of total employee benefits	No of Employees 2018	No of Employees 2017
€60,000 - €69,999	5	5
€70,000 - €79,999	3	3
€80,000 - €89,999	0	1

Compensation paid to key management personnel is disclosed in note 22.

**12) HERITAGE ASSETS (WORKS OF ART)**

As outlined in Accounting Policy 1h the Museum recognises all heritage assets purchased or acquired since 1990. Such assets are carried at cost at the date of acquisition with adjustment for impairment where required. The transactions for 2018 and the previous four accounting periods are set out below.

**a) Purchased and Assisted Purchases**

	2018	2017
	€	€
Cost at 1 January	7,590,034	7,489,971
Acquired during year	<u>75,138</u>	<u>100,063</u>
Cost at 31 December	<u>7,665,172</u>	<u>7,590,034</u>

The cost of purchased and assisted purchases is the cost at date of acquisition. The Museum does not conduct an annual valuation.

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**b) Section 1003**

	2018	2017
	€	€
Valuation as at 1 January	10,583,363	10,583,363
Additions in the year	<u>1,441,800</u>	<u>-</u>
Valuation as at 31 December	<u>12,025,163</u>	<u>10,583,363</u>

Under Section 1003, Taxes Consolidation Act 1997 certain tax liabilities can be settled by way of donation of an important heritage items to a specified national collection. The market value is assessed at the time of donation by the Revenue Commissioners

**c) Heritage Fund**

	2018	2017
	€	€
Valuation as at 1 January	<u>1,300,000</u>	<u>1,300,000</u>
Valuation as at 31 December	<u>1,300,000</u>	<u>1,300,000</u>

The Heritage Fund Act, 2001 established the Heritage Fund. Under this fund we received three Artworks by James Coleman to the value of €1,300,000

**d) Donated Works of Art**

	2018	2017
	€	€
Valuation as at 1 January	13,078,909	11,322,787
Additions	<u>571,746</u>	<u>1,756,122</u>
Valuation as at 31 December	<u>13,650,655</u>	<u>13,078,909</u>

A reliable fair value for the donated works of art has been established by internal experts at the time of acquisition based on one or more of the following:

- (i) Written values originally recorded (where applicable) when the artworks first arrived at IMMA
- (ii) Values which have been researched using Artnet, an online valuation service, which records prices fetched at all auctions and sales worldwide of modern and contemporary art
- (iii) Advice from galleries, artist's agents and artists

	2018	2017
	€	€
<b>TOTAL WORKS OF ART</b>	<b><u>34,640,990</u></b>	<b><u>32,552,305</u></b>



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**Five Year Financial Summary of Heritage Asset Transactions**

	2018	2017	2016	2015	2014
	€	€	€	€	€
<b>Purchases:</b>					
Graphic Art/Photography	-	-	-	-	-
Painting	-	6,800	-	-	-
Sculpture	-	22,000	6,000	-	3,972
New Media/Other	43,839	51,262	37,375	-	-
Installation	31,299	20,000	80,919	-	12,461
<b>Total</b>	<b><u>75,138</u></b>	<b><u>100,062</u></b>	<b><u>124,294</u></b>	<b><u>-</u></b>	<b><u>16,433</u></b>
<b>Section 1003:</b>					
Graphic Art/Photography	199,900	-	-	-	-
Painting	787,900	-	-	-	-
Sculpture	350,000	-	-	-	-
New Media/Other	54,000	-	-	-	-
Installation	50,000	-	-	-	-
<b>Total</b>	<b><u>1,441,800</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Heritage Fund</b>	<b>-</b>	<b>-</b>	<b>160,000</b>	<b>-</b>	<b>-</b>
<b>Donated Works of Art</b>					
Graphic Art/Photography	88,500	575,095	-	-	-
Painting	178,246	519,571	-	-	-
Sculpture	185,000	89,943	-	-	-
New Media/Other	-	56,640	-	-	-
Installation	120,000	514,873	-	-	-
<b>Total</b>	<b><u>571,746</u></b>	<b><u>*1,756,122</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Grand Total</b>	<b><u>2,088,684</u></b>	<b><u>1,856,184</u></b>	<b><u>284,294</u></b>	<b><u>-</u></b>	<b><u>16,433</u></b>

\* This includes a number of donated works received during the years 2012 to 2016 totalling €1.64m in value.

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d) **Assets held on behalf of third parties**

**Gordon Lambert Trust**

	<b>2018</b>	<b>2017</b>
Valuation	<u>2,914,828</u>	<u>2,914,828</u>

**Madden Arnholz Collection**

Valuation	<u>750,000</u>	<u>750,000</u>
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Amounts included in Note 12(d) relate to assets held and maintained by IMMA, to which legal title has not yet been bestowed. As such they have been excluded from the statement of Financial Position. The value attributed to the Gordon Lambert Collection was made by the Gordon Lambert Modern Art Charitable Trust when the Collection donated to IMMA in 1992. In 2011 a number of prints from the Madden Arnholz Collection were valued by Caxton Antique Dealers.

