

IMMA
Financial Statements 2021

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

DIRECTORS AND OTHER INFORMATION

Directors:

Mary Apied	Emma Goltz
Gerard Byrne	David Harvey (Chairman)
John Cunningham	* Denis Hickie
Jane Dillon Byrne	Eva Kenny
Dermod Dwyer	Margot Lyons

* The following member's term expired and did not seek re-election to the Board:

Denis Hickie 30 January 2021

Members assigned to the Finance, Audit & Risk Committee:

Mary Apied
Emma Goltz
Margot Lyons (Chair)

Members assigned to the Collections and Acquisitions Committee:

Mary Apied
John Cunningham (Chair)
Jane Dillon Byrne
Emma Goltz

IMMA Director Annie Fletcher

Company Number 106739
Charity Number 20012793

Secretary: Fintan McDonald

Bankers: Bank of Ireland, James Street, Dublin 8

Auditors: The Comptroller and Auditor General, 3A Mayor Street Upper, Dublin 1

Registered Office: Royal Hospital, Military Road, Kilmainham, Dublin 8

Solicitors: Ivor Fitzpatrick & Company, 44-45 St. Stephen's Green, Dublin 2

DIRECTORS' REPORT

The Directors present their annual report together with the audited financial statements for the year ended 31 December 2021.

PRINCIPAL ACTIVITY

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

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2021.

Irish company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with FRS102. By law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the profit or loss of the company for the financial year and otherwise comply with The Companies Act 2014.

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

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

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

ACCOUNTING RECORDS

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

RESULTS

Details of the results for the year and financial position at the year-end are set out on Pages 10 – 31.

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

The financial position at year end was satisfactory. However future levels of activity depend on the Oireachtas Grant allocated to the museum. The Board considers that the financial statements of IMMA present a true and fair view of the financial performance and the financial position of IMMA at 31 December 2021.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board has responsibility for, and is aware of the risks associated with the operational activities of the Company. They are confident that adequate systems of internal control provide reasonable assurance against such risks and aim to ensure compliance with laws and policies, ensure efficient and effective use of the Company's resources, safeguard the Company's assets, and maintain the integrity of financial information. Particular attention is being given to the new risk environment associated with the Covid-19 outbreak. Risks and controls continue to be evaluated by the Executive and are elevated to the Board as required. Financial information is subject to detailed and regular review at director level allowing for continuous monitoring of the Company's operations and financial status. The directors continuously monitor and plan for the financial sustainability of the organisation in an ever-changing funding environment. In addition to the application of internal procedures the Company is subject to statutory external audit. The Company has developed procedures and practices throughout the organisation to ensure compliance with reporting rules and regulations. The Company will continue to improve these systems to ensure it maintains the highest standards of transparency and accountability.

EVENTS AFTER THE REPORTING DATE

The Board of IMMA have considered the impact on the organisation of events subsequent to the reporting date, in particular the risks associated with the Covid-19 pandemic. Details of the events that occurred after the reporting date are considered in Note 22. The impact of these events on the going concern basis of the Financial Statements can be found in Note 1.d.

DIRECTORS

The membership of the board is set out on page 2.

DISCLOSURE OF INFORMATION TO AUDITORS

In the case of each of the persons who are directors at the date of approval of this report, in accordance with Section 330 of the Companies 2014, there is no relevant audit information of which the Company's auditor is unaware. The Directors have taken all the steps necessary as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

AUDITORS

The Comptroller and Auditor General is responsible for the audit of the Company in accordance with Section 5 of the Comptroller and Auditor General (Amendment) Act 1993.

SAFETY STATEMENT

The Company has prepared a Safety Statement in accordance with the Safety, Health and Welfare at Work Act, 2005, and applies it at all its workplaces.

GOVERNANCE

IMMA is a Public Body and a Company Limited by Guarantee registered in the Republic of Ireland. As such it must observe and comply with the Governing Law of the Republic of Ireland and applicable overarching EU Laws and Regulations, including compliance with the Companies Act 2014. The Directors of the Board are appointed by the Minister for Tourism, Culture, Arts, Gaeltacht, Sport & Media. The Board has collective responsibility for promoting the success and long-term sustainability of IMMA. Its key roles include governing the business of the organisation and supporting IMMA achieve its vision and mission. The Board provides strategic guidance to the Director and Senior Management and monitors the activities and effectiveness of the organisation.

The work and responsibilities of the Board are set out in IMMA's Corporate Governance Framework. Matters that are addressed regularly at Board Meetings include:

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

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- The Museum Director's report
- Management Accounts and Finance matters
- Corporate Governance issues
- Principal Risks and Uncertainties

The Directors are responsible for preparing the Directors' Report and the Financial Statements in accordance with Irish law and regulations. The Board is required to keep, in such format as may be required by the Minister for Tourism, Culture, Arts, Gaeltacht, Sport & Media with the consent of the Minister for Public Expenditure and Reform, all proper and usual accounts of monies received and expended. The Directors approve the annual budget and, on an annual basis, formally review the company's performance with reference to this budget.

