children's books ireland

annual report and audited financial statements 2019

children's books ireland

every child a reader

Children's Books Ireland/Leabhair Pháistí Éireann
receives financial assistance from
The Arts Council/An Chomhairle Ealaíon,
70 Merrion Square,
Dublin 2, Ireland

Children's Books Ireland/Leabhair Pháistí Éireann
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Charity Reg. No. 20040963
CHY number 12911

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the arts council an chomhairle ealaíon funding the arts

Children's Books Ireland

Annual Report and Audited Financial Statements

for the financial year ended 31 December 2019

KSi Faulkner Orr Ltd
10 Lower Mount Street
Dublin 2

Company Number: 154905
Charity Number: CHY 12911

Children's Books Ireland
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REFERENCE AND ADMINISTRATIVE INFORMATION

Directors	Jane Alger Patricia Forde Conor Brendan Hackett (Resigned 28/11/2019) Eileen Jackson David Field Edward Murtagh John O'Donnell Patrick Thorpe Elena Browne Anne O’Gorman (Appointed 03/09/2019) Sarah Williams (Appointed 03/09/2019)
Company Secretary	Jane Alger
Charity Number	CHY 12911
Company Number	154905
Registered Office and Principal Address	17 North Great Georges Street Dublin 1
Auditors	KSi Faulkner Orr Ltd 10 Lower Mount Street Dublin 2 Ireland
Bankers	Bank of Ireland O'Connell Street Dublin 1 Ireland

DIRECTORS' ANNUAL REPORT

for the financial year ended 31 December 2019

The directors present their Directors' Annual Report, combining the Directors' Report and Trustees' Report, and the audited financial statements for the financial year ended 31 December 2019.

The financial statements are prepared in accordance with the Companies Act 2014, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Directors' Report contains the information required to be provided in the Directors' Annual Report under the Statement of Recommended Practice (SORP) guidelines. The directors of the company are also charity trustees for the purpose of charity law and under the company's constitution are known as members of the board of trustees.

In this report the directors of Children's Books Ireland present a summary of its purpose, governance, activities, achievements and finances for the financial year 2019.

The company is a registered charity and hence the report and results are presented in a form which complies with the requirements of the Companies Act 2014 and, although not obliged to comply with the Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the organisation has implemented its recommendations where relevant in these financial statements.

The company is limited by guarantee not having a share capital.
Members of the charitable company guarantee to contribute an amount not exceeding €1 to the assets of the charitable company in the event of a winding up.

Mission, Objectives and Strategy

Objectives
Our vision is an Ireland in which books are central to every child’s life and where meaningful engagement with books is supported by passionate and informed adults in families, schools, libraries and communities all across the island. We strive to make books central to every child’s life on the island of Ireland through developing audiences for children’s books, supporting and celebrating excellent authors, illustrators and publishers and working in partnership with people and organisations who influence children’s reading.

Structure, Governance and Management

Structure
The company is a charity and hence the report and results are presented in a form, which complies both with the requirements of the Companies Act 2014 and also the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1st January 2015) - (Charities SORP (FRS102).

Legal Status
Children’s Books Ireland is a company registered in Ireland and is a company limited by guarantee not having a share capital. The objects of the company are charitable in nature and it has established charitable status (20038922).

Review of Activities, Achievements and Performance

Children's Books Ireland's ongoing programme consists of the following flagship projects:

- Children's Books Ireland Book of the Year Awards and Shadowing Scheme, which celebrated its 29th year in 2019.
- Children's Books Ireland Annual International Conference.
- *Inis* magazine (published 3 times a year).
- *Recommended Reads*, formerly known as the *Inis Reading Guide* (published annually).
- Laureate na nÓg, an initiative of the Arts Council, supported by the Arts Council of Northern Ireland, the Department of Children and Youth Affairs and Poetry Ireland and managed by Children's Books Ireland. The honour was established by the Arts Council to engage young people with high quality literature and to underline the importance of children's literature in our cultural and imaginative lives.
- Children's Books Ireland Book Clinics – These interactions between children's book experts and young people aim to find the right book for every child who visits our clinics nationwide.

