

**The Wexford Festival Trust**  
**Annual Report and Financial Statements**  
**for the financial year ended 31 December 2020**

# The Wexford Festival Trust

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## **The Wexford Festival Trust**

### **DIRECTORS AND OTHER INFORMATION**

<b>Directors</b>	Gerard Lawlor (Resigned 12 November 2020) Paul Cleary Mary Gallagher (Resigned 31 December 2020) Kevin Mitchell Mary Kelly Jim Donnelly Robert McGlynn Karina Daly Eamon Tierney Dara Lynott Yvonne Mays (Appointed 12 November 2020) Terence Neill (Appointed 12 November 2020)
<b>Company Secretary</b>	Gerard Lawlor
<b>Company Number</b>	73941
<b>Charity Number</b>	CHY6132
<b>Registered Office and Business Address</b>	The National Opera House High Street Wexford
<b>Auditors</b>	Sheil Kinnear Limited Chartered Accounts & Statutory Audit Firm Sinnottstown Business Park Drinagh Wexford
<b>Bankers</b>	Bank of Ireland Custom House Quay, Wexford
<b>Solicitors</b>	O'Connor Mullen Solicitors 1 Glena Terrace Spawell Road

# The Wexford Festival Trust

## Chairwoman's Statement

For the financial year ended 31 December 2020

Wexford Festival Trust's two primary business operations consist of the production of the annual Wexford Festival Opera and the operation of the National Opera House as a venue for an important mix of musical and theatrical productions. For both, the year 2020 will be remembered as the year that the COVID-19 pandemic struck with devastating impacts on societies and economies across the world. While no sectors were untouched by the effects of the pandemic, it is widely accepted that the arts and culture sector was particularly hard hit – the first to close its doors and the last to open again. Like all in the sector, Wexford Festival Trust suffered with the National Opera House closed for live performances and Wexford Festival Opera producing a digital offering the 'Festival in the Air' over 13 nights in October 2019.

In that context, I am happy to be able to present these accounts and to report that we have been able to survive and to produce a small surplus at the end of the year, which allowed us to offer some compensation to artists and creative staff whose performances and work had been postponed in 2020. That survival was thanks in no small part to the swift and generous response of the Arts Council of Ireland in assuring the companies that they fund that the financial support granted would be honoured in full and by making those funds available up-front. Without that support, Wexford Festival Opera would not have been able to produce the 'Festival in the Air' – a live-streamed digital Festival which reached over 180,000 people across the world. We are deeply grateful to the Arts Council for their foresight and quick response.

We are also grateful to our sponsors and donors who stayed with us through this difficult year and to the generosity of the many Friends of the Festival who donated through pre-paid tickets or donations on the nights of the Festival. Despite the pandemic we decided to proceed with the inaugural young artists programme, the Wexford Factory, which gives young Irish and Irish based singers the opportunity to be coached and mentored by some of the finest singers and artists in the opera world, as part of Wexford Festival Opera's contribution to developing talent in Ireland. We gratefully acknowledge the tremendous support of those who sponsored individual young singers and the Wexford Factory which we intend to continue.

I would like to thank all of our staff, artistic and administrative for their resilience and resourcefulness which allowed us to stage the 'Festival in the Air' and to adapt and survive in challenging circumstances and the singers and artists who gave so generously of their time to perform for Wexford. Many of our well known Wexford 'alumni' performed free of charge in a special Gala performance and shared good wishes and memories of their early careers in Wexford. Special thanks are due to the COVID Committee which oversaw the safe operation of both Festival and Factory.

I would like to thank Ger Lawlor, former Chairperson and longstanding board member and Mary Gallagher, both of whom retired from the Board in 2020 for their services to Wexford Festival Trust and to welcome Terry Neill and Yvonne Mays who bring new skills and experiences to the Board. My sincere thanks to all Board Members for their support and sheer hard work during this challenging year and to the members of the National Development Council and UK Trust who have been a source of much support and advice.

