

Project Arts Centre

**Reports and Financial Statements
for the financial year ended
31 December 2016**

PROJECT ARTS CENTRE

**REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

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PROJECT ARTS CENTRE

DIRECTORS AND OTHER INFORMATION

DIRECTORS

Sarah Byrne
Louise Church
Dylan Haskins
Rosaleen McDonagh
Adrian O'Carroll
Liv O'Donoghue
John O'Halloran
Sarah Pierce
Fiona Slevin
Matthew Smyth

SECRETARY

John O'Halloran

REGISTERED OFFICE

38/41 East Essex Street
Temple Bar
Dublin 2

AUDITORS

Deloitte
Chartered Accountants and Statutory Audit Firm
Deloitte House
Earlsfort Terrace
Dublin 2

SOLICITORS

Kennedy Solicitors
Ulysses House
Foley Street
Dublin 1

BANKERS

Bank of Ireland
88 Lower Camden Street
Dublin 2

CRO NUMBER

35937

REGISTERED CHARITY NUMBER

20011970

CHY (REVENUE) NUMBER

6465

PROJECT ARTS CENTRE

CHAIRPERSON'S STATEMENT

Project Arts Centre (PAC) is the only multi-disciplinary arts centre in Dublin city centre, presenting a broad range of work from artists at different stages of their careers. We have an established position as a vital part of the cultural infrastructure in Ireland and beyond, maintaining a public space for artistic enquiry and as a centre of community for arts workers and public alike. We support artists that are not yet amenable to more formal funding mechanisms and as actively interested in commissioning and generating new work as well as developing, sustaining and engaging audiences across disciplines and cultures.

In 2016, PAC presented 372 performance events, 5 exhibitions and welcomed over 65,000 audience members into the centre.

The performing arts programme at PAC ranges across the spectrum of contemporary practices and the organisation manages a great variety of relationships with those who create and participate in it. We work with artists of considerable experience and skill who have been making work for decades and also with recent graduates and emerging artists whose learning and development we actively support. Some audience members have been coming to PAC since the 1970s, some attended for the first time in 2016. The organisation constantly works to stimulate and to support artist' ambitions and to expand the public's horizons, aiming for high quality in the production of work as well as an audience's experience of it.

In order to realise the performance programme the organisation makes commissions, manages projects for independent artists and provides facilities for establish and emerging production companies and a range of festivals. The programme can be described under three strands:

- **Hosted Programme**

Work presented at PAC by the independent sector

- **Commissions Programme**

Work commissioned directly by PAC

- **Project Artist Programme**

Provides an extensive range of services and supports to artists, encompassing artistic advice, financial planning & management, marketing, publicity and production assistance.

The visual arts programme is entirely curated and produced by PAC and is constructed with a strong vision of conceptual and cultural diversity in mind. The programme has an international horizon and is included internationally amongst a unique group of high performing artist centres. In 2016, PAC's Curator of Visual Arts, Tessa Giblin, moved on after 10 years and the centre welcomed Livia Paldi as the new Curator of Visual Arts for a three-year term with her programme beginning in August 2017.

I would like to acknowledge the work of the centre staff in the delivery of this vibrant, high-quality programme and further to this to thank my colleagues on the Board of Directors for the guidance, insights and dedication during the year. I would like to acknowledge the support of the Arts Council, Dublin City Council, Culture Ireland, our Project People and other partners for their support in the delivery of PAC's programme.

In 2016, PAC has stabilised its finances and has taken steps to consider longer term solutions to ensure the sustainability of the organisation into the future, including a review of our business model and the delivery of a new strategic plan in 2017.

PROJECT ARTS CENTRE

CHAIRPERSON'S STATEMENT (CONTINUED)

In 2017, PAC will maintain its prominence as a leading centre for contemporary arts; a hub for production and a platform for engagement with the work of talented, established and emerging artists. I look forward to working with Cian O'Brien and the inspiring centre staff, alongside by Board colleagues and our Membership to continue to deliver PAC's core mission as Ireland's leading centre for the presentation and development of contemporary art, dedicated to protecting the independent sector and nurturing the next generation of Irish artists across all forms of the performing and visual arts.