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

The following disclosures are required by the Code of Practice:

- Employee Short-Term Benefits – See Note 10 to the Financial Statements
- Consultancy Costs – Detailed in Note 7
- Legal costs – Detailed in Note 7
- Travel costs – Domestic travel, international travel and Board Expenses are detailed in Note 7
- Hospitality Expenditure – Detailed in Note 7

SUB-COMMITTEES

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

The Finance, Audit & Risk Committee has been established by the Board as independent and objective to oversee the sustainability of the internal control systems at IMMA, and the risk management arrangements in place. The three issues on which it is required to report, as detailed in the Code of Practice include: Governance issues; Financial Reporting; and the quality of internal and external audit.

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

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

PERFORMANCE EVALUATION OF THE BOARD

A detailed self-evaluation questionnaire based on that contained in the Code of Practice for the Governance of State Bodies was completed by all Board members and by members of the Finance, Audit and Risk Committee during 2021. The responses were collated and were formally reviewed by the Board in the first quarter of 2022.

STATEMENT OF COMPLIANCE

The Board has adopted the Code of Practice for the Governance of State Bodies (2016) and has procedures in place to ensure compliance with the Code. IMMA was in full compliance with the Code of Practice for 2021. IMMA is also compliant with the requirements of the Charities Governance Code.

On behalf of the Board



Director



Director

Date: 19th May 2022

STATEMENT ON INTERNAL CONTROL

Responsibility for System of Internal Control

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

Purpose of the System of Internal Control

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

The system of internal control, which accords with guidance issued by the Department of Public Expenditure and Reform has been in place in IMMA for the year ended 31 December 2021 and up to the date of approval of the financial statements.

Capacity to Handle Risk

IMMA has a Finance, Audit & Risk Committee (FARC) comprising five members at year end with financial and audit expertise. Four of the five members are also board members. The FARC met five times in 2021.

IMMA has established an internal audit function which conducts a programme of work agreed with the FARC. The Internal Auditor is an external consultant with expertise in Risk Management and Business Process. The programme of work is set by the FARC and the Internal Auditor reports to the Chair of the Committee.

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

Risk and Control Environment

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

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

The Finance, Audit and Risk Committee undertakes an Annual Review of the Risk Environment including an appraisal of reports from the Internal Auditor, Risk Statements from functional units and the Risk Register.

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

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

On-going Monitoring and Review

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

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

Procurement

I confirm that IMMA has procedures in place to ensure compliance with current procurement rules and guidelines and that during 2021 IMMA complied with those procedures.

Annual Review of Controls

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

I confirm that the Board conducted an annual review of the effectiveness of the internal controls for 2021 on 14th March 2022.

Internal Control Issues

- **Covid-19** – The on-going coronavirus pandemic led to the galleries and grounds of IMMA being closed for the early months of 2021. The closures had a severe impact on IMMA's commercial revenue with the cancellation of concerts and loss of retail and café income. The losses were mitigated by a reduction in operating costs. The pandemic has the potential to disrupt commercial activities and the Board, together with the Finance, Audit & Risk Committee, continues to monitor developments.



David Harvey
Director

Date: 19th May 2022



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

Report for presentation to the Houses of the Oireachtas

Irish Museum of Modern Art

Opinion on the financial statements

I have audited the financial statements of the Irish Museum of Modern Art for the year ended 31 December 2021 as required under the provisions of section 5 of the Comptroller and Auditor General (Amendment) Act 1993. The financial statements comprise the statement of income and expenditure and retained revenue reserves, the statement of comprehensive income, the statement of financial position, the statement of cash flows and the related notes, including a summary of significant accounting policies.

In my opinion, the financial statements

- give a true and fair view of the assets, liabilities and financial position of the Irish Museum of Modern Art at 31 December 2021 and of its income and expenditure for 2021
- have been properly prepared in accordance with Financial Reporting Standard (FRS) 102 — *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*, and
- have been properly prepared in accordance with the Companies Act 2014.

Basis of opinion

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

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

Conclusions related to going concern

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

- the appropriateness of the use by the directors of the going concern basis of accounting and
- whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern.

I have nothing to report in that regard.

Opinion on matters prescribed by the Companies Act 2014

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

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

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

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

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

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

The directors have presented certain other information with the financial statements. This comprises the 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.



