MUNSTER LITERATURE CENTRE

(A Company Limited by Guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

MUNSTER LITERATURE CENTRE
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COMPANY INFORMATION

Directors	Patricia Lucy Ned Fahy Aisling Meade Billy Ramsell Padraig Trehy Clara Murphy Nora Browne
Company secretary	Patrick Cotter
Registered number	306868
Registered office	Frank O'Connor House 84 Douglas Street Cork
Independent auditors	Crowleys DFK Unlimited Company Chartered Accountants and Statutory Audit Firm 5 Lapps Quay Cork
Bankers	Permanent TSB 40/41 Patrick Street Cork
Solicitors	John J Murphy & Co Courthouse Chambers Washington Street Cork

MUNSTER LITERATURE CENTRE
(A Company Limited by Guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their annual report and the audited financial statements for the year ended 31 December 2015.

Companies Act 2014

The Companies Act 2014 was signed into law in December 2014 and the vast majority of the provisions of the Act commenced on 1 June 2015. Accordingly, effective 1 June 2015 the law of the Company Limited by Guarantee (CLG) applies to the company without the company having to change its name.

Principal activities

The principal activity of the company is to promote the work and lives of Munster writers past and present.

Business review

Income for the year ended 31 December 2015 is €268,136. The directors believe that the coming year will yield similar results to the year ended 31 December 2014.

Directors

The directors who served during the year were:

Patricia Lucy
Ned Fahy
Aisling Meade
Billy Ramsell
Padraig Trehy
Clara Murphy
Nora Browne

Principal risks and uncertainties

The company is aware of the major risks to which the company is exposed, in particular those related to the operations and the finances of the company and are satisfied that systems are in place to mitigate exposure to major risks. The Board reviews and agrees policies for the prudent management of these risks as follows:

a) Commercial risk:
The company's income is exposed to fluctuations in funding available from the Arts Council and Cork City Council, in particular, and changes in general economic conditions in Ireland. The company has considered the risks prevalent and is in a position to change the emphasis of their sales in response to changes in economic conditions. The company is pro active in trying to stay ahead of the competition.

b) Currency risk:
The company operates solely in the Republic of Ireland. Therefore, the company is not subject to significant currency risks.

c) Finance and interest rate risk:
The company does not rely on significant borrowings and the company has a minimal exposure to interest rate risk.

d) Liquidity and cash flow risk:
The company is in a strong liquid position and does not foresee any cash flow risk in the near future. The company's policy is to ensure that sufficient resources are available from cash balances, cash flows and near liquid investments to ensure all obligations can be met when they fall due.

e) Credit risk:
The company's credit risk is predominately attributable to its trade debtors. Customers who wish to trade on credit terms are subject to strict verification procedures in advance of credit being awarded and are continually monitored.

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

Accounting records

The measures taken by the directors to ensure compliance with the requirements of Sections 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 84 Douglas Street, Cork.

Events since the end of the year

There have been no material events since the year end.

Future developments

There are no material changes anticipated in the business of the company at this time.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Statement on relevant audit information

In the case of each of the persons who are directors at the time this report is approved in accordance with section 332 of Companies Act 2014:

(a) so far as each director is aware, there is no relevant audit information of which the company's statutory auditors are unaware, and
(b) each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's statutory auditors are aware of that information.

Auditors

The auditors, Crowleys DFK Unlimited Company, continue in office in accordance with section 383(2) of the Companies Act 2014.

This report was approved by the board and signed on its behalf.

Pádraig Trehy Director	**Ned Fahy** Director
Date: 21 July 2016	Date: 21 July 2016

DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015

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

Irish company law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with Companies Act 2014 and FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council, and promulgated by the Institute of Chartered Accountants in Ireland ("relevant financial reporting framework").

Under company law, the directors must not approve financial statements unless they are satisfied that they give a true and fair value of the assets, liabilities and financial position of the Company as at the financial year end date and of the profit or loss of the company for 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 for the Company financial statements 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

Pádraig Trehy Director	**Ned Fahy** Director
Date: 21 July 2016	**Date: 21 July 2016**

CrowleysDFK
Chartered Accountants

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MUNSTER LITERATURE CENTRE

We have audited the financial statements of Munster Literature Centre for the year ended 31 December 2015, set out on pages 6 to 18. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland.

This report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' 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.

Respective responsibilities of Directors and Auditors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express our opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view, of the assets, liabilities and financial position of the Company as at 31 December 2015 and of its surplus for the year ended; and
- have been properly prepared in accordance with relevant financial reporting framework and in particular with the requirements of the Companies Act 2014.

