



NATIONAL MUSEUM OF IRELAND
FINANCIAL STATEMENTS
FOR YEAR ENDED
31ST DECEMBER 2021

TABLE OF CONTENTS

1. GOVERNANCE STATEMENT AND BOARD MEMBERS' REPORT	4
1.1 GOVERNANCE	4
1.2 BOARD RESPONSIBILITIES	4
1.3 BOARD STRUCTURE	5
1.4 BOARD MEMBERS KEY PERSONNEL CHANGES	6
1.5 BOARD MEMBERS SCHEDULE OF ATTENDANCE AND EXPENSES	6
1.6 DISCLOSURES REQUIRED BY THE CODE OF PRACTICE FOR THE GOVERNANCE OF STATE BODIES (2016)	7
1.7 TRAVEL AND SUBSISTENCE EXPENDITURE	8
1.8 STATEMENT OF COMPLIANCE	8
2. STATEMENT OF INTERNAL CONTROLS	9
2.1 SCOPE OF RESPONSIBILITY	9
2.2 PURPOSE OF THE SYSTEM OF INTERNAL CONTROL	9
2.3 CAPACITY TO HANDLE RISK	9
2.4 PROCUREMENT	9
2.5 REVIEW OF EFFECTIVENESS	9
3. REPORT OF THE COMPTROLLER AND AUDITOR GENERAL	11
3.1 COMPTROLLER AND AUDITOR LETTER	11
3.2 COMPTROLLER AND AUDITOR REPORT	12
4. STATEMENT OF INCOME & EXPENDITURE & RETAINED REVENUE RESERVES	13
5. STATEMENT OF COMPREHENSIVE INCOME	14
6. STATEMENT OF FINANCIAL POSITION	15
7. STATEMENT OF CASH FLOWS	17
8. NOTES TO FINANCIAL STATEMENTS	18
8.1 ACCOUNTING POLICIES	18
8.2 OIREACHTAS INCOME	21
8.3 RETAIL INCOME & EXPENDITURE	21
8.4 OWN RESOURCES	22
8.5 OTHER INCOME	22
8.6 OTHER ADMINISTRATION COSTS	22
8.7 COSTS OF ACQUISITION, MANAGEMENT & DISPLAY COLLECTIONS	23
8.8 PREMISES	23
8.9 CAPITAL ACCOUNT	24
8.10 PROPERTY, PLANT & EQUIPMENT	24
8.11 RECEIVABLES	25
8.12 PAYABLES	25
8.13 LEASE COMMITMENTS	25
8.14 SALARIES	26
8.15 RETIREMENT BENEFIT COSTS	27
8.16 RETAIL INVENTORY	29
8.17 HERITAGE ASSETS	29
8.18 PROVISION FOR CLAIMS	31
8.19 CONTINGENCIES	31
8.20 EVENTS AFTER THE REPORTING PERIOD	31

8.21 RELATED PARTY DISCLOSURES	32
8.22 APPROVAL OF FINANCIAL STATEMENTS	32

1. GOVERNANCE STATEMENT AND BOARD MEMBERS' REPORT

1.1 Governance

The Board of the National Museum of Ireland was established under the National Cultural Institutions Act 1997, and commenced as an independent body in May 2005. The functions of the Board are set out in section 11 of this Act. The Board is accountable to the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media and is responsible for ensuring good governance, and performs this task by setting strategic objectives and targets and taking strategic decisions on all key business issues. The regular day-to-day management, control and direction of the National Museum of Ireland are the responsibility of the Director and the Senior Management Team. The Director and the Senior Management Team must follow the broad strategic direction set by the Board, and must ensure that all Board members have a clear understanding of the key activities and decisions related to the entity, and of any significant risks likely to arise. The Director acts as a direct liaison between the Board and Senior Management of the National Museum of Ireland. National Museum of Ireland is a registered Charity. Irish Charity number 20072612, Charity Revenue number CHY18764

1.2 Board Responsibilities

The work and responsibilities of the Board are set out in the Code of Practice for the Governance of State Bodies (2016) which also contains the matters specifically reserved for Board decision.

Standing items considered by the Board include:

- declaration of interests,
- reports from committees,
- financial reports/management accounts,
- performance reports, and
- reserved matters.

Section 35 of the National Cultural Institutions Act 1997, requires the Board of the National Museum of Ireland to keep, in such form as may be approved by the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media with the consent of the Minister for Public Expenditure and Reform, all proper and usual accounts of money received and expended by it.

In preparing these financial statements, the Board of the National Museum of Ireland is required to:

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

The Board is responsible for keeping adequate accounting records, which disclose, with reasonable accuracy at any time, its financial position and enables it to ensure that the financial statements comply with Section 35 of the National Cultural Institutions Act 1997. The maintenance and integrity of the corporate and financial information, which is accessible to the public via the National Museum of Ireland's website, is the responsibility of the Board.

The Board is responsible for approving the annual plan and budget. The annual plan for 2021 and the budget for 2021 were discussed and approved by the Board on 25th February 2021. In preparation for the cessation of the NMI Board in July 2021, a Board Transition Working Group was established in January 2021 to discuss the handover process for the new Board. An external Board evaluation was scheduled in two parts during 2021. During the last week of June, retiring Board members were invited to provide feedback on their time as Board members. An external evaluation of the new Board began in December 2021 and was completed in January 2022.

The Board is also responsible for safeguarding its assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board considers that the financial statements of the National Museum of Ireland give a true and fair view of the financial performance and the financial position at 31st December 2021.

1.3 Board Structure

The Board consists of a Chairperson and 12 ordinary members, all of whom are appointed by the Minister for the Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media. The current Board term commenced on 6th July 2021 for a period of five years and meets a minimum of six times per year. The Board met six times in 2021.

As at **31st December 2021**, the members of the Board comprised:

Catherine Heaney (Chair)	Paolo Viscardi	
Ambrose Loughlin	Barra O'Donnabhain	Dr
Declan Nelson	Susan Rogers	Dr
John R Bowen	Claudia Kinmonth	Dr
Andrew Power	Dr	Cathal O'Donoghue
Helen Shenton		Prof
Linda King	Dr	Geraldine Sheridan
		Prof

On 6th July, the following Board members were re-appointed for the new Board term:

Catherine Heaney (Chair/two years), Ambrose Loughlin (five years), Declan Nelson (two years), John R. Bowen (five years), Dr Andrew Power (two years). On 30th July 2021, Dr Claudia Kinmonth, Professor Cathal O'Donoghue and Professor Geraldine Sheridan were appointed to the Board.

The Board has established 4 committees as follows*:

1. Audit and Risk Committee: comprises three Board members and two independent members. The role of the Audit and Risk Committee (ARC) is to support the Board in relation to its responsibilities for issues of risk, control and governance and associated assurance. The ARC is independent from the financial management of the organisation. In particular, the ARC ensures that the internal control systems, including audit activities, as well as risk management are monitored actively and independently. The ARC also have oversight of human resources matters at the NMI. As of 31st December 2021 the members of the ARC comprised of Mr Ambrose Loughlin (Chairperson), Dr Andrew Power, Professor Cathal O'Donoghue, Mr Michael O'Sullivan (external member) and Ms Aoife Clabby (external member). There were six meetings of the ARC during 2021. Mr Michael O'Sullivan was re-appointed as an external member for a further three years from 18th June 2021. Mr Declan Nelson resigned from the ARC after the first meeting of the current Board on 30th September 2021.

