

Comhaltas Ceoltóirí Éireann

Central Executive Council

Trustees' report and financial statements

for the year ended 31 December 2019



ECOVIS DCA Limited
Chartered Accountants and Statutory Audit Firm
Second Floor, Behan House
10 Lower Mount Street
Dublin 2
Ireland

Comhaltas Ceoltóirí Éireann

Central Executive Council

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Comhaltas Ceoltóirí Éireann

Central Executive Council

Trustees and other information

Trustees	Colmán Ó Muinnheacháin Pádraig Ó Dúfaigh Pádraig Ó Ceallaigh
Arduachtarán	Vincent Jordan
Ardchisteoir	Pádraig Ó Dúfaigh
Ardstiúrthóir	Labhrás Ó Murchú
Ardrúnaí	Tomás Ó Maoldomhnaigh
Ardchláraitheoir	Majella Bartley
Oifig	Cultúrlann na hÉireann Cearnóg Belgrave Baile na Manach Co. Atha Cliath
Auditors	ECOVIS DCA Limited Chartered Accountants and Statutory Audit Firm Second Floor, Behan House 10 Lower Mount Street Dublin 2 D18 R7N8
Bankers	Bank of Ireland College Green Dublin 1
Solicitors	Eugene P. Kearns BCL Solicitor 10 Lower Abbey Street Dublin 1

Comhaltas Ceoltóirí Éireann

Central Executive Council Structure, governance and management for the year ended 31 December 2019

Comhaltas Ceoltóirí Éireann ("Comhaltas") is a voluntary organisation established to promote Irish traditional music, song, dance and language. Comhaltas is registered with the Registrar of Friendly Societies, as a scientific or literary society.

Comhaltas is governed by the rules set out in the Bunreacht (Constitution).

Comhaltas consists of the following units:

- (a) Branches (415 in 15 countries on four continents)
- (b) County Boards (32 in Ireland, four regional boards in Britain and five regional boards in North America)
- (c) Provincial Councils (four in Ireland, one in Britain and one in North America)
- (d) Central Executive Council

Annual Congress is the Supreme Governing Body.

Branches, County Boards and Provincial Councils consist of the following officers:

- (a) Chairman
- (b) Vice Chairman
- (c) Secretary/Registrar
- (d) Treasurer
- (e) Auditor
- (f) Public Relations Officer
- (g) Treoraí na Gaeilge
- (h) Two Delegates to County Board/Provincial Council

The Central Executive Council ("CEC") is the governing body of Comhaltas and consists of the following:

- (a) Arduachtarán, elected by Congress to hold office for three years, having been nominated by at least one Provincial Convention
- (b) Árdúnai, elected by Congress having been nominated by at least one Provincial Convention
- (c) Leaschathaoirligh, six members elected at Provincial Conventions
- (d) Ardchisteoir, elected annually by Congress, having been nominated by at least one Provincial Council
- (e) Ardchláraitheoir, elected annually by Congress, having been nominated by at least one Provincial Council
- (f) Two Ógbhai, elected annually by Congress, having been nominated by at least one Provincial Council
- (g) Two delegates from each Provincial Council
- (h) Oifigeach Comórtais, appointed by the CEC from among its own members
- (i) Oifigeach Ceoil, appointed by the CEC from among its own members.
- (j) Oifigeach Caidrimh Poiblí, appointed by the CEC from among its own members.

The Arduachtarán, Ardstiúrthóir, Árdúnai, Ardchisteoir and the Ardchláraitheoir, under the direction of the CEC, constitute the Standing Committee for the purposes of dealing with the day to day work of the CEC. The trustees may attend all meetings.

The Annual Congress consists of:

- (a) Members of the CEC
- (b) Two delegates from each affiliated Branch and County Board
- (c) The Runai and Cisteoir of each Provincial Council

All units of Comhaltas are entitled to submit motions for Annual Congress.

The Bunreacht can be altered only by a two third majority of those actually attending and voting at an Annual Congress.

Comhaltas Ceoltóirí Éireann

Central Executive Council

Trustees' report
for the year ended 31 December 2019

Risk management

The Trustees are conscious of the public monies that are being provided to support Comhaltas and of the need to maintain internal controls to ensure that all expenditure is appropriately incurred and recorded. Every reasonable precaution is taken to safeguard monies received.

