

Registration number 276297

The Model Arts & Niland Gallery Limited
(A Company Limited by Guarantee and not having a Share Capital)

Directors' report and financial statements

for the year ended 31 December 2014

The Model Arts & Niland Gallery Limited
(A Company Limited by Guarantee and not having a Share Capital)

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The Model Arts & Niland Gallery Limited
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Directors and other information

Directors	Andrew Parsons Bernie Butler Rosaleen O'Grady Kieran Quinn Monica Flood Mark Garry Alison Pilkington Damien Tansey Donal Tinney	Chairperson
Secretary	Emer McGarry	
Company number	276297	
Registered office	The Mall Sligo Co Sligo	
Auditors	Ahern & Co Chartered accountants & registered auditors Greatmeadow Boyle Co. Roscommon	
Business address	The Mall Sligo Co Sligo	
Bankers	Allied Irish Bank 26 Stephen Street Sligo	
Solicitors	McDermott, Creed and Martyn Solicitors Constitutional Buildings Stephen Street Sligo	

The Model Arts & Niland Gallery Limited
(A Company Limited by Guarantee and not having a Share Capital)

Directors' report
for the year ended 31 December 2014

The directors present their report and the audited financial statements for the year ended 31 December 2014.

Principal activities and review of the business

The principal activity of the company consists of the promotion of the arts.

The Model, home of The Niland Collection, is one of Ireland's leading contemporary arts centres. The building was redeveloped in 2010 to create a world-class visitor centre. The building boasts a restaurant and coffee dock, a bookshop, a gallery circuit, a purpose built performance space, and a suite of impressive artist studios on the top floor with enviable views of Sligo town and County. This award-winning building is home to the impressive Niland Collection of art, one of the most notable collections in Ireland.

The Model's acclaimed contemporary art programme features several major exhibitions of noted national and international contemporary artists. The Model also has a vibrant music programme and an international film programme. Integral to all aspects of the Model's programme is an extensive offering of educational opportunities for children and adults.

While, it continues to be challenging for the company in trying to control costs in an economic landscape of reduced income and cutbacks in public funding, the directors note the significant improvement in the results for the year. The principal risks and uncertainties facing the company are the reduction in funding from the Arts Council, local authorities and other sources in light of Government cutbacks.

Future developments

The directors are very positive about various fundraising initiatives which are being explored to increase income and enhance the overall sustainability of the company. The cultural value of the new building and Model programming has intrinsic importance and will be built upon over the coming years.

Directors of the company

The present membership of the board is listed on the 'Directors and other information' page.

Appointments during the year and since year end were as follows:

- 11 April 2014: Andrew Parsons, Mark Garry, Alison Pilkington, Kieran Quinn, Damien Tansey
- 11 August 2014: Rosaleen O'Grady

Resignations during the year and since year end were as follows:

- 26 May 2014: Joe Leonard, Veronica Cawley, Marcella McGarry, Jim McGarry
- 17 October 2014: Marie Leydon

On 17 October 2014 Emer McGarry was appointed Company Secretary to replace Donal Tinney.

The Model Arts & Niland Gallery Limited
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Directors' report
for the year ended 31 December 2014

..... continued

Books of account

The measures taken by the directors to ensure compliance with the requirements of Section 281 to 285 of the Companies Act 2014, regarding proper books of account 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 books of account of the company are maintained at the Registered Office.

Auditors

In accordance with Sections 380 to 385 of the Companies Act 2014, the auditors, Ahern & Co, Chartered Accountants & Registered Auditors, will continue in office.

This report was approved by the Board on 17th June 2015 and signed on its behalf by

Bernie Butler

Bernie Butler
Director

Donal Tinney

Donal Tinney
Director

The Model Arts & Niland Gallery Limited
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Statement of directors responsibilities for the members' financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable Irish law and generally accepted accounting practice in Ireland including the accounting standards issued by the Financial Reporting Council and published by the Chartered Accountants Ireland.

Irish Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

The directors are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and with Irish statute comprising the Companies Act 2014. They are also responsible for safeguarding the assets of the company and hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the board on 17th June 2015 and signed on its behalf by

Bernie Butler *Bernie Butler*
Director

Donal Tinney
Director



Date: 17/06/2015

**Independent auditor's report to the members of
The Model Arts & Niland Gallery Limited
(A Company Limited by Guarantee and not having a Share Capital)**

We have audited the financial statements of The Model Arts & Niland Gallery Limited for the year ended 31 December 2014 which comprise the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by Chartered Accountants Ireland (Generally Accepted Accounting Practice in Ireland).

