

IRISH FILM INSTITUTE (COMPANY LIMITED BY GUARANTEE)

FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

CERTIFICATE BY DIRECTOR AND SECRETARY

We hereby certify that the attached financial statements on pages 1 to 34 are a true copy of the financial statements of the Irish Film Institute as laid before the Annual General Meeting for the financial year ended 31 December 2018.

Margaret Kelleher

MARGARET KELLEHER - DIRECTOR

Terence O'Rourke

TERENCE O'ROURKE - SECRETARY

IRISH FILM INSTITUTE
(COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

**IRISH FILM INSTITUTE
(COMPANY LIMITED BY GUARANTEE)**

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**IRISH FILM INSTITUTE
(COMPANY LIMITED BY GUARANTEE)**

DIRECTORS	Prof. Margaret Kelleher (Chair) Leonard Ian Abrahamson Michael Collins Dr. Maeve Connolly Sheila De Courcy Adrian Crawford (appointed 11 July 2018) Torlach Denihan (appointed 11 July 2018) Aine Gibbons Katie Holly Rachel Lysaght Stuart McLaughlin Kevin Moriarty Dr. Harvey O'Brien (resigned 11 July 2018) Patrick O Neill Terence O'Rourke Prof. Maria Pramaggiore (appointed 11 July 2018) Dearbhla Walsh
SECRETARY	Terence O'Rourke
COMPANY NUMBER	11172
AUDITORS	Grant Thornton 13 -18 City Quay Dublin 2
BANKERS	Allied Irish Banks 7/12 Dame Street Dublin 2 Bank of Ireland Lower Baggot Street Dublin 2
SOLICITORS	Compton Aylmer Pembroke House 30 Pembroke Street Upper Dublin 2
REGISTERED OFFICE	6 Eustace Street Dublin 2

**IRISH FILM INSTITUTE
(COMPANY LIMITED BY GUARANTEE)**

CHAIRPERSON'S REPORT 2018

Overview of Activities

As Ireland's national cultural institution for film, we present audiences with the finest in independent Irish and international cinema, promoting critical reflection and discussion; through the national moving image collection at the IFI Irish Film Archive, we are the custodians of our unique and precious heritage; and through our diverse educational programmes, we enable widespread engagement with film for people of all ages.

IFI Strategic Plan

2017 saw the launch of the IFI Strategy 2017-22, the result of a twelve-month consultation process. The strategy document clearly identifies our values: **Leadership, Passion, World-class, Inclusivity and Respect.**

The diversity and range of the IFI's activities make it all the more important that we have a clear, defined vision and mission. Our identity as the home of film in Ireland continues at the core of our work, as does our ongoing commitment to being an inspiring creative influence. It continues to be evident how the IFI provides artistic and personal inspiration to esteemed creative practitioners and for our diverse audience members; artists and audiences remain central to our work.

Our mission is ambitious, as Ireland's *national cultural institution for film*. We are deeply committed to disseminating the finest of independent, Irish and international cinema to audiences nationally and internationally, and inclusivity of access is a hallmark of our work in this regard. The leadership and vital role of the IFI Irish Film Archive as custodians of our unique and precious moving image heritage continues in force, deploying world-class standards and twenty-first century technologies in visionary partnerships with the IT industry. Our diverse educational programmes are fundamental to our mission and to all the work we do with people of all ages and backgrounds. Inclusivity and respect are core values in this area, as anyone who has visited IFI during a Wild Strawberries event, accessible screenings, school visit, or an evening course, can warmly testify.

As this report details, the IFI has, in this first year of our five-year strategy, realised the key specific objectives set for this year through our annual operational plan, and made significant advances towards the implementation of the longer-term goals identified in IFI Strategy 2017-22.

Overview of 2018 Activities

2018 saw another exceptional year with an abundance of activity and projects delivered by the organisation.

The IFI comprises five core pillars:

**EXHIBIT
PRESERVE
EDUCATE
INSTITUTE
PEOPLE**

EXHIBIT

Close to 5,000 screenings took place across all strands of IFI Exhibition in 2018 with an overall attendance approaching 165,000. On average, over 35 films screened each month, and over the course of the year more than 430 titles representing 49 countries from 5 continents were shown. 137 films (including classics) were given at least one week's release, 67 of them exclusively to IFI. Ireland was the primary country of production for 19 titles on release, with many other Irish titles being screened through stand-alone, event-style initiatives such as Irish Focus, From the Vaults and as part of Festivals.

The IFI's key role of contextualising the work we show through post-show discussions – where possible with associated talent – was represented through 125 such events across new releases, retrospectives, monthly programming initiatives and strands, festivals and one-off events. Screenings with strategic partners such as IMMA, ADIFF (as it was in 2018) and Science Gallery took place.

2018 was the first full year of the implementation of the F-Rating, which denotes any film directed and/or written by a woman. 113 titles across all strands in the public programme received the F-Rating, 26% of all titles shown. In 2017 the IFI had added monthly accessible screenings to the schedule facilitating access to cinema for our hearing/vision impaired audiences, and this initiative continued to find audiences throughout 2018.

**IRISH FILM INSTITUTE
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CHAIRPERSON'S REPORT 2018 (CONTINUED)

70mm

IFI is unique among Irish cinemas in being able to present films on this 70mm format, and it is part of what makes us unique for audiences. 70mm presentations in 2018 were: *The Sound of Music*, *Aliens*, *2001: A Space Odyssey* and *Phantom Thread*.

Audiences

The IFI's audience ranges from young families who attend the monthly family screenings to the ever-popular over 55s film club, Wild Strawberries. The IFI membership and loyalty scheme represents nearly 7,000 annual members. Accessible screenings continued to attract blind/vision impaired and deaf/hard of hearing audience members.

IFI Festivals

The IFI presented its 4 flagship festivals: IFI Family Festival, IFI Documentary Festival, IFI Horrorthon and IFI French Film Festival. The Dublin Arabic Festival, curated by Jim Sheridan, East Asian Film Festival Ireland, and Kinopolis in association with the Polish Embassy are additional recurring partner events. Close to 100 titles were screened throughout these Festivals. Numerous guests for all festivals allowed for post-screening panels and Q&As to contextualise the work for audiences. IFI Documentary Festival saw a bumper year for new Irish work with a host of sell-out screenings including *Katie*, featuring a post screening Q&A with its subject Katie Taylor and director Ross Whittaker; and *The Man Who Wanted to Fly* with a post screening Q&A with subject of the film Bobby Coker, director Frank Shouldice and the DOP Dave Perry. In total there were seven feature documentaries (each with director Q&As), seven Dublin premieres, two world premieres, eight short documentaries, and one classic archival short.

