

**HIGHLANES GALLERY,
(A Company Limited by Guarantee and not having a share capital)
BEAMORE BUSINESS CENTRE,
BEAMORE ROAD,
DROGHEDA, CO. LOUTH.**

**FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31ST DECEMBER 2016**

HIGHLANES GALLERY
FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2016

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HIGHLANES GALLERY

OFFICERS AND PROFESSIONAL ADVISORS

YEAR ENDED 31ST DECEMBER 2016

Directors	Joan Martin Roisin McAuley Kieran Lawless Joseph McGuinness Brian Harten Brona O'Reilly Mary T Daly Kevin McAllister Alison Lyons Anthony Abbott King	Appointed 27th. September 2016 Appointed 27th. September 2016 Appointed 27th. September 2016
Members	Joan Martin Roisin McAuley Kieran Lawless Joseph McGuinness Brian Harten Brona O'Reilly Mary T Daly	
Secretary	Roisin McAuley	
Company Number	351089	
Registered Office	Beamore Business Centre, Beamore Road, Drogheda, Co. Louth.	
Trading Office	Highlanes Gallery Laurence Street, Drogheda, Co. Louth.	
Auditors	Bowden Walsh & Co., Statutory Auditors, Beamore Business Centre, Beamore Road, Drogheda, Co. Louth.	
Bankers	Bank of Ireland Laurence Street, Drogheda, Co. Louth.	
Solicitors	Patrick Tallan & Co., The Haymarket, Drogheda, Co. Louth.	

HIGHLANES GALLERY

DIRECTORS' REPORT

YEAR ENDED 31ST DECEMBER 2016

The directors present their annual report and audited financial statements for the year ended 31st December 2016.

Structure, Governance and Management

The company is a charity and the report and results are presented in a form, which complies with the Companies Act 2014.

Legal Status

Highlanes Gallery is registered in Ireland and was incorporated under the Companies Act 1963 to 2001 on the 10th December 2001. Under the Companies Act 2014 it is defined as a Company Limited by Guarantee. The objects of the Company are charitable in nature and it has Charitable Tax Exemption under CHY reference 15753. The company is registered with the Charities Regulatory Authority.

Appointment of Directors

In accordance with the Constitution, 1/3rd of the directors shall retire by rotation. Roisin McAuley and Brian Harten retire and being eligible, have offered themselves for re-election.

The 3 directors, Kevin McAllister, Alison Lyons and Anthony Abbott King, co-opted to the board of directors on 27th. September, pursuant to the Constitution are required to retire, but being eligible, have offered themselves for election.

Directors and Directors' and Secretary's interests

The present directors and the directors who served during 2016 are:-

Joan Martin	
Roisin Mc Auley	
Kieran Lawless	
Joseph Mc Guinness	
Brian Harten	
Brona O'Reilly	
Mary T Daly	
Kevin McAllister	Appointed 27th. September 2016
Alison Lyons	Appointed 27th. September 2016
Anthony Abbott King	Appointed 27th. September 2016

None of the directors or the secretary have any beneficial interest in the company nor are they entitled to remuneration for their services as directors.

Members

The members of the company agree to subscribe an amount not exceeding €1 to the assets of the charitable company in the event of a winding up. The members are as follows:-

Joan Martin	Mary T. Daly
Roisin Mc Auley	Joseph Mc Guinness
Kieran Lawless	Brian Harten
Brona O'Reilly	

Principal activity

The principal activity of the company is the conduct of an art gallery and other associated activities.

HIGHLANES GALLERY

DIRECTORS' REPORT

YEAR ENDED 31ST DECEMBER 2016

Principal risks and uncertainties

The principal risk and uncertainty faced by the company is the possibility of a reduction in or a cessation of funding from the main funding bodies comprising Louth County Council and The Arts Council. In 2016, the core funding from Louth County Council increased by €6,000 to €196,000 whilst the annualised program funding from The Arts Council increased from €41,250 to €48,375. Both bodies also provide funding by way of grant aid towards specific projects.

Events since the Balance Sheet date

The Arts Council increased its annual program funding for 2017 to €63,200 and Louth County Council retained its core annual funding at €196,000.

Artistic Objectives and Activities

The principal activity of the charity is the conduct of an art gallery and associated activities. The local municipal art collection is housed by the gallery and some of its paintings and artefacts are on permanent display. The directors are committed to the development of the gallery and in hosting major cultural and artistic exhibitions, involving a broad section of the local population in its events, in providing a venue for cross border cultural initiatives and in providing a tourist facility, so as the gallery can continue to contribute greatly to the social, cultural and artistic fabric of the town of Drogheda and its environs.

