**Company registration number:**

# Irish Copyright Licensing Agency Company Limited by Guarante
## Trading as Irish Copyright Licensing Agency Limited
## (A Company Limited by Guarantee and not having Share Capital)

**Financial statements**

**for the financial year ended 31 August 2017**

**Irish Copyright Licensing Agency Company Limited by Guarante**
**(A Company Limited by Guarantee and not having Share Capital)**

## Contents

## Directors and other information

| | |
|---|---|
| **Directors** | Ivan O'Brien<br>Conor Kostick<br>Ruth Gill<br>Nessa O'Mahony<br>Lissa Oliver<br>Anthony Tierney<br>Jonathan Saint |
| **Secretary** | Samantha Holman |
| **Registered office** | Irish Copyright Licensing Agency Limited<br>63 Patrick Street,<br>Dun Laoghaire<br>Co. Dublin |
| **Business address** | 63 Patrick Street<br>Dun Laoghaire<br>Co. Dublin |
| **Auditor** | MCNN (Auditors and Financial Advisors)<br>E12 Calmount Park<br>Ballymount<br>Dublin 12 |
| **Bankers** | Bank of Ireland<br>O'Connell Street<br>Dublin 1 |
| **Solicitors** | McCann Fitzgerald<br>2 Harbourmaster Place<br>Custom House Dock<br>Dublin 1 |

## Directors report

The directors present their annual report and the audited financial statements of the company for the financial year ended 31 August 2017.

**Directors**
The names of the persons who at any time during the financial year were directors of the company are as follows:

Ivan O'Brien
Conor Kostick
Ruth Gill
Nessa O'Mahony
Lissa Oliver
Anthony Tierney
Jonathan Saint

**Principal activities**
The principal activity of the company continues to be the licensing for multiple photocopying of copyright material and collection of royalties thereon. License fees collected are distributed after deduction of costs amongst the authors and publishers whose works have been copied.

**Development and performance**
The results for the year were in line with expectations

**Principal risks and uncertainties**
We confirm that there is an ongoing process of identifying, evaluating and managing significant risks faced by the company, and that it has been in place for the period under review.

**Dividends**
During the financial year the directors have not paid any dividends or recommended payment of a final dividend.

**Events after the end of the reporting period**
There were no material events since the year end.

**Research and development**
The company did not carry out any research and development in the period under review.

**Accounting records**
The measures taken by the directors to secure compliance with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records are the implementation of necessary policies and procedures for recording transactions, the employment of competent accounting personnel with appropriate expertise and the provision of adequate resources to the financial function. The accounting records of the company are located at at the companies registered office..

**Relevant audit information**

In the case of each of the persons who are directors at the time this report is approved in accordance with section 332 of Companies Act 2014:

- so far as each director is aware, there is no relevant audit information of which the company's statutory auditors are unaware, and
- each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's statutory auditors are aware of that information.

This report was approved by the board of directors on 21 May 2018 and signed on behalf of the board by:

| | |
|---|---|
| Conor Kostick | Jonathan Saint |
| Director | Director |

## Directors responsibilities statement

The directors are responsible for preparing the directors report and 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, and promulgated by the Institute of Certified Public Accountants in Ireland. 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 profit or loss 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 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.

**Independent auditor's report to the members of**
**Irish Copyright Licensing Agency Company Limited by Guarante**

We have audited the financial statements of Irish Copyright Licensing Agency Company Limited by Guarante for the year ended 31 August 2017 which comprise the profit and loss account, statement of income and retained earnings, balance sheet and related notes. The relevant financial reporting framework that has been applied in their preparation is 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 and promulgated by the Institute of Certified Public Accounts in Ireland.

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.

**Respective responsibilities of directors and auditor**

As explained more fully in the directors responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 August 2017 and of its profit for the year then ended; and
- have been properly prepared in accordance with the relevant reporting framework and, in particular the requirements of the Companies Act 2014.

**Matters on which we are required to report by 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.
- In our opinion the information given in the directors report is consistent with the financial statements.

**Matters on which we are required to report by exception**

We have nothing to report in respect of our obligation under the Companies Act 2014 to report to you if, in our opinion, the disclosures of directors remuneration and transactions specified by sections 305 to 312 of the Act are not made.

