

**Eos - Yr Asiantaeth Hawliau Darlledu Cyf**

**Annual Transparency Report**

**for the year ended 31/12/2018**

This report has been compiled in accordance with the terms of the Collective Management of Copyright (EU Directive) Regulations 2016.

### **Legal and Governance Structure**

Eos - Yr Asiantaeth Hawliau Darlledu Cyf (Eos) is a company limited by guarantee, run by a board of directors, who are appointed by the members in General Meetings. The directors are drawn from composers, publishers and other members.

### **Report on activities during the financial year**

The financial statements for the year ending 31/12/2018 include a review of the activities for the year on page 2.

### **Refusals to grant a licence**

There were no refusals to grant a licence during 2018.

### **Membership of other bodies / subsidiaries**

Eos does not have any subsidiaries and is not a member of any other body.

### **Directors Remuneration and Benefits**

No remuneration was paid to the Directors for their services as directors. However, D M Roberts, a board member, was paid £384 for 2 days work as a copyright consultant, in conjunction with negotiations with licence holders. The payments were authorised by the Board, and were at normal market rates. All board members are paid travelling expenses to attend board and other meetings.

### **Deductions for Social, Cultural and Educational services**

A donation of £5,000 was made to Cronfa Nawdd Eos Cyf., a charitable company under the control of the Eos Board. Cronfa Nawdd Eos Cyf. is a guarantee company, number 12076299, set up by Eos in order to distribute grants to support, sustain and further the creation and performance of Welsh music and to increase the public's appreciation of and education in new music.

### **Rights Revenue and Distributions**

Eos collects revenue for only 1 category of right - Broadcasting Rights.

2018

Broadcasting Rights collected	£243,214	100%
Broadcasting Rights attributed to rights holders	£194,571	80%

Deductions from Rights income - Commission	£48,643	20%
Cost of rights management and other services	£32,453	15%
Broadcasting rights paid out to rights holders	£207,257	
Broadcasting rights not yet paid out b/f	£171,376	
Broadcasting rights not yet paid out c/f	£158,690	

A breakdown of the costs of rights management and other services is to be seen on page 14 of the financial statements.

Licence fees are collected monthly in advance, whereas distributions to members are made quarterly in arrears. There is normally a delay of 6 months between collection and distribution of rights income, due to the time it takes to receive and process data. This explains the amount of rights income received but not paid out. Trivial sums, owing to members, are kept back until the amount owing exceeds £10.

## **To the directors of EOS – Yr Asiantaeth Hawliau Darlledu Cyf**

We have performed the procedures agreed with you and enumerated below with respect to the annual transparency report of EOS – Yr Asiantaeth Hawliau Darlledu Cyf for the year 31 December 2018. Our engagement letter was undertaken in accordance with the International Standard on Related Services applicable to agreed-upon procedures engagements. The procedures were performed solely for the purpose of your compliance with Regulation 21(2) (b) of the Collective Management of Copyright (EU Directive) Regulations 2016 and are summarised in Annex C: Agreed Upon Procedures for the audit of an Annual Transparency Report

We report our findings below:

- With respect to item 2 we found the balance to be in agreement.

Because the above procedures do not constitute engagements made in accordance with International Standards on Auditing (UK) or the International Standard for Review Engagements (UK and Ireland), we do not express any assurance on the annual transparency report for the year ended 31 December 2018.

Had we performed additional procedures or had we performed engagements in accordance with International Standards on Auditing (UK) or the International Standard for Review Engagements (UK and Ireland), other matters might have come to our attention that would have been reported to you.

### **Use and purpose of our report**

Our report is prepared solely for the use EOS – Yr Asiantaeth Hawliau Darlledu Cyf and solely for the purpose of its compliance with Regulation 21 (2) (b) of the Collective Management of Copyright (EU Directive) Regulations 2016. It may not be relied upon by EOS – Yr Asiantaeth Hawliau Darlledu Cyf for any other purpose whatsoever. Our Report was not prepared for the benefit of any party other than EOS – Yr Asiantaeth Hawliau Darlledu Cyf. WJ Matthews & Son neither owes nor accepts any duty to any other party (including any copyright owner, heirs to copyright owners, agents or licencees) and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by their reliance on our Report.

David Chidley  
Senior Statutory Auditor

WJ Matthews & Son  
Chartered Accountants  
11-15 Bridge Street  
Caernarfon  
Gwynedd  
LL55 1AB

Date: