

Abbey Theatre

Directors' Report and Financial Statements for the financial year ended 31 December 2018

Directors' Report and Financial Statements
For the Financial Year Ended 31st December 2018

Table of Contents	Page
Directors' Report	2
Directors' Responsibilities Statement	16
Report of the Comptroller and Auditor General	17
Statement on Internal Control	19
Statement of Financial Activities	21
Balance Sheet	22
Statement of Cash Flows	23
Notes to the Financial Statements	24

Directors' Report

The Board of Directors submit its annual report and audited financial statements, for the year ended 31st December 2018.

Objectives and Activities

Purpose

Abbey Theatre/Amharclann na Mainistreach is governed by its Constitution under the Companies Act 2014 which sets out its objects as follows:

- To continue the Abbey Theatre's tradition of the Abbey Theatre as the National Theatre of Ireland for the purpose of acting and producing plays in English and/or Irish, written by Irish authors or on Irish subjects, and such dramatic works of international authors as would tend to educate and interest the Irish public in the higher aspects of dramatic art.
- To act as the successor to National Theatre Society, Limited by receiving a transfer from National Theatre Society, Limited of its assets, rights, undertakings, and liabilities.
- To promote and encourage the staging, production, and performance of dramatic art to the highest standards.
- To stage, produce, co-produce, direct, hold and otherwise organise plays, rehearsals, shows, concerts, exhibitions and all other forms of performances of dramatic art.
- To commission plays, works and all other forms of performances of dramatic art.
- To further and promote educational and public knowledge, awareness, appreciation, and enjoyment of drama and similar arts.
- To maintain, uphold, provide and run a prestigious national theatre for the purposes and main objects contained herein.

Abbey Theatre Vision, Mission and Values

Our **Vision** is to build a 21st-century theatre and company where creativity drives our every move, developing the artists and audiences of the future. The Abbey Theatre seeks to be a confident, collaborative company, leading the way in how Irish theatre is developed, produced and disseminated; and where everyone who works with us, irrespective of their role, knows that they are contributing to the work of one of the world's great theatres.

Our **Mission** is to effectively and imaginatively engage with all of Irish society through the production of ambitious, courageous theatre in all its forms.

The Abbey Theatre is artist-led and audience-focused: we seek to ensure our programmes are driven by ambitious, big ideas by theatre-makers of all disciplines, relevant to our times and reflective of our role as a national theatre.

Our **Values** are excellence, inclusiveness, diversity and equality, reflecting the Abbey Theatre's place as a theatre for all.

Directors' Report for the Financial Year Ended 31st December 2018 (continued)

We relate to our audiences by:

- **Creating:** Taking bold ideas to make theatre in all its forms;
- **Connecting:** Bringing together artists and audiences across the nation and beyond;
- **Challenging:** Exciting audiences with productions that surprise, delight and provoke.

2018 at the Abbey

2018 at the Abbey represented a year of further growth for the Theatre, with a series of New Work initiatives launched, alongside the production of new plays, works-in-progress, collaborations, returning hit productions and revivals of classic Irish texts. Furthermore, we got *#OutOfTheAbbey*, touring extensively and bringing work to audiences around Ireland, in the UK and US.

In 2018, our audiences grew to 127,489, the highest attendance since 2013, with total occupancy of 80% across the theatre. We also extended our *First Free Previews* to the full self- and co-produced programme, on both the Abbey and Peacock stages, offering 4,400 theatre-goers an opportunity to see fourteen shows at their national theatre for free.

Financially, 2018 proved to be a healthy year for the Theatre. The theatre delivered an unrestricted financial surplus on operating activities of €31k, adding to the theatre's unrestricted reserves.

Furthermore, we were delighted to publish the Abbey Theatre's five-year strategy in 2018, setting out our focus and priorities for the coming five years cross three pillars: Art & Audience, Internationalisation & Investment and People & Processes.

The strategy is downloadable from the Theatre's website at this link: <https://www.abbeytheatre.ie/five-year-strategy/>. In the sections that follow, this report sets out the Abbey Theatre's key updates under the three pillars of its strategy.

Art & Audience

Our self-produced programme in 2018 at the Abbey Theatre opened with an adaptation of Michel Tremblay's *Les Belles-Soeurs. The Unmanageable Sisters*, adapted by Deirdre Kinahan and directed by Graham McLaren, boasted a fifteen-strong female cast of some of Ireland's finest actors in April 2018. Marina Carr's darkly comic and explosive play, *On Raftery's Hill*, directed by Caitríona McLaughlin (for which Caitríona was awarded Best Director in the 2019 Irish Times Theatre Awards), followed to critical acclaim. Exciting new works by Margaret Perry (*Porcelain*) directed by Cathal Cleary and Philip McMahon (*Come on Home*) directed by Rachel O'Riordan also showcased on the Peacock stage. Back by popular demand, two major self-produced shows had remounts in 2018: James Joyce's *Ulysses* and the stage adaptation of *Jimmy's Hall* from Paul Laverty's film script.

In line with our collaborative working ethos, the Abbey Theatre was delighted to co-produce a number of plays during 2018. Working with colleague companies, artists and theatres, the Abbey Theatre co-produced *The Lost O'Casey* (ANU Productions), *Cyprus Avenue* by David Ireland (Royal Court, The MAC, Public Theater NY) *The Patient Gloria* by Gina Moxley (Gina Moxley and Pan Pan), *Rathmines Road* by Deirdre Kinahan (Fishamble), and *Double Cross* by Thomas Kilroy (Lyric Theatre, Belfast).

Directors' Report for the Financial Year Ended 31st December 2018 (continued)

In the Irish language, the Abbey Theatre also co-produced *Baoite* by Darach Mac Con Iomaire, in association with Galway International Arts Festival. A timely production dealing with environmental issues facing coastal communities, *Baoite* will play in 2019 on the Peacock stage. *Scotties* by Muireann Kelly and Frances Poet, a new play celebrating the music and languages of Scotland and Ireland, was presented in association with Theatre Gu Leòr and National Theatre Scotland. Inspired by the story of ten young people from Achill Island lost in a Scottish bothy fire, the play toured to a number of Scottish theatre venues, before culminating in performances at Coláiste Acla, Dooega, Achill Island.

Under the #OutOfTheAbbey banner, in 2018, *Jimmy's Hall* toured Ireland to venues across the country, telling the true story of Leitrim farmer Jimmy Gralton, the only Irishman deported from his own country for his political beliefs.

The Abbey Theatre assisted with two major 'in association' productions in 2018 from Landmark Productions and Druid: *Asking for It* by Louise O'Neill, adapted by Meadhbh McHugh in collaboration with Annabelle Comyn, and Shakespeare's *Richard III*, directed by Garry Hynes. Both productions opened outside of Dublin at the Everyman, Cork (*Asking for It*) and Town Hall Theatre Galway (*Richard III*). We were also delighted to host Teač Dańsa's *Swan Lake / Loch na hEala*, giving audiences a second chance to see this remarkable multidisciplinary production, prior to its national tour. Iseult Golden and David Horan's *Class* played to sold-out houses in the Peacock and An Taibhdhearc (Galway International Arts Festival), culminating in a Fringe First win at Edinburgh Fringe. The show will transfer to the Bush Theatre, London in May 2019.

Furthermore, 2018 saw the introduction of two key projects to promote diverse engagement with the theatre — 5X5 and the Young Curators Project. 5X5 offered underrepresented groups and communities an opportunity to develop a theatre piece, fostering new connections between audiences, artists and the Abbey Theatre. Young Curators provides a unique training ground for those with a passion for theatre aged between 18 and 25; the project will culminate in a two-week Young Curator's Festival in 2019.

With more than 50 productions and presentations in Dublin alone, the Abbey Theatre's programme reached 127,489 audience members. 2019 will see an enhanced emphasis on self-produced work at the Abbey Theatre whilst maintaining our policy of partnership through co-production and presentation. The studied eclecticism of the programme has also led to an increasingly diverse audience visiting the Theatre.

The role our website plays in telling the Abbey's story is increasingly important and in 2018, the Abbey Theatre was recognised for its digital presence online, scooping the Best Website award at the Digital Media Awards

Internationalisation & Investment

The Abbey Theatre prides itself on its international reputation. The Abbey Theatre's 2018 programme featured a number of audience favourites and critically-acclaimed productions visiting the theatre. The Abbey also toured to locations internationally. Working in association with National Theatre of Scotland and by arrangement with Marla Rubin Productions and Bill Kenwright, we were delighted to co-produce the supernatural thriller and coming-of-age tale, *Let the Right One In* by John Ajvide Lindqvist, adapted by Jack Thorne and directed by John Tiffany. Following runs in London and New York, and with an Irish cast, audiences of all ages relished the thrilling vampire tale for an extended run on the Abbey stage.