Sarah Pierce
Chair
Project Arts Centre

PROJECT ARTS CENTRE

DIRECTORS' REPORT

The directors present their annual report on the affairs of the company, together with the audited financial statements, for the financial year ended 31 December 2016.

BUSINESS REVIEW

The company's activities consist of the promotion of the arts. There has been no significant change in these activities during the financial year and the directors do not expect any significant changes to the activities of the company for the foreseeable future. Details regarding the performance and activities of the company during the financial year are set out on the Chairperson's statement on pages 3-4.

RESULTS FOR THE FINANCIAL YEAR	2016 €	2015 €
Surplus/(deficit) on ordinary activities before taxation	<u>14,369</u>	<u>(101,967)</u>

DIRECTORS AND SECRETARY

The directors and secretary, who served at any time during the financial year except as noted, were as follows:

Directors:

John Collins (resigned 28 September 2016)
Sarah Byrne
Louise Church
Loughlin Deegan (resigned 12 December 2016)
Sarah Glennie (resigned 24 August 2016)
Dylan Haskins
Rosaleen McDonagh (appointed 3 July 2017)
Adrian O'Carroll (appointed 24 October 2016)
Liv O'Donoghue
John O'Halloran (appointed 18 January 2016)
Sarah Pierce
Fiona Slevin
Matthew Smyth (appointed 3 July 2017)

Company Secretary:

John O'Halloran

EVENTS AFTER THE BALANCE SHEET DATE

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

GOING CONCERN

The company's business activities, together with the factors likely to affect its future development, performance and position have been reviewed by the directors. The directors' have also reviewed the financial position of the company; its cash flows, liquidity position; the company's objectives, policies and processes for managing its capital; its financial risk management objectives and its exposure to liquidity risk and credit risk. The company meets its day to day working capital requirements through funding received from the Arts Council. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of these financial statements. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements. Further details regarding the going concern basis are outlined in note 2 to the financial statements.

PROJECT ARTS CENTRE

DIRECTORS' REPORT (CONTINUED)

ACCOUNTING RECORDS

The measures that the directors have taken to secure compliance with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's registered office at 38/41 East Essex Street, Temple Bar, Dublin 2.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company's activities expose it to a number of financial risks including liquidity risk and credit risk.

Liquidity risk

In order to maintain liquidity to ensure sufficient funds are available for future activities, the company has access to a bank overdraft facility and funds received in advance.

Credit risk

The company's principal financial assets are bank balances and cash, trade and other receivables. The company's credit risk is primarily attributable to its trade receivables and amounts due from project artists. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. The principal financial liabilities of the company are trade and other payables and deferred income.

DISCLOSURE OF INFORMATION TO AUDITORS

In the case of each of the persons who are directors at the time the directors' report and financial statements are approved:

- a) So far as the Director is aware, there is no relevant audit information of which the Company's statutory auditors are unaware; and
- b) Each Director has taken all steps that ought to have been taken by the Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 330 of the Companies Act 2014.

AUDITORS

The auditors, Deloitte, Chartered Accountants and Statutory Audit Firm, continue in office in accordance with Section 383(2) of the Companies Act 2014.

Approved by the Board and signed on its behalf by:



John O'Halloran
Director



Sarah Pierce
Director

Date: 30-08-2017

PROJECT ARTS CENTRE

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the directors' report and the financial statements in accordance with the Companies Act 2014.

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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("relevant financial reporting framework"). 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 profit or loss of the company for the financial year and otherwise comply with the Companies Act 2014.

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

- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROJECT ARTS CENTRE

We have audited the financial statements of Project Arts Centre for the financial year ended 31 December 2016 which comprise the Statement of Income and Retained Earnings, the Balance Sheet, Statement of Cash Flows and the related notes 1 to 18. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("relevant financial reporting framework").

This report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with the Companies Act 2014 and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Reports and Financial Statements for the financial year ended 31 December 2016 to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion, the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2016 and of the surplus for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014.

