


MUNSTER LITERATURE CENTRE
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2012

CORK • DUBLIN

5 Lapps Quay Cork Ireland
Tel +353 21 4272900 Fax +353 21 4277621 Email info@crowleysdfk.ie Web www.crowleysdfk.ie

Directors: James O'Connor Tony Cooney Colette Nagle Edward Murphy
Crowleys DFK Limited trading as Crowleys DFK. Registered Office: 5 Lapps Quay, Cork Company No. 393878.
A member firm of  DFK International a worldwide association of Independent firms.
Registered to carry on audit work and authorised to carry on investment business by the Institute of Chartered Accountants in Ireland (ICAI).
Chartered Accountants Ireland is the operating name of ICAI.

MUNSTER LITERATURE CENTRE

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MUNSTER LITERATURE CENTRE

DIRECTORS AND OTHER INFORMATION

Directors	Elizabeth O'Donoghue (Resigned 23/05/2012) Patricia Lucy Ned Fahy Aisling Meade Billy Ramsell Pádraig Trehy Clara Murphy Nora Browne
Secretary	Patrick Cotter
Company number	306868
Business address & registered office	Frank O' Connor House 84 Douglas Street Cork
Auditors	Crowleys DFK Limited 5 Lapp's Quay Cork
Bankers	Permanent TSB 40/41 Patrick Street Cork
Solicitors	John J. Murphy & Co. Courthouse Chambers Washington Street Cork

MUNSTER LITERATURE CENTRE

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2012

The directors present their report and the audited financial statements for the year ended 31st December 2012.

Principal activities, business review and future developments

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

Income for the year ended 31 December 2012 is €243,374. The directors believe that the coming year will yield results similar to year ended 31 December 2012.

Results and dividends

The results for the year are set out on page 7.

The directors do not recommend payment of a dividend.

Financial Risk Management objectives and policies

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 are in a position to change the emphasis of their income in response to changes in economic conditions. The company is proactive in trying to generate their own income.

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 operates predominately on a cash basis, therefore, they are not exposed to significant credit risk.

Directors

In accordance with the Articles of Association, the directors are required to retire by rotation and present themselves for re-election.

MUNSTER LITERATURE CENTRE
DIRECTORS' REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2012

..... continued

Books of account

The measures taken by the directors to ensure compliance with the requirements of Section 302, Companies Act, 1990, regarding proper books of account are the implementation of necessary policies and procedures for recording transactions, the employment of competent accounting personnel and appropriate expertise and the provision of adequate resources to the financial function. The books of account of the company are maintained in 31-December

Auditors

Crowleys DFK Limited were appointed auditors by the directors to fill the casual vacancy and they have expressed their willingness to continue in office in accordance with the provisions of Section 160(2) of the Companies Act, 1990.

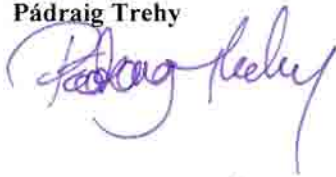
This report was approved by the Board on 15/04/13 and signed on its behalf by

Pádraig Trehy

Pádraig Trehy

Billy Ramsell

Billy Ramsell



MUNSTER LITERATURE CENTRE

**STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE MEMBERS' FINANCIAL STATEMENTS**

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable Irish law and generally accepted accounting practice in Ireland including the accounting standards issued by the Accounting Standards Board and published by the Institute of Chartered Accountants in Ireland.

Irish Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

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

- select suitable accounting policies and then 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 the company will continue in business.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and with Irish statute comprising the Companies Acts, 1963 to 2012. 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
Pádraig Trehy

Billy Ramsell
Billy Ramsell

Date: 15th April 2013

MUNSTER LITERATURE CENTRE

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MUNSTER LITERATURE CENTRE
FOR THE YEAR ENDED 31ST DECEMBER 2012**

We have audited the financial statements on pages 7 to 13 of Munster Literature Centre for the year ended 31st December 2012 which comprise the income and expenditure account, the balance sheet, cash flow statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 193 of the Companies Act, 1990. 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 described in the statement of directors' responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and generally accepted accounting practice in Ireland including the accounting standards issued by the Accounting Standards Board and published by the Institute of Chartered Accountants in Ireland.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, in accordance with generally accepted accounting practice in Ireland, and are properly prepared in accordance with the Companies Acts 1963 to 2012. We also report to you whether in our opinion: proper books of account have been kept by the company and whether the information given in the Directors' Report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit and whether the financial statements are in agreement with the books of account.