Seen by over 50,000 people in Ireland and the US, Sean Holmes refreshed, high-energy re-staging of *The Plough and the Stars* by Sean O'Casey played at the Gaiety Theatre in spring 2018, followed by David Ireland's provocative comedy *Cyprus Avenue* on the Peacock Stage prior to its transfer to Belfast (the MAC) and New York (Public Theater). This stunning and challenging piece of theatre will return to the Royal Court (London) in 2019. As part of Dublin Dance Festival, and in association with Prime Cut Productions and Belfast International Festival, the Abbey co-commissioned and hosted *Hard to be Soft: A Belfast Prayer* by trailblazing dancer and choreographer Oona Doherty.

Directors' Report for the Financial Year Ended 31st December 2018 (continued)

Audience favourite, Roddy Doyle's *Two Pints* travelled to the UK, as well as stopping off at six pubs during its tour of Ireland, across four counties. We were also delighted to partner with writers Iseult Golden and David Horan in supporting the transfer of *Class* to Edinburgh Fringe Festival. The show went on to win a prestigious Fringe First award, and will tour to London in 2019. As always, the support of the Arts Council's touring grant has been pivotal in achieving the Abbey Theatre's touring plans within Ireland and we are hugely grateful to Culture Ireland for its generous support of our touring work internationally.

The 2018 programme culminated in a sell-out run of *Come from Away*, the joyous new musical based on the real-life story of the 7,000 air passengers from all over the world who were grounded in Newfoundland, Canada in the wake of the 9/11 atrocity. This included Aer Lingus passengers on a flight en route from Dublin to New York. The Abbey Theatre co-produced this Tony®-winning show by Irene Sankoff and David Hein for its European premiere, ahead of transferring to the West End. In early 2019, the Olivier Awards announced nine nominations for *Come from Away*, and in April 2019 the show won four Olivier Awards including the coveted *Best New Musical*.

In relation to Investment, the Government announced in April 2018 its hugely welcome commitment to earmark €80M for the redevelopment of the Abbey Theatre on its current site. Working with experts BOP Consulting, the theatre developed a fully scoped out Business Case for the new Abbey Theatre project. The plan has been forwarded to the Department of Culture, Heritage and the Gaeltacht. In addition, we are working closely with Dublin City Council to look at the future requirements of the site which will take the theatre down to the riverfront. This crucial announcement has helped to set in train plans for a much-needed new building for Ireland's national theatre.

We are very grateful for the support of our sponsors, in particular, *Irish Life*, *Bank of America Merrill Lynch* and *Avolon*, whose major contributions in 2018 made it possible for the Theatre to deliver on an ambitious programme at home and abroad. In 2018, the Abbey Theatre was awarded an *Ireland Funds* Flagship Grant to support its groundbreaking 5x5 programme in 2019 and 2020.

People & Processes

The Abbey Theatre's people are at the heart of everything it does. In 2018, the staff worked alongside the Board on the development of the Theatre's five-year strategy, with a core working group feeding into the strategy's compilation at key junctures. The goals and objectives have been worked out with staff engagement and commitment so that the three strands of the strategy resonate with the Theatre's strategic direction and its role in Ireland as the National Theatre.

A central tenet of the Abbey's artistic focus is the development of new work, and harnessing creativity in all its forms. With that in mind, our New Work Department, led by two highly-qualified and experienced producers, Jen Coppinger and Sarah Lynch, continues to play a critical role. In 2018, we welcomed Louise Stephens, a respected Dramaturg, who has come to us from the Royal Court in London. Louise's appointment compliments the focus of the New Work Department, ensuring both new work and works from the literary canon are well-served. She will be the key interface with Irish playwrights and theatre-makers in their engagement with the Theatre. We continue to work with our acclaimed Associate Director, Caitríona McLaughlin, and were thrilled to see her win Best Director at the 2019 Irish Times Theatre Awards for her acclaimed 2018 production of *On Raftery's Hill* by Marina Carr.

Building capacity and knowledge within the organisation, in 2018 we also welcomed Chris Hay as Technical Director of the Theatre. Chris has formerly worked with an array of international touring companies, in the UK and US. Our production team was also strengthened by Danny Erskine as Company Manager. Danny has held several company and stage management roles with Ireland's best known companies (including Druid, The Corn Exchange and Riverdance).

Directors' Report for the Financial Year Ended 31st December 2018 (continued)

Outside of the Artistic and Production functions, 2018 also saw key appointments in Human Resources and Finance, with Ciara Lynch joining the Abbey team as HR Director and Derek Garland taking up the role of Financial Controller. Both Ciara and Derek bring unique and hugely beneficial experience from their previous roles across a range of sectors.

Gender Equality and Diversity remain a priority for the theatre. Further to the Board's adoption of the Abbey Theatre's Gender Equality Policy in 2016, and following a company-wide training programme on issues of Gender Equality, Diversity and Inclusion, the Staff, Executive and Board have ratified a *Gender Equality and Diversity Policy*, and an *Inclusion Charter*. Both documents can be accessed via the Abbey Theatre website at this link: <https://www.abbeytheatre.ie/gender-equality-diversity-policy/>. The Abbey Theatre has also adopted and upholds the Irish Theatre Institute's *Dignity at Work* policy.

Progress on gender equality in the Abbey Theatre's programme has also been consistent, with overall female representation of 45% (2017 42%) across all disciplines through the programme. We continue to work towards 50/50 gender equality by 2021.

Financial Review

Results 2018

Financially, 2018 proved to be a healthy year for the Theatre. The theatre delivered an unrestricted financial surplus on operating activities of €31k (deficit €47k in 2017), adding to the theatre's unrestricted reserves. The Statement of Financial Activities reflects an overall negative Net Movement in Funds of €135k for the year, with this adverse position driven by non-operational restricted activities, primarily resulting from prior year's capital investments and the release of associated depreciation.

Reserves now show €473k in unrestricted funds, which can be spent on any charitable purpose, and €1.9m in restricted funds, which can only be used for purposes specified by the donor. The restricted fund of €1.9m consists mainly of capital grants relating to specific tangible fixed assets.

In 2018, the theatre received €7m (€7m in 2017) in core revenue grant funding from the Arts Council of Ireland/An Chomhairle Ealaíon. The result for the year is broadly in line with budget for the year and reflects the Board's decision to invest surpluses earned in previous years into the Peacock Theatre programme in 2018.

Financial Outlook 2019

The Abbey Theatre will continue to focus on its ambition to maximise its cultural, social and economic contribution to Ireland in its key roles as a national cultural institution and a national theatre. Core revenue grant funding from the Arts Council in 2018 was €7m inclusive of €200k earmarked for touring, 2019 will see this funding structure continue for 2019 providing welcomed continuity. In 2019, subject to funding and box office results, the Abbey Theatre plans to maintain its production activities in the Peacock with new Irish plays, visiting companies, and co-productions.

The Abbey Theatre will undertake an extensive programme of national and international touring in 2019. It will continue to invest in its Community and Education Department to support access and understanding of the work of the national theatre. The focus will be on leveraging its investment in its Literary Department and its Box Office, Ticketing, Marketing and Development System, Tessitura. This investment will continue to enhance the ability of the Abbey Theatre, to focus on the strategy of expanding its programme of new plays, increasing audience numbers and increasing revenues through fundraising activities.

Directors' Report for the Financial Year Ended 31st December 2018 (continued)

The Abbey Theatre continues its commitment to the United States of America where the brand and associated goodwill towards it remains strong. The Abbey Theatre Foundation, which is an independent entity, was established in the United States in 2011 and continues to support the work of the Abbey Theatre. The fundraising effort will also continue in the United Kingdom in 2019.

It is the policy of the Board to review on an annual basis the application of any unrestricted surplus which may arise in a year and the application of any unrestricted reserves brought forward. It is the Board's policy to retain reserves at a level that is prudent and which ensures that the Abbey Theatre can meet its ongoing financial commitments. It is the Board's policy to maintain positive unrestricted reserves. Restricted reserves are maintained under the terms of the donor funds. The Board intends to maintain the unrestricted reserves coming forward from 2018, by budgeting Net Income of €20k in 2019. The small budgeted increase in funds in 2019 should increase the unrestricted fund balance carried forward to €493k on 31 December 2019.

Directors' Report for the Financial Year Ended 31st December 2018 (continued)

Structure, Governance, and Management

BOARD OF DIRECTORS

Dr. Frances Ruane, Chair
Mr. James McNally (retired 15/7/2018)
Ms. Sarah Durcan
Ms. Loretta Dignam
Mr. Mark Ryan (retired 29th January 2018)
Ms. Sheelagh O'Neill
Mr. Dónall Curtin (resigned 21/11/2018)
Mr. Kevin McFadden
Mr. Michael Wall
Ms. Jane Daly
Mr. Pádraig Cusack
Mr. Bosco Hogan (appointed 15/7/2018)
Mr. Peter Lowry (appointed 01/11/2018)

DIRECTORS (Joint Chief Executives)

Mr. Graham McLaren and Mr. Neil Murray

REGISTERED OFFICE

Abbey Theatre
26 Lower Abbey Street
Dublin 1 D01 K0F1

REGISTERED NUMBER OF INCORPORATION

414400

REGISTERED CHARITY NUMBER

CHY 12923

LEGAL FORM

Company Limited by Guarantee

SOLICITORS

Arthur Cox
Earlsfort Centre
Earlsfort Terrace
Dublin 2

COMPANY SECRETARY

Mr. Declan Cantwell (resigned 19th January 2018)
Mr. Denis Reeves (appointed 29th January 2018)

BANKERS

Allied Irish Banks plc
37/38 Upper O'Connell Street
Dublin 1

AUDITORS

The Comptroller and Auditor General
3A Mayor Street Upper
Dublin 1
D01 PF72

Directors' Report for the Financial Year Ended 31st December 2018 (continued)

Board

The Board of Directors is constituted as follows:

- i. Three Directors appointed by the Minister for Culture Heritage and the Gaeltacht, one of whom is designated by the Minister as the Chair.
- ii. Up to seven Directors nominated by a Selection Committee and subsequently appointed by the Board of Directors.
- iii. One Director (a Staff Director) being a person nominated by the Abbey Theatre's employees and subsequently appointed by the Board of Directors.