Seasons and one off events

In addition to the new release programme, the IFI screened 24 one-off events, 17 seasons and 52 screenings of regular programming strands. Curated seasons in 2018 included *A Focus on Andrey Zvyagintsev*; *Trust No One: International Political thrillers of the '60s and '70s*; *The Eyes of Orson Welles*; *Killer Couples*; and *Agnés Varda: Gleaning Truths*.

IFI@Belltable

The collaboration with Belltable in Limerick continues with the IFI facilitating bringing the best of cultural cinema to this venue. Occurring every Monday, 49 titles were screened to an audience of 2,580 over the course of the year, with the theatre closed for renovations for two months.

IRISH FILM PROGRAMMING

Irish New Releases

The IFI screened 20 Irish or Irish co-productions during the year including successful presentations of *Black '47*, *Dublin Old School*, *Michael Inside*, *The Camino Voyage* and *The Lonely Battle of Thomas Reid*.

Irish Regular film strands

Our regular From the Vaults strand showcases archival Irish feature films. In 2018, as part of cultural collaborations, we screened with the following partners: St. Patrick's Day Festival (*Shamus*), One City One Book (a focus on Elizabeth Bowen); Bloomsday (*Bloom*); Dublin Festival of History (Independence Newsreel panel); the Irish Georgian Society (*Last September*); Irish Architecture Foundation (architectural walk and films); and Jonathan Swift Festival (*Sullivan's Travels*).

Archive at Lunchtime presented a total of 180 screenings, many of which complemented titles in the main programme, free of charge to audiences.

The Irish Focus strand presented 11 new long-form documentaries and one experimental drama with director Q&As following each screening. The strand this year was distinguished by the number of pre-broadcast screenings of long-form documentaries.

2018 saw a new focus on short films with 3 presentations of Brief Encounters foregrounding Irish language, new drama and new documentary shorts.

IFI Events

IFI presented space for critical engagement with a range of work, most notably through the annual IFI Spotlight which included panels on Artists' Moving Image and the Cinema Space, Gender Equality, and Cultural Freedom and Artistic Expression in a new Age.

**IRISH FILM INSTITUTE
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CHAIRPERSON'S REPORT 2018 (CONTINUED)

IFI National

Regional programming of Irish film saw presentations of six county-specific programmes in the Local Films for Local People strand in Dundalk, Drogheda, Galway, Wexford, Cork and Litr Mór. We also presented the popular Traveller Pride Programme at Triskel in Cork and IMMA in Dublin, and the *Little Old New York* cine-concert at Cork Film Festival.

IFI International

Supported by Culture Ireland, in 2018 there were a total of 527 screenings of 256 different titles across 118 events in 99 cities/46 countries. Audience figures were over 40,000. Of the 256 titles, 60 were features, 52 were documentaries and 144 were short films. Fifteen titles were in the Irish language, and ten were animations. The most attended festivals were Moscow Irish Festival [6,084], Boston Irish Film Festival [4,404], Irish Film Festa Rome [4,000], Irish Film Festival London [3,000], Capital Irish Film Festival, Washington [1,491], and Irish Film Festival Australia [1,728].

The year included a special focus on Great Britain with the GB18 programme and initiatives throughout 2018. IFI curated programmes included archive-based programmes in Manchester, Glasgow, Dundee and Aberystwyth; and two cine-concerts at the Barbican, London (*Little Old New York* and *The Cohens and Kellys*). A programme of new Irish experimental work was launched by LUX films and was distributed through their network.

PRESERVE

The IFI Irish Film Archive continued to forge its reputation nationally and internationally as an example of best practice within the archival and digital preservation sector. This was reinforced through the Archive's involvement in a number of advisory and collaborative roles. Achievements and activities included advising national collections such as IMMA, the ESB, and PRONI on their digital preservation activities.

The Head of Archive chairs the Advisory Group on moving image preservation set up by the Department of Culture, Heritage and the Gaeltacht which launched a report on preservation provision for moving image collections in Ireland.

A new initiative with Maynooth University saw members of the archive team assisting with designing and teaching an MA module in media archives, whilst also presenting at a number of seminars, workshops and conferences, both nationally and internationally.

The year culminated with the Archive being recognised globally at the prestigious international Digital Preservation Coalition Awards for its pioneering work on the IFI Loopline Project by winning in the Safeguarding Legacy category, specifically in developing IFIScripts which support and automate digital preservation activities. It has been adopted by peer institutions including the British Film Institute and the University of California.

Conservation Projects

In 2018 the IFI Irish Film Archive completed the 18 month project to catalogue, digitise, preserve, and make accessible a large collection created by, and belonging to, the Loopline production company. The Loopline Collection, comprising approximately 45 documentary titles made by one of the largest independent production companies in Ireland, covers important and diverse themes and topics. The subjects explored were chosen by Sé Merry Doyle for their cultural and social importance, and Loopline has amassed an extensive archive of important footage focusing on diverse subject areas such as folklife, ethnology, architecture, art, literature and Inner City life. The project is 80% funded under the 3rd round of the Broadcast Authority of Ireland's Archiving Scheme and will be launched in April 2019.

Irish Independence Film Collection

Following on from ongoing work in the Archive with British Pathé and the British Film Institute to create high quality digital copies of the Irish newsreel material in their collections, from the period 1900-1930, this Collection was launched in 2018. This pivotal period of Irish history was captured by the lenses of non-Irish news companies, and was held in the vaults of UK archives, undigitised and unavailable to Irish audiences. This project is a leading example of cultural collaboration and was launched in 2018 by Minister Joe McHugh; it featured on the IFI Player in 2018 to a huge response with 194,219 plays and 46,279 users in the first ten days of the launch. 75% of the users were from Ireland, 11% from the UK, 6% from the USA and the balance from other countries including Australia, Canada, Spain, France, Germany, the Netherlands and Peru.

**IRISH FILM INSTITUTE
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CHAIRPERSON'S REPORT 2018 (CONTINUED)

New Archive facility

The IFI Irish Film Archive Research & Preservation Centre at Maynooth University was formally opened by Minister Josepha Madigan in March 2018. It is a purpose-built, state-of-the-art moving image preservation facility which was long in the planning and will triple the storage capacity of the Archive. Work commenced after the launch of relocating various collections for preservation.

EDUCATE

IFI Schools

During 2018, IFI Education ran a large number of successful screenings at IFI but also continued to expand the regional Modern Foreign Languages tours. In total, we delivered 95 regional events, reaching 10,682 school students. We ran 48 events at IFI in Dublin, reaching 7,549 students. Films in Spanish, French and German remain the most popular element of our programme overall, and since the introduction of a new Junior Cycle curriculum, we have successfully toured films in these languages to reach both Junior and Senior Cycle.

