

**Registration Number 403922**

**Irish Visual Artists' Rights Organisation CLG**

**Directors' Report and Financial Statements**

**for the year ended 31 December 2018**

**(Company Limited by Guarantee)**

## Irish Visual Artists' Rights Organisation CLG

### Company Information

<b>Directors</b>	Robert Ballagh Noel Kelly (resigned 09/10/2018) Samantha Holman Pearse Ryan Abigail O'Brien Sean Molloy Declan Mulligan
<b>Secretary</b>	Samantha Holman
<b>Company Number</b>	403922
<b>Registered Office</b>	Windmill View House Oliver Bond Street Dublin 8
<b>Auditors</b>	Byrne Moreau Connell 2 Clanwilliam Square Grand Canal Quay Dublin 2
<b>Business Address</b>	63 Patrick Street Dun Laoghaire Co. Dublin
<b>Bankers</b>	Allied Irish Banks Sandymount Dublin 4

# Irish Visual Artists' Rights Organisation CLG

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**Irish Visual Artists' Rights Organisation CLG**

**Directors' Report  
for the year ended 31 December 2018**

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

**Principal Activity and Review of the Business**

The principal activity of the company is the protection and promotion of the rights and interests of visual artists in their work. In 2018 important progress continue with the core services offered to IVARO members, visual creators and their beneficiaries.

**Results for the year**

The surplus/(deficit) for the year after all provisions amounted to Euro 26,976 (2017 - Euro 18,070).

**Principal risks and uncertainties**

The directors assess and manage the risks and uncertainties faced by the company on a regular basis.

**Directors**

Certain directors will retire by rotation, in accordance with the Constitution of the Company.

**Post Balance Sheet Events**

There were no material events affecting the company after year end.

**Future Developments**

The company will continue with its current activities over the coming years.

**Directors and their Interests**

IVARO is governed by a voluntary board of directors which consists of artist members and co-opted members with particular professional expertise. The directors who served during the year are as stated below.

Robert Ballagh  
Noel Kelly (resigned 09/10/2018)  
Samantha Holman  
Pearse Ryan  
Abigail O'Brien  
Sean Molloy  
Declan Mulligan

None of the directors or the secretary has any financial interest in the company.

**Irish Visual Artists' Rights Organisation CLG**

**Directors' Report  
for the year ended 31 December 2018**

**Accounting records**

The measures that the directors have taken 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 employment of appropriately qualified accounting personnel and the maintenance of appropriate accounting systems. The company's accounting records are kept at 63 Patrick Street, Dun Laoghaire.

**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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("relevant financial reporting framework"). 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 for the company's 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 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.

**Auditors**

The auditors, Byrne Moreau Connell, continue in office in accordance with the provisions of Section 383(2) of the Companies Act 2014.

On behalf of the Board :

**Samantha Holman**

*Samantha Holman*

**Declan Mulligan**

*Declan Mulligan*

Directors

**23 June 2021**

## **Irish Visual Artists' Rights Organisation CLG**

### **Independent Auditors' Report to the Members of Irish Visual Artists' Rights Organisation CLG**

#### **Report on the audit of the financial statements**

##### **Opinion on the financial statements of Irish Visual Artists' Rights Organisation CLG (the 'company')**

In our opinion the Irish Visual Artists' Rights Organisation CLG 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 the result for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014.

The financial statements we have audited comprise:

- the Income and Expenditure Account;
- the Balance Sheet;
- the Cash Flow Statement;
- the related notes 1 to 13, including a summary of significant accounting policies as set out in note 1.

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" ("the relevant financial reporting framework").

##### **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 described below 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 the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, 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 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 Reports and Financial Statements for the financial year ended 31st December 2018, 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.

## **Irish Visual Artists' Rights Organisation CLG**

### **Independent Auditors' Report to the Members of Irish Visual Artists' Rights Organisation CLG (continued)**

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.

#### **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 otherwise comply with the Companies Act 2014, and for such internal control as the directors 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 the directors either intend to liquidate the company or to cease operations, or have 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgment 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 the directors.

## **Irish Visual Artists' Rights Organisation CLG**

### **Independent Auditors' Report to the Members of Irish Visual Artists' Rights Organisation CLG (continued)**

- 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 the auditor's report. However, future events or conditions may cause the entity (or where relevant, the group) 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 the auditor identifies during the audit.

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 auditor's 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.

#### **Report on other legal and regulatory requirements**

##### **Opinion on other matters prescribed by the Companies Act 2014**

Based solely on the work undertaken in the course of the audit, we report that:

- 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 and the directors' report has been prepared in accordance with the Companies Act 2014.

