Registered number: 212420

IRELAND LITERATURE EXCHANGE
IDIRMHALARTAN LITRIOCHT EIREANN
COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

84 Northumberland Road
Ballsbridge
Dublin 4

Duignan Carthy O'Neill Limited
Chartered Accountants
Statutory Audit Firm

COMPANY INFORMATION

Directors	Ciara Higgins (resigned 1 July 2022) Martin Doyle Gerald Dawe (resigned 31 December 2021) Declan Meade (resigned 1 July 2021) John Roche Frank Callanan (RIP) Alison Lyons (Chairperson) Martín Veiga Anne Barrington Lisa Coen (appointed 1 July 2022) Danielle McLaughlin (appointed 1 July 2022) Rita Sakr (appointed 21 January 2022)
Company secretary	Sinéad MacAodha
Registered number	212420
Registered office	T.C.L.C.T 36 Fenian Street Trinity College Dublin 2
Independent auditors	Duignan Carthy O'Neill Limited 84 Northumberland Road Ballsbridge Dublin 4
Bankers	Allied Irish Bank 1 Lower Baggot Street Dublin 2
Solicitors	Hayes Solicitors Lavery House Earlsfort Terrace Dublin 2

IRELAND LITERATURE EXCHANGE IDIRMHALARTAN LITRIOCHT EIREANN COMPANY LIMITED BY GUARANTEE

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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

The Directors present their annual report and the audited financial statements for the year ended 31 December 2022.

Directors' responsibilities statement

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

Irish company law requires the Directors to prepare the financial statements for each financial year. Under the law, the Directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' .

Under company law, the Directors must not approve the financial statements unless they are satisfied they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date, of the profit or loss for that financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Principal activities

The principal activity of the company is the promotion of the Literature of Ireland in translation through the provision of grant aid to publishers internationally and in Ireland.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Business review

The company is the national organisation for the international promotion of Irish literature, in English and Irish. It does this primarily by offering translation grants to international publishers. It also offers residential bursaries to literary translators, organises translator and author events at international festivals and participates regularly in the major world book fairs.

A not-for profit organisation, Ireland Literature Exchange (t/a Literature Ireland) is funded by the Arts Council of Ireland and Culture Ireland. Established in 1994, Literature Ireland has funded the translation of over 2,000 works of Irish literature into 56 languages around the world.

In the opinion of the directors, the state of affairs of the company is satisfactory and there is no material change since the balance sheet date. The company recorded a deficit of (€940) this year and the cumulative surplus of €1,534 existing last year has now reduced the cumulative surplus to €594 as at 31 December 2022. Further details are set out in note 2.2 to the accounts. The directors are confident that the company will operate at an overall surplus in future years to allow it to eliminate the deficit over the coming year.

The loss for the year, after taxation, amounted to €940 *(2021 - profit €4,445).*

Directors and their interests

The Directors who served during the year were:

Ciara Higgins (resigned 1 July 2022)
Martin Doyle
Gerald Dawe (resigned 31 December 2021)
Declan Meade (resigned 1 July 2021)
John Roche
Frank Callanan (RIP)
Alison Lyons (Chairperson)
Martín Veiga
Anne Barrington
Lisa Coen (appointed 1 July 2022)
Danielle McLaughlin (appointed 1 July 2022)
Rita Sakr (appointed 21 January 2022)

The company is limited by guarantee and does not have any share capital. There are 7 directors of the company, all of whom are members of the company. Every member of the company undertakes to contribute to the assets of the company in the event of its being wound up while he/she is a member or within one year after he/she ceases to be a member, for payment of the debts and liabilities of the company contracted before he/she ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required, not exceeding two euro.

At the annual general meeting in every third year, three of the directors for the time being, or, if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office. The directors to retire in every third year shall be those who have been longest in office since the last election, but as between persons who become directors on the same day. A retiring director shall be eligible for re-election for a term or terms of office which, when aggregated, do not exceed six years.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Investment powers and policy

In accordance with the Memorandum and Articles of Association, the company has the power to invest in any way the directors' decide.

