

Marsh's Library

Reports and Financial Statements
for the financial year ended
31 December 2017

MARSH'S LIBRARY

**REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

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MARSH'S LIBRARY

GOVERNORS AND GUARDIANS AND OTHER INFORMATION

**CURRENT GOVERNORS
AND GUARDIANS**

The Church of Ireland Archbishop of Dublin, The Most Revd. Michael Jackson (Chairman)
The Archbishop of Armagh, The Most Revd. Dr. Richard Clarke
The Dean of Christ Church, The Very Revd. Dermot Dunne
The Dean of St. Patrick's, The Very Revd. Dr. William Morton
The Chief Justice, Mr. Justice Frank Clarke (Appointed 28 July 2017)
The Chief Justice, Mrs. Justice Susan Denham (Resigned 28 July 2017)
The Provost of Trinity College, Dr. Patrick Prendergast
Mr. Philip Maddock

DIRECTOR

Dr. Jason McElligott

BUSINESS ADDRESS

St. Patrick's Close
Dublin 8

CHARITY NO.

CHY 509

**CHARITY REGULATORY
AUTHORITY NO.**

20000752

INDEPENDENT AUDITORS

Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House
Earlsfort Terrace
Dublin 2
Ireland

BANKERS

Bank of Ireland
88 Lower Camden Street
Dublin 2

MARSH'S LIBRARY

GOVERNORS' AND GUARDIANS' REPORT

Foreword by Chairman

As Chairman of the Governors and Guardians of Marsh's Library, it is my pleasure to present the Library's annual report and financial statements for 2017.

With its three hundred years of history, its fine architecture and its unique book collections many of which are significantly older, the Library is a treasure at the heart of Dublin.

The past year saw a number of diverse but complimentary developments:

- Capital allocation of €460,000 in our built heritage which enabled extensive restoration of its historic character and improved protection for the Library's collections;
- An increase in visitors of almost 15% over the preceding year;
- A veritable explosion of interest and engagement with the Library across social media platforms.

I would like to thank all those who support Marsh's Library.

I would like, in particular, to thank the Minister for Culture, Heritage and the Gaeltacht and her Department for their financial support which is critical to help meet our running costs and capital outlays. On behalf of the Governors and Guardians, I would also like to thank the Director and his team comprising staff and volunteers for their commitment, dedication and professionalism.

I commend this Report to you.

The Most Revd. Michael Jackson

Foreword by the Director

Marsh's Library has changed very little since it first opened its doors to the public over 300 years ago, but this report testifies to the dynamism of this small institution, its desire to reach out to new audiences, and its growing national and international profile as a high-quality tourist destination and centre for scholarly research. Perhaps the most surprising figure in this report is that such a small physical entity had more than 1,738,000 'impressions' upon its Twitter account in 2017.

The achievements laid out in this report are due entirely to the hard work, dedication and professionalism of the staff, interns and volunteers who consistently give so much of themselves. A quick glance at reviews by visitors on well-known travel sites will demonstrate to any reader how professionally, pleasantly, and passionately the staff perform their duties. I count myself exceptionally fortunate to be the director of an institution with such a dedicated and energetic team of people.

Dr Jason McElligott – Director *

*During 2018, a number of changes were agreed relating to the conditions of service for the post held by Jason McElligott, among which was a change of title from 'Keeper' to 'Director'.

MARSH'S LIBRARY

GOVERNORS' AND GUARDIANS' REPORT (CONTINUED)

Chapter 1 – Establishment, Mandate & Collections

Marsh's Library was incorporated in 1707 by an Act of Parliament called 'An Act for Settling and Preserving a Public Library for Ever'. For the first century and a half of its existence it was the only public library in Dublin. Located in St Patrick's Close, beside St Patrick's Cathedral in Dublin 8, it is a beautifully preserved library of the early Enlightenment. It was built with money provided by Archbishop Narcissus Marsh, an academic and book lover with a strong belief in the public utility of education and learning.