Except for the Chair and the Staff Director, a Director can hold office for a term of three years. A Director is eligible for reappointment for a further single consecutive term of three years. No Director may serve for more than two terms of office.

The Chair can hold office for a term of five years. The Chair is eligible for reappointment for a further single consecutive term of five years. The Chair may not serve more than two terms of office.

The Staff Director may serve one term of four years.

The following individuals were appointed to the Board in 2018: Mr. Bosco Hogan (appointed 15/7/2018), Mr. Peter Lowry (appointed 01/11/2018).

The following individuals retired from the Board: Mr. Mark Ryan (retired 29/1/2018), Mr. James McNally (retired 15/7/2018), and Mr. Dónall Curtin (resigned 21/11/2018).

The Board of Directors expresses its sincere appreciation for their contribution to the Abbey Theatre during their tenure.

The Board of Directors met on ten occasions in 2018. The record of attendance by members of the Board is as follows:

Director	Possible Board Meeting Attendance	Actual Board Meeting Attendance
Dr. Frances Ruane	10	9
Mr. James McNally (retired 15/7/2018)	5	5
Ms. Sarah Durcan	10	9
Ms. Loretta Dignam	10	9
Mr. Mark Ryan (retired 29/1/2018)	1	0
Ms. Sheelagh O'Neill	10	8
Mr. Dónall Curtin (resigned 21/11/2018)	9	8
Mr. Kevin McFadden	10	9
Mr. Michael Wall	10	9
Ms. Jane Daly	10	7
Mr. Pádraig Cusack	10	7
Mr. Bosco Hogan (appointed 15/7/2018)	5	5
Mr. Peter Lowry (appointed 01/11/2018)	1	1

Directors' Report for the Financial Year Ended 31st December 2018 (continued)

The Board is the non-executive and unpaid governing body of the Abbey Theatre. Board members are responsible, collectively, for the strategic direction, strategy, administration and general control of the company. The Board works with the Executive to ensure that the Abbey Theatre's remit is fulfilled.

The Board of Directors has a formal schedule of matters specifically reserved for its decision to ensure that the direction and control of the body are firmly in its hands. The Board of Directors has approved a schedule of matters reserved for its decision.

The schedule of matters is subject to review from time to time to ensure its relevance and appropriateness to the organisation.

Matters reserved for the Board of Directors include:

- i. Significant acquisitions, disposals, and retirement of assets of the company. This applies to assets with values of €125,000 (excluding Value Added Tax) or more.
- ii. Approval of terms of major contracts. This applies to contracts worth €125,000 (excluding Value Added Tax) or more.
- iii. Major investments and capital projects where value is €125,000 (excluding Value Added Tax) or more.
- iv. Delegated authority levels, treasury policy, and risk management.
- v. Policy on the determination of remuneration of senior management.
- vi. Approval of annual budgets, corporate and strategic plans.
- vii. Production of annual reports and accounts.
- viii. Appointment, remuneration, and assessment of the performance of the Chief Executive(s) (Theatre Director(s)).
- ix. Significant amendments to the pension of the Chief Executive(s) and staff.
- x. Succession planning for the Chief Executive(s).
- xi. Approval in advance of engagement in novel or contentious acts or in advance of the commitment of funds to novel or contentious purposes.

The procedure for induction and training of newly appointed Directors includes:

- i. Meetings with the Chief Executive(s) and key members of staff.
- ii. Meeting with the Company Secretary who provides an overview of the organisation structure, legal structure, governance structures, fiduciary duties of directors, corporate policies and procedures, board meeting protocols and any specific areas requested by the new Director.
- iii. Discussion with Company Secretary or Chair regarding specific training or development requirements.

The Board of Directors conducts an assessment of its performance at regular intervals and is provided with training designed to equip members with the skills necessary for the conduct of their duties as Directors.

Directors' Report for the Financial Year Ended 31st December 2018 (continued)

Audit and Risk Committee

Members of the Audit and Risk Committee are appointed by the Board of Directors. The Committee met six times during 2018.

Membership of the Audit and Risk Committee:

- Mr. Dónall Curtin (Chair) (resigned 21/11/2018)
- Ms. Sarah Durcan (Chair from 21/11/2018)
- Mr. James McNally (retired 15/7/2018)
- Ms. Loretta Dignam
- Mr. Peter Lowry (from 26/11/2018)

Audit and Risk Committee key areas of responsibility are:

- Financial.
- Fraud.
- Risk Management.
- Internal Audit Function.
- Internal Controls.
- External Audit Function.

Development Committee

Members of the Development Committee are appointed by the Board of Directors. The Committee meets at least four times a year.

Membership of the Development Committee:

- Mr. Mark Ryan (Chair) (retired 29/1/18)
- Ms. Sheelagh O'Neill (Chair from 29/1/18, retired as Chair 28/1/2019)
- Mr. Dónall Curtin (resigned on 21/11/18)
- Mr. James McNally (retired 26/3/18)
- Dr. Frances Ruane
- Ms. Loretta Dignam (from 26/11/2018, appointed Chair 28/1/2019)
- Mr. Pádraig Cusack (from 26/11/2018)

From time to time, individuals are invited to attend meetings of the Committee who have specific skills and experience which are relevant to the remit of the Committee.

Development Committee key responsibilities are:

- Advising on fundraising strategy.
- Proposing an annual Development Plan to the Board of Directors.
- Reviewing strategic issues relating to the Development Plan.
- Agreeing measures of activity, effectiveness, and income concerning fundraising.
- Monitoring and reviewing the implementation of the fundraising strategy and the Development Plan.
- Reporting on progress against budget and targets to the Board of Directors.
- Supporting the executive in identification, qualification, and conversion of prospects.

Directors' Report for the Financial Year Ended 31st December 2018 (continued)

Site Redevelopment Committee

The Board established a Site Redevelopment Committee on the 28 May 2018. The function of the Site Redevelopment Committee is to advise the Board of the Abbey Theatre in relation to the demolition and Site Redevelopment of the Abbey Theatre on its current site and to oversee and report to the Board on all matters associated with these capital works.

- Mr. Michael Wall (Chair) (appointed 28/05/2018)
- Dr. Frances Ruane (appointed 28/05/2018)
- Ms. Jane Daly (appointed 28/05/2018)
- Mr. Bosco Hogan (appointed 05/06/2018)

From time to time, individuals are invited to attend meetings of the Committee who have specific skills and experience which are relevant to the remit of the Committee.

Executive

The Board of Directors delegate authority as appropriate to the Chief Executives. The title attributed to each of the Joint Chief Executives is "Director". They are remunerated as Chief Executives but are not directors of the company under the Companies Act 2014. The Chief Executives have appointed a senior management team comprising six senior positions in the following roles;



Senior Management Team

Membership of the Senior Management Team:

- Mr. Graham McLaren and Mr. Neil Murray, Joint Chief Executives
- Mr. Declan Cantwell, Director of Finance & Administration (Resigned 19 January 2018)
- Ms. Oonagh Desire, Director of Public Affairs & Advancement (Resigned 20 July 2018)
- Mr. Chris Hay, Technical Director
- Ms. Sarah Lynch, Head of Producing
- Ms. Jen Coppinger, Head of Producing - New Work
- Mr. Denis Reeves, (Non-Employee - Bespoke Ventures Limited, Interim Director of Finance & Administration (from 29 January 2018)

Directors' Report for the Financial Year Ended 31st December 2018 (continued)

The main responsibilities of the Chief Executives include:

- i. Formulating and successfully implementing artistic policy.
- ii. Implementing company policy.
- iii. Directing strategy towards the sustainable growth and operation of the company.
- iv. Developing strategic operating plans that reflect the longer-term objectives and priorities established by the Board.
- v. Maintaining an ongoing dialogue with the Chair of the Board.
- vi. Putting in place adequate operational planning and financial control systems which include appropriate oversight of these areas.
- vii. Ensuring that the operating objectives and standards of performance are not only understood but owned by management and employees.
- viii. Closely monitoring the operating and financial results against plans and budgets.
- ix. Providing the Board with adequate impartial information, on a timely basis, to enable the Board to make decisions.
- x. Taking remedial action where necessary and informing the Board of significant changes.
- xi. Maintaining the operational performance of the company.
- xii. Assuming full accountability to the Board for operations.
- xiii. Representing the company to major customers, stakeholders and professional associations, except in circumstances where it is more appropriate for the Chair to fulfil this role.
- xiv. Building and maintaining an effective executive team and effective management structures.
- xv. Ensuring that effective reporting mechanisms exist within the company to provide feedback at all levels of management.