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 auditor's 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 set out on page 4, 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 Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical standards for Auditors, including "APB Ethical Standard – Provisions Available for Small Entities (Revised)", in the circumstances set out in note 21 to the financial statements.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

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

**Independent auditor's report to the members of
The Model Arts & Niland Gallery Limited
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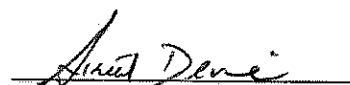
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Matters on which we are required to report by the Companies Act 2014

- 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 books of account;
- 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 our obligation under the Companies Act 2014 to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of the Act are not made.



Sinéad Devine
for and on behalf of
Ahern & Co
Chartered Accountants & Registered Auditors

Greatmeadow
Boyle
Co. Roscommon

Date: 13/7/15.

The Model Arts & Niland Gallery Limited
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Income and Expenditure Account
for the year ended 31 December 2014

		Continuing operations	
		2014	2013
		€	€
	Notes		
Income	2	547,591	635,252
Expenditure		<u>(506,134)</u>	<u>(639,819)</u>
Surplus/(deficit) on ordinary activities before interest	3	41,457	(4,567)
Interest payable and similar charges	4	<u>(37)</u>	<u>(878)</u>
Surplus/(deficit) on ordinary activities before taxation		41,420	(5,445)
Tax on surplus/(deficit) on ordinary activities		-	-
Surplus/(deficit) on ordinary activities after taxation		<u><u>41,420</u></u>	<u><u>(5,445)</u></u>

There are no recognised gains or losses other than the surplus or deficit for the above two financial years.


The Model Arts & Niland Gallery Limited
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Balance sheet
as at 31 December 2014

	Notes	2014		2013	
		€	€	€	€
Fixed assets					
Tangible assets	8		171,177		220,921
Current assets					
Debtors	9	20,198		11,441	
Cash at bank and in hand		710		76,112	
		<u>20,908</u>		<u>87,553</u>	
Creditors: amounts falling due within one year	10	<u>(101,622)</u>		<u>(216,837)</u>	
Net current liabilities			<u>(80,714)</u>		<u>(129,284)</u>
Total assets less current liabilities			90,463		91,637
Creditors: amounts falling due after more than one year	11		(9,017)		(22,486)
Provisions for liabilities and charges	13		-		<u>(29,125)</u>
Net assets			<u>81,446</u>		<u>40,026</u>
Reserves					
Revenue reserves account	15		81,446		40,026
Members' funds	16		<u>81,446</u>		<u>40,026</u>

The financial statements were approved by the Board on 17th June 2015 and signed on its behalf by

Bernie Butler
Bernie Butler
 Director


Donal Tinney
Donal Tinney
 Director

The notes on pages 10 to 19 form an integral part of these financial statements.

The Model Arts & Niland Gallery Limited
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Cash flow statement
for the year ended 31 December 2014

	2014	2013
Notes	€	€
Reconciliation of operating surplus/(deficit) to net cash outflow from operating activities		
Operating surplus/(deficit)	41,457	(4,567)
Depreciation	49,744	50,717
(Increase) / Decrease in debtors	(8,757)	110,107
(Decrease) in creditors & deferred income	(93,721)	(37,493)
Movement in provisions	(29,125)	-
Government grant released	(11,240)	(12,015)
Debt waived (see Note 3)	(25,264)	-
Net cash (outflow) / inflow from operating activities	<u>(76,906)</u>	<u>106,749</u>
Cash flow statement		
Net cash (outflow) / inflow from operating activities	(76,906)	106,749
Returns on investments and servicing of finance	18 (37)	(878)
Capital expenditure	18 -	(1,783)
(Decrease) / Increase in cash in the year	<u>(76,943)</u>	<u>104,088</u>
Reconciliation of net cash flow to movement in net funds (Note 19)		
(Decrease) / Increase in cash in the year	(76,943)	104,088
Other changes in debt	25,264	-
Change in net funds resulting from cash flows	(51,679)	104,088
Net debt at 1 January 2014	<u>50,848</u>	<u>(53,240)</u>
Net debt at 31 December 2014	<u>(831)</u>	<u>50,848</u>

The Model Arts & Niland Gallery Limited
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Notes to the financial statements
for the year ended 31 December 2014

1. Statement of accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

1.1. Basis of preparation

The audited financial statements have been prepared in accordance with accounting standards generally accepted in Ireland and the Companies Act 2014. Accounting Standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those issued by the Financial Reporting Council.

1.2. Income policy

The company's main source of income is funding from Government bodies. Grant income is recognised where the grant relates to the current financial period and where there is certainty of receipt. The company also generates income from internal activities such as exhibitions, facility rental, etc. and is recognised in the period in which the activity occurred. Cash donations are also received on an ad-hoc basis and are recognised when received. Donated fixed assets are included as income and fixed assets when the assets are received, at the current value at the date of donation.