Today, it is an independent charitable trust open to the general public, students and scholars.

The Library's core collection consists of around 20,000 books and manuscripts produced between the fifteenth and eighteenth centuries. At the outset, the collection was amassed in four separate donations, the last of which was received in 1745. Many of these items are rare or unique, and the collection is of European significance. The books are housed on the original eighteenth-century oak bookshelves, and the building retains a number of rare architectural features. The building, and its front wall and gate, are protected structures.

In the two centuries after 1745, the Library grew slowly by individual bequests and purchases to around 25,000 items. In 2009, the library of Benjamin, 3rd Earl of Iveagh was donated to Marsh's Library by the Guinness family. These 5,500 books and manuscripts remain in their original purpose-built library in Farnleigh House in the Phoenix Park under the day-to-day care of a librarian employed by the Office of Public Works.

Apart from the Benjamin Iveagh Library, all of our books and manuscripts are located in the original library building in St Patrick's Close.

Today, the Library is both a cultural institution which attracts visitors from Ireland and across the world, and an academic research library open to those who wish to consult items in our collection.

Chapter 2 - Governance

Board level

The 1707 Act establishing the Library provided for a board of Governors and Guardians. These ex officio Governors and Guardians, known as the 'Governors and Guardians of Marsh's Library' are: The Church of Ireland Archbishop of Dublin (Chairman), the Church of Ireland Archbishop of Armagh, the Dean of St Patrick's Cathedral, Dublin, the Dean of Christ Church Cathedral, Dublin, the Chief Justice of Ireland, and the Provost of Trinity College Dublin. In addition, under the terms of Section 63 of the Cultural Institutions Act of 1997 the Minister for Arts, Heritage, Regional, Rural and Gaeltacht Affairs nominates two members to the board of Governors and Guardians. A list of the current membership of the board is set out at Appendix 1.

During the course of 2017, the board met on three occasions (20 March, 7 July, 2 October).

To support the work of the board, the board established a Governance subcommittee in early 2016 to advance a range of governance reforms. This group which comprises a mixture of board and external members, met on six occasions during 2017. A list of its membership is set out at Appendix 2.

Executive level

The staff of the Library, which comprises four full-time and five-part time members, is headed up by the Director, Dr Jason McElligott. In addition, a number of temporary part-time staff work to deliver the tourism operations of the Library. From time to time, interns also assist in the Library, usually in advance of applying for a library or archive qualification at a third-level educational institution. A team of around a dozen volunteers donate their time as visitor guides and commit to working between half-a-day and two days per week.

MARSH'S LIBRARY

GOVERNORS' AND GUARDIANS' REPORT (CONTINUED)

Chapter 3 – Financials

In 2017, Marsh's Library received a grant of €340,000 for current account expenditure from the Department of Culture, Heritage and the Gaeltacht. Other current income was derived from entrance charges levied on visitors; sales of books, stationery and exhibition catalogues; facility fees for filming and location hire; as well as donations from private individuals and philanthropic bodies.

During the year, a capital allocation of €460,000 was made by the Department of Culture, Heritage and the Gaeltacht which enabled the Library to repair and restore historic windows throughout the building; install a sliding glass door at the front entrance; provide gas-fired central heating; and allow for the installation of a mist-based fire suppression system throughout the ground floor of the Library.

The combined income for 2017 of €492,611 paid for the activities of the Library and all associated services and responsibilities.

As an independent charitable body in receipt of substantial funds from the State, Marsh's Library has a service level agreement in place with the Department of Culture, Heritage and the Gaeltacht to provide agreed outcomes consistent with its statutory mandate.

Chapter 4 – Key activities/outcomes for 2017

Visitors

During 2017, we welcomed 28,522 visitors and tourists to Marsh's, an increase of 14.83% on the figures for the previous year. Our visitors came from 90 countries across the globe, but the largest number came from the United States of America (20.25%), Ireland (18.47%), Italy (9.28%), France (9.25%), Spain (6.58%), and the United Kingdom (5.8%).