I look forward to getting back to live performances in front of real audiences.

***Dr Mary Kelly***  
**Chairwoman**

# The Wexford Festival Trust

## DIRECTORS' REPORT

for the financial year ended 31 December 2020

The directors present their report and the audited financial statements for the financial year ended 31 December 2020.

### Principal Activity and Review of the Business

The company is engaged in the staging of the annual Wexford Festival Opera and ancillary services.

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

There has been no significant change in these activities during the financial year ended 31 December 2020.

### Financial Results

The surplus for the financial year after providing for depreciation amounted to €60,705 (2019 - €56,814).

At the end of the financial year, the company has assets of €22,618,430 (2019 - €23,793,764) and liabilities of €18,025,356 (2019 - €19,261,395). The net assets of the company have increased by €60,705.

### Directors and Secretary

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

Gerard Lawlor (Resigned 12 November 2020)

Paul Cleary

Mary Gallagher

Kevin Mitchell

Mary Kelly

Jim Donnelly

Robert McGlynn

Karina Daly

Eamon Tierney

Dara Lynott

Yvonne Mays (Appointed 12 November 2020)

Terence Neill (Appointed 12 November 2020)

The secretary who served throughout the financial year was Ger Lawlor.

The directors' and the secretary's interests in the shares of the company are as follows:-

Name	Class of Shares	Held At 31/12/20	Held At 01/01/20
Gerard Lawlor		-	-
Paul Cleary		-	-
Mary Gallagher		-	-
Kevin Mitchell		-	-
Mary Kelly		-	-
Jim Donnelly		-	-
Robert McGlynn		-	-
Karina Daly		-	-
Eamon Tierney		-	-
Dara Lynott		-	-
Yvonne Mays		-	-
Terence Neill		-	-

There are no contracts of any significance in relation to the business of the company in which the Directors had any interest, as defined in the Companies Act 2014 at any time during the year.

**The Wexford Festival Trust**  
**DIRECTORS' REPORT**

for the financial year ended 31 December 2020

**Accounting Records**

To ensure that adequate accounting records are kept in accordance with sections 281 to 285 of the Companies Act 2014, the directors have employed appropriately qualified accounting personnel and have maintained appropriate computerised accounting systems. The accounting records are located at the company's office at The National Opera House, High Street, Wexford.

**Signed on behalf of the board**

Dr Mary Kelly  
Director



Date: 15 June 2021

Kevin Mitchell  
Director



Date: 15 June 2021

# The Wexford Festival Trust

## DIRECTORS' RESPONSIBILITIES STATEMENT

for the financial year ended 31 December 2020

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable 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 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the surplus or deficit of the company for the financial year and otherwise comply with the Companies Act 2014.

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

- select suitable accounting policies for the company financial statements and 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 business.

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and surplus or deficit 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 readily and properly audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the board

Dr Mary Kelly  
Director



Date: 15 June 2021

Kevin Mitchell  
Director



Date: 15 June 2021

# The Wexford Festival Trust

## DIRECTORS' REPORT

for the financial year ended 31 December 2020

### Holdings in Subsidiary Undertakings

Name	Company	Class of Shares	Number Held At 31/12/20	Number Held At 01/01/20
Gerard Lawlor			-	-
Paul Cleary			-	-
Mary Gallagher			-	-
Kevin Mitchell			-	-
Mary Kelly			-	-
Jim Donnelly			-	-
Robert McGlynn			-	-
Karina Daly			-	-
Eamon Tierney			-	-
Dara Lynott			-	-
Yvonne Mays			-	-
Terence Neill			-	-
			<u>-</u>	<u>-</u>

### Future Developments

The directors do not anticipate any significant developments in the nature of the business in the near future.