1.3. Tangible assets and depreciation

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment loss. Cost includes all costs that are directly attributable to bringing the asset into working condition for its intended use.

Depreciation

Depreciation is provided on all tangible assets, at rates calculated to write off the cost less estimated residual value, of each asset systematically over its expected useful life, as follows:

Fixtures, fittings and equipment	-	10% - 33.33% straight line
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The building from which the company operates is home to The Niland Collection of art. The drawings, paintings, sculptures and prints, which form this collection, are on long term loan and are not included in the company's financial statements.

1.4. Taxation and deferred taxation

The company is not subject to corporation tax as it has charitable status.

The Model Arts & Niland Gallery Limited
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Notes to the financial statements
for the year ended 31 December 2014

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1.5. Pensions

Pension benefits for employees are met by payments to a defined contribution pension fund. Contributions are charged to the income and expenditure account in the year in which they fall due.

1.6. Going concern

As described in the Directors Report, the company's principal activity is the promotion of the arts. These activities are largely financed by the receipt of funding from the Arts Council and other funders. While there have been reductions in the level of funding received, prudent budgeting has ensured that costs have been controlled, resulting in a significant improvement in the results. Efforts are continually being made to increase internally generated income and various fundraising initiatives are being explored by the Board of Directors. The company has been in receipt of annual funding from the Arts Council and County Council for many years and, while there have been reductions in the levels of funding, there are no indications that funding will be withdrawn. For these reasons, the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2. Income

The total income of the company for the year has been derived from its principal activity wholly undertaken in Ireland.

	2014	2013
	€	€
Sources of income		
Arts Council funding	266,500	286,000
Other grants and public funding	143,137	173,118
Cash donations and funds from cultural organisations	16,697	77,953
Sales, fees and other receipts	121,257	98,181
	<u>547,591</u>	<u>635,252</u>

The Model Arts & Niland Gallery Limited
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Notes to the financial statements
for the year ended 31 December 2014

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3. Operating surplus/(deficit)

	2014	2013
	€	€
Operating surplus/(deficit) is stated after charging:		
Depreciation and other amounts written off tangible assets	49,744	50,717
Auditors' remuneration	6,765	6,765
	<u> </u>	<u> </u>
and after crediting:		
Capital grant amortisation	11,240	12,014
Exceptional credits (see (i) below)	25,264	-
	<u> </u>	<u> </u>

(i) During the year debt amounting to €25,264 was waived by a lender to assist the company in its provision of artistic services to the communities in Sligo. This has been reflected through the company's accounts resulting in a credit to the Income & Expenditure account.

4. Interest payable and similar charges

	2014	2013
	€	€
Included in this category is the following:		
On bank loans and overdrafts	37	878
	<u> </u>	<u> </u>

The Model Arts & Niland Gallery Limited
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Notes to the financial statements
for the year ended 31 December 2014

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5. Employees

Number of employees

The average monthly numbers of employees
(including the directors) during the year were:

	2014	2013
Administration	9	10

Employment costs

	2014	2013
	€	€
Wages and salaries	196,671	267,282
Social welfare costs	19,924	23,895
Other pension costs	2,075	3,756
	218,670	294,933

6. Transactions with directors

During the year payments were made to director Kieran Quinn, amounting to €2,442 for music performance fees, and to director Andrew Parsons, amounting to €5,709 for artists fees and expenses. Some members of the Board of Directors are reimbursed for vouched expenses. Under the company's Articles of Association some of the bodies which fund the company e.g. Arts Council, Sligo County Council, may nominate persons to the Board of Directors.

7. Pension costs

The company operates an externally funded defined contribution pension scheme that covers some employees of the company. The assets of the scheme are vested in independent trustees for the sole benefit of these employees. The pension charge represents contributions due from the company and amounted to €2,075 (2013 - €3,756).

Contributions totalling €692 were payable to the fund at 31 December 2014 and are included in Creditors.

The Model Arts & Niland Gallery Limited
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Notes to the financial statements
for the year ended 31 December 2014

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8. Tangible assets

	Fixtures, fittings and equipment	Total
	€	€
Cost		
At 1 January 2014	786,729	786,729
At 31 December 2014	<u>786,729</u>	<u>786,729</u>
Depreciation		
At 1 January 2014	565,808	565,808
Charge for the year	49,744	49,744
At 31 December 2014	<u>615,552</u>	<u>615,552</u>
Net book values		
At 31 December 2014	<u>171,177</u>	<u>171,177</u>
At 31 December 2013	<u>220,921</u>	<u>220,921</u>

9. Debtors

	2014	2013
	€	€
Trade debtors	11,364	2,730
Other debtors	321	316
Prepayments and accrued income	8,513	8,395
	<u>20,198</u>	<u>11,441</u>

