

PRS for Music

Annual Report & Financial Statements

For the year ended 31 December 2025
PRS for Music Limited

Company Registration Number
No. 03444246 (England and Wales)



Company registration number 03444246 (England and Wales)

PRS FOR MUSIC LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

PRS For Music Limited

COMPANY INFORMATION

Directors

Writers

T Gray
P Pope
J Simmonds
P Woodroffe

Publishers

J Alway
A Bebawi
N Gilroy
A Kassner

Independent directors

E Ingham
G Mansfield
S Spring
T Toumazis

Executive director

A Czapary Martin

Company Secretary

J Aitken

Company number

03444246

Registered office

Goldings House
2 Hays Lane
London
United Kingdom
SE1 2HB

Independent auditor

Deloitte LLP
1 New Street Square
London
United Kingdom
EC4A 3HQ

PRS FOR MUSIC LIMITED

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PRS FOR MUSIC LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

The directors present the Strategic report on the Company for the year ended 31 December 2025. The definitions of subsidiaries, joint ventures and other partners are set out within the Accounting policies on page 20.

Review of the business

PRS for Music Limited ("Pfm", the "Company") has continued to provide operational services to its parent company, Performing Right Society Limited ("PRS") (together the "Group"), and has continued to be a service provider to Mechanical-Copyright Protection Society Limited ("MCPS"). The service to MCPS is provided under a service level agreement with the company which has operated since 1 July 2013. The current 5-year contract came into effect from 1 July 2021. In 2025, the Group reached agreement to extend the current partnership agreement, which will now run until the end of 2026.

The performance of the business in 2025 has been in line with expectations, with the revenue decrease compared to prior year resulting from lower administrative expenses being recharged to the Group. Other impacts on year-on-year performance are driven by movements on the defined pension schemes, which impacts taxation, finance costs in the income statement and actuarial losses reported in other comprehensive Income, and results in a deficit in the balance sheet. Further to this, interest on cash deposits and interest on joint venture loans result in an increased investment income compared to the prior year.

The net value of the defined benefit pension schemes was a deficit of £12,988,000 against a deficit of £12,651,000 in 2024. This is attributable to pension contributions made by the company offset by a decline in asset values between 31 December 2024 and 31 December 2025 and a service cost charge booked in 2025.

Due to the principal activities of the Company being to provide operational services, the key financial and other performance indicators are analysed at a Group level, as opposed to Company level. These are shown in the financial statements of PRS, which can be obtained by request in writing to Performing Right Society Limited, Goldings House, 2 Hays Lane, London, SE1 2HB.

Principal risks and uncertainties

The Company exists to operate substantially all of the business activities of its parent company, PRS, and act as a service provider to MCPS. As a result, the extent to which it is exposed to competitive, legislative, technology and price risk is limited.

Liquidity risk

The Company is exposed to liquidity risk, as it is heavily reliant on the continued financial support of its parent company, PRS, but PRS, in turn, is reliant on the Company for the operation of its business. Liquidity risk is the risk that the Company may fail to meet its financial obligations in a timely manner or at exceptional cost, which could inhibit the services provided to Group. These risks are monitored through the review of the Group's performance and cashflow forecasts. The Company also has in place a framework to ensure that it has sufficient financial resources to meet its objectives and manage financial risk.

Foreign exchange risk

Foreign exchange risk refers to losses that the Company may incur resulting from fluctuations on currency markets and are minimised through the timely exchange of foreign currency receipts for sterling. Forward foreign exchange contracts are used to manage the exposure of non-sterling loans. The Company uses multiple currency trading services to secure the most favourable currency exchange rates.

Interest rate risk

Interest rate risk refers to the loss of interest income or increase in interest expense resulting from cash management and is mitigated by the tracking of interest rates and avoidance of investing cash for periods of greater than 12 months. The use of financial derivatives is governed by policies approved by the Company's board, which provide written principles on the use of financial derivatives to manage these risks. The Company does not use derivative financial instruments for speculative purposes.

Credit risk

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. The Company manages this risk with well-established credit control procedures and ensuring that any amounts due from related parties or joint ventures are proactively monitored against agreed repayment terms.

PRS FOR MUSIC LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

Counterparty risk

Counterparty risk is that the other party involved in a financial transaction might default on their obligation leading to financial loss, disruption and contractual breaches. The Company operates a robust treasury policy which applies limits and thresholds on funds placed with counterparties to reduce risk exposure.

There is a periodical review of risks as part of the internal audit process conducted by an external business assurance partner and internal review by our risk management team. No significant developments or findings have occurred on Company risks during 2025.

The principal risks to which the Group is exposed are described in full in the PRS Consolidated financial statements.

Statement by the directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006

This statement sets out below how the board of directors of the company have had regard to the matters set out in s172(1)(a-f) of the Act when performing their duty under section 172 of the Companies Act. This requires directors to act in the way they consider, in good faith, would be most likely to promote the success of the Group for the benefit of its members as a whole having regard (amongst other matters) to certain factors including likely long-term consequences, stakeholder interests and the desirability to maintain high standards of business conduct.

The Company is a subsidiary of PRS and its responsibilities include overseeing the operational and commercial functions in the Group. Other than the Chief Executive Officer ("CEO"), all directors of the Company are non-executive directors, comprising writer members, publisher members and independent non-executive directors, and all sit on the PRS Members' Council (its Board of Directors). The Members' Council, which leads engagement with members and oversees performance, also approves the appointment of directors to the Company's Board.

The Company has three established committees which support the Board in carrying out its duties: the Conflicts, Licensing and Distribution Committees. PRS also has three established committees: Audit and Risk, Nominations and Remuneration and while they are, in the first instance, committees of the PRS Members' Council, they also carry out certain duties at the request of the Company's Board.

The Company's Board and all committees are chaired by independent non-executive directors. As is usual with large companies, day-to-day management of the Company is carried out by an Executive Leadership Team ("ELT") led by the CEO who is the Executive Director on the Company's Board. The Company's Board oversees ELT's stewardship of the Company.

PRS promotes high standards of corporate governance throughout the Group and the Company upholds these standards. The Company's Board holds six regular scheduled meetings to consider matters within its terms of reference and relevant to the Group, including one dedicated to strategic planning, and an additional meeting to consider the annual report and accounts. Additional ad hoc meetings may also be called to discuss particular issues that are time-sensitive. Briefings and clarification meetings are arranged to support directors to understand complex issues and to enable informed decisions. The Company's Board may also establish sub-groups to consider individual matters and topics relevant to the industry. Given that all Board members are Council Members, training, including compliance and cyber security training and equity, diversity and inclusion training, is usually given at the PRS Members' Council level.

An external Board effectiveness review is planned to be carried out in 2026, which is five years after the previous external governance review which resulted in significant changes to PRS's overall governance framework. The review will contribute to the PRS Members' Council consideration of any further changes which may affect the Company's Board.

At the 2025 PRS AGM in June, publisher Director John Minch retired, and publisher Nigel Gilroy was appointed to the Company's Board. Writers Tom Gray and Philip Pope were re-elected and publisher Antony Bebawi and independent non-executive director Gill Mansfield's three-year re-appointment to the Members' Council were confirmed at the AGM and they remained on the Company Board for an additional three-year term. Publisher Jackie Alway was re-appointed to the Company's Board for one further year.