The Library aims to be a high-quality destination for visitors with an interest in Irish and European books, history and culture. The Library prides itself on its friendly and personal service to visitors. The quality of the service is evident from the positive reviews of the institution on platforms such as Tripadvisor.com. By the end of 2017, the Library had attracted more than 420 reviews on this site, of which 93% rated us as either 'excellent' (5*) or 'very good' (4*).

Some Reviews about Marsh's Library on TripAdvisor, 2017.

"The best 'mistake' of our vacation! We turned the wrong way leaving St. Patrick's Cathedral and accidentally wandered past Marsh's Library. What a fortunate error! If you love books, or libraries, or literature, or history, don't miss this treasure. The current special exhibit about stolen books is simply fascinating." Thorvald, Oak Park, Illinois. Reviewed 24 September 2017.

"This is definitely a gem, a beautiful library, awe inspiring. Very worth the visit. It was recommended to us as a must see and we were not disappointed. As a lover of books, my husband and I really enjoyed our time there." Patricia Ann, Nova Scotia, Canada. Reviewed 5 July 2017.

"Was really happy we stopped in this little library. They had a little exhibit on about the marginalia and doodles found in some of the books in the collections, which was a nice way to highlight some of their holdings. Was really impressed also with the little interactive stops and activities sprinkled throughout the library, and had fun writing with a quill and making our own marginalia. The staff was super friendly, and we enjoyed chatting and learning more about the library and Ireland when they found out it was our first visit. Only wish we had thought to buy a postcard or print on our way out!" TrotFox, Boston, Massachusetts. Reviewed 26 February 2017.

Chapter 4 – Key activities/outcomes for 2017 (continued)

Exhibitions

The Library mounts regular themed exhibitions of books and other items to showcase the range and depth of the collections. In the first five months of the year, 'The Unicorn & The Fencing Mouse' displayed a selection of ancient books into which drawings, doodles and annotations were scribbled by early readers.

Our exhibition 'Hunting Stolen Books' was opened in the Library on 20 May 2017. This provided an insight into the ways in which some readers used or abused their reading privileges in the eighteenth- and nineteenth centuries. The exhibition caught the imagination of visitors and was featured in The Irish Times and on RTE 1's flagship evening news broadcasts.

The online version of the exhibition is at: www.marshlibrary.ie/digi/exhibits/show/stolen-books

Scholarly Focus

The collection of books and manuscripts in the Library is significant in a national and international context. Many of the books are very rare, with as many as 380 of them existing in only one copy in the world: Marsh's! The historical and cultural importance of the collections, combined with the Library management's focus on promoting research activity and the building of national and international research collaborations, means that Marsh's has, in addition to its popular and cultural appeal, a significant international research profile.

The Library offers a series of tours, lectures, workshops and masterclasses for undergraduate and graduate students across a range of disciplines from universities in Dublin and throughout the island.

A panel of three papers about Marsh's Library was presented at the annual conference of the Renaissance Society of America in Chicago on 31 March.

'Mapping the Treasures of Two-Eighteenth-Century Libraries' is a research project to digitise and make freely available over 120 rare maps from the collections of Marsh's Library and the Armagh Robinson Library. This project, in collaboration with Dundalk Institute of Technology to provide the images and explanatory text was awarded €6,893 of funding by the Department of Culture, Heritage and the Gaeltacht. The images will be available to the public in September 2018.

Professor Javier Del Barco from the University of Madrid spent the autumn of 2017 working through our collection of around 180 early Jewish books. Funding of €12,324 for this project was provided by a charitable foundation based in Britain. Among Professor Del Barco's many interesting discoveries was a very rare book, previously unknown to be held in our collection; an item in Hebrew printed in Lisbon in Portugal on 16 July 1489.

