PRS

Annual Report & Financial Statements

For the year ended 31 December 2024
Performing Right Society Limited

Company Registration Number
No. 00134396 (England and Wales)

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Annual Report and Financial Statements

For the Year Ended 31 December 2024

PERFORMING RIGHT SOCIETY LIMITED

COMPANY INFORMATION

Directors	***Writers*** V Brown M Escoffery-Ojo T Gray C Hunt L Mvula J Nott P Pope J Simmonds M Stobbie P Woodroffe
	Publishers J Alway J Andersen A Bebawi N Gilroy A Kassner D Lang J Minch R Paine P Rose L Young
	Executive Director A Czapary Martin
	Independent Directors E Ingham G Mansfield S Spring T Toumazis
Company Secretary	J Aitken
Company number	00134396
Registered office	Goldings House, 2 Hays Lane London, United Kingdom SE1 2HB
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PERFORMING RIGHT SOCIETY LIMITED

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STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

The directors present the Strategic report for Performing Right Society Limited ("the Company") and its subsidiary PRS for Music Limited ("PfM"), together ("the Group", "PRS For Music") for the year ended 31 December 2024. The definitions of subsidiaries, joint ventures and other partners are set out within the Accounting policies on page 33.

Review of the business

Financial results and key performance indicators

The financial year 2024 delivered a significant milestone in the 110-year history of PRS, with more than £1 billion being paid out to rightsholders. In addition, with more than £1.1 billion in revenues recognised, PRS for Music once again evidenced its ability to develop innovative new licensing solutions and maximise the value of agreements with existing customers. Balancing growth with cost is essential to ensuring members receive the maximum benefit from the Group's activity, and PRS for Music again ensured its cost-to-income ratio remained below its target of 10% (excluding donations and subsidies).

The Group has delivered significant growth in recent years, increasing revenues by 43% and distributions by 49% compared to 2019. Revenues continued to grow in 2024, 6% year-on-year, with significant growth versus last year across many of the important markets for members' works. Increased royalties from Live, reflecting the proliferation of large stadium tours over the last two years, as well as the licensing of previously unlicensed events, were key drivers in a 14.2% (£35.6m) increase in Public Performance revenues in 2024. New licensing deals with video game providers grew royalties from this significant sector by 165% (£14.1m) and revenues from video on demand services were up 17.9% (£7.8m) over the year, offsetting the decline of 2.4% (£3.1m) from traditional linear broadcast.

Distributions were £1,020m in 2024, which is £76.5m higher than the previous year. Royalites distributed from International, royalties due to members for the use of their works outside the UK, were up 26% to £356m, while royalties paid out from public performance increased by £15m (8.1%) over the same period. In October 2024, we paid more than 78,000 members with more than 5,000 being paid for the first time. The £265m paid in December 2024 was one of the largest distributions we have ever made. In 2024, changes were approved to the current distribution schedule, accelerating the payments of royalties from multi-territory online services so they are paid monthly quarterly. This acceleration of distribution frequency, 'play-to-pay', is an important element of the Group meeting the changing demands of the membership.

For the third year in a row, the Group met its target cost:income ratio of below 10%, reflecting its commitment to maximising the amount of royalties paid to members. This commitment was further reinforced by the decision to reduce the admin rate applied to multi-territory online royalties by 2%, from 10% to 8%. Effective from 1 October 2024, this change is expected to result in an additional £47m being paid out by the end of 2030. In the year the Group completed the sale of its Streatham office for £1.3m, the consolidation of operations to the single site in London Bridge has secured £850k of savings per year for members.

The net liability position of the Group is in line with the prior year, the cause of which is detailed in the Going Concern section of the Directors' Report along with details of steps being taken to reduce the deficit. The Group has a significant cash balance (including cash on deposit) of £284.4m (2023: £260.2m).

Alongside exceeding financial targets, the Group has continued to develop and champion pioneering projects to improve the management of rights globally and ensure music creators are being paid accurately and quickly, whenever and wherever their works are used.

PRS' Nexus programme, launched in 2023, continued to champion improvements in the visibility and allocation of works meta data across the music industry. The Nexus portal, an online tool which allows songwriters, composers and publishers to search the meta data of nearly 3 million works, has processed over 100,000 queries from members. The pilot of the groundbreaking online service to allow for the early allocation of the international works identifier, the ISWC, was successfully completed and is launching in the first quarter of 2025. While the hugely successful Get Paid Guide, an easy-to-use one-stop guide on data for music creators, was extended to include information associated with artists and sound recordings.

PERFORMING RIGHT SOCIETY LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

The year also saw the Group commence a major new programme to renew its online services and website. The Digital Experience Programme will allow for website re-platforming, alongside the delivery of new and enhanced functionality across account admin and in key areas such as reporting live events. Automation through machine learning and Artificial Intelligence ("AI") is a priority for the Group, both as a means of enhancing the service offering and reducing costs.

AI represents a real opportunity to streamline operations and deliver efficiencies. While Generative AI will impact the way music is created and how songwriters and composers are paid for the use of their works. The Group has taken a leading role in tracking the evolution of AI music services and advocating new policies and legislation which protect copyright and ensure music creators are paid when their works are used to train AI tools and services.

The Group uses the below key financial performance indicators, which best represent the collection and distribution of royalties and the effectiveness of cost management in maximising value to our members, the results during the year were as follows:

	2024	2023	Change
	£000	**£000**	**%**
Revenue (i)	1,160,600	1,095,078	5.98
Net Revenue (ii)	1,151,504	1,084,870	6.14
Net Distributable Income (iii)	1,034,580	982,035	5.35
Cost:Income ratio (iv)	9.6%	9.5%	1.00
Distributions (v)	1,020,088	943,561	8.11

(i) Revenue is inclusive of Withholding taxes ("WHT") deducted at source from affiliated Societies and passed to the respective Tax authorities and cash flows that PfM does not receive, as required by FRS 102.

(ii) Net Revenue is calculated by deducting the reported WHT deducted at source from Revenue and representative of the Revenue key performance metric ("KPI") used by PfM as it forms the basis for calculating net distributable income available to be distributed to members.

(iii) Net Distributable Income is calculated as Profit before tax and funds attributable to members and affiliated societies, excluding the share of profit/(loss) of joint ventures, including the deduction of tax. It is directly impacted by the movements in revenue and costs.

(iv) The Cost to Income ratio is calculated as total costs (Licensing and Administrative expenses excluding FX gain/losses, Finance costs, Donations, Tax), less: Other Operating Income, Investment Income and FX gain/losses, as a % of Net Revenue. (C:I ratio excluding donations and subsidies is 9.3%).

(v) Distributions are measured as the gross amounts payable to members, before the application of Tax and VAT, aligned to the amounts disclosed in the Annual Transparency Report. This differs to the ‘Amounts paid to members and affiliates’ number included in the Consolidated Statement of Cash Flows, which is net of Tax, VAT and other deductions.

Cost:Income ratio and Distributions are non-GAAP measures. Given the nature of the business, the Group's Directors are of the opinion that disclosure of KPIs other than those stated above is not necessary for an understanding of the performance of the business.

Commercial achievements

The 43% growth in revenues from 2019 to 2024, inclusive, is the clearest success indicator of the Group’s growth strategy, one focused on enhancing the value of existing licences and identifying new business opportunities in existing and emerging markets.

The Group agreed 60 major new licensing agreements in 2024 with new and existing customers, with several other deals agreed in principle for year end. This includes the video on demand services, Apple TV, Discovery+ Pluto TV and Paramount+ and linear broadcasters Discovery, Channel 5 and Viacom. Increasing the licensing of music in video game platforms is a priority for PRS for Music and 2024 revenues grew by a record 180% year-on-year, driven by an unprecedented new agreement with SONY PlayStation for its subscription service, an extension of theTwitch partnership, and positive engagement with emerging video game customers.

Throughout 2024, the Group continued to evolve its product offering, with a specific focus on providing more tailored schemes for online customers. New licences were launched for customers in Schools and Further Education, Small Businesses, Podcasts & Audio Books, and Worship. While new public performance tariffs were agreed for Worship, Sports Events and Exhibitions via the JV, PPL PRS Ltd.

International revenues increased by 3.6% to £359m in 2024, primarily due to growth in online and live in Europe and North America. Our flagship MLCS® program bore fruit with International revenues from major live concerts increasing by £6.6m compared to the previous year. This was part of an overall +£18.5m (26.9%) increase in Live revenues (UK plus global). Europe remains our largest market, delivering £185 million in 2024, although royalties collected from North America grew by 4.8% year-on-year over the 12-months period.

The Group’s focus for the year was continuing to increase market penetration in the key emerging and growing markets of the Middle East and Africa. In the Gulf region PfM expanded the pioneering airlines licensing program with a third major Gulf airlines partner and spearheaded an industry-first collaborative multi-repertoire agreement with a major video-on-demand platform across the Gulf Corporation Council (“GCC”) member countries. Expansion in Africa continued by building on the successful licensing of Multichoice and turning our attention to the remaining large multinational cable, satellite, and VOD providers. Elsewhere, PRS for Music concluded the project of renegotiating all our Caribbean cruise line licenses, including our largest partner Royal Caribbean Group, with improved terms, while also successfully introducing licensing terms for popular Music Themes Cruises together resulting in 112% year-on-year growth in this revenue sector.

Distributions

In PRS' 110th year, the Group's distributions exceeded £1 billion for the first time. The £1,020m paid out to rightsholders in 2024 was an increase of 8.1% on the previous year, meeting the Group’s 5-year plan target 2 years early.

Distributions to members from international income increased by 20.1% year-on-year to £356 million, reflecting both the increased use of members’ works overseas and operational improvements at PRS for Music. The revised reciprocal agreements with other societies have ensured far fewer deductions at source, while our pioneering agreement on Withholding Tax was extended to include Italy. Greater collaboration and accelerated processing allowed the Group to pay Q4 royalties from SACEM, the French collecting society, in December 2024, in previous years these had been held to the following distribution.

The Group realised more of the benefits of its ground-breaking 5-Year project designed to revolutionise all elements of the royalty distribution process. The focus for 2024 was the delivery of greater automation, with the launch and development of around 10 new tools to reduce manual activities and minimise risks of errors in matching. PRS for Music continued to support the adoption of Music Recognition Technology ("MRT") as a means of increasing the accuracy of royalty payments, with more than 170 devices in retail and hospitality businesses. Alongside the continued development and use of MRT across broadcast (TV and Radio) and live music, the year saw more than 170 devices operating in in retail and hospitality businesses.

PRS for Music were again awarded the ISO 20000 accreditation, reflecting the high standards of accuracy and transparency, underpinned by leading international best practices, in the planning, design, transition, delivery, and improvement of distribution services.

Joint ventures and partnerships

Delivering operational and cost efficiencies through partnership and joint ventures has long been central to reducing the Group's cost-to-serve and ensuring more royalties are paid to members.

The joint venture with PPL ("PPL PRS Ltd") combines public performance rights for sound recording and musical works into a combined licence for businesses including shops, restaurants and offices. Despite challenging market conditions, PPL PRS Ltd exceeded its revenue targets in 2024, including collecting more than £90 million in royalties from live performances.

International Copyright Enterprise ("ICE"), the joint venture with STIM and GEMA was the world's first integrated processing hub. In 2024, ICE extended their services agreements with Warner Chappell Music and IMRO, and secured a number of new licensing agreements, including with TikTok. Since its creation in 2016 ICE has distributed more than 4.5 billion Euros to rightsholders from multi-territory online services.

The Group's critical partnership with Mechanical Copyright Protection Society ("MCPS") delivered another year of strong performance across both revenues and distributions, which are not reported in the Group's results. At the end of 2024 agreement was reached on an extension of the current partnership agreement, which will now run until the end of 2026.

Members and governance

New Register My Music and Contact Preference Center apps were launched to simplify the management of members' works and account admin. These enhanced online services were built on a new content management system, giving PRS for Music far greater ability to provide continuous improvements and enhancement to the online experience. To improve the member offering, the provisions around paying royalty advances were changed to increase the amounts available from £1.5m to £2m and give the Members' Council discretion in exceptional cases to increase these amounts.

As part of the successful PRS Community initiative, Members' Days events were held in Leeds (February), London (June) and in Bristol (October). These popular events provided tailored programmes of industry expert panels, educational sessions, 1-2-1s with the Membership Team as well as a PRS Presents showcase for local talent. The PRS Connects events series ran throughout the year providing opportunities for creators to learn from industry experts, and one another, through in conversation panels and networking sessions.

2024 saw the first ever PRS Presents Classical Edition take place at LSO St Luke's, London, featuring radical classical ensemble, Manchester Collective. Hosted by PRS for Music and PRS Foundation, the UK's leading charitable funder of new music and talent development, the event was an opportunity to showcase exceptional classical musical talent, and to create a networking space for writers, publishers and other industry professionals working in the classical music field.

PRS Foundation ('the Foundation') will celebrate its 25th anniversary in 2025. Since its inception the Foundation has provided more than £50 million of funding to over 9,000 new music initiatives. The impacts of these investment are reflected in the success of the recipients, for example 6 out of the last 7 Mercury Prize winners had received PRS Foundation support (including recent winner English Teacher). PRS is the primary funder of the Foundation, donating in excess of £2.6 million in 2024, with funds provided from income generated separately from royalties paid out to members, most notably from interest earned on royalties awaiting distribution.

The PRS Members' Fund celebrated its 90th anniversary with a series of events and fundraising activities throughout the year. The Fund provides an invaluable service to PRS members with hardship funding and advice, covering health, wellbeing, housing and finance

The Group continued its support of key music industry awards, up and coming talent and events throughout the year, including Glastonbury, The Ivors, The Ivors Composer Awards, Music Week Awards, Women in Music Awards, Gramophone Awards, Royal Philharmonic Society Awards, Hospital Radio Awards, ARIAS, MG Alba Scots Trad Awards, Welsh Music Prize, Student Radio Awards, Production Music Awards, the Young Songwriter Competition, British Music Embassy (SXSW Music Festival), The Great Escape, Radio Academy Festival, Brighton Music Conference and Focus Wales.

PRS governance rules were updated in the year to ensure that the views and needs of members were better represented at the Members' Council. At the 2024 Annual General Meeting ("AGM"), the membership approved the expansion of the Members' Council to ten writers and ten publishers, providing space for more diverse voices around the table. The AGM also created a new class of writer members who will have greater influence in the Ballot to appoint writer Council Members.