PRS FOR MUSIC LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

Attendance at the Company's seven regular and three ad hoc Board meetings in 2025 was as follows:

Director	Meeting Dates in 2025									
	04-02	12-02	27-03	08-05	25-06	23-07	07-08	24-09	28-10	19-11
	Ad hoc	Reg	Reg	Reg	Reg	Reg	Ad hoc	Reg	Ad hoc	Reg
Jackie Alway OBE	✓	✓	A	✓	✓	✓	✓	✓	✓	✓
Antony Bebawi	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Nigel Gilroy (from 3 June 2025)	n/a	n/a	n/a	n/a	✓	A	A	✓	✓	✓
Tom Gray	✓	✓	✓	✓	✓	✓	A	✓	✓	✓
Erica Ingham	✓	✓	✓	✓	✓	✓	A	✓	✓	✓
Alex Kassner	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Andrea C Martin	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Gill Mansfield	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
John Minch (until 3 June 2025)	✓	✓	✓	✓	✓	n/a	n/a	n/a	n/a	n/a
Philip Pope	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Stevie Spring CBE	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Tom Toumazis MBE	✓	✓	✓	A	✓	✓	✓	✓	✓	✓
John Simmonds	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Pete Woodroffe	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

A= Apologies

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

The Company's Board focuses on the delivery of the Group strategy with operational matters central to its decision making. PRS's mission is to grow and protect the value of music rights entrusted to it and has as its code the fair and accurate distribution of royalties with market leading transparency.

The Company's Board receives executive reports on operational matters including transformation projects and other items of interest to it and considers requests for funding.

S172(1)(b) The interests of PRS for Music employees

The Company's Board recognises the importance of attracting, retaining and motivating the PFM team in order to effectively deliver its purpose, vision and long-term success. Health, safety and support for mental health and wellbeing are all prioritised, alongside targeted initiatives to recognise and celebrate good performance.

PFM measures employee engagement on an annual basis and reports results to the PFM Board and Members' Council. This includes tracking employee attitudes towards senior leadership, learning and development opportunities and the overall culture of the organisation.

The PFM Hub continues to thrive as a vibrant collaborative space that supports flexible ways of working, with the majority of employees working at least at least two days per week in the office.

PFM holds a monthly all-employee interactive briefing led by the CEO followed by a social activity usually focused on a relevant diversity theme, examples in 2025 included activities in support of LGBTQ month and South Asian week. As part of its longstanding 'PRS in the community' initiative PFM hosted its first 'summer fayre' to raise money for the charity partners. The year also saw the launch of new Employee Awards, designed to celebrate success and recognise individuals and teams which have delivered new innovative ideas and whose actions best reflect PFM's values.

PFM also engages with employee representatives as appropriate and is supported by its own branch of Unite (the largest union in the UK). Regular meetings are held with Unite to provide a forum to share information on matters of concern or interest.

PRS FOR MUSIC LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

Equity, diversity and inclusion remains an important focus and PFM continue to work towards the standards of the UK Music 10 Point Plan and alignment with the Five Ps (People, Policy, Partnerships, Progress and Purchase). Priorities for 2025 included encouraging colleagues to speak up, especially in relation to reporting any inappropriate behaviours. PFM is also a founding member of Creative Industries Independent Standards Authority ("CIISA") whose purpose is to uphold and improve standards of behaviour across the creative industries.

PFM retained its certification as a Top Employer as recognised by the Top Employer Institute for the third successive year. The certification recognises a company's dedication to a better world of work which it exhibits through its HR practices

The Company is preparing to publish its combined 2025 Gender and Ethnicity Pay Gap Report. This year marks the ninth-year publishing gender pay gap data and the fifth year we have reported on the ethnicity pay gap. Although not legally required to publish ethnicity pay gap data, PRS believes it is important that it is open and transparent about where it is and what it is doing both internally and externally with regards to diversity.

Senior management succession planning and development is reviewed by the PRS Nominations Committee. Significant consideration is given to senior management remuneration by PRS through its Remuneration Committee 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 Company's Board recognises the importance of effective engagement with their stakeholders to deliver the Five-Year Plan and has regard to these relationships in their decision making.

Service Excellence is central to PRS for Music's service delivery approach and is enshrined in one of PFM's five values, ensuring the expectations of customers are central to the development of its licensing and partnership agreement.

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 or refers matters for further approval to the Members' Council and PFM Board.

The Company's Board also monitors progress of its joint ventures such as ICE and PPL-PRS Limited which carry out activities and services on behalf of PRS and receive regular presentations from their management. Responsible procurement is important to the Company and each year the Members' Council and the Company's 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 2025, PRS further strengthened its relationship with its partner charities, appointing new representatives from the Members' Council to their respective Boards, as well as supporting their independent governance reviews. During the year, the Members' Council approved increased financial support for the PRS Members' Fund, which provides support to 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.

In the year PRS also extended its long-running partnership with 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 recognises that climate change and sustainability are increasingly important to PRS stakeholders, including the members it represents. A group-wide sustainability strategy and policy was developed by the Corporate Sustainability Group, which sets out the Group's objectives and ambitions, including recommendations for internal and external engagement. Being an Environmental, Social, and Governance ("ESG") responsible organisation is highly aligned to the PFM core values; the Group will seek further opportunities in 2026 to enhance these commitments.

PRS FOR MUSIC LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

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

The Company's Board is committed to maintaining the reputation of the Company for high standards of conduct in all its business dealings. Integrity is one of the five values to which compliance activities are anchored. Other values are pioneering, inclusive, customer first (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 business conduct. Under privilege, the Board receives updates on, and where required advises or makes decisions on, material legal matters. The Company 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, Board and 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 and the Company exist. Effective engagement with the membership is led by the Members' Council on behalf of the Group. Results from our annual members survey are reviewed and considered and PRS continues to make efforts to improve member experience. There are 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, member events and support for other industry events.

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

Streamlined energy and carbon report

The Company remains committed to operating sustainably and recognises the impact PFM activities have on the environment and climate change. Through the Company's annual Streamlined energy and carbon report ("SECR") PFM quantify the most significant sources of greenhouse gas ("GHG") emissions, enabling PFM to identify targeted opportunities for reduction and drive continuous improvement in the Company's environmental performance.

This reporting year marks the Company's third inclusion of the Climate-related Financial Disclosure ("CRFD") within the Annual Report, reflecting the Company's ongoing commitment to transparency and climate-related risk management.

In 2026, PFM engaged the sustainability consultancy Teamwork IMS to support the preparation of the Company's SECR submission and annual carbon footprint assessment. This work has helped strengthen PFM's sustainability reporting practices, identify opportunities to enhance energy and resource efficiency, and further mitigate the Company's environmental impacts.

Our SECR disclosure summarises the Company's emissions for the 2025 reporting year and provides a comparison with the previous period. PFM continue to benchmark its progress against the established 2023 baseline year, supporting long-term performance monitoring both within and beyond this financial report.