2. General Public Advisory Committee: This is the only Committee specifically required under the National Cultural Institutions Act 1997 (Section 23) and has been given the remit of all aspects relating to collections and learning including acquisition, collections care, documentation, exhibition, digitisation and publication. As of 31st December 2021, the members of the General Public Advisory Committee (GPAC) comprised of Dr Barra O'Donnabhain (Chair), Ms Helen Shenton, Mr John R. Bowen, Mr Paolo Viscardi, Dr Claudia Kinmonth, Prof Geraldine Sheridan, Professor Daibhí Ó Cronín (external member), Professor Wayne Modest (external member) and Dr Richard Mc Elligott (external member). Previous GPAC members, Professor Kathleen James-Chakraborty (Chair), Professor Ingrid Hook, Professor Mary O'Dowd, and Ms Judith McCarthy retired from the Board on 5th July 2021. Dr Linda King resigned from GPAC after the first meeting of the current Board on 30th September 2021. Professor Daibhí Ó Cronín was re-appointed as an external member in November 2018. There were five meetings of the Committee in 2021.

3. Capital & Estates Committee: comprises four Board members and two independent members. The role of the Capital & Estates Committee is to provide oversight on NMI's capital projects and I.T. - related infrastructure projects. The Committee provides advice and support to the NMI Executive on NMI's masterplan projects; particularly the areas of focus that reside within Pillar 1 of the 2019-2022 Strategic Plan. As of 31st December 2021, the members of the Committee comprised of Mr John R Bowen (Chair), Dr Andrew Power, Mr Paolo Viscardi, Mr Declan Nelson, Mr Donagh Morgan (external member) and Mr Paul Nolan (external member). There were five meetings of the Committee in 2021

4. Strategy & Engagement Committee: comprises five Board members and one independent member. The role of the Strategy & Engagement Committee is to provide oversight in the areas of audience and community engagement, stakeholder and partner development, commercial and retail development, NMI staff and organisational development and NMI identity and brand. As of 31st December 2021, the members of the Strategy & Engagement Committee comprised of Dr Linda King (Chair), Dr Susan Rogers, Mr Paolo Viscardi, Professor Geraldine Sheridan,

Professor Cathal O'Donoghue and Mr Derek Flynn (external member). Previous Strategy & Engagement Committee members, Ms Mary Crotty, Professor Ingrid Hook, Ms Denise Moroney and Ms Judith McCarthy retired from the Board on 5th July 2021. Dr Barra O'Donnabhain resigned from the Committee after the first meeting of the current Board on 30th September 2021. There were five meetings of the Committee in 2021.

5. **Board Transition Working Group:** comprised five Board members. Meetings of the working group took place between January and June 2021. The role of the Board Transition Working Group was to discuss succession planning and to ensure a smooth transition between the two Board terms. As of 31st December 2021, the members of the Board Transition Working Group comprised of Catherine Heaney (Chair), Professor Kathleen James-Chakraborty, John R Bowen, Dr Linda King and Ambrose Loughlin. There were three meetings of the Working Group in 2021 and the Working Group was dissolved on 1st June 2021.

1.4 Board Members Key Personnel Changes

Professor Kathleen James-Chakraborty, Ms Mary Crotty, Professor Mary O'Dowd, Professor Ingrid Hook, Ms Denise Moroney and Ms Judith McCarthy finished their terms on the Board on 5th July 2021. On 30th July 2021, Prof Geraldine Sheridan, Dr Claudia Kinmonth and Prof Cathal O'Donoghue were appointed to the Board.

1.5 Board Members Schedule of Attendance and Expenses

Details of domestic home travel and subsistence expenses paid to Board members and meetings attended during 2021 are listed below:

Board Member:	Total Number of Meetings Held						
	2021 Expense	Board	Audit & Risk	GPAC	Capital & Estates	Strategy & Engagement	Board Transition
Ms Catherine Heaney (Chair)		6					3
Ambrose Loughlin		6	4				3
Declan Nelson	€233	6	3		2		
John R Bowen		5		6	5		3
Andrew Power, Dr		6	5		5		
Helen Shenton		6		5			
Linda King, Dr		6		3		5	3
Paolo Viscardi		6		5	5	2	
Barra O'Donnabhain, Dr		6		5		3	
Susan Rogers, Dr		6				4	
Claudia Kinmonth Dr	€485	2		2		1	
Cathal O'Donoghue Prof		2	1			2	
Geraldine Sheridan Prof		2		2		2	
Mary O'Dowd, Prof		4		3			
Kathleen James-Chakraborty, Prof		4		3			3
Ingrid Hook, Prof		4		3		3	
Judith McCarthy		3		3		2	
Mary Crotty		4				2	
Denise Moroney		4				1	
Total Euro	€718						

There were no fees paid to Board members during 2021. Other costs associated with Board member meetings totalling €605 (2020: €1,594) were incurred during 2021. Of the €605 in costs, €0.00 of these costs have been recognised within Hospitality Expenditure on page 9.

In addition to formal Board and Committee meetings listed above, Board members also attended a number of other meetings related to Museum business, and some of the expenses listed above are attributed to these

1.6 Disclosures required by the code of Practice for the Governance of State Bodies (2016)

The Board is responsible for ensuring that The National Museum of Ireland has complied with the requirements of the Code of Practice for the Governance of State Bodies (“the Code”), as published by the Department of Public Expenditure and Reform in August 2016. The following disclosures are required by the Code

Employees’ Short-Term Benefits Breakdown

Employee short term benefits in excess of €60,000 are categorised in the following bands:

Range of total employee benefits at year end		Number of Employees	
		2021	2020
From	To		
€ 60,000 -	€ 69,999	11	12
€ 70,000 -	€ 79,999	9	8
€ 80,000 -	€ 89,999	4	7
€ 90,000 -	€ 99,999	4	1
€100,000 -	€109,999	0	0
€110,000 -	€120,999	2	1

Note: For the purposes of this disclosure, employees’ short-term benefits in relation to services rendered during the reporting period include salary, overtime allowances, and other payments made on behalf of the employee, but exclude employer’s PRSI. Employee numbers are listed as full time equivalents.

Consultancy Costs

Consultancy costs include the cost of external advice to Senior Management and exclude outsourced ‘business-as-usual’ functions.

Consultancy Costs	2021 €	2020 €
Legal Advice	0	0
Financial Advice	46,654	33,791
Public Relations / Marketing	36,072	78,970
Human Resources	0	7,200
Business Improvement	153,387	92,222
Consultancy Costs - Charged to Income and Expenditure	236,113	212,183

Legal Issues and Contractual Matters

In the reporting period legal costs of €69,197 were recognised, (2020: €103,492). These costs relate to settlements and conciliation and arbitration proceedings relating to contracts with third parties. This does not include expenditure incurred in relation to general legal advice received by the National Museum of Ireland, which is disclosed in Consultancy costs above.

	2021 €	2020 €
Legal Fees – Legal Proceedings	68,859	103,492
Conciliation and Arbitration Payments	0	0
Settlements (State Claims Agency – Movement in Provision)	338	94,265
Total	69,197	197,757

1.7 Travel and Subsistence Expenditure

Travel and subsistence expenditure is categorised as follows:		2021	2020
		€	€
Domestic	-Board	718	6,201
Domestic	-Employees	40,874	48,642
International	-Board	0	973
International	-Employees	7,038	4,338
		48,630	60,154

Hospitality Expenditure		2021	2020
		€	€
Staff Hospitality		103	12,815
Board Hospitality*		0	843
Non-Staff Hospitality		1,295	12,854
		1,398	26,512

*Board Hospitality includes the costs of refreshments, accommodation and catering in relation to Board and other Committee meetings attended by Board members during the year. Each year one Board meeting takes place in the Museum of Country Life, Turlough Park House (However, no board meeting was held in the Museum of Country Life in 2021 as a consequence of Covid-19).