In addition, in response to feedback from candidates in previous elections and as part of the Members' Council's commitment to take measures to increase direct member participation, at the AGM, the members approved provisions to allow poll votes on a resolution to be cast in advance of the meeting.

In 2024, writer Mike Stobbie and publishers Phil Rose and Laura Young were appointed to the Members' Council and writer Peter Woodroffe was re-appointed. Stevie Spring CBE was confirmed as an independent non-executive Council Member and started her tenure as Chairman of the PRS for Music Board. Erica Ingham's re-appointment for her second term as an independent non-executive was also confirmed.

Equality, Diversity, Inclusion and Belonging ("EDIB")
The Group remains committed to UK Music's Five Ps, which built on the foundations of the Ten-Point Plan. In 2024, PfM's EDIB and wellbeing activities improved by 14% compared to the previous year, contributing significantly to the overall improvement seen in our results for our 2025 certification as a Top Employer, compared to the previous year (which grew from 66% to 72%).

The Group continues to evolve inclusive recruitment practices and career development strategies designed to increase the number of colleagues from under-represented groups, including within senior roles. In 2024 this included working with a range of inclusive recruitment platforms that specialise in helping companies hire women and ethnically diverse candidates, as well as disabled and neurodiverse talent. The changes in recruitment processes over the past two years, including skills - based, inclusive hiring and interview methods resulted in growing our number of female hires from 51% in 2023 to 55% in 2024 and 38% of new starters joining the Group in 2024 coming from ethnically diverse backgrounds. The Group also improved the collection of staff data with disability and socio-economic data captured for the first time, (increasing to 76.4% and 49.8% respectively). This gave the Group greater ability to take further action, track and report progress against its diversity goals.

PfM is preparing to publish its combined 2024 Gender and Ethnicity Pay Gap Report. This year marks the eighth year publishing gender pay gap data and the fourth year we have reported on the ethnicity pay gap, which highlights the journey to change and the organisation's commitment to achieving sustainable diversity and inclusion for the future. The latest analysis of PfM's gender pay gap reveals a slightly widened gap from 7.1% to 10.2% in comparison to last year's results. This is driven by a greater proportion of males than females in senior roles, where the average pay is greater due to both salary and bonus target links. The ethnicity pay gap has decreased slightly from 14.9% to 14%, largely driven by an increase in ethnic representation across the organisation. The organisation continues to focus on internal mobility and progression.

As a key enabler of diversity and inclusion, the Group continued to prioritise learning and development to help eliminate subjectivity and potential bias when evaluating colleagues. The Group has embedded our core competencies into the processes to benchmark and provide consistency, allowing for better visibility and assessment for under-represented groups. In 2024, PfM re-launched the 'My Learning Window' courses, making them accessible to the whole team, fostering equity and removing barriers that hinder career growth. Utilising the Governments apprenticeship levy to help upskill individuals to grow their careers and support early careers.

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STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Statement by the directors in accordance with s172(1) Companies Act 2006

The PRS Board of Directors, referred to as the Members' Council, is responsible for leading engagement with PRS' members, it makes decisions in respect of membership strategy and policy, is ensuring PRS for Music leadership reflects the diversity of its members, oversees performance and approves the annual budget and Group strategy. Other than the Chief Executive Officer ("CEO"), all directors on the Members' Council are non- executive, comprising writer members, publisher members and independent non-executive directors. PRS has three established committees which support the Members' Council in carrying out its duties: the Audit Committee (renamed as the Audit and Risk Committee as of December 2024), the Nominations Committee and the Remuneration Committee. In addition, PRS mandates certain authorities to its wholly owned subsidiary, PfM, which is responsible for operational matters, and which also has committees focused on licensing and distribution decisions and strategy as well as a committee to provide guidance on directors' duties including conflicts of interest. The PfM Board and all PRS and all the Group's committees are chaired by independent non-executive directors. The Members' Council is currently chaired by a writer Council Member. As is usual with large companies, day-to-day management of PRS is carried out by an Executive Leadership Team ("ELT") led by the CEO.

PRS promotes high standards of corporate governance throughout the organisation and holds three regular scheduled meetings to consider matters within its terms of reference and relevant to the Group with a further meeting to consider the annual report and accounts. In addition, training sessions, briefings and clarification meetings are arranged to support Council Members to understand complex issues and to enable informed decisions. The Members' Council and PfM Board have also established sub-groups to consider individual matters and topics relevant to the industry such as Artificial Intelligence and strategic initiatives.

The Members' Council has a Charter, first introduced in 2022 and updated at the end of 2024 to focus on culture and compliance with directors' duties under the Companies Act 2006. Diversity of the Members' Council is monitored through completion of an annual survey.

PERFORMING RIGHT SOCIETY LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Attendance of Council Members at the Members' Council meetings in 2024 was as follows:

Name	Members' Council Meetings 2024				
	5-Mar-24	21-Mar-24	16-Jul-24	4-Dec-24	Total
Jackie Alway (P)	✓	✓	✓	✓	4 of 4
Janet Andersen (P)	✓	✓	✓	✓	4 of 4
Antony Bebawi (P)	✓	✓	Apologies	Apologies	2 of 4
V V Brown (W)	✓	Apologies	✓	✓	3 of 4
Michelle Escoffery (W)	✓	Apologies	✓	✓	3 of 4
Nigel Gilroy (P)	✓	✓	✓	✓	4 of 4
Tom Gray (W)	✓	✓	✓	✓	4 of 4
Crispin Hunt (W)	✓	✓	✓	✓	4 of 4
Erica Ingham (iNED)	✓	✓	Apologies	✓	3 of 4
Alex Kassner (P)	✓	✓	✓	✓	4 of 4
Daniel Lang (P)	✓	✓	✓	✓	4 of 4
Andrea C Martin (CEO)	✓	✓	✓	✓	4 of 4
Gill Mansfield (iNED)	✓	✓	✓	✓	4 of 4
John Minch (P)	✓	✓	✓	✓	4 of 4
Laura Mvula (W)	✓	✓	Apologies	Apologies	2 of 4
Julian Nott (W)	✓	✓	✓	✓	4 of 4
Richard Paine (P)	✓	✓	✓	✓	4 of 4
Simon Platz (P)	✓	Apologies	n/a	n/a	1 of 2
Philip Pope (W)	✓	✓	✓	✓	4 of 4
Phil Rose (P)	n/a	n/a	✓	✓	2 of 2
Stevie Spring (iNED)	Invitee*	Invitee*	✓	✓	4 of 4
Mike Stobbie (W)	n/a	n/a	✓	✓	2 of 2
Tom Toumazis (iNED)	✓	Apologies	✓	✓	3 of 4
John Truelove (W)	✓	✓	✓	✓	4 of 4
Pete Woodroffe (W)	✓	✓	✓	✓	4 of 4
Laura Young (P)	n/a	n/a	✓	✓	2 of 2

** Stevie Spring was invited to join the meetings prior to becoming a Council Member in June 2024*

Significant governance changes were made in 2024 to ensure that the views, concerns and needs of PRS members are being represented at the highest levels of governance in the Group. At the 2024 AGM, the membership approved the expansion of the Members' Council to ten writers and ten publishers, providing space for more diverse voices around the table.

The AGM also saw the creation of a new class of writer members who can vote in the Ballot to appoint Council Members. Under the Group's Articles of Association, Voting Members have one vote on a Ballot and Principal Voting Members have ten votes, with the possibility of an additional ten votes depending on their earnings. The Members' Council was concerned that candidates for the Council were directing their canvassing efforts towards Principal Voting Members with adverse consequences for levels of voter engagement and participation amongst Voting Members. The Members' Council hope that by creating a new class of Voting Plus member with five votes in a Ballot, more writer members will be motivated to vote and candidates will in turn engage more actively with writer members.

In addition, in response to feedback from candidates in previous elections and as part of the Members' Council's commitment to take measures to increase direct member participation in meetings, at the AGM, the members approved provisions to allow poll votes on a resolution to be cast in advance of the meeting.

To better serve the membership, the provisions around paying royalty advances were changed to increase the amounts available from £1.5m to £3m and giving the Members' Council discretion in exceptional cases to increase this amount still further.

In the last quarter of 2024, an evaluation of the Members' Council, the PfM Board and Committees was undertaken, focusing on areas for improvement that had been identified in 2023. At the time of writing, the Directors were analysing the results of the 2024 evaluation and further actions.

S172(1)(a) The likely consequences of any decision in the long term

The Members' Council focuses on keeping in touch with the needs of its members and this is central to its decision making. PRS' mission is to protect and grow the value of music rights entrusted to it and ensure the fair and accurate distribution of royalties with market leading transparency.

The vision set out in 2022 was to achieve a £1 billion royalties paid out, while ensuring a cost to income below 10%. To achieve the vision, in late 2021, the Members' Council approved a Five-Year Plan which set out six strategic imperatives underpinned by actions and initiatives to 2026. The financial and capability requirements to enable delivery of the Five-Year Plan were approved by the Members' Council in 2022. As noted above, PRS has satisfied both distribution and cost to income targets almost two years early. Therefore, PRS for Music is preparing a new Five-Year plan to run from 2026 to 2030, which it will be seeking Member Council approval in late 2025.

S172(1)(b) The interests of PRS' employees

The Members' Council recognises the importance of attracting, retaining and motivating, within the PRS team, people to deliver its purpose, vision and long-term success. For this reason, health, safety and support for mental health and wellbeing are prioritised, alongside initiatives to recognise good performance.

The CEO updates the Members' Council on employee engagement at its meetings. PRS's annual employee engagement score declined slightly to 84%, although remained two percent above the 2024 target of 82%.

The Members' Council and PfM Board supported the move to a new office hub in late 2021, creating a vibrant and collaborative space and supporting flexible ways of working. A further 18,000 square feet opened in November 2022 divided into various behavioural zones to take account of the differing ways in which people work. Great consideration is given to encouraging and improving physical attendance in the office with initiatives such as making tea and coffee freely available. There was also a successful implementation (99% against a target of >95%) of a mandated 2 days a week in the office for all employees. A corporate engagement group established for 2024 (to look at hybrid working and balance) delivered a series of comprehensive recommendations and measures to further enhance the 'at-work' experience.

PfM holds monthly all-staff briefings led by the CEO, has an active employee forum and provides a strong and varied programme of engagement and well-being activities for employees and is particularly mindful of cost of living pressures. A PRS Team Conference was held in April 2024 which focused on reinforcing PRS' vision for its Five Year Plan with key themes of change and innovation. PRS also engages with employee representatives as appropriate and is supported by its own branch of Unite (the largest union in the UK). These meetings are held to provide a forum to share information on matters of concern to them.

Equity, diversity and inclusion is a key agenda item for the Members' Council which receives updates on progress against PRS objectives, the UK Music 10 Point Plan and alignment with the Five Ps (People, Policy, Partnerships, Progress and Purchase) and gives feedback on the various employee initiatives. Priorities for 2024 included improving gender and ethnicity representation (middle to senior management), enhancing our disability and socio-economic data disclosure and leadership training across all levels. This included the deployment of our disability and neurodiversity jobs platform, and working with MOBILISE, to attract and engage with senior talent from ethnic communities.

Through its committees and the PfM Board senior management succession planning and development is reviewed. Significant consideration is given to senior management remuneration by PRS to ensure it is appropriate and consistent with the long-term objectives of the Group.

S172(1)(c) The need to foster PRS business relationships with suppliers, customers and others

The Members' Council and PfM Board recognise the importance of effective engagement with their stakeholders to deliver the Five-Year Plan and have regard to these relationships in their decision making.

Service Excellence is one of PRS's five values and is focused on delivering the best service we can by looking at things from customers' point of view whether it is licensees or the wider collecting society network.

The Licensing Committee directs overall licensing strategy and policy, approves Broadcast, Online and Recorded Media licences and schemes within its delegated limits and reports on its decisions to the Members' Council and PfM Board.

The Members' Council and PfM Board also monitor progress of their joint ventures which carry out activities and services on behalf of the Group. Responsible procurement is important to PRS and each year the Members' Council and PfM Board review actions taken by the Group to support anti-slavery and human trafficking and approve a modern slavery statement which is published on the website.

S172(1)(d) The impact of PRS' operations on the community and the environment

In 2024, PRS strengthened its relationship with its partner charities, appointing additional representatives of the Group to their repsective Boards. The Members' Council is aware of the impact PRS has on the communities and the environment in which it operates in its decision making. During the year, the Members' Council approved bespoke donations and/or funding for its relationship charities the PRS Members Fund, which provides support to PRS members and their families who may be struggling financially or in need of other help, and the PRS Foundation, a funder of new music and talent development.

PRS provide support to the Ivors Academy of Music Creators, the independent trade body for songwriters and composers in the UK. Among employees, PRS for the Community facilitates volunteering activities for employees, fundraises for partner charities and celebrates all charitable work.

The Group also recognises that climate change and sustainability are increasingly important to PRS stakeholders. A group-wide sustainability strategy and policy is being developed through the Corporate Sustainability Group. For 2024, a corporate engagement group established to look at Environmental, Social and Governance (ESG) delivered a series of recommendations for internal and external engagement. Being an ESG responsible organisation is highly aligned to the PfM core values; the Group will seek further opportunities in 2025 to enhance these commitments.

S172(1)(e) The desirability of the group maintaining a reputation for high standards of business conduct

The Members' Council is committed to maintaining the reputation of PRS and the Group and high standards of conduct in all its business dealings. Integrity is one of PRS's five values to which our compliance activities are anchored. PRS's other values are pioneering, inclusive, service excellence and collaboration. PRS has a Code of Conduct applicable to its members and to licensees which it upholds. The Audit and Risk Committee reviews and approves control measures and frameworks to maintain high standards of corporate conduct. The Group has in place a number of compliance policies including anti-bribery and corruption, whistleblowing and data privacy and requires relevant employees to undertake mandatory training and assessments. As well as an annual business orientation refresher, Council Members also undertake compliance training and cyber training demonstrating their commitment to the PRS values.

S172(1)(f) The need to act fairly as between members of PRS

As a collection society, members are at the heart of PRS's business and are the reason that PRS exists. A crucial objective of the Members' Council is to ensure effective engagement with the membership. Results from the annual members' survey are reviewed and considered by the Members' Council and PRS continues to make efforts to improve member experience. There is regular communication and interaction with its members through several channels including writer representatives and publisher briefings, genre specific member meetings and focus groups, outreach activities for new and upcoming members, our own member events and supporting other industry events.