Arrangements for setting pay and remuneration for key management personnel include:

- i. Assessment of current market rates of pay and remuneration.
- ii. Assessment of the particular role and associated responsibilities.
- iii. Assessment of skills and experience possessed by the individual.
- iv. Pay and remuneration of the Chief Executives is set by the Board of Directors.
- v. Pay and remuneration of key management personnel is set by the Chief Executives.
- vi. The overall pay and remuneration structure is reviewed regularly by the Audit Committee.
- vii. The Abbey Theatre uses a system of pay scales which is closely linked to public sector pay scales.
- viii. The Abbey Theatre offers a contribution of up to 5.5% to a pension scheme when matched by a similar contribution by the employee.

Gender Equality

The Board adopted a Gender Equality Policy in July 2016, following the completion of the remit of the Gender Equality Committee. The executive is responsible for the implementation of the policy.

Directors' Report for the Financial Year Ended 31st December 2018 (continued)

Code of Business Conduct

The Board has, voluntarily, adopted the Code of Practice for the Governance of State Bodies [August 2016] where applicable to its activities and its unique circumstances. Those elements of the Code of Practice of State Bodies deemed applicable to the Abbey Theatre will be implemented over the 2017-2019 period.

The Code of Business Conduct can be accessed via the Abbey Theatre website at this link:
<https://www.abbeytheatre.ie/code-business-conduct/>

Accounting Records

The measures taken by the Board of Directors to secure compliance with the requirements of sections 281 and 285 of the Companies Act 2014 concerning the keeping of 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 located at 26 Lower Abbey Street, Dublin 1.

Statement of relevant audit information

In the case of each of the persons who are directors at the time this report is approved under section 332 of the Companies Act 2014:

- (a) so far as each 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 the steps that he or she ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the company's statutory auditors are aware of that information.

Post Balance Sheet Events

There are no matters which have occurred since the year-end that would have had an impact on the ability of the Abbey Theatre to continue its remit.

In Conclusion

In concluding this Annual Report, we wish to acknowledge those whose support made possible the Abbey Theatre's 2018 programme of work.

In the first instance, we recognise our main funder, the Arts Council, which has provided invaluable revenue funding to the Abbey Theatre – ensuring we could deliver on an ambitious programme, reaching audiences around Ireland. Secondly, we acknowledge the support of Government and in particular, the Department of Culture, Heritage and the Gaeltacht, for its contribution to our capital spend and its ongoing engagement with us on the future plans for the Theatre. Thirdly, we thank Culture Ireland for making it possible for the Theatre to take its work overseas to new audiences.

We also acknowledge and thank our donors, sponsors and members, and everyone who came to see a show at the Abbey Theatre, as well as the audiences that attended our national and international tours.

Directors' Report for the Financial Year Ended 31st December 2018 (continued)

As a Board, we would like to thank the artists, theatre-makers, designers, stage managers and technicians who worked alongside the Abbey team to make 2018 such a successful year.

Furthermore, we extend our deep gratitude to the Abbey Theatre team, in particular the Theatre's Co-Directors, Graham McLaren and Neil Murray, and its Senior Management Team, whose commitment to and ambition for the Theatre is limitless.

As the Abbey Theatre's Board of Directors, we look forward to supporting the Theatre's team in bringing our newly-published, five-year Strategy to fruition, realising a refreshed direction for Ireland's national theatre.

Signed: 
Dr Frances Ruane

Date: 12/09/2019

Signed: 
Mr. Michael Wall

Directors' Responsibilities Statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with Irish law and regulations.


Irish company law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with the Companies Act 2014, Financial Reporting Standard (FRS 102) "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council, and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year-end date and of the net movement of funds of the company for the financial year and otherwise comply with the Companies Act 2014.

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

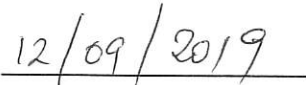
- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect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

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and net movement of funds 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 regularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Signed: 
Dr. Frances Ruane

Signed: 
Mr. Michael Wall

Date: 



Ard Reachtaire Cuntas agus Ciste **Comptroller and Auditor General**

Report for presentation to the Houses of the Oireachtas

Abbey Theatre Amharclann na Mainistreach

Opinion on the financial statements

I have audited the financial statements of Abbey Theatre Amharclann na Mainistreach for the year ended 31 December 2018 as required under the provisions of section 5 of the Comptroller and Auditor (Amendment) Act 1993. The financial statements comprise the statement of financial activities, the balance sheet, 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 Abbey Theatre Amharclann na Mainistreach 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 the Statement of Recommended Practice applicable to charities preparing accounts in accordance with FRS 102, 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 accounting records of Abbey Theatre Amharclann na Mainistreach were sufficient to permit the financial statements to be readily and properly audited, and the financial statements are in agreement with the accounting records.

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 of the C&AG (continued)

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 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

16 September 2019

Appendix to the report

Responsibilities of the Directors

As detailed in the Directors' responsibilities statement, the directors are responsible for

- the preparation of financial statements in the form prescribed under the Companies Act 2014
- ensuring that the financial statements give a true and fair view in accordance with FRS 102 and the Charities SORP
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of the Comptroller and Auditor General

I am required under section 5 of the Comptroller and Auditor General (Amendment) Act 1993 to audit the financial statements of Abbey Theatre Amharclann na Mainistreach and to report thereon to the Houses of the Oireachtas.

My objective in carrying out the audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the financial statements whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- I evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.
- I conclude on the appropriateness of the use of the going concern basis of accounting and, based on the audit evidence obtained, on whether a material uncertainty exists related to events or conditions that may cast significant

doubt on the company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the company to cease being a going concern.

- I evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Information other than the financial statements

My opinion on the financial statements does not cover the other information presented with those statements, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, I am required under the ISAs to read the other information presented and, in doing so, consider whether the other information is materially inconsistent with the financial statements or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

Reporting on other matters

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation. I report if I identify material matters relating to the manner in which public business has been conducted.

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I report if I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

Statement on Internal Control

Responsibility for System of Internal Control

The Board of Directors acknowledges its responsibility for ensuring that an effective system of internal control is maintained and operated. The Board of Directors has, voluntarily, adopted the Code of Practice for the Governance of State Bodies – August 2016 where applicable. The Board of Directors has approved the implementation of the Code of Practice of State Bodies, over the period 2017 – 2019.

Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a tolerable level rather than to eliminate it. The system can therefore 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.

Capacity to Handle Risk

The company has an Audit and Risk Committee (ARC) comprising four board members. The ARC met six times in 2018. The company has appointed a firm of Chartered Accountants to act as Internal Auditor. A risk management policy is in place.

Key Control Procedures

The Abbey Theatre has implemented a risk management system that identifies and reports key risks and the management actions being taken to address and, to the extent possible, to mitigate those risks. The system of internal financial control is based on a framework of regular management information and administrative procedures including segregation of duties. In particular, it includes:

- Regular reviews by the Board of Directors of periodic and annual financial reports against budget;
- An accounting function which facilitates the preparation of timely management reporting against budget;
- Maintenance of a Risk Register;
- An Audit and Risk Committee which regularly reviewse the company's management accounts. The Audit and Risk Committee also considers corporate governance and reports regularly to the Board on all matters that it has considered;
- A detailed methodology is used in constructing annual budgets and productions are monitored weekly by senior management to ensure adherence to budgets;
- The company's organisation structure has been formally documented and contracts for all employees include clear guidance on responsibilities and lines of reporting;
- Management training is provided to line managers as part of an overall initiative to implement efficient management performance;
- Training is provided to up-skill staff on key information technology systems and the company's accounting systems.

Ongoing Monitoring and Review

The Board's monitoring and review of the effectiveness of internal control is informed by the work of the Internal Auditor, the Audit and Risk Committee which oversees the work of the Internal Auditor, the executive managers within the company who have responsibility for the development and maintenance of the financial control framework, and comments made by the Comptroller and Auditor General in his management letter or other reports.

STATEMENT ON INTERNAL CONTROL (continued)

Procurement

We confirm, on behalf of the Board, that procurement procedures are in place to ensure compliance with current procurement rules and guidelines, as set out by the Office of Government Procurement. During year-end 31 December 2018 these procedures were complied with.

The internal audit function has made three high priority recommendations on the further improvement of the procurement system. (1) The revision of the 2017 procurement policy, this has now been revised and was approved by the Board in April 2019. (2) The creation of a form to track conflict of interest for all staff directly involved in the procurement process, this form already exists and is being used as part of the tender process. However management will roll out a conflict of interest process across the organisation by early 2020. (3) Consideration to the creation of a central purchase order registry, a registry already exists for this purpose. However, management will in September 2019 commence the exploration and develop a cost benefit analysis on the implementation of an integrated Enterprise Resource Planning (ERP) system.