1.8 Statement of Compliance

The National Museum of Ireland has complied with the requirements of the Code of Practice for the Governance of State Bodies, as published by the Department of Public Expenditure and Reform in August 2016, with the following exceptions:

- Following the Board's review of the effectiveness of internal controls, the Museum identified a number of issues, which have been raised in the Statement on Internal Control, and particularly in relation to weaknesses in the areas of Procurement and Risk Management Systems. Procedures were introduced to address these issues and continued through 2021.

On behalf of the Board:



Board Chair
Catherine Heaney

Date: 30th June 2022



Board Member
Ambrose Loughlin

Date: 30th June 2022

2. STATEMENT OF INTERNAL CONTROLS

2.1 Scope of Responsibility

On behalf of the National Museum of Ireland, I acknowledge the Board's responsibility for ensuring that an effective system of internal control is maintained and operated. This responsibility takes account of the requirements of the Code of Practice for the Governance of State Bodies (2016).

2.2 Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a tolerable level rather than to eliminate it. The system can therefore only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded and that material errors or irregularities are either prevented or detected in a timely way.

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

2.3 Capacity to Handle Risk

The National Museum of Ireland has an Audit and Risk Committee (ARC) comprising three Board members, one of whom is the Chair, and two independent members, with financial and audit expertise. The ARC met six times in 2021.

The National Museum of Ireland has also established an internal audit function, which is adequately resourced, and conducts a programme of work agreed with the ARC.

The Senior Risk Team continue to review and oversee the risk management framework in the NMI. They meet on a quarterly basis or as and when is necessary to identify any emerging risks and control weaknesses in order to update the Organisational Risk Register. In 2021 the Senior Risk Team continued to operate a COVID-19 risk register to deal with issues that may arise for the duration of the pandemic. This risk register is reviewed and approved at each ARC meeting.

Risk and Control Framework

I confirm that a control environment containing the following elements is in place:

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

2.4 Procurement

I confirm that the National Museum of Ireland has procedures in place to ensure compliance with current procurement rules and guidelines. However, in 2021 non-compliant procurement of €520,000 was incurred due to an expired contract for security services. The tender competition for these services was completed in June 2021.

2.5 Review of Effectiveness

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

I confirm that the Board conducted an annual review of the effectiveness of the internal controls for 2021. The NMI Board Meeting held on the 28th April 2021 reviewed its effectiveness and no adverse findings were noted.

The NMI is currently finalising and putting in place a Business Continuity and IT Disaster Recovery Plan.

Covid-19 Internal Control Considerations

The onset of the Covid-19 pandemic from early 2020 has significantly impacted on the operations of National Museum of Ireland, posing operational, health and safety and financial risks and challenges. New activities, reprioritisation of work and pressure to deliver services have impacted on National Museum of Ireland operations and staff. These risks have been assessed, documented on the Risk Register and mitigating actions have been put in place. The risks and required actions are being continually monitored. The resultant challenges in maintaining effective internal controls were assessed by the board, incorporating guidance issued by the Chartered Institute of Internal Auditors and the Office the Comptroller and Auditor General. The Board is of the opinion that there has been no material change to the operation of the internal control environment in National Museum of Ireland as a result of Covid-19.

In addition, Audit & Risk Committee oversaw the following:

- Development of a Covid specific Risk Register
- Commissioning of a Remote Working Policy & monitoring of staff engagement measures
- Enhanced monitoring of operation of internal controls

On behalf of the Board:



Board Chair
Catherine Heaney

Date: 30th June 2022

3. REPORT OF THE COMPTROLLER AND AUDITOR GENERAL

3.1 Comptroller and Auditor Letter



Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

National Museum of Ireland

Opinion on the financial statements

I have audited the financial statements of the National Museum of Ireland for the year ending 31 December 2021 as required under the provisions of section 35 of the National Cultural Institutions Act 1997. The financial statements comprise

- the statement of income and expenditure and retained revenue reserves
- the statement of comprehensive income
- the statement of financial position
- the statement of cash flows, and
- the related notes, including a summary of significant accounting policies.

In my opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of the National Museum of Ireland at 31 December 2021 and of its income and expenditure for 2021 in accordance with Financial Reporting Standard (FRS) 102 — *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*.

Basis of opinion

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

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

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

The National Museum of Ireland has presented certain other information together with the financial statements. This comprises the annual report, the governance statement and Board members' report, and the statement on internal control. My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

Non-compliance with procurement rules

The statement on internal control discloses that in 2021 the Museum incurred significant expenditure where the procedures followed did not comply with public procurement guidelines.

Seamus McCarthy
Comptroller and Auditor General

30 June 2022

3.2 Comptroller and Auditor Report

Appendix to the report

Responsibilities of Board members

The governance statement and Board members' report sets out the Board members' responsibilities for

- the preparation of annual financial statements in the form prescribed under section 35 of the National Cultural Institutions Act 1997
- ensuring that the financial statements give a true and fair view in accordance with FRS102
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- 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.

Responsibilities of the Comptroller and Auditor General

I am required under section 35 of the National Cultural Institutions Act 1997 to audit the financial statements of the National Museum of Ireland and to report thereon to the Houses of the Oireachtas.

My objective in carrying out the audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs 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 the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I 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 my 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.
- I 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 internal controls.
- I evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.

- I conclude on the appropriateness of the use of the going concern basis of accounting and, based on the audit evidence obtained, on whether a material uncertainty exists related to events or conditions that may cast significant doubt on the National Museum of Ireland's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the National Museum of Ireland to cease to continue as a going concern.
- I 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.

I 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 I identify during my audit.

I report by exception if, in my opinion,

- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the financial statements to be readily and properly audited, or
- the financial statements are not in agreement with the accounting records.

Information other than the financial statements

My opinion on the financial statements does not cover the other information presented with those statements, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, I am required under the ISAs to read the other information presented and, in doing so, consider whether the other information is materially inconsistent with the financial statements or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

Reporting on other matters

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation. I report if I identify material matters relating to the manner in which public business has been conducted.

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I report if I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

4. STATEMENT OF INCOME & EXPENDITURE & RETAINED REVENUE RESERVES

NATIONAL MUSEUM OF IRELAND STATEMENT OF INCOME & EXPENDITURE & RETAINED REVENUE RESERVES YEAR ENDED 31st DECEMBER 2021

		2021 €	2020 €
Income			
Oireachtas Income	2	18,922,185	18,043,925
Retail Operations Gross Profit	3	106,779	53,810
Own Resource Income	4	71,268	105,560
Other Income	5	183,270	264,397
Total Income		19,283,502	18,467,692
Expenditure			
Salaries	14a	7,749,083	7,727,975
Retirement Benefit costs	15a	2,929,846	2,898,749
Other Administration costs	6	1,370,775	1,320,449
Costs of acquisition, management & display collections	7	5,126,826	3,906,551
Retail Operations running costs	3	362,812	442,421
Expenditure on delivery of Specific Projects	2	1,900,435	1,107,541
Own Resource Expenditure	4	146,897	5,650
Project costs		0	123,540
Total Expenditure		19,586,674	17,532,876
Net Operating (Deficit)/Surplus		(303,172)	934,816
Transfer to Capital account	9	(76,234)	25,771
(Deficit)/Surplus for year		(379,406)	960,586
Balance at 1st January		1,905,536	944,950
Balance at 31st December		1,526,130	1,905,536

All income and expenditure for the year relates to continuing activities at the reporting date. The Statement of Cash Flows and notes 1 to 22 form part of these financial statements.