IFI Film Clubs pilot

Commencing at the end of 2017, in 2018 Phase One of the pilot project drew to a close with the participation of 8 schools. Phase Two commenced during the latter part of 2018.

Careers' Day

Supported by the Irish Film Board and the Broadcasting Authority of Ireland, and in a joint initiative with ADIFF, the inaugural Careers' Day was held at the IFI in May aimed at Senior Year secondary level students, and showcased many different film and television departments and skills required for a career in the film industry. The event featured guest speakers from John Connor's opening address, to Joan Bergin presenting and displaying costumes, and college displays in the IFI foyer. The event included a focus on animation, a women in film panel, and an extended Q&A with actor Moe Dunford.

Out of School

After eight months in planning, the Young Audience Award event took place in IFI with our jury of 18 young people participating in watching and voting on their favourite film from the three finalists. This was the first time Ireland had taken part in the event and it was supported by Creative Europe Ireland and the BAI.

IFI Evening Course

The spring Evening Course, *Nordic Nights*, focused on the influence in cinema of Nordic culture and lifestyle. Examples of titles screened included *Persona*, *Festen* and *Headhunters*. The autumn course, *The Sounds of Music*, focused on the contribution of soundtracks to the cinema experience. Titles screened included *Katalin Varga*, *La Belle et La Bete* and *Amistad*.

IFI Wild Strawberries & Bealtaine

The over 55s film club continued to great success over the year, with titles screened including *A Man Called Ove*, *The Little Stranger* and *Hunt for the Wilderpeople*. Bealtaine, the annual celebration of creativity in older age with access to Cinema, included a screening of *Sully*.

INSTITUTE

DEVELOPMENT AND FUNDRAISING

The IFI continued to seek funding via donations, trusts and foundations, and the IFI Friends and Luminary schemes. This income stream is vital to support the work that the IFI undertakes as part of its mission. We received €50k of the €100k 2018-2019 flagship funding from the Ireland Funds. Work continued in cultivating and soliciting philanthropic support in the US with two trips to the US which included ciné-concert performances of *Little Old New York* in New York and Washington DC.

**IRISH FILM INSTITUTE
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CHAIRPERSON'S REPORT 2018 (CONTINUED)

FINANCIAL REVIEW

It costs the IFI approximately €3.5 million to deliver on its core mission. 24% of this cost was financed by the Arts Council's grant of €850,000 for the year, which was the first year of multi annual funding and represented an increase of €48,000 on 2017's funding. The IFI continually explores ways to maximise its own income generation. Overheads are continually reviewed to ensure that the IFI gets value for its activities. The IFI's objective is to work towards ensuring the organisation is in a stable financial position, one which can safeguard the nation's film heritage; maintain its important position on the cultural map in Dublin, nationally and internationally; and meet its obligations as an employer. The Arts Council funding represents the seed funding from which all other income streams emanate while maintaining the integrity and distinctiveness of the IFI programme.

2018 saw a deficit of €22,108 posted with notable costs arising from the transfer of collections to the facility at Maynooth University, professional costs in preparation for the proposed refurbishment of the cinemas and other capital works, costs for specialised professional advice, and ongoing costs of maintaining the building.

Significant weather events also affected events and income during the year, specifically the exceptional snowfall in March which is estimated to have cost the IFI €28k in income.

Filmbase went into liquidation in March 2018 which represented the loss of income and the posting of a bad debt.

Capital investment of €183k arose during the year, in particular with construction costs of the archive facility at Maynooth University of €147k, and preparatory costs in advance of the 2019 cinema refurbishment.

STRUCTURE/GOVERNANCE/SUB-COMMITTEES

Enterprise and Governance Working Group

The role of the Enterprise and Governance Working Group is to review financial management, consider budgets and financial proposals, liaise with auditors, and to advise on issues around governance, health and safety, and human resources.

Chair: Kevin Moriarty

Board Members: Lenny Abrahamson, Michael Collins

Executive: Ross Keane, Annmarie Gray

Development and Fundraising Committee

The role of this committee is to support the development and delivery of the IFI's fundraising activities. This committee enables the IFI to engage with influential and well-connected individuals, to draw upon their skills and experience, and to utilise their personal and professional networks in support of the optimal delivery of the IFI's fundraising ambitions. Whilst this specific work was continued and advanced during 2018, the committee was dormant during the year pending the recruitment of a new Head of Development. This role has now been filled.

Chair: Margaret Kelleher

Board Member: Terence O'Rourke

Council Member: Jim Sheridan

Executive: Ross Keane

Archive & Education Working Group

The role of this committee is to support the archive and education remits of the organisation. This working group did not meet in 2018 as its core significant items (e.g. Maynooth archive building, IFI Film Clubs) were deemed necessary to be addressed at Board level.

Chair: Sheila de Courcy

Board Member: Maeve Connolly, Harvey O'Brien, Dearbhla Walsh

Executive: Ross Keane, Kasandra O'Connell, Alicia McGivern

**IRISH FILM INSTITUTE
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CHAIRPERSON'S REPORT 2018 (CONTINUED)

Vision for the Future and Challenges

The IFI completed the first period of IFI Strategy 2017-2022, with notable accomplishments in developing the additional vaults on campus at Maynooth University, greater access to IFI Collections through the IFI Player, commencement of the plan to pilot film clubs around the country for young people, and the IFI People Plan.

The planning for, and logistics of, the cinema refurbishment and enhancements of our premises in Temple Bar will be the key activity for the executive of the IFI in 2019.

The uncertainty and potential increased customs costs associated with Brexit could present a challenge in certain aspects of our activities in the future.

PEOPLE

Staff and Human Resources

The IFI employs nearly 80 staff members at a total cost of over €2.2 million and is committed to following best employment practice. In 2018, following a staff survey, a people strategy was put in place for the year which included focus on communication, training and development, and wellbeing.

Volunteers & Interns

The winding down of the Job Bridge internship scheme in 2017 greatly impacted essential support for training and developing staff in key areas of the IFI, most notably the IFI Irish Film Archive. The IFI developed its volunteer policy and welcomed volunteers to help run key festivals throughout the year. In addition we welcomed a number of interns from third level institutions into our archive and film programming departments.

Working with Children

The IFI is committed to safeguarding the wellbeing of children and vulnerable adults who are participating in events run by, or on behalf of, the IFI. Our aim is to create a safe, creative and enjoyable environment where children and vulnerable adults of all abilities can engage with the art form of film, and where their protection and welfare is paramount. To realise this aim, we adhere to the recommendations of Children First: National Guidelines for the Protection and Welfare of Children published by the Department of Health and Children, and operate a code of good practice for all our staff, subcontractors, interns and volunteers working with children and vulnerable adults at the IFI or at IFI events. The policy and procedures can be viewed in full on our website at <https://ifi.ie>. All staff who work directly with children are Garda vetted.