### Post Balance Sheet Events

In common with many other organisations the impact of the COVID-19 virus is likely to have a substantive effect on the operations of the company. Accordingly the board has established a working group to monitor developments as they occur and are confident that appropriate response actions will be taken as required

### Auditors

The auditors, Sheil Kinnear Limited, (Chartered Accounts & Statutory Audit Firm), have indicated their willingness to continue in office in accordance with the provisions of section 383(2) of the Companies Act 2014.

### Title

The Wexford Festival Trust is a company limited by guarantee. The suffix 'CLG' is not used by licence of the Minister for Enterprise, Trade and Innovation.

### Basis or preparation of financial statements - going concern

The financial statements have been prepared on the going concern basis. The validity of this assumption depends on:

- the continued support of the company's bankers
- the continued support of Government in the form of revenue and capital grant funding

The Directors are satisfied that in view of the company's committed banking facilities, the expected trading and cashflow performance, and the anticipated provision of grant funding at the required level, the company will have the necessary resources to continue trading for the foreseeable future. Accordingly the financial statements are prepared on the going concern basis.

### Statement on Relevant Audit Information

In accordance with section 330 of the Companies Act 2014, so far as each of the persons who are directors at the time this report is approved are aware, there is no relevant audit information of which the statutory auditors are unaware. The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and they have established that the statutory auditors are aware of that information.

# **INDEPENDENT AUDITOR'S REPORT**

## **to the Members of The Wexford Festival Trust**

### **Report on the audit of the financial statements**

#### **Opinion**

We have audited the financial statements of The Wexford Festival Trust ('the company') for the financial year ended 31 December 2020 which comprise the Income and Expenditure Account, the Balance Sheet, the Statement of Changes in Equity, the Cash Flow Statement and notes to the financial statements, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued in the United Kingdom by the Financial Reporting Council.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2020 and of its surplus for the financial year then ended;
- have been properly prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and the Provisions Available for Audits of Small Entities, in the circumstances set out in note 6 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Emphasis of Matter**

We draw attention to disclosures in the Directors Report, Accounting Policies and Note 4 regarding the preparation of the company's financial statements on a going concern basis. The validity of this assumption is dependent on the continued support of the company's bankers and the continued support of Government in the form of revenue and capital grant funding. The Directors are satisfied that in view of the company's committed banking facilities, the expected trade and cashflow performance, and the anticipated provision of grant funding at the required level, the company will have the necessary resources to continue trading for the foreseeable future. Our opinion is not modified in respect of this matter.

#### **Other Information**

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2014**

In our opinion, based solely on the work undertaken in the course of the audit, we report that:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with the Companies Act 2014.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited. In our opinion the financial statements are in agreement with the accounting records.

# **INDEPENDENT AUDITOR'S REPORT**

## **to the Members of The Wexford Festival Trust**

### **Matters on which we are required to report by exception**

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report. The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the company. We have nothing to report in this regard.

### **Respective responsibilities**

#### **Responsibilities of directors for the financial statements**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, if applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operation, or has no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is contained in the appendix to this report, located at page 11, which is to be read as an integral part of our report.

#### **The purpose of our audit work and to whom we owe our responsibilities**

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



**Tim Quinlivan**

**for and on behalf of**

**SHEIL KINNEAR LIMITED**

Chartered Accounts & Statutory Audit Firm

Sinnottstown Business Park

Drinagh

Wexford

**Date: 15 June 2021**

# The Wexford Festival Trust

## APPENDIX TO THE INDEPENDENT AUDITOR'S REPORT

### Further information regarding the scope of our responsibilities as auditor

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

**The Wexford Festival Trust**  
**INCOME AND EXPENDITURE ACCOUNT**  
for the financial year ended 31 December 2020

	Notes	2020 €	2019 €
Income		2,002,196	3,725,258
Amortisation of Government Grants		1,045,978	1,045,978
Expenditure		<u>(2,980,578)</u>	<u>(4,705,800)</u>
Surplus before interest		67,596	65,436
Interest payable and similar expenses	7	<u>(6,891)</u>	<u>(8,622)</u>
Surplus for the financial year		<u>60,705</u>	<u>56,814</u>
Total comprehensive income		<u><u>60,705</u></u>	<u><u>56,814</u></u>