Achievements and Performance

1. In January, the hugely popular One Day, Something Happens, Paintings of People continued to attract visitors from across the island. The exhibition was the largest international loan exhibition that the gallery had hosted to date and was curated by Jennifer Higgie, co-editor of the highly respected frieze art magazine and annual London based, frieze masters (frieze art fair), curated from the ACC (Arts Council Collection UK) and from Hayward Touring at the South Bank Centre, featuring up to 30 works spanning a century and including many world class and household names in the world of art like Lucian Freud & David Hockney.
2. In mid-February Highlanes partnered with Trinity College's Gallery and Lismore Castle Arts to present The Swing of the Sixties from their collection, and curated by Richard Wood, a graduate of Trinity College Dublin. The exhibition featured key Irish and international works by artists Josef Albers, Karel Appel, Patrick Collins, Barrie Cooke, Carlos Cruz-Diez, Micheal Farrell, John Hoyland, Robert Indiana, Cecil King, Roy Lichtenstein, Nano Reid, Patrick Scott, William Scott, Peter Sedgley, Camille Souter and Victor Vasarely. An important opening event looked at how 1960s Ireland took on International Modernism and included presentations from Brenda Moore McCann, Art Historian, Brian Maguire, Visual Artist and Richard Wood.
3. In February 2016, Highlanes Gallery Director was appointed as the Arts Council representative by the Minister of Education to the Governing Board of the Institute of Art, Design and Technology, Dun Laoghaire, IADT, for a five year term, beginning in April 2016.

HIGHLANES GALLERY

DIRECTORS' REPORT

YEAR ENDED 31ST DECEMBER 2016

4. For the annual Drogheda Arts Festival, the gallery presented a group exhibition which marked the 1916-2016 centenary celebrations, titled, Beyond the Pale: The art of Revolution. Curated by artist and lecturer Anthony Haughey, academic Pat Cooke and gallery director Aoife Ruane, the exhibition offered a contemporary reflection on The Easter Rising of 1916, the centenary of the Rising occurring only three years after the troika's departure in 2013, raising many difficult questions about how the country measures up to the dreams and aspirations in the 1916 Proclamation of Independence. 2016 was officially presented as a year of commemoration, but it is also a year of reckoning. The exhibition consisted of three elements. The first, a series of historical photographs depicting lesser known people and places associated with The Easter Rising, alongside a series of Home Rule and anti-Home Rule supporters archival posters reflecting the tensions leading up to The Rising. The second, an exhibition of contemporary artworks by major national and international artists including Cecily Brennan, John Byrne, Brian Cregan, Dorothy Cross, Mark Garry, Ori Gersht and Michael McLoughlin, and the third element, a series of commissioned essays by some of Ireland's leading critical commentators, including Fionna Barber, Justin Carville and Luke Gibbons.

5. Highlanes Gallery continued to play an important role in the annual Drogheda Arts Festival, with Highlanes Gallery, Director in the role of Chairperson, programming in addition to a visual art exhibition, a rehearsed reading of a long poem, linked with Poetry Ireland and other important events connecting art, archaeology and the Boyne Valley, expanding the parameters of the festival.

6. In June, Highlanes Gallery was granted its third Touring and Dissemination Award from the Arts Council of Ireland for a solo exhibition by the artist Theresa Nanigian. The project begun in 2016 will include three exhibitions initiated by Highlanes Gallery over 2017/2018 in two other partner galleries across Ireland, returning to Highlanes in autumn 2018.

7. Highlanes Gallery was invited by the UK based Marmite Prize for Painting to take part in the biannual painting prize, enabling its expansion to Ireland. After an adjudicating process in early 2016, which involved Irish and UK academics, gallery curators and Highlanes Gallery director, Aoife Ruane, and after its run in London, the Marmite Prize for Painting V featuring thirty nine works from artists from Ireland, UK, the US and mainland Europe (selected from over 1,200 entries from painters at all stages in their practice) opened in Drogheda in July. Chief Executive Officer of the British Council (Sir Ciarán Devane) Originating in the UK, organised by painters for painters since 2006, the Marmite Prize for Painting is the only erratic, challenging and nomadic biennial open submission painting exhibition existing to promote excellence in contemporary painting. The Prize is entered into by the artists in the spirit of participation, and for the thrill of the exhibition. The 'Marmite' itself refers to the Old English term for a cooking pot, alluding to the mixing of diverse practices encouraged by the Prize, and also to the prize itself - a specially made interpretation of a 'marmite' which is donated by an artist.