Emphasis of Matter - Going Concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure in Note 2 in the financial statements concerning the ability of the company to continue as a going concern. The company had net current liabilities of €170,837 and net liabilities of €174,498 at 31 December 2016. The company is dependent principally on the availability of funding from The Arts Council. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The directors are satisfied that the company will obtain sufficient funding from The Arts Council to enable it to continue to meet its liabilities as they fall due and in particular for a period of at least 12 months from the date of approval of these financial statements, and on that basis consider that it is appropriate to prepare the financial statements of the company on a going concern basis. The financial statements do not include any adjustment to the carrying value or classification of assets and liabilities that may arise if the company was unable to continue as a going concern.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROJECT ARTS CENTRE

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

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the directors' report is consistent with the financial statements.

Matters on which we are required to report by exception

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

Margarita Martin

Margarita Martin
For and on behalf of Deloitte
Chartered Accountants and Statutory Audit Firm
Dublin

Date: *31 August 2017*

PROJECT ARTS CENTRE

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

	<i>Notes</i>	2016 €	2015 €
Income	4	2,830,439	2,234,478
Administrative expenses		(2,805,046)	(2,324,650)
Operating surplus/(deficit)		25,393	(90,172)
Interest payable	5	(11,024)	(11,795)
Surplus/(deficit) on ordinary activities before taxation	6	14,369	(101,967)
Taxation	8	-	-
Surplus/(deficit) on ordinary activities after taxation		14,369	(101,967)
Retained deficit at the beginning of the financial year		(188,867)	(86,900)
Retained deficit at the end of the financial year		(174,498)	(188,867)

PROJECT ARTS CENTRE

BALANCE SHEET AS AT 31 DECEMBER 2016

	<i>Notes</i>	2016 €	2015 €
Fixed assets			
Tangible assets	9	12,200	18,426
Current assets			
Stocks	10	7,819	8,036
Debtors	11	239,649	167,658
Cash at bank and in hand		100,301	271,062
		347,769	446,756
Creditors: Amounts falling due within one year	12	(518,606)	(631,837)
Net current liabilities		(170,837)	(185,081)
Total assets less current liabilities		(158,637)	(166,655)
Creditors: Amounts falling due after more than one year			
Long-term loan	13	(15,861)	(22,212)
NET LIABILITIES		(174,498)	(188,867)
Capital and reserves			
Retained deficit		(174,498)	(188,867)

The financial statements were approved and authorised for issue by the Board of Directors on 30-08-2017 and signed on its behalf by:



John O'Halloran
Director



Sarah Pierce
Director

PROJECT ARTS CENTRE

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

		2016	2015
	<i>Notes</i>	€	€
Net cash flows from operating activities	<i>16</i>	(149,946)	188,941
Cash flows from investing activities			
Interest paid	<i>5</i>	(11,024)	(11,795)
Payments to acquire tangible fixed assets	<i>9</i>	(3,440)	(15,201)
Net cash flows from investing activities		(14,464)	(26,996)
Cash flows from financing activities			
Repayment of borrowings		(6,351)	(6,351)
Net cash used in financing activities		(6,351)	(6,351)
Net (decrease)/increase in cash and cash equivalents		(170,761)	155,594
Cash and cash equivalents at beginning of financial year		271,062	115,468
Cash and cash equivalents at end of financial year		100,301	271,062

PROJECT ARTS CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial year and to the preceding year.

General Information and Basis of Accounting

Project Arts Centre is a company incorporated in the Republic of Ireland under the Companies Act 2014. The address of the registered office is given on page 2. The nature of the company's operations and its principal activities are set out in the directors' report on pages 5 to 6.

The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 2014 and Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of Project Arts Centre is considered to be euro because that is the currency of the primary economic environment in which the company operates.

These financial statements are separate financial statements.

Going Concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the directors' report. The directors' report describes the financial position of the company; its cash flows, liquidity position; the company's objectives, policies and processes for managing its capital; its financial risk management objectives and its exposure to liquidity risk and credit risk. The company meets its day to day working capital requirements through accumulated reserves, bank and other debt. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements. Further details regarding the going concern basis are outlined in note 2 to the financial statements.