Grant Management

The internal audit function has made a recommendation on the implementation of a new grant management policy. As part of the audit, there were no specific findings which showed that controls procedures were not adhered to in this area. Management are in agreement that the development of a policy will further enhance improvements in grant management.

Creditors & Liabilities

A potential liability has been included in the financial statements of €60k. Although there is doubt about whether this amount is payable, the Directors believe it is prudent to provide for it at this time.

Review of Effectiveness

The Abbey Theatre's monitoring and review of the effectiveness of the system of internal controls is informed by the work of the internal and external auditors, the Audit and Risk Committee which oversees their work, and the senior management with the company responsible for the development and maintenance of the internal financial control framework.

We confirm, on behalf of the Board, that a review of the effectiveness of the systems of internal control took place for the year ended 31 December 2018.

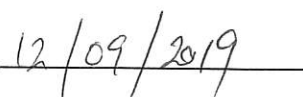
Internal Control Issues

No additional weaknesses in internal control were identified in relation to 2018, other than the matters referred to above, which require disclosure in the financial statements.

Signed on behalf of the Board

Signed: 
Dr. Frances Ruane


Signed: 
Mr. Michael Wall

Date: 

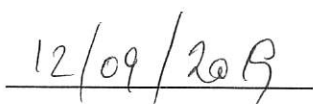
Statement of Financial Activities

	Note				Y/E 31.12.18	Y/E 31.12.17
		Unrestricted Funds	Restricted Funds		Total	Total
		Operations	Capital Projects	Short Term Projects		
		€	€	€	€	€
Income From:						
Donations and Legacies						
Government Grants		7,000,000	400,000	106,284	7,506,284	6,687,316
Other Donations		433,588		303,003	736,591	766,335
Total Donations & Legacies	4.1	7,433,588	400,000	409,287	8,242,875	7,453,651
Charitable Activities						
Operation of Theatres	4.2	3,298,302			3,298,302	2,593,919
Other Trading Activities	4.3	663,920			663,920	662,579
Total Income		11,395,810	400,000	409,287	12,205,097	10,710,149
Expenditure On:						
Charitable Activities						
Operation of Theatres	5.1	10,510,353	505,949	469,491	11,485,793	9,637,940
Raising Funds	5.2	854,572			854,572	1,031,653
Total Expenditure		11,364,925	505,949	469,491	12,340,365	10,669,593
Net (Expenditure)/Income		30,885	(105,949)	(60,204)	(135,268)	40,556
Net (Expenditure) / Income and net movement in funds for the year						
		30,885	(105,949)	(60,204)	(135,268)	40,556
Reconciliation of Funds						
Fund balances brought forward		442,363	2,029,252	80,204	2,551,819	2,511,263
Fund balances carried forward		473,248	1,923,303	20,000	2,416,551	2,551,819

Approved by the board of directors on the 12th of September 2019 and signed on its behalf by:

Signed: 
Dr. Frances Ruane

Signed: 
Mr. Michael Wall

Date: 

Balance Sheet

	Note	Y/E 31.12.18 €	Y/E 31.12.17 €
Fixed Assets			
Tangible Assets	9	5,220,988	5,426,514
Total Fixed Assets		<u>5,220,988</u>	<u>5,426,514</u>
Current Assets			
Stock	10	11,303	11,612
Debtors	11	320,782	314,758
Cash at bank and in hand	12	2,316,371	3,177,146
Total Current Assets		<u>2,648,456</u>	<u>3,503,516</u>
Creditors: amounts falling due within one year	13	<u>(3,522,823)</u>	<u>(4,305,325)</u>
Net Current (Liabilities) / Assets		(874,367)	(801,809)
Total assets less current liabilities		4,346,621	4,624,705
Creditors: Amount falling due after one year	14	<u>(1,930,070)</u>	<u>(2,072,886)</u>
Net Assets		<u><u>2,416,551</u></u>	<u><u>2,551,819</u></u>
Represented by:			
Unrestricted Operation Funds	16	473,248	442,363
Restricted Funds	16	1,943,303	2,109,456
Total Funds		<u><u>2,416,551</u></u>	<u><u>2,551,819</u></u>

Approved by the board of directors on the 12th of September 2019 and signed on its behalf by:

Signed: Dr. Frances Ruane
Dr. Frances Ruane

Signed: Mr. Michael Wall
Mr. Michael Wall

Date: 12/09/2019

Statement of Cash Flows

	NOTE	Y/E 31.12.18	Y/E 31.12.17
		€	€
Cash flows from Operating Activities			
Net cash generated from operating activities	18	<u>(297,312)</u>	<u>2,138,234</u>
Cash flows from Investing Activities			
Improvements to premises and acquisition of other tangible assets		(357,858)	(493,064)
Interest Received		<u>415</u>	<u>241</u>
Net cash (used in) investing activities		<u>(357,443)</u>	<u>(492,823)</u>
Cash flows from Financing Activities			
Interest Paid		(75,190)	(83,201)
(Repayment) of bank loans		<u>(130,830)</u>	<u>(122,820)</u>
Net cash (used in) financing activities		<u>(206,020)</u>	<u>(206,021)</u>
Net decrease in cash and cash equivalents		(860,775)	1,439,390
Cash and cash equivalents at beginning of year		<u>3,177,146</u>	<u>1,737,756</u>
Cash and cash equivalents at end of year		<u>2,316,371</u>	<u>3,177,146</u>

Notes to the Financial Statements

Note 1 – Accounting Policies

The basis of accounting and significant accounting policies adopted by Abbey Theatre Amharclann Na Mainistreach are set out below. They have been applied consistently in dealing with items which are considered material concerning the company's financial statements throughout the year and the preceding year.

(a) General Information

These financial statements comprising the Statement of Financial Activity, the Balance Sheet, the Statement of Cash Flows and the related notes 1 to 27 constitute the individual financial statements of Abbey Theatre Amharclann Na Mainistreach for the financial year ended 31 December 2018.

Abbey Theatre Amharclann Na Mainistreach is a company limited by guarantee (registered under Part 18 of Companies Act 2014), incorporated in the Republic of Ireland. The Registered Office is Abbey Theatre, 26 Lower Abbey Street, Dublin 1, which is also the principal place of business of the company. The nature of the company's operations and its principal activities are set out in the Director's Report on pages 2 to 15.

(b) Statement of Compliance

The financial statements of Abbey Theatre Amharclann Na Mainistreach for the year ended 31 December 2018 have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102. ("The Charities SORP FRS 102"). The Abbey Theatre maintained its tax clearance status throughout 2018.

Abbey Theatre Amharclann Na Mainistreach is a Public Benefit Entity. (PBE).

(c) Currency

The financial statements have been presented in Euro (€) which is also the functional currency of the company.

1.1 Basis of preparation

The financial statements have been prepared on the going concern basis and under the historical cost convention. The financial reporting framework that has been applied in their preparation is the Companies Act 2014, FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* issued by the Financial Reporting Council and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102 ("The Charities SORP FRS 102"). The company, as a charity, has adopted, as permitted under the Companies Act 2014, the presentation format of its financial statements in accordance with the requirements of The Charities SORP FRS 102 given the special nature of its activities.

1.2 Fund Accounting

Unrestricted funds are those funds that can be used for any charitable purpose at the discretion of the directors; designated funds are those funds that have been set aside by the directors for particular purposes; restricted funds may only be used in accordance with the specific wishes of donors.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

Note 1 – Accounting Policies continued

1.3 Incoming Resources

The Company's incoming resources comprise:

Donations and Legacies

- Government Grants
- Other Donations

Charitable Activities

- Operation of Theatres (Box Office, Touring, Community & Education Income)

Other Trading Activities

- Theatre Rental
- Archival Rights
- Bar & Merchandising
- Costume Hire

All incoming resources are included in the Statement of Financial Activities when the company has a legal entitlement, the amount of income can be quantified with reasonable accuracy, the amount of the income shall probably be received and any performance conditions attached to the item(s) of income have been met.

Donations and Legacies comprise all incoming resources from grants, sponsorship, donations, and legacies. Such income is recognised in the appropriate fund on a receivable basis and when any conditions for the receipt are met.

Where the donor-imposed conditions require that the resource is expended in a future accounting year, income is recorded as deferred income at the balance sheet date. Where the donor imposes conditions that have not been met or uncertainty exists as to whether the Abbey Theatre can meet the terms or conditions, income is deferred and recognised as a liability until the terms and conditions probably imposed can be met.

Government grant income is recognised using the performance model as specified in the Charities SORP FRS 102. The Theatre receives funding from the Arts Council. Performance levels are specified in an agreement with the Arts Council. The requirements for 2018 have been met. Accordingly, all income received has been recognised in the Statement of Financial Activities.

Government grants received to fund capital projects are recognised in the Statement of Financial Activities when receivable. Such grants are recognised as restricted funds. Depreciation is charged to the relevant fund in equal instalments over the useful life of assets purchased using funds from Government grants provided for that purpose.