The Marmite V exhibition featured works by Albane Lamoril, Richard Baker, Sarah Ball, Anthony Banks, Juan Bolivar, Philip Booth, Eleanor Breeze, Hannah Brown, Jo Bruton, Michael Calver, Diane Chappalley, Emma Cousin, Billy Crosby, Chris Daniels, Amanda Doran, Tamara Dubnyckyj, Steven Gee, Max Gomes, John Greenwood, Mandy Hudson, Clare Jarrett, Sooim Jeong, Michael Johnson, Jessie Makinson, Lindsay Mapes, Kathryn Maple, José Batista Marques, Jo McGonigal, Sinéad Ní Mhaonaigh, Oliver Mulvihill, Helen O'Leary, Bernadette O'Toole, Selma Parlour, Alison Pilkington, Christiane Pooley, Sheila Rennick, Joan Sugrue, Suzy Willey, and Daniel Woolhouse.

8. On October 4 2016, Highlanes Gallery marked its first decade. To celebrate this the gallery hosted a private reception for the family of Bea Orpen and Terry Trench, the originators of the Drogheda Municipal Art Collection, original board members from 2006, and well funders, former staff and associates together with current board, curators and artists. Guests were addressed by Joan Martin, CE, Louth County Council, and Chairperson of Highlanes Gallery Board of Directors, and Kevin McAllister, Chairperson of the Board of Management.

HIGHLANES GALLERY

DIRECTORS' REPORT

YEAR ENDED 31ST DECEMBER 2016

9. To mark this first decade we presented an exhibition, *Some thing as a line* which took its starting point from the small painting *Miniature of the Artist's Hand* by William Mulready in the Drogheda Municipal Art Collection. The group exhibition looked at the spatial and temporal properties of line. The show considered the ability of line to move from a representational mark to an autonomous entity in space and time. Mulready's painting depicts a hand in the act of drawing from a sculpture onto an ivory surface, suggesting a movement for line between a range of media and disciplines, from sculpture to drawing and painting. Each of the ten invited artists Anna Barribal, Karl Burke, , Maud Cotter, Gemma Fitzpatrick, Mark Garry, Caoimhe Kilfeather, Barbara Knezevic, Damien Meade, Niamh O'Malley and Kathy Prendergast use line in a variety of forms, across a range of media, where line is used to engage with a sense of materials, of space and of time. Works in the exhibition showed line being thought of and used in various ways including: as sculptural objects, as paintings of linear sculptures, as video work using line to measure landscapes, as mapping, as visualised data, and using line to trace and record real objects. Curated by artist and lecturer, Brian Fay, the exhibition presented existing and new artworks by well-known and emerging Irish and international artists, with some works never exhibited before in Ireland by Anna Barribal, Barbara Knezevic, Damien Meade and Niamh O'Malley.

10. Highlanes Gallery continued its Special Primary School Programme, working with three class groups, including town and country schools, the programme focussing on the *Some thing as a line*, engaging artist Clare Halpin and enabling both gallery and class based work for teachers and their class groups.

11. In early October, Janet Mullarney's exhibition; *My Mind's i* continued its national tour. Originally conceived and curated by Janet Mullarney and Aoife Ruane for Highlanes Gallery where it had opened at the gallery in Jan 2015, the exhibition which had received a Touring Award from the Arts Council of Ireland and sponsorship from Clarke's Bar, Drogheda had continued its tour to Butler Gallery in Kilkenny Castle, Kilkenny in October 2015, and in October 2016, opened at the Wexford Arts Centre in Wexford town. Following that, the FE McWilliam Gallery & Studio requested the exhibition, and in early December 2016, the exhibition was officially opened there by Christina Kennedy, Head of Collections at the Irish Museum of Modern Art. Touring is an important facet of the gallery's work, as it supports new and ambitious exhibitions by senior Irish artists, and develops the gallery's partnerships regionally and nationally, raising the gallery's profile, and allows for critical writing about an exhibition and its publishing, extending the life of the exhibition.

12. In November, the gallery presented its third Fundraising Decade Dinner, marking the first ten years of the gallery, the event set within the gallery itself with loyal Patrons, Benefactors and Friends of the gallery, and others, enjoying the Drogheda Municipal Art Collection while meeting and dining. John McGrane, Director General of The British Irish Chamber of Commerce, arts aficionado and Drogheda native was the special guest and he addressed those gathered with a stimulating and engaging after dinner speech.