Recognition of Income

- (i) Grant income is accounted for on a receivable basis.
- (ii) Box office income is recognised on a receipts basis in the period in which productions take place.
- (iii) Bar income is recognised on a cash receipts basis exclusive of VAT.
- (iv) Cultural agency and production income is credited to the income account in the period in which productions take place. The company recognises artist income for productions where they assist the artist to fulfil the grant funding conditions in carrying out the project. Any funding held on behalf of the artist is deferred and included in creditors.
- (v) Rental income comprises rental of space for productions. It is credited to the income statement in the period in which productions take place.

PROJECT ARTS CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

1. ACCOUNTING POLICIES (CONTINUED)

Grants

- (i) **Revenue Grants:**
Revenue grants are credited to the income statement in the financial year to which they relate.
- (ii) **Capital Grants:**
Capital grants are accounted for in the financial year in which they are received and are amortised to the income statement in the financial year in which the related expenditure is incurred on the same basis as the related tangible fixed assets are depreciated.

Taxation

Project Arts Centre (CHY No.6465) has charitable objectives and has been granted charitable status by the Irish Revenue Commissioners and is exempt from corporation tax, under the provision of section 207 of the Taxes Consolidation Act 1997.

Fixed Assets and Depreciation

Tangible fixed assets are stated at cost, net of depreciation. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Office equipment	25%
Fixtures and fittings	25%
Sound and lighting equipment	25%
Bar equipment	25%

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 the age and in the condition expected at the end of its useful life.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell, which is equivalent to the net realisable value. Cost represents invoice price from suppliers after discounts and rebates. An allowance is made for obsolete, slow-moving or defective items where appropriate.

Foreign Currency

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates ruling at the balance sheet date. Revenues, costs and non-monetary assets are translated at the exchange rates ruling at the dates of the transactions. The resulting surplus or deficit is dealt with in the statement of income and retained earnings.

PROJECT ARTS CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

1. ACCOUNTING POLICIES (CONTINUED)

Financial Instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. Financial liabilities are classified according to the substance of the contractual arrangements entered into.

Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the company, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires. Balances that are classified as payable or receivable within one financial year on initial recognition are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Operating Leases

Operating lease rentals are charged to the statement of income and retained earnings on a straight line basis over the lease term.

2. GOING CONCERN

The company reported a surplus for the financial year of €14,369 (2015: deficit €101,967) after receiving grant income from The Arts Council of €675,250 (2015: €649,000) and had net current liabilities of €170,837 (2015: €185,081) and net liabilities of €174,498 (2015: €188,867) at the balance sheet date.

The company is dependent principally on the availability of funding from The Arts Council, generation of surplus funds from Project productions and income from cultural agencies to meet its ongoing operating expenses. The Board are pursuing additional sources of funding and are taking steps to ensure that the accumulated retained deficit is effectively managed and operational activity continues.

Project was the first arts centre established in Ireland and it has built an excellent, long-standing relationship with the Arts Council. It is recognised as a key part of the national arts infrastructure and receives the highest funding award of all multi-disciplinary venues in the country.

The company has agreed grant funding from The Arts Council for 2017, and the directors have prepared budgeted income projections and are satisfied that the Arts Council funding and income from the company's programme of events will generate adequate finance for its working capital needs for a period of not less than twelve months from the date of approval of the financial statements to enable the company to meet its liabilities as they fall due.

On that basis, the directors consider it appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments to the carrying amount or classification of assets and liabilities that would arise if the company was unable to continue as a going concern.

PROJECT ARTS CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The directors consider there to be no critical accounting judgements or key sources of estimation uncertainty evident in the application of the company's accounting policies with the exception of the going concern assessment, which is detailed separately in note 2 to these financial statements.

4. INCOME

Income comprises grant income, including income awarded to artists who work with the company, venue rental, and box office and bar receipts and is derived from activities undertaken in Ireland and a small number of productions travel within the EU.