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

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

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MUNSTER LITERATURE CENTRE

Matters on which we are required to report by exception

We have nothing to report in respect of our obligations under the Companies Act 2014 to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by section 305 to 312 of the Act are not made.

Tony Cooney
for and on behalf of
Crowleys DFK Unlimited Company
5 Lapps Quay
Cork

25 July 2016

INCOME AND EPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 €	2014 €
Income	3	268,136	234,258
Cost of publications		(8,155)	(7,872)
Gross income		259,981	226,386
Administration expenses		(229,482)	(231,708)
Operating surplus/(deficit)	4	30,499	(5,322)
Surplus/(deficit) for the year		30,499	(5,322)

All amounts relate to continuing operations.

The notes on pages 12 to 18 form part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 €	2014 €
Surplus for the financial year		30,499	(5,322)

There was no other comprehensive income for 2015 (2014:€NIL).

MUNSTER LITERATURE CENTRE
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BALANCE SHEET
AS AT 31 DECEMBER 2015

	Note		2015 €		2014 €
Fixed assets					
Tangible Fixed Assets	6		994		1,499
			994		1,499
Current assets					
Stocks	7	11,987		12,336	
Debtors Within One Year	8	6,655		5,322	
Cash At Bank And In Hand	9	44,071		13,941	
		62,713		31,599	
Creditors: Amounts Falling Due Within One Year	10	(13,463)		(13,353)	
Net current assets			49,250		18,246
Total assets less current liabilities			50,244		19,745
Net assets			50,244		19,745
Capital and reserves					
Capital Reserve			7,573		7,573
Retained earnings			42,671		12,172
Total reserves			50,244		19,745

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

Signed on behalf of the board:

Pádraig Trehy
Director

Date: 21 July 2016

Ned Fahy
Director

Date: 21 July 2016

The notes on pages 12 to 18 form part of these financial statements.

STATEMENT OF CHANGES IN RESERVES
FOR THE YEAR ENDED 31 DECEMBER 2015

	Capital reserve	Retained earnings	Total
	€	€	€
At 1 January 2015	7,573	12,172	19,745
Comprehensive income for the year			
Surplus for the year	-	30,499	30,499
At 31 December 2015	7,573	42,671	50,244

STATEMENT OF CHANGES IN RESERVES
FOR THE YEAR ENDED 31 DECEMBER 2014

	Capital reserve	Retained earnings	Total
	€	€	€
At 1 January 2014	7,573	17,494	25,067
Comprehensive income for the year			
Deficit for the year	-	(5,322)	(5,322)
Total comprehensive income for the year	-	(5,322)	(5,322)
At 31 December 2014	7,573	12,172	19,745

The notes on pages 12 to 18 form part of these financial statements.

MUNSTER LITERATURE CENTRE

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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015 €	2014 €
Cash flows from operating activities		
Surplus/(deficit) for the financial year	30,499	(5,322)
Adjustments for:		
Depreciation of tangible assets	505	1,569
Decrease in stocks	349	523
Increase in debtors	(1,333)	(2,463)
Increase in creditors	110	5,242
Net cash generated from operating activities	30,130	(451)
Cash flows from investing activities		
Purchase of tangible fixed assets	-	(916)
Net increase / (decrease) in cash and cash equivalents	30,130	(1,367)
Cash and cash equivalents at beginning of year	13,941	15,308
Cash and cash equivalents at the end of year	44,071	13,941
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	44,071	13,941
	44,071	13,941

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

1. Accounting policies

1.1 Basis of preparation of financial statements

These financial statements, comprising the Income and Expenditure Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes 1 to 19, constitute the individual financial statements of Munster Literature Centre for the financial year ended 31 December 2015. Munster Literature is a company limited by guarantee, incorporated in the Republic of Ireland. The registered office is 84 Douglas Street, Cork. The nature of the company's operations and its principal activities are set out in the Directors' report on pages 1 to 2. The company is limited by guarantee and has no share capital. At 31 December 2015, the company's members guarantee is limited to €12.70 each. The guarantee continues for one year after individual membership ceases.

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and Irish statute comprising of the Companies Act 2014.

Information on the impact of first-time adoption of FRS 102 is given in note 15.

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 2).

The following principal accounting policies have been applied:

1.2 Income

Income is generated through grant funding and the sale of books.

1.3 Tangible fixed assets

Tangible fixed assets under the cost model 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 the income statement during the period in which they are incurred.