<b>13)</b>	<b>FIXED ASSETS</b>	<b>Motor Vehicles</b>	<b>Furniture, Fittings &amp; Equipment</b>	<b>Total</b>
		€	€	€
	<b>COST</b>			
	Cost at 1 January 2018	22,555	1,402,769	1,425,324
	Additions	0	209,796	209,796
	Disposals	<u>0</u>	<u>(28,731)</u>	<u>(28,731)</u>
	Cost at 31 December 2018	<u>22,555</u>	<u>1,583,834</u>	<u>1,606,389</u>
	<b>DEPRECIATION</b>			
	Depreciation at 1 January 2018	22,555	1,232,334	1,254,889
	Charge for year	0	138,461	138,461
	Disposals	<u>0</u>	<u>(28,731)</u>	<u>(28,731)</u>
	Depreciation at 31 December 2018	<u>22,555</u>	<u>1,342,064</u>	<u>1,364,619</u>
	<b>NET BOOK VALUE</b>			
	At 31 December 2017	<u>-</u>	<u>170,435</u>	<u>170,435</u>
	At 31 December 2018	<u>-</u>	<u>241,770</u>	<u>241,770</u>
<b>14)</b>	<b>INVENTORY</b>		<b>2018</b>	<b>2017</b>
			€	€
	Finished goods (Editions & Catalogues)		<u>32,352</u>	<u>30,804</u>

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**15) RECEIVABLES**

	2018	2017
	€	€
Trade debtors	73,355	233,376
Sundry debtors	2,993	0
Prepayments and accrued income	<u>27,897</u>	<u>60,071</u>
	<u>104,245</u>	<u>293,447</u>

**16) PAYABLES: amounts falling due within one year**

	2018	2017
	€	€
Trade Creditors	160,306	216,460
Accruals	444,669	441,732
Deposits for Concerts/Future Events	160,100	243,170
PAYE/PRSI	142,870	229,349
Withholding Tax	11,134	6,231
Superannuation deductions Museum scheme *	265,483	263,316
Employee superannuation deductions payable to DCHG and DPER	18,618	7,467
Sponsorship in advance	5. <u>121,477</u>	<u>131,036</u>
	<u>1,324,657</u>	<u>1,538,761</u>

No security has been provided by IMMA in respect of the above creditors.

\*Superannuation deductions of €265,483 (2017: €263,316) are retained by the Irish Museum of Modern Art from employees' pension payments. These payments are used for making payments to retired members of the IMMA Pension Scheme. Deductions exceeded payments in 2018.

**17) CONTINGENCIES**

There are no contingent liabilities.

**18) CAPITAL ACCOUNT – WORKS OF ART**

	Dept of Culture, Heritage & the Gaeltacht	Assisted Purchases	Donations	Total
	€	€	€	€
Received in year	<u>9,600</u>	<u>65,538</u>	<u>2,013,546</u>	<u>2,088,684</u>
31 December 2018	<u>6,975,237</u>	<u>626,585</u>	<u>26,975,818</u>	<u>34,577,640</u>

These amounts have been granted to the company for the specific intention of purchasing works of art. See Note 12 for further information on the donations received in 2018.

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**19) RETIREMENT BENEFIT COSTS**

**Analysis of total retirement benefit costs charged to the Statement of Income and Expenditure and Retained**

a) Revenue Reserves	€	2018 €	2017 €
Current Service Cost		1,120,000	1,091,717
Interest on Retirement Benefit Scheme Liabilities		322,720	311,518
Employee Contributions		<u>(125,331)</u>	<u>(132,770)</u>
		<u>1,317,389</u>	<u>1,270,465</u>

**Analysis of amount recognised in statement of Comprehensive Income**

	2018 €	2017 €
Experience (gain) on scheme liabilities	(364,865)	(246,597)
Loss/ (gain) on change of assumptions (financial and demographic)	<u>(747,174)</u>	<u>(345,880)</u>
	<u>(1,112,039)</u>	<u>(592,477)</u>

**b) Movement in Net Retirement Benefit obligations during the financial year**

	2018 €	2017 €
Net retirement benefit obligation at 1 January	(18,968,970)	(18,358,136)
Current service cost	(1,120,000)	(1,091,717)
Pension Payments	96,205	199,924
Interest on Scheme Liabilities	(322,720)	(311,518)
Actuarial (Loss)/gain recognized in the Statement of Comprehensive Income	<u>1,112,039</u>	<u>592,477</u>
Net retirement benefit obligations at 31 December	<u>(19,203,446)</u>	<u>(18,968,970)</u>

