

Music Network Company Limited by Guarantee
Annual Report and Audited Financial Statements
for the financial year ended 31 December 2022

Company Number: 161254
Charity Number: CHY8353

Music Network Company Limited by Guarantee
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Music Network Company Limited by Guarantee
REFERENCE AND ADMINISTRATIVE INFORMATION

Directors	Kevin Barry Eithne Harley Jennifer Sherwin Neil Martin Shirley Kavanagh Anna Lardi Fogarty (Resigned 11 May 2022) Carl Corcoran Cathal Cusack Orla Moloney Paddy Glackin (Appointed 24 February 2023)
Chairperson	Patricia Moylan
Company Secretary	Jennifer Sherwin
Charity Number	CHY8353
Company Number	161254
Registered Office and Principal Address	National Concert Hall Building Earlsfort Terrace Dublin 2
Auditors	KSI Faulkner Orr Chartered Accountants and Statutory Auditors Behan House 10 Lower Mount Street Dublin 2 Ireland
Bankers	AIB, 1 Lower Baggot Street, Dublin 2.
Solicitors	Thomas Barry & Co. 11 St. Stephens Green Dublin 2 Ireland

Music Network Company Limited by Guarantee DIRECTORS' ANNUAL REPORT

for the financial year ended 31 December 2022

The directors present their Directors' Annual Report, combining the Directors' Report and Trustees' Report, and the audited financial statements for the financial year ended 31 December 2022.

The financial statements are prepared in accordance with the Companies Act 2014, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Directors' Report contains the information required to be provided in the Directors' Annual Report under the Statement of Recommended Practice (SORP) guidelines. The directors of the company are also charity trustees for the purpose of charity law and under the company's constitution are known as members of the board of trustees.

In this report the directors of Music Network Company Limited by Guarantee present a summary of its purpose, governance, activities, achievements and finances for the financial year 2022.

Mission, Objectives and Strategy

Mission Statement

Music Network's mission is to make high quality live music available and accessible to people throughout Ireland, regardless of their location or circumstance, and to support the career development of musicians.

Music Network's Strategic Policy identifies three key priorities: Musician, Audience and Partnership Development.

Under Musician Development, objectives include:

- Providing performance opportunities for professional musicians both in Ireland and internationally.
- Enhancing career opportunities for musicians through curation, collaboration, commissioning, audience development and residency initiatives.
- Providing musicians with a range of training, mentoring, funding and other supports to assist in their career development.

Audience Development objectives include:

- Maintaining and enhancing quality, audience-focused programming, in line with our Artistic Programming Policy.
- Deepening engagement with current audiences & developing new and diverse audiences for live music.
- Advocating for the value of live music in society.

Partnership Development objectives include:

- Diversifying and strengthening Music Network's range of partners and funders in order to sustain and grow the work of the organisation.
- Deepening engagement with key promoters through working together to provide exceptional audience experiences.
- Working with our subsidiary company Music Generation to increase the impact of both organisations in the furtherance of learning and participation in, and enjoyment of, live music.

Structure, Governance and Management

Structure

The company is a charity (registered number CHY8353) and hence the report and results are presented in a form which complies both with the requirements of the Companies Act 2014 and also the 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 (FRS102) (effective January 2015) - (Charities SORP FRS102).

The company is limited by guarantee not having a share capital.

Management

A chief executive and support staff are employed by Music Network CLG to carry out the day-to-day management of the company.

Music Network Company Limited by Guarantee DIRECTORS' ANNUAL REPORT

for the financial year ended 31 December 2022

Legal Status

Music Network CLG is a company registered in Dublin, Ireland (Registration Number 161254) which was incorporated on 3 July 1990. The company is governed by a Constitution. The objects of the company are charitable in nature and it has established charitable status. The company took over the assets and liabilities of Music Network, an unincorporated body, with effect from 1 January 1991. The company assumed the accumulative deficit of €15,318 of Music Network.

Directors and Secretary

The directors who served throughout the financial year, except as noted, were as follows:

Patricia Moylan - Chairperson
Kevin Barry
Eithne Harley
Jennifer Sherwin
Neil Martin
Shirley Kavanagh
Anna Lardi Fogarty (Resigned 11 May 2022)
Carl Corcoran
Cathal Cusack
Orla Moloney
Paddy Glackin (Appointed 24 February 2023)

The secretary who served throughout the financial year was Jennifer Sherwin.

In accordance with the company's Articles of Association, Cathal Cusack, Neil Martin and Jennifer Sherwin retired by rotation and, being eligible, offered themselves for re-election.

Members of the charitable company guarantee to contribute an amount not exceeding €1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 December 2022 was nine.