Approved by the board on 15 June 2021 and signed on its behalf by:

Dr Mary Kelly  
Director

*Mary Kelly*

Kevin Mitchell  
Director

*Kevin Mitchell*

# The Wexford Festival Trust

## BALANCE SHEET

as at 31 December 2020

	Notes	2020 €	2019 €
<b>Fixed Assets</b>			
Tangible assets	9	22,440,911	23,514,170
Investments	10	43	43
		<u>22,440,954</u>	<u>23,514,213</u>
<b>Current Assets</b>			
Stocks	11	-	3,700
Debtors	12	49,166	222,742
Cash and cash equivalents		128,310	53,109
		<u>177,476</u>	<u>279,551</u>
<b>Creditors: Amounts falling due within one year</b>	13	<u>(1,339,689)</u>	<u>(1,529,750)</u>
<b>Net Current Liabilities</b>		<u>(1,162,213)</u>	<u>(1,250,199)</u>
<b>Total Assets less Current Liabilities</b>		<u>21,278,741</u>	<u>22,264,014</u>
Amounts falling due after more than one year	14	<u>(16,685,667)</u>	<u>(17,731,645)</u>
<b>Net Assets</b>		<u>4,593,074</u>	<u>4,532,369</u>
<b>Reserves</b>			
Capital reserves and funds		1,972,648	1,972,648
Income and expenditure account		2,620,426	2,559,721
<b>Members' Funds</b>		<u>4,593,074</u>	<u>4,532,369</u>

The financial statements have been prepared in accordance with the small companies' regime.

Approved by the board on 15 June 2021 and signed on its behalf by:

Dr Mary Kelly  
Director

Mary Kelly

Kevin Mitchell  
Director



**The Wexford Festival Trust**  
**STATEMENT OF CHANGES IN EQUITY**  
as at 31 December 2020

	Retained surplus	Capital Reserve	Total
	€	€	€
<b>At 1 January 2019</b>	2,502,907	1,972,648	4,475,555
Surplus for the financial year	56,814	-	56,814
<b>At 31 December 2019</b>	2,559,721	1,972,648	4,532,369
Surplus for the financial year	60,705	-	60,705
<b>At 31 December 2020</b>	<b>2,620,426</b>	<b>1,972,648</b>	<b>4,593,074</b>

**The Wexford Festival Trust**  
**CASH FLOW STATEMENT**  
for the financial year ended 31 December 2020

	Notes	2020 €	2019 €
<b>Cash flows from operating activities</b>			
Surplus for the financial year		60,705	56,814
Adjustments for:			
Interest payable and similar expenses		6,891	8,622
Depreciation		1,109,752	1,104,789
Amortisation of government grants		(1,045,978)	(1,045,978)
		<u>131,370</u>	<u>124,247</u>
Movements in working capital:			
Movement in stocks		3,700	(1,502)
Movement in debtors		173,576	38,551
Movement in creditors		439,835	(52,545)
		<u>748,481</u>	<u>108,751</u>
Cash generated from operations		748,481	108,751
Interest paid		(6,891)	(8,622)
		<u>741,590</u>	<u>100,129</u>
Net cash generated from operating activities		<u>741,590</u>	<u>100,129</u>
<b>Cash flows from investing activities</b>			
Payments to acquire tangible fixed assets		(36,493)	(568)
<b>Cash flows from financing activities</b>			
Repayment of short term loan		(31,720)	(30,694)
Movement in funding from subsidiaries/group companies		(293,841)	71,856
		<u>(325,561)</u>	<u>41,162</u>
Net cash (used in)/generated from financing activities		<u>(325,561)</u>	<u>41,162</u>
<b>Net increase in cash and cash equivalents</b>		<u>379,536</u>	<u>140,723</u>
<b>Cash and cash equivalents at beginning of financial year</b>		<u>(251,226)</u>	<u>(391,949)</u>
<b>Cash and cash equivalents at end of financial year</b>	23	<u><u>128,310</u></u>	<u><u>(251,226)</u></u>