The Trustees are aware that for Comhaltas to realise its potential in promoting Irish traditional music, song, dance and language, they must ensure that the great tradition of voluntary service in Comhaltas must be sustained and expanded over the coming years.

The Trustees are endeavouring to maintain a vibrant and growing organisation.

Achievements and performance

Comhaltas engages in a wide range of activities including education, a traditional music teaching diploma, fleadhanna and music archiving. Comhaltas publishes an annual report each year which outlines all the activities and achievements of the organisation in the year. This publication is issued to each member at Congress.

Finances

The day to day activities of Comhaltas are funded partly by members, partly from the proceeds of events such as Fleadhanna, and partly from a grant from the Department of Culture, Heritage and the Gaeltacht.

The CISTE fund is provided by units to the national central fund, which during the year the fund generated €134,761 (2018 - €142,035). The fund has enabled the Ardchomhairle to undertake enhancement and expansion initiatives. It is an example of Comhaltas' ability to generate funds within the organisation, which strengthens the case for public funding. CISTE fund also covers the blanket public liability insurance cover for Comhaltas in Ireland and Britain.

This fund is included in the accounts under Donations, Contributions and Sponsorships.

Membership to Comhaltas is open to all members of the public for a standard affiliation fee. During the year affiliations generated €109,542 (2018 - €99,626) in funds.

In 2019 the organisation generated an operating deficit of €58,501 (2018 - €25,668) after additions for amortisation of the grants and depreciation.

Also, Comhaltas is currently in receipt of a grant from the Department of Foreign Affairs and Trade to support its activities in Britain, North America and Japan (see note 10 to the financial statements).

Principal risks and uncertainties

Financial Risks - Like many voluntary bodies, Comhaltas is dependent on statutory funding, donations and fundraising. Funding for existing projects has remained static over the last number of years despite costs increasing, and this has created a challenge for the organisation in meeting increases in costs. The organisation must maintain income and cash balances at a level to match planned expenditure and therefore seeks to maintain and develop existing and new income streams to manage financial risk.

Operational risks are managed using strong systems of internal controls, procedures and budget management covering all elements of financial and operational activities. Controls are reviewed as part of normal operating activities and risk management.

Reputational risk may arise through internal factors or the actions of a third party. The organisation makes every effort to minimise this risk through a commitment to transparency, governance and accountability to ensure confidence from all stakeholders.

Comhaltas Ceoltóirí Éireann

Health & Safety Risk - The Standing Committee recognises the importance of health and safety within the organisation's services. Systems and structures are in place with regular reporting to the Standing Committee.

Insurable risk - the organisation incurs exposure to employer, public and property damage liability by virtue of the nature of its operations. A strong emphasis is placed on health and safety and risk management practices and insurance cover is maintained which further mitigates this risk, subject to levels of insurance where it is deemed appropriate to do so.

Results

The results for the year show a surplus of €477,351 (2018 - €504,438).

This surplus figure is a result of a large amortisation adjustment credited to Comhaltas in relation to Historical Grants provided to the Organisation which are being written down in line with recommended Accounting practice whereby government grants shall be recognised in the Income and Expenditure Account on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

Where the amortisation charges are adjusted back against the depreciation charges for the financial period there is a deficit of €58,501 (2018: €25,668).

Charities Act 2009

The Charities Act 2009 ('the Act'), enacted on 28 February 2009 represents a very significant milestone for community and voluntary activity in Ireland. The purpose of the Act is to reform the law relating to charities in order to ensure greater accountability and to protect against abuse of charitable status and fraud and to enhance public trust and confidence in charities and increase transparency in the sector. The Act is being commenced in stages and at the date of approval of the financial statements certain parts of the Act have not yet taken effect.

On 16 October 2014, the Charities Regulatory Authority ('CRA'), Ireland's national statutory regulatory agency for charitable organisations, was established under the terms of the Act as an independent agency of the Department of Justice and Equality. Shortly thereafter, the Register of Charities was established by the CRA. Comhaltas has been added to the Register of Charities (Reg. No.: 20021894) and is required to submit an annual activity report which is due not later than ten months after the end of the financial year to which it relates.

Comhaltas Ceoltóirí Éireann

The Audit Committee

The Audit Committee oversees the governance of the organisation's finances. The Audit Committee complies with recognised best practice as regards membership, independence and functions and represents an additional layer of governance within the organisation.