CONCLUSION

IFI Partners

The success of the IFI's work is made possible by the immense contributions given by creative practitioners, funding organisations, and our audiences ranging from long-standing to the newest of members. I would like to acknowledge the invaluable support of the Arts Council, Department of Culture, Heritage and the Gaeltacht, Culture Ireland, Screen Ireland, BAI, Heritage Council, Creative Ireland, Europa Cinemas and the myriad of embassies, cultural institutes, sponsors and partners who collaborate with the IFI, without whom our activities, festivals and film seasons would not take place.

IFI Board, Management and Staff

I would like to thank the Board of Directors who give so generously of their time in order to provide counsel, insight, support and dedication to the IFI. In particular, I wish to salute warmly the commitment and contribution of Harvey O' Brien, who stepped down from the Board during the year, and welcome Adrian Crawford, Torlach Denihan and Maria Pramaggiore to the Board.

In addition, I wish to acknowledge the hard work of the management and staff of the IFI in delivering such a comprehensive and far-reaching programme on extremely limited resources. Their dedication, vision and commitment continue to be vital to the IFI's success and remain an inspiration to observe. In particular, I recognise with gratitude the immense contribution and leadership of Ross Keane, IFI Director, who is tasked with continuing to deliver on the IFI's core mission to exhibit, preserve and educate.

**Margaret Kelleher
Chairperson
Irish Film Institute**

Date: 13th June 2019

**IRISH FILM INSTITUTE
(COMPANY LIMITED BY GUARANTEE)**

DIRECTORS' REPORT

The Directors present their annual report and audited financial statements for the year ended 31 December 2018.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Irish Film Institute is a charity and therefore the report and results are presented in a form which complies with the requirements of the Companies Act 2014, with Accounting Standard FRS102 and is also working towards compliance with the Charities Statement of Recommended Practice (SORP). The development of the Charities SORP (FRS 102) was overseen by a committee of 17 expert members drawn from the 4 charity law jurisdictions covered by UK-Irish GAAP. In April 2014 the Irish Film Institute ("IFI") signed up to the ICTR (Irish Charities Tax Research) code of practice by adopting the statement of guiding principles for fundraising.

After completing the body of work in putting into place the specified controls, policies and procedures, The Irish Film Institute signed up to the The Governance Code for Community, Voluntary and Charitable Organisations in Ireland on 25 March 2017. The statement of compliance can be viewed on the IFI's website. The IFI is also currently preparing to comply with the new Charities Governance Code issued by the Charities Regulator in November 2018 and expects to report our compliance with that Code in our 2020 Annual Report.

LEGAL STATUS

The Irish Film Institute is a company registered in Ireland, which was incorporated under the Companies Acts in June 1945 and is a company limited by guarantee not having a share capital. The objects of the company are charitable in nature and it has established charitable status with the Revenue Commissioners CHY 8628 and with the Charity Regulator 20021429.

APPOINTMENT OF DIRECTORS

The directors are elected at the annual general meeting in accordance with the constitution.

The Company shall have a minimum of nine and a maximum of sixteen directors. Within this range, the Board may from time to time by ordinary resolution increase or reduce the number of directors.

The term of office of elected directors shall be three years. Upon the expiry of such term, retiring directors shall be eligible for re-election for a maximum of two further terms of office of three years each.

Special rules apply to those directors in situ upon the adoption of the new constitution under paragraph 52.

At the AGM held on 11 July 2018 Harvey O'Brien resigned as director and Adrian Crawford, Torlach Denihan and Maria Pramaggiore were appointed directors.

Board membership eligibility is achieved through balanced representation from key sectors with identified skillsets relevant to the activities of the IFI. Board Members must come from one of the following sectors: arts/ film, business, education, archiving or legal. The key skills identified that need to be represented on the board are cultural, planning, governance, finance, development, programming, filmmaking, business, marketing, education, film studies, archiving, legal and organisational management.

The membership of the board and directors who served during the financial year is shown below together with meeting attendance during 2018.

**IRISH FILM INSTITUTE
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DIRECTORS REPORT (CONTINUED)

	Possible Attendance	Actual Attendance
Prof. Margaret Kelleher (Chair)	6	6
Leonard Ian Abrahamson	6	0
Michael Collins	6	4
Dr Maeve Connolly	6	3
Sheila De Courcy	6	4
Adrian Crawford	2	2
Torlach Denihan	2	2
Aine Gibbons	6	1
Katie Holly	6	3
Rachel Lysaght	6	2
Stuart McLaughlin	6	3
Kevin Moriarty	6	5
Dr Harvey O'Brien	4	4
Patrick O'Neill	6	4
Terence O'Rourke	6	4
Prof. Maria Pramaggiore	2	2
Dearbhla Walsh	6	1

In addition to participation in board meetings and working groups, IFI board members support the activities of the Institute throughout the year through a range of other governance and advisory roles including making themselves available for meetings with external stakeholders; drawing on their expertise to provide advice on specialised issues to the IFI; utilising their international and industry contacts to provide introductions for IFI personnel, and strategy planning.

IFI COUNCIL

IFI Council members guarantee to contribute an amount not exceeding €1 to the assets of the charitable company in the event of a winding up. There are currently 160 members of the Council.

PRINCIPAL RISKS AND UNCERTAINTIES

The directors maintain a risk register which aims to identify, evaluate and respond to minimise the impact of risk on the organisation. The most notable risks and uncertainties that could have an adverse effect on the activities and finances of the Institute are:

- The dependence on funding from the Arts Council and other government agencies;
- Economic pressures in raising funding through commercial activities;
- Retention of key staff; and
- Maintenance and protection of a heritage building.

EVENTS SINCE THE YEAR END

There have been no material events since the year end

OBJECTIVES AND ACTIVITIES

The objectives of the Institute are to provide audiences throughout Ireland with access to the finest independent, Irish and International cinema. It preserves and promotes Ireland's moving image heritage through the IFI Irish Film Archive and provides opportunities for audiences of all ages and backgrounds to learn and critically engage with film.

**IRISH FILM INSTITUTE
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DIRECTORS REPORT (CONTINUED)

FINANCIAL REVIEW

Results for the year

The results for the year are set out on page 18. They show that an overall deficit of €22,108 was posted for the year (2017: surplus €29,220).