HIGHLANES GALLERY

DIRECTORS' REPORT

YEAR ENDED 31ST DECEMBER 2016

13. Coming out of a link made with the British Council in 2015, Highlanes Gallery was invited by the British Council to take part in a two stranded project with an overarching title, Perspectives - A celebration of the UK and Irish cultural relationship. Perspectives was devised in Autumn 2015 following a meeting between former Irish Ambassador to the UK (Dan Mulhall), Chief Executive Officer of the British Council (Sir Ciarán Devane) and Director of the British Council in Ireland (Alf Desire). The project was part of the British Council Ireland's response to the Decades of Commemoration and encompassed two main strands. The first was a visual arts project that connected four regional art galleries - the galleries were Glebe House and Gallery in Letterkenny; The Model Gallery, Sligo; Highlanes Gallery, Drogheda; and Limerick City Gallery, where each of the institutions were invited to select or curate an exhibition from the vast and world class British Council Collection. Highlanes Gallery rather than curate the exhibition in-house, devised a project led by Director Aoife Ruane where two local schools Our Lady's College, Greenhills and St Oliver's Community College were invited with their art teachers to curate the exhibition. The project and process saw 12 students (5th Year) work over a period of nine months with the gallery in a project that involved them visiting galleries and museums in Dublin, meeting artists and curators through Highlanes programme and research and discuss, plan and create an exhibition and public programme. The resulting exhibition Student Select: In Sense of Place included iconic artworks including the work of Turner Prize winners Gillian Wearing, Richard Long, Tony Cragg and Jeremy Deller which hung alongside treasures from the Drogheda Municipal Art Collection. The exhibition was opened by Heather Humphreys TD, Minister for Arts, Heritage, Regional, Rural and Gaeltacht Affairs on November 24, with presentations by two of the curating students, Cait McArdle and Niamh McDonnell, and attended by Chief Executive Officer of the British Council Sir Ciarán Devane, and other representatives from the British Council worldwide, as well as two exhibiting artists Graham Crowley and Mariele Neudecker. The British Council is looking at this model as an example of best practice and are exploring using the process developed by Highlanes Gallery in its worldwide cultural projects linking to its Collection.

14. The second part of the project involved the Irish galleries selecting and exhibiting work from their own collections at the British Council Head Office, Spring Gardens, London in an exhibition Perspectives which opened on November 30, 2016, with guests from arts and culture across the UK and Ireland addressed by Ambassador Dan Mulhall and Sir Ciaran Devane. Joan Martin, Chief Executive of Louth County Council and Chairperson of the Board of Directors of Highlanes Gallery, Kevin McAllister, Chairperson of the Board of Management of Highlanes Gallery with Board Members, Alison Lyons and Sarah O'Hagan, and Highlanes Gallery Director, Aoife Ruane travelled to attend the opening, meeting former and current colleagues and forging many connections for the future.

15. Throughout the year, Highlanes Gallery continued, developed and grew its Azure Programme, with its core group, the Drogheda & South Louth Alzheimer' Day Care Centre and expanding to others (individuals and groups), with monthly gallery based sessions for people living with Alzheimer's and dementia. The experimental tool VTS or Visual Thinking Strategies used initially for Primary School Students is used by the gallery for programme ensuring that only the knowledge that the participants bring to the programme that day is critical (rather than an assumed informed knowledge of art).

16. In December 2016, the gallery made its application for Full Accreditation under the Museum Standards Programme for Ireland run by the Heritage Council. This involved considerable work by key staff and Highlanes Gallery Boards.

Financial Review

The financial statements reveal a satisfactory position with income and costs boardly in line with our budgeted forecasts.

HIGHLANES GALLERY

DIRECTORS' REPORT

YEAR ENDED 31ST DECEMBER 2016

Business review and results

Against a backdrop of limited financial resources the company has nevertheless continued to develop. The charity, thanks to the continued support of Louth County Council and The Arts Council managed to increase marginally gross income levels. A combination of the support of a hardworking management and staff, the unwavering assistance from its voluntary Board of Management and its increased funding enabled the deficit sustained to be reduced from €23,839 for the 2015 year to a deficit of €7,633 for 2016.

Reserves Policy

The board of directors budget and reserves policy require;

That whilst the current level of cash reserves may prove sufficient it is the directors' view that it is prudent to ensure that there are sufficient cash reserves to provide for the flexibility needed to operate a modern gallery and to ensure that resources are in place to bridge funding gaps to finance any unforeseen delays in drawing down grant aid.

Future Review and Development Plan for 2017/2018

The directors are not expecting to make any significant changes in the nature of the company's activities in the near future. However, Highlanes Gallery plans to develop further its involvement in touring events, which provide a worthwhile interaction with other galleries throughout Ireland. It will, in addition, continue to promote the gallery with attractive, interesting and educational exhibitions of contemporary artworks and maintain a gallery space of a very high standard for the exhibition of the local municipal art collection.