Throughout 2017, Marsh's Library collaborated with Professor Marc Caball of UCD on an Irish Research Council-funded project 'Mapping Readers and Readership in Dublin, 1826-1926: A New Cultural Geography'. This project employs a post-doctoral history student and a graduate computer scientist. It will collate and utilise data from unique extant records of readership at Marsh's Library to map the changing social, cultural and geographical aspects of reading in Dublin in the century after the Library's extant reader records.

In November, as part of the first Jonathan Swift Festival, the forensic anthropologist Dr René Gapert presented a reconstruction of the facial features of 'Stella' – Swift's female companion – based on the cast of her skull in Marsh's Library. Dr Gapert's project represents an exciting use of historic artefacts and modern scientific techniques in order to bring history alive.

Chapter 4 – Key activities/outcomes for 2017 (continued)

Social Media

Marsh's is a small library with a significant national and international footprint on the web and social media platforms. Between 1 January and 31 December we had 1,738,600 'impressions' on our Twitter account, an increase of 23.2% on the figures for 2016. Our figures for views of our Facebook page were just over 350,000. These reflect our distinctive approach to posting about the riches of our building and collections, and the ways in which visitors and readers use them. By the end of 2017, we had 5,000 followers on Twitter and 4,200 on Facebook.

A video made about the Library by a blogger was viewed in excess of 5.7 million times after it was posted online in October 2017. The much over-used phrase about 'going viral' is very appropriate in this case: www.facebook.com/historyfangirl/videos/1433336800098905/

Conservation and Preservation

Marsh's Library operates a conservation bindery in a purpose-built facility onsite. The conservator monitors the condition of the collections and undertakes repairs, conservation and preservation of individual items. In 2017, work was undertaken on a programme to conserve and preserve our earliest books – these comprised 80 incunables published between the invention of printing with moveable type and the dawn of the sixteenth century.

Appendix 1: Membership of the Board of Marsh's Library

Membership of the Governors and Guardians of Marsh's Library (the 'Board'), 2017

The 1707 Act which established the Library provided for the structure and membership of a board of Governors and Guardians which (with some modifications) remains in place. These ex officio Governors and Guardians are known as the 'Governors and Guardians of Marsh's Library'. They are:

- The Church of Ireland Archbishop of Dublin (Chairman) (His Grace, the Most Revd Dr Michael Jackson)
- The Church of Ireland Archbishop of Armagh (His Grace, the Most Revd Dr Richard Clarke)
- The Dean of St Patrick's Cathedral, Dublin (the Very Revd Dr William Morton)
- The Dean of Christ Church Cathedral, Dublin (the Very Revd Dermot Dunne)
- The Chief Justice of Ireland (From 28 July 2017 this was Mr Justice Frank Clarke, after the retirement of Mrs Justice Susan Denham)
- The Provost of Trinity College Dublin (Dr Patrick Prendergast)

Under the terms of Section 63 of the Cultural Institutions Act of 1997 the Minister for Culture, Heritage and the Gaeltacht nominates two members to the board of Governors and Guardians, each of whom serves for a period of five years, with the possibility of a second term of five years. In 2017, the Minister's nominee on the board of Marsh's Library was:

- Mr Philip Maddock, Rhode Island, USA.

A second appointment will be made in due course.

Appendix 2: Membership of the Governance sub-committee of the Board

The Church of Ireland Archbishop of Dublin (Chairman) (His Grace, the Most Revd Dr Michael Jackson); Mr David Caird; Mr Gerry Kearney; Mr Philip Maddock; Ms Jane Maxwell; Mr Graham Richards.

MARSH'S LIBRARY

GOVERNORS' AND GUARDIANS' RESPONSIBILITIES STATEMENT

The Library was incorporated under the 1707 Act of Irish Parliament 6 Anne C.19. The Act vested the house and books in a number of Governors and Guardians known as the Governors and Guardians of Marsh's Library. Under this Act the Governors and Guardians are responsible for making such orders and rules as they see fit for the better government and management of the house and Library. Under this Act they are also responsible for the safeguarding of the house and books and all other future donations to the Library which cannot be forfeited, sold or otherwise disposed of.