On behalf of the Board:



Board Chair
Catherine Heaney

Date: 30th June 2022



Board Member
Ambrose Loughlin

Date: 30th June 2022

5. STATEMENT OF COMPREHENSIVE INCOME

**NATIONAL MUSEUM OF IRELAND
STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 31st DECEMBER 2021**

Statement of Comprehensive Income	2021	2020
Year-ended 31st December 2021	€	€
(Deficit)/Surplus for year	(379,406)	960,586
Actuarial (loss)/gain on experience	(93,000)	1,463,000
Actuarial (loss)/gain on assumptions	(5,950,000)	(1,521,000)
Total Actuarial (loss)/gain in the year	15e (6,043,000)	(58,000)
Adjustment to deferred retirement benefits funding	6,043,000	58,000
Other Comprehensive Income for the year	(379,406)	960,586

The notes 1 to 22 form part of these financial statements.

On behalf of the Board:



Board Chair
Catherine Heaney

Date: 30th June 2022



Board Member
Ambrose Loughlin

Date: 30th June 2022

6. STATEMENT OF FINANCIAL POSITION

NATIONAL MUSEUM OF IRELAND STATEMENT OF FINANCIAL POSITION AS AT 31st DECEMBER 2021

Statement of Financial Position Year-ended 31 st December 2021		2021 €	2020 €
Non-Current Assets			
Property, plant & equipment	10	585,981	509,749
		<u>585,981</u>	<u>509,749</u>
Current Assets			
Retail Inventory	16	183,672	218,612
Receivables	11	398,836	241,491
Cash and cash equivalents		2,749,731	2,773,573
		<u>3,332,239</u>	<u>3,233,677</u>
Creditors: Amount falling due within one year			
Payables	12	(1,806,107)	(1,328,140)
		<u>1,526,132</u>	<u>1,905,536</u>
Net Current Assets		<u>1,526,132</u>	<u>1,905,536</u>
Total Assets less Current Liabilities		<u>2,112,113</u>	<u>2,415,285</u>
Retirement Benefits			
Retirement benefit obligations	15(d)	(77,300,093)	(68,950,093)
Deferred retirement benefit funding asset	15(b)	77,300,093	68,950,093
Total Net Assets		<u><u>2,112,113</u></u>	<u><u>2,415,285</u></u>
Represented by:			
Capital Account	9	585,983	509,749
Retained Revenue Reserves		1,526,130	1,905,536
		<u><u>2,112,113</u></u>	<u><u>2,415,285</u></u>

The notes 1 to 22 form part of these financial statements.

On behalf of the Board:



Board Chair
Catherine Heaney

Board Member
Ambrose Loughlin

Date: 30th June 2022

Date: 30th June 2022

7. STATEMENT OF CASH FLOWS

**NATIONAL MUSEUM OF IRELAND
STATEMENT OF CASH FLOWS
YEAR ENDED 31st DECEMBER 2021**

Statement of Cash Flows

Year-ended 31st December 2021	2021	2020
	€	€
Cash Flows from Operating Activities		
(Deficit)/Surplus of Income over Expenditure	(379,406)	960,586
Transfer to/(from) Capital Account	76,234	(25,770)
Depreciation	233,210	269,335
(Decrease)/Increase in Receivables	(157,345)	118,264
Increase/(Decrease) in Payables	477,967	(354,822)
(Decrease)/Increase in Inventory	34,942	(21,933)
	<hr/>	<hr/>
Net Cash Inflow/(Outflow) from Operating Activities	285,602	945,660
<u>Cash Flows from Investing Activities</u>		
Payments to acquire property, plant & equipment	(310,254)	(243,565)
Disposal of fixed asset	810	-
	<hr/>	<hr/>
Net Cash Flows from Investing Activities	(309,444)	(243,565)
	<hr/>	<hr/>
Net (Decrease)/Increase in Cash and Cash Equivalents	(23,842)	702,095
	<hr/>	<hr/>
Cash and cash equivalents at 1st January	2,773,573	2,071,478
Cash and cash equivalents at 31st December	2,749,731	2,773,573

The notes 1 to 22 form part of these financial statements.

8. NOTES TO FINANCIAL STATEMENTS

8.1 Accounting Policies

1. Accounting Policies

a) General Information

Establishment of National Museum of Ireland

The National Museum of Ireland was established as an independent body on 3 May 2005 under the provisions of The National Cultural Institutions Act 1997 with a Board and a Director (Chief Executive).

The Board

The Board comprises a chairperson and twelve ordinary members and the principal functions of the Board are:

“To maintain, manage, control, protect, preserve, record, research and enlarge the collection of museum heritage objects for the benefit of the public and to increase and diffuse in and outside the State knowledge of human life in Ireland, of the natural history of Ireland and of the relations of Ireland in these respects with other countries”.

The Director

The functions of the Director, as set out under Section 29.(3)(a) of The National Cultural Institutions Act 1997 are to manage and control generally the administration and business of the National Museum of Ireland and perform such other functions as may be determined by the Board of the Museum.

Funding

The main source of funding for the National Museum of Ireland is by way of a grant made by the Minister for Tourism Culture, Arts, Gaeltacht, Sports and Media under Section 27 of The National Cultural Institutions Act 1997. The National Museum of Ireland also generates revenue from a number of commercial activities such as retail, photographic rights and reproductions, catering franchises, fees from corporate functions and public donations and sponsorship.

b) Statement of Compliance

The National Museum of Ireland is a Public Benefit Entity.

The financial statements have been prepared in compliance with the applicable legislation, and with FRS 102 the Financial Reporting Standard applicable in the UK and the Republic of Ireland issued by the Financial Reporting Council in the UK.

c) Basis of Preparation

The financial statements have been prepared under the historical cost convention as explained in the accounting policies below. The financial statements are in the form approved by the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media, with the concurrence of the Minister for Public Expenditure & Reform in accordance with Section 35 of the National Cultural Institutions Act 1997. The following accounting policies have been applied consistently in dealing with items, which are considered material in relation to the financial statements.

d) Heritage Assets and Collections

The National Museum of Ireland's collections acquired through purchase and donation are not recognised as assets in the Statement of Financial Position. The Board believe that because of the diverse nature of objects held, the number of objects and the lack of comparable market values, comprehensive valuations cannot be obtained at a cost, which is commensurate with the benefits to users of the financial statements. The disclosures required under FRS102 where heritage assets are not capitalised are set out in Note 17.

The Board of the National Museum of Ireland has the power to enlarge the collection of museum heritage objects for the benefit of the public. Expenditure incurred in relation to the acquisition of heritage assets is charged to the Statement of Income and Expenditure and Retained Revenue Reserves in the year of acquisition.

e) Property, plant and equipment

Property, plant and equipment are shown at cost less accumulated depreciation.

Property, plant and equipment below the capitalisation threshold of €1,000 (except for Information Technology assets which have a threshold of €750) are expended in the Statement of Income and Expenditure and Retained Revenue Reserves in the year of purchase.

Depreciation is charged in the Statement of Income and Expenditure and Retained Revenue Reserves, on a straight-line basis, at the annual rates set out below, so as to write off the cost of the assets, adjusted for estimated residual value, over the expected useful life of each appropriate category.

• Equipment	20.00%
• Information Technology	33.33%
• Financial Management System	20.00%
• Furniture	10.00%
• Exhibition Related Assets	20.00%

f) Income Recognition

Grants from the Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media are accounted for on an accruals basis and represent cash grants receivable in the year. Other income is also accounted for on an accruals basis.

g) Retail Shops

Retail Shops are operated by the National Museum of Ireland. Inventory is valued using the average cost method.

h) Capital Account

State grants used for the purchase of fixed assets are transferred to the Capital Account in the year in which the expenditure is incurred and are credited to income over the useful lives of the related assets.