Principal risks and uncertainties

The directors are aware of the risks to which the company is exposed, in particular those related to the operations and finances of the organisation and the requirement to agree future funding with its grant donors and are satisfied that systems are in place to mitigate exposure to risk.

Health and safety of employees

The well-being of the Company's employees is safeguarded through strict adherence to health and safety standards. Health and safety legislation imposes certain requirements on employers and the Company has taken the necessary action to ensure compliance with the legislation, including the adoption of a Safety Statement.

Environmental matters

The Company will seek to minimise adverse impacts on the environment from its activities, whilst continuing to address health, safety and economic issues. The Company has complied with all applicable legislation and regulations.

Accounting records

The measures taken by the Directors to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's registered office at the Centre for Literary Translation, Trinity College, Dublin 2.

Future developments

The directors are not expecting to make any significant changes in the nature of the business in the near future. In planning its future activities, the directors will continue to seek to develop the company's activities.

Research and development activities

There was no research and development expenditure during the year.

Statement on relevant audit information

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

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

Post balance sheet events

There have been no significant events affecting the Company since the year end.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Auditors

The auditors, Duignan Carthy O'Neill Limited, continue in office in accordance with section 383(2) of the Companies Act 2014.

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

John Roche

John Roche
Director

Lisa Coen
Director

Date: 18-08-2023

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IRELAND LITERATURE EXCHANGE IDIRMHALARTAN LITRIOCHT EIREANN COMPANY LIMITED BY GUARANTEE

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Ireland Literature Exchange Idirmhalartan Litriocht Eireann Company Limited By Guarantee (the 'Company') for the year ended 31 December 2022, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Cash Flows, the Statement of Changes in Funds and the notes to the financial statements, including a summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish law and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued in the United Kingdom by the Financial Reporting Council.

In our opinion, the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' 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.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IRELAND LITERATURE EXCHANGE IDIRMHALARTAN LITRIOCHT EIREANN COMPANY LIMITED BY GUARANTEE (CONTINUED)

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.

Opinion on other matters prescribed by the Companies Act 2014

In our opinion, based on the work undertaken in the course of the audit, we report that:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited, and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

The Companies Act 2014 requires us to report to you if, in our opinion, the requirements of any of sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the Company. We have nothing to report in this regard.

Respective responsibilities and restrictions on use

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 1, the Directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as the Directors determine is 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 Directors are responsible for assessing the Company'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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IRELAND LITERATURE EXCHANGE IDIRMHALARTAN LITRIOCHT EIREANN COMPANY LIMITED BY GUARANTEE (CONTINUED)

Auditors' 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 Auditors' 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.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: http://www.iaasa.ie. This description forms part of our Auditors' Report.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Timothy F. Carthy

for and on behalf of
Duignan Carthy O'Neill Limited

84 Northumberland Road
Ballsbridge
Dublin 4
Date:

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 €	*2021 €*
Turnover	5	**666,119**	*639,812*
Cost of sales		**(283,921)**	*(334,281)*
Gross profit		**382,198**	*305,531*
Distribution costs		**(100,930)**	*(40,242)*
Administrative expenses		**(279,716)**	*(260,844)*
Operating profit	6	**1,552**	*4,445*
Tax on profit	8	**(2,492)**	*-*
(Loss)/profit for the financial year		**(940)**	*4,445*
Other comprehensive income			
Total comprehensive income for the financial year		**(940)**	*4,445*

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note		2022 €		2021 €
Fixed assets					
Tangible assets	9		**3,350**		*6,358*
			3,350		*6,358*
Current assets					
Debtors: amounts falling due within one year	10	**52,094**		*49,664*	
Cash at bank and in hand		**338,829**		*196,232*	
		390,923		*245,896*	
Creditors: amounts falling due within one year	11	**(393,679)**		*(250,720)*	
Net current liabilities			**(2,756)**		*(4,824)*
Total assets less current liabilities			**594**		*1,534*
Net assets			**594**		*1,534*
Capital and reserves					
Profit and loss account	12		**594**		*1,534*
Shareholders' funds			**594**		*1,534*

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

John Roche

John Roche
Director

Lisa Coen
Director

Date: 18-08-2023

The notes on pages 12 to 22 form part of these financial statements.

STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Reserves	Total funds
	€	€
At 1 January 2021	**(2,911)**	**(2,911)**
Comprehensive income for the year		
Surplus for the year	**4,445**	**4,445**
At 1 January 2022	**1,534**	**1,534**
Comprehensive income for the year		
Surplus for the year	**(940)**	**(940)**
At 31 December 2022	**594**	**594**

The notes on pages 12 to 22 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
	€	€
Cash flows from operating activities		
Profit for the financial year	(940)	4,445
Adjustments for:		
Depreciation of tangible assets	5,796	11,698
Taxation charge	2,492	-
(Increase)/decrease in debtors	(846)	7,001
Increase in creditors	139,692	35,947
Corporation tax (paid)	(4,076)	(4,445)
Net cash generated from operating activities	142,118	54,646
Cash flows from investing activities		
Purchase of tangible fixed assets	(2,788)	(1,898)
Net cash from investing activities	(2,788)	(1,898)
Net increase in cash and cash equivalents	139,330	52,748
Cash and cash equivalents at beginning of year	194,910	142,162
Cash and cash equivalents at the end of year	334,240	194,910
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	338,829	196,232
Credit facilities	(4,589)	(1,322)
	334,240	194,910

The notes on pages 12 to 22 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

Ireland Literature Exchange Idirmhalartan Litriocht Eireann Company Limited by Guarantee ('Literature Ireland' or 'the company') is a company registered in Ireland, which was incorporated under the Companies Act 2014 in February 1994 and is a company limited by guarantee not having a share capital.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements, disclose a deficit of (€940) in 2022 (2021: surplus €4,445) and a qualitative surplus of assets over liabilities of €594 as at 31 December 2022 (2021: surplus €1,534). The company is entirely reliant on continued grant funding from government and state agencies.

The company has successfully negotiated the difficulties encountered in the period when Covid-19 related restrictions were imposed and is now operating normally, albeit with some flexible working arrangements to facilitate staff working from home. The company has secured grant funding for the 2022 year and has every expectation is continued level of funding for 2023 and subsequent years.

Management review the company's cash flow and payment commitments on a regular basis and are confident that the company has sufficient funding to continue its normal planned activities for at least the next twelve months.

The financial statements have been prepared on a going concern basis.

The directors are satisfied that sufficient sources of funding will enable the company to continue to operate for the foreseeable future. These views are based on the company's plans and on the successful outcome of ongoing discussions with the various agencies which provide the company with its main sources of funding (Note 16).

2.3 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.4 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.5 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	-	20%
Office equipment	-	20%

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.7 Debtors

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.8 Cash and cash equivalents

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

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

2.9 Creditors

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

2.10 Financial instruments

The Company has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

The Company has elected to apply the recognition and measurement provisions of IFRS 9 Financial Instruments (as adopted by the UK Endorsement Board) with the disclosure requirements of Sections 11 and 12 and the other presentation requirements of FRS 102.

Financial instruments are recognised in the Company's Balance Sheet when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

2. Accounting policies (continued)

2.10 Financial instruments (continued)

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instruments any contract that evidences a residual interest in the assets of the Company after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables, bank loans and other loans are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Other financial instruments

Derivatives, including forward exchange contracts, futures contracts and interest rate swaps, are not classified as basic financial instruments. These are initially recognised at fair value on the date the derivative contract is entered into, with costs being charged to the profit or loss. They are subsequently measured at fair value with changes in the profit or loss.

Debt instruments that do not meet the conditions as set out in FRS 102 paragraph 11.9 are subsequently measured at fair value through the profit or loss. This recognition and measurement would also apply to financial instruments where the performance is evaluated on a fair value basis as with a documented risk management or investment strategy.