To enable potential members increased accessibility to PRS and to support its strategy, during 2022 the Members' Council decided to introduce a reduced joining fee for writers under the age of 25 which was implemented in 2023.

To ensure fairness in decision making, there are an equal number of writer and publisher Council Members on the Members' Council, Board and each of their established Committees. Council Members also represent a variety of different genres. In addition, four independent non-executive directors ("iNED") sit on both the Members' Council and the PfM Board, of which at least three sit on each Committee with one of that number also chairing the Committee.

The Members' Council Chair position rotates between publisher and writer Council Members, with the current incumbent, a writer Council Member, taking the role from 1 January 2023, following the retirement of a publisher Council Member after a maximum six years (two terms) service. The Deputy Chair position also rotates alongside the Chair role, with a publisher Council Member, taking over the role from a writer Council Member in January 2023.

Non-financial and sustainability information statement ("NFSIS")

Environmental, Social and Governance ("ESG")

PRS is fully committed to operating responsibly and sustainably. As the regulatory landscape continues to evolve and change, there is an increased focus on Environmental, Social and Governance (ESG) matters in the Group. As such, the Group's core values are fully aligned to prioritising sustainable and ethical practices and creating social impact. Doing so, it will generate long-term value for the Group, including staff, members and the wider music industry. Through various initiatives over the last five years, the Group has already delivered positive impact across ESG areas. In 2024, an ESG focused team was established to not only give more prominence and recognition of these initiatives, but also deliver recommendations on how the Group can embed ESG principles into its 'BAU' activities. Alongside continuing to build on existing initiatives across 'E', 'S' and 'G' (see below – 'ESG Maturity'), the following recommendations are being implemented to enhance the Group's ESG impact:

- Raise the prominence of the Group's existing ESG activities and impact (within the business and to the wider industry) through an active communications plan.
- Delivery of an annual ESG report.
- Enhancing current impact through greater integration and coherence across individual 'E', 'S' and 'G' lines.
- Embed ESG as a core principle into future iterations of the Group's five year plan.
- In the interim, continue to expand current initiatives by targeting quick-wins across E', 'S' and 'G' lines

Climate-related financial disclosures ("CRFD")

This is the second year the Group has included the Climate-related financial disclosure ("CRFD") report in its accounts. Progress achieved in the year is covered in the Streamlined energy and carbon ("SECR") report below. After establishing baseline emissions in the 2023 report, the Corporate Sustainability Group in 2024, continued to deliver existing and new climate-related initiatives described above. This has led to a 25 tCO_2e and 12,000 kwh reduction in energy consumption in 2024 compared to 2023.

In 2024 the Group retained an external supplier, Plan A, to assist with carbon accounting and reporting, tracking emissions changes from 2023, and enhance reporting within Scope 3 emissions (Capital goods, purchased goods and services including IT). This forms the foundation for CFRD and SECR within this Annual Report. It will also inform the development of a broader sustainability strategy and policy in 2025 for the Group with action plans for emission reduction.

Climate governance and risk management

The Board of Directors is ultimately responsible for the oversight of climate-related risks and opportunities impacting the Group. The Board delegates strategic and operational management of the business to the ELT, which consists of the below positions:

- Chief Executive Officer
- Chief Financial Officer
- General Counsel
- Chief Information Officer
- Chief Operating Officer
- Chief Commercial Officer
- Chief International Business Officer
- Chief People & Transformation Officer
- Chief Strategy, Communications and Public Affairs Officer

Climate related risk and opportunities however have not been considered in detail by the PRS Board due to the current (assessed) limited risk to the business. Risks are reviewed on an annual basis to ensure the risk level is adequate as the reporting, regulatory, legal and environmental impact landscape changes. To support this, a Corporate Sustainability Group is charged with risk mitigation and implementing and expanding climate related initiatives, as part of the ESG recommendations outlined in this report. Consisting of representatives from Strategy, Legal, Governance, IT and Finance, this sub-group is responsible for ensuring Environmental is embedded within The Group’s operational activities and BAU.

Strategy

The climate risks and opportunities are assessed using Short (0-5), Medium (6-10) and Long-term (10+ Year) horizons. These periods are defined by the typical business planning cycles and informed by the materiality assessment and climate scenario analysis. Outside of acute extreme weather events impacting customer venues and attendance (thus impacting revenues and distribution), there is limited short-term climate risk exposure. The most significant risks would be in the mid or longer term arising from reputational loss due to lack of action on sustainability and increased costs resulting from compliance requirements, technology changes or commitment to carbon offsetting activities.

PERFORMING RIGHT SOCIETY LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Climate risks

Risks	Timeframe	Opportunities	Our Response
Transition Risks			
Inability to respond to changes in reporting requirements and updates to policies (e.g. enhanced emissions reporting obligations)	Medium and Long-term	*Transparency and Reputation:* - Increased public reporting may enhance reputation (ethical and sustainable Society) *Membership:* - enhances/augments retention and acquisition strategies (to be associated with a socially conscious PRO)	1. Retention of an external partner to support carbon accounting. 2. Enhanced, iterated and expanded existing and new initiatives to reduce carbon emissions 3. Internal Comms plan developed to increase staff awareness and incentivise behaviours
Perceived inaction considering shifts in consumer preferences, increased stakeholder concern or negative stakeholder feedback.	Medium and Long-term		
Supplier refusal to do business with PRS unless evidence of carbon reducing activity or certification	Medium and Long-term		
Customer and Member demand for sustainable practices and transparency in reporting	Medium and Long-term		
Energy market changes may result in additional costs	Medium and Long-term	*Resource consumption and reduced costs:* - Management of energy efficiency in buildings - Exploit renewable energy - Sustainable use of resources reduces costs - *Partnership opportunities:* (local community and businesses)	1. Signed the London Bridge Decarbonisation Charter 2. Part of the Hays Galleria Buildings Management Group (joint climate initiatives) 3. Expanded climate initiatives
Business Travel developments may impact Business meetings and Events	Medium and Long-term		1. Hybrid working environment 2. Business Travel monitoring 3. Streamlined and prioritised external events attended
Emergence of new lower carbon technologies may drive additional cost to lower emissions technology	Medium and Long-term	Lower carbon tech, when accounted for true, through-life cost and value of investment may lead to lower long-term costs (energy usage)	1. Plan to augment procurement for new products and services to include climate criteria for suppliers 2. Sustainable options judged against other options 3. Supplier usage and emissions monitoring and reporting 3. Expansion and iteration of IT related carbon initiatives
Physical			
Extreme weather impacts staff travel to the *HUB*	Medium and Long-term	- Augmented working practices - Enhanced staff retention measures and satisfaction	1. HUB working policy and hybrid model
Extreme weather damages assets or infrastructure	Medium and Long-term		1. Part of the Hays Galleria Management Group (collaboration to deliver risk mitigations)
Extreme weather occurrences impacts LIVE music venue attendance, increased costs to travel, insurance costs and so reduces Group revenue and distribution potential	Short (acute) Medium and Long-term (chronic)	Collaboration and partnership: opportunity to work with venues to deliver solutions and new avenues of delivery	1. Outreach and Partnership policies includes working with grass roots venues and other LIVE venues

Climate scenario analysis

Given the current low risk impact assessment, the Group continues to use publicly available climate-related scenarios to understand the transition and physical risks relevant to compliance, technology, operational performance, and business assets. The review of the scenario impacts considers the Group's resiliency and sensitivity to climate change at different transition rates and incremental temperature increases to 2C and 4C, which have been indicated as appropriate ranges in the scenario analysis studies considered. The Group has considered business impacts based on the required pace of transition to achieve targets established in published International Energy Agency (IEA) scenarios limiting warming to 2C and 4C.

Transition to lower carbon emissions	Business Impacts
Rapid Transition	Aggressive policy and technology changes resulting in new investment to update technology and engage in carbon offsetting activities
Gradual Transition	Uncertainty around strategy and in-decision regarding technology investment could impact competitive market positioning due to perceived lack of action
Delayed Transition	Substantial effort over a shorter period of time, increasing transition costs and reduced planning to shift to new lower carbon emitting technologies, leading to greater risk of non-compliance

The physical impact scenarios has been considered using the UK Climate Projection (UKCP) tool that have been published through the BBC website and is supported by research studies. It predicts the estimated temperatures and climate impacts resulting from 2C increases from the current levels. The analysis was simulated based on the location of the central London Bridge Hub to consider the risk of employees not being able to attend the office and damage to office based equipment or infrastructure (e.g Servers). Other physical impacts could be to IT support Infrastructure (e.g. data centres), where increased temperatures could inhibit performance or increase costs (use of cooling / AC).

UK climate projection*

	Category	Current	2C	4C
London	Hottest Day - Summer (C)	37C	38.5C	42.6C
	Hottest Day - Winter (C)	19.7C	20.1C	21.7C
	No. of Days Above 25C	6	11	21
	Rainy Days - Summer	8	7	5
	Rainy Days - Winter	10	10	10
	Wettest Day - Summer (mm)	43	49	52
	Wettest Day - Winter (mm)	38	34	51

** Source: https://www.bbc.co.uk/news/resources/idt-d6338d9f-8789-4bc2-b6d7-3691c0e7d138*

Metrics and targets

The Group is proactively managing climate-related risks and is committed to contributing to the wider effort of addressing climate change, taking responsibility to understand and manage its carbon footprint. The greenhouse gas (GHG) emissions and intensity ratios are reported by relevant scope in the SECR report. A well-defined strategy and target setting will be considered in 2025 following further analysis of the enhanced carbon footprint in 2024.

Streamlined energy and carbon report (SECR)

GHG emissions and energy use for 2024 financial year

We have reported on all of the emission sources required under Streamlined energy and carbon report (SECR) and the financial control approach has been used to determine which entities should be included in the data collection process.

The GHG emissions have been calculated using a carbon accounting platform (Plan A) supported by a sustainability specialist, where relevant data was provided in kilowatt per hour (kwh) energy consumed for property and kilometer (km) distance travelled for business travel. The carbon emissions were calculated through the application of appropriate market conversion rates for kwh and km provided by the carbon reporting specialist, which have been applied to both years for consistency. The following table summarises the Group's annual carbon emissions. The intensity ratios used are Tonnes of CO2e per employee and Tonnes of CO2e per £m of revenue, which are considered appropriate for the nature of the Group's operations.

In line with PRS' commitment to improving its transparency, the 2024 SECR has been enhanced to include additional scope 3 reporting, namely emissions from: purchased goods and services, and capital goods. Due to lack of data availability and reliability, these were not included within the 2023 report. The Group is now able to provide this data due to directed effort and commitment in 2024 to enhance the reporting data. This is expected to further progress into 2025. For the purposes of year-on-year comparison and assessments on progress, the SECR reports against the baseline set in 2023, as well as the enhanced 2024 report, with backdated 2023 data.

GHG emissions and energy use for 2024 financial year

	2024 (baseline)		**2023 (baseline)**		**2024 (enhanced)**		**2023 (enhanced)**	
	Consumption used to calculate emissions	**tCO2e**	**Consumption used to calculate emissions**	**tCO2e**	**Consumption used to calculate emissions**	**tCO2e**	**Consumption used to calculate emissions**	**tCO2e**
Combustion of gas (Scope 2)	0 Kwh	0	0 Kwh	0	0 Kwh	0	0 Kwh	0
Purchased electricity, heat, steam, and cooling (Scope 2)	349,161 kwh	74	361,283 kwh	91	349,161 kwh	74	361,283 kwh	91
Business travel (Scope 3)	891,879 km	353	801,727 km	361	891,879 km	353	801,727 km	361
Purchased goods and services					c.£32.3m	2,301	c.£23.5m	1,656
Capital goods					£1,084,233	244	£672,360	264
Total gross tCO2e based on above fields		427		452		2,972		2,372
Intensity ratio: tCO2e per £ million of revenue based on the above fields		0.37		0.42		2.58		2.19
Intensity ratio (gross emissions): tCO2e per employee based on the above fields		0.75		0.84		5.20		4.40
Employees (FTE)		*572*		*539*		*572*		*539*
Revenue £000		*1152*		*1084.1*		*1152*		*1084.1*

Baseline 2023-2024

Overall, Tonnes of CO2 have reduced compared to 2023, driven by reductions in Scope 2 emissions following the closure of the Streatham office and tactical activities to reduce energy consumption in the London Bridge Hub. This has been partially offset by higher emissions from increased business travel resulting from an increased number of overseas events in 2024 and travel activities generally shifting back to pre-Covid-19 levels. Increased staff commuting likely also added to this following the implementation of a two-days a week minimum attendance to the HUB.

However, despite the higher consumption (per km of fuel for purposes of transport), in 2024 this was apportioned to more UK-based travel (using lower emissions transport – i.e. rail and electric fleet suppliers) than in 2023. Thus resulting in a lower tCO2e compared to 2023.

Tonnes of CO2e per £m of revenue and per employee have declined due to overall reduction in emissions and an increase in both revenue and employees during the year.

Enhanced 2023-2024
Purchased goods and services had a significant increase in emissions compared to 2023, mainly driven by additional requirements for Legal Services. This caused a jump from 4% of total emissions from purchased goods and services in 2023, to 25% in 2024. Data processing, hosting and related services also contributed to this owing to the increasing data processing pressures across operations and CIO activity supporting transformation work across the Group.

An environmental strategy will be developed in 2025, underpinned by carbon accounting data and concentrating on the application of more green practices designed to address climate change and sustainability. By investing in more environmental sustainability, there is an opportunity to reduce business risk, improve reputation as well as provide prospective cost savings.

Principal risks and uncertainties
The Audit Committee evaluates the risks and uncertainties that may affect the Group's performance and reports regularly back to the PfM Board and Members' Council. The Audit Committee met four times in 2024. The principal risks and uncertainties are detailed below.

Legislative risk
The nature of the Group’s activities in particular markets leads it into a number of areas of compliance risk. There is a sustained focus on ensuring compliance with UK and EU competition rules and with the General Data Protection Regulation ("GDPR"). Failure to comply with competition and data protection legislation can lead to significant fines. A committee is in place to oversee compliance across the Group and an ongoing programme of compliance measures is in place.

The Group is also subject to potential copyright law changes and given the changing nature of the industry this could have a significant impact on the Group’s revenue and operating procedures in the future.

Competitive risk
Changing working practices are opening up the market to more competition from societies and other organisations and the Group is at the forefront of these changes, actively seeking solutions to respond effectively to increased competition. This could result in the withdrawal of rights and repertoire as well as the emergence of direct licensing models. The Group drives market-focused licensing activity and demonstrates the relevance and benefits of the licensing approach, educates members on its service excellence and maintain relations with government bodies to ensure continued legitimacy.