Mark McCann

For and on behalf of
MCNN (Auditors and Financial Advisors)
Certified Public Accountants and Statutory Audit Firm
E12 Calmount Park
Ballymount
Dublin 12

21 May 2018

## Profit and loss account
## Financial year ended 31 August 2017

| | Note | 2017<br>€ | 2016<br>€ |
|---|---|---|---|
| **Turnover** | | 1,894,556 | 1,660,182 |
| Cost of sales | | (1,515,362) | (1,308,768) |
| **Gross profit** | | 379,194 | 351,414 |
| Administrative expenses | | (393,688) | (368,427) |
| **Operating loss** | | (14,494) | (17,013) |
| Other interest receivable and similar income | | 15,258 | 17,908 |
| **Profit before taxation** | | 764 | 895 |
| Tax on profit | | 6 | - |
| **Profit for the financial year** | | 770 | 895 |

The company has no other recognised items of income and expenses other than the results for the financial year as set out above.

## Irish Copyright Licensing Agency Company Limited by Guarante
## (A Company Limited by Guarantee and not having Share Capital)

### Statement of income and retained earnings
### Financial year ended 31 August 2017

| | **2017** | 2016 |
|---|---|---|
| | **€** | € |
| Profit for the financial year | 770 | 895 |
| **Retained earnings at the start of the financial year** | 221,655 | 220,760 |
| **Retained earnings at the end of the financial year** | 222,425 | 221,655 |

## Balance sheet
## As at 31 August 2017

| | Note | 2017 € | 2017 € | 2016 € | 2016 € |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 7 | 1,020 | | 1,929 | |
| | | | 1,020 | | 1,929 |
| **Current assets** | | | | | |
| Debtors | 8 | 25,052 | | 203,504 | |
| Cash at bank and in hand | | 2,670,851 | | 2,337,770 | |
| | | 2,695,903 | | 2,541,274 | |
| **Creditors: amounts falling due within one year** | 9 | (2,474,498) | | (2,220,761) | |
| **Net current assets** | | | 221,405 | | 320,513 |
| **Total assets less current liabilities** | | | 222,425 | | 322,442 |
| **Provisions for liabilities** | 10 | | - | | (100,787) |
| **Net assets** | | | 222,425 | | 221,655 |
| **Capital and reserves** | | | | | |
| Profit and loss account | | | 222,425 | | 221,655 |
| **Members funds** | | | 222,425 | | 221,655 |

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 11 to 16 form part of these financial statements.**

## Balance sheet (continued)
## As at 31 August 2017

These financial statements were approved by the board of directors on 21 May 2018 and signed on behalf of the board by:

| | |
|---|---|
| Conor Kostick | Jonathan Saint |
| Director | Director |

**The notes on pages 11 to 16 form part of these financial statements.**

## 1. General information

The company is a private company limited by guarantee, registered in . The address of the registered office is Irish Copyright Licensing Agency Limited, 63 Patrick Street,, Dun Laoghaire, Co. Dublin.

## 2. Statement of compliance

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

## 3. Accounting policies and measurement bases

### 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 Euro, 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.

### Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

### 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:

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 balance sheet 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.

**Financial instruments**
A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets or either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

## 4. Limited by guarantee

The company is one limited by guarantee not having a share capital. The liability of each member, in the event of the company being wound up is limited. Every member of the company undertakes to contribute to the assets of the company while he/she is a member or within one year afterwards for payment of debts and liabilities of the company contracted before he/she ceases to be a member and the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves, such an amount as may be required not exceeding the amount set out in the memorandum and articles of the company.

## 5. Staff costs

The average number of persons employed by the company during the financial year, including the directors was 7 (2016: 8).

The aggregate payroll costs incurred during the financial year were:

| | **2017** | 2016 |
|---|---|---|
| | **€** | € |
| Wages and salaries | 188,442 | 176,620 |
| Social insurance costs | 20,600 | 20,192 |
| | 209,042 | 196,812 |

## 6. Appropriations of profit and loss account

| | **2017** | 2016 |
|---|---|---|
| | **€** | € |
| At the start of the financial year | 221,655 | 220,760 |
| Profit for the financial year | 770 | 895 |
| **At the end of the financial year** | 222,425 | 221,655 |