The Capital Account balance represents the unamortised funds utilised for the acquisition of fixed assets.

i) Employee Benefits

a) Short-term Benefits

Short-term benefits such as holiday pay are recognised as an expense in the year, and benefits that are accrued at year-end are included in the Payables figure in the Statement of Financial Position.

b) Retirement Benefits

In accordance with Section 33 of the National Cultural Institutions Act 1997, a Staff Superannuation Scheme consisting of a Main Scheme and associated Spouses & Children's Scheme has been submitted to the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media, for approval by the Minister and for the consent of the Minister for Public Expenditure & Reform.

The National Museum of Ireland's Staff Superannuation Scheme is a defined benefit scheme, which funded annually from monies made available to the National Museum of Ireland, including the allocation received from the Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media.

Benefits include a retirement gratuity and annual pension, a death gratuity (Main Scheme), and a spouses and/or dependants pension (if applicable) if the member predeceases his/her spouse (Spouses & Children's Scheme).

Pensions will normally increase, subject to Ministerial approval, in line with relevant pay increases applicable to serving staff. Such pension increases are effective from the same dates as pay increases.

New entrant staff, employed by the National Museum of Ireland after 1st January 2013 are members of the Single Public Service Pension Scheme in accordance with Public Service Pensions (Single Scheme and Other Provisions) Act 2012. The National Museum of Ireland makes the necessary deductions from salaries for staff who are part of the scheme. Employee contributions are transferred to the Department of Public Expenditure and Reform on a monthly basis in accordance with the Public Service Pensions (Single Scheme and Other Provisions) Act 2012.

Pension costs reflect pension benefits earned by staff in the period and are shown net of staff pension deductions, which are not retained by the National Museum of Ireland and are remitted to the Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media. An amount corresponding to the pension charge is recognised as income to the

extent that it is recoverable from the Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media, and offset by grants received in the year to discharge pension payments.

Actuarial gains and losses arising on scheme liabilities are reflected in the Statement of Comprehensive Income and a corresponding adjustment is recognised in the amount recoverable from the Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media. Pension liabilities represent the present value of future pension payments earned by staff to date. Deferred pension funding represents the corresponding asset, to be recovered in future periods from the Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media.

j) Operating Leases

Rental expenditure under operating leases is recognised in the Statement of Income and Expenditure and Retained Revenue Reserves over the life of the lease. Expenditure is recognised on a straight-line basis over the lease period, except where there are rental increases linked to the expected rate of inflation, in which case these increases are recognised when incurred. Any lease incentives received are recognised over the life of the lease.

k) Capital Grants

Grants of a capital nature are treated as deferred income and are released to the Statement of Income and Expenditure and Retained Revenue Reserves at the same rates as the related assets are depreciated.

l) Provisions

The National Museum of Ireland makes provisions for legal and constructive obligations, which it knows to be outstanding at the period end date. These provisions are generally made based on historical or other pertinent information, adjusted for recent trends where relevant. However, they are estimates of the financial costs of events that may not occur for some years. Because of this and the level of uncertainty attaching to the outcomes, the actual out-turn may differ significantly from that estimated.

m) Judgements and Estimates

a) Retirement Benefit Obligations

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

- (i) the discount rate, changes in the rate of return on high-quality corporate bonds.
- (ii) future compensation levels, future labour market conditions.
- (iii) healthcare cost trend rates, the rate of medical cost inflation in the relevant regions.

b) Heritage Assets

The Board exercised its judgement on the fact that the cost of obtaining a valuation of all heritage assets is not commensurate with the benefits of doing so.

8.2 Oireachtas Income

2. Oireachtas Income	2021	2020
AGENCY VOTE 33 Exchequer: subhead B10	€	€
Oireachtas Grant Current	13,870,000	13,151,000
Oireachtas Grant Capital	1,308,000	1,108,000
Oireachtas Grants for Specific Purposes:		
ARTEFACT Acquisition	1,099,682	-
Collections Resource Centre Storage	322,260	-
Monitoring Equipment	83,988	-
20th Century Ireland Exhibition (2021-2024)	73,933	-
Artist in Residence Programme Commemorations Unit (2021-2023)	25,000	-
COVID-19 Capital Grant Oireachtas A7 Grant	18,102	367,898
DECANT of Natural History	156,374	369,000
Artefact Digitised Collections Funding Scheme	-	172,080
COVID-19 Capital Grant Oireachtas B6 Grant	-	500,000
Live Streaming Equipment Grant	-	57,235
Natural History Business Case Grant 2020/21	-	194,495
Alison Lowry Acquisition	-	58,375
Deferred Funding for pensions	2,307,000	2,392,093
Employee Superannuation Contributions remitted to Department	(342,154)	(326,251)
	18,922,185	18,043,925

Income of €1,779,339 relating to Oireachtas grants for specific projects was recognised in the Statement of Income and Expenditure and Retained Revenue Reserves in 2021 (2020: €1,107,541).

Total expenditure of €1,900,435 was incurred on projects funded by the Oireachtas of this, €322,260 related to expenditure on fixed assets which was capitalised (2020: €57,235). Project Expenditure incurred as itemised Decant of Natural History €164,928, Covid-19 €33,100 Acquisitions €1,108,237 Monitoring Equipment €83,988 20th Century History of Ireland €125,513 CRC Shelving €359,669, Artist in Residence €25,000

8.3 Retail Income & Expenditure

3. Retail Income & Expenditure	2021	2020
	€	€
Sales	264,666	196,603
Cost of Sales	(157,887)	(142,793)
Gross Profit	106,779	53,810
Salaries	(325,182)	(420,170)
Administration costs	(37,630)	(22,251)
Net Profit/(Loss) for the year	(256,034)	(388,611)
Exceptional Items	-	-
Net Surplus/(Deficit) for year	(256,034)	(388,611)

The onset of COVID-19 necessitated the closure of the 3 retail units at the NMI sites which resulted in a material reduction in Retail income and the realization of operating losses within Retail. Retail salary costs of €325,182 was covered by the NMI payroll. In previous years such costs were financed by Retail Operations. Own Resource income was also reduced as a consequence of the closure of the NMI sites.

8.4 Own Resources

4. Own Resource Income

Own Resource Income represents income generated through the rental of National Museum of Ireland facilities for corporate functions and conferences and includes income generated from the catering franchises, filming and the sale of photographic rights and reproductions.

	2021 €	2020 €
Own Resource Income		
Corporate Hospitality	1,990	3,820
Catering	169	25,548
Filming	-	700
Car Parking	20,007	38,602
Photographic Rights and Reproductions	9,801	15,815
Event Income and Guided tours	20,000	-
Sundry Income	19,301	21,075
	71,268	105,560
Own Resource Expenditure		
Advertising and Marketing	-	(3,482)
Consultancy - Master planning	-	(2,625)
Commercial Operations Unit Salary Costs	(140,290)	-
Other Expenses	(6,607)	457
Total Expenditure	(146,897)	(5,650)
Net Own Resource Income	(75,629)	99,910

8.5 Other Income

	2021 €	2020 €
5. Other Income		
Project income	-	69,501
Exhibition sponsorship	150,000	157,753
Donations	33,270	37,143
	183,270	264,397

8.6 Other Administration Costs

	2021 €	2020 €
6. Other Administration Costs		
Information Technology	365,769	317,154
Travel and Subsistence	40,434	45,829
Board Expenses	1,323	9,452
Contracted Staff & Consultancy	196,374	267,811
Administration General	158,571	108,400
Training Costs	152,732	119,056
Human Resource Costs	70,558	55,150
Office Stationery and Supplies	5,880	5,301
Audit Fees	29,600	30,000
Internal Audit	9,250	23,205
Increase/(Decrease) in Claims Provision	21,060	(32,938)
Profit/Loss on disposal of fixed assets	810	-
Depreciation Charge	233,210	269,335
Telecommunications	85,204	102,694
	1,370,775	1,320,449