Accounting records

The directors acknowledge their responsibilities under Section 281 and 285 of the Companies Act 2014 to keep adequate records for the company.

The directors are aware of their responsibilities under the act and to comply with the requirements, they ensure adequate resources are allocated to the task. The accounting records of the company are kept at the principal place of business at Laurence Street, Drogheda, Co. Louth.

Statement on Relevant Audit Information

In accordance with Section 330 of the Companies Act 2014:

so far as the directors are aware, there is no relevant audit information of which the company's statutory auditors are unaware; and

each director has taken all steps that he or she ought to have undertaken as a director in order to make himself or herself aware of any relevant audit information and to establish that the statutory auditors are aware of that information.

Auditors

In accordance with Section 383(2) of the Companies Act 2014, the auditors, Bowden Walsh & Co., Statutory Auditors, Beamore Business Centre, Beamore Road, Drogheda, Co. Louth will continue in office.

ON BEHALF OF THE BOARD:

JOAN MARTIN - DIRECTOR
DATE: 8TH MAY 2017

ROISIN MCAULEY - DIRECTOR

HIGHLANES GALLERY

DIRECTORS' RESPONSIBILITIES STATEMENT

YEAR ENDED 31ST DECEMBER 2016

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

Irish company law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with Irish Generally Accepted Accounting Practice (Irish GAAP), giving a true and fair view of the state of affairs of the company and the profit or loss of the company for each financial year. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the profit or loss of the company for the financial year and otherwise comply with the Companies Act 2014. In preparing these financial statements the directors are required to:

- select suitable accounting policies 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 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 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.

ON BEHALF OF THE BOARD:

JOAN MARTIN - DIRECTOR
DATE: 8TH MAY 2017

ROISIN MC AULEY - DIRECTOR

HIGHLANES GALLERY

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HIGHLANES GALLERY

YEAR ENDED 31ST DECEMBER 2016

We have audited the financial statements of Highlanes Gallery for the year ended 31st December 2016 which comprise the Income and Expenditure Account, Balance Sheet, Statement of Cashflows and related notes. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and accounting standards issued by the Financial Reporting Council, including FRS102 "the reporting standard applicable in the UK and Republic of Ireland" (Generally Accepted Accounting Practice in Ireland).

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

Respective responsibilities of directors and auditors

As more fully explained in the Directors' Responsibilities Statement as set out on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Boards' Ethical Standards for Auditors, including "APB Ethical Standards - Provisions Available for Small Entities (Revised)", in the circumstances set out in note 19 to the financial statements.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

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

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

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

HIGHLANES GALLERY

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
HIGHLANES GALLERY**

YEAR ENDED 31ST DECEMBER 2016

Matters on which we are required to report by exception

We have nothing to report in respect of the provisions in the Companies Act 2014, which require us to report to you if, in our opinion the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of the Act are not made.

**RICHARD BOWDEN FCCA,
BOWDEN WALSH & CO.,
CHARTERED CERTIFIED ACCOUNTANTS
& STATUTORY AUDITORS,
BEAMORE BUSINESS CENTRE,
BEAMORE ROAD,
DROGHEDA, CO. LOUTH.**

DATE: 8TH MAY 2017

HIGHLANES GALLERY
INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31ST DECEMBER 2016

	Notes	2016 €	2015 €
Income			
Grant Income		272,677	266,250
Rent & Services Recovery		34,903	28,073
Capital Grant Amortisation		45,553	50,202
Fundraising, Sponsorship & Other Income		27,795	27,406
	2	<u>380,928</u>	<u>371,931</u>
Expenditure			
Gallery Administration & Ancillary Costs		(388,615)	(395,810)
Operating deficit for year	3	(7,687)	(23,879)
Other interest receivable and similar income		54	40
Deficit on ordinary activities before taxation		(7,633)	(23,839)
Tax on surplus / (deficit) on ordinary activities	4	-	-
Deficit for the financial year		<u>(7,633)</u>	<u>(23,839)</u>

The income and excess of expenditure over income relate to continuing operations as no businesses were acquired or disposed of in 2016 or 2015.

