

Marsh's Library

Reports and Financial Statements
for the financial year ended
31 December 2015

MARSH'S LIBRARY
REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	PAGE
CONTENTS	
GOVERNORS AND GUARDIANS AND OTHER INFORMATION	2
GOVERNORS' AND GUARDIANS' REPORT	3 - 7
GOVERNORS' AND GUARDIANS' RESPONSIBILITIES STATEMENT	8
INDEPENDENT AUDITORS' REPORT	9
STATEMENT OF COMPREHENSIVE INCOME	10
BALANCE SHEET	11
STATEMENT OF CHANGES IN RESERVES	12
STATEMENT OF CASH FLOWS	13
NOTES TO THE FINANCIAL STATEMENTS	14 - 21
SUPPLEMENTARY INFORMATION	22 - 23

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. Victor Stacey
The Chief Justice, Mrs. Justice Susan Denham
The Provost of Trinity College, Dr. Patrick Prendergast
Professor Andrew Carpenter
Dr. Philip Maddock

KEEPER

Dr. Jason McElligott

BUSINESS ADDRESS

St. Patrick's Close
Dublin 8

CHARITY NO.

CHY 509

**CHARITY REGULATORY
AUTHORITY NO.**

20000752

INDEPENDENT AUDITORS

Deloitte
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

Marsh's Library

Background

Marsh's Library is located in St Patrick's Close, Dublin 8 beside St Patrick's Cathedral. 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.

The 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. Today, it is a charitable trust open to the general public, students and scholars, and is independent of any and all other institutions and entities.

The Collection

Its core collection consists of around 20,000 books and manuscripts produced between the fifteenth and eighteenth centuries. 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. The building retains its architectural character, and displays a number of rare architectural features. The building and its front wall and gate are protected structures (listed as items no 7747 and 7748 in Dublin City Council's Register of Protected Structures).

In the two centuries after 1745, the Library grew slowly by individual bequests and purchases to around 25,000 items. Many of these bequests and purchases happened between 1900 and 1950, and consist of modern references works or historical texts.

There were two significant donations of rare books to the Library during the twentieth century. A collection of 1,200 books amassed by the Rev. Godfrey Everth was received in 1918, and in 2009 the 5,500 volumes of the Benjamin Iveagh Library were donated to Marsh's Library by the Guinness family.

The Benjamin Iveagh Library will remain in its original purpose-built library in Farmleigh House in the Phoenix Park. It is under the day-to-day care of the Office of Public Works, but the Keeper of Marsh's Library chairs the Management Committee which oversees the management of the collection and the ownership is vested in the Governors and Guardians of Marsh's Library. All of our other books and manuscripts are located in the original library building in St Patrick's Close.

Contemporary Uses of the Library

The Library is both an academic research library open to those who wish to consult items in our collection, and a cultural institution which attracts visitors from Ireland and across the world. Scholars and students using our collections are admitted free, while tourist visitors pay a small individual charge of €3, which is discounted to €2 for students and senior citizens. All school groups and individual children under 16 are admitted free, as are those in receipt of social welfare payments.

Contemporary Uses of the Library (Continued)

The Library mounts regular themed exhibitions of books and other items in order to showcase the range and depth of the collections:

- The exhibition 'James Joyce: Apocalypse & Exile', which was launched in October 2014 continued into 2015.
- 'From Lublin to Dublin: Jewish Books in Marsh's Library' was curated by the late Professor Shlomo Berger of the University of Amsterdam. The exhibition displayed a small section of the range of Hebrew and Yiddish books in the collection. It opened in June 2014 but was extended until March 2015 by popular demand.
- 'Me Jewel and Darlin' Dublin', an exhibition of letterpress prints by One Strong Arm studio at Marsh's Library, ran from 14 March until 31 March 2015.
- The children's comic 'Hairy and Scary Tales from Marsh's Library' was launched in March 2015 in conjunction with an exciting new children's trail through the library.
- 'Wunderkammer' was a specially commissioned installation of a 'cabinet of curiosity' by Shane O'Donoghue and Simon Doyle, which ran from 20 August to 8 September 2015 as a special feature of Heritage Week. The installation was made possible by a grant from Irish Design 2015, as part of the Local Design Hero series.
- A very successful exhibition of doodles and marginalia, 'The Unicorn & the Fencing Mouse', was mounted in October 2015 and continued into 2016 when it made way for the commemorative exhibition for the 1916 centenary, '1916: Tales from the Other Side'.
- In 2015, Marsh's Library continued a very active social media presence, which serves to advertise our activities and collections across the world.