Mary Henry
For and on behalf of the
Comptroller and Auditor
General

24 May 2022

Irish Museum of Modern Art/Áras Nua-Ealaíne na hÉireann
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**STATEMENT OF INCOME AND EXPENDITURE AND RETAINED REVENUE RESERVES
FOR THE YEAR ENDED 31 DECEMBER 2021**

	NOTE	2021 €	2020 €
Government Grants	3.	<u>6,857,853</u>	<u>6,274,605</u>
<u>OTHER INCOME</u>			
Commercial activities	4.	449,373	397,942
Sponsorship	5.	157,009	136,389
Other income		24,447	28,699
Arts programme	6.	96,083	136,751
Net deferred pension funding	18c.	<u>1,652,927</u>	<u>1,552,168</u>
		<u>2,379,839</u>	<u>2,251,949</u>
<u>TOTAL INCOME</u>		<u>9,237,692</u>	<u>8,526,554</u>
<u>EXPENDITURE</u>			
Commercial activities	4.	355,137	343,363
Arts programme	6.	2,570,504	2,028,282
Administration/curatorial/security	7.	3,800,751	3,717,990
Marketing	8.	179,101	144,561
Maintenance	9.	720,810	699,630
Retirement Benefit Costs	18a.	<u>1,572,481</u>	<u>1,489,818</u>
<u>TOTAL EXPENDITURE</u>		<u>9,198,784</u>	<u>8,423,644</u>
Surplus for the year before appropriations	2.	38,908	102,910
Donated and Heritage Funds Works of Art Transfer to Capital Account	17.	557,004 <u>(557,004)</u>	365,181 <u>(365,181)</u>
Surplus for the year after appropriations		38,908	102,910
Balance brought forward at 1 January		<u>29,207</u>	<u>(73,703)</u>
Balance carried forward at 31 December		<u>68,115</u>	<u>29,207</u>

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

On behalf of the Board



Director



Director

Date: 19th May 2022

Irish Museum of Modern Art/Áras Nua-Ealaíne na hÉireann
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STATEMENT OF COMPREHENSIVE INCOME

	NOTE	2021 €	2020 €
Surplus for the year after appropriations		<u>38,908</u>	<u>102,910</u>
Experience gains/ (losses) on retirement benefit obligations		274,200	(423,278)
Changes in assumptions underlying the present value of retirement benefit obligations		<u>(1,737,494)</u>	<u>(1,506,713)</u>
Total actuarial gains/(losses) in the year	18b.	(1,463,294)	(1,929,991)
Adjustment to Deferred Benefits Funding		<u>1,463,294</u>	<u>1,929,991</u>
Total Comprehensive income for the year		<u>38,908</u>	<u>102,910</u>

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

On behalf of the Board



Director



Director

Date: 19th May 2022

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

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STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	NOTE	2021 €	2021 €	2020 €	2020 €
FIXED ASSETS					
Heritage Assets	11.	36,216,876		35,659,872	
Property, plant & equipment	12.	<u>320,223</u>	36,537,099	<u>409,152</u>	36,069,024
CURRENT ASSETS					
Inventory	13.	26,286		32,132	
Receivables	14.	85,947		106,497	
Cash and cash equivalents		<u>1,816,103</u>		<u>1,521,580</u>	
		<u>1,928,336</u>		<u>1,660,209</u>	
CURRENT LIABILITIES: amounts falling due within one year					
Payables	15.	<u>(1,909,844)</u>		<u>(1,288,040)</u>	
NET CURRENT ASSETS			<u>18,492</u>		<u>372,169</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			36,555,591		36,441,193
Deferred Retirement Benefit Funding Asset	18c.	28,438,220		25,321,999	
Retirement Benefit Obligations	18b.	<u>(28,438,220)</u>	-	<u>(25,321,999)</u>	-
TOTAL NET ASSETS			<u>36,555,591</u>		<u>36,441,193</u>
REPRESENTING:					
Retained Revenue Reserves			68,115		29,207
Capital Account (Works of Art)	17.		36,122,115		35,565,110
Deferred Capital Grants	3.		<u>365,361</u>		<u>846,876</u>
			<u>36,555,591</u>		<u>36,441,193</u>

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

On behalf of the Board



Director

Date: 19th May 2022



Director

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

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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

		2021	2020
	Note	€	€
Net Cash flows from Operating Activities			
Surplus for year		38,908	102,910
Depreciation of Fixed Assets	12.	256,314	249,008
Decrease/ (Increase) in inventory	13.	5,846	4,720
Decrease/ (Increase) in receivables		20,550	63,940
Increase/ (Decrease) in payables		621,804	(10,483)
Increase/(Decrease) in deferred capital grants		(481,514)	416,387
Bank charges paid	7.	11,866	11,621
Transfer to Capital Account – Works of Art		480,166	317,818
Net Cash Inflow from Operating Activities		<u>953,940</u>	<u>1,155,921</u>
Cash Flows from Investing Activities			
Capital Expenditure		<u>(647,551)</u>	<u>(448,509)</u>
Net Cash Flows from Investing Activities		<u>(647,551)</u>	<u>(448,509)</u>
Cash flows from Financing Activities			
Bank interest paid	7.	(11,866)	(11,621)
Net Cash Flows from Financing Activities		<u>(11,866)</u>	<u>(11,621)</u>
Net Increase/(Decrease) in Cash and Cash Equivalents		294,523	695,791
Cash and Cash Equivalents at 1 January		<u>1,521,580</u>	<u>825,789</u>
Cash and Cash Equivalents at 31 December		<u>1,816,103</u>	<u>1,521,580</u>