PRS FOR MUSIC LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

Greenhouse Gas ("GHG") Emissions Statement

	Reporting Period	
	Current 1 Jan 2025 to 31 Dec 2025	Comparison 1 Jan 2024 to 31 Dec 2024
Annual Energy Consumption (kWh)		
Combustion of gas	0	0
Combustion of fuel for transport purposes (company cars on business use)	6,012	5,323
Purchased electricity (including for transport)	284,377	350,917
Combustion of fuel for transport purposes (personal/hire cars on business use)	0	0
Total	290,389	356,241
SECR Mandatory Annual GHG Emissions (tCO₂e)		
Scope 1		
1.1 - Combustion of gas (Stationary combustion)	0	0
1.2 - Company cars on business use (Mobile combustion)	1.5	1.3
Scope 2		
2.1 - Purchased electricity (including for transport) - Location based	50	68
Scope 3		
3.6 - Business travel: Personal/hire cars on business use	0	0
Total for mandatory annual gross emissions - Location-Based	52	69
Intensity ratio for Mandatory GHG Emissions - Location-Based		
Emissions per (FTE) Employees	0.10	0.12
Emission per £000 (million) revenue	0.04	0.06
SECR Voluntary Annual GHG Emissions (tCO₂e)		
Scope 3		
3.1 - Purchased Goods and Services	2737	2301
3.2 - Capital Goods	60	244
3.3 - Fuel- and energy-related activities	20	0.5
3.5 - Waste generated in operations	8.0	0.0
3.6 - Business travel: Hotels, Trains & Flights	122	213
3.7 - Employee commuting & Homeworking	132	140
Total for all annual gross emissions - Location-Based	3131	2968
Intensity ratio for all GHG Emissions - Location-Based		
Emissions per (FTE) Employees	5.80	5.19
Emission per £000 (million) revenue	2.52	2.58
Business Metric for Intensity ratio		
Full Time Equivalent (FTE) Employees	540	572
Revenue £000 (million)	£1,240	£1,152

PRS FOR MUSIC LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

Methodology and Emission Factors

This assessment of GHG emissions is compliant with the Greenhouse Gas Protocol, a globally recognised standard jointly developed by the World Resources Institute and the World Business Council for Sustainable Development. The Greenhouse Gas Protocol provides comprehensive, standardised frameworks for quantifying and managing GHG emissions across private and public sector operations, value chains, and mitigation efforts.

Following the guidelines of the Greenhouse Gas Protocol, the emissions inventory encompasses seven primary (groups of) GHGs: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), sulphur hexafluoride (SF₆), nitrogen trifluoride (NF₃), hydrofluorocarbons (HFCs), and perfluorocarbons (PFCs).

A full list of emission factor publications used for the reporting year can be found in the table below:

Publisher	Publication Version	Publication Date	Usage
UK_gov GHG Reporting Factors	v2021 1.0		59.3%
	v2025 1.0	10/06/2025	
Exiobase	3.8.2	21/10/2021	40.7%

Mandatory emissions reporting comparison

For the purposes of year-on-year comparison and progress, this SECR reports against the reporting year of 2025 and the comparison year of 2024.

Overall, the Company's mandatory emissions have decreased slightly to 51.80 tCO₂e in the reporting year, a 25% reduction on the comparison year, with the intensity ratio for the Company's mandatory emissions decreasing by 20% (FTE) and 30% (£ million revenue). As anticipated with the increased scope of reporting voluntary emission, the Company's overall figure has increased compared to the comparison year of 2024 by 6% and the baseline year by 43%. As PFM develop its reporting to produce consistent and repeatable results, the Company would expect the overall emissions to reduce as a result of the energy efficiency actions, which should be reflected in future reporting years.

Voluntary emission reporting further comparison

The Company has continued to expand its Scope 3 emissions reporting beyond the mandatory SECR requirements, voluntarily disclosing several additional upstream emission categories that are material to its operations. These include purchased goods and services, capital goods, waste, business travel (including flights and rail), employee commuting, and homeworking. By broadening the scope of its reporting, the Company reinforces its commitment to transparency and to developing a comprehensive understanding of its environmental impact.

This enhanced visibility supports more informed and targeted carbon and energy reduction strategies across the business.

During the reporting year, the Company recorded an 19% increase in emissions from purchased goods and services, which PFM report voluntarily as part of our Scope 3 upstream inventory. This increase is primarily attributable to improvements in data quality, with the Company transitioning from spend-based estimates to primary activity data for key IT hosting services. Reporting emissions based on actual operational data enables more accurate tracking and strengthens its ability to manage emissions associated with the Company's core technology-driven activities an area of growing importance as digital operations increases energy and data demands.

The shift toward higher-quality primary data also supports greater control over associated environmental impacts, including the ability to procure green and energy-efficient hosting solutions. This approach is further reinforced by the integration of environmental standards into the Company's procurement processes, ensuring sustainability considerations are embedded into procurement processes.

Continual improvement

The Company remains committed to the continual improvement of its GHG emissions reporting. As part of its annual review, PFM identified a minor omission in the prior year's disclosures, where fuel use for two company vehicles was not captured. This has now been corrected to ensure completeness and accuracy.

PFM have also restructured our historical reporting to present mandatory SECR emissions separately from its voluntarily reported Scope 3 categories. This refinement enhances the clarity of the Company's disclosures and enables more accurate benchmarking of performance over time. In previous years, the Company's baseline figures included voluntary Scope 3 emissions, such as business travel by air and rail, which are now reported distinctly to better reflect the Company's mandatory reporting boundary.

PRS FOR MUSIC LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

These adjustments have been incorporated into the comparative year's figures. While the corrections represent only a minor percentage of the Company's total carbon footprint, they support the Company's commitment to transparent, consistent, and robust reporting practices.

Energy Efficiency Actions

The Company has undertaken the following energy efficiency actions during this reporting period:

- **Integrating environmental standards into procurement** for all new products and services, ensuring sustainability considerations are embedded into supplier selection and purchasing decisions.
- **Enhancing the quality of activity data** to improve the accuracy of the Company's emissions reporting and enable more targeted reduction initiatives.
- **Expanding voluntary Scope 3 emissions reporting** beyond mandatory SECR requirements to include additional categories, supporting more comprehensive analysis and focused carbon-reduction strategies.
- **Consolidating operations into a single central hub at London Bridge**, following the closure of the Streatham office in 2024.
- **Promoting flexible and hybrid working arrangements**, reducing employee commuting and lowering in-office energy consumption on days with reduced attendance.
- **Introducing operational controls to reduce building energy use**, including closing sections of the office and switching off heating and cooling systems during summer months and on low-attendance days.
- **Signing the London Bridge Decarbonisation Charter**, reinforcing the Company's commitment to making London Bridge one of the most sustainable business districts and contributing to collective carbon-reduction ambitions.
- **Supporting sustainable travel choices**, including offering a cycle-to-work scheme, season ticket loans, and ongoing monitoring of monthly business-travel emissions. Insights from this monitoring will inform the development of a sustainable business-travel policy, including a hierarchical decision-making framework for travel modes.
- **Using carbon-emission data from cloud-service providers** to better understand the impact of the Company's digital operations, identify opportunities for data-storage optimisation, and encourage the use of cleaner energy sources in line with technological advancements.
- **Maintaining waste-reduction initiatives** at the London Bridge hub, including increased recycling facilities, partnership working with the London Bridge Estate, and actions to support circular-economy principles.
- **Reducing waste through reuse initiatives**, including donating 308 chairs to local charities, supporting both environmental and social objectives.

Summary

The continued improvements in the Company's carbon and energy data are strengthening the development of its environmental strategy for 2026. PFM remain focused on embedding sustainable business practices to support emissions reduction and contribute meaningfully to addressing climate change.

This Report was approved by the Board and signed on its behalf by



Andrea Czapary Martin
Director
26 March 2026

PRS FOR MUSIC LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

The directors present their Annual Report and financial statements for the year ended 31 December 2025.

Principal activities

The principal activity of PRS for Music Limited continued to be that of providing operational services to PRS and acting as a service provider to 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

T Gray
P Pope
J Simmonds
P Woodroffe

Publishers

J Alway
A Bebawi
N Gilroy (appointed 3 June 2025)
A Kassner
J Minch (resigned 3 June 2025)

Independent directors

E Ingham
G Mansfield
S Spring
T Toumazis

Executive director

A Czapary Martin

Results and dividends

The results for the year are set out on page 16. No interim dividends were paid. The directors do not recommend payment of a final dividend (2024 - £nil).