Accounting records

To ensure that adequate accounting records are kept in accordance with the Bunreacht in conjunction with the requirements of sections 281 to 285 of the Companies Act 2014, the Standing Committee has established appropriate books to adequately record the transactions of the organisation. The Standing Committee also ensures that the organisation retains the source documentation for these transactions. The accounting records are maintained at the organisation's office at Cultúrlann na hÉireann, Cearnóg Belgrave, Baile na Manach, Co. Atha Cliath.

Auditors

The auditors, Ecovis DCA Limited, (Chartered Accountants) have indicated their willingness to continue in office in accordance with the Charities Act 2009.

Statement on Relevant Audit Information

There is no relevant audit information of which the auditors are unaware. The Standing Committee has taken all steps that they ought to have taken, to the best of their ability, in order to make themselves aware of any relevant audit information and they have established that the auditors are made aware of that information.

Future Developments

The Central Executive Council is a not for profit organisation and the trustees are not expecting to make any changes in the nature of its operations in the near future.

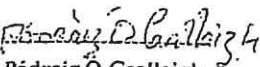
Post Statement of Financial Position Events

The trustees of Comhaltas Ceoltóirí Éireann have considered the implications of Covid-19 on their charity and the impact it might have on all areas of the financial statements. As Comhaltas Ceoltóirí Éireann's primary source of income derives from activities not directly affected by the crisis, the trustees believe that the charity is not likely to be adversely affected by the economic consequences of Covid-19. As a result, the trustees regard the implications of Covid-19 as a non-adjusting event, having a negligible financial effect on the charity, after the end of the reporting period

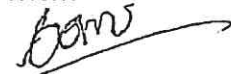
Reserves Policy

The standing committee agreed that an appropriate reserve should be maintained to address:-

- Planned activity level
- Organisations commitments


Pádraig Ó Ceallnaigh

Trustee



Colmán Ó Muimhneacháin

Trustee

Date: 25/07/2020

Comhaltas Ceoltóirí Éireann

Statement of the CEC
Standing Committee's responsibilities

The Standing Committee is responsible for preparing the trustees' report and the financial statements in accordance with the Bunreacht and applicable Irish legislation and with the basis of preparation and accounting policies set out in note 1 to the financial statements.


The Bunreacht and applicable Irish legislation requires the Standing Committee to prepare financial statements giving a true and fair view of the state of affairs of the organisation and the surplus or deficit of the organisation for each financial year. The Standing Committee has elected to prepare the financial statements in accordance with basis of preparation and accounting policies set out in note 1 to the financial statements.

In preparing these financial statements, the Standing Committee is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the organisation will continue its activities.

The Standing Committee is responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the organisation and enable it to ensure that the financial statements comply with the Bunreacht and applicable accounting standards. They are also responsible for safeguarding the assets of the organisation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Standing Committee



Labhrás O'Murchú
Ardstiúrthóir



Pádraig Ó Dufáigh
Ardchisteoir

Date: 05.07.2020

Independent auditors' report to the members of

Comhaltas Ceoltóirí Éireann Central Executive Council

Report on the audit of the financial statements

Opinion

We have audited the financial statements of the Central Executive Council of Comhaltas Ceoltóirí Éireann for the year ended 31 December 2019 which comprise of the Income and Expenditure Account, the Balance Sheet, Statement of Changes in Capital, Cashflow statement, the Accounting Policies and the related notes. The financial reporting framework that has been applied in their preparation is the Bunreacht in conjunction with Irish Law and applicable accounting standards including FRS 102 "Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the organisation as at 31 December 2019 and of its surplus for the year then ended;
- have been properly prepared in accordance with FRS 102 SORP "Financial Reporting Standard applicable in the UK and Republic of Ireland"; and the charities Act 2009.
- have been properly prepared in accordance with the requirements of the Bunreacht

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (Ireland) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the organisation's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

Opinions on other matters prescribed by the Bunreacht and the Charities Act 2009

Based solely on the work undertaken in the course of the audit, we report that:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- in our opinion, the Trustees' Report has been prepared in accordance with the Bunreacht and applicable legal requirements.