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

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

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

**JOSEPH MOREAU FCA**

for and behalf of

**Byrne Moreau Connell**

**Chartered Accountants and**

**Registered Auditor**

**2 Clanwilliam Square, Grand Canal Quay**

**Dublin 2**

**23 June 2021**



**Irish Visual Artists' Rights Organisation CLG**

**Income & Expenditure Account  
for the year ended 31 December 2018**

		<b>Continuing operations</b>	
		<b>2018</b>	<b>2017</b>
	<b>Notes</b>	<b>€</b>	<b>€</b>
<b>Turnover</b>	<b>2</b>	240,285	132,086
Direct costs and distributions		(184,247)	(89,099)
<b>Gross surplus</b>		56,038	42,987
General expenses		(29,079)	(61,135)
<b>Operating surplus/(deficit)</b>	<b>4</b>	26,959	(18,148)
Interest receivable and similar income	<b>5</b>	23	108
<b>Surplus/(deficit) on ordinary activities before taxation</b>		26,982	(18,040)
Tax on surplus/(deficit) on ordinary activities	<b>6</b>	(6)	(30)
<b>Retained surplus/(deficit) for the year</b>		26,976	(18,070)
Accumulated (deficit) as previously reported		(30,486)	(12,416)
<b>Accumulated (deficit) carried forward</b>		<u>(3,510)</u>	<u>(30,486)</u>

There were no recognised gains or losses other than the surplus or deficit for the above two financial years.

**Irish Visual Artists' Rights Organisation CLG**

**Balance Sheet  
as at 31 December 2018**

		<b>2018</b>		<b>2017</b>	
	<b>Notes</b>	<b>€</b>	<b>€</b>	<b>€</b>	<b>€</b>
<b>Current Assets</b>					
Cash at bank and in hand		488,917		382,869	
		<u>488,917</u>		<u>382,869</u>	
<b>Creditors: amounts falling due within one year</b>					
	7	(492,427)		(413,355)	
<b>Net Current Liabilities</b>			<u>(3,510)</u>		<u>(30,486)</u>
<b>Total Assets Less Current Liabilities</b>			<u>(3,510)</u>		<u>(30,486)</u>
			<u>=====</u>		<u>=====</u>
<b>Capital and Reserves</b>					
Income and expenditure account			<u>(3,510)</u>		<u>(30,486)</u>
<b>Members' funds</b>			<u>(3,510)</u>		<u>(30,486)</u>
			<u>=====</u>		<u>=====</u>

The financial statements were approved by the board on 23 June 2021 and signed on its behalf by :

*Samantha Holman*

**Samantha Holman**  
Director

*Declan Mulligan*

**Declan Mulligan**  
Director

**Irish Visual Artists' Rights Organisation CLG**

**Cash Flow Statement  
for the year ended 31 December 2018**

	2018	2017
Notes	€	€
<b>Reconciliation of operating surplus/(deficit) to net cash inflow from operating activities</b>		
Operating surplus/(deficit)	26,959	(18,148)
Increase in creditors	79,046	22,703
<b>Net cash inflow from operating activities</b>	<u>106,005</u>	<u>4,555</u>
<b>Cash Flow Statement</b>		
<b>Net cash inflow from operating activities</b>	106,005	4,555
<b>Returns on investments and servicing of finance</b>	11      23	108
<b>Taxation (Paid) Refunded</b>	20	(18)
<b>Increase in cash in the year</b>	<u>106,048</u>	<u>4,645</u>
<b>Reconciliation of net cash flow to movement in net funds (Note 12)</b>		
<b>Increase in cash in the year</b>	106,048	4,645
<b>Net funds at 1 January 18</b>	382,869	378,223
<b>Net funds at 31 December 2018</b>	<u>488,917</u>	<u>382,868</u>

## Irish Visual Artists' Rights Organisation CLG

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

#### 1. Accounting Policies

##### 1.1. Basis of Accounting

The financial statements have been prepared in accordance with the Companies Act 2014 and FRS 102, The Financial Reporting Standard applicable in the UK and the Republic of Ireland, as issued by the Financial Reporting Council.

##### **Accounting Convention**

The financial statements have been prepared under the historical cost convention.  
The company has consistently applied all relevant accounting standards.

##### 1.2. Turnover and Income

Turnover represents the total value of commission earned on the collection of Artists' Resale Royalties and similar income for the year.

##### 1.3. Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Bank debt is measured at amortised cost using the effective interest method.