In 2015 we welcomed 22,000 visitors and tourists to Marsh's. This was a significant increase in visitor numbers over previous years (17,187 in 2014, 15,900 in 2013, 10,700 in 2012, 8,300 in 2011; 7,700 in 2010; 8,900 in 2009; 7,400 in 2008; and 5,800 in 2007). The fragile nature of the building means that the number of visitors should probably not increase beyond 25,000 in any year. As such, the Library aims to be a high-quality destination for visitors with an interest in books, history and Irish culture. The Library prides itself on its friendly and personal service to visitors. The quality of the service we provide is evident from the very positive reviews of the institution on platforms such as Tripadvisor.com.

In 2015, we facilitated more than 250 readers and active users of our books and manuscripts. We have continued to foster relationships with third level institutions and academic organisations, increasing the number of scholars who work on our holdings, both in terms of individual visits by senior academics and group teaching of graduate and undergraduate students across a range of disciplines interested in the broad field of enquiry known as 'the history of the book'.

We have worked with Fáilte Ireland and the Dublin City of Literature team to advertise the Library to new audiences among international visitors to Dublin. In a national context, our part-time Education and Outreach Officer has been instrumental in marketing the Library to school groups and groups of senior citizens, many of whom live in the locality but might not have felt in the past that the Library would welcome them.

By the end of 2015, Irish Script on Screen (ISOS) had made nine of our rare Irish manuscripts available on the ISOS website (<http://www.isos.dias.ie>), two of which are at Farmleigh and the remainder of which are located in the main library in St Patrick's Close.

Marsh's Library operates a conservation bindery in a purpose-built facility onsite. Since its establishment in 1988, the bindery had overwhelmingly focussed on outside commercial work for individuals and national cultural institutions. During 2015, the external work ceased and the bindery was re-focussed to work on a backlog of books and manuscripts in our collection which require varying degrees of conservation and preservation.

MARSH'S LIBRARY

GOVERNORS' AND GUARDIANS' REPORT (CONTINUED)

Funding, Staffing and Governance

Marsh's Library is dependent on funding from the Department of Arts, Heritage and the Gaeltacht to open its doors to visitors, tourists and scholars. In 2015, the total grant received from the Department was €160,000. Other income was derived from entrance charges levied on visitors, commercial work done by the bindery, and donations from private individuals and philanthropic bodies.

The combined income for 2015 of €313,841 paid for all of the activities of the Library and associated services and responsibilities. The staff employed by Marsh's Library at the end of 2015 consisted of the following full and part-time workers:

Permanent Staff

- Dr Jason McElligott, The Keeper (full-time)
- Sue Hemmens, Deputy Keeper (full-time)
- Maria O'Shea, Librarian (full-time)
- Oisín Marsh, Library Services Supervisor (full-time)
- Sarah McCartan, Book Conservator (part-time)
- Julie Burke, Education and Outreach Officer (part-time)
- John Keaney, Security and Visitor Services (part-time)
- Peter Logue, Security and Visitor Services (part-time)
- Phyllis Foynes, Gardener (part-time)
- Rita Stallard, Cleaner (part-time)

Temporary Research Staff

- Elaine Doyle, 1916 Exhibition Research Officer (full-time, until May 2016)
- Amy Prendergast, Bouchéreau Diary Project Research Associate (full-time, May to December 2015)
- Marie Léoutre, Bouchéreau Diary Project Research Associate (full-time, May to December 2015)

In addition, a number of temporary, part-time staff assisted with the tourism operations of the library during the year. From time to time, a number of unpaid interns and volunteers have worked in the Library, usually in advance of applying for a library or archive qualification at a third level educational institution.