In addition to these projects, we had a number of other key areas of activity throughout the year:

Book gifting

- Children's Books Ireland launched our school libraries campaign, advocating for government support for school libraries to be reinstated. A survey was undertaken with UCD to ascertain the level of need in Irish schools.
- Robert Dunbar Memorial Libraries – holistic book-gifting packages for schools in memory of one of Children's Books Ireland's founders and long-time friends, Robert Dunbar. In late 2018 we selected four schools (one each in Derry, Belfast, Dublin and Tipperary) to receive the award in 2019, consisting of a donation of books, a number of visits from a Champion of Reading (an author or illustrator who worked with students and staff to develop a reading culture in the school) and other resources.
- In 2019, we grew this area of the organisation's work exponentially, developing a number of new corporate partnerships in order to donate libraries to schools and help their students to develop a love of reading through coordinated visits from authors and illustrators. We worked with companies including Citi, William Fry and Key Capital. We secured a grant from the Smurfit Kappa Foundation for similar activity in 2020.
- Bookbag – A book gifting scheme which was established by Niamh Sharkey during her term as Laureate na nÓg (2012–2014) and which continues to be sponsored by Brown Bag Films. Bookbag's aim is to give a book to every child in a Dublin primary school each year, and to have students take part in a Monster Doodle and a class visit from an author or illustrator.
- Children's Books Ireland continues to work closely with KPMG, delivering a World Book Day event and supporting their book-gifting to schools in Dublin, Belfast, Cork and Galway. The BOLD GIRLS schools outreach programme continues to run twice annually: KPMG staff work with school groups over a period of four weeks using a specially created volunteer pack based on the BOLD GIRLS reading guide. Schools receive a package of books on the theme as well as art materials. The project will continue into 2020.
- In partnership with An Post, Children's Books Ireland produced the Bedtime Books Reading Guide and ran the Storytime Express event for families during the October mid-term. Each child visited the carriages of a stationary train in Heuston Station for illustration and storytelling events and to meet the Book Doctor. Every child took a book home from this free event.

Other activities

The Bologna Children's Book Fair presence for Ireland was significant in 2019, with over 20 Irish artists in attendance, including Laureate na nÓg Sarah Crossan and former Laureates Siobhán Parkinson and Niamh Sharkey, all of whom took part in the International Laureates Summit. A joint publication was produced for the first time to showcase the stand participants and our relationship with the Irish Embassy in Italy continued. The plan is for the new stand branding to remain in place for five years.

Festival partnerships – Children's Books Ireland continues to foster excellent relationships with literary festivals all over the island of Ireland.

Professional Development – These activities are run in partnership with other arts organisations for writers and illustrators at all stages of their careers. Events for All continued to train artists and festival/venue managers to deliver inclusive events to cater for children with autism, and Proper Book events also continued to inform emerging writers and illustrators on topics from getting published to income streams.

For the first time, Children's Books Ireland began a partnership with the Tyrone Guthrie Centre to provide bursaries for mid-career artists to spend a week in Annaghmakerrig, with the support of Fingal County Arts Office, Cork County Arts Office and the International Literature Festival Dublin.

Fundraising – Children's Books Ireland took part in the RAISE programme, a capacity-building programme run by the Arts Council and O'Kennedy Consulting. As a Tier 1 organisation, Children's Books Ireland staff received training and mentorship, and succeeded in increasing fundraised income significantly.

Financial Review
The results for the financial year are set out on page 12 and additional notes are provided showing income and expenditure in greater detail.

Financial Results
At the end of the financial year the company has assets of €385,230 (2018 - €235,306) and liabilities of €261,713 (2018 - €110,214). The net assets of the company have decreased by €(1,575).

Reserves Position and Policy
The charity has adequate budgetary controls in place to ensure that the resources of the company are not depleted unnecessarily. In 2019 the directors opened a reserve account and implemented a new reserves policy.

Principal Risks and Uncertainties
Strict financial monitoring took place throughout the year in order to ensure the financial health of the organisation. Children's Books Ireland complies with the Charities Governance Code. The board has put in place a Donor Charter and Complaints Policy. Like most charities, Children's Books Ireland identifies potential loss of funding as a risk, and has taken steps to diversify the organisation's income streams in 2018. A part-time (contract) Marketing and Development Manager was recruited, and Children's Books Ireland was selected for the Arts Council's RAISE (Tier 2) programme which provides fundraising training and support to a diverse range of arts organisations, empowering them to engage individual donors, businesses and foundations as partners in delivering first-class programmes, events and exhibitions.