HIGHLANES GALLERY

BALANCE SHEET

AS AT 31ST DECEMBER 2016

	Notes	€	2016 €	€	2015 €
Fixed Assets					
Property plant and equipment	6		4,020,876		4,070,809
Current Assets					
Inventories	7	10,374		14,133	
Trade and other receivables	8	25,781		46,626	
Cash and cash equivalents		32,705		45,508	
			68,860		106,267
Creditors: amounts falling due within one year	9	(32,420)		(66,574)	
Net Current assets			36,440		39,693
Total assets less current liabilities			4,057,316		4,110,502
Creditors: amounts falling due after more than one year	10	(155,124)		(155,124)	
Unamortised capital grants	11	(4,005,987)		(4,051,540)	
			(4,161,111)		(4,206,664)
Deficiency of assets			(103,795)		(96,162)
Represented by					
Unrestricted General Funds - in deficit	13		(103,795)		(96,162)
Total deficit			(103,795)		(96,162)

The financial statements were approved by the Board of Directors on 8th May 2017 and authorised for issue on 8th May 2017. They were signed on its behalf by:

JOAN MARTIN - DIRECTOR
DATE: 8TH MAY 2017

ROISIN MC AULEY - DIRECTOR

HIGHLANES GALLERY
STATEMENT OF CASHFLOWS
YEAR ENDED 31ST DECEMBER 2016

	Notes	2016 €	2015 €
Cash generated from operations	14	(13,315)	(15,892)
Taxation refunded/(paid)		-	-
Net cash generated from operating activities		(13,315)	(15,892)
Cash flows from investing activities			
Purchase of property, plant and equipment		-	(9,495)
Louth County Council Capital Grant		-	4,165
Net cash used in investing activities		-	(5,330)
Cash flows from financing activities			
Bank interest received		54	40
Net increase/(decrease) in cash and cash equivalents	15	(13,261)	(21,182)

HIGHLANES GALLERY

ACCOUNTING POLICIES

YEAR ENDED 31ST DECEMBER 2016

Accounting policies

The significant accounting policies adopted by the company and applied consistently are as follows:

Basis of accounting

The financial statements are prepared on the going concern basis, under the historical cost convention and comply with the financial reporting standards of the Financial Reporting Council and the Companies Act 2014.

The financial statements are prepared in accordance with accounting standards issued by Financial Reporting Council, including the FRS102 "The Financial Reporting Standard applicable to UK and Republic of Ireland" ("FRS 102").

Fund accounting

Unrestricted funds

Unrestricted funds represent amounts which are expendable at the discretion of the Directors in furtherance of the objects of the charity and which have not been designated for other purposes. Such funds may be held in order to provide working capital or capital expenditure.

Government grants

Grants towards revenue expenditure are released to the income and expenditure account as the related expenditure is incurred. Grants towards capital expenditure are released to the income and expenditure account over the expected useful life of the asset.

Income resources

Income comprises all monies received or identified as receivable by the company. In the case of voluntary donations, income is recognised when received in to the company's premises or directly to its bank account. The value of volunteer time is not included in the financial statements.

Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered.

Property plant and equipment

Property, plant and equipment are recorded at historic cost.

Depreciation

Depreciation is calculated in order to write off the cost of property, plant and equipment over their estimated useful lives, as follows:

Land and Buildings	-	Straight line over 100 years
Leasehold properties	-	Straight line over 100 years
Computer equipment	-	25% Straight Line
Fixtures, fittings and equipment	-	12.5 % Straight line
Art	-	This asset is not subject to depreciation but is subjected to impairment review

Critical Accounting judgements and estimates

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 and liabilities, income and expenditure.

HIGHLANES GALLERY

ACCOUNTING POLICIES

YEAR ENDED 31ST DECEMBER 2016

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including 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 value of assets and liabilities within the next financial year are discussed below:-

a) Establishing lives for depreciation purposes of property, plant and equipment

The annual depreciation charge depends primarily on the estimated lives of each type of asset. The directors regularly review these asset lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of assets concerned. Changes in asset lives can have an impact on depreciation for the year. Details of the useful lives are included in the accounting policies.

HIGHLANES GALLERY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2016

1. Going concern

The directors have made an assessment of the likely incomes and expenditures of the company over the next year. They concluded that the financial statements maybe prepared on a going concern basis, which assumes that the company will continue in operational existence for the foreseeable future and have adequate resources, to meet its obligations when they fall due.

2. Income

All Income derives from activities wholly undertaken in the Republic of Ireland.