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION AND ACCOUNTING POLICIES

COMPANY LIMITED BY GUARANTEE

- a. The Irish Museum of Modern Art was set up under the Companies Act 1963, (as replaced by the Companies Act 2014) with a head office at the Royal Hospital Kilmainham, Dublin 8. The Company, which was incorporated on the 18th April 1985 under the Companies Act 1963, is limited by guarantee and does not have a share capital.

b. PRINCIPAL ACTIVITY

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

Irish Museum of Modern Art is a Public Benefit Entity.

c. STATEMENT OF COMPLIANCE

The financial statements of The Irish Museum of Modern Art for the year ended 31 December 2021 have been prepared in compliance with the applicable legislation and in accordance with FRS102, the financial reporting standard applicable in the UK and the Republic of Ireland issued by the Financial Reporting Council in the UK.

d. BASIS OF PREPARATION

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

Going Concern

The Covid-19 pandemic has had a detrimental impact on IMMA's commercial revenue over the past two years. IMMA has offset the loss of revenue with operational savings and with some additional support from the Department. The Finance, Audit & Risk Committee continues to monitor developments with the Executive and remains focussed on the on-going risks to the Company's business model. The Board and Executive, in consultation with the Department, have reviewed the company's forecasts and projections, and are satisfied that the going concern basis is appropriate for the preparation of these Financial Statements.

ACCOUNTING POLICIES

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

e. Grants

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

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OIREACHTAS GRANTS (Revenue)

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

OIREACHTAS GRANTS (Capital)

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

INCOME FROM COMMERCIAL ACTIVITIES

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

SPONSORSHIP

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

DEFERRED REVENUE

Revenue will be deferred where the activity to which the income relates is not scheduled to occur until a future accounting period.

f. CAPITAL ACCOUNT (Works of Art)

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

g. PROPERTY, PLANT & EQUIPMENT

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

Furniture, Fittings & Equipment 25% per annum

Motor Vehicles 25% per annum

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

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

h. HERITAGE ASSETS (Works of Art)

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

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

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Disclosure:

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

The Irish Museum of Modern Art is home to the National Collection of modern and contemporary art, with 4,400 works categorised by the following major headings:

- Graphic Art & Photography – refers to two-dimensional works on a flat surface such as prints, drawings and photography
- Paintings – application of paint onto a solid surface such as canvas, board or linen
- Sculpture – three-dimensional objects
- Installation – three-dimensional works that often are site specific and designed to transform the perception of a space. This often includes audio-visual works that transform a space
- New Media/other – including digital art, computer graphics, computer animation/other types of medium include tapestry, works with multiple media and IMMA's archive Time-Based Media

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

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

The Irish Museum of Modern Art was set up as a company limited by guarantee and not having a share capital under the Companies Act 1963. We are a National Cultural Institution under the auspices of the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media.

Acquisition.

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

Donation.

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

Purchase.

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

Preservation & Management.

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

Disposal.

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

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

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

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

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

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

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

- b) Donated Works of Art.

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

- c) Purchased Works of Art.

These are recorded at the cost of acquisition.

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

- d) Impairment Review

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

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

v) Heritage Assets recorded in the Statement of Financial Position are disclosed in Note 11.

A summary of transactions relating to Heritage Assets showing cost and value of assets acquired in the period in each of the categories outlined is disclosed in Note 11.

i. INVENTORY

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

j. TAXATION

The Company is exempt from Corporation Tax under Schedule 4, Section 227 of the Taxes Consolidation Act, 1997.

k. RETIREMENT BENEFITS

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

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

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IMMA also operates the Single Public Services Pension Scheme (“Single Scheme”), which is a defined benefit scheme for pensionable public servants appointed on or after 1 January 2013. Single Scheme members’ contributions are paid over to the Department of Public Expenditure and Reform (DPER)

Actuarial gains or losses arising on scheme liabilities are reflected in the Statement of Comprehensive Income and a corresponding adjustment is recognised in the amount recoverable from the Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media.

The financial statements reflect, at fair value, the assets and liabilities arising from the Irish Museum of Modern Art’s pension obligations and any related funding, and recognises the costs of providing pension benefits in the accounting periods in which they are earned by employees. Retirement benefit scheme liabilities are measured on an actuarial basis using the projected unit credit method.

I. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

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

a) Impairment of Works of Art

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

b) Impairment of Property, Plant and Equipment

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

c) Depreciation and Residual Values

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

d) Retirement Benefit Obligation

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

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The assumptions can be affected by:

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

2) SURPLUS FOR THE YEAR

The surplus is stated after charging:

	2021	2020
	€	€
Auditors remuneration	23,500	23,500
Amortisation of capital grants	(249,535)	(214,152)
Depreciation	<u>256,314</u>	<u>249,008</u>

