

**Music Generation Designated Activity Company**

**Abridged Financial Statements**

**for the year ended 31st December 2018**

**for filing with the annual return**

**Registration Number: 491331**

We hereby certify that all documents which are required under Part 6 of the Companies Act 2014 to be annexed to this annual return, have been so annexed, and that they are true copies of the originals laid or to be laid before the annual general meeting.

**Signed:**



---

**Leo Blennerhassett**  
**Director**



---

**Cathriona Grange**  
**Company Secretary**

# **Music Generation Designated Activity Company**

## **Contents**

	<b>Page</b>
<b>Statement of Directors' Responsibilities</b>	<b>1</b>
<b>Special Report to the Independent Auditors to be annexed to the annual return</b>	<b>2 - 4</b>
<b>Abridged Balance Sheet</b>	<b>5</b>
<b>Notes to the Financial Statements</b>	<b>6 - 8</b>

## **Music Generation Designated Activity Company**

### **Statement of Directors' Responsibilities**

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. 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 surplus or deficit 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 for the company financial statements and then apply them consistently;
- make judgements and 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 surplus or deficit of the company to be determined with reasonable accuracy and 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.

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 to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### **On Behalf of the Board**

**Leo Blennerhassett**

---

**Director**

**Pat Burke**

---

**Director**

**29th May 2019**

## **Music Generation Designated Activity Company**

### **Independent Auditors' Report to the Directors of Music Generation Designated Activity Company pursuant with Section 356(1) and 356(2) of the Companies Act, 2014**

On 24th June 2019 we reported as auditors of Music Generation Designated Activity Company to the directors of the company on the abridged financial statements for the year ended 31st December 2018 on pages 5 to 8 and our report was as follows:

We have examined:-

- (1) the abridged financial statements for the year ended 31st December 2018 on pages 5 to 8 which the directors of Music Generation Designated Activity Company propose to annex to the annual return of the company, and
- (2) the financial statements to be laid before the annual general meeting, which forms the basis of those abridged financial statements.

#### **Respective Responsibilities of Directors and Auditors**

It is your responsibility to prepare abridged financial statements which comply with section 352 of the Companies Act 2014. It is our responsibility to form an independent opinion that the directors are entitled under section 352 of the Companies Act 2014 to annex abridged financial statements to the annual return of the company and that those abridged financial statements have been properly prepared pursuant to sections 352 and 353 of that Act and to report our opinion to you.

This report is made solely to the company's directors, as a body, in accordance with section 356(2) of the Companies Act 2014. Our work has been undertaken so that we might state to the directors those matters we are required to state to them in our report under section 356(2) of the Companies Act 2014 and for no other purpose. To the fullest extent permitted by law, directors do not accept or assume responsibility to anyone other than the directors for our work, for this report, or for the opinions we have formed.

#### **Basis of opinion**

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to annex abridged financial statements to the annual return of the company and that the abridged financial statements are properly prepared. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

#### **Opinion**

In our opinion, the directors are entitled under Section 352 of the Companies Act, 2014 to annex to the annual return of the company abridged financial statements and those abridged financial statements have been properly prepared pursuant to the provisions of Sections 352 to 353 of the Act (exemptions available to small companies).

#### **Other Information**

On 24th June 2019 we reported as auditors of Music Generation Designated Activity Company to the shareholders on the company's financial statements for the year ended 31st December 2018 to be laid before its Annual General Meeting and our report was as follows:

"We have audited the financial statements of Music Generation Designated Activity Company for the year ended 31st December 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes to the financial statements, including a summary of significant accounting policies set out in note 1. 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", as modified by the Statement of Recommended Practice "Accounting and Reporting by Charities" effective 1 January 2015.

## **Music Generation Designated Activity Company**

### **Independent Auditors' Report to the Directors of Music Generation Designated Activity Company pursuant with Section 356(1) and 356(2) of the Companies Act, 2014**

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31st December 2018 and of its net movement in funds for the period then ended;
- have been properly prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the 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 issued by the Irish Auditing and Accounting Supervisory Authority (IAASA). 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 of the following matters in relation to which the ISAs 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.

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

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

## **Music Generation Designated Activity Company**

### **Independent Auditors' Report to the Directors of Music Generation Designated Activity Company pursuant with Section 356(1) and 356(2) of the Companies Act, 2014**

#### **Respective responsibilities**

##### **Responsibilities of directors for the financial statements**

As explained more fully in the Directors' Responsibilities Statement, 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 the going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operation, or has no realistic alternative but to do so.

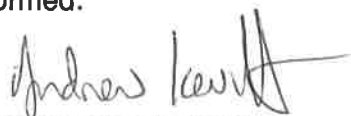
##### **Auditor's responsibilities for the audit of the financial statements**

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.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: <[www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8fa98202dc9c3a/Description of auditor's responsibilities for audit.pdf](http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8fa98202dc9c3a/Description_of_auditor's_responsibilities_for_audit.pdf)> The description forms part of our Auditor's Report.

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

Our report is made solely to the company's shareholders, as a body. Our audit work has been undertaken so that we might state to the company's shareholders 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 shareholders, as a body, for our audit work, for this report, or for the opinions we have formed.