8.7 Costs of acquisition, management & display collections

7. Costs of acquisition, management & display collections	2021	2020
Services Expenditure	€	€
Exhibition Support	319,779	117,853
Marketing and Advertising	286,553	244,712
Utilities – including Heating, Lighting and Water Charges	951,133	759,053
Security	766,040	754,999
Maintenance and Cleaning	333,935	280,923
Postage and Telecommunications	8,975	6,942
Education Programmes	230,793	212,327
Transport and Haulage	13,084	15,988
Signage	3,138	-
Photography	21,470	8,801
Office Equipment and Supplies	-	3,096
Rent	733,796	550,053
Design	-	-
	3,668,696	2,954,747
Collections Expenditure		
Investigations/Research	23,845	17,699
Library	51,694	53,123
Conservation Works	28,275	15,018
Academic Publications	71,636	70,253
Archives/Documentation	469,096	309,744
Conservation Supplies	37,289	42,188
Storage	524,250	305,951
	1,206,085	813,976
Acquisition of Artefacts/Specimens		
Artefact Purchases	226,102	75,735
Artefact Acquisition – Funded	-	-
Finders' Rewards	16,375	60,427
Specimens Purchases	416	335
Miscellaneous Costs	9,152	1,331
	252,045	137,828
Total costs associated with acquisition, preservation, management and display of collections	5,126,826	3,906,551

8.8 Premises

8. Premises

The Commissioners of Public Works are responsible for the provision of services for the construction and maintenance of the buildings (occupied and unoccupied) leased and or owned by the National Museum. This does not include utilities. The costs involved are met from the Vote for the Commissioners of Public Works. The following premises are provided rent free to the Museum.

- National Museum of Ireland - Decorative Arts & History, Collins Barracks, Dublin 7.
- National Museum of Ireland - Archaeology, Kildare Street, Dublin 2.
- National Museum of Ireland - Natural History, Merrion Street, Dublin 2.
- National Museum of Ireland - Country Life, Turlough Park, Castlebar, Co. Mayo.
- Storage facility at the former Industrial School at Daingean, Co. Offaly.
- Storage facility at Beggars Bush, Dublin 2.
- Collections Treatment Premises, Lanesborough, Co. Roscommon. These premises are occupied and provided by Bord Na Mona rent free.

In addition, the Museum leases premises situated at the Collections Resource Centre in Swords, Co Dublin (see Note 13).

8.9 Capital Account

9. Capital Account	2021	2020
	€	€
Balance as at 1st January	509,749	535,520
Transfer from/(to) the Statement of Income and Expenditure & Retained Revenue Reserves		
To fund property plant & equipment purchases	310,254	243,564
Amortisation in line with asset depreciation	(233,210)	(269,335)
Amount realised on disposal of property, plant & equipment	(810)	-
	<u>76,234</u>	<u>(25,771)</u>
Balance as at 31st December	<u>585,983</u>	<u>509,749</u>

8.10 Property, Plant & Equipment

10. Property, Plant & Equipment	2021				
<u>Cost or Valuation</u>	Equipment €	Information Technology €	Furniture €	Exhibition Assets €	Total €
Opening Balance	2,995,382	2,140,510	805,829	3,623,061	9,564,782
Additions	158,586	115,154	5,826	30,689	310,254
Disposals	(282,473)	(115,167)	(129,608)	(6,430)	(533,678)
Closing Balance	<u>2,871,495</u>	<u>2,140,497</u>	<u>682,047</u>	<u>3,647,320</u>	<u>9,341,357</u>
<u>Accumulated Depreciation</u>					
Opening Balance	2,931,649	1,908,949	796,815	3,417,620	9,055,033
Depreciation charge for period	35,219	118,796	1,902	77,293	233,210
Disposals	(282,473)	(114,357)	(129,608)	(6,430)	(532,867)
Closing Balance	<u>2,684,395</u>	<u>1,913,388</u>	<u>669,109</u>	<u>3,488,483</u>	<u>8,755,376</u>
<u>Net Book Values</u>					
Closing Balance as at 31st December 2021	<u>187,100</u>	<u>227,109</u>	<u>12,938</u>	<u>158,837</u>	<u>585,981</u>
As at 31st December 2020	<u>63,734</u>	<u>231,562</u>	<u>9,013</u>	<u>205,441</u>	<u>509,749</u>

Land and buildings, owned by the State and maintained by the Commissioners of Public Works, are used free of charge by the National Museum of Ireland.

Prior Year Comparatives: Fixed Assets - Property, Plant & Equipment	2020				
<u>Cost or Valuation</u>	Equipment €	Information Technology €	Furniture €	Exhibition Assets €	Total €
Opening Balance	2,973,876	1,931,451	805,829	3,610,062	9,321,218
Additions	21,506	209,059	-	12,999	243,564
Disposals	-	-	-	-	-
Closing Balance	<u>2,995,382</u>	<u>2,140,510</u>	<u>805,829</u>	<u>3,623,061</u>	<u>9,564,782</u>
<u>Accumulated Depreciation</u>					
Opening Balance	2,908,932	1,807,047	794,911	3,274,808	8,785,698
Depreciation charge for period	22,716	101,902	1,905	142,812	269,335
Disposals	-	-	-	-	-
Closing Balance	<u>2,931,648</u>	<u>1,908,949</u>	<u>796,816</u>	<u>3,417,620</u>	<u>9,055,033</u>
<u>Net Book Values</u>					
Closing Balance as at 31 December 2020	<u>63,734</u>	<u>231,562</u>	<u>9,013</u>	<u>205,441</u>	<u>509,749</u>
As at 31st December 2019	<u>64,943</u>	<u>124,404</u>	<u>10,918</u>	<u>335,254</u>	<u>535,520</u>

8.11 Receivables

11. Receivables	2021	2020
	€	€
Prepayments	314,826	229,770
Accounts Receivable	51,725	3,967
Employee Schemes (Travel Pass etc.)	32,285	7,755
	398,836	241,491

8.12 Payables

12. Payables	2021	2020
	€	€
Creditors: Amounts falling due within 1 year		
Trade Creditors	105,159	60,791
Claims Provision	232,020	231,682
Accruals	1,005,969	567,724
Holiday Pay Accrual	216,485	276,654
VAT	37,497	3,236
Payroll deductions:		
PAYE/PRSI	208,977	188,053
Other	-	-
	1,806,107	1,328,140

8.13 Lease Commitments

13. Lease Commitments

NMI has net commitments of €650,000 (2020: €650,000) payable within the next twelve months on foot of a 20-year rental obligation for the Collections Resource Centre in Swords, Co Dublin, which commenced on 17 September 2010. The Collections Resource Centre in Swords is sublet to the NMI at an annual rent of €1,000,000 from the OPW. The Commissioners of Public Works provides an annual subvention of €350,000.

Under the lease agreement, a five year rent review was due on 17 September 2020 and negotiations are currently taking place to determine the future rent for the Centre. The Financial Statements for the current year include an estimate for the increase in the rent for the period to 31 December 2021 pending finalisation of the negotiations.