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

#### 2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in Ireland.

**Irish Visual Artists' Rights Organisation CLG**

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

**3. Critical accounting judgements and key sources of estimation uncertainty.**

In the application of the Company's accounting policies the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the accounting policies and notes to the financial statements.

The directors make estimates and assumptions concerning the future in the process of preparing the company's financial statements. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are addressed below, where relevant.

<b>4. Operating Surplus(Deficit)</b>	<b>2018</b>	<b>2017</b>
	€	€
Operating Surplus (deficit) is stated after charging:		
Auditors' remuneration	2,460	2,460
	<u>          </u>	<u>          </u>
<b>5. Interest receivable and similar income</b>	<b>2018</b>	<b>2017</b>
	€	€
Bank interest	23	108
	<u>          </u>	<u>          </u>

**Irish Visual Artists' Rights Organisation CLG**

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

**6. Tax on surplus/(deficit) on ordinary activities**

Analysis of charge in period	2018	2017
	€	€
Corporation tax	6	30
	<u>6</u>	<u>30</u>

**Factors affecting tax charge for period**

The tax charge for the year differs from that implied by the standard rate of corporation tax in Ireland (12.5%). The differences are explained below:

	2018	2017
	€	€
Surplus/(deficit) on ordinary activities before taxation	26,982	(18,040)
Surplus/(deficit) on ordinary activities multiplied by standard rate of corporation tax in Ireland of 12.5% (31st December 2017 : 12.5%)	3,373	(2,255)
<b>Effects of:</b>		
Expenses/losses not deductible/carried forward	(3,370)	2,270
Higher tax rates on capital and investment income	3	15
Other adjustments	-	-
Corporation tax charge for year	<u>6</u>	<u>30</u>

**7. Creditors: amounts falling due within one year**

	2018	2017
	€	€
Due to Artists	170,599	197,925
Corporation tax	(17)	(43)
Licensing/Reprography Rights	309,507	195,128
Accruals and deferred income	12,338	20,345
	<u>492,427</u>	<u>413,355</u>

**8. Capital commitments**

The company has no commitments other than those disclosed in the accounts.

**Irish Visual Artists' Rights Organisation CLG**

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

**9. Contingent liabilities**

There are no contingent liabilities other than those reflected in the accounts.

**10. Post Balance Sheet events**

There were no material events affecting the company after the year end.

**11. Gross Cash Flows**

	<b>2018</b>	<b>2017</b>
	€	€
<b>Returns on investments and servicing of finance</b>		
Interest received	23	108
	<u>          </u>	<u>          </u>
<b>Taxation</b>		
Corporation tax paid	(9)	(42)
Corporation tax repaid	29	24
	<u>          </u>	<u>          </u>
	<u>20</u>	<u>(18)</u>

**12. Analysis of changes in net funds**

	<b>Opening balance</b>	<b>Cash flows</b>	<b>Closing balance</b>
	€	€	€
Cash at bank and in hand	382,869	106,048	488,917
	<u>          </u>	<u>          </u>	<u>          </u>
Net funds	<u>382,869</u>	<u>106,048</u>	<u>488,917</u>

**Irish Visual Artists' Rights Organisation CLG**

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

**13. Approval of financial statements**

The financial statements were approved by the Board for issue on 23 June 2021.



**Irish Visual Artists' Rights Organisation CLG**  
**Income and Expenditure Account**  
**for the year ended 31 December 2018**

	2018		2017
	€	€	€
<b>Income</b>			
Artists' Resale Royalties receivable	39,728		50,346
NTS Royalties - overseas	138,156		-
Licensing income	7,660		15,904
Reprography Rights receivable	54,741		45,836
Development Funding	-		20,000
	<u>240,285</u>		<u>132,086</u>
<b>Direct costs, distributions &amp; provisions</b>			
Artists' Resale Royalties payable	33,829	42,794	
Licensing/reprography provision	46,801	46,305	
NTS royalties provision	103,617	-	
		<u>(184,247)</u>	<u>(89,099)</u>
<b>Gross surplus</b>		56,038	42,987
<b>Expenses</b>			
Administration Expenses	29,079	61,135	
		<u>29,079</u>	<u>61,135</u>
<b>Operating surplus/(deficit)</b>		26,959	(18,148)
<b>Other income and expenses</b>			
<b>Interest receivable</b>			
Bank deposit interest	23	108	
		<u>23</u>	<u>108</u>
<b>Net (deficit)/surplus for the year</b>		<u><u>26,982</u></u>	<u><u>(18,040)</u></u>