Review of Activities, Achievements and Performance

In the year ended 31st December 2022, Music Network CLG implemented the following programme of activities:

- **National Touring Programme:** Music Network's flagship performance programme offering nine major national tours by leading international and Irish ensembles performing traditional, folk, jazz/improvised, baroque, contemporary and classical music to a broad network of partner promoters at subsidised rates.
- **Programming for Child and Family Audiences:** continuation of Music Network's strategic partnership with The Ark, to create, produce and tour high quality original, child-centred music performances for children and families, culminating in a national tour of Wires, Strings and Other Things, a new show for children/families, co-commissioned and produced by Music Network and The Ark, composed by Brian Irvine and directed by Wouter Van Looy. This was accompanied by a film screening of the show in 192 schools nationally, reaching 11,200 children and 626 teachers.
- **RESONATE Artist Residency Programme:** continuation of this 6-venue residency series in partnership with Glor, The National Opera House, Triskel Arts Centre, Regional Cultural Centre, The Dock and Ionad Culturtha. The awarded musicians were Pauline Scanlon, Niall Vallely, Patrick Rafter, Patrick Stefan Groenland, Elizabeth Hilliard and Naomi Louisa O'Connell.
- **Teaching Residencies:** completion of two residencies delivered in partnership with St. John's Arts Centre, Listowel and Roscommon County Council, delivery of Making Music in the Midlands, a 6-residency series established in partnership with Age Friendly Ireland, and commencement of a new residency in County Wicklow. All nine initiatives provided music tuition and group music-making opportunities with a professional ensemble for older people in each locale.
- **Dún Laoghaire-Rathdown County Council Musicians-in-Residence Programme:** continued management of this programme on behalf of the County Council Arts Office. The 2022 Musicians-in-Residence were cellist Lioba Petrie, harpist and composer Rosie Murphy and guitarist and composer Rodrigo Almonte Zegarra.
- **May Music Day:** curation and management of a day of live music on behalf of Dún Laoghaire-Rathdown Arts Office. 7 performances were presented in Dun Laoghaire's Lexicon Library by a range of musicians, ensembles and genres, all featuring past DLR musicians-in-residence and providing a vibrant showcase demonstrating the impact of the above scheme over a number of years.

Music Network Company Limited by Guarantee DIRECTORS' ANNUAL REPORT

for the financial year ended 31 December 2022

- **Support for Irish musicians including emerging musicians and new ensembles:** provision of a range of performance opportunities for Irish musicians via the RESONATE and DLR Musicians-in-Residence Programmes above, and the Smithfield Sessions which were delivered in partnership with Contemporary Music Centre, Improvised Music Company and First Music Contact.
- **Commissioning and presentation of new works by Irish composers:** commissioning and/or presentation of new works by Séamus McGuire, Niamh Varian-Barry and Gerry O'Beime trio, Ronan Guilfoyle, Jonathan Nangle, Brian Irvine, Tim Edey, Mairéad Ní Mhaonaigh, John Buckley and Judith Ring for Music Network's National Touring Programme, in addition to 6 new commissions created under the RESONATE Artist Residency Programme.
- **Promotion of contemporary Irish works, including presentation of 'Composer Insights' talks by featured composers:** presentation of contemporary Irish works within both traditional and classical music tour programmes performed in the period, and further profiling of a number of the featured composers under Music Network's Composer Insights Series.
- **Songbird Cross-cultural Commissioning Programme:** culmination of a 3-part commissioning series featuring high profile Irish traditional musicians in collaboration with musicians from Nepal, Greece and Colombia, together with Music Network partner promoters in Kerry, Louth and Mayo.
- **International concerts, opportunities and networking:** continuation of Music Network's partnership with Le Centre Culturel Irlandais, Paris on the provision of an annual Music Residency Bursary which in 2022 was awarded to vocalist Sue Rynhart, and of its partnership with Moving on Music, N Ireland and Irish Music and Dance, London under its touring programme, as well as continuation of other networking activities in the period.
- **Learning and Participation Programme:** presentation of 84 participatory events in partnership with a range of promoters, Music Education Partnerships, third level music institutions and other music and community groups involving Irish and international artists engaged on Music Network tours, concerts and other programmes.
- **Creative Sounds:** a new partnership initiative with Music Generation's National Development Office and Music Education Partnerships in Longford, Cavan/Monaghan, Leitrim and Roscommon. Musician and composer Sid Peacock and a team of multi-cultural musicians worked with 55 young people from the 4 Music Generation regions over a 6-month period to compose, perform and record an original piece of music inspired by a range of musical genres.
- **Promoter and Audience Development:** continued publication and distribution of a Promoter E-Bulletin to provide regular access to programming information for partner promoters, and provision of ongoing supportive contact (via site visits/concert attendance, email and telephone) with Partner Promoters throughout the period, in relation to current and future concert activity.
- **Training, Information and Advice Services:** continuation of Music Network's training programme for musicians covering a range of self-promotion and self-management skills, with 13 events delivered online; continued provision of music information services including a range of tailored e-newsletters/e-bulletins for different audiences and the maintenance and development of Music Network's website and social media platforms; provision of ongoing support and advice to musicians engaged across Music Network's programmes.
- **Music Capital Scheme:** management of the 2022 scheme with funding of €394,500 granted by the Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media. The scheme provides financial support in three discrete awards:
 - o **Award 1: Instrument Banks:** funding of €170,000 for the purchase of instruments for non- professional groups working in a range of genres and formats including Classical, Irish Traditional, Contemporary Classical, Marching, Concert and Pipe Bands, Early/Baroque, Pop, Rock, Contemporary and multi-genre music.
 - o **Award 2: Individual Instruments for established musicians:** funding of €112,000 for the purchase of high-quality musical instruments for highly skilled individual performers playing at a professional level in a range of genres.
 - o **Award 3: Individual Instruments for emerging musicians:** funding of €58,000 for the purchase of high-quality musical instruments for talented emerging professional musicians in a range of genres.
- **National Musical Instrument Resource:** progression of Music Network's aim to establish a National Musical Instrument Resource, designed to complement, and enhance the impact of, the Music Capital Scheme and ensure that no musician at any level is prevented from fulfilling genuine musical potential for lack of an appropriate instrument. Work in 2022 focused on the continued provision of an online hub funded under Creative Ireland's National Creativity Fund - a one-stop-shop for all matters music capital-related in Ireland – on the development of a national bank of instruments for older learners, and on continued management of the O'Neill Cello.