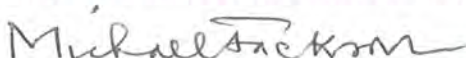
The Governors and Guardians acknowledge their responsibility to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Library and of the results of the Library for that period. In preparing those financial statements, the Governors and Guardians are required to:

- select suitable accounting policies for the financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Library will continue in business.

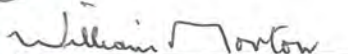
The Governors and Guardians acknowledge their responsibility for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the Library and to enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland. They are also responsible for safeguarding the assets of the Library and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors and Guardians are also responsible for the maintenance and integrity of the corporate and financial information included on the Library's website.

Signed on behalf of the Governors and Guardians:



Michael Jackson
Governor and Guardian



William Morton
Governor and Guardian

2 July 2018
Date

Independent Auditor's Report to the Governors and Guardians of Marsh's Library

Report on the audit of the financial statements

Opinion on the financial statements of Marsh's Library ("the Library")

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Library as at 31 December 2017 and of the surplus for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework.

The financial statements we have audited comprise:

- the Statement of Comprehensive Income;
- the Balance Sheet;
- the Statement of Changes in Reserves;
- the Statement of Cash Flows; and
- and the related notes 1 to 17, including a summary of significant accounting policies as set out in note 1.

The relevant financial reporting framework that has been applied in their preparation is FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("the relevant financial reporting framework").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the Library in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The Governors and Guardians are responsible for the other information. The other information comprises the information included in the Reports and Financial Statements for the financial year ended 31 December 2017 other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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Independent Auditor's Report to the Governors and Guardians of Marsh's Library

Other information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Governors and Guardians

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

In preparing the financial statements, the Governors and Guardians are responsible for assessing the Library's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors and Guardians either intend to liquidate the Library to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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Independent Auditor's Report to the Governors and Guardians of Marsh's Library

Auditor's responsibilities for the audit of the financial statements (continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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



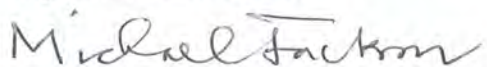
James Schmidt
For and behalf of Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House
Earlsfort Terrace
Dublin 2

Date: 6 July 2018

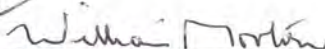
MARSH'S LIBRARY**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

	Notes	2017 €	2016 €
INCOME			
Entrance fees		62,480	47,821
Donations and fundraising income		8,801	38,824
Government grants - general	4	340,000	320,000
Government grants – library works	4	59,313	119,965
Government grant – cross border collaboration mapping project	4	6,893	-
Jewish books project		12,324	-
Other income		2,800	8,847
Total income		492,611	535,457
EXPENDITURE			
Operating expenses		(477,426)	(614,453)
OPERATING SURPLUS/(DEFICIT)	5	15,185	(78,996)
Investment income	6	13	11,890
SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR		15,198	(67,106)

The financial statements were approved by the Governors and Guardians on 2 July 2018 and signed on their behalf by:



Michael Jackson
Governor and Guardian



William Morton
Governor and Guardian

MARSH'S LIBRARY

**BALANCE SHEET
AS AT 31 DECEMBER 2017**

	Notes	2017 €	2016 €
Fixed Assets			
Heritage assets	9	61,142,292	61,140,271
Tangible assets	10	325,825	21,622
		61,468,117	61,161,893
Current Assets			
Debtors	11	2,890	8,152
Cash at bank and in hand		306,742	282,728
		309,632	290,880
Creditors: Amounts falling due within one year	12	(30,830)	(36,165)
Net current assets		278,802	254,715
Creditors: Amounts falling due after more than one year	13	(315,113)	-
NET ASSETS		61,431,806	61,416,608
Capital and reserves			
Accumulated funds		289,514	276,337
Heritage assets: – accumulated funds	9	3,899,092	3,897,071
– revaluation reserve	9	57,243,200	57,243,200
		61,431,806	61,416,608