Changing technology
With the increasing move towards digital usage of music, there is uncertainty over the future market for music and the implications on the costs of administering licenses. These changing technologies will offer new market opportunities and active review of existing and potential new streams is a key area of focus for the Group. The Board and the Audit Committee are fully aware of the pressures and opportunities this changing market imposes on the future of the business and are acting accordingly to optimise beneficial effects where possible.

Financial instrument risks
The Group has in place a framework to ensure that it has sufficient financial resources to meet its objectives and to manage financial risk. Foreign exchange risk is minimised through the timely exchange of foreign currency receipts for sterling and forward foreign exchange contracts are used to manage the exposure of non-sterling loans. Interest rate risk is managed by avoiding investing cash for periods of greater than 12 months. The use of financial derivatives is governed by the Group’s policies approved by the PfM Board and Members' Council, which provide written principles on the use of financial derivatives to manage these risks. The Group does not use derivative financial instruments for speculative purposes.

Fraud risk
Criminal activities such as internal and external attempts such as trust-based license schemes, organisations operating subscription publisher models or administrative services aimed at defrauding companies can lead to the misappropriation of funds and loss of member income. The Group has developed a Distribution Fraud tool and manages robust pre-distribution checks as well as review of trust-based licensing schemes. Furthermore, Controls and awareness programmes are in place and a fraud response plan created for dealing with incidents of fraud or suspected fraud.

Exposure to price, credit and liquidity risk
Price risk for the Group arises where new licence schemes are challenged. Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Group policies are aimed at minimising such losses, with well-established credit control processes and a requirement that deferred terms are only granted to licensees who demonstrate an appropriate payment history and satisfy credit checking procedures, or with which the Group is actively in negotiations. Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Group aims to mitigate liquidity risk by managing cash generation. In addition, royalties are only distributed once collected and the Group holds substantial cash balances.

Cyber security
Cybercrime is a risk that malicious hacking could lead to data being illegally leaked, accessed or used and the prevention of customers from accessing required systems. This could lead to funds being misappropriated and loss to member income damaging the Group's reputation. Protecting the data held on behalf of members, customers, partners, suppliers, societies and employees and ensuring the continued operation of the business is critical to maintaining the reputation of the Group. A multi-year cyber security transformation programme was launched in 2022 to further enhance the Group's defences against, and ability to respond to, a cyber-attack. A cyber control framework is maintained with advanced threat protection measures, supported by additional resources alongside the delivery of mandatory compliance training for all employees to promote awareness of cyber related risks.

Artificial intelligence ("AI")
The rapid development of AI products and services presents both risks and opportunities to the Group. Market saturation could arise from the mass registration of works not attracting copyright protection, AI presenting itself as an alternative to copyright works and the development of new business models at a faster rate than legislation. The Group monitors the AI market closely and engages with external experts to impacts as updating technology to recognise AI generated works and corporate documents to provide clarity on what can be registered.

Royalty distribution – accuracy and timeliness
The exponential year-on-year growth in the volume of data handled by the Group presents an ongoing risk to the accuracy and timeliness of royalty distributions to the Membership. To mitigate the risk, a multi-year IT programme to enhance the data processing capabilities of the systems that underpin royalty distributions assurance enhancements have already been successfully embedded into the business process.

Future Developments
The Directors expect the activities in the forthcoming year to be focused on completing the current 5-year plan, including maximisng the investments in systems and operations to increase the frequency and accuracy of payments. The Group is monitoring closely possible changes to copyright law in the UK, specifically the consultation in a possible exception to copyright for the training of Artificial Intelligence.

Approved and authorised for issue by the Board of Directors

Julian Nott

Julian Nott
Director
28 March 2025

PERFORMING RIGHT SOCIETY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

The directors present their annual report on the affairs of the Group and the Company, together with the financial statements and auditor’s report, for the year ended year ended 31 December 2024.

Principal activities

The principal activity of the Group is the aggregation and licensing of the performing rights vested in it by its members and affiliated societies, and the collection and distribution of the resulting royalties. The Group represents over 175,000 members collecting royalties from various sources, including from live performance, television and radio broadcasts, and streaming.

The principal activity of the Group's principal subsidiary is to provide operational services to the Group and to act as a service provider to Mechanical-Copyright Protection Society Limited ("MCPS").

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Writers

V Brown
M Escoffery-Ojo
T Gray
C Hunt
L Mvula
J Nott
P Pope
J Simmonds
M Stobbie (appointed 4 June 2024)
P Woodroffe

Publishers

J Alway
J Andersen
A Bebawi
N Gilroy
A Kassner
D Lang
J Minch
R Paine
S Platz (resigned 4 June 2024)
P Rose (appointed 4 June 2024)
L Young (appointed 4 June 2024)

Independent Directors

S Davidson (resigned 4 June 2024)
E Ingham
G Mansfield
S Spring (appointed 4 June 2024)
T Toumazis

Executive Director

A Czapary Martin

Julian Nott (Writer) is Chair and Alex Kassner (Publisher) is Deputy Chair. Michelle Escoffery-Ojo stepped down and Crispin Hunt was appointed as President of the Members' Council in December 2024 with an effective date of 1 January 2025.

Results and dividends

The results for the year are set out on page 24.

No interim dividends were paid. The directors do not recommend payment of a final dividend (2023: £nil).

Items covered in the Strategic report

The following items required by law to be included in the Directors' report have been covered in the Strategic report: Climate related financial disclosure, Streamlined energy and carbon report, Principal risks and uncertainties and Future Developments.

Qualifying third party indemnity provisions

The Group has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006 s.234. Such qualifying third-party indemnity provision was in force during the financial year and at the date of approving the Directors' report.

Political donations

There were no political donations made during the year (2023 - £nil).

Disabled persons

The Group complies with the requirements of the Equality Act of 2010 and is keeping its employment policies and procedures under review to ensure that disabled persons are not treated any less favourably than able-bodied persons in regards to applications, employment, training and career development. Where existing employees become disabled, it is the Group's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development wherever appropriate.

Equal opportunity

The Group actively pursues a policy of providing equal opportunity to all its employees for internal training, development and promotion, and to applicants for employment. It does so without regard to colour, creed, ethnic origins, gender or any other grounds.

Employee involvement

The Group recognises the importance of keeping employees informed of all developments regarding the Group's work and progress and to this end, copies of all the publications produced by the Group are freely available to all employees. To achieve a common understanding and awareness amongst all employees of the Group's plans, an extensive briefing and consultation process operates. Further deatils can be found in the Strategic Report.

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland”. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, 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 keeping adequate accounting records that are sufficient to show and explain the Company’s transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company’s website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

In the case of each director in office at the date the Directors’ report is approved:

- So far as the director is aware, there is no relevant audit information of which the Group and Company’s auditor are unaware; and
- They have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Group and Company’s auditor are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s. 418 of the Companies Act 2006.

A resolution to reappoint Deloitte LLP as auditor will be proposed at the forthcoming AGM on 3 June 2025.

Going Concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic report. There is an agreed plan to reduce the Group deficit over time, while maintaining the maximum distributions to our members. This is actioned through the setting of administration rates, over which the PRS board exercises ultimate control and through control of the amounts charged by PfM to PRS. While the Group has a net deficit on its reserves, the Articles of PRS permit the retention from out of revenues of such amounts as are necessary for the expenses of the Company. The directors believe that the Group is well-placed to manage its business risks, given it has considerable financial resources including cash balances and short-term deposits of £284,437,000 (2023 - £260,192,000) at the year end and only makes distributions when monies have been received, and hence believe the Group and Company are a going concern.

The Group Statement of financial position reflects the impact of assuming £25,197,000 of historic liabilities when the MCPS-PRS Alliance dissolved in 2013. As a result, the Group has a net deficit of £38,610,000 at 31 December 2024 (2023 – £37,072,000). This deficit has increased from 2023 mainly due to the accounting valuation of the defined benefit scheme reducing further to a net deficit position of £12,651,000 from a net deficit of £10,087,000. PfM and the trustees of the pension schemes have agreed a recovery plan which includes an annual Group contribution of £3.15m through to 2030, with the intention of both schemes achieving self-sufficiency by June 2030. There is also an investment strategy in place to reduce future volatility.

The directors have also considered the status of its joint ventures and associate undertakings at Board meetings, Audit Committees and Finance Working Groups:

ICE Operations is fully and equally supported by its shareholders. The Group's share of the profit recognised for the year to 31 December 2024, after offsetting any final adjustments from the previous year, was a loss of £2,575,000 (2023 – profit of £900,000). ICE Operations is forecasting to cover its costs in future years and repay its loan finance over 10 years. At the year end, the value of the loans to be repaid by ICE Operations was £11,154,000 (2023 - £12,201,000) and the value of the equity investment was £nil (2023 - £nil).

ICE Services is fully and equally supported by its shareholders. The Group's share of the profit recognised for the year to 31 December 2024, after offsetting any final adjustments from the previous year, was £3,627,000 (2023 – profit of £3,311,000). ICE Services is forecasting to continue to be profitable in future years. At the year end, the value of loans to be repaid by ICE Services was £nil (2023 - £nil) and the value of the equity investment was £100,000 (2023 - £100,000).

SOLAR is fully and equally supported by its shareholders. The Group's share of the profit for the year to 31 December 2024 was £566,000 (2023 – £298,000). At the year end, the value of loans to be repaid by SOLAR was £429,000 (2023 - £429,000) and there was no equity investment (2023 - £nil).

NMP is fully and equally supported by its shareholders. The Group's share of the result to be recognised in the year to 31 December 2024, before any cost reduction adjustments for 2024 and after including any final cost adjustments from the prior year, was a loss of £104,000 (2023 – loss of £304,000). The value of the equity investment at the year-end was £976,000 (2023 - £976,000). At the year end, the value of the loans to be repaid by NMP was £nil (2022 - £nil).

PPL - PRS is fully and equally supported by its shareholders. The Group's share of the profit recognised for the year to 31 December 2024 was £368,000 (2023 - £337,000). PPL - PRS is forecasting to make profits in future years and repay its loan finance over 10 years from the date of commencement of licensing activities in the joint venture. At the year end, the value of loans to be repaid by PPL - PRS was £2,818,000 (2023 - £3,522,000) and the value of the equity investment was £50,000 (2023 - £50,000).

The directors do not believe it is appropriate to prepare downside scenarios, given the nature of the business and its cashflows and distribution policies. Therefore, after making enquiries and considering any subsequent events, the directors have a reasonable expectation that the Group has adequate resources to continue operating for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Events after the balance sheet date
In February 2024, an application seeking an opt-out collective proceedings order was filed in the UK Competition Appeal Tribunal ("CAT") against Performing Right Society Limited and PRS For Music Limited (Note 25). The certification hearing took place on the 12th and 13th of February 2025, at which point the case was adjourned so that additional information could be submitted. The next hearing has been listed for June 2025.

There are no events which require adjustments to the financial statements.

Research and development
During 2024, the Group continued to develop its intangible assets focused on delivering service excellence to members and customers through the execution of technology and data orientated projects.

Corporate governance
The Company's Board of Directors (known as Members' Council) is ultimately responsible for the governance of the Company. The Company has a corporate governance framework in place, including matters reserved for Board and Members' Council approval and a scheme of delegated authority. There are to be three scheduled Members' Council meetings during each year, along with a number of other meetings with senior management, during which matters of strategic, commercial, operational and financial importance are discussed. Board meetings are supported by a robust level of reporting from the Company's executive management team, in the form of written papers and presentations at each meeting. The Members' Council delegates much of the business decision-making to the PfM Board in accordance with agreed mandates. PfM is an operational services company which has been a wholly-owned subsidiary of the Company since 1 July 2013.

Financial risk management
The Group's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The management of principal risks and uncertainties is disclosed within the Strategic report, as permitted under s414C(11) of the Companies Act 2006.

Approved and authorised for issue by the Board of Directors

Julian Nott

Julian Nott
Director
28 March 2025

PERFORMING RIGHT SOCIETY LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PERFORMING RIGHT SOCIETY LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Performing Right Society Limited (the 'parent company') and its subsidiaries (the 'group'):

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2024 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the Consolidated income statement;
- the Consolidated statement of comprehensive income;
- the Consolidated and parent company statements of financial position;
- the Consolidated and parent company statements of changes in equity;
- the Consolidated statement of cash flows; and
- the related notes 1 to 29.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) 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 group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, 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 group's and parent company's ability to continue as a going concern for a period of at least twelve months from 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

PERFORMING RIGHT SOCIETY LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF PERFORMING RIGHT SOCIETY LIMITED

Other information (continued)

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 this gives rise to a material misstatement in the financial statements themselves. 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

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 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 group's and the parent 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 group or the parent 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 (UK) 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the group's business sector.

We obtained an understanding of the legal and regulatory frameworks that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, pensions legislation and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included the Streamlined Energy & Carbon Reporting regulations, Competition Law and Copyright Law.

We discussed among the audit engagement team including relevant internal specialists such as data analytics, tax, pensions and IT specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

As a result of performing the above, we identified the greatest potential for fraud to be in relation to invalid payment of distributions to non-members. Our procedures performed to address it are described below:

- We have used bespoke analytics to complete a match of cash paid in the year to the general ledger and test a sample of the unmatched items;
- We have performed duplicate testing on bank details and contact information for suppliers, members and employees; and
- We have performed analytical procedures on actual distributions paid to identify any anomalies.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and both in-house and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the group and of the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.

Kate Darlison

Kate Darlison (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

28 March 2025

PERFORMING RIGHT SOCIETY LIMITED

CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 £000	2023 £000
Revenue	3	1,160,600	1,095,078
Licensing and administrative expenses		(145,021)	(127,329)
Other operating income		15,310	15,688
Operating profit	4	1,030,889	983,437
Other investment income	8	16,205	11,760
Finance costs	9	(398)	(174)
Amounts appropriated - donations		(3,020)	(2,779)
Share of profit from joint ventures	13	1,773	4,542
Profit before taxation and funds attributable to members and affiliated societies		1,045,449	996,786
Funds attributable to members and affiliated societies		(1,032,571)	(979,997)
Profit before taxation		12,878	16,789
Taxation	10	(9,096)	(10,207)
Group profit after taxation and funds attributable to members and affiliated societies		3,782	6,582

The Consolidated Income statement has been prepared on the basis that all operations are continuing operations.