**c) Deferred Funding for Retirement Benefits**

The Museum recognises these amounts as an asset corresponding to the unfunded deferred liability for pensions on the basis of the set of assumptions described below and a number of past events. These include the statutory basis for the establishment of the superannuation schemes, and the policy and practice currently in place in relation to funding public service pensions including contributions by employees and the annual estimates process. While there is no formal agreement regarding these specific amounts with the Department of Culture, Heritage and the Gaeltacht, the Museum has no evidence that this funding policy will not continue to meet such sums as they fall due in accordance with current practice. The deferred funding asset for retirement benefits as at 31 December 2018 amounted to €19,203,446 (2017: €18,968,970)

<b>Irish Museum of Modern Art/Áras Nua-Ealaíne na hÉireann</b> (A Company Limited by Guarantee)
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<b>Net deferred funding for retirement benefits recognised in the Statement of Income and Expenditure and Retained Revenue Reserves</b>		
	<b>2018</b>	<b>2017</b>
	€	€
Funding recoverable in respect of current year pension costs		
Current Service Costs	1,120,000	1,091,717
Interest on scheme liabilities	322,720	311,518
Pension Payments	<u>(96,205)</u>	<u>(199,924)</u>
	<b><u>1,346,515</u></b>	<b><u>1,203,311</u></b>
<b>d) History of experience gains and losses</b>	<b>2018</b>	<b>2017</b>
	€	€
Experience (Gains) on scheme liabilities	(364,865)	(246,597)
percentage of present value of scheme liabilities	(2%)	(1%)
Total loss/(gain) recognised in the Statement of Comprehensive Income	(1,112,039)	(592,477)
percentage of present value of scheme liabilities	(6%)	(3%)

**e) Description of Scheme**

The Museum operates a contributory defined benefit superannuation scheme for its employees which was introduced with effect from 1 October 2001. The scheme being operated for the Museum is identical to the Occupational Superannuation Scheme for Established Civil Servants. It is a defined benefit scheme and is operated on a "pay-as-you-go" basis. The contributions are deducted from salaries. The balance between deductions and payments is included in creditors.

The valuation of the defined benefit scheme for the purposes of FRS 102 disclosures has been carried out by an independent actuary in order to assess the liabilities at 31 December 2018. The financial assumptions used to calculate the retirement liabilities and components of the defined benefit cost for were as follows:

<b>Valuation Method</b>	<b>2018</b>	<b>2017</b>
	%	%
Discount Rate	1.70	1.70
Salary Increases	2.85	3.00
Pension Increases	2.85	3.00
Inflation Increases	1.85	2.00

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The mortality basis adopted allows for improvements in life expectancy over time, so that life expectancy at retirement will depend on the year in which the member attains retirement age (age 65). The table below shows the life expectancy for members currently aged 45 and aged 65.

Life Expectancy for Male aged 65	21.3 years
Life Expectancy for Female aged 65	23.9 years
Life Expectancy for Male aged 45 now (from 65)	22.9 years
Life Expectancy for female aged 45 now (from 65)	25.1 years

The Single Public Service Pension Scheme (Single Scheme) is the defined benefit pension scheme for pensionable public servants appointed on or after 1 January 2013 in accordance with the Public Service Pension (Single Scheme and Other Provisions) Act 2012. The scheme provides for a pension and retirement lump sum based on career-average pensionable remuneration, and spouse's and children's pensions. The minimum pension age is 66 years (rising in line with State pension age changes). It includes an actuarially-reduced early retirement facility from age 55. Pensions in payment increase in line with the consumer price index.

**20) BOARD MEMBERS' INTERESTS**

The Board has adopted procedures in accordance with guidelines issued by the Department of Public Expenditure and Reform in relation to the disclosure of interests by Board Members and these procedures have been adhered to in the year. There were no transactions in the year in relation to the Board's activities in which the Board Members had any beneficial interest.

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**21) BOARD MEMBERS' EMOLUMENTS**

Board Member	Board Fees	Vouched Expenses	Meetings Attended
David Harvey (Chair)	-	-	10/10
Mary Apied	-	-	8/10
Gerard Byrne	-	-	8/10
John Cunningham	-	-	2/04
Jane Dillon Byrne	-	-	10/10
Dermod Dwyer	-	-	9/10
Emma Goltz	-	-	9/10
Denis Hickie	-	-	7/10
Penelope Kenny	-	-	8/10
Margot Lyons	-	-	3/04
Sheila O'Regan	-	1,268	8/10
Tim Scanlon	-	-	10/10

The Chair of the Board is entitled to a fee under, "fees payable to members of the boards of non-commercial Public Service Bodies". However, the Chair waived the fee from 2010 to 2018 inclusive. Directors of the Board are not entitled to any fees.

**22) RELATED PARTY DISCLOSURES**

Key management personnel in the Irish Museum of Modern Art consist of the CEO and members of the Board of Directors. Total compensation paid to key management personnel including Board member's fees and expenses and total CEO remuneration amounted to €70,356 (2017: €86,344).

**23) APPROVAL OF FINANCIAL STATEMENTS**

The Financial Statements were approved by the Board on 27 February 2019