Derecognition of financial instruments

Derecognition of financial assets

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Company transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Company will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

2. Accounting policies (continued)

2.10 Financial instruments (continued)

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

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

The directors consider the accounting estimates and assumptions below to be its accounting estimates and judgments:

Going Concern

The directors have prepared budgets and cash flows for a period of at least twelve months from the date of the approval of the financial statements which demonstrate that there is no material uncertainty regarding the company's ability to meet its liabilities as they fall due, and to continue as a going concern. On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the company was unable to continue as a going concern.

Useful Lives of Tangible Fixed Assets

Long-lived assets comprising primarily of property represent a significant portion of total assets. The annual depreciation and amortisation charge depends primarily on the estimated lives of each property and the estimates of residual values. The directors regularly review these useful lives and change them if necessary to reflect current conditions. In determining these useful lives management consider expected economic utilisation of the assets. Changes in the useful lives can have a significant impact on the depreciation of the fixed assets and the amortisation of the capital grants during the financial year.

4. Grant conditions

Name of Grantor: The Arts Council
Name of Grant: Annual Funding 2022 (A099202)
Amount of Grant: €325,000
Purpose of Grant: Building international readership for Irish literature, deepening awareness and appreciation of Irish writers, supporting and developing the careers of Irish writers.

Name of Grantor: Culture Ireland
Name of Grant: 2022 Grant Funding
Amount of Grant: €341,119
Purpose of Grant: Culture Ireland grant to support the promotion of Irish literature abroad through translation grants and promotional initiatives.

5. Income

An analysis of turnover by class of business is as follows:

	2022	2021
	€	€
Culture Ireland	**341,119**	*367,192*
The Arts Council	**325,000**	*266,800*
Mr Noel Fahy	-	*4,000*
Dublin City Council	-	*1,737*
Department of Foreign Affairs	-	*83*
	666,119	*639,812*

The income of the company for the year has been derived from grant support received in Ireland.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

6. Surplus/(deficit) on ordinary activities before taxation

The operating profit is stated after charging:

	2022 €	*2021* *€*
Depreciation of tangible fixed assets	**5,796**	*11,698*
Defined contribution pension cost	**6,825**	*5,550*

7. Employees

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

	2022 No.	*2021* *No.*
	5	*5*

8. Taxation

	2022 €	*2021* *€*
Corporation tax		
Current tax on profits for the year	**1,021**	*139*
Adjustments in respect of previous periods	**1,471**	*(139)*
	2,492	*-*
Total current tax	**2,492**	*-*
Deferred tax		
Total deferred tax	**-**	*-*
Taxation on profit on ordinary activities	**2,492**	*-*

8. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is the same as *(2021 - the same as)* the standard rate of corporation tax in Ireland of 12.5% *(2021 - 12.5%)* as set out below:

	2022 €	*2021* *€*
Profit on ordinary activities before tax	**1,552**	*4,445*
Profit on ordinary activities multiplied by standard rate of corporation tax in Ireland of 12.5% (2021 - 12.5%)	**194**	*556*
Effects of:		
Expenses not deductible for tax purposes	**889**	*359*
Capital allowances for year in excess of depreciation	**(62)**	*698*
Adjustments to tax charge in respect of prior periods	**1,471**	*(1,613)*
Total tax charge for the year	**2,492**	*-*

Factors that may affect future tax charges

The future rates of Irish taxation may affect future tax charges.

9. Tangible fixed assets

	Fixtures and fittings €	Office equipment €	Total €
Cost or valuation			
At 1 January 2022	49,987	36,260	86,247
Additions	-	2,788	2,788
At 31 December 2022	49,987	39,048	89,035
Depreciation			
At 1 January 2022	47,226	32,663	79,889
Charge for the year on owned assets	2,215	3,581	5,796
At 31 December 2022	49,441	36,244	85,685
Net book value			
At 31 December 2022	546	2,804	3,350
At 31 December 2021	*2,761*	*3,597*	*6,358*

10. Debtors

	2022 €	2021 €
Corporation tax refund	3,218	2,084
Prepayments	48,876	47,580
	52,094	49,664

11. Creditors: Amounts falling due within one year

	2022 €	2021 €
Credit facilities	4,589	1,322
Grant creditors	133,109	109,360
Other Creditors	-	3,100
Taxation and social insurance	11,582	10,835
Accruals	9,920	11,420
Deferred income	234,479	114,683
	393,679	250,720

Funds of €120,000 were received from Culture Ireland, €109,820 from the Arts Council and €4,655 from the Department of Foreign Affairs for projects to be started in 2023.