The notes on pages 33 to 64 form an integral part of these financial statements.

PERFORMING RIGHT SOCIETY LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 £000	2023 £000
Group profit after taxation and funds attributable to members and affiliated societies		3,782	6,582
Actuarial (loss) on defined benefit pension schemes	**24**	(4,666)	(7,561)
Foreign exchange (loss)/gain on joint venture investments		(655)	101
Total comprehensive (expense) relating to the year		(1,539)	(878)

The notes on pages 33 to 64 form an integral part of these financial statements.

PERFORMING RIGHT SOCIETY LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

		2024		2023	
	Note	**£000**	**£000**	**£000**	**£000**
Fixed assets					
Intangible assets	**11**		20,723		17,430
Tangible assets	**12**		6,147		5,950
Investments	**13**		14,516		13,386
Trade and other receivables: amounts falling due after more than one year	**18**		13,227		13,350
			54,613		50,116
Current assets					
Trade and other receivables	**18**	243,832		225,509	
Investments - short-term deposits	**22**	141,413		160,086	
Cash at bank and in hand		143,024		100,106	
		528,269		485,701	
Creditors: amounts falling due within one year	**20**	(600,727)		(558,757)	
Net current liabilities			(72,458)		(73,056)
Total assets less current liabilities			(17,845)		(22,940)
Creditors: amounts falling due after more than one year	**21**		(1,478)		(1,674)
Provisions for liabilities	**23**		(6,637)		(2,371)
Net liabilities excluding pension liability			(25,960)		(26,985)
Defined benefit pension liability	**24**		(12,651)		(10,087)
Net liabilities			(38,611)		(37,072)
Total reserves - deficit			(38,611)		(37,072)

The financial statements on pages 26 to 64 were approved by the Board of Directors and authorised for issue on 28 March 2025 and are signed on its behalf by:

Julian Nott

Julian Nott
Director
Company Registration No. 00134396

The notes on pages 33 to 64 form an integral part of these financial statements.

PERFORMING RIGHT SOCIETY LIMITED

COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

		2024		2023	
	Note	**£000**	**£000**	**£000**	**£000**
Trade and other receivables: amounts falling due after more than one year	**18**		-		954
Current assets					
Trade and other receivables: amounts falling due within one year	**18**	273,804		264,861	
Investments - short-term deposits	**22**	135,709		154,657	
Cash at bank and in hand		131,457		88,217	
		540,970		507,735	
Creditors: amounts falling due within one year	**20**	(544,529)		(512,248)	
Net current liabilities			(3,559)		(4,513)
Total assets less current liabilities			(3,559)		(3,559)
Net liabilities			(3,559)		(3,559)
Total reserves - deficit			(3,559)		(3,559)

The Company has elected to take the exemption under section 408 of the Companies Act 2006 not to present the Company income statement. The profit for the Company for the year was £1,041,667,000 (2023: £996,786,000).

The financial statements on pages 26 to 64 were approved by the Board of Directors and authorised for issue on 28 March 2025 and are signed on its behalf by:

Julian Nott

Julian Nott
Director
Company Registration No. 00134396

The notes on pages 33 to 64 form an integral part of these financial statements.

PERFORMING RIGHT SOCIETY LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Total reserves £000
Opening reserves at 1 January 2023		(36,194)
Year ended 31 December 2023:		
Group profit after taxation and funds attributable to members and affiliated societies		6,582
Other comprehensive income:		
Actuarial loss on defined benefit plans	**24**	(7,561)
Foreign exchange gain on investments		101
Total comprehensive expense for the year		(878)
Closing reserves at 31 December 2023		(37,072)
Year ended 31 December 2024:		
Group profit after taxation and funds attributable to members and affiliated societies		3,782
Other comprehensive income:		
Actuarial loss on defined benefit plans	**24**	(4,666)
Foreign exchange loss on investments	**13**	(655)
Total comprehensive expense for the year		(1,539)
Closing reserves at 31 December 2024		(38,611)

The notes on pages 33 to 64 form an integral part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

	Total reserves £000
Opening reserves at 1 January 2023	(3,559)
Year ended 31 December 2023:	
Total comprehensive income for the year	-
Closing reserves at 31 December 2023	(3,559)
Year ended 31 December 2024:	
Total comprehensive income for the year	-
Closing reserves at 31 December 2024	(3,559)

The notes on pages 33 to 64 form an integral part of these financial statements.

PERFORMING RIGHT SOCIETY LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	£000	2024 £000	£000	2023 £000
Cash flows generated from operating activities					
Cash generated from operations	**29**		1,010,370		946,715
Amounts paid to members and affiliates	**29**		(988,973)		(899,878)
Net cash inflow from operating activities			21,397		46,837
Cash flows from investing activities					
Purchase of intangible assets		(8,855)		(7,581)	
Purchase of tangible assets		(1,036)		(1,016)	
Proceeds on joint venture capital repayments		-		2,574	
Interest received		16,205		11,760	
Repayments from joint venture loans		1,750		2,576	
Draw downs on loans to joint ventures		-		(2,657)	
Net cash flows generated from investing activities			8,064		5,656
Net increase in cash and cash equivalents			29,461		52,493
Cash and cash equivalents at beginning of year			260,192		210,960
Effect of foreign exchange rates			(5,216)		(3,261)
Cash and cash equivalents at end of year			284,437		260,192
Represented by:					
Investments held < 3 months			141,413		160,086
Cash at bank and in hand			143,024		100,106
			284,437		260,192

Deposits held for three months or less are shown as cash and cash equivalents. In addition to cash and cash equivalents held above, the Group holds £nil (2023: £nil) in deposit accounts greater than three months. The notes on pages 33 to 64 form an integral part of these financial statements. The Company has elected to take the exemption under FRS102, paragraph 1 - 12 (b) not to present the Company Statement of cash flows.

1 Accounting policies

Company information
Performing Right Society Limited ("the Company") is a company limited by guarantee, domiciled and incorporated in England and Wales, United Kingdom. The registered office is Goldings House, 2 Hays Lane, London, SE1 2HB, United Kingdom.

Statement of compliance
These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

Basis of preparation
The financial statements are prepared in sterling, which is the functional currency of the Group and Company. Monetary amounts in these financial statements are rounded to the nearest £000.

The financial statements have been prepared on the historical cost convention and modified to include financial instruments at fair value. The principal accounting policies adopted, which have been consistently applied to all the years presented, are set out below.

Format of Income statement
The formats of the Income statement has been adapted from that prescribed by the Companies Act 2006 in order to better reflect the nature of the business.

Definitions:
'PRS' means Performing Right Society Limited.
'PfM' means PRS for Music Limited.
'MCPS' means Mechanical-Copyright Protection Society Limited.
'ICE Operations' means ICE Operations AB.
'ICE Services' means International Copyright Enterprise Services Limited.
'NMP' means Network of Music Partners A/S.
'SOLAR' means SOLAR-Music Rights Management Limited.
'PPL - PRS' means PPL PRS Limited.
'PPL' means Phonographic Performance Limited.
'GEMA' means Gesellschaft für musikalische Aufführungs- und mechanische Vervielfältigungsrechte, a German collecting society.
'STIM' means Svenska Tonsättares Internationella Musikbyrå, a Swedish collecting society.

Accounting convention
The Group financial statements consolidate the financial statements of Performing Right Society Limited and all its subsidiary undertakings drawn up to 31 December each year. As permitted by s408 Companies Act 2006, the Company has not presented its own Income statement and Statement of cash flows.

Entities in which the Group holds an interest on a long-term basis and are jointly controlled by the Group and one or more other ventures under a contractual arrangement are treated as joint ventures. Entities, other than subsidiary undertakings or joint ventures, in which the Group has a participating interest and over whose operating and financial policies the Group exercises a significant influence are treated as associates.

Basis of consolidation
The Group consolidated financial statements include the financial statements of the Company and all of its subsidiary undertakings together with the Group's share of the result of its joint ventures made up to 31 December 2024. Associates which have been assessed as being immaterial to the Group, are accounted for at cost. In the Company financial statements investments in subsidiaries, joint ventures and associates are accounted for at the lower of cost and net realisable value.

1 Accounting policies **(Continued)**

Going concern
The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic report. There is an agreed plan to reduce the Group deficit over time, while maintaining the maximum distributions to our members. This is actioned through the setting of administration rates, over which the PRS board exercises ultimate control and through control of the amounts charged by PfM to PRS. While the Group has a net deficit on its reserves, the Articles of PRS permit the retention from out of revenues of such amounts as are necessary for the expenses of the Company. The directors believe that the Group is well-placed to manage its business risks, given it has considerable financial resources including significant cash balances and short-term deposits at the year end and only makes distributions when monies have been received, and hence believe the Group and Company are a going concern.

The Group Statement of financial position reflects the impact of assuming £25,197,000 of historic liabilities when the MCPS-PRS Alliance dissolved in 2013. As a result, the Group has a net deficit of £38,610,000 at 31 December 2024 (2023 – £37,072,000). This deficit has increased from 2023 mainly due to the accounting valuation of the defined benefit scheme reducing further to a net deficit position of £12,651,000 from a net deficit of £10,087,000. PfM and the trustees of the pension schemes have agreed a recovery plan which includes an annual Group contribution of £3.15m through to 2030, with the intention of both schemes achieving self-sufficiency by June 2030. There is also an investment strategy in place to reduce future volatility.

The directors have also considered the status of its joint ventures and associate undertakings at Board meetings, Audit Committees and Finance Working Groups:

ICE Operations is fully and equally supported by its shareholders. The Group's share of the profit recognised for the year to 31 December 2024, after offsetting any final adjustments from the previous year, was a loss of £2,575,000 (2023 – profit of £900,000). ICE Operations is forecasting to cover its costs in future years and repay its loan finance over 10 years. At the year end, the value of the loans to be repaid by ICE Operations was £11,154,000 (2023 - £12,201,000) and the value of the equity investment was £nil (2023 - £nil).

ICE Services is fully and equally supported by its shareholders. The Group's share of the profit recognised for the year to 31 December 2024, after offsetting any final adjustments from the previous year, was £3,627,000 (2023 – profit of £3,311,000). ICE Services is forecasting to continue to be profitable in future years. At the year end, the value of loans to be repaid by ICE Services was £nil (2023 - £nil) and the value of the equity investment was £100,000 (2023 - £100,000).

SOLAR is fully and equally supported by its shareholders. The Group's share of the profit for the year to 31 December 2024 was £566,000 (2023 – £298,000). At the year end, the value of loans to be repaid by SOLAR was £429,000 (2023 - £429,000) and there was no equity investment (2023 - £nil).

NMP is fully and equally supported by its shareholders. The Group's share of the result to be recognised in the year to 31 December 2024, before any cost reduction adjustments for 2024 and after including any final cost adjustments from the prior year, was a loss of £104,000 (2023 – loss of £304,000). The value of the equity investment at the year-end was £976,000 (2023 - £976,000). At the year end, the value of the loans to be repaid by NMP was £nil (2022 - £nil).

PPL - PRS is fully and equally supported by its shareholders. The Group's share of the profit recognised for the year to 31 December 2024 was £368,000 (2023 - £337,000). PPL - PRS is forecasting to make profits in future years and repay its loan finance over 10 years from the date of commencement of licensing activities in the joint venture. At the year end, the value of loans to be repaid by PPL - PRS was £2,818,000 (2023 - £3,522,000) and the value of the equity investment was £50,000 (2022 - £50,000).

The directors do not believe it is appropriate to prepare downside scenarios, given the nature of the business and its cashflows and distribution policies. Therefore, after making enquiries and considering any subsequent events, the directors have a reasonable expectation that the Group has adequate resources to continue operating for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

1 Accounting policies (Continued)

Revenue

Operating fees receivable
Revenue relates to the provision of operating services to third parties and is accounted for on an accruals basis, so that income is recognised in the period to which it relates.

Licence revenue
Licence revenue is recognised gross, in line with the Group's judgement that it is the Principal in its arrangements with its members.

Broadcasting and Public Performance revenue is accounted for on an accruals basis over the period of the contract, so that income is recognised in the period to which it relates.

Online revenue is recognised over the period to which the licence or usage relates. Where online revenue is invoiced on a minimum guarantee basis, the recognition will ultimately be based on usage.

Income from overseas collecting societies is recognised in the period in which it is received or it becomes virtually certain of being received and is recognised gross of non-refundable withholding tax deductions.

Where income is received as a result of audit activities it is recognised net of associated costs.

Interest income
Interest income is recognised on an accruals basis when the Group’s right to receive payment have been established, provided that it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably.

Foreign exchange
Company
Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the Income statement for the period.

Group
The financial statements are translated at the rate of exchange ruling at the Statement of financial position date. The exchange differences arising on the retranslation of opening net assets are taken directly to reserves. All other differences are taken to the Income statement for the period.

Funds attributable to members and affiliated societies
Funds attributable to members and affiliated societies represents the royalty income earned and recognised in the period, for rights licensed by the Company and net of operating costs, available to be distributed to members and affiliates of the society. These amounts are not allocated to individual members until payment of the royalties takes place. The deduction for the amounts attributable to the members and affiliates, some of which will not be allocated and distributed until a future period, is taken through the Consolidated Income statement.

Leases
Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the Group, are capitalised in the Statement of financial position and are depreciated over their useful lives.

Leases that do not transfer all of the risks and rewards of ownership are classified as operating leases. Rentals payable under operating leases are charged in the Income statement on a straight-line basis over the lease term. Lease incentives are credited to the Income statement, to reduce the lease expense, on a straight-line basis over the lease term.

1 Accounting policies **(Continued)**

Intangible fixed assets other than goodwill

Computer software and internally generated software costs are stated at cost less accumulated amortisation and accumulated impairment losses. Internally generated software costs, which are predominantly the staff costs of individuals contributing to the development of the asset, are capitalised as intangible assets when technical feasibility, control of the asset and future economic benefits have been established.

Where factors, such as technological advancement or changes in market price, indicate that the residual value or useful life have changed, the residual value, useful economic life ("UEL") or amortisation rate are amended prospectively to reflect the new circumstances. The assets are reviewed for impairment if the above factors indicate that the carrying amount may be changed. Development costs have been capitalised in accordance with FRS 102 Section 18 Intangible Assets other than Goodwill and are therefore not treated, for dividend purposes, as a realised loss.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following straight line basis:

Software	3 - 7 years

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on all tangible fixed assets acquired at a cost of more than £1,000, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value based on prices prevailing at the date of acquisition or revaluation, of each asset on a straight line basis as follows:

Leasehold land and buildings and building improvements	shorter of lease term and 40 years
Systems and equipment	3 - 7 years

Tangible fixed assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss and included in 'Operating profit/(loss)'.