Goods and services received in kind, where material, are included within donation and legacies under the appropriate expenditure heading, depending on the nature of goods and services provided. These are recognised at an estimated value to the charity at the time of receipt.

Income from exploitations and rights and other income is recognised on a receivable basis. Income from advance members is recognised on a straight-line basis over the year of subscription.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

Note 1 – Accounting Policies continued

1.4 Resources Expended

All expenditure is accounted for on an accruals basis, and where relevant, is classified under the relevant activity within the Statement of Financial Activities. Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, the settlement will probably be required and the amount of the obligation can be measured reliably.

Resources expended on raising funds comprise the costs of generating donations and legacies and costs of the Abbey's commercial activities.

Charitable activities comprise the resources expended on the delivery of the Abbey's productions at both the Abbey and Peacock Theatres and tour. The costs of governance are also included within charitable activities costs. Governance costs include legal costs, Board expenses, internal and external audit fees.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include Finance and Administration personnel costs, Cleaning & Maintenance and Facilities which pertain to several activities. These are apportioned between Charitable Activities and Raising Funds based on the best estimate of usage between these activities. Details of the apportionment are set out in note 6.

Staff costs of manning and running the bars at the Abbey and Peacock are apportioned to fundraising activities based on estimated hours incurred at the relevant employee hourly cost.

1.5 Tangible Fixed Assets and Depreciation

Fixed Assets are stated at cost less accumulated depreciation within the relevant fund.

Depreciation is charged to the relevant fund in the Statement of Financial Activities to write down the cost less residual value of all tangible fixed assets, other than freehold land, in equal instalments over the expected useful lives at the following annual rates:

Premises	2%
Leasehold Improvements	10%/20%
Paintings & Library	0%
Computers and Equipment	25%
Furniture, Fixtures, and Fittings	10%
Auditorium Improvements	20%
Theatre Equipment	25%

Depreciation is charged for a full year in the year of acquisition.

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

1.6 Stocks

Goods for resale comprising of bar stocks and other merchandise are valued at the lower of cost and net realisable value.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

Note 1 – Accounting Policies continued

1.7 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of financial activities on a straight-line basis throughout the lease.

Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each finance lease payment is allocated between the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in creditors. The interest element of the finance cost is charged to the relevant fund in the statement of financial activities. The property, plant, and equipment capitalised under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

1.8 Pension

The Abbey Theatre operates a defined contribution pension scheme and recognises the employer's contributions to this scheme in the relevant fund charged to the Statement of Financial Activities. Also, the company makes contributions to a Personal Retirement Savings Account (PRSA) Scheme for certain members of staff and ex-gratia pensions are paid directly to some former staff members.

1.9 Financial Instruments

Cash and cash equivalents

Cash consists of cash on hand and demand deposits. Cash equivalents consist of short term highly liquid investments that are readily convertible to known amounts of cash that are subject to an insignificant risk of change in value.

Other financial assets

Other financial assets including trade debtors for goods sold to customers on short-term credit, are initially measured at the undiscounted amount of cash receivable from that customer, which is normally the invoice price, and are subsequently measured at amortised cost less impairment, where there is objective evidence of impairment.

Loans and borrowings

All loans and borrowings, both assets and liabilities are initially recorded at the present value of cash payable to the lender in settlement of the liability discounted at the market interest rate. Subsequently, loans and borrowings are stated at amortised cost using the effective interest rate method. The computation of amortised cost includes any issue costs, transaction costs and fees, and any discount or premium on the settlement, and the effect of this is to amortise these amounts over the expected borrowing period. Loans with no stated interest rate and repayable within one year or on-demand are not amortised. Loans and borrowings are classified as current assets or liabilities unless the borrower has an unconditional right to defer settlement of the liability for at least twelve months after the financial year-end date.

Other financial liabilities

Trade creditors are measured at invoice price unless payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate. In this case, the arrangement constitutes a financing transaction, and the financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

Note 1 – Accounting Policies (continued)

Impairment of financial assets

At the end of each reporting period, the Company assesses whether there is objective evidence of impairment of any financial assets that are measured at cost or amortised cost, loans, trade debtors and cash. If there is objective evidence of impairment, impairment losses are recognised in the Statement of Financial Activities in that financial year.

Resources expended on Raising Funds

Resources expended on raising funds include the direct costs of generating donations and legacies and the costs associated with the Abbey's non-charitable trading activities including the operation of the bar, sale of merchandising and programmes, the external hire of costumes and theatre space and the provision of training services. It also includes an apportionment of indirect costs as set out in Note 5.

1.10 Critical accounting estimates and judgements

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 balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from these estimates.

The following may involve a higher degree of judgement and complexity:

- Depreciation and Residual Values

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

- Heritage Assets

The Board exercised its judgement on the fact that the costs of obtaining a valuation of all heritage assets is not commensurate with the benefits of doing so.

Note 2 – Going Concern

The company relies on State funding and income from Box Office and other income sources. The Board has been notified by the Arts Council that its core funding for 2019 has been set at €6.8m with an additional €0.2m committed in relation to touring. Budgets have been prepared for 2019 and financial forecasts for 2020, which indicate positive retained reserves shall arise in both years. The Board is not aware of any matters which indicate the budget and financial forecast will not be realised. The Board believes that based on the current plans and projected results, the company is viable and consequently believes it is appropriate to prepare the financial statements on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

Note 3 – Heritage Assets and Collections

Since its foundation, the Abbey Theatre has acquired through creation, purchase and donation, an archive of material which is not recognised as an asset in the Directors' Report and Financial Statements. The Board believes that because of the diverse nature of the materials held, the volume of material and the lack of comparable market values, comprehensive valuations cannot be obtained at a cost that is commensurate with the benefits to users of the financial statements. The disclosures required under FRS102 where heritage assets are not capitalised are set out in Note 22.

While the majority of items contained in the Abbey Theatre Archive are acquired through donation or creation by the Abbey Theatre itself, expenditure incurred concerning the acquisition of material for the Archive is charged to the Statement of Financial Activities in the year of acquisition.

Note 4 – Income

4.1 Donations and Legacies

Year Ending 31/12/2018	Unrestricted Funds	Restricted Funds		Total
	Operations	Capital Projects	Short Term Projects	
	€	€	€	€
Government grants:				
Arts Council				
- Revenue grant	7,000,000			7,000,000
Department of Arts, Heritage, Regional, Rural and Gaeltacht Affairs				
- Touring grant			106,284	106,284
- Vote 33 / subhead A7		400,000		400,000
Ealaín na Gaeltachta				
- Community & education activity				
British Council				
- Touring grant				
	7,000,000	400,000	106,284	7,506,284
Other Donations:				
Development Income	312,216		303,003	615,219
Sundry Other Income	121,372			121,372
	433,588		303,003	736,591
	7,433,588	400,000	409,287	8,242,875

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

Note 4 - Income (continued)

**4.1 Donations and
Legacies**

Year Ending 31/12/2017	Unrestricted Funds	Restricted Funds		Total
	Operations	Capital Projects	Short Term Projects	
	€	€	€	€
Government grants:				
Arts Council				
- Revenue grant	6,170,000			6,170,000
- Touring grant				
Department of Arts, Heritage, Regional, Rural and Gaeltacht Affairs				
- Touring grant			10,316	10,316
- Vote 33 / subhead A7		500,000		500,000
Department of Education & Skills				
- Community & education activity			2,000	2,000
Department of Foreign Affairs				
- Touring grant			5,000	5,000
	6,170,000	500,000	17,316	6,687,316
Other Donations:				
Development Income	371,201		270,622	641,823
Sundry Other Income	124,512			124,512
	495,713		270,622	766,335
	6,665,713	500,000	287,938	7,453,651

4.2 Charitable Activities - Operation of Theatres

	Unrestricted Funds: Operations	
	Y/E 31.12.18	Y/E 31.12.17
	€	€
Production Income	2,815,870	2,508,317
Touring Income	477,672	59,812
Community & Education	4,760	25,790
	3,298,302	2,593,919

**4.3 Other Trading
Activities**

	Unrestricted Funds: Operations	
	Y/E 31.12.18	Y/E 31.12.17
	€	€
Theatre Rental	178,858	178,279
Bar & Merchandising	398,131	393,299
Costume Hire	86,931	91,001
	663,920	662,579

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**
Note 5 – Expenditure
5.1 Charitable Activities - Operation of Theatres

Year Ending 31/12/2018	Unrestricted Funds	Restricted Funds		Total
	Operations	Capital Projects	Short Term Projects	
	€	€	€	€
Production Expenses	3,581,070		363,207	3,944,277
Touring Expenses	790,579		106,284	896,863
General Theatre Expenses	1,339,670			1,339,670
Artistic & CEO	427,443			427,443
New Work & Archive	512,980			512,980
Sales & Customer Service	893,685			893,685
Communications	500,079			500,079
Community & Education	220,461			220,461
Financial and Administration	1,318,292			1,318,292
Facilities, Cleaning & Maintenance	868,659			868,659
Depreciation	57,435	505,949		563,384
	<u>10,510,353</u>	<u>505,949</u>	<u>469,491</u>	<u>11,485,793</u>