Qualifying third party indemnity provisions

The Company has granted an indemnity to all 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.

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: Section 172(1) Statement, Streamlined Energy and Carbon Report, Principal risks and uncertainties.

Political donations

There were no political donations made during the year (2024 - £nil).

PRS FOR MUSIC LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

Disabled persons

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

Future developments

The directors are confident that the Company's principal customer, PRS, will continue to require the Company to deliver services on its behalf for the foreseeable future, this includes continuing to be a service provider to MCPS. The current 5-year agreement between PRS and MCPS commenced on 1 July 2021. The directors are aware that its customers will require the Company to continue to improve the efficiency of the services that it delivers and to that end are actively pursuing a series of initiatives to deliver greater efficiency.

In 2025, the Group reached agreement to extend the current partnership agreement, which will now run until the end of 2026.

In February 2024, an application seeking an opt-out collective proceedings order was filed in the UK Competition Appeal Tribunal ("CAT") by a Proposed Class Representative 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 and 16th June 2025 and judgment was handed down on 27 August 2025 in favour of Performing Right Society Limited and PRS For Music Limited. The Proposed Class Representative has been granted permission to appeal, and the appeal is due to be heard on 10th or 11th June 2026.

Statement of directors' responsibilities in respect of the financial statements

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 judgements 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.

PRS FOR MUSIC LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

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 Company's auditor is 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 Company's auditor is 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 as auditor will be proposed at the forthcoming Annual General Meeting.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic report and the Directors' report. The Statement of financial position reflects the impact of assuming £25,197,000 of historic liabilities when the MCPS-PRS Alliance dissolved in 2013 alongside the cumulative net impact of actuarial valuations on the defined benefit pension schemes. As a result, the Company has net liabilities of £48,368,000 at 31 December 2025 (2024 – £48,437,000). The net liabilities have decreased from 2024 mainly as a result of the profit in the Company offset by the accounting valuation of the defined benefit scheme declining further from a net deficit of £12,651,000 to a net deficit position of £12,988,000. The Group is continuing to make annual payments into both schemes through to June 2030, with the intention of both schemes reaching self-sufficiency by June 2030.

The balances due to PRS are as a result of the operational nature of the relationship and the Company has received written confirmation of the financial support from PRS for a period of at least twelve months from the approval of the financial statements. The directors, having made sufficient enquiries, are satisfied that PRS would be in a position and is willing to provide the level of support required to enable the Company to meet its ongoing liabilities and obligations as they fall due, for at least 12 months from the date of approval of these financial statements. As a result, the directors continue to adopt the going concern basis in preparing the financial statements.

Events after the reporting end

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

Research and development

During 2025, the Company continued projects to develop its intangible assets focused on delivering service excellence to members and customers through the execution of technology and data orientated projects.

Financial risk management

The Company'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 s.414C(11) of the Companies Act 2006.

PRS FOR MUSIC LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

Streamlined Energy and Carbon Reporting ("SECR")

We have reported in the Strategic report on all sources of GHG emissions and energy usage in the Non-financial and sustainability information statement ("NFSIS") as required under The Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008 as amended.

Corporate Governance

The Company has a corporate governance framework in place, including matters reserved for Board approval and a scheme of delegated authority. As the Company is a wholly-owned subsidiary of PRS, its Board of Directors comprises writer and publisher members elected from PRS' Board, known as the Members' Council. In addition, the Company's Board includes four independent directors and the Executive Director from the Members' Council as well as the Chair of the Members' Council as an observer. It is responsible for oversight of the Company's business activities in accordance with mandated authority from PRS, including the provision of operational services to PRS such as licensing and distribution administration.

There are six scheduled Board meetings during each year, along with a number of other ad hoc Board meetings and 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 leadership team, in the form of written papers and presentations at each meeting. The Board is supported by the Conflicts Committee, the Distribution Committee and the Licensing Committee and these comprise directors from PRS as well as directors of the Company. The Audit and Risk Committee and the Nomination and Remuneration Committees report directly into the Members' Council.

This report was approved by the Board and signed on its behalf by:



Andrea Czapary Martin

Director

26 March 2026

PRS FOR MUSIC LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRS FOR MUSIC LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of PRS For Music Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2025 and of its 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 Income statement;
- the Statement of comprehensive income;
- the Statements of financial position;
- the statement of changes in equity and
- the related notes 1 to 27.

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 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 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.

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.

PRS FOR MUSIC LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF PRS FOR MUSIC LIMITED

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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (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 company's industry and its control environment, and reviewed the company'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 company's business sector.

We obtained an understanding of the legal and regulatory frameworks that the company 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
- did not have a direct effect on the financial statements but compliance with which may be fundamental to the company'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 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.

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.

PRS FOR MUSIC LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF PRS FOR MUSIC LIMITED

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 company and its 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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
26 March 2026

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PRS FOR MUSIC LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	2025 £000	2024 £000
Revenue	3	131,681	137,886
Administrative expenses		(131,476)	(136,839)
Operating profit	4	205	1,047
Investment income	7	1,957	1,851
Finance costs	8	(1,135)	(889)
Profit before taxation		1,027	2,009
Taxation on profit	9	82	-
Profit for the financial year		1,109	2,009

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

The notes on pages 20 to 47 form an integral part of these financial statements

PRS FOR MUSIC LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	2025 £000	2024 £000
Profit for the financial year		1,109	2,009
		<u> </u>	<u> </u>
Other comprehensive expense			
Actuarial loss on defined benefit pension schemes	21	(1,275)	(4,666)
Deferred tax on actuarial differences		235	-
		<u> </u>	<u> </u>
Other comprehensive (expense) for the year		(1,040)	(4,666)
		<u> </u>	<u> </u>
Total comprehensive income/(expense) for the year		69	(2,657)
		<u> </u>	<u> </u>

The notes on pages 20 to 47 form an integral part of these financial statements

PRS FOR MUSIC LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Note	2025 £000	£000	2024 £000	£000
Fixed assets					
Intangible assets	10		27,376		20,723
Tangible assets	11		5,231		6,147
Investments	12		1,119		1,131
Trade and other receivables: amounts falling due after more than one year	16		9,061		11,409
			<u>42,787</u>		<u>39,410</u>
Current assets					
Trade and other receivables: amounts falling due within one year	16	79,496		75,810	
Investments - short term deposits		5,942		5,704	
Cash at bank and in hand		16,176		11,567	
		<u>101,614</u>		<u>93,081</u>	
Creditors: amounts falling due within one year	18	(172,523)		(160,162)	
Net current liabilities			<u>(70,909)</u>		<u>(67,081)</u>
Total assets less current liabilities			<u>(28,122)</u>		<u>(27,671)</u>
Creditors: amounts falling due after more than one year	19		(1,309)		(1,478)
Provisions for liabilities	20		(5,949)		(6,637)
Defined benefit pension liability	21		(12,988)		(12,651)
Net liabilities			<u>(48,368)</u>		<u>(48,437)</u>
Equity					
Called up share capital	22		1		1
Other reserves	23		17,002		17,002
Accumulated losses			(65,371)		(65,440)
Total equity			<u>(48,368)</u>		<u>(48,437)</u>

The financial statements on pages 16 to 47 were approved by the Board of Directors and authorised for issue on 26 March 2026 and are signed on its behalf by:



Andrea Czapary Martin
Director

Company Registration No. 03444246

The notes on pages 20 to 47 form an integral part of these financial statements

PRS FOR MUSIC LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Called up share capital £000	Other reserves £000	Accumulated losses £000	Total Equity £000
Balance at 1 January 2024		1	17,002	(62,783)	(45,780)
Year ended 31 December 2024:					
Profit for the financial year		-	-	2,009	2,009
Other comprehensive expense:					
Actuarial losses on defined benefit plans	21	-	-	(4,666)	(4,666)
Total comprehensive expense for the year		-	-	(2,657)	(2,657)
Balance at 31 December 2024		1	17,002	(65,440)	(48,437)
Year ended 31 December 2025:					
Profit for the financial year		-	-	1,109	1,109
Other comprehensive expense:					
Actuarial losses on defined benefit plans	21	-	-	(1,275)	(1,275)
Tax relating to other comprehensive income		-	-	235	235
Total comprehensive income for the year		-	-	69	69
Balance at 31 December 2025		1	17,002	(65,371)	(48,368)

The notes on pages 20 to 47 form an integral part of these financial statements

PRS FOR MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

1 Accounting policies

Company information

PRS for Music Limited (“the Company”) is a private company limited by shares, domiciled and incorporated and registered in the United Kingdom (England and Wales) under the Companies Act 2006. The registered office is Goldings House, 2 Hays Lane, London, SE1 2HB, United Kingdom. The Company is a wholly-owned subsidiary of Performing Right Society Limited, which prepares consolidated group financial statements. Consequently, the Company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006.

The principal activities of the Company is set out in the strategic report on pages 1 to 8.

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.

On 27 March 2024, the FRC issued Amendments to FRS 102. The effective date for most amendments is accounting periods beginning on or after 1 January 2026. The most significant amendments are the replacement of Section 23, now renamed Revenue from Contracts with Customers, and Section 20 Leases. The new revenue and leasing requirements seek to provide greater consistency and alignment to the international accounting standards, i.e., IFRS 15 and IFRS 16.

The Company is planning for the implementation of these change and is at an early stage in evaluating their financial impact. At 31 December 2025 the Company had commitments under operating leases of approximately £25m (gross) (see note 24). Under the new lease accounting requirements management expects that these amounts would be recognised on-balance sheet, with a lease liability based on the discounted value of the future commitments, plus payments related to optional extension periods if considered reasonably certain, and a related ‘right-of-use’ asset.

The Company has taken advantage of the exemption from preparing a statement of cash flows available under section 7 of FRS 102, on the basis that it is a qualifying entity and the consolidated statement of cash flows included in the financial statements of the parent undertaking includes the Company’s cash flows. Group financial statements can be obtained by request in writing to Performing Right Society Limited, 2 Hays Lane, London, SE1 2HB, United Kingdom.

Basis of preparation

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

The financial statements have been prepared on the historical cost convention, modified to include certain 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 & Statement of financial position

The format of the Income statement and Statement of financial position has been adapted from that prescribed by the Companies Act 2006 in order to better reflect the nature of the business.

PRS FOR MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

1 Accounting policies

(Continued)

Definitions

'PRS' means Performing Right Society Limited

'PfM' means PRS for Music Limited, formerly, the MCPS-PRS Alliance Limited ('the Alliance')

'MCPS' means Mechanical-Copyright Protection Society Limited

'Group' means the group of companies of which Performing Right Society Limited is the controlling party

'ICE Operations' means ICE Operations AB

'ICE Services' means International Copyright Enterprise Services Limited

'SOLAR' means SOLAR-Music Rights Management Limited

'PPL - PRS' means PPL PRS Limited

'GEMA' means Gesellschaft für musikalische Aufführungs- und mechanische Vervielfältigungsrechte, a German collecting society

'STIM' means Svenska Tonsättares Internationella Musikbyrå, a Swedish collecting society

'NMP' means Network of Music Partners A/S

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic report and the Directors' report. The Statement of financial position reflects the impact of assuming £25,197,000 of historic liabilities when the MCPS-PRS Alliance dissolved in 2013 alongside the cumulative net impact of actuarial valuations on the defined benefit pension schemes. As a result, the Company has net liabilities of £48,368,000 at 31 December 2025 (2024 – £48,437,000). The net liabilities have decreased from 2024 mainly as a result of the profit in the Company offset by the accounting valuation of the defined benefit scheme declining further from a net deficit of £12,651,000 to a net deficit position of £12,988,000. The Group is continuing to make annual payments into both schemes through to June 2030, with the intention of both schemes reaching self-sufficiency by this date.

The balances due to PRS are as a result of the operational nature of the relationship and the Company has received written confirmation of the financial support from PRS for a period of at least twelve months from the approval of the financial statements. The Directors, having made sufficient enquiries, are satisfied that PRS would be in a position and is willing to provide the level of support required to enable the Company to meet its ongoing liabilities and obligations as they fall due, for at least 12 months from the date of approval of these financial statements. As a result, the Directors continue to adopt the going concern basis in preparing the financial statements.

Revenue

Operating fees receivable

Revenue, which is represented by operating fees receivable from PRS, is accounted for on an accruals basis so that income is recognised in the period to which it relates.

Dividends received from investments

Other income, which is represented by dividends received from investments is accounted for on an accruals basis so that it is recognized in the period in which it is received.

PRS FOR MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

1 Accounting policies

(Continued)

Intangible fixed assets

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 life 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. 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
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Tangible fixed assets

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on all tangible 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 evenly over its expected useful life, as follows:

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

The carrying values of tangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Subsequent costs, including major inspections, are included in the asset's 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 Company and the cost can be measured reliably.

Tangible 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 and loss and included in "Other operating (losses)/gains".

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 investments are reviewed for impairment at the end of 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 Company holds a long-term interest and where the Company has significant influence. The Company 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 Company has a long-term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

PRS FOR MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

1 Accounting policies

(Continued)

Impairment of non-current assets

At each reporting end date, the Company 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 Company 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 profit or loss, 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 profit or loss, 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, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

Financial instruments

The Company 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 Company's Statement of financial position when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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.

PRS FOR MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

1 Accounting policies

(Continued)

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.

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 profit or loss.

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 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 payments 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.

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

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. 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.

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 profit or loss.

PRS FOR MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

1 Accounting policies

(Continued)

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 immediately, unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Foreign exchange

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.

Investment income

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

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 Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

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; and
- 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.

PRS FOR MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

1 Accounting policies

(Continued)

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 Company 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 four 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 a 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 Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

PRS FOR MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

1 Accounting policies

(Continued)

Retirement benefits

Defined benefit pension plan

The Company 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 relating from the passage of 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 liability 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.

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due. The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company 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 Company in independently administered funds.

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 Company, 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 to 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.

PRS FOR MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

2 Judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the directors are required to make judgements (other than those involving estimations), that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements and estimates

Management believe that there have been no critical judgements made and the following estimates have had the most significant effect on amounts recognised in the financial statements.

Retirement benefit schemes

The Company 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 Company's actuary, Aon. See note 21 for the disclosures relating to the defined benefit pension schemes.

3 Revenue

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

	2025	2024
	£000	£000
Revenue		
Operating fees receivable from PRS	131,681	137,886
	<u> </u>	<u> </u>
Other significant revenue		
Interest income	1,503	1,851
Dividend income receivable from NMP	454	-
	<u> </u>	<u> </u>
	<u>1,957</u>	<u>1,851</u>
	<u> </u>	<u> </u>
Revenue analysed by geographical market		
	2025	2024
	£000	£000
United Kingdom	131,681	137,886
	<u> </u>	<u> </u>

PRS FOR MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

4	Operating profit	2025	2024
		£000	£000
	Operating profit for the year is stated after charging/(crediting):		
	Exchange (Gains)/losses	(1,804)	2,864
	Fees payable to the Company's auditor for the audit of the Company's financial statements	193	211
	Depreciation of fixed assets	1,016	819
	Loss on disposal of tangible assets	102	16
	Amortisation of intangible assets	5,658	5,526
	Loss on disposal of intangible assets	51	36
	Operating lease charges	1,535	291
		<u> </u>	<u> </u>

In accordance with SI 2008/489, the Company has not incurred the fees payable to the Company's auditor for 'other services' as this information is included in the consolidated financial statements of Performing Right Society Limited.