We report to the members if, in our opinion, any information specified by law regarding directors' remuneration and directors' transactions is not disclosed and, where practicable, include such information in our report.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

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MUNSTER LITERATURE CENTRE

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MUNSTER LITERATURE CENTRE
FOR THE YEAR ENDED 31ST DECEMBER 2012**

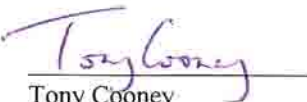
We have undertaken the audit in accordance with the requirements of the APB Ethical Standards including APB Ethical Standard - Provisions Available to Small Entities, in the circumstances set out in note 12 to the financial statements.

Opinion

In our opinion the financial statements give a true and fair view, in accordance with generally accepted accounting practice in Ireland, of the state of the company's affairs as at 31st December 2012 and of its surplus and cash flows for the year then ended and have been properly prepared in accordance with the requirements of the Companies Acts 1963 to 2012.

We have obtained all the information and explanations that we consider necessary for the purposes of our audit. In our opinion, proper books of account have been kept by the company. The financial statements are in agreement with the books of account.

In our opinion the information given in the directors' report is consistent with the financial statements.


Tony Cooney
For and on behalf of
Crowleys DFK Limited
Registered Auditors
5 Lapp's Quay
Cork

Date: 16/04/13

MUNSTER LITERATURE CENTRE

INCOME & EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2012

Continuing operations

		31/12/12	31/12/11
	Notes	€	€
Income	2	243,374	217,109
Cost of publications		(7,549)	(10,463)
Gross income		235,825	206,646
Administrative expenses		(234,804)	(234,632)
Surplus/(Deficit) for the period		1,021	(27,986)

There are no recognised gains or losses other than the surplus or deficit for the above two financial periods.

On behalf of the Board of Directors

Pádraig Trehv

Pádraig Trehv

Billy Ramsell

Billy Ramsell

Date: 15th April 2013

The notes on pages 10 to 13 form an integral part of these financial statements.

MUNSTER LITERATURE CENTRE

BALANCE SHEET
AS AT 31ST DECEMBER 2012

		2012	2011
Notes	€	€	€
Fixed assets			
Tangible assets	5	4,705	6,155
Current assets			
Stocks		12,067	11,035
Debtors	7	648	3,612
Cash at bank and in hand		14,984	10,286
		<u>27,699</u>	<u>24,933</u>
Creditors: amounts falling due within one year	8	<u>(11,096)</u>	<u>(10,573)</u>
Net current assets		<u>16,603</u>	<u>14,360</u>
Total assets less current liabilities		<u>21,308</u>	<u>20,515</u>
Net assets		<u>21,308</u>	<u>20,515</u>
Capital and reserves			
Capital reserve	9	7,573	7,573
Capital grant	6	-	228
Income and expenditure account	9	13,735	12,714
		<u>21,308</u>	<u>20,515</u>

On behalf of the Board of Directors

Pádraig Trehy
Pádraig Trehy




Billy Ramsell
Billy Ramsell

Date: 15th April 2013

MUNSTER LITERATURE CENTRE

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2012**

Notes	2012 €	2011 €
Reconciliation of operating surplus to net cash inflow from operating activities		
Operating surplus	1,021	(27,986)
Depreciation	2,937	3,664
Decrease/(increase) in stocks	(1,032)	1,265
Decrease/(increase) in debtors	2,964	528
Increase/ (decrease) in creditors	523	(1,636)
Capital grant released	(228)	(3,738)
Net cash inflow from operating activities	<u>6,185</u>	<u>(27,903)</u>
Cash flow statement		
Net cash inflow from operating activities	6,185	(27,903)
Capital expenditure	(1,487)	-
Increase/(decrease) in cash in the year	<u>4,698</u>	<u>(27,903)</u>
Reconciliation of net cash flow to movement in net funds (Note 10)		
Increase/(decrease) in cash in the year	4,698	(27,903)
Net funds at 1st January 2012	10,286	38,189
Net funds at 31st December 2012	<u>14,984</u>	<u>10,286</u>

MUNSTER LITERATURE CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2012

1. Statement of accounting policies

1.1. Basis of preparation

The audited financial statements are prepared in accordance with generally accepted accounting principles under the historical cost convention, as modified by the revaluation of certain fixed assets, and comply with financial reporting standards of the Accounting Standards Board.

1.2. Tangible fixed assets and depreciation

Depreciation

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost or valuation, less residual value, of each asset systematically over its expected useful life, as follows:

Fixtures, fittings and equipment - 20% straight line

1.3. Stock

Stock is valued at the lower of cost and net realisable value.

1.4. Grants

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

1.5. Going concern

The company has recorded a surplus of €2,898 for the year. The directors expect similar results in 2013. The company does not have any loans from financial institutions at the year end. The directors are confident that the company can rely upon the ongoing support of the Arts Council for its activities.

2. Income

The total income of the company for the year has been derived from its principal activity wholly undertaken in Ireland.