The management team consists of the Keeper and Deputy Keeper. The Keeper is the Head Librarian and Director of Marsh's Library, and is responsible for the strategic direction and management of the institution. The Deputy Keeper works with the Keeper to manage the staff, finances and the practical, day-to-day running of the Library.

MARSH'S LIBRARY

GOVERNORS' AND GUARDIANS' REPORT (CONTINUED)

Funding, Staffing and Governance (Continued)

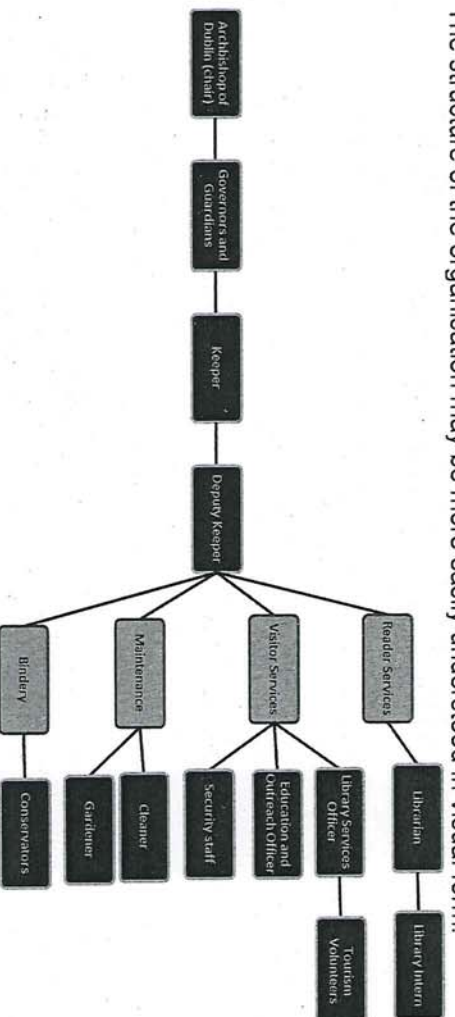
The management team is answerable to the trustees of the Library. The 1707 Act which established the Library provided for the structure and membership of a board of trustees which (with some modifications during the eighteenth century and after Independence in 1922) remains in place to this day. Under the Act, the trustees are a number of individuals who serve as a result of their positions in the spheres of the law, learning and religion. These *ex officio* trustees are known as the 'Governors and Guardians of Marsh's Library'. They are:

- The Church of Ireland Archbishop of Dublin (**Chairman**) (in 2015, His Grace, the Most Revd Dr Michael Jackson)
- The Church of Ireland Archbishop of Armagh (in 2015, His Grace, the Most Revd Dr Richard Clarke)
- The Dean of St Patrick's Cathedral, Dublin (in 2015, The Very Revd Victor Stacey)
- The Dean of Christ Church Cathedral, Dublin (in 2015, The Very Revd Dermot Dunne)
- The Chief Justice of Ireland (in 2015, Mrs Justice Susan Denham)
- The Provost of Trinity College Dublin (in 2015, Dr Patrick Prendergast)

In addition, under the terms of Section 63 of the Cultural Institutions Act of 1997 the Minister for Arts, Heritage and the Gaeltacht nominates two members to the board of trustees, each of whom serves for a period of five years, with the possibility of a second term of five years. In 2015, the Minister's nominees on the board of Marsh's Library were:

- Professor Andrew Carpenter, University College Dublin.
- Dr Philip Maddock, Rhode Island, USA.

The structure of the organisation may be more easily understood in visual form:



MARSH'S LIBRARY

GOVERNORS' AND GUARDIANS' REPORT (CONTINUED)

Independent Status of the Library

The Library is a registered charity (IE CHY 509). For the sake of clarity, it should be stated that the preponderance of clergymen on the governing body does not mean that the Library is owned by the Church of Ireland. The Library has a long-standing association with the Church of Ireland because it was founded by Narcissus Marsh, who was successively Archbishop of Dublin and Armagh, but it is an independent charitable trust with no religious mission or function.