5 Employees

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

	2025	2024
	Number	Number
Licensing	65	66
Distribution and membership	161	154
Support services	320	333
	<u> </u>	<u> </u>
	546	553
	<u> </u>	<u> </u>

All employee costs are incurred by the Company and are presented below. Employee costs, which includes the CEO as the highest paid Director, have increased in 2025 due to higher social security costs and the higher cost of the company-wide incentive scheme compared to 2024.

Their aggregate remuneration comprised:

	2025	2024
	£000	£000
Wages and salaries	41,027	40,292
Social security costs	5,217	4,638
Pension costs	2,404	2,279
	<u> </u>	<u> </u>
	48,648	47,209
	<u> </u>	<u> </u>

PRS FOR MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

6 Directors' remuneration

	2025 £000	2024 £000	2023 £000	2022 £000	2021 £000
Remuneration for qualifying services:					
Chair	138	185	118	113	109
Other non-executive directors	281	272	252	232	184
CEO	831	1,131	1,047	949	702
Pension contributions	45	43	45	33	33
	<u>1,295</u>	<u>1,631</u>	<u>1,462</u>	<u>1,327</u>	<u>1,028</u>
Number of:					
Non-executive directors	12	12	12	12	13
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 1 (2024 - 1). No directors (2024 - 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 annual fees paid and minimum expected time commitments for the different categories of non-executive directors included within the table above are:

- Board Chair, annual fee of £138,038 for an expected time commitment of 5-6 days per month (for services to both PRS Members' Council and PFM Board)
- Independent non-executive directors excluding Board Chair, annual fee of £59,090 for an expected time commitment varying from 16-20 days per year (for services to both PRS Members' Council and PFM Board)
- Writer & Publisher non-executive directors – Board only, annual fee of £13,019 for an expected time commitment of 6-10 days per year

During 2025, the actual time incurred by many of the directors listed above exceeded the minimum time expectations.

PRS FOR MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

6 Directors' remuneration

(Continued)

Remuneration earned by the highest paid director for qualifying services:

	2025	2024	2023	2022	2021
	£000	£000	£000	£000	£000
Salary	553	535	506	471	404
Bonus and other benefits	278	596	541	478	298
Pension contributions	45	43	45	33	33
	<u>876</u>	<u>1,174</u>	<u>1,092</u>	<u>982</u>	<u>735</u>

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.

7 Investment income

	2025	2024
	£000	£000
Interest income		
Interest on bank deposits	716	838
Other interest income - JV Loans	787	1,013
Total interest revenue	<u>1,503</u>	<u>1,851</u>
Other income from investments		
Dividend income received from Joint Ventures	454	-
	<u>1,957</u>	<u>1,851</u>

8 Finance Costs

	Note	2025	2024
		£000	£000
Interest on other loans due to associated undertakings		523	491
Interest related to the net defined benefit liability	21	612	398
		<u>1,135</u>	<u>889</u>

PRS FOR MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

9 Taxation

Deferred tax

Origination and reversal of timing differences

(82) -

The tax charge assessed for the year is lower than (2024 - lower than) the standard rate of corporation tax in the UK of 25% (2024 - 25%). The differences are explained below:

	2025	2024
	£000	£000
Profit before taxation	1,027	2,009
Expected tax charge based on a corporation tax rate of 25.00.00% (2024 - 25.00.00%)	257	502
Tax effect of expenses that are not deductible in determining taxable profit	137	204
Adjustments in respect of prior years	1	-
Group relief	(170)	377
Depreciation on assets not qualifying for tax allowances	78	73
Adjustments for transfer pricing	(600)	(482)
Deferred tax not provided on current year movement	215	(674)
Tax expense for the year	(82)	-

In addition to the amount (credited)/charged to the income statement, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2025	2024
	£000	£000
Deferred tax arising on:		
Actuarial differences recognised as other comprehensive income	(235)	-

The Company has an unrecognised deferred tax asset of £13,546,903 (2024 - £13,971,568) made up of trading and capital losses of £9,362,066 (2024 - £9,362,066), and fixed asset and other timing differences of £4,163,113 (2024 - £4,826,331). This is inclusive of an unrecognised deferred tax asset arising on pension deficit of £2,871,000 (2024 - £3,402,919).

The Company has unused Tax Losses of £37,108,703 (2024 - £37,108,265), which have no effective expiry date.

PRS FOR MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

10 Intangible fixed assets

	Software
	£000
Cost	
At 1 January 2025	107,537
Additions	12,310
Disposals	(26,736)
	<hr/>
At 31 December 2025	93,111
	<hr/> <hr/>
Accumulated amortisation	
At 1 January 2025	86,814
Amortisation charged for the year	5,658
Disposals	(26,737)
	<hr/>
At 31 December 2025	65,735
	<hr/> <hr/>
Carrying amount	
At 31 December 2025	27,376
	<hr/> <hr/>
At 31 December 2024	20,723
	<hr/> <hr/>

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 £11.8m (2024: £6.6m).

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

PRS FOR MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

11 Tangible fixed assets

	Leasehold land and buildings and building improvements	Systems and equipment	Total
	£000	£000	£000
Cost			
At 1 January 2025	4,363	8,648	13,011
Additions	-	155	155
Disposals	-	(367)	(367)
	<u>4,363</u>	<u>8,436</u>	<u>12,799</u>
At 31 December 2025	<u>4,363</u>	<u>8,436</u>	<u>12,799</u>
Accumulated depreciation			
At 1 January 2025	833	6,031	6,864
Depreciation charged in the year	310	705	1,015
Disposals	-	(311)	(311)
	<u>1,143</u>	<u>6,425</u>	<u>7,568</u>
At 31 December 2025	<u>1,143</u>	<u>6,425</u>	<u>7,568</u>
Carrying amount			
At 31 December 2025	<u>3,220</u>	<u>2,011</u>	<u>5,231</u>
At 31 December 2024	<u>3,530</u>	<u>2,617</u>	<u>6,147</u>

All leasehold agreements are for a period of less than 40 years.

12 Investments

	Note	2025 £000	2024 £000
Investments in joint ventures	14	<u>1,119</u>	<u>1,131</u>

Movements in investments

	Joint ventures £000
Cost or valuation	
At 1 January 2025	<u>1,131</u>
Carrying amount	
At 31 December 2025	<u>1,119</u>
At 31 December 2024	<u>1,131</u>

PRS FOR MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

13 Subsidiaries

These financial statements are separate company financial statements for 31 December 2025.

Details of the Company's subsidiaries at 31 December 2025 are as follows:

Name of undertaking	Registration Number	Nature of business	Class of shares held	% Held
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 country of incorporation for all subsidiaries is England and Wales and the registered office address is Goldings House, 2 Hays Lane, London, SE1 2HB.