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 organisation were sufficient to permit the financial statements to be readily and properly audited. The financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the organisation and its environment obtained in the course of the audit, we have not identified any material misstatements in the Trustees' Report. The Bunreacht and Irish law requires us to report to you if, in our opinion, the disclosures of trustees' remuneration and transactions are not made. We have nothing to report in this regard.

Respective responsibilities

Responsibilities of trustees for the financial statements

As explained more fully in the Standing Committee's Responsibilities Statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Further information regarding the scope of our responsibilities as auditor

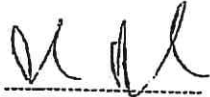
As part of an audit in accordance with ISAs (Ireland), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

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

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

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



Declan Dolan
for and on behalf of
ECOVIS DCA Limited
Chartered Accountants and Statutory Audit Firm
Second Floor, Behan House
10 Lower Mount Street
Dublin 2

Date: 25.07.2020

Comhaltas Ceoltóirí Éireann

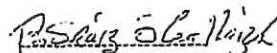
Central Executive Council

Income and expenditure account
for the year ended 31 December 2019

Income	Notes	2019 €	2018 €
Department of Culture, Heritage and the Gaeltacht		1,600,000	1,600,000
Donations, contributions and sponsorship		196,556	219,485
Affiliations		109,542	99,626
Net surplus from operating activities		16,273	14,962
		<u>1,922,371</u>	<u>1,934,073</u>
Regional support expenditure			
Regional support wages, travel and subsistence		(823,525)	(761,169)
Regional projects and costs		(310,180)	(375,068)
		<u>(1,133,705)</u>	<u>(1,136,237)</u>
C E C Head Office expenditure			
Wages, pension, travel and subsistence		(391,798)	(386,197)
Treoir magazine (net)		(61,088)	(72,673)
Insurance		(68,949)	(71,811)
Water and waste charges		(3,590)	(3,347)
Light and heat		(38,607)	(41,098)
Cleaning		(8,137)	(9,347)
Building maintenance		(36,415)	(41,548)
Printing and stationery		(66,198)	(58,131)
Telephone and postage		(54,119)	(45,755)
Legal and professional fees		(73,800)	(43,412)
Audit and Accounting		(11,150)	(9,800)
Bank interest and charges		(4,976)	(4,214)
Other interest		(2,787)	(2,901)
Bad debts		-	(84)
Public relations		(25,553)	(33,186)
Depreciation on freehold premises		(501,393)	(501,393)
Depreciation on fixtures and fittings		(21,215)	(26,961)
		<u>(1,369,775)</u>	<u>(1,351,858)</u>
Other income			
Amortisation of grants	6	1,058,460	1,058,460
Surplus for the year	7	<u>477,351</u>	<u>504,438</u>


The financial statements were approved by the Standing Committee and authorised for issue on .


Labhrás Ó Murchú


Pádraig Ó Ceallaigh

Ardstiúrthóir

Colman Ó Muimhneacháin
Trustee

Trustee

Pádraig Ó Dufáigh
Ardeisteoir

Comhaltas Ceoltóirí Éireann

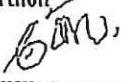
Central Executive Council

Balance sheet
as at 31 December 2019

	Notes	€	2019 €	€	2018 €
Fixed assets					
Tangible assets	8		18,775,329		19,297,937
Current assets					
Stocks	10	3,400		3,772	
Debtors	12	96,051		90,455	
Cash at bank and in hand		92,906		150,875	
		<u>192,357</u>		<u>245,102</u>	
Creditors: amounts falling due within one year	13	<u>(421,224)</u>		<u>(415,468)</u>	
Net current liabilities			<u>(228,867)</u>		<u>(170,366)</u>
Total assets less current liabilities			<u>18,546,462</u>		<u>19,127,571</u>
Creditors amounts falling due after more than one year	5		<u>(6,269,482)</u>		<u>(7,327,942)</u>
Net assets			<u>12,276,980</u>		<u>11,799,629</u>
Represented by					
Capital account	16		<u>12,276,980</u>		<u>11,799,629</u>
Capital balance	17		<u>12,276,980</u>		<u>11,799,629</u>

The financial statements were approved by the Standing Committee and authorised for issue on .