The financial statements were approved by the Governors and Guardians on 2 July 2018 and signed on their behalf by:

Michael Jackson

Michael Jackson
Governor and Guardian

William Morton

William Morton
Governor and Guardian

MARSH'S LIBRARY**STATEMENT OF CHANGES IN RESERVES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

	Accumulated funds €	Revaluation Reserves €	Capital Grants €	Total €
At 1 January 2016	4,240,514	57,243,200	-	61,483,714
Deficit for the financial year	<u>(67,106)</u>	<u>-</u>	<u>-</u>	<u>(67,106)</u>
At 31 December 2016	4,173,408	57,243,200	-	61,416,608
Surplus for the financial year	<u>15,198</u>	<u>-</u>	<u>-</u>	<u>15,198</u>
At 31 December 2017	<u>4,188,606</u>	<u>57,243,200</u>	<u>-</u>	<u>61,431,806</u>

MARSH'S LIBRARY**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

	<i>Notes</i>	2017 €	2016 €
Cashflows from charitable activities			
Net cash used in charitable activities	14	26,022	(96,139)
		<hr/>	<hr/>
Cash provided by investing activities			
Purchase of tangible assets		(319,368)	(7,561)
Purchase of heritage assets		(2,021)	(286)
Proceeds from sale of unlisted investment		-	193,145
Investment income		13	11,890
Net cash provided by investing activities		(321,376)	197,188
		<hr/>	<hr/>
Financing activities			
Capital grants		319,368	-
Change in cash and cash equivalents in the reporting year		24,014	101,049
Cash and cash equivalents at the beginning of the reporting year		282,728	181,679
		<hr/>	<hr/>
Cash and cash equivalents at the end of the reporting year		306,742	282,728
		<hr/>	<hr/>
Reconciliation to cash at bank and in hand:			
Cash and cash equivalents at end of financial year		306,742	282,728
		<hr/>	<hr/>

1. ACCOUNTING POLICIES

The significant accounting policies and estimation techniques adopted by the Governors and Guardians of Marsh's Library are as follows:

Basis of Preparation

The financial statements have been prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Basis of Accounting

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council, and promulgated for use in Ireland by Chartered Accountants Ireland.

Going Concern

The Library's forecasts and projections, taking account of reasonable possible changes in performance, show that the Library will be able to operate within the level of its current cash and investment resources due to recommencement of the government grants in the current financial year. The Governors and Guardians have a reasonable expectation that the Library has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Fixed Assets

Fixed assets are accounted for as follows:

Heritage Assets

Heritage assets are accounted for under Section 34 of FRS 102.

- A heritage asset is defined as a tangible asset with historical, artistic, scientific, technological, geophysical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture.
- The principal function of the Governors and Guardians of Marsh's Library is the preservation of a public library for ever in the property known as Marsh's Library located at St. Patrick's Close, Dublin 8 for the use of all persons. The Governors and Guardians consider all its Library materials and its property to be heritage assets.

In accordance with Financial Reporting Standards 102 (FRS 102) donated and heritage funded assets are recognised in the financial statements initially through the Statement of Comprehensive Income.

1. ACCOUNTING POLICIES (CONTINUED)

Heritage Assets (continued)

The basis of values reported for additions to heritage assets are:

- historical cost where assets are purchased;
- external valuation where assets are donated or librarian's best estimate where not available;
- where the Library has availed of Section 1003 of the Taxes Consolidation Act 1997, (as amended by the Finance Act 2002) the Library accepts the valuation of the Office of the Revenue Commissioners.
- The Governors and Guardians do not consider that reliable cost or valuation information can be obtained for its Library building due to the historic nature of the building and the lack of comparable market values.
- In addition the Governors and Guardians are prohibited from disposing of any of their Library materials and the Library building in the 1707 Act of Irish Parliament 6. Anne C. 19.