# The Wexford Festival Trust

## NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2020

### 1. GENERAL INFORMATION

The Wexford Festival Trust is a company limited by guarantee incorporated in the Republic of Ireland. The National Opera House, High Street, Wexford is the registered office, 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 Directors' Report. The financial statements have been presented in Euro (€) which is also the functional currency of the company.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

#### Statement of compliance

The financial statements of the company for the year ended 31 December 2020 have been prepared on the going concern basis and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

#### Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention except for certain properties and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council.

#### Consolidated accounts

The company is entitled to the exemption provided for in section 293 (1A) of the Companies Act 2014 from the obligation to prepare group accounts because it qualifies as a small company in accordance with the small companies' regime.

#### Income

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered.

#### Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of tangible fixed assets, less their estimated residual value, over their expected useful lives as follows:

Land and buildings freehold	- 2% Straight line
Computers	- 33% Straight line
Fixtures and fittings	- 5% Straight line
Mechanical equipment	- 7% Straight line

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

Heritage assets comprising works of art are not capitalised as they are regarded as heritage assets which are held in a manner consistent with the advancement of the Arts, have very long lives and are worth preserving indefinitely.

#### Investments

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value. Income from other investments together with any related withholding tax is recognised in the income and expenditure account in the year in which it is receivable.

#### Stocks

Stocks are valued at the lower of cost and net realisable value. Stocks are determined on a first-in first-out basis. Cost comprises expenditure incurred in the normal course of business in bringing stocks to their present location and condition. Full provision is made for obsolete and slow moving items. Net realisable value comprises actual or estimated selling price (net of trade discounts) less all further costs to completion or to be incurred in marketing and selling.

# The Wexford Festival Trust

## NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2020

### Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

### Borrowing costs

Borrowing costs relating to the acquisition of assets are capitalised at the appropriate rate by adding them to the cost of assets being acquired. Investment income earned on the temporary investment of specific borrowings pending their expenditure on the assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

### Related parties

For the purposes of these financial statements a party is considered to be related to the company if:

- the party has the ability, directly or indirectly, through one or more intermediaries to control the company or exercise significant influence over the company in making financial and operating policy decisions or has joint control over the company;
- the company and the party are subject to common control;
- the party is an associate of the company or forms part of a joint venture with the company;
- the party is a member of key management personnel of the company or the company's parent, or a close family member of such as an individual, or is an entity under the control, joint control or significant influence of such individuals;
- the party is a close family member of a party referred to above or is an entity under the control or significant influence of such individuals; or
- the party is a post-employment benefit plan which is for the benefit of employees of the company or of any entity that is a related party of the company.

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the company.

### Taxation

No charge to current or deferred taxation arises as the company has been granted charitable status under Sections 207 and 208 of the Taxes Consolidation Act 1997, Charity Number CHY6132.

### Government grants

Capital grants received and receivable are treated as deferred income and amortised to the Income and Expenditure Account annually over the useful economic life of the asset to which it relates. Revenue grants are credited to the Income and Expenditure Account when received.

### Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Balance Sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the rates of exchange ruling at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The resulting exchange differences are dealt with in the Income and Expenditure Account.

**The Wexford Festival Trust**  
**NOTES TO THE FINANCIAL STATEMENTS**

continued

for the financial year ended 31 December 2020

**3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and factors, as well as expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

**(a) Establishing useful lives for depreciation purposes of tangible assets**

The annual depreciation charge on tangible assets depends primarily on the estimated useful lives of each type of asset and estimates of residual values. The directors regularly review the assets useful lives and change them as necessary to reflect current thinking on the remaining useful lives in light of prospective economic utilisation and physical condition of assets concerned. Changes in asset useful lives can have a significant impact on depreciation and amortisation charges for the period. Details of the useful lives is included in the accounting policy on tangible assets.