	2016 €	2015 €
Grant income	741,363	716,888
Cultural agency and production income	1,930,722	1,371,638
Other income	158,354	145,952
	<u>2,830,439</u>	<u>2,234,478</u>

5. INTEREST PAYABLE

	2016 €	2015 €
On bank overdrafts and other loans	11,024	11,795

6. SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAXATION

The surplus/(deficit) on ordinary activities before taxation is stated after charging:

	2016 €	2015 €
Depreciation	9,666	13,617
Amortisation	(1,250)	(1,250)
Directors remuneration	-	-
Operating lease payments	37,711	37,711

PROJECT ARTS CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

7. STAFF NUMBERS AND COSTS

The average monthly number of persons employed by the company was as set out below:

	2016	2015
	No.	No.
Administrative	18	17
Bar	8	7
Technical	4	4
PAC Production	-	4
Project Artists	-	8
	30	40

The aggregate payroll costs of these persons were as follows:

	2016	2015
	€	€
Wages and salaries	734,777	743,514
Social welfare costs	76,077	77,302
	810,854	820,816

The total remuneration packages of the key management personnel for the company for the financial year ended 31 December 2016 was €151,769 (2015: €152,815).

8. TAXATION

The company is exempt from taxation under Section 208 of the Taxes Consolidation Act, 1997.

PROJECT ARTS CENTRE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

9. TANGIBLE ASSETS

	Office Equipment €	Fixtures & Fittings €	Sound & Lighting Equipment €	Bar Equipment €	Total €
Cost:					
At 1 January 2016	107,363	448,487	831,223	16,835	1,403,908
Additions	1,005	1,296	1,008	131	3,440
At 31 December 2016	108,368	449,783	832,231	16,966	1,407,348
Depreciation:					
At 1 January 2016	101,259	444,589	823,403	16,231	1,385,482
Charge for financial year	3,260	747	5,137	522	9,666
At 31 December 2016	104,519	445,336	828,540	16,753	1,395,148
Carrying Amount:					
At 31 December 2016	3,849	4,447	3,691	213	12,200

In respect of prior financial year:

	Office Equipment €	Fixtures & Fittings €	Sound & Lighting Equipment €	Bar Equipment €	Total €
Cost:					
At 1 January 2015	104,298	447,145	821,465	15,799	1,388,707
Additions	3,065	1,342	9,758	1,036	15,201
At 31 December 2015	107,363	448,487	831,223	16,835	1,403,908
Depreciation:					
At 1 January 2015	96,420	442,526	818,190	14,729	1,371,865
Charge for financial year	4,839	2,063	5,213	1,502	13,617
At 31 December 2015	101,259	444,589	823,403	16,231	1,385,482
Carrying Amount:					
At 31 December 2015	6,104	3,898	7,820	604	18,426

PROJECT ARTS CENTRE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (CONTINUED)**

10. STOCKS	2016	2015
	€	€
Bar stocks	7,819	8,036

There are no material differences between the replacement cost of stock and the balance sheet amounts.

11. DEBTORS: Amounts falling due within one year	2016	2015
	€	€
Trade debtors	9,400	21,716
Amounts due from project artists	214,724	125,894
Prepayments	15,462	19,985
Prize bonds	63	63
	239,649	167,658

12. CREDITORS: Amounts falling due within one year	2016	2015
	€	€
Creditors	54,322	85,428
Loan – Temple Bar Cultural Trust Limited	6,351	6,351
Taxation and social welfare	13,796	11,328
Deferred income	272,897	244,694
Amount due to project artists	161,946	254,111
Amount held on behalf of Brokentaklers	1,636	22,267
Accruals	7,658	7,658
	518,606	631,837

The loan from Temple Bar Cultural Trust Limited is repayable over 20 years from June 2000 with interest being charged at 4% per annum.

Taxation and social welfare comprises of the following:

PAYE/PRSI	2	3
VAT	13,794	11,325
	13,796	11,328

13. CREDITORS: Amounts falling due after more than one year	2016	2015
	€	€
Loan – Temple Bar Cultural Trust Limited	15,861	22,212

The loan from Temple Bar Cultural Trust Limited is repayable over 20 years from June 2000 with interest being charged at 4% per annum.