The Model Arts & Niland Gallery Limited
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Notes to the financial statements
for the year ended 31 December 2014

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10. Creditors: amounts falling due within one year

	2014	2013
	€	€
<i>Loans & other borrowings</i>		
Bank overdraft	1,541	-
Other loans (see Note 3)	781	24,402
<i>Other creditors</i>		
Trade creditors	28,891	29,972
Other creditors	15,480	15,000
Government grants (see Note 14)	11,240	11,240
Accruals	27,701	28,871
Deferred income	9,511	102,858
Pension contributions	692	346
<i>Taxation creditors</i>		
PAYE/PRSI	5,785	4,148
	101,622	216,837

Bank overdraft facilities are generally secured by assignment over grant proceeds from the main funders.

11. Creditors: amounts falling due after more than one year

	2014	2013
	€	€
Other loans (see Note 3)	-	2,229
Government grants (Note 14)	9,017	20,257
	9,017	22,486

The Model Arts & Niland Gallery Limited
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Notes to the financial statements
for the year ended 31 December 2014

..... continued

12. Details of borrowings

Maturity analysis

	Within 1 year €	Between 1 & 2 years €	Between 2 & 5 years €	After 5 years €	Total €
<i>Repayable other than by instalments</i>					
Bank Overdraft	1,541	-	-	-	1,541
<i>Repayable by instalments</i>					
Credit cards	781	-	-	-	781
At end of year	<u>2,322</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,322</u>

13. Provisions for liabilities and charges

	Other provisions €	Total €
At 1 January 2014	29,125	29,125
Amounts used	(25,659)	(25,659)
Unused amounts reversed to expenditure	(3,466)	(3,466)
At 31 December 2014	<u>-</u>	<u>-</u>

The provision above relates to an action against the company which was settled during the year.

The Model Arts & Niland Gallery Limited
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Notes to the financial statements
for the year ended 31 December 2014

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14. Government grants	2014	2013
	€	€
At 1 January 2014	31,497	33,512
Increase in year	-	21,240
	<u>31,497</u>	<u>54,752</u>
Released in year	(11,240)	(23,255)
At 31 December 2014	<u>20,257</u>	<u>31,497</u>
Disclosed as:		
Creditors: amounts falling due within one year (Note 10)	11,240	11,240
Creditors: amounts falling due after more than one year (Note 11)	9,017	20,257
15. Reserves	Income and expenditure account	Total
	€	€
At 1 January 2014	40,026	40,026
Surplus for the year	41,420	41,420
At 31 December 2014	<u>81,446</u>	<u>81,446</u>
16. Reconciliation of movements in members' funds	2014	2013
	€	€
Surplus/(deficit) for the year	41,420	(5,445)
Opening members' funds	40,026	45,471
Closing members' funds	<u>81,446</u>	<u>40,026</u>

The Model Arts & Niland Gallery Limited
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Notes to the financial statements
for the year ended 31 December 2014

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17. Contingent liabilities

The company is in receipt of funding from a number of granting bodies and as such is subject to funding agreements and conditions issued by these bodies. Under these agreements grants may become repayable if certain circumstances arise.

18. Gross cash flows

	2014 €	2013 €
Returns on investments and servicing of finance		
Interest paid	(37)	(878)
	<u> </u>	<u> </u>
Capital expenditure		
Payments to acquire tangible assets	-	(11,783)
Receipt of grant	-	10,000
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>
	-	(1,783)
	<u> </u>	<u> </u>

19. Analysis of changes in net funds

	Opening balance	Cash flows	Other changes	Closing balance
	€	€	€	€
Cash at bank and in hand	76,112	(75,402)	-	710
Overdrafts	-	(1,541)	-	(1,541)
	<u>76,112</u>	<u>(76,943)</u>	<u>-</u>	<u>(831)</u>
Debt due within one year	(23,035)	-	23,035	-
Debt due after one year	(2,229)	-	2,229	-
	<u>(25,264)</u>	<u>-</u>	<u>25,264</u>	<u>-</u>
Net funds	<u>50,848</u>	<u>(76,943)</u>	<u>25,264</u>	<u>(831)</u>

The Model Arts & Niland Gallery Limited
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Notes to the financial statements
for the year ended 31 December 2014

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20. Company limited by guarantee

The company is one limited by guarantee not having a share capital. The liability of each member, in the event of the company being wound up is €1. The company is a Registered Charity, reference number CHY 12212.

21. APB Ethical Standard - Provisions Available for Small Entities

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the Revenue Commissioners and assist with the preparation of the financial statements.

22. Approval of financial statements

The board of directors approved these financial statements for issue on *17th June 2015.*