Financial Report for the Year

	2018	2017
	€	€
Incoming Resources		
Voluntary Income	1,599,952	1,625,577
Activities for Generating Funds	212,698	257,705
Programming Activities	1,326,150	1,395,308
Investment Income	596	1,446
Support In Kind	165,021	376,169
Total	3,304,417	3,656,205
Resources Expended		
Costs for Generating Voluntary Income	316,741	237,063
Marketing and Publicity	622,235	653,026
Programming Activities	2,348,467	2,722,069
Governance	39,082	14,827
Total	3,326,525	3,626,985
(Deficit) / Surplus	(22,108)	29,220

Reserves Policy

Reserves are needed to bridge the funding gaps between spending on programme and receiving the relevant funding. They are also required to ensure stability due to the vulnerability of funding and economic factors that can affect commercial and fundraising income. Having a reserves policy is considered best practise under the governance code. The current reserves represent six weeks of full programming costs. The Board will review the reserves on a regular basis to ascertain whether they are at acceptable levels compared to charitable standards and the requirements of the organisation to deliver on its mission.

Investment Policy

The policy of the IFI is to ensure that funds not immediately required for operational purposes are held on deposit giving prudent consideration to the assumptions surrounding expected use and what return can be expected in the prevailing economic market. At the year end the Irish Film Institute held €410,417 (2017 €692,291) on deposit, of which €385,432 (2017 €384,837) was held on a sixty days' notice basis.

Going Concern

The board of Directors having reviewed the results for the year together with the budget for 2019 are satisfied that the institute will be able to continue to meet its liabilities as they fall due.

Plans for future period

The IFI will commence the complete refurbishment of its two biggest cinemas in 2019. This project is being partially funded by the Department of Culture, Heritage and the Gaeltacht and Dublin City Council.

**IRISH FILM INSTITUTE
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ACCOUNTING RECORDS

The measures taken by the directors to ensure compliance with the requirements of Section 281 to 285 of the Companies Act 2014, with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's registered office at 6 Eustace Street, Dublin 2.

STATEMENT OF RELEVANT AUDIT INFORMATION

In accordance with Section 330 of the Companies Act 2014, so far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors, each director has taken all the steps they are obliged to take as director in order to make themselves aware of any relevant audit information.

AUDITORS

The auditors Grant Thornton, Chartered Accountants have expressed their willingness to continue in office in accordance with section 383(2) of the Companies Act 2014.

ON BEHALF OF THE DIRECTORS

Margaret Kelleher

MARGARET KELLEHER – DIRECTOR

Terence O'Rourke

TERENCE O'ROURKE – DIRECTOR

DATED:

13th June 2019

**IRISH FILM INSTITUTE
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STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 giving a true and fair view of the state of affairs of the Company for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with Irish Generally Accepted Accounting Practice in Ireland, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and Irish law.

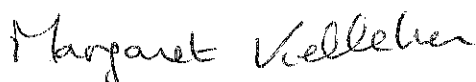
Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company for the financial year end date and of the profit or loss of the Company for that financial year and otherwise comply with the Companies Act 2014.

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

- select suitable accounting policies and then apply them consistently;
- make judgments 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 profit or loss 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



MARGARET KELLEHER – DIRECTOR



TERENCE O'ROURKE -DIRECTOR

DATED:

13th June 2019.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE IRISH FILM INSTITUTE**

Opinion

We have audited the financial statements of the Irish Film Institute, which comprises of the Statement of comprehensive income, the Statement of financial position, the Statement of equity, the Statement of cash flows for the financial year ended 31 December 2018, and the related notes to the financial statements, including the summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and accounting standards issued by the Financial Reporting Council including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (Generally Accepted Accounting Practice in Ireland).

In our opinion, the Irish Film Institute's financial statements:

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the assets, liabilities and financial position of the Company as at 31 December 2018 and of financial performance for the financial year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Act, 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ('ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the 'responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, namely the Irish Auditing and Accounting Supervisory Authority (IAASA) Ethical Standard concerning the integrity, objectivity and independence of the auditor, and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. 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 the ISAs (Ireland) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company'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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE IRISH FILM INSTITUTE**

Other information

Other information comprises information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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 in the financial statements, 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.

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. Based solely on the work undertaken in the course of our audit, in our opinion, the directors' report has been prepared in accordance with the requirements of the Companies Act 2014.

Matters on which we are required to report by exception

Based on our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of those Acts have not been made. We have no exceptions to report arising from this responsibility.

Responsibilities of management and those charged with governance for the financial statements

As explained more fully in the Directors' responsibilities statement, management is responsible for the preparation of the financial statements which give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland, including FRS 102 as adopted by the European Union, and for such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE IRISH FILM INSTITUTE**

Responsibilities of management and those charged with governance for the financial statements (continued)

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Responsibilities of the auditor for the audit of the financial statements

The auditor's 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 their opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (Ireland), the auditor will exercise professional judgment and maintain professional scepticism throughout the audit. The auditor will 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 their 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a matter that achieves a true and fair view.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE IRISH FILM INSTITUTE**

Responsibilities of the auditor for the audit of the financial statements (continued)

The auditor communicates 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 may be identified during the audit.

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

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 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 responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



John Duffy

For and on behalf of

Grant Thornton

Chartered Accountants & Statutory Audit Firm

13 -18 City Quay

Dublin 2

DATED

3 June 2019.

**IRISH FILM INSTITUTE
(COMPANY LIMITED BY GUARANTEE)**

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Unrestricted Funds Bar and Film Shop €	Unrestricted Funds Other €	Restricted Funds €	Total Funds 2018 €	2017 €
Income		1,193,674	2,175,863	-	3,369,537	3,564,070
Cost of sales		(420,458)	-	-	(420,458)	(424,031)
GROSS SURPLUS		773,216	2,175,863	-	2,949,079	3,140,039
Expenses		(660,280)	(3,158,591)	-	(3,818,871)	(3,910,712)
OPERATING SURPLUS/(DEFICIT)	5	112,936	(982,728)	-	(869,792)	(770,673)
Arts Council Grant Income		-	850,000	-	850,000	802,000
Interest receivable	6	-	596	-	596	1,446
Interest payable and similar charges	7	-	(2,912)	-	(2,912)	(3,553)
SURPLUS/(DEFICIT) FOR THE YEAR	8	112,936	(135,044)	-	(22,108)	29,220

Income and gross surplus are derived solely from continuing activities in the Republic of Ireland. All recognised gains and losses have been included in the income and expenditure account.

The notes on pages 22 to 34 form an integral part of these financial statements.