The Library is, in the great tradition of the European Enlightenment to which it owes its foundation, a place of learning and scholarship open to all and sundry irrespective of creed or background.

Vision for the Future

Marsh's Library can be both a high-quality visitor and tourist destination, and an internationally-recognised centre for excellence in the study of early printed books.

The Library was a product of the Enlightenment idea of the power of knowledge. It is an important repository of a shared European cultural heritage and a wider history of human thought and experience. The Library will preserve its important collections for the benefit of local, national and international visitors. In terms of numbers, most visitors will be non-academic tourist visitors, and we aim to develop facilities which will enhance their experience. However, in terms of the intellectual and cultural importance of the institution, the Library must become a 'must use' collection for all scholars interested in European history, literature and culture between roughly 1500 and 1750.

The Library will use technology to facilitate the sustainable use of its resources by different groups of users. In seeking to accomplish these objectives it must be:

Welcoming to a variety of users, providing a secure and stimulating environment for study and research

Dedicated to a belief in the cultural and societal value of learning and knowledge

Dynamic in using new and emerging technologies to shed light on the treasures of the Library

Ambitious in terms of making Marsh's Library a learning studio for the most influential scholars and the best students of the early-modern period (1500-1750) from around the world

Collaborative in working with other libraries, cultural institutions and academic partners nationally and internationally on a variety of research projects, events and initiatives

Capital Commitments

In 2014, the Library committed to an extensive programme of work on the Library building which is required to safeguard the public and staff, as well as the heritage assets held by the Library. The value of this programme of work has not yet been finalised but is expected to be in the region of €300,000.

This programme of work has been approved by the Governors and Guardians of Marsh's Library and commenced in late 2014 and is to be completed over a two year period

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 trustees 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.

Signed on behalf of the Governors and Guardians:

Michael Jackson
Governor and Guardian

Dermot Dunne
Governor and Guardian

23 September 2016

INDEPENDENT AUDITORS' REPORT TO THE GOVERNORS AND GUARDIANS OF MARSH'S LIBRARY

We have audited the non-statutory financial statements of Marsh's Library for the year ended 31 December 2015 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Reserves, the Statement of Cash Flows and the related notes 1 to 19. The relevant financial reporting framework that has been applied in their preparation is the Irish law and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("relevant financial reporting framework").

This report is made solely to the Governors and Guardians of Marsh's Library, as a body. 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 of Marsh's Library as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Governors and Guardians and auditors

As explained more fully in the Governors' and Guardians' Responsibilities Statement, the Governors and Guardians are responsible for the preparation of the financial statements, giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with International Standards on Auditing (UK and Ireland). These standards require us to comply with the Auditing Practices Board'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 Library's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Governors and Guardians; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the non-statutory Reports and Financial Statements for the financial year ended 31 December 2015 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 non-statutory financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Library as at 31 December 2015 and of the deficit for the financial year then ended; and
- have been prepared in accordance with the relevant financial reporting framework.

Deloitte
Chartered Accountants and Statutory Audit Firm
Dublin

23 September 2016

MARSH'S LIBRARY

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	2015 €	2014 € (Restated)
		Notes
INCOME		
Donations and fundraising income	76,732	38,461
Government grants	163,500	-
Other income	19,616	61,128
Total income	<u>259,848</u>	<u>99,589</u>
EXPENDITURE		
Operating expenses	(746,153)	(476,274)
OPERATING DEFICIT	6 (486,305)	(376,685)
Investment income	5 43,613	6,154
DEFICIT FOR THE FINANCIAL YEAR	<u>(442,692)</u>	<u>(370,531)</u>

The financial statements were approved by the Governors and Guardians on 23 September 2016 and authorised for issue on 23 September 2016. They were signed on its behalf by:

Michael Jackson
Governor and Guardian

Dermot Dunne
Governor and Guardian

MARSH'S LIBRARY
BALANCE SHEET
AS AT 31 DECEMBER 2015

	2015 €	2014 € (Restated)
		Notes
Fixed Assets		
Heritage assets	61,113,973	9
Tangible assets	25,877	10
Financial assets	181,255	11
	<u>61,321,105</u>	<u>61,632,162</u>
Current Assets		
Debtors and prepayments	16,725	12
Cash at bank and in hand	181,679	
	<u>198,404</u>	<u>358,414</u>
Creditors: Amounts falling due within one year	(35,795)	(64,170)
Net current assets	162,609	294,244
NET ASSETS	61,483,714	61,926,406
Capital and reserves		
Accumulated funds	369,741	824,207
Heritage assets: – accumulated funds	3,870,773	3,858,999
– revaluation reserve	57,243,200	57,243,200
	<u>61,483,714</u>	<u>61,926,406</u>

The financial statements were approved by the Governors and Guardians on 23 September 2016 and authorised for issue on 23 September 2016. They were signed on its behalf by:

Michael Jackson
Governor and Guardian

Dermot Dunne
Governor and Guardian

MARSH'S LIBRARY

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

	Accumulated funds €	Revaluation Reserves €	Total €
At 31 December 2013 as previously stated	4,968,452	57,243,200	62,211,652
Changes on transition to FRS 102 (note 18)	85,285	-	85,285
At 1 January 2014 as restated	5,053,737	57,243,200	62,296,937
Deficit for the financial year	(370,531)	-	(370,531)
At 31 December 2014	4,683,206	57,243,200	61,926,406
Deficit for the financial year	(442,692)	-	(442,692)
At 31 December 2015	4,240,514	57,243,200	61,483,714

MARSH'S LIBRARY

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	Notes	2015 €	2014 € (Restated)
Cashflows from charitable activities			
Net cash used in charitable activities	15	(501,386)	(378,969)
Cash provided by investing activities			
Purchase of tangible assets		(17,349)	(7,894)
Proceeds from sale of unlisted investment	11	362,500	-
Net cash provided by investing activities		<u>345,151</u>	<u>(7,894)</u>
Change in cash and cash equivalents in the reporting year		(156,235)	(386,863)
Cash and cash equivalents at the beginning of the reporting year		337,914	724,777
Cash and cash equivalents at the end of the reporting year		181,679	337,914
Reconciliation to cash at bank and in hand:			
Cash and cash equivalents at end of financial year		<u>181,679</u>	<u>337,914</u>

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. The prior year financial statements were restated for material presentation adjustments on adoption of FRS 102 in the current year. For more information see note 19.

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 commencement 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 keeper'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 equipment 20%

Recognition of Income Including Revenue Grants

Revenue Grants received from State bodies are recorded as income on a receivable basis.

Bindery income is recognised in the period in which it is earned.

Donations and all other similar income are recognised in the income and expenditure account on a receipts basis.

Income earned on investment policies is only recognised upon receipt.

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 2015**

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 trustees 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

	2015	2014
	€	€
Dept. of the Arts, Heritage and the Gaeltacht	163,500	-

5. INVESTMENT INCOME

	2015	2014
	€	€
Realised gain on investments	112,500	-
Unrealised (loss)/gain on investments	(69,016)	4,136
Deposit Income	129	2,018
	<u>43,613</u>	<u>6,154</u>

6. OPERATING DEFICIT

The operating deficit for the financial year is stated after charging:

	2015	2014
	€	€
Depreciation	9,390	8,483

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 2015

8. STAFF COSTS

The average number of employees during the financial year was 16 (2014: 13).

Staff costs are comprised of:

	2015	2014
	€	€
Salaries	343,861	280,603
Social welfare costs	34,323	27,720
Pension costs	9,924	11,856
Other staff costs	9,829	5,855
Redundancy costs	60,971	-
	<u>458,908</u>	<u>326,034</u>

9. HERITAGE ASSETS

Cost or valuation:

	Farmleigh Collection	Other Library Collection	Total
	€	€	€
At 1 January 2015	7,500,000	53,602,199	61,102,199
Additions and donations	-	11,774	11,774
At 31 December 2015	<u>7,500,000</u>	<u>53,613,973</u>	<u>61,113,973</u>