Plans for Future Periods
In 2020 Children's Books Ireland plans to build on its continued programme in a number of ways while maintaining the high standards to which we hold ourselves:

- We will work with KPMG as headline sponsor of the KPMG Children's Books Ireland Awards (formerly the CBI Book of the Year Awards) in the first year of a three-year agreement. Children's Books Ireland was only the only Irish charity to receive a Movement for Good Award from Ecclesiastical, a three-year agreement which will invest GBP50,000 in books and artist visits for older primary school children all over the island of Ireland.
- We will expand our existing resources to include a significant number of themed reading lists and continue to make our website as appealing and accessible to our audiences as possible.
- We will continue to participate in the Arts Council RAISE fundraising training programme with O'Kennedy Consulting.
- We will undergo a process of strategic planning with a view to producing a new roadmap for the organisation from 2020 through 2023.
- We will expand the core staff team, with four full-time staff and six part-time staff members.
- We will continue to increase our social media and media presence to raise the profile of Children's Books Ireland.

Directors and Secretary
The directors who served throughout the financial year, except as noted, were as follows:

Jane Alger (Secretary)
Patricia Forde
Conor Brendan Hackett (Resigned 28/11/2019)
Eileen Jackson
David Field
Edward Murtagh
John O'Donnell
Patrick Thorpe (Vice-Chair)
Elena Browne
Anne O'Gorman (Appointed 03/09/2019)
Sarah Williams (Appointed 03/09/2019)

The secretary who served throughout the financial year was Jane Alger.

Appointment of Directors
The board of directors of Children's Books Ireland elect a chairperson for their meetings following each annual general meeting. In accordance with the Constitution of the company, every year one third of the board of directors shall retire from office. The directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became directors on the same date, those to retire shall (unless they otherwise agree amongst themselves) be determined by lot. A retiring director is eligible for re-election.

Investments powers and policies
In accordance with the Constitution the company has the power to invest in any way the directors wish.

Compliance with Sector-Wide Legislation and Standards
The company engages pro-actively with legislation, standards and codes which are developed for the sector. Children's Books Ireland subscribes to and is compliant with the following:

- Companies Act 2014
- The Charities SORP (FRS 102)

Post Balance Sheet Events and Going Concern
As a resource organisation, Children's Books Ireland is in the fortunate position that it does not have a building into which it welcomes the general public, and it does not rely too heavily on a programme of events in the way that theatres and other venues do. The charity has a small reserve, and no borrowings.
Children's Books Ireland has begun its strategic planning process for 2020 – 2023 in early 2019.

FUNDING
In 2019, Children's Books Ireland began a three-year relationship with a major donor (including a contribution to core costs), a three-year headline sponsor for its awards, now known as the KPMG Children's Books Ireland Awards, and further investment over the same three years in these awards from Ecclesiastical's Movement for Good. Our relationships with our funders and donors are strong, and in 2020, each funder was flexible in adapting the purpose of the allocated funds to allow for adaptation to digital models where possible. Children's Books Ireland is a strategically funded organisation with The Arts Council/An Chomhairle Ealaíon, and was invited in 2020 to apply for the Arts Council of Northern Ireland's Lottery Project Funding, through which we successfully secured funding at the same level as 2019-20 for 2020-21, with an increased contribution to core costs within the breakdown of the budget.

FUNDRAISING
Children's Books Ireland is one of five Tier 1 organisations on the Arts Council's RAISE programme. The RAISE initiative aims to build capacity to generate significant new private investment including philanthropic investment, and is run by O'Kennedy Consulting on the Arts Council's behalf. Children's Books Ireland benefits from significant expertise and mentorship through this scheme, and is well supported to maximise our potential in the fundraising sphere. Much of our offering has been school-based, and in Autumn 2020, we will reshape that offering based on the emerging needs of our stakeholders. A strong case for support and fundraising strategy will support this effort, as will the board's input through active fundraising, making connections, championing the organisation and/or individual giving.
Children's Books Ireland has a strong track record with trusts and foundations and with corporate partners and will be actively seeking to extend and build on existing relationships, developing new ways of delivering our activities in line with our vision, but cognisant of any actual or potential restrictions that may result from COVID-19.

LOSSES IN 2020
The major activities that have resulted in a loss of income are the Children's Books Ireland Book Clinics and our annual Children's Books Ireland International Conference.