**IRISH FILM INSTITUTE
(COMPANY LIMITED BY GUARANTEE)**

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

	NOTES	2018 €	2017 €
FIXED ASSETS			
Tangible assets	13	2,129,159	2,057,574
CURRENT ASSETS			
Stocks	14	42,550	46,849
Debtors	15	94,258	104,469
Investments	16	13	13
Cash at bank and in hand - available bank funds	17	960,614	1,408,924
		1,097,435	1,560,255
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	18	(604,924)	(905,184)
DEFERRED INCOME/REVENUE GRANTS DUE WITHIN ONE YEAR	19	(225,100)	(288,719)
NET CURRENT ASSETS		267,411	366,352
TOTAL ASSETS LESS CURRENT LIABILITIES		2,396,570	2,423,926
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	20	(93,764)	(119,167)
CAPITAL GRANTS	22	(1,275,797)	(1,255,642)
NET ASSETS		1,027,009	1,049,117
REPRESENTED BY:			
Revaluation reserve		508,990	508,990
Other reserve		1,327	1,327
Designated funds		155,840	155,840
Unrestricted funds		360,852	382,960
Restricted funds		-	-
TOTAL COMPANY FUNDS		1,027,009	1,049,117

Margaret Kelleher

MARGARET KELLEHER - DIRECTOR

Terence O'Rourke

TERENCE O'ROURKE - DIRECTOR

DATED: 13th June 2019

The notes on pages 22 to 34 form an integral part of these financial statements.

**IRISH FILM INSTITUTE
(COMPANY LIMITED BY GUARANTEE)**

STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2018

	Revaluation reserve €	Other reserve €	Designated funds €	Restricted funds €	Unrestricted funds €	Total €
At 1 January 2018	508,990	1,327	155,840	-	382,960	1,049,117
Deficit for the financial year	-	-	-	-	(22,108)	(22,108)
At 31 December 2018	508,990	1,327	155,840	-	360,852	1,027,009

In respect of prior financial year

STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2017

	Revaluation reserve €	Other reserve €	Designated funds €	Restricted funds €	Unrestricted funds €	Total €
At 1 January 2017	508,990	1,327	155,840	-	353,740	1,019,897
Surplus for the financial year	-	-	-	-	29,220	29,220
At 31 December 2017	508,990	1,327	155,840	-	382,960	1,049,117

The notes on pages 22 to 34 form an integral part of these financial statements.

**IRISH FILM INSTITUTE
(COMPANY LIMITED BY GUARANTEE)**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Notes	2018 €	2017 €
NET CASH (OUTFLOW) / INFLOW FROM OPERATING ACTIVITIES	25(a)	(302,473)	410,228
RETURNS ON INVESTMENTS AND AND SERVICING OF FINANCE			
Interest received		596	1,446
Interest paid		(2,912)	(3,553)
		<u>(2,316)</u>	<u>(2,107)</u>
CAPITAL EXPENDITURE			
Payments to acquire tangible assets		(182,832)	(526,023)
		<u>(182,832)</u>	<u>(526,023)</u>
FINANCING			
Repayment of bank loan		(17,010)	(24,780)
Repayment of Diageo Loan		(666)	(767)
Finance lease obligation		(6,725)	(6442)
Capital grants Received		63,712	166,295
		<u>39,311</u>	<u>134,306</u>
NET CASH (OUTFLOW)/INFLOW	25(b)	<u>(448,310)</u>	<u>16,404</u>
Opening cash balance		<u>1,408,924</u>	<u>1,392,520</u>
Closing cash balance		<u>960,614</u>	<u>1,408,924</u>

Margaret Kelleher

MARGARET KELLEHER · DIRECTOR

Terence O'Rourke

TERENCE O'ROURKE - DIRECTOR

DATED: 13th June 2019

IRISH FILM INSTITUTE
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. GENERAL INFORMATION

The Irish Film Institute is a company limited by guarantee, incorporated and registered in the Republic of Ireland with a registered office at 6 Eustace Street, Dublin 2.

2. ACCOUNTING POLICIES

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

2.1. BASIS OF PREPARATION

These financial statements have been prepared in accordance with applicable accounting standards, including Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2014. The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below. The Irish Film Institute is working towards SORP compliance.

The Company qualifies as a small company as defined by section 280A of the Act, in respect of the financial year and has applied the rules of the 'Small Companies Regime' in accordance with section 280C of the Act and section 1A of FRS 102.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

2.2. FUND ACCOUNTING

Unrestricted funds are general funds that are available for use at the Board's discretion in furtherance of any of the objectives of the organisation with charitable status.

Designated funds represent donations and other funds for the establishment of the IFI Irish Film Archive Preservation and Research Centre at NUI Maynooth.

2.3. TURNOVER

Turnover is principally derived from the Company's box office and programming activities together with commercial bar and bookshop trade and represents net sales to customers and excludes value added tax. Income is recognised in the profit and loss account as services and goods are provided.

2.4. GRANTS

Grants are accounted for under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Income statement at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income and is shown separately in the Statement of Financial Position.

IRISH FILM INSTITUTE
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2.4. GRANTS (CONTINUED)

Grants of a revenue nature are recognised in the Income statement in the same period as the related expenditure.

The Directors confirm that they have adequate financial controls in place to manage granted funds.

2.5. PENSIONS

Pension benefits for employees are met by payments to a defined contribution pension fund. Contributions are charged to the Income statement in the year in which they fall due.

Differences between the amounts charged in Income statement and payment made to pension funds are treated as assets or liabilities.

2.6. TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in income and expenditure account.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Cinema improvements	15% per annum straight line
Leasehold premises	2% per annum straight line
Leasehold improvements	2% per annum straight line
Cinema equipment	15% per annum straight line
Office equipment, fixtures & fittings	20% per annum straight line
Computer equipment	20% per annum straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Assets in the course of construction and are not depreciated until put into use.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Statement of comprehensive income.

**IRISH FILM INSTITUTE
(COMPANY LIMITED BY GUARANTEE)**

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

2.6. STOCK

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.7. DEBTORS

Short term debtors are measured at transaction price, less any impairment.

2.8. CREDITORS

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, including transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9. GOING CONCERN

The board of directors having reviewed the results for the year together with the cash-flow forecasts are satisfied that the Company will be able to continue to meet its liabilities as they fall due.

3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Preparation of the financial statements requires management to make significant judgements and estimates.

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

Stocks

Management estimates the net realisable value of stocks, taking into account the reliable evidence available at each reporting date. The future realisation of these stocks may be affected by future technology or other market-driven changes that may reduce future selling prices. The provision for slow moving stock amounted to €22,145 (2017 - €17,779).

Trade and other debtors

Receivables arising out of operations are considered by the Directors to have a credit risk and therefore a provision for bad or doubtful debts has been made. The Directors consider that the carrying amount of receivables approximates to their fair value. All other receivables are due within one year and none are past due. The bad debt provision amounted to €92 (2017 - €Nil).