**(b) Providing for doubtful debts**

The company makes a provision for debts included in trade debtors, which it believes, will not be collected. The provision is based on a number of factors including up to date knowledge of the customers concerned and the recent payment history of the customers. The level of provision required is reviewed on an on going basis.

**(c) Going Concern**

The directors have prepared the financial statements on the going concern basis. The validity of this assumption is detailed in note 4.

**4. GOING CONCERN**

The financial statements have been prepared on the going concern basis. The validity of this assumption depends on:

- the continued support of the company's bankers
- the continued support of Government in the form of revenue and capital grant funding

If the company is unable to continue in operational existence, adjustments would have to be made to adjust the balance sheet value of assets to their recoverable amounts, to provide for further liabilities that might arise, and to reclassify fixed assets and long term liabilities as current assets and liabilities.

The Directors are satisfied that in view of the company's committed banking facilities, the expected trading and cashflow performance, and the anticipated provision of grant funding at the required level, the company will have the necessary resources to continue trading for the foreseeable future. Accordingly the financial statements are prepared on the going concern basis.

**5. PROVISIONS AVAILABLE FOR AUDITS OF SMALL ENTITIES**

In common with many other businesses of our size and nature, we use our auditors to assist with the preparation of the financial statements.

**6. OPERATING SURPLUS**

	2020	2019
	€	€
<b>Operating surplus is stated after charging/(crediting):</b>		
Depreciation of tangible fixed assets	1,109,752	1,104,789
Amortisation of Government grants	(1,045,978)	(1,045,978)
Artists Support Fund	158,000	-
	<u>158,000</u>	<u>-</u>

**The Wexford Festival Trust**  
**NOTES TO THE FINANCIAL STATEMENTS**

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for the financial year ended 31 December 2020

<b>7. INTEREST PAYABLE AND SIMILAR EXPENSES</b>	<b>2020</b>	2019
	€	€
Interest	<u>6,891</u>	<u>8,622</u>

**8. EMPLOYEES**

The staff costs comprise:	<b>2020</b>	2019
	€	€
Wages and salaries	<b>404,457</b>	694,120
Social welfare costs	<b>48,609</b>	75,551
Pension costs	-	-
	<u><b>453,066</b></u>	<u>759,671</u>

The company paid an amount of between €60,000 and €100,000 to three staff members in respect of the period as follows:

<b>Employee benefits (excluding employer pension costs)</b>	<b>2020</b>	2019
	Number	Number
Greater than €60,000	2	2
Greater than €80,000	1	1
Greater than €100,000	1	1

The company did not make pension contributions for any staff member.

The average monthly number of employees during the financial year was as follows:

	<b>2020</b>	2019
	Number	Number
Administration	<u>14</u>	<u>15</u>

**The Wexford Festival Trust**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the financial year ended 31 December 2020

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**9. TANGIBLE FIXED ASSETS**

	Land and buildings freehold	Computers	Fixtures and fittings	Mechanical equipment	Total
	€	€	€	€	€
<b>Cost</b>					
At 1 January 2020	28,345,576	197,951	684,474	7,074,704	36,302,705
Additions	-	36,493	-	-	36,493
At 31 December 2020	<u>28,345,576</u>	<u>234,444</u>	<u>684,474</u>	<u>7,074,704</u>	<u>36,339,198</u>
<b>Depreciation</b>					
At 1 January 2020	6,439,147	196,641	521,584	5,631,163	12,788,535
Charge for the financial year	566,912	13,387	34,224	495,229	1,109,752
At 31 December 2020	<u>7,006,059</u>	<u>210,028</u>	<u>555,808</u>	<u>6,126,392</u>	<u>13,898,287</u>
<b>Net book value</b>					
At 31 December 2020	<u>21,339,517</u>	<u>24,416</u>	<u>128,666</u>	<u>948,312</u>	<u>22,440,911</u>
At 31 December 2019	<u>21,906,429</u>	<u>1,310</u>	<u>162,890</u>	<u>1,443,541</u>	<u>23,514,170</u>

The Deeds of the National Opera House and 35 High Street are held subject to a deed of Covenant and Charge in favour of the Minister for Arts, Heritage, Regional, Rural and Gaeltacht Affairs.