	2016	2015
	€	€
Sundry Income	27,795	27,406
The Arts Council	48,375	41,250
The Arts Council - Touring Grant	10,250	29,500
Louth County Council	196,000	190,000
Louth County Council - Program Support	18,052	5,500
Rent & Services Income	34,903	28,073
Grant amortisation	45,553	50,202
	<u>380,928</u>	<u>371,931</u>

3. Operating deficit for year

	2016	2015
	€	€
The net incoming resources for the year arrived at after charging:		
Depreciation and amortisation of tangible assets	<u>49,933</u>	<u>54,709</u>

4. Taxation

No charge to current or deferred taxation arises as the company has been granted charitable tax exemption in accordance with the provisions of Section 207, (as applied to Companies under Section 76), Section 609 (Capital Gains tax) and Section 266 (Deposit Interest Retention Tax) of the Taxes Consolidation Act, 1997, under charity reference number CHY 15753.

HIGHLANES GALLERY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2016

..... continued

5. Employees

Number of employees

The average monthly numbers of employees during the year were:

	2016 Number	2015 Number
Administration	<u>8</u>	<u>8</u>

Employment costs

	2016 €	2015 €
Gross wages	140,277	135,434
Employers Prsi	<u>13,595</u>	<u>13,031</u>
	<u>153,872</u>	<u>148,465</u>

6. Property plant and equipment

	Buildings freehold €	Long leasehold property €	Equipment €	Fixtures & fittings €	Artwork €	Total €
Cost						
At 1st January 2016	<u>2,379,573</u>	<u>2,076,540</u>	<u>36,115</u>	<u>222,310</u>	<u>3,000</u>	<u>4,717,538</u>
At 31st December 2016	<u>2,379,573</u>	<u>2,076,540</u>	<u>36,115</u>	<u>222,310</u>	<u>3,000</u>	<u>4,717,538</u>
Depreciation						
At 1st January 2016	220,127	192,094	34,193	200,315	-	646,729
Charge for the year	<u>23,810</u>	<u>20,780</u>	<u>1,024</u>	<u>4,319</u>	-	<u>49,933</u>
At 31st December 2016	<u>243,937</u>	<u>212,874</u>	<u>35,217</u>	<u>204,634</u>	-	<u>696,662</u>
Net book values						
At 31st December 2016	<u>2,135,636</u>	<u>1,863,666</u>	<u>898</u>	<u>17,676</u>	<u>3,000</u>	<u>4,020,876</u>
At 31st December 2015	<u>2,159,446</u>	<u>1,884,446</u>	<u>1,922</u>	<u>21,995</u>	<u>3,000</u>	<u>4,070,809</u>

HIGHLANES GALLERY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2016

..... continued

In respect of prior year:

	Freehold Premises	Leasehold Expenditure	Equipment	Fixtures & fittings	Artwork	Total
	€	€	€	€	€	€
Cost						
At 1st January 2015	2,379,573	2,076,540	36,115	215,815	-	4,708,043
Additions	-	-	-	6,495	3,000	9,495
At 31st December 2015	<u>2,379,573</u>	<u>2,076,540</u>	<u>36,115</u>	<u>222,310</u>	<u>3,000</u>	<u>4,717,538</u>
Depreciation						
At 1st January 2015	196,317	171,314	33,041	191,348	-	592,020
Charge for the year	23,810	20,780	1,152	8,967	-	54,709
At 31st December 2015	<u>220,127</u>	<u>192,094</u>	<u>34,193</u>	<u>200,315</u>	<u>-</u>	<u>646,729</u>
Net book values						
At 31st December 2015	<u>2,159,446</u>	<u>1,884,446</u>	<u>1,922</u>	<u>21,995</u>	<u>3,000</u>	<u>4,070,809</u>
At 31st December 2014	<u>2,183,256</u>	<u>1,905,226</u>	<u>3,074</u>	<u>24,467</u>	<u>-</u>	<u>4,116,023</u>

There were no assets held under finance lease included in the tangible fixed assets.

7. Inventories	2016 €	2015 €
Stock of cards and catalogues	<u>10,374</u>	<u>14,133</u>

In the opinion of the directors there are no material differences between the replacement cost of stock and the balance sheet amounts.

HIGHLANES GALLERY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2016

..... continued

8. Trade and other receivables		
comprises debtors and other receivables falling due within one year:		
	2016	2015
	€	€
Debtors	5,470	12,220
Other loans	294	294
Value added tax	4,234	14,490
Accrued income	12,873	9,866
Prepayments	2,910	9,756
	<u>25,781</u>	<u>46,626</u>
	<u><u>25,781</u></u>	<u><u>46,626</u></u>
9. Creditors: amounts falling due within one year	2016	2015
	€	€
Bank overdraft	2,001	1,543
Trade creditors	11,623	40,931
Paye/prsi	2,845	3,288
Other creditors	-	708
Accruals	15,951	20,104
	<u>32,420</u>	<u>66,574</u>
	<u><u>32,420</u></u>	<u><u>66,574</u></u>
10. Creditors: amounts falling due after more than one year	2016	2015
	€	€
Unsecured, non interest bearing loan- from Louth County Council	155,124	155,124
	<u>155,124</u>	<u>155,124</u>
	<u><u>155,124</u></u>	<u><u>155,124</u></u>