3) GOVERNMENT GRANTS RECEIVED

	2021	2020
	€	€
Grants Receivable		
Opening balance – Capital Grants	846,876	430,489
Department Grants (Revenue) received	6,623,120	6,078,048
Department Grants (Capital) received	273,431	923,112
Other Government Grants	<u>40,400</u>	<u>70,000</u>
	<u>7,783,827</u>	<u>7,501,649</u>
Less allocated		
Allocated to Revenue – Department Grants	(6,648,365)	(6,078,048)
Capital Grant Amortised in line with depreciation	(249,535)	(214,152)
Grants Allocated to Capital – Works of Art	(480,166)	(317,818)
Other Government Grants	<u>(40,400)</u>	<u>(44,755)</u>
	<u>(7,418,466)</u>	<u>(6,654,773)</u>
Closing Balance	<u>365,361</u>	<u>846,876</u>
Reported in Statement of Income and Expenditure		
Oireachtas Grants allocated to Revenue	6,938,300	6,336,955
Net Retirement Obligations (repayable)/payable	<u>(80,447)</u>	<u>(62,350)</u>
Oireachtas Grant in the Statement of Income and Expenditure and Retained Revenue Reserves	<u>6,857,853</u>	<u>6,274,605</u>

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4) COMMERCIAL ACTIVITIES

	2021	2020
	€	€
<u>Turnover</u>		
Hire of premises & equipment	2,301	8,740
Hire of meadows/outdoors	284,217	194,562
Franchise income	21,746	12,527
Car park income	8,388	48,318
Bookshop sales	<u>132,721</u>	<u>133,795</u>
	<u>449,373</u>	<u>397,942</u>
<u>Cost of Sales</u>		
Bookshop overheads	83,359	64,082
Bookshop wages	113,224	98,416
Wages & Salaries	69,597	56,205
Cleaning	0	131
Direct operating expenses	88,957	124,529
Depreciation	<u>0</u>	<u>0</u>
	<u>355,137</u>	<u>343,363</u>
Surplus	<u>94,236</u>	<u>54,579</u>

5) SPONSORSHIP

	2021	2020
	€	€
Opening Balance	99,323	15,452
Receivable during year	<u>143,868</u>	<u>220,760</u>
	243,191	236,212
<u>Less</u>		
Allocated to Revenue –Sponsorship	(157,009)	(136,889)
Allocated to Capital	<u>0</u>	<u>0</u>
Closing Balance	<u>86,182</u>	<u>99,323</u>

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6) ARTS PROGRAMME	2021 €	2020 €
Programme Receipts	<u>96,083</u>	<u>136,751</u>
Cost of Programme		
Wages & Salaries	1,112,477	992,308
Depreciation	142,048	120,593
Exhibitions:		
- Running costs	582,917	431,908
Travel – Domestic	0	444
Travel – International	0	2,649
Permanent Collection	642,326	397,327
Education & community expenses	64,138	56,959
Education – Fees	<u>26,597</u>	<u>26,094</u>
	<u>2,570,504</u>	<u>2,028,282</u>
Net Cost	<u>2,474,421</u>	<u>1,891,531</u>
7) ADMINISTRATION/CURATORIAL/SECURITY	2021	2020
	€	€
Wages & Salaries	2,960,873	2,850,809
Recruitment charges	585	1,201
Consultancy fees - Strategy Development *	39,542	114,444
Tax & Financial Advisory	16,363	10,573
HR & Pensions Advisory	1,242	12,087
Training	24,395	25,798
Postage & telephone	25,394	25,488
Subscriptions	12,721	10,059
Professional fees	27,436	27,391
Legal Fees *	32,375	6,300
Office supplies & stationery	231,749	210,090
Sundry	13,968	7,012
Staff Hospitality	0	0
Coffee Shop/Canteen Expenses	10,944	2,576
Board Meetings	0	822
Director's Expenses - Domestic	902	2,919
Director's Expenses - international	0	0
Travel/Motor expenses	1,395	2,692
Board - Members expenses - Domestic	0	0
Insurance	34,644	34,062
Cleaning	165,286	142,439
Security	35,529	41,330
Depreciation	114,265	128,415
Temporary agency staff	13,098	32,607
Bank charges	11,866	11,621
Health & safety	<u>26,179</u>	<u>17,256</u>
	<u>3,800,751</u>	<u>3,717,990</u>

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*Consultancy costs include the cost of external advice to management and exclude outsourced 'business as usual' functions. Expenditure incurred on legal costs relate to general advice. There was no client hospitality in the year.

8) MARKETING

	2021	2020
	€	€
Advertising	64,746	52,691
Wages	42,873	45,786
Public relations	10,823	18,259
Other Marketing	<u>60,659</u>	<u>27,825</u>
	<u>179,101</u>	<u>144,561</u>

9) MAINTENANCE

	2021	2020
	€	€
Security	322,116	321,314
Gas	174,091	153,177
Electricity	187,691	189,043
Water	25,356	22,279
Cleaning	<u>11,556</u>	<u>13,817</u>
	<u>720,810</u>	<u>699,630</u>

10) EMPLOYEES AND REMUNERATION

WTE's 96 (2020- 91) analysed as follows:-	2021	2020
Commercial	5	4
Programme	62	58
Administration	29	29

Employee numbers (WTE) at 31 December 2021 were 96 (2020: 91)