To balance this and avoid ending the year with a deficit, funds have been raised through the following activities:
- Partnerships with An Post at Easter and through summer
- Board member securing donations to the value of €10,000
- Community Foundation funding secured for a second roll-out of the An Post ImagineNation partnership
- Cooperation with Northern Ireland Grant secured to produce class novel lists to support teachers in the Autumn

Some savings have been made in the following areas:
- Reduced cost of office supplies and staff expenses for travel and meetings due to closure of the office
- Reduced cost of printing and postage for the July 2020 issue of Inis magazine, which was made available as a digital-only publication

New costs arising from the pandemic and the current working situation with all staff at home include:
- New software subscriptions to allow ease of remote working
- Daily work from home allowance for staff members
- Pending costs for office maintenance and preparation to ensure premises are safe and suitable for employees to return to in due course
- Some costs from Bologna Children's Book Fair will not be recouped until 2021 if the fair goes ahead, and must be absorbed in 2020

Considering all this, and examining cash flow forecasts to August 2021, we are confident that the organisation is in good financial health and can continue to operate without incurring a deficit or encountering any cash flow issues through 2020 and 2021.

GOING CONCERN
Para 3.38 of the Charity SORP requires that 'All charities must explain if there are material uncertainties related to events or conditions that cast significant doubt on the charity's ability to continue as a going concern.' While there are uncertainties, given the unpredictable nature of the global pandemic, Children's Books Ireland has conducted an in-depth review of income sources and is confident that it can continue as a going concern and that there are no material uncertainties to disclose. As detailed above, there has been some loss of income, but the executive is agile and adaptable and has quickly adopted solutions to deliver digital versions of programmes to which the organisation was already committed. We are tailoring our implementation plan so that we can continue to deliver our strategic aims and work towards our vision in a challenging context. We have ample fundraising support and resources to find new income streams to replace lost earnings from in-person events, such as Book Clinics and the Children's Books Ireland International Conference, and we are pivoting our schools-based work to the highest quality engagements we can provide for children and young people in a digital environment.

Auditors
KSi Faulkner Orr Ltd, were appointed auditors by the directors to fill the casual vacancy and they have expressed their willingness to continue in office in accordance with the provisions of section 383(2) of the Companies Act 2014.
JPAS Limited resigned as auditors during the financial year and the directors appointed KSi Faulkner Orr Ltd, to fill the vacancy.

Statement on Relevant Audit Information

In accordance with section 330 of the Companies Act 2014, so far as each of the persons who are directors at the time this report is approved are aware, there is no relevant audit information of which the statutory auditors are unaware. The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and they have established that the statutory auditors are aware of that information.

Accounting Records

To ensure that adequate accounting records are kept in accordance with Sections 281 to 285 of the Companies Act 2014, the directors have employed appropriately qualified accounting personnel and have maintained appropriate computerised accounting systems. The accounting records are located at the company's office at 17 North Great Georges Street, Dublin 1.

Approved by the Board of Directors on ____________________ and signed on its behalf by:

____

Patricia Forde
Director

____

Jane Alger
Director

DIRECTORS' RESPONSIBILITIES STATEMENT

for the financial year ended 31 December 2019

The directors are responsible for preparing the financial statements in accordance with applicable Irish law and regulations.

Irish company law requires the directors to prepare financial statements for each financial year. Under the law the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the net income or expenditure of the company for the financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice: Accounting and Reporting by Charities (2015);
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the relevant financial reporting framework, 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 operation.

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

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 net income or expenditure of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and the Directors' Annual Report comply with 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.

In so far as the directors are aware:

- there is no relevant audit information (information needed by the company's auditor in connection with preparing the auditor's report) of which the company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Approved by the Board of Directors on ___________________ and signed on its behalf by:

____
Patricia Forde
Director

____
Jane Alger
Director

INDEPENDENT AUDITOR'S REPORT
to the Members of Children's Books Ireland

Report on the audit of the financial statements

Opinion
We have audited the company financial statements of Children's Books Ireland for the financial year ended 31 December 2019 which comprise the Statement of Financial Activities (incorporating an Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and the related 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102.

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 2019 and of its net incoming resources for the financial year then ended;
- have been properly prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", as applied in accordance with the provisions of the Companies Act 2014 and having regard to the Charities SORP; 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with 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 the Provisions Available for Audits of Small Entities, in the circumstances set out in note 3 to the financial statements, 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company'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 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 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.

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.

Opinions on other matters prescribed by the Companies Act 2014
Based solely on the work undertaken in the course of the audit, we report that:
- in our opinion, the information given in the Directors' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- in our opinion, the Directors' Annual Report has been prepared in accordance with the Companies Act 2014.