Music Network Company Limited by Guarantee DIRECTORS' ANNUAL REPORT

for the financial year ended 31 December 2022

- **Music Education:** this is operated through a subsidiary of Music Network CLG called Music Generation DAC. Music Generation is co-funded by U2, The Ireland Funds, the Department of Education and Skills, The Arts Council and local Music Education Partnerships. As a result of almost ten years of ongoing research and advocacy by Music Network and The Arts Council, in July 2009 U2 and The Ireland Funds donated €7 million to Music Network for the roll-out of the instrumental/vocal tuition strand of the music education model published in its 2003 feasibility study report "A National System of Local Music Education Services" and subsequently piloted in Dublin and Donegal. Music Network then moved to establish Music Generation, charged with responsibility for the efficient management of the fund. 27 local/regional Music Education Partnerships were in operation in 2022, providing 80,000 opportunities for children and young people to learn music.

Music Network continued to exercise a governance role in relation to management of Music Generation, and to assist in building support among government departments and other agencies to secure continued investment in Music Generation and ensure its long-term sustainability.

Financial Review

The results for the financial year are set out on page 13-15 and additional notes are provided showing income and expenditure in greater detail.

Financial Results

At the end of the financial year the company has assets of €971,763 (2021 - €862,471) and liabilities of €810,002 (2021 - €741,475). The net assets of the company have increased by €40,765.

Principal Risks and Uncertainties

The directors are aware of the risks to which the company is exposed, in particular those related to the operations and finances of the organisation and are satisfied that appropriate systems are in place to manage exposure to risk.

Future Developments:

Throughout 2023 Music Network will continue to provide a range of services and programmes to deliver on its mission through three priority areas: audience development, musician development and partnership development, as per its strategic plan for the period 2021-25.

Compliance with Sector-Wide Legislation and Standards

The company engages pro-actively with legislation, standards and codes which are developed for the sector. Music Network Company Limited by Guarantee subscribes to and is compliant with the following:

- The Companies Act 2014
- The Charities SORP (FRS 102)

Reserves Policy

The Board regularly reviews the funds available to the organisation to ensure there is continued capacity to meet its requirements. Reserves are needed to bridge the funding gaps between spending on productions and events, and receiving resources through admission charges and grants that provide funding. Such reserves are held within the General fund (unrestricted). Whilst the current level of resources is sufficient, it is the directors' view that it is prudent to ensure that reserves are in place to provide financial flexibility over the course of any forthcoming challenges for the charity.

Investment Powers and Policy

In accordance with the Constitution the company has the power to invest in any way the trustees wish.

Auditors

The auditors, KSI Faulkner Orr, (Chartered Accountants) have indicated their willingness to continue in office in accordance with the provisions of section 383(2) of the Companies Act 2014.

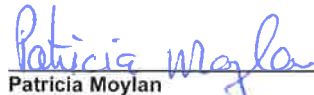
Music Network Company Limited by Guarantee
DIRECTORS' ANNUAL REPORT

for the financial year ended 31 December 2022

Accounting Records

To ensure that adequate accounting records are kept in accordance with Sections 281 to 285 of the Companies Act 2014, the directors have employed appropriately qualified accounting personnel and have maintained appropriate computerised accounting systems. The accounting records are located at the company's office at National Concert Hall Building, Earlsfort Terrace, Dublin 2.