Staff costs comprise:	2021	2020
	€	€
<u>Wages & Salaries</u>		
Note 4 Commercial Activities	69,597	56,205
Note 4 Commercial Activities-Bookshop	113,224	98,416
Note 6 Arts Programme	1,112,476	992,308
Note 7 Administration/Curatorial/Security	2,960,873	2,850,809
Note 8 Marketing	<u>42,873</u>	<u>45,786</u>
Total Wages Costs	<u>4,299,043</u>	<u>4,043,524</u>

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Staff Costs Comprise:	2021	2020
	€	€
Wages & Salaries	3,885,453	3,660,464
Social Insurance Costs	<u>413,590</u>	<u>383,060</u>
Total	<u>4,299,043</u>	<u>4,043,524</u>

Short Term Benefits Comprise:	2021	2020
	€	€
Basic Pay	4,251,287	3,999,779
Overtime	32,350	22,701
Allowances	<u>15,406</u>	<u>21,044</u>
Total	<u>4,299,043</u>	<u>4,043,524</u>

The average number of persons employed by the company in the financial year was 98 (2020 - 116).

In 2021 €69,886 (2020: €67,869) of Additional Superannuation Contribution (ASC), was deducted and payable to The Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media.

In 2021 €141,139 (2020: €136,534) of Employee deductions for the IMMA Superannuation Scheme were deducted and payable to the Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media (see Note 15).

In 2021 €156,066 (2020: €Nil) was received from members of the IMMA Superannuation Scheme as purchase of service. These monies are payable to the Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media.

In 2021 €67,466 (2020: €49,860) of Employee deductions for the Single Pension Scheme were deducted and payable to the Department for Public Expenditure and Reform.

There were no termination payments in 2021 (2020 –Nil).

The salary paid to the IMMA Director was €105,463 in 2021 (2020 - €104,255).

The Director's pension entitlements do not extend beyond the standard entitlements in the model defined benefit scheme. The Director was not in receipt of any performance related pay award. The Director had use of a company car to June 2021 when it was disposed of and not replaced. The car was not used solely by the Director. No Benefit-in-Kind accrued.

EMPLOYEE BENEFITS BREAKDOWN

Range of total employee benefits	No of Employees 2021	No of Employees 2020
€60,000 - €69,999	4	5
€70,000 - €79,999	6	5
€80,000 - €89,999	1	1
€90,000 - €99,999	0	0
€100,000 - €109,999	1	1

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Compensation paid to key management personnel is disclosed in note 21.

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

11) HERITAGE ASSETS (WORKS OF ART)

As outlined in Accounting Policy 1h the Museum recognises all heritage assets when purchased or acquired. Such assets are carried at cost at the date of acquisition with adjustment for impairment where required. The transactions for 2021 and the previous accounting period are set out below.

a) Purchased and Assisted Purchases	2021 €	2020 €
Cost at 1 January	8,081,896	7,764,077
Acquired during year	<u>480,166</u>	<u>317,819</u>
Cost at 31 December	<u>8,562,062</u>	<u>8,081,896</u>

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

b) Section 1003 Donations	2021 €	2020 €
Valuation as at 1 January	12,025,163	12,025,163
Additions in the year	<u>0</u>	<u>0</u>
Valuation as at 31 December	<u>12,025,163</u>	<u>12,025,163</u>

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

c) Heritage Fund	2021 €	2020 €
Valuation as at 1 January	1,300,000	1,300,000
Additions in the year	<u>0</u>	<u>0</u>
Valuation as at 31 December	<u>1,300,000</u>	<u>1,300,000</u>

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

d) Donated Works of Art	2021 €	2020 €
Valuation as at 1 January	14,252,813	14,205,450
Additions	<u>76,838</u>	<u>47,363</u>
Valuation as at 31 December	<u>14,329,651</u>	<u>14,252,813</u>

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

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

	2021 €	2020 €
TOTAL WORKS OF ART	<u>36,216,876</u>	<u>35,659,872</u>

Five Year Financial Summary of Heritage Asset Transactions

	2021 €	2020 €	2019 €	2018 €	2017 €
Purchases:					
Graphic Art/Photography	74,440	54,968	62,030	-	-
Painting	107,657	100,862	-	-	6,800
Sculpture	14,000	1,600	-	-	22,000
New Media/Other	155,050	100,619	36,875	43,839	51,262
Installation	129,019	59,770	-	31,299	20,000
Total	<u>480,166</u>	<u>317,819</u>	<u>98,905</u>	<u>75,138</u>	<u>100,062</u>
Section 1003:	-	-	-		-
Graphic Art/Photography	-	-	-	199,900	-
Painting	-	-	-	787,900	-
Sculpture	-	-	-	350,000	-
New Media/Other	-	-	-	54,000	-
Installation	-	-	-	50,000	-
Total	-	-	-	<u>1,441,800</u>	-
Heritage Fund		-	-	-	-
Donated Works of Art					
Graphic Art/Photography	17,030	10,165	28,912	88,500	575,095
Painting	11,750	-	415,000	178,246	519,571
Sculpture	15,000	-	70,883	185,000	89,943
New Media/Other	33,058	1,153	-	-	56,640
Installation	-	36,045	40,000	120,000	514,873
Total	<u>76,838</u>	<u>47,363</u>	<u>554,795</u>	<u>571,746</u>	<u>1,756,122</u>
Grand Total	<u><u>557,004</u></u>	<u><u>365,182</u></u>	<u><u>653,700</u></u>	<u><u>2,088,684</u></u>	<u><u>1,856,184</u></u>