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

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' Annual Report. The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT
to the Members of Children's Books Ireland

Respective responsibilities

Responsibilities of directors for the financial statements
As explained more fully in the Directors' Responsibilities Statement set out on page 10 the directors 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 they 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 management either intends to liquidate the company or to cease operations, or has 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Further information regarding the scope of our responsibilities as auditor
As part of an audit in accordance with ISAs (Ireland), we exercise professional judgement 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by directors.
- Conclude on the appropriateness of the directors' 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 company'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 our Auditor's Report. However, future events or conditions may cause the company to cease to continue as a going concern.
- 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 we identify during our audit.

The purpose of our audit work and to whom we owe our responsibilities
Our 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 Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume any 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.

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Laura Fallon
for and on behalf of
KSI FAULKNER ORR LTD
10 Lower Mount Street
Dublin 2
Ireland

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Children's Books Ireland

STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating an Income and Expenditure Account)
for the financial year ended 31 December 2019

	Notes	Unrestricted Funds 2019 €	Restricted Funds 2019 €	Total 2019 €	Unrestricted Funds 2018 €	Restricted Funds 2018 €	Total 2018 €
Income							
Charitable activities							
Grants and Donations	4.1	344,831	231,441	576,272	347,979	197,692	545,671
Other trading activities	4.2	29,108	-	29,108	24,092	-	24,092
Total income		373,939	231,441	605,380	372,071	197,692	569,763
Expenditure							
Charitable activities	5.1	374,072	232,883	606,955	364,474	199,607	564,081
Net income/(expenditure)		(133)	(1,442)	(1,575)	7,597	(1,915)	5,682
Transfers between funds		-	-	-	-	-	-
Net movement in funds for the financial year		(133)	(1,442)	(1,575)	7,597	(1,915)	5,682
Reconciliation of funds							
Balances brought forward at 1 January 2019	17	123,650	1,442	125,092	116,053	3,357	119,410
Balances carried forward at 31 December 2019		123,517	-	123,517	123,650	1,442	125,092

The Statement of Financial Activities includes all gains and losses recognised in the financial year.
All income and expenditure relate to continuing activities.

Approved by the Board of Directors on ____________________ and signed on its behalf by:

____

Patricia Forde
Director

____

Jane Alger
Director

Children's Books Ireland
BALANCE SHEET
as at 31 December 2019

	Notes	2019 €	2018 €
Fixed Assets			
Tangible assets	12	**4,125**	4,345
Current Assets			
Debtors	13	**62,151**	35,185
Cash at bank and in hand		**318,954**	195,776
		381,105	230,961
Creditors: Amounts falling due within one year	14	**(261,713)**	(110,214)
Net Current Assets		**119,392**	120,747
Total Assets less Current Liabilities		**123,517**	125,092
Funds			
Restricted trust funds		**-**	1,442
General fund (unrestricted)		**123,517**	123,650
Total funds	17	**123,517**	125,092

Approved by the Board of Directors on ____________________ and signed on its behalf by:

____
Patricia Forde
Director

____
Jane Alger
Director

Children's Books Ireland
STATEMENT OF CASH FLOWS
for the financial year ended 31 December 2019

	Notes	2019 €	2018 €
Cash flows from operating activities			
Net movement in funds		**(1,575)**	5,682
Adjustments for:			
Depreciation		**3,418**	3,690
		1,843	9,372
Movements in working capital:			
Movement in debtors		**(26,966)**	16,534
Movement in creditors		**151,499**	(632)
Cash generated from operations		**126,376**	25,274
Cash flows from investing activities			
Payments to acquire tangible assets		**(3,198)**	(650)
Net increase in cash and cash equivalents		**123,178**	24,624
Cash and cash equivalents at 1 January 2019		**195,776**	171,152
Cash and cash equivalents at 31 December 2019	**20**	**318,954**	195,776

1. GENERAL INFORMATION

Children's Books Ireland is a company limited by guarantee incorporated in the Republic of Ireland. The registered office of the company is 17 North Great Georges Street, Dublin 1 which is also the principal place of business of the company. The financial statements have been presented in Euro (€) which is also the functional currency of the company.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the charity's financial statements.

Basis of preparation
The financial statements have been prepared on the going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)".

The company has applied the Charities SORP on a voluntary basis as its application is not a requirement of the current regulations for charities registered in the Republic of Ireland. As permitted by the Companies Act 2014, the company has varied the standard formats in that act for the Statement of Financial Activities and the Balance Sheet. Departures from the standard formats, as outlined in the Companies Act 2014, are to comply with the requirements of the Charities SORP and are in compliance with section 4.7, 10.6 and 15.2 of that SORP.