Subsequent costs, including major inspections, are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the Group and the cost can be measured reliably.

Non-current investments

Investments are valued at cost less provisions where, in the opinion of the directors, there has been impairment in value.

The carrying values of the investments are reviewed for impairment in the reporting period, if events or changes in circumstances indicate the carrying value may not be recoverable.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the Group holds a long-term interest and where the Group has significant influence. The Group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the Group has a long-term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1 Accounting policies (Continued)

Impairment of non-current assets

At each reporting end date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Income statement, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Income statement, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks. Other deposits, held for greater than three months, are classed as current assets but are excluded from cash as cash equivalents as disclosed in the Consolidated statement of cash flows.

Financial instruments

The Group has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Group's Statement of financial position when the Group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and investments are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset’s original effective interest rate. The impairment loss is recognised in profit or loss.

1 Accounting policies **(Continued)**

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Income statement.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

Basic financial liabilities, including trade and other payables, amounts due to members and affiliated societies and loans from fellow Group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Amounts due to members and affiliated societies represent net obligations to pay out royalties collected for rights licensed by the Company.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Derivatives

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless they are included in a hedging arrangement.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

Hedge accounting

Any hedge arrangements are limited to foreign currency loans and do not meet the criteria for hedge accounting.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1 Accounting policies **(Continued)**

Deferred tax

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the reporting end date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exceptions:

- Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, or gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the reporting end date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the reporting end date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.
- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the reporting end date.

Withholding tax is a complex issue that requires analysis of domestic legislation, double tax treaties and the submission of forms and documents to relevant payers and tax authorities. Due to the inherent complexities, there is a risk that not all withholding tax has been accounted for correctly. The Group therefore continues to consult with tax specialists on a regular basis to consult and review the tax structuring arrangements. The Group recognises non-refundable and refundable withholding taxes as tax expenses in the Income Statement and therefore revenue is reported gross of withholding taxes.

Provisions

Provisions are recognised when the Group has a legal or constructive present obligation as a result of a past event, a determination is made on whether the obligation is remote, possible or probable and whether a reliable estimate can be made for the obligation amount.

The amount recognised as a provision is the best estimate in consideration for the costs related to the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected related to the obligation is recognised at present value. When a provision is measured at present value the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

The Group has recognised a constructive obligation relating to litigation at the Statement of financial position date. The obligation has been calculated by estimating the most likely course of action pertaining to two litigation cases. It is expected that most of these costs will have been incurred within one year of the Statement of financial position date.

The Group has also recognised a provision for the estimated cost of returning its leasehold property in London Bridge to the original condition at the end of the lease.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or non-current assets. The cost of any unused holiday entitlement is recognised in the period in which the employee’s services are received. Termination benefits are recognised immediately as an expense when the Group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1 Accounting policies **(Continued)**

Retirement benefits

Defined benefit pension plan
The Group operates two defined benefit pension schemes, both of which require contributions to be made to separately administered funds. The MCPS-PRS Alliance Pension Scheme (MCPS) was closed to new entrants from 1 January 1999 and The MCPS-PRS Alliance Pension Scheme was closed to new entrants from 1 January 2003. The Schemes closed to future accrual on 31 December 2010 with all remaining active members at that point becoming deferred members and losing the link to final salary.

The cost of providing benefits under the defined benefit plans is determined separately for each plan using the projected unit method, which attributes entitlement to benefits to the current period (to determine current service cost) and to the current and prior periods (to determine the present value of defined benefit obligations) and is based on actuarial advice. Past service costs are recognised in the Income statement on a straight-line basis over the vesting period or immediately if the benefits have vested. When a settlement or a curtailment occurs the change in the present value of the scheme liabilities and the fair value of the plan assets reflects the gain or loss that is recognised in the Income statement. Losses are measured at the date that the employer becomes demonstrably committed to the transaction and gains when all parties whose consent is required are irrevocably committed to the transaction.

The interest element of the defined benefit cost represents the change in present value of scheme obligations over time, and is determined by applying the discount rate to the opening present value of the benefit obligation, taking into account material changes in the obligation during the year. The expected return on plan assets is based on an assessment made at the beginning of the year of long-term market returns on scheme assets, adjusted for the effect on the fair value of plan assets of contributions received and benefits paid during the year. The difference between the expected return on plan assets and the interest costs is recognised in the Income statement as other finance income or expense.

Actuarial gains and losses are recognised in full in the Statement of comprehensive income in the period in which they occur.

The defined benefit pension surplus in the Statement of financial position comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds that have been rated at AA or equivalent status), less any past service cost not yet recognised and less the fair-value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information and in the case of quoted securities is the published bid price.

Defined contribution pension plan
Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due. The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the Statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

2 Judgements and key sources of estimation uncertainty

Critical judgements and estimates

The following judgements and estimates have had the most significant effect on amounts recognised in the financial statements.

Judgements

Principal versus agent

PRS has determined that, by virtue of it being the legal owner of the rights that are being exploited, it is the Principal party in its agreements with its members and as such the financial statements have been prepared on this basis with the full gross royalty revenues accounted for as revenue in the Income Statement. When making this assessment, PRS has considered that it is a condition of membership that members assign the ownership of the performing rights in their musical works to PRS throughout their term of membership, subject to the provisions of PRS' Constitution, and that PRS is entitled to exercise independent decision-making and discretion in relation to the royalty sums it receives, including decisions relating to their distribution, investment, and application for the purposes of PRS business activities.

Funds attributable to members and affiliated societies

Funds attributable to members and affiliated societies is the recognised royalty income for the period that could be considered as distributable, after deduction of certain costs. It is management's judgement that the amounts that are distributed to individual members and affiliated societies, after the application by the society of its various distribution policies, are intrinsically linked to and conditional upon their respective roles as authors and/or publishers or (in the case of an affiliated society) other person interested in the various copyright works of the intellectual property rights in which they have each assigned or mandated to PRS. These are not payments made to such person by virtue only of their being members (i.e. owners) of the Society in company law, therefore the deduction for funds attributable to members and affiliated societies is presented in the Income Statement.

Key sources of estimation uncertainty

Retirement benefit schemes

The Group has an obligation to pay pension benefits to members of the defined benefit pension schemes. The cost of these benefits and the present value of the obligation depend on a number of factors including inflation assumptions and the discount on corporate bonds. Management estimates these factors in determining the net pension obligation on the Statement of financial position and these estimates are based on recommendations from the Group's actuary, Aon. See note 24 for the disclosures relating to the defined benefit pension schemes.

Impairment of receivables

The Group makes an estimate of the recoverable amount of trade and other receivables. When assessing the carrying value of trade and other receivables management considers the existence or likelihood of any conditions relating to invoices which may be required to be deducted from revenue as the group would not end up being entitled to receive license revenue for the period invoiced for. When assessing impairment of trade and other receivables, management considers factors including the current credit rating of the receivable, the ageing profile of the receivable, historical experience and any other evidence or knowledge of current issues that the Group is experiencing. A provision of £20.1m is held in respect of the impairment of receivables. No supplementary disclosures provided, such as information about the sensitivity of estimates to changes in assumptions. See note 18 for the net of the carrying amount of receivables and associated impairment provision.

3 Revenue

An analysis of the Group's revenue is as follows:

	2024 £000	2023 £000
Revenue		
Public Performance	287,346	251,711
Broadcast	124,328	127,395
Online	389,729	367,905
International	359,197	348,067
	1,160,600	1,095,078

Revenue for 2024 includes £9,096,000 of non-refundable withholding tax deducted at source (2023: £10,207,000), with £7,832,000 included in International revenue (2023: £8,795,000) and £1,264,000 in Online revenue (2023: £1,412,000).

Revenue analysed by geographical market

	2024 £000	2023 £000
United Kingdom, Channel Islands and Isle of Man	488,947	432,529
Europe	494,579	497,679
North America	114,496	105,699
Asia	19,441	18,574
Central and South America	18,032	17,971
Australasia	18,072	16,852
Africa and Middle East	7,033	5,774
	1,160,600	1,095,078

4 Operating profit

	2024 £000	2023 £000
Operating profit for the year is stated after charging/(crediting):		
Exchange loss	4,561	3,362
Depreciation/amortisation of fixed assets	6,345	6,819
Loss/(profit) on disposal of tangible assets	16	(1)
Loss on disposal of intangible assets	36	197
Loss on repayment of joint venture investment	-	383
Operating lease charges	291	1,498

Operating lease charges is lower in 2024 compared with 2023 due to the income from the sale of the Streatham property lease in December 2024 offsetting the lease expense.

PERFORMING RIGHT SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

5 Auditor's remuneration

Fees payable to the Group's auditor and its associates:	2024 £000	2023 £000
For audit services		
Audit of the financial statements of the Group and parent company	106	70
Audit of the Company's subsidiaries	211	145
	317	215
For other services		
Other audit related services	66	30

6 Employees

The average monthly number of persons (excluding Board directors) employed by the Group during the year was:

	2024 Number	2023 Number
Licensing	66	57
Distribution and membership	154	151
Support services	333	310
	553	518

All employee costs are incurred by the Group and are presented below. There are no Company employees. Employee costs, including the CEO as the highest paid Director, have increased in 2024 due to the uplift in headcount and the higher cost of the company-wide incentive scheme compared to 2023.

Their aggregate remuneration comprised:

	2024 £000	2023 £000
Wages and salaries	40,292	35,720
Social security costs	4,638	4,107
Other pension costs	2,279	1,996
	47,209	41,823

7 Directors' remuneration

	2024	2023	2022	2021	2020
	£000	£000	£000	£000	£000
Remuneration for qualifying services:					
Chair	72	68	65	63	62
Other non-executive Directors	857	737	728	687	461
CEO	1,131	1,047	949	702	398
Pension contributions	43	45	33	33	33
	2,103	1,897	1,775	1,485	954

Number of:					
Non-executive Directors	24	23	23	25	26
CEO's	1	1	1	1	1

The number of directors for whom retirement benefits were accruing under defined contribution schemes during the year amounted to one (2023 - one). No directors (2023 - none) were members of the defined benefit schemes.

The directors are considered the key management personnel of the company. Remuneration disclosed above includes amounts paid to non-executive directors and the CEO, who was the highest paid director in the year. The fees of the independent non-executive directors are included in the PRS disclosure, to reflect the governance changes made in late 2020.

The nature of the role makes it impossible to be specific about the maximum time commitment as unexpected matters may arise from time to time. The annual fees paid and approximate expected time commitments for the different categories of non-executive directors are set out below:

- Writer President, annual fee of £50,983 for an expected time commitment of an average of 4 days per month
- Members’ Council Chair, annual fee of £71,628 for an expected time commitment of an average of 4 days per month
- Members Council Deputy Chair, annual fee of £37,826 for an expected time commitment of an average of 4 days per month
- PfM Board Chair, annual fee of £131,089 for an expected time commitment of 5-6 days per month (for both Members’ Council and Board responsibilities)
- Independent non-executive directors (excluding PfM Board Chair), annual fee of £57,101 for expected time commitments varying from 16-20 days per year, including Committee Chair and PfM Board responsibilities
- Writer & Publisher non-executive directors – Members Council only, annual fee of £19,250 for an expected time commitment of 8-10 days per year
- Writer & Publisher non-executive directors – Members Council and PfM Board, annual fee of £31,830 for an expected time commitment of 14-20 days per year

During 2024, the actual time incurred by many of the directors listed above exceeded the approximate expected time commitment.

7 Directors' remuneration (Continued)

Remuneration paid to the highest paid director:

	2024 £000	2023 £000	2022 £000	2021 £000	2020 £000
Remuneration for qualifying services:					
Salary	535	506	471	404	398
Bonus and other benefits	596	541	478	298	-
Pension contributions	43	45	33	33	33
	1,174	1,092	982	735	431

The CEO's bonus is a combination of corporate and personal performance and is based upon a range of stretching targets measured across the year. The objectives are both set, and the results reviewed and approved, by the Remuneration Committee on an annual basis.

8 Other investment income

	2024 £000	2023 £000
Interest income		
Interest on bank deposits	15,192	10,974
Other interest income - Joint Venture loans	1,013	786
	16,205	11,760

9 Finance costs

	Note	2024 £000	2023 £000
Interest related to the net defined benefit liability	**24**	398	174
		398	174

10 Taxation

	2024 £000	2023 £000
Current tax		
Tax deducted at source	9,096	10,207

10 Taxation (Continued)

The tax charge assessed for the year is higher than (2023 - higher than) the standard rate of corporation tax in the UK of 25.00% (2023 - 23.52%). The differences are explained below:

	2024 £000	2023 £000
Profit before taxation	12,878	16,789
Expected tax charge based on a corporation tax rate of 25% (2023 - 23.52%)	946	1,548
Tax effect of expenses that are not deductible in determining taxable profit	(363)	(964)
Effect of change in tax rates	-	296
Depreciation on assets not qualifying for tax allowances	73	73
Deferred tax not provided on current year movement	(656)	(953)
Tax deducted at source	9,096	10,207
Tax expense for the year	9,096	10,207

Changes to the UK corporation tax rates were enacted from 1 April 2023, increasing the main rate from 19% to 25%. Accordingly, current tax has been calculated at the rate for the year of 25% and, as the changes had been substantively enacted at the balance sheet date, the unrecognised deferred tax asset has been calculated using a rate of 25%.

The Group has an unrecognised deferred tax asset of £16,013,507 (2023 - £16,042,000) made up of trading and capital losses £11,404,005 (2023 - £10,906,000), pension contribution spreading of £nil (2023 - £177,250), and fixed asset and other timing differences of £4,609,502 (2023 - £4,959,000). This is inclusive of an unrecognised deferred tax asset arising on pension deficit of £3,402,919 (2023 - £2,761,000). Of the total unrecognised deferred tax asset, £2,369,016 is in the Company (2023 - £2,351,000) and £13,644,491 is in PfM (2023 - £13,691,000).

The Group has unused Tax Losses of £45,276,021 (2023 - £43,623,762), which have no effective expiry date. This consists of £9,476,064 (2023 - £9,476,064) in PRS and £35,799,957 (2023 - £34,147,698) in PfM.