Labhrás Ó Murchú
Ardstiúrthóir


Colmán Ó Muimhneacháin
Trustee


Pádraig Ó Ceallaigh
Trustee


Pádraig Ó Dufáigh
Ardchisteoir

Comhaltas Ceoltóirí Éireann

Central Executive Council

Statement of Changes in Capital
as at 31 December 2019

	Capital Account €	Total €
At 1 January 2018	11,295,191	11,295,191
Surplus for the year	504,438	504,438
At 31 December 2018	11,799,629	11,799,629
Surplus for the year	477,351	477,351
At 31 December 2019	<u>12,276,980</u>	<u>12,276,980</u>

Comhaltas Ceoltóirí Éireann

Statement of Cash Flows for the ended 31 December 2019

Notes	2019 €	2018 €
Reconciliation of surplus in year to net		
Cash flow from operating activities		
Operating surplus	477,351	504,438
Adjustments for:		
Depreciation of tangible assets	522,608	528,354
Amortisation of capital grants	(1,058,460)	(1,058,460)
OPERATING DEFICIT	(58,501)	(25,668)
Interest and similar charges	7,763	7,115
Movement in stocks	372	(680)
Movement in debtors	(5,596)	16,383
Movement in creditors	5,756	(17,978)
Net cash (outflow)/inflow from operating activities	(50,206)	(20,828)
Cash flow from investing activities		
Payment to acquire tangible asset	-	(2,162)
Net cash outflow from investing activities	-	(2,162)
Cash flow from financing activities		
Interest paid	(7,763)	(7,115)
Net cash (outflow) from financing activities	(7,763)	(7,115)
Cash flow statement		
Net cash (outflow)/inflow from operating activities	(50,206)	(20,828)
Net cash (outflow) from investing activities	-	(2,162)
Net cash (outflow) from financing activities	(7,763)	(7,115)
(Decrease)/increase in cash in the year	(57,969)	(30,105)
Reconciliation of net cash flow to movement in net funds	2019	2018
	€	€
Movement in net cash in the year	(57,969)	(30,105)
Net at beginning of year	150,875	180,980
Net at end of year	92,906	150,875

Comhaltas Ceoltóirí Éireann

Central Executive Council

Notes to the financial statements for the year ended 31 December 2019

1. General information

Comhaltas Ceoltóirí Éireann (An Comhaltas) is a registered charitable organisation in the Republic of Ireland. Cultúrlann na hÉireann, Cearnóg Belgrave, Baile na Manach, Co. Atha Cliath is the headquarters. The organisation was established to promote Irish traditional music, song, dance, and language. Comhaltas Ceoltóirí Éireann is also registered with the Registrar of Friendly Societies as a scientific or literary society.

2. Accounting policies

Basis of preparation

The financial statements have been prepared on the going concern basis with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the charitable organisation's financial statements.

The financial statements are prepared in Euro which is the functional currency of Comhaltas Ceoltoirí Éireann.

True and fair view

Financial reporting in line with the SORP is considered best practice for charities in Ireland and the Trustees consider the adoption of the SORP requirements, is the most appropriate accounting format to properly reflect and disclose the activities of the organisation. In the opinion of the Trustees the format of the financial statements as presented in these financial statements better describes the not-for-profit activities undertaken by the organisation.

Restricted funds

Restricted funds consist of grants and income received which can only be used for the purposes specified by the donors and are subject to specific conditions imposed by them.

Unrestricted free reserves

Unrestricted funds consist of grants, donations and surpluses from service level agreements which can be spent at the discretion of the charity to enable it to achieve its overall aims and objectives.

Unrestricted designated funds

Designated funds are those which have been set aside for particular purposes in the furtherance of the organisation's charitable objectives.

Income

Voluntary income or capital is included in the Statement of Financial Activities when the company is legally entitled to it, its financial value can be quantified with reasonable certainty and there is reasonable certainty of its ultimate receipt. Entitlement to legacies is considered established when the company has been notified of a distribution to be made by the executors. Income received in advance of due performance under a contract is accounted for as deferred income until earned. Grants for activities are recognised as income when the related conditions for legal entitlement have been met. All other income is accounted for on an accruals basis.

Comhaltas Ceoltóirí Éireann

Central Executive Council

Notes to the financial statements for the year ended 31 December 2019

Expenditure

All resources expended are accounted for on an accruals basis. Charitable activities include costs of services and grants, support costs and depreciation on related assets. Costs of generating funds similarly include fundraising activities. Non-staff costs not attributed to one category of activity are allocated or apportioned pro-rata to the staffing of the relevant service. Finance, HR, IT and administrative staff costs are directly attributable to individual activities by objective. Governance costs are those associated with constitutional and statutory requirements.