Approved by the Board of Directors on 14th June 2023 and signed on its behalf by:



Patricia Moylan
Chairperson



Cathal Cusack
Director

Music Network Company Limited by Guarantee DIRECTORS' RESPONSIBILITIES STATEMENT

for the financial year ended 31 December 2022

The directors are responsible for preparing 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", applying Section 1A of that Standard, 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 net income or expenditure 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 apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice: Accounting and Reporting by Charities;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the relevant financial reporting framework, 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 operation.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

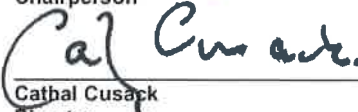
The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and net income or expenditure of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and the Directors' Annual Report comply with 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 as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Approved by the Board of Directors on 14th June 2023 and signed on its behalf by:


Patricia Moylan
Chairperson


Cathal Cusack
Director

INDEPENDENT AUDITOR'S REPORT

to the Members of Music Network Company Limited by Guarantee

Report on the audit of the financial statements

Opinion

We have audited the company financial statements of Music Network Company Limited by Guarantee for the financial year ended 31 December 2022 which comprise the Statement of Financial Activities (incorporating an Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including the summary of significant accounting policies set out in note 2. 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", applying Section 1A of that Standard and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102.

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 December 2022 and of its surplus for the financial year then ended;
- have been properly prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", as applied in accordance with the provisions of the Companies Act 2014 and having regard to the Charities SORP; 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 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 ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and the Provisions Available for Audits of Small Entities, in the circumstances set out in note 3 to the financial statements, 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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.

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 course of 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.

Opinions on other matters prescribed by the Companies Act 2014

In our opinion, based on the work undertaken in the course of the audit, we report that:

- the information given in the Directors' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

We have obtained all the information and explanations which, to the best of our knowledge and belief, are 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 and the financial statements are in agreement with the accounting records.

INDEPENDENT AUDITOR'S REPORT to the Members of Music Network Company Limited by Guarantee

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' Annual Report. The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not complied with by the company. We have nothing to report in this regard.

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 9, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that 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, if applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, 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.

Further information regarding the scope of our responsibilities as auditor

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgement 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 directors.
- 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 our Auditor's Report. However, future events or conditions may cause the company 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 we identify during our audit.

INDEPENDENT AUDITOR'S REPORT **to the Members of Music Network Company Limited by Guarantee**

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

Our 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 any 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.



Laura Fallon
for and on behalf of
KSI FAULKNER ORR
Chartered Accountants and Statutory Auditors
Behan House
10 Lower Mount Street
Dublin 2
Ireland

14th June 2023

Music Network Company Limited by Guarantee
STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating an Income and Expenditure Account)
for the financial year ended 31 December 2022

	Notes	Unrestricted Funds 2022 €	Restricted Funds 2022 €	Total 2022 €	Unrestricted Funds 2021 €	Restricted Funds 2021 €	Total 2021 €
Income							
Charitable activities							
- Grants from governments and other co-funders	4.1	955,496	340,000	1,295,496	844,842	300,000	1,144,842
Other trading activities	4.2	177,206	71,293	248,499	82,188	87,075	169,263
Other income	4.3	10	-	10	100	-	100
Total income		1,132,712	411,293	1,544,005	927,130	387,075	1,314,205
Expenditure							
Raising funds	5.1	98,773	-	98,773	98,956	-	98,956
Charitable activities	5.2	993,174	411,293	1,404,467	784,421	387,075	1,171,496
Total Expenditure		1,091,947	411,293	1,503,240	883,377	387,075	1,270,452
Net income/(expenditure)		40,765	-	40,765	43,753	-	43,753
Transfers between funds		20,439	(20,439)	-	-	-	-
Net movement in funds for the financial year		61,204	(20,439)	40,765	43,753	-	43,753
Reconciliation of funds							
Balances brought forward at 1 January 2022	16	68,758	52,238	120,996	25,005	52,238	77,243
Balances carried forward at 31 December 2022		129,962	31,799	161,761	68,758	52,238	120,996

The Statement of Financial Activities includes all gains and losses recognised in the financial year. All income and expenditure relate to continuing activities.

Approved by the Board of Directors on 14 June 2023 and signed on its behalf by:

Patricia Moylan

Patricia Moylan
Chairperson

Cathal Cusack

Cathal Cusack
Director

Music Network Company Limited by Guarantee
BALANCE SHEET

as at 31 December 2022

	Notes	2022 €	2021 €
Fixed Assets			
Tangible assets	9	86,717	36,438
Investments	10	2	2
		<u>86,719</u>	<u>36,440</u>
Current Assets			
Debtors	11	437,794	372,405
Cash at bank and in hand		447,250	453,626
		<u>885,044</u>	<u>826,031</u>
Creditors: Amounts falling due within one year	12	<u>(794,978)</u>	<u>(741,475)</u>
Net Current Assets		<u>90,066</u>	<u>84,556</u>
Total Assets less Current Liabilities		<u>176,785</u>	<u>120,996</u>
Creditors			
Amounts falling due after more than one year	13	(15,024)	-
Net Assets		<u>161,761</u>	<u>120,996</u>
Funds			
Restricted trust funds		31,799	52,238
Unrestricted designated funds		75,000	50,000
General fund (unrestricted)		54,962	18,758
Total funds	16	<u>161,761</u>	<u>120,996</u>

The 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", applying Section 1A of that Standard.