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e) Assets held on behalf of third parties

Gordon Lambert Trust

	2021	2020
Valuation	<u>2,914,828</u>	<u>2,914,828</u>

Madden Arnholz Collection

Valuation	<u>750,000</u>	<u>750,000</u>
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Amounts included in Note 11(d) relate to assets held and maintained by IMMA, to which legal title has not yet been bestowed. As such they have been excluded from the statement of Financial Position. The value attributed to the Gordon Lambert Collection was made by the Gordon Lambert Modern Art Charitable Trust when the Collection donated to IMMA in 1992. In 2011 a number of prints from the Madden Arnholz Collection were valued by Caxton Antique Dealers.

12) FIXED ASSETS – PROPERTY, PLANT	Motor Vehicles	Furniture, Fittings & Equipment	Total
COST	€	€	€
Cost at 1 January 2021	22,555	1,321,939	1,344,494
Additions	0	167,385	167,385
Disposals	<u>(22,555)</u>	<u>(153,507)</u>	<u>(176,062)</u>
Cost at 31 December 2021	<u>0</u>	<u>1,335,817</u>	<u>1,335,817</u>
DEPRECIATION			
Depreciation at 1 January 2021	22,555	912,787	935,342
Charge for year	0	256,314	256,314
Disposals	<u>(22,555)</u>	<u>(153,507)</u>	<u>(176,062)</u>
Depreciation at 31 December 2021	<u>0</u>	<u>1,015,594</u>	<u>1,015,594</u>
NET BOOK VALUE			
At 31 December 2020	<u>-</u>	<u>409,152</u>	<u>409,152</u>
At 31 December 2021	<u>-</u>	<u>320,223</u>	<u>320,223</u>

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13)	INVENTORY		2021	2020
			€	€
	Finished goods (Editions & Catalogues)		<u>26,286</u>	<u>32,132</u>
14)	RECEIVABLES		2021	2020
			€	€
	Trade debtors		14,786	30,529
	Sundry debtors		0	257
	Prepayments and accrued income		<u>71,161</u>	<u>75,711</u>
			<u>85,947</u>	<u>106,497</u>
15)	PAYABLES: amounts falling due within one year		2021	2020
		<i>Note</i>	€	€
	Trade Creditors		130,563	198,386
	Accruals		1,019,167	547,829
	Deposits for Concerts/Future Events		127,350	89,250
	PAYE/PRSI		105,951	94,393
	Withholding Tax		6,968	12,430
	Superannuation deductions DTCAGSM/DPER scheme *		433,663	246,429
	Superannuation deductions payable to DTCAGSM/DPER		0	0
	Sponsorship in advance	5.	<u>86,182</u>	<u>99,323</u>
			<u>1,909,844</u>	<u>1,288,040</u>

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

*The IMMA Superannuation Scheme was introduced in 2001. Superannuation deductions of €433,663 (2020: €246,429) covering the period 2001-2021 are retained by the Irish Museum of Modern Art from employees' pension payments. These deductions are net of pension payments made to retired members of the IMMA Pension Scheme of €109,971 (2020: €115,060) and no lump sums were paid in the year (2020: €8,985). Deductions were greater than payments in 2021.

16) CONTINGENCIES

There are no contingent liabilities.

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17) CAPITAL ACCOUNT – WORKS OF ART

	DTCAGSM	Assisted Purchases	Donations	Total
	€	€	€	€
2021				
1 January 2021	<u>7,293,055</u>	<u>694,079</u>	<u>27,577,976</u>	<u>35,565,110</u>
Received in year	<u>480,166</u>	<u>0</u>	<u>76,838</u>	<u>557,004</u>
31 December 2021	<u>7,773,221</u>	<u>694,079</u>	<u>27,654,814</u>	<u>36,122,115</u>
2020				
1 January 2020	<u>6,975,237</u>	<u>694,079</u>	<u>27,530,613</u>	<u>35,199,929</u>
Received in year	<u>317,818</u>	<u>0</u>	<u>47,363</u>	<u>365,181</u>
31 December 2020	<u>7,293,055</u>	<u>694,079</u>	<u>27,577,976</u>	<u>35,565,510</u>

These amounts have been granted to the company for the specific intention of purchasing works of art. See Note 11 for further information on the donations received in 2021.