Accounting convention

The financial statements are prepared under the historical cost convention.

The CEC and Comhaltas

As set out in the structure, governance and management report on page 2, Comhaltas comprises Branches, County Boards, Provincial Councils, and the CEC. These financial statements reflect the activities of the CEC only. The assets, liabilities, income and expenditure relating to Branches, County Boards and Provincial Councils are reflected in separately prepared financial statements.

Tangible fixed assets and depreciation

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

Freehold land and buildings	-	2% straight line
Fixtures and fittings	-	10% straight line

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

Housing properties - financed by way of CAS/CLSS loans Housing properties are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost less residual value of each component over its expected useful life. The cost of housing properties includes the cost of acquiring the land and buildings, the cost of construction and capitalised interest.

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Stock

Stock is valued at the lower of cost and net realisable value. Cost comprises expenditure incurred in the normal course of business in bringing stocks to their present location and condition. Full provision is made for obsolete and slow moving items. Net realisable value comprises actual or estimated selling price (net of trade discounts) less costs to be incurred in marketing and selling.

Trade and other receivables

Trade and other receivables are recognised initially at transaction price (including transaction costs) unless a financing arrangement exists in which case they are measured at the present value of future receipts discounted at a market rate. Subsequently these are measured at amortised cost less any provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. All movements in the level of the provision required are recognised in the profit and loss.

Trade and other payables

Payables and accruals are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Employee benefits

The CEC operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the CEC in an independently administered fund. The CEC also operates a defined benefit pension scheme for its employees providing benefits based on final pensionable pay. The assets of this scheme are also held separately from those of the CEC, being invested with pension fund managers.

Taxation

Comhaltas Ceoltóirí Éireann is exempt from taxation due to its charitable status in Ireland (Revenue Commissioners Registration No. CHY8762) under the provision of Section 207 and 208 of the Taxes Consolidation Act 1997.

Government grants

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

Financial instruments

Financial assets and financial liabilities are recognised when the organisation becomes a party to the contractual provision of the instrument. Financial liabilities are classified according to the substance of the contractual arrangements entered into.

Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

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Financial assets are derecognised when and only when: a) the contractual rights to the cash flows from the financial asset expire or are settled; b) the organisation transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or c) the organisation, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires. Balances that are classified as payable or receivable within one year on initial recognition are measured at the undiscounted amount of the cash and other consideration expected to be paid or received, net of impairment.

3. Critical accounting judgments and estimation uncertainty

Estimates and judgements made in the process of preparing the organisation's financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The items in the financial statements where these judgements and estimates have been made include:

Useful lives of depreciable assets

The annual depreciation charge depends primarily on the residual value and estimated remaining useful lives of each type and component of asset. In arriving at estimates of remaining useful lives the trustees take into account technological changes and the prospective economic utilisation and physical condition of the assets concerned.

Amortisation of capital grants

Capital grants are amortised to the income and expenditure account over the term of the estimated useful life of the asset to which the grant is associated with.

Revenue grants

Grants relating to revenue are recognised in the income and expenditure account on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate. A grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the organisation with no future related costs is recognised in the income and expenditure account in the period in which it becomes receivable.

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4. Department of Culture, Heritage and the Gaeltacht

The Department of Culture, Heritage and the Gaeltacht provides funding to non-profit organisations to promote and develop Ireland's artistic and creative strengths at home and abroad and to maximise their societal, economic and reputational value for the country. During the year, Comhaltas was awarded a grant of €1,600,000 (2018: €1,600,000) under this programme which runs from 1 January to 31 December each year.

	2019 €	2018 €
Cultural Infrastructure and Development Grant	1,600,000	1,600,000
Culture Ireland		12,000
	<u>1,600,000</u>	<u>1,612,000</u>

The grants received under these programmes were applied as follows:

Pay and general administration		
- Central Executive Council	783,292	747,846
- Regional centres	822,807	673,269
Service provisions/charitable activity	6,099	190,885
	<u>1,600,000</u>	<u>1,612,000</u>

Set out below is a reconciliation of funding received under these programmes in support of qualifying Comhaltas Ceoltóirí Éireann expenditure in Ireland.