Approved by the Board of Directors on 14 Jun 2023 and signed on its behalf by:


 Patricia Moylan
 Chairperson


 Cathal Cusack
 Director

Music Network Company Limited by Guarantee
STATEMENT OF CASH FLOWS

for the financial year ended 31 December 2022

	Notes	2022 €	2021 €
Cash flows from operating activities			
Net movement in funds		40,765	43,753
Adjustments for:			
Depreciation		15,626	3,215
		<u>56,391</u>	<u>46,968</u>
Movements in working capital:			
Movement in debtors		(65,383)	(359,456)
Movement in creditors		40,493	191,789
		<u>31,501</u>	<u>(120,699)</u>
Cash flows from investing activities			
Payments to acquire tangible assets		(44,651)	(4,921)
Cash flows from financing activities			
Capital element of hire purchase contracts		4,322	-
Advances to subsidiaries/group companies		(6)	(1,083)
		<u>4,316</u>	<u>(1,083)</u>
Net cash generated from financing activities		<u>4,316</u>	<u>(1,083)</u>
Net increase/(decrease) in cash and cash equivalents		(8,834)	(126,703)
Cash and cash equivalents at 1 January 2022		451,134	577,837
Cash and cash equivalents at 31 December 2022	18	442,300	451,134

Music Network Company Limited by Guarantee NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2022

1. GENERAL INFORMATION

Music Network Company Limited by Guarantee is a company limited by guarantee incorporated in the Republic of Ireland. The registered office of the company is National Concert Hall Building, Earlsfort Terrace, Dublin 2 which is also the principal place of business of the company. The financial statements have been presented in Euro (€) which is also the functional currency of the company.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the charity's financial statements.

Basis of preparation

The financial statements have been prepared on the going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland FRS 102".

The company has applied the Charities SORP on a voluntary basis as its application is not a requirement of the current regulations for charities registered in the Republic of Ireland. As permitted by the Companies Act 2014, the company has varied the standard formats in that act for the Statement of Financial Activities and the Balance Sheet. Departures from the standard formats, as outlined in the Companies Act 2014, are to comply with the requirements of the Charities SORP and are in compliance with section 4.7, 10.6 and 15.2 of that SORP.

Statement of compliance

The financial statements of the company for the financial year ended 31 December 2022 have been prepared on the going concern basis and in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland FRS 102", applying Section 1A of that Standard.

Fund accounting

The following are the categories of funds maintained:

Restricted funds

Restricted funds represent income received which can only be used for particular purposes, as specified by the donors. Such purposes are within the overall objectives of the company.

Unrestricted funds

Unrestricted funds consist of General and Designated funds.

- General funds represent amounts which are expendable at the discretion of the board, in furtherance of the objectives of the company.

- Designated funds comprise unrestricted funds that the board has, at its discretion, set aside for particular purposes. These designations have an administrative purpose only, and do not legally restrict the board's discretion to apply the fund.

Music Network Company Limited by Guarantee
NOTES TO THE FINANCIAL STATEMENTS

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for the financial year ended 31 December 2022

Income

Income is recognised by inclusion in the Statement of Financial Activities only when the company is legally entitled to the income, performance conditions attached to the item(s) of income have been met, the amounts involved can be measured with sufficient reliability and it is probable that the income will be received by the company.

Income from charitable activities

Income from charitable activities include income earned from the supply of services under contractual arrangements and from performance related grants which have conditions that specify the provision of particular services to be provided by the company. Income from government and other co-funders is recognised when the company is legally entitled to the income because it is fulfilling the conditions contained in the related funding agreements. Where a grant is received in advance, its recognition is deferred and included in creditors. Where entitlement occurs before income is received, it is accrued in debtors.

Grants from governments and other co-funders typically include one of the following types of conditions:

- Performance based conditions: whereby the company is contractually entitled to funding only to the extent that the core objectives of the grant agreement are achieved. Where the company is meeting the core objectives of a grant agreement, it recognises the related expenditure, to the extent that it is reimbursable by the donor, as income.

-Time based conditions: whereby the company is contractually entitled to funding on the condition that it is utilised in a particular period. In these cases the company recognises the income to the extent it is utilised within the period specified in the agreement.

In the absence of such conditions, assuming that receipt is probable and the amount can be reliably measured, grant income is recognised once the company is notified of entitlement.

Grants received towards capital expenditure are credited to the Statement of Financial Activities when received or receivable, whichever is earlier.

Expenditure

Expenditure is analysed between costs of charitable activities and raising funds. The costs of each activity are separately accumulated and disclosed, and analysed according to their major components. Expenditure is recognised when a legal or constructive obligation exists as a result of a past event, a transfer of economic benefits is required in settlement and the amount of the obligation can be reliably measured. Support costs are those functions that assist the work of the company but cannot be attributed to one activity. Such costs are allocated to activities in proportion to staff time spent or other suitable measure for each activity.