Statement of compliance
The financial statements of the company for the financial year ended 31 December 2019 have been prepared on the going concern basis and in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)" and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Fund accounting
The following are the categories of funds maintained:

Restricted funds
Restricted funds represent income received which can only be used for particular purposes, as specified by the donors. Such purposes are within the overall objectives of the company.

Unrestricted funds
Unrestricted funds consist of General and Designated funds.

- General funds represent amounts which are expendable at the discretion of the board, in furtherance of the objectives of the company.
- Designated funds comprise unrestricted funds that the board has, at its discretion, set aside for particular purposes. These designations have an administrative purpose only, and do not legally restrict the board's discretion to apply the fund.

Income
Income is recognised by inclusion in the Statement of Financial Activities only when the company is legally entitled to the income, performance conditions attached to the item(s) of income have been met, the amounts involved can be measured with sufficient reliability and it is probable that the income will be received by the company.

Income from charitable activities
Income from charitable activities include income earned from the supply of services under contractual arrangements and from performance related grants which have conditions that specify the provision of particular services to be provided by the company. Income from government and other co-funders is recognised when the company is legally entitled to the income because it is fulfilling the conditions contained in the related funding agreements. Where a grant is received in advance, its recognition is deferred and included in creditors. Where entitlement occurs before income is received, it is accrued in debtors.

Grants from governments and other co-funders typically include one of the following types of conditions:

- Performance based conditions: whereby the company is contractually entitled to funding only to the extent that the core objectives of the grant agreement are achieved. Where the company is meeting the core objectives of a grant agreement, it recognises the related expenditure, to the extent that it is reimbursable by the donor, as income.

-Time based conditions: whereby the company is contractually entitled to funding on the condition that it is utilised in a particular period. In these cases the company recognises the income to the extent it is utilised within the period specified in the agreement.

In the absence of such conditions, assuming that receipt is probable and the amount can be reliably measured, grant income is recognised once the company is notified of entitlement.

Grants received towards capital expenditure are credited to the Statement of Financial Activities when received or receivable, whichever is earlier.

Expenditure
Expenditure is analysed between costs of charitable activities and raising funds. The costs of each activity are separately accumulated and disclosed, and analysed according to their major components. Expenditure is recognised when a legal or constructive obligation exists as a result of a past event, a transfer of economic benefits is required in settlement and the amount of the obligation can be reliably measured. Support costs are those functions that assist the work of the company but cannot be attributed to one activity. Such costs are allocated to activities in proportion to staff time spent or other suitable measure for each activity.

Expenditure is classified under the following activity heading:
- Costs of raising funds comprise the costs of publicity and marketing and their associated support costs.

- Expenditure on charitable activities includes the costs of the project costs and their associated support costs.

- Other expenditure represents those items not falling into any other heading.

Allocation of support costs
Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs are analysed between cost of raising funds and expenditure on charitable activities. Where costs cannot be directly attributed, they are allocated in proportion to the benefits received. Salaries and associated costs which can be attributed to specific projects are charged accordingly.

Tangible fixed assets and depreciation
Tangible fixed assets are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of tangible fixed assets, less their estimated residual value, over their expected useful lives as follows:

Fixtures and fittings	-	20% Straight line
Computer equipment	-	33.3% Straight line

Debtors
Debtors are recognised at the settlement amount due after any discount offered.
Prepayments are valued at the amount prepaid net of any trade discounts due. Income recognised by the company from government agencies and other co-funders, but not yet received at financial year end, is included in debtors.

Cash at bank and in hand
Cash at bank and in hand comprises cash on deposit at banks requiring less than three months notice of withdrawal.

Taxation and deferred taxation
No current or deferred taxation arises as the company has been granted charitable exemption. Irrecoverable valued added tax is expensed as incurred.

3. PROVISIONS AVAILABLE FOR AUDITS OF SMALL ENTITIES

In common with many other charitable companies of our size and nature, we use our auditors to assist with the preparation of the financial statements.

4. INCOME

4.1 CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	2019	2018
	€	€	€	€
Income from charitable activities	**344,831**	**231,441**	**576,272**	545,671

4.2 OTHER TRADING ACTIVITIES

	Unrestricted Funds	Restricted Funds	2019	2018
	€	€	€	€
Other trading activities	**29,108**	**-**	**29,108**	24,092

5. EXPENDITURE

5.1 CHARITABLE ACTIVITIES

	Direct Costs	Other Costs	Support Costs	2019	2018
	€	€	€	€	€
Expenditure on charitable activities	**53,284**	**-**	**553,671**	**606,955**	564,081

5.2	SUPPORT COSTS	Charitable Activities	2019	2018
		€	€	€
	Support - Wages and Salaries	**150,617**	**150,617**	111,447
	Book Clinics	**22,934**	**22,934**	14,041
	Book Gifting	**78,787**	**78,787**	16,520
	Inis Magazine	**14,952**	**14,952**	12,232
	Books Awards	**28,886**	**28,886**	31,449
	Development Manager	**20,770**	**20,770**	15,761
	Support in Kind	**5,746**	**5,746**	7,657
	Support Costs - General Office	**34,093**	**34,093**	35,410
	Governance Costs	**37,137**	**37,137**	62,039
	Annual Conference	**19,178**	**19,178**	14,795
	Laureate Projects	**81,637**	**81,637**	109,847
	Recommended Reads/Reading Campaign	**24,253**	**24,253**	25,016
	Bologna	**25,829**	**25,829**	34,108
	BOLD GIRLS	**-**	**-**	27,113
	Programming	**5,402**	**5,402**	966
	Words Ireland	**-**	**-**	123
	Professional Development	**3,450**	**3,450**	502
		553,671	**553,671**	519,026

7.	Income from Grants and Donations	2019	2018
		€	€
	Arts Council Revenue Funding	**237,000**	230,000
	Arts Council Northern Ireland	**13,665**	12,653
	Culture Ireland	**20,000**	29,000
	UNESCO City of Literature	**3,450**	15,190
	Donations	**47,751**	670
	Dept of Culture, Heritage and the Gaeltacht	**15,000**	15,000
	Support in Kind	**5,746**	7,657
		342,612	310,170

8. PUBLIC FUNDING

Grantor	At 31 December 2018	Total Grant received	Reflected in 2019	Deferred at 31 December 2019	Restriction on Use	Capital Grant
Arts Council Main funding	-	€237,000	€237,000	-	Unrestricted	No
Arts Council NI	€3,370	€16,018	€13,665	€5,723	Restricted	No
UNESCO	-	€3,450	€3,450	-	Restricted	No
Culture Ireland	-	€20,000	€20,000	-	Restricted	No
Department of Culture, Heritage and Gaeltacht	-	€15,000	€15,000	-	Restricted	No
DCYA	-	€ 9,000	-	€9,000	Restricted	No
Arts Council Laureate	€39,395	€74,000	€77,293	€36,102	Restricted	No
Arts Council NI Laureate		€17,170	€17,170	-	Restricted	No
Total	**€42,765**	**€391,638**	**€ 383,577**	**€50,825**		

9. NET INCOME

	2019 €	2018 €
Net Income is stated after charging/(crediting):		
Depreciation of tangible assets	**3,418**	3,690

10. EMPLOYEES AND REMUNERATION

Number of employees
The average number of persons employed during the financial year was as follows:

	2019 Number	2018 Number
Office and Management	**4**	5

The staff costs comprise:	2019 €	2018 €
Wages and salaries	**181,278**	166,735
Pension costs	**18,136**	15,413
	199,414	182,148

11. EMPLOYEE BENEFITS

There are no employees who received employee benefits (excluding employer pension costs) of more than €70,000 for the reporting period.
None of the directors received remuneration or payments for their work in their capacity as director during the year.

The charity operates an externally funded defined contribution scheme that covers substantially all the employees of the charity. The assets of the scheme are vested in independent trustees for the sole benefit of the employees. The defined contribution scheme charge for 2019 was €18,136 (2018: €15,413). Pension costs which are attributable to a particular activity are allocated directly to that activity. Where pension costs are incurred to further more than one activity they are apportioned between the relevant activities based on the amount of staff time which each activity absorbs. Defined contribution pension costs are paid from unrestricted funds.