The company holds a collection of artworks by Neil Shawcross which was gifted to it by the artist. A reliable valuation is not available for these works of art and the Directors believe that the cost of carrying out such an exercise would outweigh the benefit of this information to the user of the financial statements. Therefore, in accordance with SORP and FRS102 these assets have not been capitalised. They are not held for investments and the organisation does not actively seek to acquire or dispose of these assets.

**10. INVESTMENTS**

	Subsidiary undertakings shares	Other unlisted investments	Total
	€	€	€
<b>Investments</b>			
<b>Cost</b>			
At 31 December 2020	<u>30</u>	<u>13</u>	<u>43</u>
<b>Net book value</b>			
At 31 December 2020	<u>30</u>	<u>13</u>	<u>43</u>
At 31 December 2019	<u>30</u>	<u>13</u>	<u>43</u>

**11. STOCKS**

	2020	2019
	€	€
Stock of Oil (non trading)	<u>-</u>	<u>3,700</u>

The replacement cost of stock did not differ significantly from the figures shown.

**The Wexford Festival Trust**  
**NOTES TO THE FINANCIAL STATEMENTS**

for the financial year ended 31 December 2020

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12. DEBTORS	2020	2019
	€	€
Trade debtors	-	49,781
Other debtors	27,874	86,866
Taxation	9,688	-
Prepayments	11,604	36,095
Accrued income	-	50,000
	<u>49,166</u>	<u>222,742</u>

13. CREDITORS	2020	2019
Amounts falling due within one year	€	€
Amounts owed to credit institutions	85,310	421,365
Trade creditors	82,006	253,455
Amounts owed to group companies	30,735	324,576
Taxation	109,706	85,230
Other creditors	8,776	5,728
Accruals	547,417	149,396
Deferred Income	475,739	290,000
	<u>1,339,689</u>	<u>1,529,750</u>

Repayment terms for Trade Creditors vary between on demand and ninety days.

Taxes are subject to the terms of the relevant legislation. The terms of accruals vary with the related contracts.

The bank loan is repayable on demand and incurs an annual fixed interest rate of 3.42%.

14. CREDITORS	2020	2019
Amounts falling due after more than one year	€	€
Government grants (Note 17)	<u>16,685,667</u>	<u>17,731,645</u>

**15. FINANCIAL INSTRUMENTS**

The company has chosen to apply the provisions of Section 11 and 12 of FRS 102 to account for all of its financial instruments.

	2020	2019
	€	€
<b>Financial assets that are debt instruments measured at amortised cost</b>		
Trade debtors	-	49,781
Other debtors	49,166	172,961
Cash at bank and in hand	<u>128,310</u>	<u>53,109</u>
<b>Financial liabilities at amortised cost</b>		
Trade creditors	82,006	253,455
Bank and other loans	85,310	421,365
Other creditors	<u>1,141,638</u>	<u>530,354</u>

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for the financial year ended 31 December 2020

16. GOVERNMENT GRANTS DEFERRED	2020	2019
	€	€
<b>Capital grants received and receivable</b>		
At 1 January 2020	<u>31,229,355</u>	<u>31,229,355</u>
<b>Amortisation</b>		
At 1 January 2020	<u>(13,497,710)</u>	<u>(12,451,732)</u>
Amortised in financial year	<u>(1,045,978)</u>	<u>(1,045,978)</u>
At 31 December 2020	<u>(14,543,688)</u>	<u>(13,497,710)</u>
<b>Net book value</b>		
At 31 December 2020	<u>16,685,667</u>	<u>17,731,645</u>
At 1 January 2020	<u>17,731,645</u>	<u>18,777,623</u>

The company received a grant towards the construction of the National Opera House and improvement of its facilities over a number of years. The total government grant received was €31,079,361. The grant is repayable should certain circumstances occur within between 15 and 22 years from the date of the last payment of any grant installments.