Financial Instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Pensions

Retirement benefits are met by payments to a defined contribution pension fund. Contributions payable to the pension scheme are charged to the statement of financial activities as they fall due. The assets are held separately from those of the company in an independently administered fund. Differences between the amount charged in the statement of financial activity and payments made to the pension fund are treated as assets or liabilities.

Music Network Company Limited by Guarantee

NOTES TO THE FINANCIAL STATEMENTS

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for the financial year ended 31 December 2022

Critical Accounting Judgements and Estimates

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. 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 amounts of assets and liabilities within the next financial year are discussed below.

(a) Establishing useful economic lives for depreciation purposes of property, plant and equipment

Long lived assets, consisting primarily of, fixtures, fittings and equipment, comprise a significant portion of total assets. The annual depreciation charge depends primarily on the estimated useful economic lives of each type of asset and estimates of residual value. The directors regularly review these asset useful economic lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset useful lives can have a significant impact on depreciation and amortisation charges for the period. Detail of the useful economic lives is included in the accounting policies.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of tangible fixed assets, less their estimated residual value, over their expected useful lives as follows:

Heritage assets**	-	Not depreciated or revalued
Computer Equipment	-	33% Straight line
Fixtures, fittings and equipment	-	20% Straight line
Motor vehicles	-	20% Straight line
Audio Visual Equipment	-	33% Straight line

Heritage Assets

All additions are capitalised and recognised in the Balance Sheet under Heritage assets. The assets are classified by whether they are bought by or donated to the company. The cost or value of the acquisition is used where such a cost of valuation is reasonably obtainable.

Such assets are not revalued or depreciated. The carrying value of Heritage assets are reviewed annually for impairment in periods if events or changes in circumstances indicate the carrying amount may not be recoverable.

Leasing and Hire Purchases

Tangible fixed assets held under leasing arrangements which transfer substantially all the risks and rewards of ownership to the company are capitalised and included in the balance sheet at their cost or valuation, less depreciation. The corresponding commitments are recorded as liabilities. Payments in respect of these obligations are treated as consisting of capital and interest elements, with interest charged to the income and expenditure account.

Leasing

Rentals payable under operating leases are dealt with in the income and expenditure account as incurred over the period of the rental agreement.

Investments

Investment in the subsidiary undertaking is accounted for at cost less provision for impairment in value.

Music Network Company Limited by Guarantee
NOTES TO THE FINANCIAL STATEMENTS

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for the financial year ended 31 December 2022

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

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand comprises cash on deposit at banks requiring less than three months notice of withdrawal.

Taxation

The company is a registered charity and is therefore exempt from Corporation Tax, Income Tax and Capital Gains Tax.

3. PROVISIONS AVAILABLE FOR AUDITS OF SMALL ENTITIES

In common with many other charitable companies of our size and nature, we use our auditors to assist with the preparation of the financial statements.

4. INCOME

4.1 CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	2022	2021
	€	€	€	€
Arts Council Core Grant	670,000	-	670,000	658,000
Arts Council-Other	52,028	-	52,028	8,109
Other Grant Aids	60,460	340,000	400,460	335,500
Donation in kind	139,693	-	139,693	139,693
Friends scheme	33,315	-	33,315	3,540
	<u>955,496</u>	<u>340,000</u>	<u>1,295,496</u>	<u>1,144,842</u>

During the year, Music Network Company Limited by Guarantee, received €670,000 from The Arts Council, for Strategic Funding, for 2022.

The Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media provided funding of €394,500 for the Music Capital Scheme.

4.2 OTHER TRADING ACTIVITIES

	Unrestricted Funds	Restricted Funds	2022	2021
	€	€	€	€
Promotor & Box Office fees	177,206	71,293	248,499	169,263
	<u>177,206</u>	<u>71,293</u>	<u>248,499</u>	<u>169,263</u>

4.3 OTHER INCOME

	Unrestricted Funds	Restricted Funds	2022	2021
	€	€	€	€
Other income	10	-	10	100
	<u>10</u>	<u>-</u>	<u>10</u>	<u>100</u>

Music Network Company Limited by Guarantee
NOTES TO THE FINANCIAL STATEMENTS

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for the financial year ended 31 December 2022