**IRISH FILM INSTITUTE
(COMPANY LIMITED BY GUARANTEE)**

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

4. LIMITED BY GUARANTEE

The Company is limited by guarantee and does not have a share capital. Every member of the Company undertakes to contribute to the assets of the Institute in the event of it being wound up while he/she is a member or within one year after he/she ceases to be a member for payment of the debts and liabilities of the Institute contracted before he/she ceases to be a member and of the costs charges and expenses of winding up and for the adjustment of the rights of the contributories amongst themselves such amount as may be required not exceeding €1.

5. OPERATING DEFICIT FOR THE FINANCIAL YEAR

	2018	2017
	€	€
Operating deficit comprises the following:		
Unrestricted Surplus Bar & Film shop	112,936	133,667
Unrestricted Deficit Other	(982,728)	(904,340)
	<u>(869,792)</u>	<u>(770,673)</u>

6. INTEREST RECEIVABLE

	2018	2017
	€	€
Bank deposit interest	<u>596</u>	<u>1,446</u>

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2018	2017
	€	€
Borrowings wholly repayable within five years:		
On loans and overdrafts	2,087	2,453
Finance lease interest	<u>825</u>	<u>1,100</u>
	<u>2,912</u>	<u>3,553</u>

8. SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR

	2018	2017
	€	€
The profit for the financial year is stated after charging/(crediting):-		
Depreciation of tangible fixed assets	110,364	106,667
Loss on disposal of fixed asset	883	1,513
Auditors' remuneration	7,712	7,874
Amortised Grants	43,557	46,140
Surplus on foreign currencies	(918)	(1,141)
Department of Culture, Heritage and the Gaeltacht -Heritage Council	<u>2,268</u>	<u>-</u>

**IRISH FILM INSTITUTE
(COMPANY LIMITED BY GUARANTEE)**

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

9. EMPLOYEES

Number of employees

The average monthly number of persons employed by the company during the year, including executive directors, analysed by category, was as follows:

	2018	2017
	€	€
Administration	35	34
Front of House, Bar & Cafe & Filmshop	36	38
Technical Staff	6	5
	<u>77</u>	<u>77</u>

Employment Costs were	2018	2017
	€	€
Wages and salaries	2,021,643	2,009,330
Social welfare costs	211,515	211,057
Pension costs	27,013	22,163
	<u>2,260,171</u>	<u>2,242,550</u>

The number of higher paid employees was:	2018	2017
€80,000 - €90,000	1	0
€70,000 - €80,000	1	2
€60,000 - €70,000	0	0
	<u>2</u>	<u>2</u>

Remuneration includes basic pay and excludes pension and PRSI contributions

10. PENSION COSTS

The Company operates a defined contribution pension scheme in respect of its employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the Company and amounted to €27,013 (2017 €22,163). An accrual arose at 2018 of €6,794 (2017 €5,674).

11. TAXATION

Irish Film Institute has been granted charitable status by the Revenue Commissioners and is therefore exempt from Corporation Tax.

12. ARCHIVES

The Institute has over a period of years successfully built up a library of archival films. No valuation has been attributed to these films in the financial statements.

IRISH FILM INSTITUTE
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

13. FIXED ASSETS

	Cinema Improvements €	Leasehold Improvements €	Leasehold Premises €	Cinema Equipment €	Office equipment, fixture and fittings €	Computer Equipment €	Archive NUJM €	Total €
Cost/revaluation								
At 1 January 2018	560,233	761,843	1,162,636	718,796	775,687	105,784	465,543	4,550,522
Additions	18,136	-	-	-	14,571	3,150	146,975	182,832
Disposals/scrap	-	-	-	(484)	(2,547)	-	-	(3,031)
At 31 December 2018	578,369	761,843	1,162,636	718,312	787,711	108,934	612,518	4,730,323
Depreciation								
At 1 January 2018	475,712	383,302	225,724	631,212	714,631	62,367	-	2,492,948
On disposals/scrap	-	-	-	-	(2,148)	-	-	(2,148)
Charge for the year	25,368	15,240	22,992	18,764	19,806	8,194	-	110,364
At 31 December 2018	501,080	398,542	248,716	649,976	732,289	70,561	-	2,601,164
Net book values								
At 31 December 2018	77,289	363,301	913,920	68,336	55,422	38,373	612,518	2,129,159
At 31 December 2017	84,521	378,541	936,912	87,584	61,056	43,417	465,543	2,057,574

The leasehold premises have been included at a 1994 valuation. On 1 July 2009, professional valuers Harper O'Grady (IVA) valued the company's premises at €6,500,000, open market value. This valuation is not reflected in the leasehold premises and leasehold improvements above.

Included in Cinema equipment is €25,248 (2017: €31,560) leased assets. The depreciation charge for the year on the leased assets was €6,312 (2017 €6,312).

IRISH FILM INSTITUTE
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

14. STOCKS		2018	2017
		€	€
Consumables, filmshop & bar		<u>42,550</u>	<u>46,849</u>

Stock represents goods purchased ready for resale. The replacement cost of stocks did not differ significantly from the balance sheet amount.

Stock recognised in cost of sales during the year as an expense was €420,458 (2017: €424,031).

The increase in the provision for slow or obsolete stock was €4,366 (2017: decrease of €1,028).

15. DEBTORS		2018	2017
		€	€
Amounts falling due within one year:-			
Trade debtors		37,434	32,604
Other debtors		2,549	377
Prepayments		54,275	71,488
		<u>94,258</u>	<u>104,469</u>

16. CURRENT ASSET INVESTMENTS		2018	2017
		€	€
Prize bonds		<u>13</u>	<u>13</u>

17. CASH AT BANK AND IN HAND

Included in the Bank Balance figure is €410,417 (2017: €692,291) on deposit or non-set off bank accounts. €385,432 (2017: €384,837) was placed on short term fixed deposit. €260,560 (2017: €752,441) of these funds relate to funding for future periods and capital projects.

Investment policy

The investment policy of the IFI is to ensure that funds not immediately required for operational purposes are held on deposit giving prudent consideration to the assumptions surrounding expected use. At 31 December, funds are held in on-demand deposits and 60 day access deposits.

IRISH FILM INSTITUTE
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	€	€
Trade creditors	217,170	413,016
Other creditors	23,539	22,110
Accruals	264,175	367,819
Bank overdraft	2,195	1,647
Loan payable	17,968	17,592
VAT	42,558	41,497
PAYE/PRSI	6,794	5,674
Pension contributions	7,628	7,550
Finance lease obligations	604,924	905,184
	<u>604,924</u>	<u>905,184</u>

Trade and other creditors, including accruals are payable at various dates over the coming months in accordance with suppliers' usual and customary credit terms.