**17. State Funding**

<b>Agency</b>	<b>Arts Council</b>
Government Department	Department of Arts
Grant Programme	Regularly Funded Organisations (RFO) Grant
Purpose of the Grant	To subsidise Artistic costs of Wexford Festival Opera
Term	01/01/2020 - 31/12/2020
Total Grant	€1,450,000
Expenditure	€1,450,000
Grant deferred or due at financial year end	€362,500
Received in the financial year	€1,450,000
Capital Grant	€-
Restriction on use	Artistic costs

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**NOTES TO THE FINANCIAL STATEMENTS**

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for the financial year ended 31 December 2020

<b>Agency</b>	<b>Fáilte Ireland</b>
Government Department	Department of Tourism
Grant Programme	Festival Marketing Grant
Purpose of the Grant	To Subsidise National & International Marketing costs of Wexford Festival Opera
Term	01/01/2020 - 31/12/2020
Total Grant	€75,000
Expenditure	€75,000
Grant deferred or due at year end	€25,000
Received in the year	€50,000
Capital Grant	€-
Restriction on use	Marketing

<b>Agency</b>	<b>Wexford County Council</b>
Government Department	Department of the Environment
Grant Programme	Annual Arts Funding
Purpose of the Grant	To Subsidise Wexford Festival Opera
Term	01/01/2020 - 31/12/2020
Total Grant	€50,000
Expenditure	€50,000
Grant deferred or due at year end	€25,000
Received in the year	€25,000
Capital Grant	€-
Restriction on use	To Subsidise Wexford Festival Opera

**18. STATUS**

The liability of the members is limited.

Every member of the company undertakes to contribute to the assets of the company in the event of its being wound up while they are members, or within one year thereafter, for the payment of the debts and liabilities of the company contracted before they ceased to be members, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves, such amount as may be required, not exceeding € 6.35.

**19. CAPITAL COMMITMENTS**

The company had no material capital commitments at the financial year-ended 31 December 2020.

**20. CONTINGENT LIABILITIES**

Certain grants may become repayable in whole or in part should certain circumstances occur as outlined in the related Grant Agreements.

**The Wexford Festival Trust**  
**NOTES TO THE FINANCIAL STATEMENTS**

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for the financial year ended 31 December 2020

**21. RELATED PARTY TRANSACTIONS**

The company has availed of the exemption under FRS 102 in relation to the disclosure of transactions with group companies.

**22. POST-BALANCE SHEET EVENTS**

In common with many other organisations the impact of the COVID-19 virus is likely to have a substantive effect on the operations of the company. Accordingly, the board has established a working group to monitor developments as they occur and are confident that appropriate response actions will be taken as required.

**23. CASH AND CASH EQUIVALENTS**

	2020	2019
	€	€
Cash and bank balances	128,240	53,039
Bank overdrafts	-	(304,335)
Cash equivalents	70	70
	<u>128,310</u>	<u>(251,226)</u>

**24. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT**

	Opening balance	Cash flows	Closing balance
	€	€	€
Short-term borrowings	(441,606)	325,561	(116,045)
<b>Total liabilities from financing activities</b>	<u>(441,606)</u>	<u>325,561</u>	<u>(116,045)</u>
<b>Total Cash and cash equivalents (Note 23)</b>			<u>128,310</u>
<b>Total net debt</b>			<u>12,265</u>

**25. DIRECTORS REMUNERATION**

No member of the board of directors received remuneration from the company during the year. (2019 : Nil)

**26. APPROVAL OF FINANCIAL STATEMENTS**

The financial statements were approved and authorised for issue by the board of directors on 15 June 2021.