The total of future minimum lease payments under the non-cancellable operating lease is as follows:

	2021	2020
	€	€
No later than One Year	650,000	650,000
Later than One Year and no later than Five Years	2,600,000	2,600,000
Later than Five Years	2,413,014	3,063,041
	5,663,014	6,313,041

8.14 Salaries

14. Salaries

	2021		2020	
	Museum Operations €	Museum Shops €	Museum Operations €	Museum Shops €
a) Aggregate Employee Benefits				
Staff short-term benefits	7,069,799	295,564	7,024,376	381,957
Termination benefits	-	-	-	-
Employer's contribution to social welfare	679,284	29,618	703,599	38,212
	<u>7,749,083</u>	<u>325,182</u>	<u>7,727,975</u>	<u>420,169</u>
b) Staff short-term benefits				
	€	€	€	€
Basic Pay	6,878,743	283,568	6,862,649	368,891
Overtime	21,738	7,892	13,328	9,064
Allowances	169,319	4,105	148,399	4,002
	<u>7,069,800</u>	<u>295,564</u>	<u>7,024,376</u>	<u>381,957</u>
c) Termination benefits				
	€	€	€	€
Termination benefits charged to I&E	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Museum Staff Reporting	2021	FTE	2020	FTE
Museum Staff employed	164	158.18	158	151.00
Museum Retail and Own Recourse Staff	11	9.15	16	12.65
TOTAL STAFF Employed	<u>175</u>		<u>174</u>	

FTE * Full Time Equivalent Posts

d) Key Management Personnel

Key management personnel consist of the Director, Head of Collections and Learning and Head of Operations. The Head of Collections is currently on a career break from Feb 2019, the current Acting Head of Collections and Learning was appointed in April 2019.

The total value of employee benefits for key management personnel is set out below:

	2021	2020
	€	€
Salary	283,635	272,024
Allowances	24,783	20,303
	<u>308,418</u>	<u>292,327</u>

This does not include the value of retirement benefits earned in the period. The key management personnel are members of the public sector defined benefit superannuation scheme and their entitlements in that regard do not extend beyond the terms of the model public service pension scheme.

The superannuation entitlements of the Director are the standard entitlements of the public sector defined benefit superannuation scheme and entitlements in that regard do not extend beyond the terms of the model public service pension scheme.

e) Director's Salary and Benefits	2021	2020
	€	€
Basic Pay	119,405	114,590
Benefit in kind	-	-
	<u>119,405</u>	<u>114,590</u>

	2021	2020
	€	€
During 2021, the Director of the Museum incurred expenses of		
Director's Expenses	3,642	1,942
	<u>3,642</u>	<u>1,942</u>

8.15 Retirement Benefit Costs

15. Retirement Benefit Costs

a) Analysis of total retirement benefit costs charged to the Statement of Income and Expenditure and Retained Revenue Reserves

	2021	2020
	€	€
Current Service cost	2,702,000	2,540,000
Interest on defined benefit scheme liabilities	570,000	685,000
Employee Contributions	(342,154)	(326,251)
	<u>2,929,846</u>	<u>2,898,749</u>

b) Deferred Funding Asset for Pensions

NMI recognises an amount of €77,300,093 (2020: €68,950,093) as an asset corresponding to the unfunded deferred liability for retirement benefits on the basis of a number of past events. These events include the statutory basis for the establishment of the retirement benefit scheme, and the policy and practice in relation to funding public service retirement benefits including contributions by employees and the annual estimates process. NMI has no evidence that this funding policy will not continue to meet such sums in accordance with current practice.

c) Net Deferred Funding for retirement benefits

The net deferred funding for retirement benefits recognised in the Statement of Income and Expenditure and Retained Revenue Reserves was as follows:

	2021	2020
	€	€
Funding recoverable in respect of current year retirement benefit costs	3,272,000	3,225,000
State Grant applied to pay retirement benefits	(965,000)	(832,907)
	<u>2,307,000</u>	<u>2,392,093</u>

The deferred funding asset for retirement benefits as at 31st December 2021 amounted to €77,300,093 (2020: €68,950,093)

d) Movement in net retirement benefit obligations during the financial year	2021	2020
	€	€
Net retirement benefit obligation at 1 January	(68,950,093)	(66,500,000)
Current Service Cost	(2,702,000)	(2,540,000)
Interest Costs	(570,000)	(685,000)
Actuarial (loss)/gain on experience	(93,000)	1,463,000
Actuarial (loss)/gain on assumptions	(5,950,000)	(1,521,000)
Pensions paid in the year	965,000	832,907
	<u>(77,300,093)</u>	<u>(68,950,093)</u>

e) General Description of the Scheme

The main pension scheme in operation is a defined benefit final salary pension arrangement with benefits and contributions defined by reference to current “model” public sector scheme regulations.

The scheme provides a pension (eightieth per year of service), a gratuity or lump sum (three eightieths per year of service) and spouse’s and children’s pensions. Normal Retirement Age is a member’s 65th birthday, and pre 2004 members have an entitlement to retire without actuarial reduction from age 60.

Pensions will normally increase, subject to Ministerial approval, in line with relevant pay increases applicable to serving staff. Such pension increases are effective from the same dates as pay increases.

Pension benefits in respect of staff who retired prior to establishment date of 3rd May, 2005 continue to be paid from the vote for Superannuation and Retired Allowances.

Pension benefits in respect of staff who retired after the establishment date are, in accordance with the National Cultural Institutions Act 1997, payable by the National Museum of Ireland. These costs are provided for in these financial statements.

For employees who joined the public sector after 1st January 2013 there is a Single Public Service Pension Scheme in operation.

The Single Public Service scheme is a Career-Average Defined Benefit Pension Scheme. Retirement benefits are mainly based on a percentage of pensionable earnings throughout the public service career as a member of the Scheme.

For each pay period that contributions are made to the Scheme, an amount is built up towards retirement benefits. The total of these amounts at retirement, with some adjustments for increases in inflation for the amounts earned earlier in the career, determine what the retirement benefits will be.

Normal retirement age under the Scheme is the same as the age that employees can claim the Contributory State Pension from the Department of Employment Affairs and Social Protection. The maximum retirement age for employees who are members of the Single Pension Scheme is 70.

The valuation used for FRS102 disclosures has been based on a full actuarial valuation on 01st March 2022 by a qualified actuary, taking account of the requirements of the FRS in order to assess the scheme liabilities at 31st December 2021.

The principal actuarial assumptions were as follows:

	2021	2020
Discount Rate	1.20%	0.8%
Rate of Increase in Salaries	3.50%	2.50%
Rate of Increase in Pensions in payment	3.00%	2%
Inflation Rate	2.00%	1.75%

The mortality basis adopted allows for improvements in life expectancy over time. The table below shows the life expectancy for members attaining age 65 in 2021 and 2041

Year of attaining age 65	2021	2041
Life expectancy years – male	21.8	24.1
Life expectancy years – female	24.2	26.2

8.16 Retail Inventory

16. Retail Inventory

Stocks are valued at the average cost method.

	2021	2020
	€	€
Shop Stocks	272,510	303,561
Shop Stocks Obsolescence Reserve	(88,838)	(84,949)
	<u>183,672</u>	<u>218,612</u>

8.17 Heritage Assets

17. Heritage Assets

As outlined in Accounting Policy 1(d), the value of the Museum's collections is not included in the Statement of Financial Position. The Museum recognises that the heritage assets are owned by the State under Section 4 of The Dublin Science and Art Museum Act 1877, and that the Museum is the custodian in relation to these heritage assets under the provisions of the National Cultural Institutions Act 1997.

(a) Nature and scale of the collection

Four separate collecting departments curate the National Museum's collection:

Irish Antiquities Division

The Museum is the national repository for Irish antiquities, extending in date from the Mesolithic through to the end of the Middle Ages.

Based on collections assembled in the late 18th and 19th centuries by the Royal Dublin Society and the Royal Irish Academy, the archaeological collections have expanded considerably over the last 100 years and now number in excess of two million objects. The collection is significant in extent, diversity and quality: several areas - the prehistoric gold collections; ecclesiastical metalwork and personal ornaments of the early medieval period; and the Viking Dublin assemblage - are of acknowledged international importance.