PROJECT ARTS CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

13. CREDITORS: Amounts falling due after more than one year (continued)

	2016 €	2015 €
Loans - Temple Bar Cultural Trust Limited		
Between one and two years	12,702	12,702
Between two and five years	3,159	9,510
	15,861	22,212

14. OPERATING LEASE

The company is leasing its premises at 38/41 East Essex Street, Temple Bar, Dublin 2 from Temple Bar Cultural Trust Limited for 35 years from 9 June 2000, at a current annual rent of €37,711.

The lease provides for five-yearly rent reviews. The lease also provides that as long as Project Arts Centre is in occupation of the premises the rent is to be reviewed on the basis of the greater of either the previous rent or such rent increased by the same proportion as the increase in the consumer price index over the five year period prior to the review date.

In addition, clause 5 of the lease states that, on giving not less than six months prior notice, Project Arts Centre has a right to call on Temple Bar Cultural Trust Limited to grant a further 35 year lease. This option can be exercised six months prior to the expiry of each 35 year lease.

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2016 €	2015 €
- Within one year	37,711	37,711
- between one and five years	150,844	150,844
- after five years	509,099	546,810
	697,654	735,365

15. LEGAL STATUS OF THE COMPANY

The company is limited by guarantee and does not have a share capital. Every member of the company undertakes, if necessary, on a winding up during the time they are a member or within one year after they cease to be a member, to contribute to the assets of the company an amount not exceeding €1.27.

PROJECT ARTS CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

16. STATEMENT OF CASH FLOWS

Reconciliation of operating surplus/(deficit) to net cash flows from operating activities

	2016	2015
	€	€
Operating surplus/(deficit)	25,393	(90,172)
Adjustment for:		
Depreciation	9,666	13,617
Increase in debtors	(71,991)	(47,328)
Decrease/ (increase) in creditors	(113,231)	310,150
Decrease in stocks	217	2,674
Net cash flows from operating activities	<u>(149,946)</u>	<u>188,941</u>

17. RELATED PARTY DISCLOSURE

Certain directors of Project Arts Centre are involved in organisations with which Project Arts Centre carries on activity in the normal course of its business. These individuals receive no remuneration from Project Arts Centre arising from their role as directors.

During the financial year under review, 2016, the following related party transactions occurred:

- Liv O'Donoghue (Director), received €6,600 and Dylan Haskins (Director) received €200 from the company in relation to artistic performances in each of their capacity as artists.
- A number of directors made voluntary charitable donations to the Project Arts Centre during the financial year amounting to €5,829. No conditions attached to these donations.

During the previous year, 2015, the related party transactions that occurred were:

- Liv O'Donoghue (Director), received €1,350, Dylan Haskins (Director) received €4,000 and Sarah Pierce (Director and Board Chair) received €1,000 from the company in relation to artistic performances in each of their capacity as Artists.
- A number of directors made voluntary charitable donations to the Project Arts Centre during the financial year amounting to €2,052. No conditions attached to these donations.

18. FINANCIAL INSTRUMENTS

The carrying value of the company's financial assets and liabilities are summarised below:

	2016	2015
	€	€
Financial Assets		
<i>Measured at undiscounted amounts receivable:</i>		
Trade debtors (Note 11)	9,400	21,716
Amounts due from project artists (Note 11)	<u>214,724</u>	<u>125,894</u>
Financial Liabilities		
<i>Measured at undiscounted amounts payable:</i>		
Trade creditors (Note 12)	54,322	85,428
Deferred income (Note 12)	272,897	244,694
Amount due to project artists (Note 12)	161,946	254,111
Amount held on behalf of Brokentaklers (Note 12)	<u>1,636</u>	<u>22,267</u>
<i>Measured at amortised cost:</i>		
Loan – Temple Bar Cultural Trust Limited (Note 12 and 13)	<u>22,212</u>	<u>28,563</u>