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.

Depreciation is provided on the following basis:

Fixtures and fittings - 20%

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

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

1. Accounting policies (continued)

1.4 Stocks

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. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet 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.

1.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

1.7 Financial instruments

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income Statement.

1.8 Creditors

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

1.9 Taxation

Munster Literature Centre has been granted charitable exemption under Section 207, Taxes Consolidation Act 1997, charity reference number 12374.

1.10 Grants

Grants are recognised using the accruals model when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Grants towards capital expenditure are credited to deffered income and are released to the profit and loss account over the expected useful life of the related assets, by equal annual instalments. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

2. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Establishing lives for depreciation purposes of fixtures, fittings and equipment.

Long-lived assets, consisting primarily of property, plant and equipment, comprise a significant portion of the total assets. The annual depreciation charge depends primarily on the estimated lives of each type of asset and estimates of residual values. The directors regularly review these asset lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset lives can have a significant impact on depreciation and amortisation charges for the period. Detail of the useful lives is included in the accounting policies.

3. Analysis of Income

	2015	2014
	€	€
Revenue - Arts Council	115,000	110,507
Festival grants, sponsorship	-	1,600
Cork County Council	3,000	-
Cork City Council	76,600	52,000
Foras na Gaeilge	-	1,550
UCC grants	16,500	21,500
Artistic revenue	55,576	40,604
Book sales	1,460	2,514
Other income	-	3,983
	268,136	234,258

	2015	2014
	€	€
Republic of Ireland	268,136	234,258
	268,136	234,258

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

4. Operating surplus(deficit)

The operating surplus(deficit) is stated after charging:

	2015 €	2014 €
Depreciation of tangible fixed assets	505	1,569

5. Employees

Staff costs were as follows:

	2015 €	2014 €
Wages and salaries	75,395	75,338
	75,395	75,338

Capitalised employee costs during the year amounted to €NIL (2014 - €NIL).

The average monthly number of employees, including the directors, during the year was as follows:

	2015 No.	2014 No.
Employees	2	2

6. Tangible fixed assets

	Fixtures and fittings €
Cost or valuation	
At 1 January 2015	7,845
At 31 December 2015	7,845
Depreciation	
At 1 January 2015	6,346
Charge for the year	505
At 31 December 2015	6,851
Net book value	
At 31 December 2015	994
At 31 December 2014	1,499

6. Tangible fixed assets (continued)

	Fixtures and fittings €
Cost or valuation	
At 1 January 2014	24,345
Additions	916
Other movements	(17,416)
At 31 December 2014	7,845
Depreciation	
At 1 January 2014	22,193
Charge for the year	1,569
Other movements	(17,416)
At 31 December 2014	6,346
Net book value	
At 31 December 2014	1,499
At 31 December 2013	2,152

7. Stocks

	2015 €	2014 €
Stocks	11,987	12,336
	11,987	12,336

8. Debtors

	2015 €	2014 €
Other debtors	2,588	4,870
Prepayments and accrued income	4,067	452
	6,655	5,322

9. Cash and cash equivalents

	2015 €	2014 €
Bank and cash balances	44,071	13,941
	44,071	13,941

10. Creditors: Amounts falling due within one year

	2015 €	2014 €
PAYE/PRSI	5,301	10,272
Other creditors	734	-
Accruals	7,428	3,081
	13,463	13,353

11. Financial instruments

	2015 €	2014 €
Financial assets		
Bank and cash	44,071	13,941
Trade debtors	2,589	4,870
Financial assets that are debt instruments measured at amortised cost	46,660	18,811
Financial liabilities		
Other creditors	(5,301)	(10,272)
	(5,301)	(10,272)

12. Reserves

The capital reserve represents the unrestricted funds available to Munster Literature Centre from accumulated surpluses and deficits. The retained earnings represent cumulative surpluses and deficits recognised in the income and expenditure account, net of transfers to/from other reserves.

13. Company status

The company is limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding €12.70 towards the assets of the company in the event of liquidation. As at 31 December 2015 the company had 7 members (2014: 7 members).

14. Related party transactions

Key management personnel compensation
Total compensation paid to key management personnel in the year ended 31 December 2015 is €40,000 (2014: €41,067).

Other related parties
During the year the company secretary paid company expenses personally. At 31 December 2015 an amount of €734 is owed to the company secretary.

15. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on reserves or income or expenditure.

16. Approval of financial statements

The board of directors approved these financial statements for issue on 21 July 2016