3. Operating Surplus/(Deficit)

Operating Surplus/(Deficit) is stated after charging:

Depreciation and other amounts written off tangible assets

Auditors' remuneration for audit

31/12/12	31/12/11
€	€
2,937	3,465
2,788	2,829

MUNSTER LITERATURE CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2012

..... continued

4. Employees

Number of employees

The average monthly numbers of employees
(including the directors) during the year were:

31/12/12 Number	31/12/11 Number
<u>2</u>	<u>2</u>

Employment costs

Wages and salaries

€	€
73,768	73,977
<u>73,768</u>	<u>73,977</u>

5. Tangible fixed assets

Fixtures,
fittings and
equipment

Total

Cost or valuation

At 1st January 2012

Additions

At 31st December 2012

€	€
22,493	22,493
1,487	1,487
<u>23,980</u>	<u>23,980</u>

Depreciation

At 1st January 2012

Charge for the year

At 31st December 2012

€	€
16,338	16,338
2,937	2,937
<u>19,275</u>	<u>19,275</u>

Net book values

At 31st December 2012

At 31st December 2011

€	€
4,705	4,705
<u>6,155</u>	<u>6,155</u>

MUNSTER LITERATURE CENTRE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2012

..... continued

6. Capital grant

	Capital grant €
Grant	
At 1 January 2012	37,381
At 31 December 2012	37,381
Amortisation	
At 1 January 2012	37,153
Amortisation for the year	228
At 31 December 2012	37,381
Net book values	
At 31 December 2012	-
At 31 December 2011	228

7. Debtors

	31/12/12 €	31/12/11 €
Trade debtors	152	2,320
Other debtors	496	1,292
	648	3,612

8. Creditors: amounts falling due within one year

	31/12/12 €	31/12/11 €
PAYE and social welfare	5,213	6,643
Other creditors	2,965	912
Accruals	2,918	3,018
	11,096	10,573

MUNSTER LITERATURE CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2012

..... continued

9. Equity reserves	Capital reserve €	Income and expenditure account €	Capital grant €	Total €
At 1st January 2012	7,573	12,714	228	20,515
Surplus/(deficit) for the year	-	1,021	-	1,021
Other movements	-	-	(228)	(228)
At 31st December 2012	7,573	13,735	-	21,308

10. Analysis of changes in net funds	Opening balance €	Cash flows €	Closing balance €
Cash at bank and in hand	10,286	4,698	14,984
Net funds	10,286	4,698	14,984

11. Accounting Periods

The current accounts are for a full year. The comparative accounts are for a full year.

12. APB Ethical Standards - Provisions available to small entities

In common with many other entities of our size and nature we use our auditors to prepare and submit returns to the tax authorities, to prepare and submit returns to the Companies Registration Office and to assist with the preparation of the financial statements.

13. Approval of financial statements

The financial statements were approved by the Board on 15th April 2013 and signed on its behalf by

Pádraig Trehy
Pádraig Trehy

Billy Ramsell
Billy Ramsell

MUNSTER LITERATURE CENTRE

DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2012

	2012	2011
	€	€
Income		
Revenue grant-Arts Council	133,480	95,880
Culture Ireland	-	2,440
Foras na Gaeilge	4,440	-
Festival grants, sponsorship and subscriptions	770	3,904
Cork County Council	1,800	1,800
Cork City Council	51,150	75,770
Artistic revenue	47,407	32,445
Book sales	3,598	4,451
Other income	729	419
	<u>243,374</u>	<u>217,109</u>
Cost of publications		
Opening stock	11,035	12,500
Purchases	8,581	8,998
Closing stock	(12,067)	(11,035)
	<u>(7,549)</u>	<u>(10,463)</u>
Gross surplus	<u>235,825</u>	<u>206,646</u>
Administrative expenses		
Wages and salaries	73,768	73,977
Hospitality and accommodation	20,790	29,328
Exhibition and festival costs	18,303	8,717
Readers' fees	57,945	48,318
Frank O'Connor Prize	25,000	35,000
Commissions payable	266	3,044
Rates	531	520
Insurance	771	720
Light and heat	1,011	1,259
Repairs, maintenance and removal expenses	4,051	2,373
Printing, postage and stationery	9,608	6,467
Advertising and consultancy	3,489	1,886
Telephone and internet	2,425	1,628
Travel	8,562	15,983
Audit and accountancy	2,788	2,829
Bank charges	604	547
Bad debt provision	1,877	-
Sundry expenses	306	2,309
Depreciation on fixtures, fittings and equipment	2,937	3,465
Amortisation of capital grant	(228)	(3,738)
	<u>234,804</u>	<u>234,632</u>
Surplus/(deficit) for the year	<u><u>1,021</u></u>	<u><u>(27,986)</u></u>