HIGHLANES GALLERY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2016

..... continued

11. Capital Grants	2016 €	2015 €
Gross Grants Received/Receivable:-		
Balance brought forward	4,807,939	4,803,774
Grants received/receivable in year	-	4,165
Balance carried forward	<u>4,807,939</u>	<u>4,807,939</u>
Capital Grant Amortised:-		
Balance at beginning of year	756,399	706,197
Grants amortised	45,553	50,202
Balance at end of year	<u>801,952</u>	<u>756,399</u>
Unamortised Capital Grants at end of year	<u>4,005,987</u>	<u>4,051,540</u>

HIGHLANES GALLERY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2016

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12. Grant information

Grantor	Sponsoring department	Grant	Grant Term	Grant due 31/12/15	Deferred Income 31/12/15	Recognised in I & E	Amount Received	Grant due 31/12/16	Deferred Income 31/12/16
The Arts Council	The Arts Council	Annual funding	Apr 15 - Mar16	8,750	-	11,250	20,000		-
The Arts Council	The Arts Council	Annual funding	Apr16 - Dec 16			37,125	30,937	6,188	
The Arts Council	The Arts Council	Touring Grant	2013 to 2016			10,250	5,250	5,000	
Louth Co Co	Louth Co Co	Annual Funding	Jan 16 - Dec 16			196,000	196,000		
Louth Co Co	Louth Co Co	Program Support	Jan 16 - Dec 16			18,052	18,052		
INTERREG	INTERREG	Renovations & Reconstruction	2006		1,208,799	13,320			1,195,479
IFI	IFI	Renovations & Reconstruction	2006		424,750	4,680			420,070
Miscellaneous Grants	Miscellaneous Grants	Renovations & Reconstruction	2006		7,576	84			7,492
Louth Co Co	Louth Co Co	Acquisition & Reconstruction of Building	2006		2,410,415	27,469			2,382,946

HIGHLANES GALLERY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2016

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13. Statement of changes in reserves	General Funds €	Total €
At 1st January 2015	(72,323)	(72,323)
Deficit for the year	(23,839)	(23,839)
Restated balance as at 31st December 2015	<u>(96,162)</u>	<u>(96,162)</u>
Deficit for the year	(7,633)	(7,633)
At 31st December 2016	<u>(103,795)</u>	<u>(103,795)</u>

The General reserve is in deficit.

14. Reconciliation of operating surplus to net cash inflow/(outflow) from operating activities	2016 €	2015 €
Operating deficit	(7,687)	(23,879)
Depreciation and loss on disposal of tangible fixed assets	49,933	54,709
Amortisation of capital grants	(45,553)	(50,202)
Movement in stocks	3,759	1,082
Movement in debtors	20,845	4,479
Movement in creditors	(34,612)	(2,081)
Cash generated from operations	<u>(13,315)</u>	<u>(15,892)</u>

15. Analysis of changes in net cash	Opening balance €	Cash flows €	Closing balance €
Cash in hand	45,508	(12,803)	32,705
Overdrafts and loans etc	(1,543)	(458)	(2,001)
	<u>43,965</u>	<u>(13,261)</u>	<u>30,704</u>

HIGHLANES GALLERY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2016

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16. Related party transactions

For the purposes of FRS102, Louth County Council is a Related Party.

During the year:

- (i) Louth County Council appointed all members and directors of the company.
- (ii) Louth County Council provided annual funding grants during the year amounting to €196,000.
- (iii) Louth County Council provided grants towards various program supports during the year amounting to €18,052.
- (iv) Louth County Council provides a sum of €155,124 by way of an unsecured, non-interest bearing loan with no fixed repayment date.
- (v) Louth County Council provides a letter of comfort to Bank of Ireland.

17. Status of Company

Highlanes Gallery is a company limited by guarantee and not having a Share Capital and consequently the liability of the members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding €1.

18. Ultimate controlling parties

The ultimate controlling party of the company is Louth County Council.

19. APB Ethical Standard - Provisions Available for Small Entities

As a small entity under provisions of APB in relation to ethical standards we engage our auditors to provide the services of accounts preparation and routine company secretarial work.

20. Approval of Financial Statements

The financial statements were approved by the Board and authorised for issue on 8th May 2017.