

Company registration number: 08269418

**EOS - Yr Asiantaeth Hawliau Darlledu Cyfyngedig
Company limited by guarantee**

Unaudited financial statements

31 December 2018

EOS - Yr Asiantaeth Hawliau Darlledu Cyfyngedig
Company limited by guarantee

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EOS - Yr Asiantaeth Hawliau Darlledu Cyfyngedig
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Directors and other information

Directors

Mr Dafydd Meirion Roberts
Mr Huw Chiswell
Mr Jim O'Rourke
Mr Rhys Harris
Ms Ruth Myfanwy Edwards
Mr Ynyr Roberts
Mr Benjamin Kevin Davies
Mr Arwyn Jones (Resigned 20 March 2019)
Mr Bryn Fon

Company number 08269418

Registered office

32 Y Maes
Caernarfon
Gwynedd
LL55 2NN

Accountants

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

Bankers

HSBC Bank plc
24 Castle Square
Caernarfon
Gwynedd
LL55 2NB

EOS - Yr Asiantaeth Hawliau Darlledu Cyfyngedig
Company limited by guarantee

Directors report
Year ended 31 December 2018

The directors present their report and the unaudited financial statements of the company for the year ended 31 December 2018.

Directors

The directors who served the company during the year were as follows:

Mr Dafydd Meirion Roberts

Mr Huw Chiswell

Mr Jim O'Rourke

Mr Rhys Harris

Ms Ruth Myfanwy Edwards

Mr Ynyr Roberts

Mr Benjamin Kevin Davies

Mr Arwyn Jones

(Resigned 20 March 2019)

Mr Bryn Fon

Qualifying indemnity provision

The company was incorporated on 26 October 2012, with trading starting on 1 January 2013. The principal activity of the company is that of selling licenses which form the repertoire of Eos to broadcasters to broadcast on radio and television. The works that Eos licenses are owned by its members, whether they are composers or publishers. Eos also distributes the money collected from the broadcasters to its members as royalties, in accordance with the distribution policy set out below.

Other matters

The distribution policy is to distribute all licence fee income to members after charging 20% commission in order to cover the running costs of the Company. Trivial sums are held back until the amount owing exceeds £10. The Company keeps a rolling pot of £10,000 in order to cover any large distribution payments which may arise from the late registrations of works by members, or other processing errors by PRS, resulting in the back dating of royalty payments.

During the year ended 31 December 2018 royalty payments totalling £207,257 were distributed.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 27 June 2019 and signed on behalf of the board by:

Mr Rhys Harris

Director

EOS - Yr Asiantaeth Hawliau Darlledu Cyfyngedig
Company limited by guarantee

Chartered accountants report to the board of directors on the preparation of the
unaudited statutory financial statements of EOS - Yr Asiantaeth Hawliau Darlledu Cyfyngedig
Year ended 31 December 2018

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of EOS - Yr Asiantaeth Hawliau Darlledu Cyfyngedig for the year ended 31 December 2018 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the board of directors of EOS - Yr Asiantaeth Hawliau Darlledu Cyfyngedig, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of EOS - Yr Asiantaeth Hawliau Darlledu Cyfyngedig and state those matters that we have agreed to state to the board of directors of EOS - Yr Asiantaeth Hawliau Darlledu Cyfyngedig as a body, in this report in accordance with the ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than EOS - Yr Asiantaeth Hawliau Darlledu Cyfyngedig and its board of directors as a body for our work or for this report.

It is your duty to ensure that EOS - Yr Asiantaeth Hawliau Darlledu Cyfyngedig has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of EOS - Yr Asiantaeth Hawliau Darlledu Cyfyngedig. You consider that EOS - Yr Asiantaeth Hawliau Darlledu Cyfyngedig is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of EOS - Yr Asiantaeth Hawliau Darlledu Cyfyngedig. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

WJ Matthews & Son
Chartered Accountants

11-15 Bridge Street
Caernarfon
Gwynedd
LL55 1AB

27 June 2019

EOS - Yr Asiantaeth Hawliau Darlledu Cyfyngedig
Company limited by guarantee

Statement of comprehensive income
Year ended 31 December 2018

	Note	2018	2017
		£	£
Turnover		50,310	49,548
Administrative expenses		(38,013)	(33,083)
Operating profit		<u>12,297</u>	<u>16,465</u>
Other interest receivable and similar income		143	56
Profit before taxation	6	<u>12,440</u>	<u>16,521</u>
Tax on profit		(2,364)	(3,179)
Profit for the financial year and total comprehensive income		<u><u>10,076</u></u>	<u><u>13,342</u></u>

All the activities of the company are from continuing operations.

The notes on pages 9 to 14 form part of these financial statements.

EOS - Yr Asiantaeth Hawliau Darlledu Cyfyngedig
Company limited by guarantee

Statement of financial position
31 December 2018

	Note	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	7	329		494	
		<u>329</u>	329	<u>494</u>	494
Current assets					
Debtors	8	28,194		19,347	
Cash at bank and in hand		208,423		218,541	
		<u>236,617</u>		<u>237,888</u>	
Creditors: amounts falling due within one year	9	(182,169)		(193,650)	
Net current assets			54,448		44,238
Total assets less current liabilities			<u>54,777</u>		<u>44,732</u>
Provisions for liabilities	10		(63)		(94)
Net assets			<u>54,714</u>		<u>44,638</u>
Capital and reserves					
Profit and loss account			54,714		44,638
Members funds			<u>54,714</u>		<u>44,638</u>

For the year ending 31 December 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The notes on pages 9 to 14 form part of these financial statements.

**EOS - Yr Asiantaeth Hawliau Darlledu Cyfyngedig
Company limited by guarantee**

**Statement of financial position (continued)
31 December 2018**

These financial statements were approved by the board of directors and authorised for issue on 27 June 2019, and are signed on behalf of the board by:

Mr Dafydd Meirion Roberts
Director

Company registration number: 08269418

The notes on pages 9 to 14 form part of these financial statements.

EOS - Yr Asiantaeth Hawliau Darlledu Cyfyngedig
Company limited by guarantee

Statement of changes in equity
Year ended 31 December 2018

	Profit and loss account £	Total £
At 1 January 2017	31,296	31,296
Profit for the year	13,342	13,342
Total comprehensive income for the year	13,342	13,342
At 31 December 2017 and 1 January 2018	44,638	44,638
Profit for the year	10,076	10,076
Total comprehensive income for the year	10,076	10,076
At 31 December 2018	54,714	54,714

EOS - Yr Asiantaeth Hawliau Darlledu Cyfyngedig
Company limited by guarantee

Statement of cash flows
Year ended 31 December 2018

	2018	2017
	£	£
Cash flows from operating activities		
Profit for the financial year	10,076	13,342
<i>Adjustments for:</i>		
Depreciation of tangible assets	165	165
Other interest receivable and similar income	(143)	(56)
Tax on profit	2,364	3,179
Accrued expenses/(income)	5,485	1,294
<i>Changes in:</i>		
Trade and other debtors	(8,847)	6,393
Trade and other creditors	(16,276)	40,446
Cash generated from operations	<u>(7,176)</u>	<u>64,763</u>
Interest received	143	56
Tax paid	(3,085)	(2,841)
Net cash (used in)/from operating activities	<u>(10,118)</u>	<u>61,978</u>
Cash flows from investing activities		
Purchase of tangible assets	-	(659)
Net cash from/(used in) investing activities	<u>-</u>	<u>(659)</u>
Net increase/(decrease) in cash and cash equivalents	(10,118)	61,319
Cash and cash equivalents at beginning of year	<u>218,541</u>	<u>157,222</u>
Cash and cash equivalents at end of year	<u><u>208,423</u></u>	<u><u>218,541</u></u>

EOS - Yr Asiantaeth Hawliau Darlledu Cyfyngedig
Company limited by guarantee

Notes to the financial statements
Year ended 31 December 2018

1. General information

The company is a private company limited by guarantee, registered in Wales. The address of the registered office is 32 Y Maes, Caernarfon, Gwynedd, LL55 2NN.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer, usually on despatch of the goods; the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

EOS - Yr Asiantaeth Hawliau Darlledu Cyfyngedig
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Notes to the financial statements (continued)
Year ended 31 December 2018

Tangible assets

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fittings fixtures and equipment - 25% straight line

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

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Notes to the financial statements (continued)
Year ended 31 December 2018

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in profit or loss in the period in which it arises.

4. Limited by guarantee

The company is limited by guarantee and has no share capital.

5. Employee numbers

The average number of persons employed by the company during the year amounted to 1 (2017: 1).

6. Profit before taxation

Profit before taxation is stated after charging/(crediting):

	2018	2017
	£	£
Depreciation of tangible assets	165	165
	<u> </u>	<u> </u>

7. Tangible assets

	Fixtures, fittings and equipment	Total
	£	£
Cost		
At 1 January 2018 and 31 December 2018	1,603	1,603
	<u> </u>	<u> </u>
Depreciation		
At 1 January 2018	1,109	1,109
Charge for the year	165	165
	<u> </u>	<u> </u>
At 31 December 2018	1,274	1,274
	<u> </u>	<u> </u>
Carrying amount		
At 31 December 2018	329	329
	<u> </u>	<u> </u>
At 31 December 2017	494	494
	<u> </u>	<u> </u>

EOS - Yr Asiantaeth Hawliau Darlledu Cyfyngedig
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Notes to the financial statements (continued)
Year ended 31 December 2018