Other tangible assets

Up to the financial year ended 31 December 2011 the Library expensed its other tangible fixed assets to the income and expenditure account in full in the period the cost was incurred.

From 1 January 2012 other tangible assets are stated at cost less accumulated depreciation. Items with a value of less than €1,000 are charged to the income and expenditure account, in full, in the period the cost is incurred.

Depreciation is provided on a straight line basis to write off the cost of the assets over their estimated useful lives at the following annual rates:

Furniture and computer equipment	20%
Fixtures and Fittings	12.5%

Assets under construction are not depreciated until they have come into use.

Recognition of Income Including Revenue Grants

Revenue Grants received from State bodies are recorded as income on a receivable basis. Donations, specific project income and all other similar income is recognised in the income and expenditure account on a receipts basis. Bindery income is recognised in the period in which it is earned.

Capital grants

Capital grants received from State Bodies are recorded on a receivable basis and are treated as deferred credits and are amortised to the Statement of Comprehensive Income on the same basis as the related assets are depreciated. Where necessary, an appropriate allocation is used to recognise the element of capital grants relating to library repairs and renovations and these amounts are recorded as revenue on the basis that the related expenditure is expensed in the statement of comprehensive income.

Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. Financial liabilities are classified according to the substance of the contractual arrangements entered into. All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar instrument.

1. ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

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

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

Financial Assets

Financial assets are stated at market value and all gains and losses are recognised in the Statement of Comprehensive Income.

Taxation

No charge to taxation arises due to the exempt status of the Library.

Irrecoverable VAT is charged to the income and expenditure account or capitalised as part of the cost of the related asset, where appropriate.

Pension Costs

The Library operates a defined contribution pension scheme for certain employees. Retirement benefits to certain employees of the Library are funded by contributions from the Library and its employees. Payments are made to a pension trust which is financially separate from the Library. These payments are charged against the results of the year in which they became payable.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Entity's accounting policies, which are described in note 1, the governors and guardians are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The significant judgements and estimates made by the Governors and Guardians for the current financial year relate to the valuation of heritage assets.

MARSH'S LIBRARY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

3. ESTABLISHMENT OF MARSH'S LIBRARY AND GOVERNORS AND GUARDIANS OF MARSH'S LIBRARY

The Library was incorporated under the 1707 Act of Irish Parliament 6 Anne C.19 for the preservation of a public library for ever in the property known as Marsh's Library for the use of all persons.

The public library and its contents were vested to a group of Governors and Guardians known as the Governors and Guardians of Marsh's Library who are responsible for the making of such orders and rules as they see fit for the better government and management of the house and library and for the safeguarding of the house and library assets which cannot be forfeited, sold or otherwise disposed of.

4. GOVERNMENT GRANTS	2017 €	2016 €
Dept. of the Arts, Heritage, Regional, Rural and Gaeltacht Affairs:		
Grant - general	340,000	320,000
Grant - library works	59,313	119,965
Grant - cross border collaboration mapping project	6,893	-
	<hr/>	<hr/>
Grant - capital (Note 13)	319,368	-
	<hr/>	<hr/>
5. OPERATING SURPLUS /(DEFICIT)	2017 €	2016 €
The operating surplus/(deficit) for the financial year is stated after charging:		
Depreciation	15,165	11,816
	<hr/>	<hr/>
6. INVESTMENT INCOME	2017 €	2016 €
Realised gain on investments	-	32,295
Unrealised loss on investments	-	(20,405)
Deposit income	13	-
	<hr/>	<hr/>
	13	11,890
	<hr/>	<hr/>

7. TAXATION

The Library has been granted charitable tax exemption by the Revenue Commissioners.

MARSH'S LIBRARY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

8. STAFF COSTS

The average number of employees during the financial year was 11 (2016: 13).

Staff costs are comprised of:	2017	2016
	€	€
Salaries	239,627	281,318
Social welfare costs	25,478	27,098
Pension costs	12,402	11,439
Redundancy and related costs	-	20,000
	277,507	339,855

9. HERITAGE ASSETS

Cost or valuation:	Farmleigh Collection	Other Library Collection	Total
	€	€	€
At 1 January 2017	7,500,000	53,640,271	61,140,271
Additions and donations	-	2,021	2,021
At 31 December 2017	7,500,000	53,642,292	61,142,292

A valuation of the Farmleigh Collection was undertaken in December 2013 by De Burca Rare Books Limited, who valued the collection at €7,500,000 based on current market and auction trends.

A valuation of the Library collection was undertaken in May 2014 by De Burca Rare Books Limited, who valued the total Library collection at €53,600,000. This valuation was completed using a sample based approach and scaling it up to the full collection. The valuation was based on current market and auction trends.

The valuations were adopted by the Governors in the financial year ended 2012. The surplus arising on revaluation is included in the revaluation reserve of €57,243,200.

Under the 1707 Act the Library's heritage assets cannot be disposed of in any way.

Five year summary of heritage asset transactions

Cost or valuation:	2017	2016	2015	2014	2013
	€	€	€	€	€
Purchases	1,592	286	1,359	1,562	8,641
Donations	429	26,012	10,415	637	739
	2,021	26,298	11,774	2,199	9,380

All items within the Library Collection and the building known as Marsh's Library contribute to maintaining the record of Ireland's cultural and intellectual heritage and to the advancement of knowledge of, in and for Ireland. The collection is catalogued by the Library and is available on the Library's website.

MARSH'S LIBRARY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

10. TANGIBLE ASSETS

	Furniture, computers and equipment €	Assets under construction €	Total €
Cost:			
At 1 January 2017	56,939	-	56,939
Additions	188,746	130,622	319,368
At 31 December 2017	245,685	130,622	376,307
Depreciation:			
At 1 January 2017	35,317	-	35,317
Charge for financial year	15,165	-	15,165
At 31 December 2017	50,482	-	50,482
Net Book Value:			
At 31 December 2017	195,203	130,622	325,825
At 31 December 2016	21,622	-	21,622

11. DEBTORS

Amounts falling due within one year	2017	2016
	€	€
Prepayments	2,890	8,152

12. CREDITORS

Amounts falling due within one year	2017	2016
	€	€
Creditors and accruals	14,851	27,081
PAYE/PRSI	5,979	5,847
Deferred Income	10,000	3,237
	30,830	36,165

MARSH'S LIBRARY**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

13. CREDITORS: Amounts falling due after more than one year	2017	2016
	€	€
Government grants:		
Balance as at 1 January	-	-
Received in year	319,368	-
Amortised in year	(4,255)	-
Balance as at 31 December	315,113	-

**14. RECONCILIATION OF OPERATING SURPLUS/(DEFICIT) TO
NET CASH FLOWS FROM CHARITABLE ACTIVITIES**

	2017	2016
	€	€
OPERATING SURPLUS / (DEFICIT) FOR THE YEAR	15,185	(78,996)
<i>Adjustments for:</i>		
Depreciation of fixed assets	15,165	11,816
Amortisation of government grants	(4,255)	-
Realised gain on investments	-	(32,295)
Unrealised loss on investments	-	20,405
Decrease in debtors	5,262	8,573
Decrease/(increase) in creditors	(5,335)	37
Heritage asset donations	-	(26,012)
NET CASH USED IN CHARITABLE ACTIVITIES	26,022	(96,139)

15. CAPITAL COMMITMENTS

Capital expenditure totalling €104,918 was contracted for at the balance sheet date in respect of which capital grants totalling €81,319 were approved but not drawn down.

16. SUBSEQUENT EVENTS

There have been no significant events affecting the Library since the balance sheet date.

17. KEY MANAGEMENT COMPENSATION

The total remuneration for key management personnel for the financial year amounted to €76,073 (2016: €76,073). Under FRS 102, this amount includes gross salary, employer PRSI contributions and employer pension contributions. The Governors and Guardians receive no financial reward or expenses of any kind.