Year Ending 31/12/2017	Unrestricted Funds	Restricted Funds		Total
	Operations	Capital Projects	Short Term Projects	
	€	€	€	€
Production Expenses	3,608,207			3,608,207
Touring Expenses	32,621		156,556	189,177
General Theatre Expenses	1,258,127			1,258,127
Artistic & CEO	574,367			574,367
New Work & Archive	190,141			190,141
Sales & Customer Service	842,773			842,773
Communications	524,236			524,236
Community & Education	142,282		47,698	189,980
Financial and Administration	927,511			927,511
Facilities, Cleaning & Maintenance	779,473			779,473
Depreciation	60,886	493,062		553,948
	<u>8,940,624</u>	<u>493,062</u>	<u>204,254</u>	<u>9,637,940</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**
5. Expenditure (continued)
5.2 Raising Funds

Year Ending 31/12/2018	Unrestricted Funds	Restricted Funds		Total
	Operations	Capital Projects	Short Term Projects	
	€	€	€	€
Theatre Rental	56,812			56,812
Development	299,117			299,117
Bar & Merchandising	162,932			162,932
Sundry Other Activities	22,487			22,487
Costume Hire	76,896			76,896
Finance and Administration	139,810			139,810
Facilities, Cleaning & Maintenance	96,518			96,518
	<u>854,572</u>	<u>0</u>	<u>0</u>	<u>854,572</u>

Year Ending 31/12/2017	Unrestricted Funds	Restricted Funds		Total
	Operations	Capital Projects	Short Term Projects	
		€	€	€
Theatre Rental	57,322			57,322
Development	440,772		3,480	444,252
Bar & Merchandising	248,481			248,481
Sundry Other Activities	18,445			18,445
Costume Hire	73,488			73,488
Finance and Administration	103,057			103,057
Facilities, Cleaning & Maintenance	86,608			86,608
	<u>1,028,173</u>	<u>0</u>	<u>3,480</u>	<u>1,031,653</u>

Note 6 – Cost Apportionment
Apportionment of Finance & Administration, Cleaning & Maintenance and Facilities

	Year Ending 31/12/2018			Year Ending 31/12/2017		
	Charitable Activities	Raising Funds	Total	Charitable Activities	Raising Funds	Total
	€	€	€	€	€	€
Finance & Administration	1,318,292	139,810	1,458,102	927,512	103,057	1,030,569
Cleaning & Maintenance	97,477	10,831	108,308	97,870	10,874	108,744
Facilities	771,182	85,687	856,869	681,603	75,734	757,337
	<u>2,186,951</u>	<u>236,328</u>	<u>2,423,279</u>	<u>1,706,985</u>	<u>189,665</u>	<u>1,896,650</u>

Costs for the Financial & Administration, Cleaning & Maintenance and Facilities categories have been apportioned based on estimated usage for both years ended 31 December 2017 and 31 December 2018 as follows:

Charitable Activities: 90%
Raising Funds: 10%

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018
Note 7 – Net (Expenditure) / Income for the Period

The directors of the company are not remunerated for their service as directors to the company. This is in accordance with the company's memorandum of association, staff directors are remunerated for their services to the company, other than their services as a director. Costs incurred by directors in fulfilling their duties as directors, are reimbursed by the company as follows;

		Y/E 31.12.18	Y/E 31.12.17
		€	€
Travel Expenses:	Bryan McMahon	0	660
	Frances Ruane	308	287
	Deirdre Kinahan	0	528
	Sheelagh O'Neill	1,210	0
	Jane Daly	165	0
	Pádraig Cusack	1,631	369
		<u>3,314</u>	<u>1,844</u>
Entertaining:	Frances Ruane	705	535
		<u>705</u>	<u>535</u>
Research:	Frances Ruane	0	466
		<u>0</u>	<u>466</u>
Training:	Bosco Hogan	1,200	0
	Dónall Curtin	394	394
		<u>1,594</u>	<u>394</u>
Telephone Allowance:	Bryan McMahon	0	45
Remunerations to directors who are employees of the company			
Kevin McFadden - Salary		57,859	44,989
Kevin McFadden - Company Contribution to Personal Pension		2,329	4,524
*Bosco Hogan		14,258	13,827
Bosco Hogan - Company Contribution to Personal Pension		0	0
Auditor's remuneration		22,000	18,000
Bank interest payable		75,190	83,201
Bank interest receivable		415	241
Depreciation		563,384	553,948

* Mr. Hogan received salary payments during the year relating to his engagement as an actor.

The auditor's remuneration is for the audit for the company's financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**
Note 7 – Net (Expenditure) / Income for the Period (continued)

	Y/E 31.12.18	Y/E 31.12.17
	€	€
Entertainment/hospitality	64,642	54,014
Foreign travel	63,456	90,332
National travel	237,178	204,955
Legal	90,351	65,182
Tax	0	0
Financial Advisory	34,812	13,439
Public Relations / Marketing	159,064	142,587

The foreign travel cost includes the charges for (a) travel to and from Ireland by members of the creative teams and actors on various productions who reside abroad, (b) fundraising and research trips by members of the Abbey management and (c) travel, subsistence and accommodation costs associated with overseas touring.

Note 8 – Employees and Remuneration

	Y/E 31.12.18	Y/E 31.12.17
	€	€
The staff costs comprise:		
Wages and salaries	5,051,276	4,430,417
Employers' P.R.S.I.	519,612	456,068
Pension costs	81,876	121,710
	<u>5,652,764</u>	<u>5,008,195</u>
Number of employees with Gross Pay between		
€ 110,000 € 120,000	0	0
€ 100,000 € 109,999	2	0
€ 90,000 € 99,999	0	3
€ 80,000 € 89,999	1	0
€ 70,000 € 79,999	2	3
€ 60,000 € 69,999	1	2

The average number of persons employed by the company in the financial year was 121 (2017 - 126) and is analysed into the following categories:

	2018		2017	
	Headcount	€	Headcount	€
Production (including freelance theatre artists)	66	2,959,723	62	2,290,285
Sales & Customer Service	25	854,312	33	878,875
Administration	30	1,838,729	31	1,839,035
	<u>121</u>	<u>5,652,764</u>	<u>126</u>	<u>5,008,195</u>

Termination payments:

	Y/E 31.12.18	Y/E 31.12.17
	€	€
Termination payments	187,207	3,839

During 2018, an amount of €187,207 was paid to four members of staff during the year by way of redundancy payments. This has been recognised fully in the 2018 accounts in line with accounting policy, with no related obligation or funding requirement reflected in the Balance Sheet at the reporting date.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**
Note 8 – Employees and Remuneration (continued)

	Y/E 31.12.18	Y/E 31.12.17
	2018	2017
	€	€
Senior Management Team Remuneration	498,352	528,057
The Chief Executive Remuneration		
Mr. N Murray salary	101,565	99,850
Accrued Company Contribution to Director pension plan	8,125	7,988
Mr. G McLaren salary	101,565	99,850
Accrued Company Contribution to Director pension plan	8,125	7,988

Mr. Murray and Mr. McLaren were appointed joint Chief Executives for a 5-year term with effect from the 4th July 2016.

Note 9 – Fixed Assets

Year Ending 31/12/2018	Premises	Improvements to Premises	Painting & Library	Furniture, Fittings & Equipment	Auditorium	Total
Cost	€	€	€	€	€	€
Balance at 1 Jan	5,760,716	3,699,933	88,706	6,143,566	864,387	16,557,308
Additions		112,141		245,716		357,857
Balance at 31 Dec	5,760,716	3,812,074	88,706	6,389,282	864,387	16,915,165
Depreciation	€	€	€	€	€	€
Balance at 1 Jan	1,965,151	2,529,749		5,874,541	761,353	11,130,794
Charge for Period	110,869	248,179		176,119	28,216	563,383
Balance at 31 Dec	2,076,020	2,777,928	0	6,050,660	789,569	11,694,177
Net Book Value	€	€	€	€	€	€
At 31 December 2018	3,684,696	1,034,146	88,706	338,622	74,818	5,220,988

Premises with a carrying value of €2,747,336 (2017 €2,808,415) are pledged as security for the company's bank loan.

Note 10 – Stock

	Y/E 31.12.18	Y/E 31.12.17
	€	€
Goods for re-sale	11,303	11,612
	11,303	11,612

Stocks considered obsolete are written down to net realisable value. There were no write-downs this year (2017 - €0) and the carrying value of stock at net realisable value is €11,303 (2017 - €11,612).

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

Note 11 – Debtors

	Y/E 31.12.18	Y/E 31.12.17
	€	€
Prepayments	156,677	130,225
Debtors	164,105	184,533
Total	320,782	314,758

All debtors are due within one year. All trade debtors are due within the company's normal terms, which is thirty days. Trade debtors are shown net of impairment in respect of doubtful debts.

Note 12 – Cash at Bank and on Hand

	Y/E 31.12.18	Y/E 31.12.17
	€	€
Restricted cash at bank and in hand	1,000,000	1,000,000
Unrestricted cash at bank and in hand	1,316,371	2,177,146
	2,316,371	3,177,146

Restricted cash may be applied towards the acquisition of property for the Abbey Theatre.