5. EXPENDITURE					
5.1 RAISING FUNDS					
	Direct Costs	Other Costs	Support Costs	2022	2021
	€	€	€	€	€
Advertising and Promotion	-	36,360	-	36,360	36,543
Donation in Kind	-	62,413	-	62,413	62,413
	-	98,773	-	98,773	98,956
5.2 CHARITABLE ACTIVITIES					
	Direct Costs	Other Costs	Support Costs	2022	2021
	€	€	€	€	€
Expenditure on charitable activities	-	750,391	-	750,391	568,566
Support Costs	-	-	463,467	463,467	418,545
Donation in Kind	-	77,280	-	77,280	77,280
Governance Costs (Note 5.3)	-	-	113,329	113,329	107,105
	-	827,671	576,796	1,404,467	1,171,496
5.3 GOVERNANCE COSTS					
	Direct Costs	Other Costs	Support Costs	2022	2021
	€	€	€	€	€
Charitable activities - governance costs	-	-	113,329	113,329	107,105
5.4 SUPPORT COSTS					
	Charitable Activities	Governance Costs	2022	2021	
	€	€	€	€	
General Office	135,539	20,253	155,792	116,233	
Finance Costs	957	321	1,278	949	
Payroll Expenses	316,473	79,118	395,591	389,639	
Legal and Professional	10,498	8,082	18,580	13,153	
Audit and Accounts fee	-	5,555	5,555	5,676	
	463,467	113,329	576,796	525,650	
6. ANALYSIS OF SUPPORT COSTS					
	2022	2021			
	€	€			
General Office	155,792	116,233			
Finance Costs	1,278	949			
Payroll Expenses	395,591	389,639			
Legal and Professional	18,580	13,153			
Audit and Accounts fee	5,555	5,676			
	576,796	525,650			
7. NET INCOME					
	2022	2021			
	€	€			
Net Income is stated after charging/(crediting):					
Depreciation of tangible assets	15,626	3,215			

Music Network Company Limited by Guarantee
NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2022

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8. EMPLOYEES AND REMUNERATION

Number of employees

The average number of persons employed (including executive directors) during the financial year was as follows:

	2022	2021
	Number	Number
Management	1	1
Administration	5	8
	<u>6</u>	<u>9</u>

The staff costs comprise:

	2022	2021
	€	€
Wages and salaries	323,493	361,646
Pension costs	18,158	22,684
	<u>341,651</u>	<u>384,330</u>

One employee received remuneration within the band €80,000-€90,000.

None of the directors received emoluments or payments for professional or other services during the period.

The gross salaries and employers PRSI paid to Key Management Personnel in 2022 was €183,240 (2021: €174,665).

Music Network Company Limited by Guarantee
NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2022

9. TANGIBLE FIXED ASSETS

	Heritage assets**	Computer Equipment	Fixtures, fittings and equipment	Motor Audio Visual vehicles	Equipment	Total
	€	€	€	€	€	€
Cost						
At 1 January 2022	31,799	17,007	18,317	38,050	21,264	126,437
Additions	-	2,596	750	62,559	-	65,905
Disposals				(38,050)		
At 31 December 2022	31,799	19,603	19,067	62,559	21,264	192,342
Depreciation						
At 1 January 2022	-	13,710	16,975	38,050	21,264	89,999
Charge for the financial year	-	2,480	834	12,312	-	15,626
On disposals				(38,050)		
At 31 December 2022	-	16,190	17,809	12,312	21,264	105,625
Net book value						
At 31 December 2022	31,799	3,413	1,258	50,247	-	86,717
At 31 December 2021	31,799	3,297	1,342	-	-	36,438

Heritage assets are valued as they are added to the National Musical Instrument Resource. During the period ended 31 December 2016 the company purchased a cello, bow and case. These are the first additions to the company National Musical Instrument Resource. A donation was received to purchase these assets, amounting to €31,799.

A donation of €30,000 was received towards the purchase of a new van in 2022, included in additions to motor vehicles.

Music Network Company Limited by Guarantee
NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2022

9.1. TANGIBLE FIXED ASSETS CONTINUED

Included above are assets held under finance leases or hire purchase contracts as follows:

	2022	2022
	Net book value €	Depreciation charge €
Motor vehicles	<u>62,559</u>	<u>12,312</u>
10. INVESTMENTS		
		Group and participating undertakings €
Investments Cost		
At 31 December 2022		<u>2</u>
Net book value		
At 31 December 2022		<u>2</u>
At 31 December 2021		<u>2</u>
11. DEBTORS	2022	2021
	€	€
Trade debtors	27,601	16,472
Amounts owed by group entities	239	233
Prepayments	-	1,000
Accrued Income	409,954	354,700
	<u>437,794</u>	<u>372,405</u>
12. CREDITORS	2022	2021
Amounts falling due within one year	€	€
Amounts owed to credit institutions	4,950	2,492
Net obligations under finance leases and hire purchase contracts	10,552	-
Trade creditors	12,760	9,228
Taxation and social security costs	13,652	16,993
Other creditors	17,030	17,639
Pension accrual	2,952	3,983
Accruals	457,602	425,692
Deferred Income	275,480	265,448
	<u>794,978</u>	<u>741,475</u>

Music Network Company Limited by Guarantee
NOTES TO THE FINANCIAL STATEMENTS

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for the financial year ended 31 December 2022

13. CREDITORS	2022	2021
Amounts falling due after more than one year	€	€
Finance leases and hire purchase contracts	15,024	-
	<u> </u>	<u> </u>
Net obligations under finance leases and hire purchase contracts		
Repayable within one year	10,552	-
Repayable between one and five years	15,024	-
	<u> </u>	<u> </u>
	25,576	-
	<u> </u>	<u> </u>

14. PENSION COSTS - DEFINED CONTRIBUTION

The charity operates an externally funded defined contribution scheme that covers all the employees of the charity. The assets of the scheme are vested in independent trustees for the sole benefit of the employees. Pension costs amounted to €18,158 (2021 - €22,684).