## 7. Tangible assets

| | Plant and machinery | Fixtures, fittings and equipment | **Total** |
|---|---|---|---|
| | € | € | **€** |
| **Cost** | | | |
| **At 1 September 2016 and 31 August 2017** | 21,566 | 3,994 | 25,560 |
| **Depreciation** | | | |
| At 1 September 2016 | 19,637 | 3,994 | 23,631 |
| Charge for the financial year | 909 | - | 909 |
| **At 31 August 2017** | 20,546 | 3,994 | 24,540 |
| **Carrying amount** | | | |
| **At 31 August 2017** | 1,020 | - | 1,020 |
| At 31 August 2016 | 1,929 | - | 1,929 |

## 8. Debtors

| | **2017** | 2016 |
|---|---|---|
| | **€** | € |
| Trade debtors | 15,306 | 201,864 |
| Other debtors | 7,980 | - |
| Prepayments | 1,766 | 1,640 |
| | 25,052 | 203,504 |

## 9. Creditors: amounts falling due within one year

| | **2017** | 2016 |
|---|---|---|
| | **€** | € |
| Amounts owed to credit institutions | 922 | 614 |
| Trade creditors | 2,410,503 | 2,105,366 |
| Other creditors including tax and social insurance | (6,931) | 46,679 |
| Accruals | 70,004 | 68,102 |
| | 2,474,498 | 2,220,761 |

## 10. Provisions

| | Primary schools | **Total** |
|---|---|---|
| | € | **€** |
| At 1 September 2016 | 100,787 | 100,787 |
| Receipts | 34,043 | 34,043 |
| Charges against provisions | (134,830) | (134,830) |
| **At 31 August 2017** | - | - |

## 11. Approval of financial statements

The board of directors approved these financial statements for issue on 21 May 2018.

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

**Irish Copyright Licensing Agency Company Limited by Guarante**
**(A Company Limited by Guarantee and not having Share Capital)**

## Detailed profit and loss account
## Financial year ended 31 August 2017

| | **2017** | 2016 |
|---|---|---|
| | **€** | € |
| **Turnover** | | |
| Foreign royalties | 369,568 | 391,071 |
| PLR | 164,845 | 178,917 |
| Third level income | 907,550 | 682,684 |
| Primary Schools | 134,830 | 100,787 |
| Post Primary Schools | 219,351 | 215,052 |
| Business | 98,412 | 91,671 |
| | 1,894,556 | 1,660,182 |
| **Cost of sales** | | |
| PLR | (164,845) | (178,917) |
| Royalty due to authors and publishers | (1,322,046) | (1,115,376) |
| Bursaries and grants | (28,471) | (14,475) |
| | (1,515,362) | (1,308,768) |
| **Gross profit** | 379,194 | 351,414 |
| **Gross profit percentage** | 20.0% | 21.2% |
| **Overheads** | | |
| Administrative expenses | (393,688) | (368,427) |
| | (393,688) | (368,427) |
| **Operating loss** | (14,494) | (17,013) |
| **Operating loss percentage** | 0.8% | 1.0% |
| Other interest receivable and similar income | 15,258 | 17,908 |
| **Profit before taxation** | 764 | 895 |

**Irish Copyright Licensing Agency Company Limited by Guarante**
**(A Company Limited by Guarantee and not having Share Capital)**

**Detailed profit and loss account (continued)**
**Financial year ended 31 August 2017**

| | **2017** | 2016 |
|---|---|---|
| | **€** | € |
| **Overheads** | | |
| **Administrative expenses** | | |
| Wages and salaries | 188,442 | 176,620 |
| Employer's PRSI contributions | 20,600 | 20,192 |
| Rent and rates | 37,170 | 35,126 |
| Insurance | 1,193 | 1,839 |
| Systems development costs | 53,402 | 34,200 |
| Computer costs | 1,223 | 853 |
| Light and heat | 3,583 | 3,336 |
| Cleaning | 2,117 | 1,486 |
| Repairs and maintenance | 3,403 | - |
| Survey costs | 6,397 | - |
| Printing, postage and stationery | 10,123 | 9,361 |
| Telephone | 1,733 | 2,203 |
| Arrow and Wise projects | - | 35,208 |
| Travelling expenses | 17,545 | 21,989 |
| Legal and professional | 9,358 | 28,823 |
| Auditors remuneration | 7,031 | 5,420 |
| Bank charges | 1,398 | 1,603 |
| Doubtful debts | - | (66,690) |
| General expenses | 6,124 | 27,275 |
| Subscriptions | 21,937 | 28,807 |
| Depreciation of tangible assets | 909 | 776 |
| | 393,688 | 368,427 |