Archaeological objects found in Ireland - including those found in the course of archaeological excavations - are deemed State property under the terms of the National Monuments Acts, 1930 to 2004. The core collection continues to grow rapidly, as a result of both chance discovery and large-scale archaeological excavation.

The Division holds substantial collections of Classical and Egyptian objects as well as a small collection of European antiquities. The Division's Ethnographical collections were collected primarily in the period between 1760 and 1914 and represent a range of cultures. They include material from Polynesia, Melanesia, Micronesia, North and South America, West and Southern Africa and South and East Asia.

Art & Industrial Division

The collections of the Division reflect Irish decorative and applied arts (including glass, ceramics, furniture and silverware) as well as Ireland's economic, social, industrial, political and military history over the last three centuries. The Division holds a significant quantity of material illustrating the 1916 Easter Rising and subsequent political and social events. It also maintains collections of Irish, European and Oriental Decorative Arts, which give an understanding of international design and culture as they relate to Ireland. It is estimated that the Art & Industry collections consist of 150,000 objects.

Irish Folk life Division

The Division's collections reflect Irish traditional life, with particular emphasis on rural Ireland. They include objects dealing with agriculture, fishing and hunting, clothing, architecture, vernacular furniture, trades and crafts, transport, sports and leisure, religion domestic metalwork and food-related material, glass, ceramics, straw, hay and wicker work, education, music, calendar customs and commercial activity. It consists of some 35,000 objects.

In 2001, the Folk life division gained a new home at Turlough Park House outside Castlebar, Co. Mayo, with the opening of the National Museum of Ireland – Country Life. Most of the Folk life collections were moved there, although some still remain stored in Daingean in Co. Offaly are in the process of being transferred to the Collections Resource Centre in Swords, Co. Dublin.

Natural History Division

The Division cares for the State collections in the disciplines of zoology, entomology and geology. (The botanical collections of the Museum were transferred to the National Botanic Gardens in 1970). The collections comprise approximately two million specimens. The largest of the collections, in terms of numbers, is the insect collection, which accounts for approximately half of all specimens. These collections have been accumulated over two centuries. The early origins of the museum lie with the Royal Dublin Society (RDS) who began gathering specimens in the 18th century. The collections are used as a reference resource by staff and research visitors, and play an important role in the identification of specimens such as insect pests that may have considerable economic significance.

(b) National Museum's policy on acquisitions, preservation management and disposal

Under the terms of the *National Cultural Institutions Act 1997* (Section 11 (1)) "the principal functions of the Board of the Museum shall be to maintain, manage, control, protect, preserve, record, research and enlarge the collection of museum heritage objects for the benefit of the public and to increase and diffuse in and outside the State knowledge of human life in Ireland, of the natural history of Ireland and of the relations of Ireland in these respects with other countries."

Acquisition - Bearing in mind the national remit of the National Museum of Ireland, in broad terms the objects to be acquired will be of one or all of the following:

- Be of national importance
- Have potential for display
- Be of research and educational use
- Be an artefact, which will fill a gap in the collection.

The museum will not acquire, whether by purchase, gift, bequest or exchange, any object or specimen unless the governing body or responsible officer is satisfied that the Museum can acquire, on behalf of the State, a valid title to the object in question, and that in particular it has not been acquired in, or exported from, its country of origin (or any intermediate country in which it may have been legally owned) in violation of that country's laws. (For the purposes of this paragraph 'country of origin' includes Ireland.) All acquisitions will be documented in accordance with best museum practice.

Conservation - The Museum's policy on conservation is based on a combination of preventative and remedial conservation, both designed to ensure the preservation of the Museum's collections. Conservation assessments of potential acquisitions should be carried out prior to acquisition, loan and display, and the condition of objects and specimens in the collections should be monitored. Collections should only be kept in rooms or buildings, which are structurally sound and where suitable environmental conditions can be maintained for the objects in question.

Management – A collections Inventory Project is underway to document an estimated four million objects and specimens. The number of objects requiring individual inventory entries is estimated at 789,000. Larger research collections will be group-recorded. This accounts for approximately 900,000 object records. In 2018, 11,022 records in total were validated, bringing the total number of validated records since the project began to 684,693.

Disposal - Before disposal can be considered it must be established that the objects concerned have not been accessioned or have been deaccessioned. A decision to dispose of a specimen or object, whether by exchange, sale, gift or destruction (in the case of an object too badly damaged to be of use) will be the responsibility of the Board acting on the advice of the Director and professional staff and not of the curator of the collection acting alone.

An amendment to the *National Monuments Act 1994* in the *National Cultural Institutions Act 1997* (Section 68 (2)) outlines the disposals procedure in the case of archaeological objects which are the property of the State as follows:

“... The Director may, at his or her discretion, if he or she is of opinion that the object is not of sufficient archaeological or historical interest to justify its retention by the State, dispose of the object by whatever means he or she thinks fit.”

Furthermore, the same section of the Act states:

“Where an archaeological object becomes the property of the State and the Director is of opinion that the object is predominantly more of local rather than national interest, the Director may place the object in the care of a designated museum.”

It goes on to state:

“An archaeological object that has been placed in the care of a designated museum ... shall not be disposed of other than by means of its transfer into the care of another designated museum or the National Museum of Ireland”.

Any monies received by the museum from the disposal of objects will be applied in the acquisition of objects to be added to the collections for the benefit of the collections.

8.18 Provision for Claims

18. Provision for Claims

The financial statements record at year end claims provision amount of €232,020 (2020: €231,682) in respect of 2 public liability and 2 employer’s liability claims being handled by the State Claims Agency on behalf of the National Museum of Ireland.

In accordance with FRS 102 section 21, the following amounts are disclosed with regard to the claims provision at the year-end:

	2021	2020
	€	€
Provision at 1 January	231,682	383,377
Net Increase/(decrease) in Provision	3,139	(15,057)
Amounts Paid by NMI	(2,801)	(136,638)
Provisions at 31 December	232,020	231,682

8.19 Contingencies

19. Contingencies

There are no contingencies provided for in the Financial Statements.

8.20 Events after the reporting period

20. Events after the reporting period

The Directors have considered the impact of the outbreak of COVID-19 on the operations of the Museum. The Directors are satisfied with the stated value of stock items and continue to monitor the impact of the outbreak of the operations on the Museum. The Directors are satisfied that the Museum will continue to operate for the foreseeable future.

This is based on a review of Cash Forecasts and Budget planning for the accounting period. The Audit and Risk Committee regularly review the Management Accounts in order to advise and update the Board on the financial position of the National Museum of Ireland.

8.21 Related Party Disclosures

21. Related Party Disclosures

There are no other transactions with related parties.

Key management personnel consist of the Director, Head of Collections and Learning and Head of Operations. The Head of Collections is currently on a career break from Feb 2019, the current Acting Head of Collections and Learning was appointed March 2019.

Total compensation paid to key management personnel amounted to €308,418, (2020: €292,327).

Accounting Officers Salary

The Accounting Officer for the National Museum of Ireland is the appointed Director of the National Museum of Ireland. The Salary details for the Director are reported in the Financial Statement note 8.14 Salaries, (e) Directors Salaries and Benefits.

As at 31st December 2021 the Accounting Officer as per the Directors current salary is at the grade of N45 Principal Officer Higher plus Higher Duty/Director's Allowance with an annual gross salary of €119,405. (As at 31st December 2020, €114,590).

8.22 Approval of Financial Statements

22. Approval of Financial Statements

The Board approved the financial statements on

Date: 30th June 2022