15. RESERVES

	2022	2021
	€	€
At 1 January 2022	120,996	77,243
Surplus for the financial year	40,765	43,753
	<u> </u>	<u> </u>
At 31 December 2022	161,761	120,996
	<u> </u>	<u> </u>

16. FUNDS

16.1 RECONCILIATION OF MOVEMENT IN FUNDS	Unrestricted Funds	Restricted Funds	Total Funds
	€	€	€
At 1 January 2021	25,005	52,238	77,243
Movement during the financial year	43,753	-	43,753
	<u> </u>	<u> </u>	<u> </u>
At 31 December 2021	68,758	52,238	120,996
Movement during the financial year	61,204	(20,439)	40,765
	<u> </u>	<u> </u>	<u> </u>
At 31 December 2022	129,962	31,799	161,761
	<u> </u>	<u> </u>	<u> </u>

16.2 ANALYSIS OF MOVEMENTS ON FUNDS

	Balance 1 January 2022	Income	Expenditure	Transfers between funds	Balance 31 December 2022
	€	€	€	€	€
Restricted funds					
Restricted	52,238	411,293	(411,293)	(20,439)	31,799
Unrestricted funds					
Designated fund	50,000	-	-	25,000	75,000
Unrestricted General	18,758	1,132,712	(1,091,947)	(4,561)	54,962
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	68,758	1,132,712	(1,091,947)	20,439	129,962
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total funds	120,996	1,544,005	(1,503,240)	-	161,761
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

In the year ended 31 December 2020, the directors agreed to set up a designated fund, in the event of the interruption or cessation of Art Council funding. In 2020, 2021 and the current year, €25,000 has been transferred into this fund.

Music Network Company Limited by Guarantee
NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2022

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17. STATE FUNDING

Grantor	Arts Council
Grant	Strategic Funding 2022
Purpose	Revenue Funding
Total Grant Received in 2022	€670,000
Term of Grant	01/01/2022-31/12/2022
Amount of grant reflected in 2022:	€670,000
Fund (deferred) or due at financial year end	€0
Capital Grant	No
Restriction on use	No

Grantor	Arts Council
Grant	Strategic Funding 2018/19
Purpose	The Ark Partnership Project
Total Grant Received in 2022	0
Term of Grant	Until completion of project
Amount of grant reflected in 2022:	€51,127
Fund (deferred) or due at financial year end	0
Capital Grant	No
Restriction on use	No

Grantor	Arts Council
Grant	Capacity Building Support Grant
Purpose	Equality Diversity and Inclusion project
Total Grant Received in 2022	€901
Term of Grant	1 year
Amount of grant reflected in 2022:	€901
Fund (deferred) or due at financial year end	0
Capital Grant	No
Restriction on use	No

Grantor	Dept of Tourism, Culture, Arts, Gaeltacht, Sport and Media
Grant	Music Capital Scheme 2022
Purpose	Provision of financial supports for the purchase of musical instruments
Total Grant Received in 2022	€394,500
Term of Grant	1 year
Amount of grant reflected in 2022:	€394,500
Fund (deferred) or due at financial year end	0
Capital Grant	No
Restriction on use	Yes

18. CASH AND CASH EQUIVALENTS

	2022	2021
	€	€
Cash and bank balances	442,377	448,755
Bank overdrafts	(4,950)	(2,492)
Cash equivalents	4,873	4,871
	442,300	451,134

19. POST-BALANCE SHEET EVENTS

There have been no significant events affecting the company since the financial year-end.

Music Network Company Limited by Guarantee
NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2022

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20. STATUS

The company is limited by guarantee not having a share capital.

The liability of the members is limited.

Every member of the company undertakes to contribute to the assets of the company in the event of its being wound up while they are members, or within one financial year thereafter, for the payment of the debts and liabilities of the company contracted before they ceased to be members, and the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves, such amount as may be required, not exceeding €1.

21. RELATED PARTY TRANSACTIONS

The company has identified the following transactions which are required to be disclosed under the terms of "Related Party Disclosures".

Music Generation DAC

Music Generation DAC is a 100% subsidiary of Music Network CLG. The balance due to Music Network CLG at 31 December 2022 was €239 (at 31 December 2021 €233).

22. Deferred Income

	2022	2021
	€	€
At 1 January 2022	265,448	209,948
Increase/(decrease) in period	10,033	55,500
	<u>275,481</u>	<u>265,448</u>

Deferred income is comprised of grant income received but where the performance conditions attached to these grants were not met at 31 December 2022.

23. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on

14/06/2023