**Andrew Kevitt FCA**

**For and on behalf of**

**Walsh O'Brien Harnett**

**Chartered Accountants and Statutory Audit Firm**

**104 Lower Baggot Street,**

**Dublin 2.**

**24th June 2019**

**Music Generation Designated Activity Company**

**Abridged Balance Sheet  
as at 31st December 2018**

	Notes	€	2018 €	€	2017 €	€
<b>Current Assets</b>						
Debtors	3	4,659		2,923		
Cash at bank and in hand		1,014,885		772,838		
		<u>1,019,544</u>		<u>775,761</u>		
<b>Creditors: amounts falling due within one year</b>						
		<u>(1,019,788)</u>		<u>(776,005)</u>		
<b>Net Current Assets</b>			<u>(244)</u>		<u>(244)</u>	
<b>Total Assets Less Current Liabilities</b>			<u><u>(244)</u></u>		<u><u>(244)</u></u>	
<b>Capital and Reserves</b>						
Called up share capital	4		2		2	
Accumulated Funds			<u>(246)</u>		<u>(246)</u>	
<b>Equity Shareholders' Funds</b>			<u><u>(244)</u></u>		<u><u>(244)</u></u>	

We, as Directors' of Music Generation Designated Activity Company, state that:-  
The company has relied on the specified exemption contained in section 352 Companies Act 2014; the company has done so on the grounds that it is entitled to the benefit of that exemption as a small company and confirm that the abridged Financial Statements have been properly prepared in accordance with section 353 Companies Act 2014.

The financial statements were approved by the Board and signed on its behalf by

**Leo Blennerhassett**

\_\_\_\_\_  
Director

29th May 2019

**Pat Burke**

\_\_\_\_\_  
Director

## **Music Generation Designated Activity Company**

### **Notes to the Abridged Financial Statements for the year ended 31st December 2018**

#### **1. Accounting Policies**

##### **1.1 Basis of preparation**

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland and voluntarily with Accounting and Reporting by Charities: 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 (FRS 102).

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to the accounts.

##### **1.2 Fund accounting**

The following are the categorises of funds maintained:

###### **Restricted funds**

Restricted funds are accounted for in accordance with the particular terms of trust arising from the express or implied wishes of donors in so far as these are intended to be binding, they are taken into account and recognised in appropriately designated funds.

###### **Unrestricted funds**

Unrestricted funds represent amounts which are expendable at the discretion of the directors in furtherance of the objectives of the company and which have not been distinguished for other purposes. Such funds may be held in order to finance working capital or capital expenditure.

##### **1.3 Income**

Incoming resources represent funding received from the Ireland Funds, The Department of Education and Skills and the Arts Council to carry out the activities of Music Generation Designated Activity Company. Voluntary income is included in the Statement of Financial Activities when the company is legally entitled to it, its financial value can be quantified with reasonable certainty and there is reasonable certainty of its ultimate receipt. Income received in advance of due performance under a contract is accounted for as deferred income until earned. Grants for activities are recognised as income when the related conditions for legal entitlement have been met. All other income is accounted for on an accruals basis.

##### **1.4 Expenditure**

All resources expended are accounted for on an accruals basis. Charitable activities include costs of services, grants and support costs.

##### **1.5 Taxation**

There is no charge for taxation as the company has been granted charitable status by the Revenue Commissioners.



## Music Generation Designated Activity Company

### Notes to the Abridged Financial Statements for the year ended 31st December 2018

#### 1.6 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 the company from government agencies and other co-funders, but not yet received at year end, is included in debtors

#### 1.7 Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

## 2. Employees

### Number of employees

The average numbers of employees during the year were:

	2018 Number	2017 Number
CEO	1	1
Staff	6	5
	<u>7</u>	<u>6</u>

### Employment costs

	2018 €	2017 €
Wages and salaries	343,284	290,207
Social welfare costs	37,201	31,012
Pension costs	29,459	25,904
Permanent Health Insurance	5,120	3,711
	<u>415,064</u>	<u>350,834</u>

### Salary Range

Two individuals received a salary in excess of €60,000 per annum in 2018 as follows (2017:2):-

	2018	2017
€60,001 to €70,000	1	1
€70,001 to €80,000	-	-
€80,001 to €90,000	-	-
€90,001 to €100,000	1	1

**Music Generation Designated Activity Company**

**Notes to the Abridged Financial Statements  
for the year ended 31st December 2018**

**3. Debtors**

	<b>2018</b>	<b>2017</b>
	<b>€</b>	<b>€</b>
Amounts falling due within one year	<u>4,659</u>	<u>2,923</u>

**4. Share capital**

	<b>2018</b>	<b>2017</b>
	<b>€</b>	<b>€</b>
<b>Authorised Equity:</b>		
100,000 Ordinary Shares of €1 each	<u>100,000</u>	<u>100,000</u>
<b>Allotted, Called up and fully paid:</b>		
2 Ordinary Shares of €1 each	<u>2</u>	<u>2</u>

**5. Approval of financial statements**

The financial statements were approved by the Board and authorised for issue on 29th May 2019.