11 Intangible fixed assets

Group	Software
	£000
Cost	
At 1 January 2024	98,718
Additions	8,855
Disposals	(36)
At 31 December 2024	107,537
Accumulated amortisation	
At 1 January 2024	81,288
Amortisation charged for the year	5,526
At 31 December 2024	86,814
Carrying amount	
At 31 December 2024	20,723
At 31 December 2023	17,430

Intangible assets are long-term investments made in order to build or create IT systems or applications used by the organisation. This includes directly attributable costs of staff, contractors and consultants. Development costs have been capitalised in accordance with FRS 102 Section 18 Intangible Assets other than Goodwill and are therefore not treated, for dividend purposes, as a realised loss. The carrying amount includes work in progress (WIP) of £6.6m.

Amortisation of intangible assets is included within Administrative expenses in the Income Statement.

The Company had no intangible assets at 31 December 2024 or 31 December 2023.

12 Tangible fixed assets

Group	Leasehold land and buildings and building improvements	Systems and equipment	Total
	£000	£000	£000
Cost			
At 1 January 2024	5,635	8,136	13,771
Additions	-	1,036	1,036
Disposals	(1,273)	(524)	(1,797)
At 31 December 2024	4,362	8,648	13,010
Accumulated depreciation			
At 1 January 2024	1,794	6,027	7,821
Depreciation	293	526	819
Eliminated in respect of disposals	(1,255)	(521)	(1,776)
At 31 December 2024	832	6,032	6,864
Carrying amount			
At 31 December 2024	3,530	2,617	6,147
At 31 December 2023	3,841	2,108	5,949

All leasehold agreements are for a period of less than 40 years.
The Company had no tangible fixed assets at 31 December 2024 or 31 December 2023.

13 Investments

		Group		Company	
	Note	2024 £000	2023 £000	2024 £000	2023 £000
Investments in joint ventures	**15**	14,516	13,386	-	-

Movements in non-current investments

Group	**Joint ventures £000**
Cost or valuation	
At 1 January 2024	13,386
Revaluation changes	12
Share of profit from joint ventures	1,773
Foreign exchange loss on joint venture net assets	(655)
At 31 December 2024	14,516
Impairment	
At 1 January 2024	-
At 31 December 2024	-
Carrying amount	
At 31 December 2024	14,516
At 31 December 2023	13,386

14 Subsidiaries

Details of the Group's subsidiaries at 31 December 2024 are as follows:

Name of undertaking	Company registration	Nature of business	Class of shareholding	% Held Direct	Indirect
Music Copyright (Overseas) Limited	01342133	Dormant	Membership	100.00	
Music Copyright Operational Services Limited	03824955	Dormant	Ordinary Shares	100.00	
Musiclicensing.com Limited	03936115	Dormant	Ordinary Shares	100.00	
Musiclicensing.org Limited	04042187	Dormant	Ordinary Shares	100.00	
PRS for Music Limited	03444246	Service Company	Ordinary Shares	100.00	
The Music Alliance Limited	03537311	Dormant	Ordinary Shares	100.00	
GRD Prep Co Limited	08121496	Dormant	Ordinary Shares		100.00
Imprimatur Services Limited	03882134	Dormant	Ordinary Shares		100.00
PRS for Music (USA) Limited	06805434	Dormant	Ordinary Shares		100.00
Rightswatch Limited	04178447	Dormant	Membership		100.00
The MCPS-PRS Alliance Limited	06825354	Dormant	Ordinary Shares		100.00

The registered office address of all subsidiaries is Goldings House, Hays Lane, London, SE1 2HB and the country of incorporation is England and Wales.

Performing Right Society Limited has guaranteed the liabilities of the above dormant subsidiaries, in order that they qualify for the exemption from audit under Section 394A or 479A (as appropriate) of the Companies Act 2006 in respect of the year ended 31 December 2024.

15 Joint ventures

Details of joint ventures at 31 December 2024 are as follows:

Name of undertaking and country of incorporation or residency		Nature of business and registered office address	Class of shareholding	% Held Direct	Indirect
Network of Music Partners A/S	Denmark	Service Centre, Rued Langgaards Vej 8, 2300 Copenhagen S, Denmark	Ordinary Shares		50.00
SOLAR-Music Rights Management Limited	England and Wales	Pan-European Licencing, Russell Square House, 10-12 Russell Square, London, UK, WC1B 5EH	Ordinary Shares		50.00
Global Repertoire Database Limited	England and Wales	Global repertoire database, Goldings House, 2 Hays Lane, London, UK, SE1 2HB	Membership		50.00
International Copyright Enterprise Services Limited	England and Wales	Multi-territorial Licencing, Russell Square House, 10-12 Russell Square, London, UK, WC1B 5EH	Ordinary Shares		33.33
PPL PRS Limited	England and Wales	UK public performance licensing, Mercury Place, St George Street, Leicester, UK, LE1 1QG	Ordinary Shares		50.00
ICE Operations A.B	Sweden	Service Centre Gustavslundsvagen 135, Stockholm, 167 51 Bromma, Sweden	Ordinary Shares		33.33

16 Associates

Details of associates at 31 December 2024 are as follows:

Name of undertaking	Country of incorporation	Nature of business	Class of shareholding	% Held Direct	Indirect
British Music Rights Limited	England and Wales	Dormant	Ordinary Shares	25.00	

The registered office address of British Music Rights Limited is Goldings House, 2 Hays Lane, London, UK, SE1 2HB

17 Significant undertakings

The Group also has significant holdings in undertakings which are not subsidiaries and are not classified as joint ventures or associated undertakings:

Name of undertaking and country of incorporation or residency		Nature of business and registered office address	Class of shareholding	% Held Direct	Indirect
UK Music 2009 Limited	England and Wales	Lobbying organisation, 4th Floor, 49 Whitehall, London, UK, SW1A 2BX	Membership		10.00

18 Trade and other receivables

	Group		Company	
	2024	**2023**	**2024**	**2023**
Amounts falling due within one year:	**£000**	**£000**	**£000**	**£000**
Trade receivables	64,215	48,759	43,564	28,563
Amounts owed by related parties	88,331	101,467	41,705	35,600
Amounts owed by group undertakings	-	-	103,964	132,528
Amounts owed by joint ventures	3,511	3,264	-	-
Other receivables	26,714	29,979	26,556	28,538
Accrued revenue	58,015	39,632	58,015	39,632
Prepayments	3,046	2,408	-	-
	243,832	225,509	273,804	264,861

Amounts falling due after more than one year:				
Amounts owed by group undertakings	-	-	-	954
Amounts owed by joint ventures	10,777	12,889	-	-
Other receivables	2,450	461	-	-
	13,227	13,350	-	954

The directors have considered the Trade and other receivables balance to approximate its fair value.

Trade receivables arise as a result of the Group raising invoices for Broadcast and UK online licensing. Trade receivables and Amounts owed by related parties are stated after provisions for impairment of £20,063,000 (2023 - £19,572,000).

Amounts owed by related parties arise as a result of invoicing via special purpose vehicles and joint ventures for multi-territory online and public performance licensing on behalf of the Group. Aside from the loans to joint ventures, which are detailed below, amounts due from related parties are interest free and payable when funds have been received from the licensee.

Other receivables represents reclaimable VAT, accrued interest receivable and other sundry receivables.

Accrued revenue of £58,015,000 relates to 2024 usage, which has been invoiced in 2025 (2023 - £39,632,000).

Within amounts falling due within one year in the Company, an amount of £768,000 (2023 - £798,000) relates to the current element of the interest free loan to PfM. The loan relates to exceptional contributions into the defined benefit pension schemes made by PfM in 2005 and funded by the Company. The balances are repayable over 20 years and are contractually not interest-bearing. The loan is measured at the present value of the future payments discounted at a market rate of interest for a similar financial instrument. Over the period of the loan, interest payable is calculated and added to the loan using the effective interest method. At the transition date the loan was discounted at 6.5% (Bank of England rate at the inception date, 2005, plus 2%) and the shortfall credited to profit and loss reserve. The effect of discounting will unwind over the period of the loan as interest charged to the Income statement.

18 Trade and other receivables (Continued)

Loans receivable - ICE Operations

PfM had total loans of £11.1m receivable from ICE Operations and its subsidiaries at 31 December 2024 (2023 - £12.2m), with the details of each loan disclosed below. The interest rate for all loans is set per annum and is equal to the six-month Stockholm Interbank offered rate, referred to as STIBOR 6M, +1 or +2%. Other related party balances with ICE Operations are disclosed in Note 27.

	Local Currency				£000					
Loan	B/fwd	Drawn	Repaid	C/Fwd	B/fwd	Drawn	Repaid	C/Fwd	Hedge Rate	Terms
Loan 2	SEK 0.4m	-	SEK 0.4m	-	42	-	42	-	SEK 12.2952/£1	Fully repaid
Loan 5	-	-	-	-	-	-	-	-	SEK 12.2952/£1	Fully repaid
					42	-	42	-		
Loan 7	-	-	-	-	-	-	-	-	EUR 1.3146/£1	Fully repaid
Loan 8	EUR 1.6m	-	EUR 0.1m	EUR 1.6m	1,404	-	65	1,339	EUR 1.1615/£1	Repayment in equal instalments until 2031,
Loan 9	EUR 10.1m	-	-	EUR 10.1m	8,723	-	-	8,723	EUR 1.1535/£1	starting from 2024
Loan 10	EUR 0.2m	-	EUR 0.1m	EUR 0.1m	200	-	109	91	Loan not hedged	Repayment in equal instalments until 2025
Loan 11	EUR 2m	-	EUR 1m	EUR 1m	1,832	-	831	1,001	Loan not hedged	Repayment in equal instalments until 2025
					12,159	-	1,005	11,154		
					12,201	-	1,047	11,154		

Loans receivable – SOLAR Music Rights Management Limited

PfM had total loans of £0.4m receivable from SOLAR Music Rights Management Limited at 31 December 2024 (2023 - £0.4m). The interest rate for this loan is set at the Bank of England Base rate +2%. Other related party balances with SOLAR are disclosed in Note 27.

	Local Currency				£000					
Loan	B/fwd	Drawn	Repaid	C/Fwd	B/fwd	Drawn	Repaid	C/Fwd	Hedge Rate	Terms
Loan 1	EUR 0.5m	-	-	EUR 0.5m	429	-	-	429	EUR 1.1645/£1	Full repayment due 2025

Loans receivable – PPL – PRS

PfM had total loans of £2.8m receivable from PPL - PRS at 31 December 2024 (2023 - £3.5m). The interest rate for this loan is set at the Bank of England Base rate +2%. Other related party balances with PPL-PRS are disclosed in Note 27.

	Local Currency				£000					
Loan	B/fwd	Drawn	Repaid	C/Fwd	B/fwd	Drawn	Repaid	C/Fwd		Terms
Loan 1	GBP 3.5m	-	GBP 0.7m	GBP 2.8m	3,522	-	704	2,818		Repayment in instalments until 2028

19 Financial instruments

Since June 2016 PfM has entered into forward foreign currency contracts on all currency loans made to ICE Operations and SOLAR. A fixed rate is agreed for the term of each loan and forward contracts are entered into a year at a time until the maturity date, currently set at various dates until 2030. All forward contracts are recognised in the Statement of financial position and are measured at fair value through the Income statement, using the fixed market value exchange rates agreed at the start of each forward contract. The value of hedged loans recognised in the Statement of financial position as at 31 December 2024 was £11,471,000 (2023: £12,630,000) included within Trade and other receivables and detailed in Note 18. The value of the instrument within Other Receivables over one year was £632,000 (2023: £461,000).

PERFORMING RIGHT SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

20 Creditors: amounts falling due within one year

		Group		Company	
		2024	2023	2024	2023
	Note	£000	£000	£000	£000
Amounts owed to members and affiliated societies		433,066	402,723	433,066	402,723
Trade payables		1,380	1,039	-	-
Amounts owed to MCPS	27	16,687	17,315	-	-
Other taxation and social security		5,249	3,887	-	-
Deferred income		108,473	106,512	108,473	106,512
Other payables		2,990	3,013	2,990	3,013
Accruals		32,882	24,268	-	-
		600,727	558,757	544,529	512,248

The directors have considered the Trade payables balance to approximate its fair value. An amount of £16,687,000 (2023 - £17,315,000) is included within amounts owed to MCPS, upon which the Group has no obligation to pay interest now or in the future, has no formal repayment terms and is in accordance with the service level agreement between the parties.

21 Creditors: amounts falling due after more than one year

	Group		Company	
	2024	2023	2024	2023
	£000	£000	£000	£000
Accruals	1,478	1,674	-	-

22 Investments - short-term deposits

Investments are short-term bank deposits consisting of £141,413,000 (2023 - £160,086,000) held in same day or overnight notice deposit accounts. £135,709,000 of these deposit are held in the Company (2023 - £154,657,000) and £5,704,000 of these deposits are held in PfM (2023 - £5,429,000). The amounts held for 3 months or less are shown as cash and cash equivalents in the Consolidated statement of cash flows. The interest rates ranged between 0.5% - 5.38% (2023 - 0.3% to 5.38%).

23 Provisions for liabilities

	Group		Company	
	2024	2023	2024	2023
	£000	£000	£000	£000
Legal provisions	5,722	1,456	-	-
Dilapidations provisions	915	915	-	-
	6,637	2,371	-	-

PERFORMING RIGHT SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

23 Provisions for liabilities **(Continued)**

Movements on provisions:

Group	Legal provisions £000	Dilapidations provisions £000	Total £000
At 1 January 2024	1,456	915	2,371
Additional provisions in the year	5,721	-	5,721
Reversal of provision	(137)	-	(137)
Utilisation of provision	(1,318)	-	(1,318)
At 31 December 2024	5,722	915	6,637

The Group has recognised a provision for the estimated cost of returning its leasehold property in London Bridge to the original condition at the end of the lease.

The Group has recognised a constructive obligation relating to litigation at the Statement of financial position date. The obligation has been calculated by estimating the most likely course of action pertaining to legal matters. It is expected that most of the costs will have been incurred within one year of the Statement of financial position date. See further detail in note 25.

Discounting has not been applied to the provisions for liabilities as the impact of this is not considered to be material.

24 Retirement benefit schemes

Defined contribution schemes	**2024**	**2023**
	£000	**£000**
Charge to Income statement in respect of defined contribution schemes	2,279	1,996

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the Group in an independently administered fund. £345,000 (2023: £297,000) relating to defined contribution payments has been accrued for at the year-end.