8. Debtors

	2018	2017
	£	£
Trade debtors	28,194	19,347
	<u> </u>	<u> </u>

9. Creditors: amounts falling due within one year

	2018	2017
	£	£
Corporation tax	2,394	3,084
Social security and other taxes	12,565	16,155
Other creditors	167,210	174,411
	<u> </u>	<u> </u>
	<u>182,169</u>	<u>193,650</u>

10. Provisions

	Deferred tax (note 11)	Total
	£	£
At 1 January 2018	94	94
Additions	(31)	(31)
	<u> </u>	<u> </u>
At 31 December 2018	<u>63</u>	<u>63</u>

11. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2018	2017
	£	£
Included in provisions (note 10)	63	94
	<u> </u>	<u> </u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2018	2017
	£	£
Accelerated capital allowances	63	94
	<u> </u>	<u> </u>

12. Controlling party

The company is controlled by its directors who have equal voting rights. There is no ultimate controlling party.

EOS - Yr Asiantaeth Hawliau Darlledu Cyfyngedig
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Notes to the financial statements (continued)
Year ended 31 December 2018

13. Statutory Reporting Requirements

The following information is disclosed in accordance with the provisions of The Copyright (Regulation of Relevant Licensing Bodies) Regulations 2014.

Rights holders

The company represents 347 individual composer/writer members, together with 35 publishers, who in turn represent an estimated 2000 non member composers/writers.

Distribution policy

The distribution policy is to distribute all licence fee income to members after charging 20% commission in order to cover the running costs of the Company. Trivial sums are held back until the amount owing exceeds £10. The Company keeps a rolling pot of £10,000 in order to cover any large distribution payments which may arise from the late registrations of works by members, or other processing errors by PRS, resulting in the back dating of royalty payments.

Licence Fee Income and Distributions	£	£
Licence fee income for the period	243,214	239,403
Less commission	(48,643)	(47,881)
	<u>194,571</u>	<u>191,522</u>
Net owing to members	194,571	191,522
Paid out during the period	(207,257)	(157,159)
Net	(12,686)	34,363
Balance owing to members brought forward	171,376	137,013
Balance owing to members as at 31/12/18	158,690	171,376

Licence fees are collected monthly in advance, and distributions are made quarterly in arrears, normally within 6 to 8 weeks of the end of the quarter. The allocation of revenues to members, and the payments made to them are in accordance with the distribution policy noted above.

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Notes to the financial statements (continued)
Year ended 31 December 2018

Costs of administering licences	£	£
Wages, salaries and pension	25,767	25,016
Rent	2,400	2,480
Printing, postage and stationery	106	101
Computer costs	28	183
Data processing	1,666	1,669
Travelling and subsistence	854	858
Accountancy	1,267	852
Sundry expenditure	200	185
Depreciation	165	165
	<hr/>	<hr/>
Total	32,453	31,509

Appointment of Directors

Directors are appointed in accordance with the provisions of the Memorandum and Articles of Association of the Company.

Directors Remuneration

Directors are not remunerated for their services as non executive directors. They only receive expenses. However in exceptional circumstances, as happened in the first year of trading, one director (Gwilym Morus) carried out a large amount of administrative work in setting up the Company's systems and was remunerated accordingly.

Complaints Resolution

The Company complied with its code of practice in relation to the resolution of complaints. No complaints were received during the period.

14. Charitable Donation

The charitable donation was made to Cronfa Nawdd Eos Cyf, a charitable company set up 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. Cronfa Nawdd Eos Cyf is a company limited by guarantee controlled by the Board of Directors of EOS - Yr Asiantaeth Hawliau Darlledu Cyfyngedig.

**EOS - Yr Asiantaeth Hawliau Darlledu Cyfyngedig
Company limited by guarantee**

The following pages do not form part of the statutory accounts.

EOS - Yr Asiantaeth Hawliau Darlledu Cyfyngedig
Company limited by guarantee

Detailed income statement
Year ended 31 December 2018

	2018	2017
	£	£
Turnover		
Commissions received	48,643	47,881
Other income	1,667	1,667
	50,310	49,548
 Gross profit	 50,310	 49,548
 Gross profit percentage	 100.0%	 100.0%
 Overheads		
 Administrative expenses		
Wages and salaries	(23,313)	(22,629)
Staff pension costs - defined contribution	(2,454)	(2,387)
Rent payable	(2,400)	(2,480)
Printing, postage and stationery	(106)	(101)
Computer costs	(28)	(183)
Data processing	(1,666)	(1,669)
Travelling and subsistence	(567)	(487)
Legal and professional	(385)	(1,421)
Board of directors' expenses	(287)	(371)
Accountancy fees	(1,267)	(852)
Bank charges	(175)	(153)
General expenses	(200)	(185)
Charitable donations	(5,000)	-
Depreciation of tangible assets	(165)	(165)
	(38,013)	(33,083)
 Operating profit	 12,297	 16,465
 Operating profit percentage	 24.4%	 33.2%
 Other interest receivable and similar income	 143	 56
 Profit before taxation	 12,440	 16,521