12. TANGIBLE FIXED ASSETS

	Fixtures and fittings	Computer equipment	Total
	€	€	€
Cost			
At 1 January 2019	6,196	9,020	15,216
Additions	474	2,724	3,198
At 31 December 2019	6,670	11,744	18,414
Depreciation			
At 1 January 2019	4,575	6,296	10,871
Charge for the financial year	961	2,457	3,418
At 31 December 2019	5,536	8,753	14,289
Net book value			
At 31 December 2019	**1,134**	**2,991**	**4,125**
At 31 December 2018	1,621	2,724	4,345

12.1 TANGIBLE FIXED ASSETS PRIOR FINANCIAL YEAR

	Fixtures and fittings	Computer equipment	Total
	€	€	€
Cost			
At 1 January 2018	5,546	9,020	14,566
Additions	650	-	650
At 31 December 2018	6,196	9,020	15,216
Depreciation			
At 1 January 2018	3,412	3,769	7,181
Charge for the financial year	1,163	2,527	3,690
At 31 December 2018	4,575	6,296	10,871
Net book value			
At 31 December 2018	**1,621**	**2,724**	**4,345**
At 31 December 2017	2,134	5,251	7,385

13. DEBTORS

	2019 €	2018 €
Trade debtors	**29,800**	16,497
Other debtors	**15,545**	300
Prepayments and accrued income	**16,806**	18,388
	62,151	35,185

14. CREDITORS

Amounts falling due within one year

	2019 €	2018 €
Trade creditors	**7,437**	1,302
Taxation and social security costs (Note 15)	**13,660**	8,798
Other creditors	**1,446**	-
Accruals	**5,203**	39,927
Deferred Income	**233,967**	60,187
	261,713	110,214

15. TAXATION AND SOCIAL SECURITY

	2019 €	2018 €
Creditors:		
PAYE / PRSI	**13,660**	8,798

16. RESERVES

	2019 €	2018 €
At 1 January 2019	**125,092**	119,410
(Deficit)/Surplus for the financial year	**(1,575)**	5,682
At 31 December 2019	**123,517**	125,092

17. FUNDS

17.1 RECONCILIATION OF MOVEMENT IN FUNDS

	Unrestricted Funds €	Restricted Funds €	Total Funds €
At 1 January 2018	116,053	3,357	119,410
Movement during the financial year	7,597	(1,915)	5,682
At 31 December 2018	123,650	1,442	125,092
Movement during the financial year	(133)	(1,442)	(1,575)
At 31 December 2019	**123,517**	**-**	**123,517**

17.2 ANALYSIS OF MOVEMENTS ON FUNDS

	Balance 1 January 2019	Income	Expenditure	Transfers between funds	Balance 31 December 2019
	€	€	€	€	€
Restricted	1,442	166,965	111,233	-	57,174
Restricted Funds - Programme	-	64,476	121,650	-	(57,174)
	1,442	231,441	232,883	-	-
Unrestricted income					
Unrestricted General	123,650	373,939	374,072	-	123,517
Total funds	**125,092**	**605,380**	**606,955**	**-**	**123,517**

18. STATUS

The company is limited by guarantee not having a share capital.
Members of the charitable company guarantee to contribute an amount not exceeding €1 to the assets of the charitable company in the event of a winding up.

The liability of the members is limited.

Every member of the company undertakes to contribute to the assets of the company in the event of its being wound up while they are members, or within one financial year thereafter, for the payment of the debts and liabilities of the company contracted before they ceased to be members, and the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves, such amount as may be required, not exceeding € 1.

19. RELATED PARTY TRANSACTIONS

The Company has identified the following transactions which are required to be disclosed under the terms of "Related Party Transactions"

In 2019 the company and Hackett Flynn Limited shared common directors. During the year Hackett Flynn Limited provided services to the company amounting to €44,678. The balance owing to the company at 31 December 2019 was €Nil (at 31 December 2018 €Nil)

Patricia Forde is the chair of the board of Children's Books Ireland. She is a writer, and was booked to deliver training to KPMG staff on confidence in the classroom, on account of her extensive experience as a writer in schools and as a former teacher.

20. CASH AND CASH EQUIVALENTS

	2019	2018
	€	€
Cash and bank balances	**303,954**	195,776
Cash equivalents	**15,000**	-
	318,954	195,776

21. Cash and bank balances

	2019	2018
	€	€
Main Accounts and Petty Cash	**240,083**	195,737
Deposit/Reserves Account	**15,000**	-
Laureate Bank Account	**63,533**	-
Pay Pal Account	**338**	40
	318,954	195,777

22. POST-BALANCE SHEET EVENTS

The Coronavirus 2019 (COVID-19) disease was recognised as a pandemic by the World Health Organisation on 11 March 2020. The impact COVID-19 has had on the company and its activities is discussed in the Directors Report.

23. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on ....

CHILDREN'S BOOKS IRELAND

SUPPLEMENTARY INFORMATION

RELATING TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

NOT COVERED BY THE REPORT OF THE AUDITORS

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