	2019 €	2018 €
Amount unused at beginning of year	-	-
Grants received during the year	1,600,000	1,612,000
Expenditure against grant during the year	<u>(1,600,000)</u>	<u>(1,612,000)</u>
Amount unused at end of year	<u>-</u>	<u>-</u>

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5. Staff numbers and costs

The average number of persons employed (including the trustees) during the year was as follows:

	2019 Number	2018 Number
Regional support staff	17	17
Head office administration staff	9	7
Head office other staff	3	3
Trustees (unpaid)	3	3
	<u>32</u>	<u>30</u>

The aggregate payroll costs of these persons were as follows:

	2019 €	2018 €
Wages and salaries	1,059,117	828,507
Social welfare costs	32,568	76,263
Other pension costs	7,745	154
	<u>1,099,430</u>	<u>904,924</u>

The number of persons employed (including the trustees) during the year whose total employee benefits (excluding employer pension costs) for the year fell within the following bands:

	2019 Number	2018 Number
€60,000 - €69,999	-	-
€70,000 - €79,999	-	-
€80,000 - €89,999	-	-
€90,000 - €99,999	1	1
€100,000 +	-	-

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6. Department of Culture, Heritage and the Gaeltacht Capital Grants

	Capital grants €	Total €
Grant received		
At 1 January 2019	19,341,575	19,341,575
At 31 December 2019	19,341,575	19,341,575
Amortisation		
At 31 December 2018	(12,013,633)	(12,013,633)
Amortised	(1,058,460)	(1,058,460)
At 31 December 2019	(13,072,093)	(13,072,093)
Net grant position		
At 31 December 2019	6,269,482	6,269,482
At 31 December 2018	7,327,942	7,327,942

Due to the consolidation of properties vested in the Trustees in 2017, the inclusion of the capital grants allocated to properties per note 9 is required. These grants have been accounted for and amortised accordingly per Comhaltas policy.

7. Statutory and other information

	2019 €	2018 €
Surplus for the year is stated after charging (crediting):		
Auditors' remuneration	9,800	9,800
Depreciation of freehold land and buildings	501,393	501,393
Depreciation of fixtures and fittings	21,215	26,961
Amortisation of capital grants	(1,058,460)	(1,058,460)

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8. Tangible assets

	Freehold land and buildings €	Fixtures and fittings €	Total €
Cost			
At 31 December 2019	25,069,640	607,757	25,677,397
Depreciation			
At 31 December 2018	5,807,591	571,869	6,379,460
Charge for the year	501,393	21,215	522,608
At 31 December 2019	6,308,984	593,084	6,902,068
Net book values			
At 31 December 2019	18,760,656	14,673	18,775,329
At 31 December 2018	19,262,049	35,888	19,297,937

Comhaltas adopted a policy to consolidate all properties vested in the trustees on behalf of the Comhaltas Organisation. These properties were originally held within the accounts of the relevant branch under the patronage of Comhaltas. The freehold land and buildings vested in the trustees are listed in note 9.

See note 13 for details of charges held over the freehold land and buildings at 32/33 Belgrave Square, Monkstown, Co. Dublin.

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9. Summary of Trustee held Property and Capital Grants

Property	Original Cost €	Net book value 2019 €	Original Grant received €
Culturlann, Monkstown, Dublin	2,823,751	1,748,562	959,002
Bru Boru, Cashel, Tipperary	5,894,935	4,170,927	1,761,935
Clasac, Clontarf, Dublin	8,915,979	7,132,938	9,412,454
Dun Uladh, Omagh, Tyrone	-	-	365,103
Coleman Heritage Centre, Gurteen, Sligo	-	-	1,262,065
Cois ns hAbhna, Ennis, Clare	2,143,420	1,671,868	1,963,506
Aras an Mhuilinn, Mullingar, Westmeath	964,050	713,397	964,050
Oriel Centre, Dundalk, Louth	1,570,968	1,193,936	1,570,968
Teach Morrison, Riverstown, Sligo	410,000	303,400	160,000
Teach Ceoil, Kilrush, Clare	816,204	603,991	813,930
Ceolann, Lixnaw, Kerry	8,600	2,924	8,600
Cnoc na Gaoithe, Tulla, Clare	350,000	280,000	-
Teach Ceoil, Killeagh Tullamore, Offaly	50,195	44,171	-
Dun Na Si, Moate, Westmeath	955,000	764,000	8,800
Bru Na Si, Youghal, Cork	-	-	56,624
Teach Ceoil, Ennistymon, Clare	34,538	11,742	34,538
Letterkenny, Donegal	132,000	118,800	-
	<u>25,069,640</u>	<u>18,760,656</u>	<u>19,341,575</u>

The Dun Uladh property and the Coleman Heritage Centre property are owned by Dun Uladh Limited and Michael Coleman Heritage Centre Limited, respectively. Comhaltas trustees are liable to the associated grants.