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:	2015	2014	2013	2012	2011
	€	€	€	€	€
Purchases	1,359	1,562	8,641	-	-
Donations	10,415	637	739	-	-
	<u>11,774</u>	<u>2,199</u>	<u>9,380</u>	<u>-</u>	<u>-</u>

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 2015

10. TANGIBLE ASSETS

Furniture, computers and equipment

€

Cost:

At 1 January 2015

43,803

Additions

5,575

At 31 December 2015

49,378

Depreciation:

At 1 January 2015

14,111

Charge for financial year

9,390

At 31 December 2015

23,501

Net Book Value:

At 31 December 2015

25,877

At 31 December 2014

29,692

11. FINANCIAL ASSETS

Unlisted
Investments

Unlisted
Investments

2015

2014

€

€

Market Value:
At 31 December

181,255

500,271

The Library holds one investment policy which is due to mature in May 2016. In the current financial year a second investment policy was encashed during the financial year for €362,500.

The historical cost of the policy as at 31 December 2015 is €160,850 (2014: €410,850).

12. DEBTORS AND PREPAYMENTS

Amounts falling due within one year

2015

2014

€

€

Trade debtors
Prepayments

6,155
10,570

6,003
14,497

16,725

20,500

MARSH'S LIBRARY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

13. CREDITORS AND ACCRUALS		
Amounts falling due within one year	2015	2014
	€	€
Creditors and accruals	25,910	55,932
PAYE/PRSI	9,885	8,238
	<u>35,795</u>	<u>64,170</u>

14. FINANCIAL INSTRUMENTS		
Financial assets:	2015	2014
	€	€
Measured at undiscounted amounts receivable		
Trade and other debtors (Note 12)	6,155	6,003
	<u>6,155</u>	<u>6,003</u>
Financial liabilities:		
Measured at undiscounted amounts payable		
Trade and other creditors (Note 13)	25,910	55,932
	<u>25,910</u>	<u>55,932</u>

15. RECONCILIATION OF DEFICIT TO NET CASH FLOWS FROM CHARITABLE ACTIVITIES		
	2015	2014
	€	€
DEFICIT FOR THE YEAR	(442,692)	(370,531)
<i>Adjustments for:</i>		
Depreciation of fixed assets	9,390	8,483
Realised gain on investments	(112,500)	-
Unrealised loss/(gain) on investments	69,016	(4,136)
Decrease in debtors	3,775	1,995
Increase in creditors	(28,375)	(14,780)
NET CASH USED IN CHARITABLE ACTIVITIES	<u>(501,386)</u>	<u>(378,969)</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

16. CAPITAL COMMITMENTS

There are no capital commitments which have been contracted for but not provided in the financial statements as at 31 December 2015.

17. SUBSEQUENT EVENTS

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

18. KEY MANAGEMENT COMPENSATION

The total remuneration for key management personnel for the financial year amounted to € 75,548 (2014: € 69,773). The Governors and Guardians receive no financial reward or expenses of any kind.

19. EXPLANATION OF TRANSITION TO FRS 102

This is the first year that the company has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The following disclosures are required in the year of transition. The last financial statements under previous Irish GAAP were for the year ended 31 December 2014 and the date of transition to FRS 102 was therefore 1 January 2014. As a consequence of adopting FRS 102, a number of accounting policies have changed to comply with that standard. The accounting policy in relation to the financial assets has changed from being recorded at stated cost less any permanent diminution in value as per previous reporting framework to being recorded at their fair value.

Reconciliation of reserves

	At 1 January 2014 €	At 31 December 2014 €
Reserves reported under previous Irish GAAP	62,211,652	61,836,985
Adjustments to reserves on transition to FRS 102		
Accumulated unrealised investment income	85,285	89,421
Reserves reported under FRS 102	62,296,937	61,926,406
<i>Reconciliation of Total Comprehensive Income for 2014</i>		
	€	€
Total Comprehensive Income reported under previous Irish GAAP		(374,667)
Unrealised investment income		4,136
Total Comprehensive Income reported under FRS 102		(370,531)