18) RETIREMENT BENEFIT COSTS

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

a) Revenue Reserves	2021	2020
	€	€
Current Service Cost	1,560,000	1,370,018
Interest on Retirement Benefit Scheme Liabilities	202,898	306,194
Employee Contributions	<u>(190,417)</u>	<u>(186,394)</u>
	<u>1,572,481</u>	<u>1,489,818</u>

Analysis of amount recognised in statement of Comprehensive Income

	2021	2020
	€	€
Experience (Gains)/losses on scheme liabilities	(274,200)	423,278
Loss/(Gains) on change of assumptions (financial and demographic)	<u>1,737,494</u>	<u>1,506,713</u>
	<u>1,463,294</u>	<u>1,929,991</u>

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b) Movement in Net Retirement Benefit obligations during the financial year	2021	2020
	€	€
Net retirement benefit obligation at 1 January	(25,321,999)	(21,839,840)
Current service cost	(1,560,000)	(1,370,018)
Pension Payments	109,971	124,044
Interest on Scheme Liabilities	(202,898)	(306,194)
Actuarial Gains/(losses) recognized in the Statement of Comprehensive Income	<u>(1,463,294)</u>	<u>(1,929,991)</u>
Net retirement benefit obligations at 31 December	<u>(28,438,220)</u>	<u>(25,321,999)</u>

c) Deferred Funding for Retirement Benefits

The Museum recognises these amounts as an asset corresponding to the unfunded deferred liability for pensions on the basis of the set of assumptions described below and a number of past events. These include the statutory basis for the establishment of the superannuation schemes, and the policy and practice currently in place in relation to funding public service pensions including contributions by employees and the annual estimates process. While there is no formal agreement regarding these specific amounts with the Department of Tourism, Culture, Arts, Gaeltacht, Sport & Media the Museum has no evidence that this funding policy will not continue to meet such sums as they fall due in accordance with current practice. The deferred funding asset for retirement benefits as at 31 December 2021 amounted to €28,438,220 (2020: €25,321,999)

Net deferred funding for retirement benefits recognised in the Statement of Income and Expenditure and Retained Revenue Reserves

	2021	2020
	€	€
Funding recoverable in respect of current year pension costs	1,560,000	1,370,018
Interest on scheme liabilities	202,898	306,194
Pension Payments	<u>(109,971)</u>	<u>(124,044)</u>
	<u>1,652,927</u>	<u>1,552,168</u>

d) History of experience gains and losses

	2021	2020
	€	€
Experience (Gains)/losses on scheme liabilities	(274,200)	423,278
percentage of present value of scheme liabilities	-1%	2%
Total (Gains)/losses recognised in the Statement of Comprehensive Income	1,463,294	1,929,991
percentage of present value of scheme liabilities	5%	8%

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e) Description of Scheme

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

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

The valuation of the defined benefit scheme for the purposes of FRS 102 disclosures has been carried out by an independent actuary in order to assess the liabilities at 31 December 2021. The financial assumptions used to calculate the retirement liabilities and components of the defined benefit cost for were as follows:

Valuation Method	2021	2020
	%	%
Discount Rate	1.25	0.80
Salary Increases	3.20	2.50
Pension Increases	3.20	2.50
Inflation Increases	2.20	1.50

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

Life Expectancy for Male aged 65	21.6 years
Life Expectancy for Female aged 65	24.2 years
Life Expectancy for Male aged 45 now (from 65)	23.2 years
Life Expectancy for female aged 45 now (from 65)	25.7 years

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19) BOARD MEMBERS' INTERESTS

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

20) BOARD MEMBERS' EMOLUMENTS

Board Member	Board Fees	Vouched Expenses	Meetings Attended
David Harvey (Chair)	-	-	6/6
Mary Apied	-	-	6/6
Gerard Byrne	-	-	4/6
John Cunningham	-	-	6/6
Jane Dillon Byrne	-	-	0/6
Dermod Dwyer	-	-	6/6
Emma Goltz	-	-	6/6
Denis Hickie	-	-	1/6
Margot Lyons	-	-	5/6
Eva Kenny	-	-	4/6

The Chair of the Board is entitled to a fee under, "fees payable to members of the boards of non-commercial Public Service Bodies". However, the Chair waived the fee from 2010 to 2021 inclusive. Directors of the Board are not entitled to any fees.

21) RELATED PARTY DISCLOSURES

Key management personnel in the Irish Museum of Modern Art consist of the Director and members of the Board of Directors. Total compensation paid to key management personnel includes Board member's fees and expenses, and Director remuneration. Total Director remuneration in 2021 amounted to €105,463 (2020: €104,255). Director expenses in 2021 were €902 (2020: €1,737). Total Board member's fees in 2021 were €nil (2020: €nil). Total Board member's expenses in 2021 were €nil (2020: €nil).

22) Events after the Reporting Date

The early months of 2022 have seen a gradual lifting of Covid restrictions. All galleries are open and most aspects of the Museum programme have resumed. IMMA remains hopeful that commercial outdoor events will be allowed to continue. There remains a degree of uncertainty about the trajectory of the pandemic and developments are continually monitored by the Board.

23) APPROVAL OF FINANCIAL STATEMENTS

The Financial Statements were approved by the Board on 12th April 2022