12. Reserves

Profit and loss account

The income and expenditure account represents cumulative gains and losses recognised in income & expenditure account, net of transfers to/from other reserves.

13. Key management personnel compensation

The compensation paid to key management personnel during the year ended 31 December 2022 was €73,500 (2021: €70,719).

14. Related party transactions

No director was paid a salary in 2022 but some directors were reimbursed for costs incurred by them personally on travel and accommodation on behalf of the company.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

15. Post balance sheet events

Although the company made a deficit in 2022, the directors are conscious that the company has an accumulated Surplus of €594 at year end. However, grant funding has been confirmed at €802,373 for 2023 and the company continues to reduce costs and therefore the directors are confident that the company will operate at an overall surplus in future years.

	Budget 2023	*Actual 2022*
	€	*€*
Arts Council	**350,000**	*325,000*
Culture Ireland	**400,000**	*341,119*
Culture Ireland - support for Guadalajara Book fair 2023	**35,000**	-
Arts Council - Capacity Building Support 2023	**17,373**	-
	802,373	*666,119*

16. Controlling party

The company is controlled by its members and board of directors.

17. Approval of financial statements

The board of Directors approved these financial statements for issue on

DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 €	2021 €
Turnover		666,119	639,812
Cost Of Sales		(283,921)	(334,281)
Gross profit		382,198	305,531
Gross profit %		57.4 %	47.8 %
Less: overheads			
Selling and distribution expenses		(100,930)	(40,242)
Administration expenses		(279,716)	(260,844)
Operating profit		1,552	4,445
Tax on profit on ordinary activities		(2,492)	-
(Loss)/Profit for the year		(940)	4,445

SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
	€	€
Grant Income		
Department of Foreign Affairs	-	*83*
Dublin City Council	-	*1,737*
Mr Noel Fahy	-	*4,000*
Culture Ireland	**341,119**	*367,192*
The Arts Council	**325,000**	*266,800*
	666,119	*639,812*

	2022	2021
	€	€
Cost of sales		
Translation grants	**208,848**	*234,498*
Bursary payments	**16,659**	*6,555*
Special projects	**37,930**	*70,187*
Readers fees	**20,484**	*23,041*
	283,921	*334,281*

	2022	2021
	€	€
Bookfair & promotion expenses		
Frankfurt bookfair	**48,063**	*37,540*
London bookfair	**52,867**	*498*
Japan & South Korea promotions	-	*2,204*
	100,930	*40,242*

SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
	€	€
Administration expenses		
Staff salaries	161,841	143,845
Employers PRSI	17,249	14,884
Staff pension costs - defined contribution schemes	6,825	5,550
Staff training	805	4,692
Staff welfare	120	-
Canteen	700	-
Hotels, subsistence & meals	12,604	2,446
Consultancy	-	8,500
Printing and stationery	979	1,831
Postage	2,191	3,358
Telephone and fax	2,346	1,180
Computer costs	10,896	8,633
General office expenses	1,547	1,481
Advertising and promotion	2,054	1,795
Trade subscriptions	692	379
Charity donations	5	-
Auditors' remuneration	7,747	5,020
Accountancy fees	6,320	4,068
Bank charges	1,524	1,504
Insurances	1,207	1,392
Depreciation	5,796	11,698
Board expenses	1,446	1,957
Promotional materials	19,564	27,691
Travel	11,823	3,860
Meeting expenses	756	613
Books	2,679	4,467
	279,716	260,844