Defined benefit schemes

The Group operates two separately administered defined benefit pension schemes. The MCPS-PRS Alliance Pension Scheme (MCPS) (formerly the MCPS scheme) was closed to new entrants from 1 January 1999 and The MCPS-PRS Alliance Pension Scheme (formerly the PRS scheme) was closed to new entrants from 1 January 2003. On 31 December 2010 the schemes were closed to future accrual with active members losing the link to final salary.

Valuation

In March 2022, the latest triennial valuations of the pension schemes were completed. The deficit funding plan was reassessed between the Group and the trustees of the schemes, following a significant improvement in the valuation of the schemes. The approved plan involved the Group continuing to make annual payments into both schemes through to June 2030, with the intention of both schemes reaching self-sufficiency by this date. Preparations for the latest triennial valuations, based on 31 December 2024, commenced in early 2025.

Key assumptions

	2024	**2023**
	%	**%**
Discount rate	5.5	4.5
Pension increases (RPI max 5%)	2.9	2.8
Expected rate of salary increases	n/a	n/a
Price inflation (CPI)	2.5	2.4
Expected rate of decrease of pensions in payment	n/a	n/a
Price inflation (RPI)	3	2.9

Mortality assumptions

Assumed life expectations on retirement at age 65:

	2024	**2023**
	Years	**Years**
Retiring today		
- Males	21.5	21.6
- Females	23.9	24.0
Retiring in 20 years		
- Males	22.5	22.8
- Females	25.1	25.4

PERFORMING RIGHT SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

24 Retirement benefit schemes (Continued)

The increase in the discount rate is linked to the increase in the yield on corporate bonds between 31 December 2022 and 31 December 2023.

The post-retirement mortality assumptions allow for expected decrease in longevity. The “current” disclosures above relate to assumptions based on longevity (in years) following retirement at the balance sheet date, with “future” being that relating to an employee retiring in 2030. The CMI mortality projections adopted in the assumptions have not changed since 2020, on the basis that these continue to reflect the latest market data, with a smoothing factor which makes broadly the same allowance for expected higher life expectancy for pension scheme populations compared with the national population.

Sensitivity analysis has been conducted based on a 0.5% p.a increase and decrease in the discount rate, a 0.5% p.a. increase and decrease in inflation and a one-year increase and decrease in life expectancy assumptions as follows:

	Decrease/(increase) in liability	
	2024	2023
	£000	£000
Following a 0.5% p.a. decrease in the discount rate	(10,964)	(15,157)
Following a 0.5% p.a. increase in the discount rate	10,304	14,051
Following a 0.5% p.a. increase in the inflation assumptions	(3,600)	(5,920)
Following a 0.5% p.a. decrease in the inflation assumptions	4,016	5,458
Following a one-year increase in life expectancy	(6,851)	(8,135)
Following a one-year decrease in life expectancy	6,973	5,865

The amounts included in the Statement of financial position arising from obligations in respect of defined benefit plans are as follows:

	Group		Company	
	2024	2023	2024	2023
	£000	£000	£000	£000
Net present value of defined benefit liabilities/(assets)	12,651	10,087	-	-
Deficit in Scheme	12,651	10,087	-	-

The defined benefit obligation comprises of £176,668,000 (2023 – £198,007,000) from plans that are wholly or partly funded.

The MCPS-PRS Alliance Pension Scheme closed to future accrual on 31 December 2010. A fixed annual contribution of £1,250,000 has been made during 2024 to reduce the deficit in the scheme.

The MCPS-PRS Alliance Pension Scheme (MCPS) closed to future accrual on 31 December 2010. A fixed annual contribution of £1,250,000 has been made during 2024 to reduce the deficit in the scheme.

PERFORMING RIGHT SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

24 Retirement benefit schemes **(Continued)**

Movements in the present value of defined benefit obligations

	MCPS-PRS Alliance Pension Scheme		MCPS-PRS Alliance Pension Scheme (MCPS)		Total	Total
	2024	2023	2024	2023	2024	2023
	£000	£000	£000	£000	£000	£000
At 1 January	(163,818)	(162,964)	(34,189)	(33,548)	(198,007)	(196,512)
Benefits paid	7,833	7,486	965	1,161	8,798	8,647
Interest cost	(7,196)	(7,643)	(1,517)	(1,583)	(8,713)	(9,226)
Actuarial (Losses)/gains	16,825	(697)	4,429	(219)	21,254	(916)
At 31 December	(146,356)	(163,818)	(30,312)	(34,189)	(176,668)	(198,007)

The pension plans have not invested in any of the Group's reserves, or any of its own properties or other assets used in its operations.

The amounts recognised in the Income statement for the year are:

	MCPS-PRS Alliance Pension Scheme		MCPS-PRS Alliance Pension Scheme (MCPS)		Total	Total
	2024	2023	2024	2023	2024	2023
	£000	£000	£000	£000	£000	£000
Interest on net defined benefit pension liabilities	175	(82)	223	256	398	174
	175	(82)	223	256	398	174

24 Retirement benefit schemes **(Continued)**

The fair value of assets and liabilities at the reporting period end were as follows:

	MCPS-PRS Alliance Pension Scheme	
	2024	**2023**
	£000	**£000**
Equity instruments	7,000	-
Debt instruments	68,100	104,900
Property	10,500	-
Cash and other	47,785	54,413
Hedge funds	3,700	-
Fair value of scheme assets	137,085	159,313
Present value of scheme liabilities	(146,356)	(163,818)
	(9,271)	(4,505)
Related deferred tax asset	-	-
Net deficit	(9,271)	(4,505)

	MCPS-PRS Alliance Pension Scheme (MCPS)	
	2024	**2023**
	£000	**£000**
Equity instruments	5,400	6,500
Debt instruments	12,800	15,500
Cash and other	5,036	2,911
Hedge funds	3,700	3,700
Fair value of scheme assets	26,936	28,611
Present value of scheme liabilities	(30,312)	(34,193)
	(3,376)	(5,582)
Net deficit	(3,376)	(5,582)
Total net pension (deficit)	(12,647)	(10,087)

PERFORMING RIGHT SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

24 Retirement benefit schemes **(Continued)**

Changes in the fair value of plan assets are analysed as follows:

	MCPS-PRS Alliance Pension Scheme	MCPS-PRS Alliance Pension Scheme (MCPS)	Total
	£000	£000	£000
As at 1 January 2023	164,065	27,599	191,664
Expected return on plan assets	7,725	1,327	9,052
Employer contributions	1,250	1,250	2,500
Benefits paid	(7,486)	(1,161)	(8,647)
Actuarial losses	(6,241)	(404)	(6,645)
As at 1 January 2024	159,313	28,611	187,924
Expected return on plan assets	7,021	1,294	8,315
Employer contributions	1,250	1,250	2,500
Benefits paid	(7,833)	(965)	(8,798)
Actuarial losses	(22,666)	(3,254)	(25,920)
	137,085	26,936	164,021

Actuarial (losses)/gains

	MCPS-PRS Alliance Pension Scheme		MCPS-PRS Alliance Pension Scheme (MCPS)		Total	Total
	2024	2023	2024	2023	2024	2023
	£000	£000	£000	£000	£000	£000
(Losses) on plan assets	(22,666)	(6,241)	(3,254)	(404)	(25,920)	(6,645)
Gains/(losses) on plan liabilities	16,825	(697)	4,429	(219)	21,254	(916)
	(5,841)	(6,938)	1,175	(623)	(4,666)	(7,561)

The Company had no post-employment benefits at 31 December 2024 (2023: £nil).

25 Financial commitments, guarantees and contingent liabilities

Group and Company

Capital expenditure authorised and contracted for at 31 December 2024 was £3,103,000 (2023 – £716,000).

The annual donation to the PRS for Music Foundation in 2024 was £2,665,000 (2023 - £2,500,000) and the Company has committed to an annual donation of £2,750,280 in 2025.

In February 2024, an application alleging breaches of UK and/or EU competition law was filed in the Competition Appeal Tribunal against Performing Right Society Limited and PRS For Music Limited. The group is robustly defending itself against these allegations and the initial hearing to determine whether the application will be certified, which took place in February 2025, was adjourned with a further hearing listed to take place in June 2025. A provision is recognised in respect of the estimated legal costs to cover the known procedural steps to respond to this type of action (included within legal provisions at note 23). At present, due to the significant ongoing uncertainty regarding future impact, if any, it is not practicable to assess the timing or quantum of any possible future outflows. No further provision is recorded, because any further economic outflow is not considered probable. See the directors' report for more detail.

As well as making provision for prospective future costs relating to the opt-out collective proceedings application, we have also made provision for costs relating to steps being taken to enforce and defend our tariffs and operations in the live and cinema sectors. This is a considerable increase on the prior year but we consider this to be vital in protecting the rights and respective income of our members.

26 Operating lease commitments

Operating lease payments represent rentals payable by the Group for certain of its properties. Leases are negotiated for an average term of 15 years.

At the reporting end date the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Company	
	2024	2023	2024	2023
	£000	£000	£000	£000
Within one year	2,314	2,269	-	-
Later than one year and not later than five years	9,230	9,061	-	-
In over five years	14,819	16,796	-	-
	26,363	28,126	-	-

27 Related party transactions

Group

The remuneration of key management personnel, who are also directors, is disclosed in note 7.

All members of the Group, the directors and parties related to them are entitled to royalties from the Group in respect of the performance of any copyright works owned by them. Parties related to directors include family members and companies controlled by these directors including, where appropriate, publishing companies and their subsidiaries.

During 2024, total royalties paid by PRS to the directors who held office during the year, and to parties related to the directors, amounted to £127,927,000 (2023 - £121,842,000). £126,324,000 (2023 - £120,403,000) of this was paid to publisher directors and parties related to the publisher directors, and £1,603,000 (2023 – £1,439,000) was paid to the writer directors and parties related to the writer directors. These royalties were calculated on the same basis as royalties paid to all members and are paid in accordance with the society's normal procedures, however this information is commercially sensitive and therefore related party transactions by director have not been disclosed.

PfM received services from ICE Operations and its subsidiaries to the value of £5,200,000 (2023 – £4,840,000). PfM also charged ICE Operations an amount of £nil (2023 – £nil) for services provided and was owed a balance of £nil (2023 – £nil) and had costs to recharge of £nil at the year end (2023 - £nil). ICE Operations made a capital repayment of £nil during 2024 (2023 - £2,574,233). Full details on loans made to ICE Operations can be found in note 18.

During the year, PfM charged ICE Services an amount for services provided of £485,000 (2023 - £642,000), paid commissions of £10,414,000 (2023 - £10,951,000) and paid service charges of £nil on PRS legacy deals (2023 - £nil). PfM was owed a balance of £nil (2023 - £121,000) and had costs to recharge of £72,000 (2023 - £60,000) at the year end.

PfM received services from NMP to the value of £1,592,000 (2023 – £1,469,000). PfM also charged NMP an amount of £125,000 (2023 – £115,000) for services provided and was owed a balance of £10,000 (2023 – £9,000) at the year end.

During the year, PfM charged SOLAR an amount of £90,000 (2023 - £84,000) for services provided and paid commissions of £10,145,000 (2023 - £11,651,000). PfM was owed a balance of £8,000 (2023 - £8,000) at the year end.

Full details on loans made to SOLAR can be found in note 18.

During the year, PfM made a contribution to UK Music 2009 Limited of £624,000 (2023 – £688,000).

During the year, PfM provided operational services to MCPS, a company with common directors, under the terms of a service level agreement. The value of the service was £15,472,000 (2023 - £15,779,000). At the year end PfM was owed a balance of £1,337,000 (2023 - £1,319,000) from MCPS and had fees to charge of £3,213,000 (2023 - £3,679,000).

During the year, PfM did not provide subsidised contributions to Music Publishers Association Limited (MPA). MPA is the parent undertaking of MCPS.

During the year, the Company made donations of £165,000 (2023 - £160,000) and PfM did not provide subsidised services including accommodation to The PRS Members' Benevolent Fund (2023 – £nil). PfM charged an amount of £349,000 (2023 - £242,000) for other services provided. PfM was owed a balance of £nil (2023 - £21,000) and had costs to recharge of £7,000 (2023 - £18,000) at the year end.

27 Related party transactions (Continued)

During the year, the Company made donations of £2,665,000 (2023 - £2,500,000) and PfM provided subsidised services including accommodation to The Performing Right Society Foundation Limited. PfM did not charge an amount (2023 - £nil) for other services provided.

During the year, PfM made a contribution to the British Academy of Songwriters, Composers and Authors, (trading as The Ivors Academy), an organisation with common directors. The value of the contribution for 2024 was £190,000 (2023 - £62,000). During the year, PfM was also charged an amount of £165,000 (2023 - £155,000) for sponsorship.

During the year, PfM recharged PPL - PRS an amount for costs incurred of £618,000 (2023 - £264,000) and had costs to recharge of £150,000 (2023 - £252,000) at the year end. Additionally, the Group incurred service charges of £15,294,000 (2023 - £14,692,000) during the year. The Company was owed a balance of £8,600,000 (2023 - £4,910,000) at the year end for public performance collections made by PPL-PRS.

Full details on loans made to PPL - PRS can be found in note 18.

Due to the highly integrated nature of the industry, many directors will also be related to customers of the Group, either through the provision of music related services to them, or as employees of the same group of companies. All transactions with any such related customers are carried out on an arm’s length basis.

28 Controlling party

Performing Right Society Limited (PRS) is a company limited by guarantee and has no share capital. The directors regard PRS as the ultimate controlling party of the Group and it is the highest and lowest level of consolidation.

29 Cash flows generated from operations

	2024 £000	2023 £000
Profit before taxation and funds attributable to members and affiliated societies	1,045,449	996,786
Adjustments for:		
Income tax expense	(9,096)	(10,207)
Finance costs	398	174
Investment income	(16,205)	(11,760)
Loss on disposal of tangible assets	16	3
Loss on disposal of intangible assets	36	197
Amortisation of intangible assets	5,526	5,949
Depreciation of tangible assets	819	870
Loss on repayment of investments	-	384
Foreign exchange losses/(gains) on JV investments	655	(101)
Foreign exchange losses on cash equivalents	4,561	3,362
Gains on revaluation of investment	(12)	(6)
Share of profit in joint ventures	(1,773)	(4,542)
Pension scheme movements	(2,500)	(2,504)
Increase/(decrease) in provisions	4,266	(243)
Other non-cash movements	4	9
Movements in working capital:		
Increase in trade and other receivables	(19,950)	(34,120)
(Decrease)/increase in trade and other payables	(1,824)	2,464
Cash flows generated from operations	1,010,370	946,715

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