Bank loans are repayable on monthly instalments at an average interest charge of 2.18% per annum.

VAT and PAYE/ PRSI is payable in accordance with statutory terms.

Pension contributions are payable over the coming months in respect with underlying contract terms.

Finance lease obligations are secured by the Company's leased asset.

19. DEFERRED INCOME

	2018	2017
	€	€
Deferred income	225,100	288,719
	<u>225,100</u>	<u>288,719</u>

A grant amounting to €175,100 (2017: €200,500) from The Arts Council and €50,000 (2017: €50,000) from the Ireland Funds relating to 2019 were received in the year ended 31 December 2018; accordingly these grants have been deferred. The balance of €Nil (2017: €38,219) related to BAI funding in relation to expenditure that had yet to be incurred.

IRISH FILM INSTITUTE
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20. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2018 €	2017 €
Bank loan	68,477	86,411
Other loans - Diageo Group	25,287	25,953
Finance lease obligations	-	6,803
	<u>93,764</u>	<u>119,167</u>

Bank and other loans are repayable on various instalments and charged an average interest charge of 2.18% per annum.

Finance lease obligations are secured by the Company's leased assets.

21. BANK AND OTHER LOANS

Analysis of the maturity of the bank and other loans is as follows:

	2018 €	2017 €
Repayable within one year	17,968	17,592
Repayable between one and two years	43,651	43,921
Repayable between two and five years	50,113	56,222
Repayable after five years	-	12,221
	<u>111,732</u>	<u>129,956</u>

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22. CAPITAL GRANTS

	Leasehold Improvements €	2%	Preservation Fund Grant €	2%	Digital Infrastructure €	2%	Fixtures and Fittings €	20%	Total €
<i>Amortisation Policy</i>									
As at 1 January 2018	888,504		296,295		68,617		2,226		1,255,642
Capital Grant	-		63,712		-		-		63,712
Released to income and expenditure during the year	(21,155)		-		(20,640)		(1,762)		(43,557)
As at 31 December 2018	867,349		360,007		47,977		464		1,275,797

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

23. SECURITY

The Department of Culture, Heritage and the Gaeltacht hold a first ranking mortgage over the property at 6 Eustace Street, Temple Bar, Dublin 2.

Bank of Ireland hold a second legal mortgage/charge over the property at 6 Eustace Street, Temple Bar, Dublin 2.

24. COMMITMENTS UNDER FINANCING LEASES

At 31 December 2018 the company had future minimum lease payments under non-cancellable finance leases as follows:

	2018	2017
	€	€
Other assets		
Not later than 1 year	7,628	7,550
Later than 1 year and not later than 5 years	-	6,803
Total	<u>7,628</u>	<u>14,353</u>

25. CASH FLOW STATEMENT

a. Reconciliation of Operating deficit to net cash inflow from operating activities

	2018	2017
	€	€
Operating deficit	(869,792)	(770,673)
Depreciation of tangible fixed assets	110,364	106,667
Loss on disposal of fixed assets	883	1,513
Arts Council grant	824,600	802,000
BAI grant	(38,219)	2,329
Ireland Funds grant	-	50,000
Deferred grants released	(43,557)	(46,140)
Decrease in stock	4,299	2,436
Decrease / (increase) in debtors	10,211	(11,247)
(Decrease) / increase in creditors	(301,262)	273,343
Net cash (outflow) / inflow from operating activities	<u>(302,473)</u>	<u>410,228</u>

b. Analysis of the balances of cash as shown in the balance sheet

	2017	Change in Year	2018
	€	€	€
Cash at bank and in hand	1,408,924	(448,310)	960,614
Bank overdraft and loans less than one year	(19,239)	(924)	(20,163)
Bank loans more than one year	(86,411)	17,934	(68,477)
Diageo loan	(25,953)	666	(25,287)
Finance lease	(14,353)	6,725	(7,628)
	<u>1,262,968</u>	<u>(423,909)</u>	<u>839,059</u>

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26. CONTINGENT LIABILITIES

- (a) During 2010 grants were received from the Department of Arts, Sports and Tourism amounting to €1,070,856 under Access II programme. Repayment of the grants received will not be required as long as the following conditions continue to be satisfied:

The company holds the property at 6 Eustace Street, Temple Bar, Dublin 2 for a period of fifteen years from the date of the last payment of any grant.

The company encourage, develop, foster and stimulate public interest in all aspects of film culture and in general social, economic and cultural affairs.

The company promotes the knowledge, appreciation and practice of the Arts.

The company assists in improving the standards of film culture.

The company permits and encourages tourists and others to use and enjoy the facilities provided on the property at either no charge or a small charge.

The company maintains the facilities of the property open to the public at all reasonable times and at all reasonable hours.

The company will submit annual audited financial statements to the minister of the Department of Arts, Sports and Tourism.

- (b) Funds received from the Art Council are subject to a contingency that provides that the Irish Film Institute will be required to repay an appropriate proportion of its financial aid if it fails to fulfil the purpose of the grant or the organisation ceases to function.
- (c) During 2012, a grant was received from the Irish Film Board for the IFI Archive Preservation and Research Centre, amounting to €130,000. Repayment of the grant received would be required in the circumstances set out below:
-if the Irish Film Institute shall cease to function and a resolution is passed for the winding up of the company other than for the purposes of reconstruction or amalgamation while solvent on terms which have been previously approved of in writing by the Board of the Irish Film Board, the Board reserves the right to require the company to repay its financial aid over a thirteen year period.
- (d) During 2014, a grant was received from the Department of Arts, Heritage and the Gaeltacht for the Irish Film Institute towards the cost of digitalisation of its infrastructure in the archive department. The total amount received in 2014 was €118,300.
- (e) During 2017 and 2018, total grants of €110,007 were received from the Department of Culture Heritage and the Gaeltacht under the Access II programme for the construction of the IFI Irish Film Archive @ Maynooth University.
- (f) In 2017, the IFI reported that a vat review was being undertaken and that it was thought that a material liability might arise. After completion of that review by KPMG in 2019, the amount estimated is not now considered material subject to agreement with Revenue.

27. RELATED PARTY TRANSACTIONS

Board expenses of €Nil were reimbursed during the year (2017: €73).

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28. POST BALANCE SHEET EVENTS

There has been no significant events affecting the company since the year end and the directors do not envisage any substantial changes to the nature of the business in the foreseeable future.

29. COMPARATIVE INFORMATION

Comparative information has been reclassified where necessary to be consistent with current year presentation.

30. APPROVAL OF FINANCIAL STATEMENTS

The directors have authorised and approved the financial statements for issue on

13th June 2019.