10. Stocks	2019 €	2018 €
Goods for resale	3,400	3,772

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

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**Notes to the financial statements
for the year ended 31 December 2019**

11. Department of Foreign Affairs and Trade - Emigrant Support Programme ("ESP") grant

The Emigrant Support Programme, coordinated by the Department of Foreign Affairs and Trade, provides funding to non-profit organisations to support Irish communities overseas, and encourages closer links between these communities and Ireland. The financial year for grants awarded under this programme runs from 1 July to 30 June.

During the year, a grant of €249,535 (2018: €255,000) was awarded to Comhaltas under the programme to be applied as follows:

	2019	2018
	€	€
Contribution towards Comhaltas events and activities throughout Britain	184,500	190,000
Contribution towards Comhaltas events and activities across United States and Canada	55,017	55,000
Contribution towards Comhaltas events and activities throughout Japan	10,018	10,000
	<u>249,535</u>	<u>255,000</u>

12. Debtors

	2019	2018
	€	€
Trade debtors	-	11,949
Prepayments and accrued income	57,040	45,820
Grants receivable and prepaid expenditure	10,000	10,000
Other debtors	29,011	22,686
	<u>96,051</u>	<u>90,455</u>

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**Notes to the financial statements
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13 Creditors: amounts falling due within one year	2019	2018
	€	€
Bank loans and overdrafts	4,811	1,776
Accruals and deferred income	129,469	81,883
Loans from affiliates	235,835	278,658
Taxation and social welfare (Note 14)	34,843	38,116
Trade creditors	6,283	5,052
Amounts owed to Comhaltas in Japan	9,983	9,983
	<u>421,224</u>	<u>415,468</u>

Bank of Ireland holds a charge over the freehold land and buildings at 32/33 Belgrave Square, Monkstown, Co. Dublin, as security against facilities extended to the CEC.

The Minister for Tourism, Culture and Sports holds a subordinate charge over the freehold land and buildings at 32/33 Belgrave Square, Monkstown, Co. Dublin. The cumulative total of capital grants received by CEC from the Department of Tourism, Culture and Sports to 31 December 2019 amounts to €19,341,575 (2018: €19,276,258), of which €959,002 (2018: €959,002) relates to the buildings at 32/33 Belgrave Square, Monkstown, Co Dublin.

Loans from affiliates are unsecured and incur a charge to interest at a rate of 1% (2018: 1%) per annum.

14 Taxation and social welfare	2019	2018
	€	€
Creditors:		
PRSI	32,568	37,030
VAT	2,275	1,086
	<u>34,843</u>	<u>38,116</u>

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15. Financial instruments

	2019	2018
	€	€
Financial assets that are debt instruments measured at amortised cost		
Bank and cash	92,906	150,875
Trade debtors	-	11,949
Grant income receivables	10,000	10,000
Other debtors	29,011	22,686
	<u>131,917</u>	<u>195,510</u>
Financial liabilities measured at amortised cost		
Bank loans and overdrafts	4,811	1,776
Deferred income	97,875	56,800
Loans from affiliates	235,835	278,658
Trade creditors	6,283	5,052
Amounts owed to Comhaltas in Japan	9,983	9,983
	<u>354,787</u>	<u>352,269</u>

16. Reserves

	Capital account €
At beginning of year	11,799,629
Surplus for the year	477,351
At end of year	<u>12,276,980</u>

17. Reconciliation of movements in capital

	2019	2018
	€	€
Surplus for the year	477,351	504,438
Capital at beginning of year	11,799,629	11,295,191
Capital at end of year	<u>12,276,980</u>	<u>11,799,629</u>

18. Approval of financial statements

The financial statements were approved by the Standing Committee and authorised for issue on 25 July 2020.