Note 13 – Creditors (Falling due within one year)

	Y/E 31.12.18	Y/E 31.12.17
	€	€
Trade creditors	295,187	174,281
Accruals	1,216,676	1,372,559
Deferred income	1,713,316	2,500,000
PAYE and PRSI	138,370	96,473
VAT	21,478	36,201
Bank Loan	137,796	125,811
	3,522,823	4,305,325

The repayment terms of trade creditors vary between demand and ninety days. Interest is payable to creditors if their credit terms are exceeded. Trade creditors include an amount of approximately €10,000 (2017 - €10,000) in respect of goods for which ownership is not passed until payment is made. The terms of the accruals are based on the underlying contracts.

The deferred income of €1.7m primarily comprises of (1) a donation of €1.0 m (2017 €1.0m) from a third party to assist in future property acquisitions, and (2) €0.6m relating to the 2019 funding grant receivable from the Arts Council paid in 2018. The property donation of €1.0m (2017 €1.0m) is repayable should the property acquisition not occur.

Other amounts included within creditors not covered by specific note disclosures are unsecured, interest-free and repayable on demand.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

Note 14 – Creditors (Falling due after more than one year)

	Y/E 31.12.18	Y/E 31.12.17
	€	€
Bank Loan	1,930,070	2,072,886
	<u>1,930,070</u>	<u>2,072,886</u>

Note 15 – Bank Borrowings

	Y/E 31.12.18	Y/E 31.12.17
	€	€
Bank Loan		
Current	137,796	125,811
Non-Current	1,930,070	2,072,886
Total	<u>2,067,866</u>	<u>2,198,697</u>

Maturity Analysis

Year Ending 31/12/2018	Within one year €	Between one & five years €	After five years €	Total €
Indebtedness repayable by instalments:				
Bank Loans	137,796	551,184	1,378,886	2,067,866
	<u>137,796</u>	<u>551,184</u>	<u>1,378,886</u>	<u>2,067,866</u>
 Year Ending 31/12/2017				
	€	€	€	€
Indebtedness repayable by instalments:				
Bank Loans	125,811	503,244	1,569,642	2,198,697
	<u>125,811</u>	<u>503,244</u>	<u>1,569,642</u>	<u>2,198,697</u>

The bank loans are secured by a fixed charge on specific freehold land and buildings, which are carried in the Balance Sheet at €2,747,336 (2017 - €2,808,415). They carry variable interest rates of 3.68% on €772,676 (2017 - 3.82% on €822,441) and 3.42% on €1,295,190 (2017 - 3.57% on €1,376,256). They are repayable by instalments over the next 12 years.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

Note 16 – Analysis of Charitable Funds

Year Ending 31/12/2018	Balance 1 Jan 2018	Incoming Resources	Resources Expended	Funds 31 Dec 2018
	€	€	€	€
Unrestricted Funds				
Operations	442,363	11,395,810	(11,364,925)	473,248
Restricted Funds				
Capital Projects	2,029,252	400,000	(505,949)	1,923,303
Short Term Projects	80,204	409,287	(469,491)	20,000
Total	2,109,456	809,287	(975,440)	1,943,303
Year Ending 31/12/2017	Balance 1 Jan 2017	Incoming Resources	Resources Expended	Funds 31 Dec 2017
	€	€	€	€
Unrestricted Funds				
Operations	488,949	9,922,211	(9,968,797)	442,363
Restricted Funds				
Capital Projects	2,022,314	500,000	(493,062)	2,029,252
Short Term Projects		287,938	(207,734)	80,204
Total	2,022,314	787,938	(700,796)	2,109,456

Restricted Funds

Capital Projects - On building and refurbishment of auditoriums and ancillary capital equipment.

Short Term Projects - Restricted Funds to support certain short term projects exceeded the total cost of those projects.

This surplus will be used in future years to fund restricted operations.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

Note 17 – Analysis of Group Net Assets between Funds

Year Ending 31/12/2018	Unrestricted Funds	Restricted Funds		Total
	Operations	Capital Projects	Short Term Projects	
	€	€	€	€
Tangible Fixed Assets	3,277,685	1,923,303	20,000	5,220,988
Cash at bank and in hand	1,316,371	1,000,000		2,316,371
Other net current assets / (liabilities)	(2,190,738)	(1,000,000)		(3,190,738)
Creditors due after more than one year	(1,930,070)			(1,930,070)
	<u>473,248</u>	<u>1,923,303</u>	<u>20,000</u>	<u>2,416,551</u>

Year Ending 31/12/2017	Unrestricted Funds	Restricted Funds		Total
	Operations	Capital Projects	Short Term Projects	
	€	€	€	€
Tangible Fixed Assets	3,317,058	2,029,252	80,204	5,426,514
Cash at bank and in hand	2,177,146	1,000,000		3,177,146
Other net current assets / (liabilities)	(2,978,955)	(1,000,000)		(3,978,955)
Creditors due after more than one year	(2,072,886)			(2,072,886)
	<u>442,363</u>	<u>2,029,252</u>	<u>80,204</u>	<u>2,551,819</u>

Note 18 – Cash flows from Operating Activities

	Y/E 31.12.18	Y/E 31.12.17
Net (Expenditure) / Income and net movement in funds for the year	(135,268)	40,556
Interest Received	(415)	(241)
Interest Paid	75,190	83,201
Depreciation	563,384	553,948
(Increase) / Decrease in Debtors	(6,025)	(70,952)
(Increase) / Decrease in Stocks	309	4,821
(Decrease) / Increase in Creditors	(794,487)	1,526,901
Cash flows from operating activities	<u>(297,312)</u>	<u>2,138,234</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

Note 19 – Income and Expenditure Account

Abbey Theatre Amharclann Na Mainistreach has availed of the exemption under the Companies Act 2014 which requires the company to produce a Profit and Loss Account under the requirements of the Companies Act 2014. The exemption has been availed of as it has adopted The Charities SORP – FRS 102 which is the most appropriate financial framework applicable to its activities. The Statement of Financial Activities accounts for all of the Income and Expenditure of Abbey Theatre Amharclann Na Mainistreach.

Note 20 – Financial Instruments

The analysis of the carrying amounts of the financial instruments of the company required under section 11 of Accounting and Reporting by Charities (FRS102) is as follows:

	Y/E 31.12.18	Y/E 31.12.17
	€	€
Financial assets that are debt instruments measured at amortised cost		
Trade debtors	146,959	129,947
Other debtors	17,146	54,586
Cash at the bank, Deposit Account and in hand	2,316,371	3,177,146
Financial liabilities measured at amortised cost		
Bank loans	2,067,866	2,198,697
Trade creditors	295,187	174,281

Note 21 – Commitments

Operating Leases:

Leasing commitments payable during the next twelve months amount to €239,130 (2017: €242,205)

**Amounts payable under lease to the end
of the lease term/earliest break option**

	Y/E 31.12.18	Y/E 31.12.17
	€	€
Within 1 year	239,130	242,205
Between 2 to 5 years	903,187	923,187
After 5 years	430,362	649,492
	<u>1,572,679</u>	<u>1,814,884</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

Note 22 – Heritage Assets and Collections

As outlined in Accounting Policy 3, the value of the Abbey Theatre Archive is not included in the Directors' Report and Financial Statements.

The Abbey Theatre Archive collects, preserves and makes available material of enduring value relating to the Abbey Theatre. Comprising over one million items, dating from 1894 to the present, it is one of the world's most significant theatre collections. The collection includes posters, programmes, handbills, photographs, lighting plans, set and costume designs, scripts, prompt scripts, music scores, audio and audio-visual files, press cuttings, correspondence, administrative records, model boxes, and other material. The collection attracts a wide research audience both nationally and internationally.

Note 23 – Related Party Transactions

There are no related party transactions in the year.

Note 24 – Charitable Status

Charitable status was granted to the National Theatre Society Ltd. on 30th March 1999 (Section 207 of the Taxes Consolidation Act 1997), and on 23rd May 2002 (Section 208 of the Taxes Consolidation Act 1997). Charity Taxation No. CHY 12923. The company is not liable to taxation on its activities. The Society's charitable status was transferred to Abbey Theatre Amharclann Na Mainistreach on 1st February 2006.

Note 25 – Establishment of US Entity

Abbey Theatre Foundation Inc. is an independent US company founded to raise funds for the Abbey Theatre in the United States.

Note 26 – Board Member Disclosure of Transactions

In the normal course of business, the company may enter into contractual arrangements with undertakings in which Board members have interests. The company adopted procedures in accordance with guidelines issued by the Department of Public Expenditure & Reform in relation to the disclosure of interests by Board members and the company adhered to these procedures during the year. The Board members and the company complied with the Department of Public Expenditure & Reform guidelines covering situations of personal interest. In cases of potential conflict of interest, Board members did not participate in or attend any Board discussions relating to the matter.

Note 27 – Approval of the Financial Statements

The Financial Statements were approved by the Board of Directors on the 12th of September 2019.