14 Joint ventures

Details of the Company's joint ventures at 31 December 2025 are as follows:

Name of undertaking and country of incorporation or residency	Nature of business and registered office	Class of shareholding	% Held
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 & Wales	Pan-European licensing, Russell Square House, 10-12 Russell Square, London, UK, WC1B 5EH	Ordinary shares	50.00
Global Repertoire Database Limited England & Wales	Global repertoire database, Goldings House, 2 Hays Lane, London, UK, SE1 2HB	Membership	50.00
International Copyright Enterprise Services Limited England & Wales	Multi-territorial licensing, Russell Square House, 10-12 Russell Square, London, UK, WC1B 5EH	Ordinary shares	33.33
PPL PRS Limited England & 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

The Company has assessed its investments in joint ventures and has concluded that it did not exercise control over them at 31 December 2025 or during the year then ended; they are accounted for as investments in accordance with the accounting policy set out in note 1 rather than being equity accounted. If the equity accounting method was used, the value of the investments in joint ventures would be £16,019,000 (2024 - £14,511,000).

PRS FOR MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

15 Significant undertakings

Details of the Company's other significant undertakings at 31 December 2025 are as follows:

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

16 Trade and other receivables

	2025 £000	2024 £000
Amounts falling due within one year:		
Trade receivables	24,370	20,651
Amounts owed by related parties	47,142	46,626
Loans to joint ventures	2,394	3,511
Other receivables	969	1,976
Prepayments	4,621	3,046
	<u>79,496</u>	<u>75,810</u>
Amounts falling due after more than one year:		
Loans to joint ventures	8,622	10,777
Other receivables	439	632
	<u>9,061</u>	<u>11,409</u>

The directors have considered the Trade and other receivables balance to approximate its fair value. Trade receivables arise as a result of the Company raising invoices for joint licences on behalf of MCPS and PRS.

Amounts owed by related parties arise as a result of invoicing through special purpose vehicles for multiterritory online licensing on behalf of MCPS and PRS. 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.

The associated royalty revenue is recognised by MCPS and PRS and not by the Company. Trade receivables and Amounts owed by related parties are both stated after provisions for impairment of £nil (2024 - £nil).

PRS FOR MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

16 Trade and other receivables

(Continued)

Loans receivable - ICE Operations

The Company had total loans of £8.7m receivable from ICE Operations and its subsidiaries at 31 December 2025 (2024 - £11.1m), 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 25.

Loan	Local Currency				€000				Hedge Rate	Terms
	B/fwd	Drawn	Repaid	C/fwd	B/fwd	Drawn	Repaid	C/fwd		
Loan 8	EUR 1.6m	-	EUR 0.2m	EUR 1.4m	1,339	-	130	1,209	EUR 1.1615/€1	Repayment in equal instalments until 2031, starting from 2024
Loan 9	EUR 10.1m	-	EUR 1.5m	EUR 8.6m	8,723	-	1,243	7,480	EUR 1.1535/€1	
Loan 10	EUR 0.1m	-	EUR 0.1m	-	91	-	91	-	Loan not hedged	Fully repaid in 2025
Loan 11	EUR 1m	-	EUR 1m	-	1,001	-	1,001	-	Loan not hedged	Fully repaid in 2025
					11,154	-	2,465	8,689		
					11,154	-	2,465	8,689		

Loans receivable – SOLAR Music Rights Management Limited

The Company had total loans of £0.2m receivable from SOLAR Music Rights Management Limited, a wholly owned subsidiary of SOLAR-Music Rights Management GmbH, at 31 December 2025 (2024 - £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 25.

Loan	Local Currency				€000				Hedge Rate	Terms
	B/fwd	Drawn	Repaid	C/fwd	B/fwd	Drawn	Repaid	C/fwd		
Loan 1	EUR 0.5m	-	EUR 0.25m	EUR 0.25m	429	-	215	214	EUR 1.1645/€1	Full repayment due 2026

Loans receivable – PPL – PRS

The Company had total loans of £2.1m receivable from PPL - PRS at 31 December 2025 (2024 - £2.8m). 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 25.

Loan	Local Currency				€000				Terms
	B/fwd	Drawn	Repaid	C/fwd	B/fwd	Drawn	Repaid	C/fwd	
Loan 1	GBP 2.8m	-	GBP 0.7m	GBP 2.1m	2,818	-	704	2,114	Repayment in instalments until 2028

17 Financial Instruments

As of June 2016 the Company 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 booked for a year at a time until the maturity date, currently set at various dates until 2030. All forward contracts are recognised on 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 2025 was £8,903,000 (2024 - £11,471,000). The value of the instrument within Other Receivables over one year was £439,000 (2024: £632,000).

PRS FOR MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

18 Creditors: amounts falling due within one year

	2025	2024
	£000	£000
Corporation tax payable	152	-
Trade payables	1,501	1,380
Amounts owed to parent undertaking	120,451	103,964
Amounts owed to MCPS	16,384	16,687
Taxation and social security	4,617	5,249
Accruals	29,418	32,882
	<u>172,523</u>	<u>160,162</u>

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

Amounts owed to parent undertaking in prior year included a value of £768,000 which was settled during the year.

The amount of £16,384,000 (2024 - £16,687,000) due to MCPS 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.

19 Non-current liabilities

	2025	2024
	£000	£000
Accruals	<u>1,309</u>	<u>1,478</u>

20 Provisions for liabilities

	2025	2024
	£000	£000
Legal provisions	5,034	5,722
Dilapidations provisions	915	915
	<u>5,949</u>	<u>6,637</u>

PRS FOR MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

20 Provisions for liabilities

(Continued)

Movement on provisions:

	Legal provisions	Dilapidations provisions	Total
	£000	£000	£000
At 1 January 2025	5,722	915	6,637
Additional provisions in the year	2,761	-	2,761
Utilisation of provision	(3,449)	-	(3,449)
At 31 December 2025	<u>5,034</u>	<u>915</u>	<u>5,949</u>

The Company 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 Company 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.

21 Retirement benefit schemes

Defined contribution schemes	2025 £000	2024 £000
Charge to Income statement in respect of defined contribution schemes	<u>2,404</u>	<u>2,279</u>

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. £348,000 (2024 - £345,000) relating to defined contribution payments has been accrued for at year-end.

Defined benefit schemes

The Company 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.

PRS FOR MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

21 Retirement benefit schemes

(Continued)

Valuation

UK legislation requires that pension schemes are funded prudently. The last funding valuations of the schemes as at 31 December 2023 showed a deficit of £12.7m in the Alliance Scheme and a deficit of £5.1m in the MCPS Scheme. The company is paying deficit contributions of £2.25m pa to the Alliance Scheme and £0.85m pa to MCPS Scheme, which, along with investment returns from return-seeking assets, are expected to make good the shortfall in the Alliance Scheme by 30 September 2029 and the shortfall in the MCPS Scheme by 30 June 2030. The next funding valuations will be carried out as at 31 December 2026, at which progress towards full-funding will be reviewed.

The results of the latest funding valuations at 31 December 2023 have been adjusted to the new balance sheet date, taking account of experience over the period since 31 December 2023, changes in market conditions, and differences in the financial and demographic assumptions. The present values of the Defined Benefit Obligation were measured using the projected unit credit method.

Key assumptions

	2025	2024
	%	%
Discount rate	5.6	5.5
Pension increase (RPI max 5%)	2.6	2.9
Expected rate of salary increases	n/a	n/a
Price inflation (CPI)	2.2	2.5
Expected rate of decrease of pensions in payment	n/a	n/a
Price Inflation (RPI)	2.7	3

Mortality assumptions

Assumed life expectations on retirement at age 65:

	2025	2024
	Years	Years
Retiring today		
- Males	21.9	21.5
- Females	24.1	23.9
Retiring in 20 years		
- Males	22.8	22.5
- Females	25.2	25.1

PRS FOR MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

21 Retirement benefit schemes

(Continued)

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 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	
	2025 £000	2024 £000
Following a 0.5% p.a. decrease in the discount rate	(10,881)	(10,964)
Following a 0.5% p.a. increase in the discount rate	10,051	10,304
Following a 0.5% p.a. increase in the inflation assumptions	(4,118)	(3,600)
Following a 0.5% p.a. decrease in the inflation assumptions	3,278	4,016
Following a one-year increase in life expectancy	(6,486)	(6,851)
Following a one-year decrease in life expectancy	6,609	6,973

Amounts recognised in the income statement:

	2025 £000	2024 £000
Past service cost	1,500	-

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

	2025 £000	2024 £000
Net present value of defined benefit liabilities	12,988	12,651
Deficit in scheme	12,988	12,651

The defined benefit obligation comprises of £176,636,000 (2024 – £176,668,000) 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 £2,167,000 (2024 – £1,250,000) has been made during 2025 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 £883,000 (2024 – £1,250,000) has been made during 2025 to reduce the deficit in the scheme.

Contributions of £2.25m to the Alliance Scheme and £0.85m to the MCPS Scheme are expected to be paid by the company during the year ending on 31 December 2026.

PRS FOR MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

21 Retirement benefit schemes

(Continued)

Changes in the present value of the defined benefit obligations are analysed as follows:

	MCPS-PRS Alliance Pension Scheme		MCPS-PRS Alliance Pension Scheme (MCPS)		Total	Total
	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000
At 1 January	(146,356)	(163,818)	(30,312)	(34,189)	(176,668)	(198,007)
Benefits paid	8,285	7,833	1,022	965	9,307	8,798
Interest cost	(7,822)	(7,196)	(1,639)	(1,517)	(9,461)	(8,713)
Past service cost	(500)	-	(1,000)	-	(1,500)	-
Actuarial gains	1,009	16,825	677	4,429	1,686	21,254
At 31 December	<u>(145,384)</u>	<u>(146,356)</u>	<u>(31,252)</u>	<u>(30,312)</u>	<u>(176,636)</u>	<u>(176,668)</u>

The pension plans have not invested in any of the Company's equity, 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
	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000
Interest on net defined benefit pension liabilities	451	175	161	223	612	398
Past service cost	500	-	1,000	-	1,500	-
	<u>951</u>	<u>175</u>	<u>1,161</u>	<u>223</u>	<u>2,112</u>	<u>398</u>

PRS FOR MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

21 Retirement benefit schemes

(Continued)

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

	MCPS-PRS Alliance Pension Scheme	
	2025	2024
	£000	£000
Equity instruments	-	7,000
Debt instruments	78,782	68,100
Property	9,249	10,500
Cash and other	48,020	47,785
Hedge funds	-	3,700
	<hr/>	<hr/>
Fair value of scheme assets	136,051	137,085
Present value of scheme liabilities	(145,384)	(146,356)
	<hr/>	<hr/>
	(9,333)	(9,271)
Related deferred tax asset	-	-
	<hr/>	<hr/>
Net deficit	(9,333)	(9,271)
	<hr/> <hr/>	<hr/> <hr/>
	MCPS-PRS Alliance Pension Scheme (MCPS)	
	2025	2024
	£000	£000
Equity instruments	-	5,400
Debt instruments	10,871	12,800
Cash and other	16,730	5,036
Hedge funds	-	3,700
	<hr/>	<hr/>
Fair value of scheme assets	27,601	26,936
Present value of scheme liabilities	(31,252)	(30,312)
	<hr/>	<hr/>
	(3,651)	(3,376)
Related deferred tax asset	-	-
	<hr/>	<hr/>
Net deficit	(3,651)	(3,376)
	<hr/> <hr/>	<hr/> <hr/>
Total net pension deficit	(12,984)	(12,647)
	<hr/> <hr/>	<hr/> <hr/>

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

PRS FOR MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

21 Retirement benefit schemes

(Continued)

	MCPS-PRS Alliance Pension Scheme £000	MCPS-PRS Alliance Pension Scheme (MCPS) £000	Total £000
As at 31 December 2023 and 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)
As at 31 December 2024	<u>137,085</u>	<u>26,936</u>	<u>164,021</u>
As at 31 December 2024 and 1 January 2025	137,085	26,936	164,021
Expected return on plan assets	7,371	1,478	8,849
Employer contributions	2,167	883	3,050
Benefits paid	(8,285)	(1,022)	(9,307)
Actuarial losses	(2,287)	(674)	(2,961)
As at 31 December 2025	<u>136,051</u>	<u>27,601</u>	<u>163,652</u>

Actuarial losses

	MCPS-PRS Alliance Pension Scheme		MCPS-PRS Alliance Pension Scheme (MCPS)		Total	Total
	2025	2024	2025	2024	2025	2024
	£000	£000	£000	£000	£000	£000
Loss on plan assets	(2,287)	(22,666)	(674)	(3,254)	(2,961)	(25,920)
Gain on plan liabilities	1,009	16,825	677	4,429	1,686	21,254
	<u>(1,278)</u>	<u>(5,841)</u>	<u>3</u>	<u>1,175</u>	<u>(1,275)</u>	<u>(4,666)</u>

22 Share capital

	2025 Number	2024 Number	2025 £000	2024 £000
Ordinary share capital Issued and fully paid				
Ordinary of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1</u>	<u>1</u>

The Company has one class of ordinary shares which carry no right to fixed income.

PRS FOR MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

23 Other reserves

Other reserves of £17,002,000 (2024 - £17,002,000) arose as a result of the transactions which took place on 1 January 1998, through which MCPS and PRS transferred their respective fixed assets, employees and back-office operations to the Company and each took a 50% interest in the Company. Subsequently, in 2013, PRS took full ownership of the Company.

24 Operating lease commitments

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

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

	2025	2024
	£000	£000
Within one year	2,368	2,314
Later than one year and not later than five years	9,456	9,230
In over five years	12,826	14,819
	<u>24,650</u>	<u>26,363</u>

25 Financial commitments, guarantees and contingent liabilities

In February 2024, a claim alleging breaches of UK and/or EU competition law with an application seeking an opt-out collective proceedings order was filed in the Competition Appeal Tribunal by a Proposed Class Representative against Performing Right Society Limited and PRS For Music Limited. The certification hearing took place on the 12th and 13th of February 2025 and 16th June 2025 and judgment was handed down on 27 August 2025 in favour of Performing Right Society Limited and PRS For Music Limited. The Proposed Class Representative has been granted permission to appeal, and the appeal is due to be heard on 10th or 11th June 2026. The group is continuing to robustly defend itself against these allegations

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 20). 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.

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.

PRS FOR MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

26 Related party transactions

The remuneration of key management personnel, who are also directors, is disclosed in note 6.

The Company's revenue consists of operating fees recharged to PRS as analysed in note 3. Amounts due to and from MCPS and PRS at the balance sheet date are disclosed in notes 16 and 18.

The Company received services from ICE Operations and its subsidiaries to the value of £5,120,000 (2024 - £5,200,000). There were no outstanding balances due at the year end (2024 - £nil).

During the year the Company charged ICE Services an amount for services provided of £520,000 (2024 - £485,000) and paid commissions of £9,918,000 (2024 - £10,414,000) and the paid service charges of £140,000 on PRS legacy deals (2024 - £nil). The Company was owed a balance of £140,000 (2024 - £nil) and had costs to recharge of £92,000 (2024 - £72,000) at the year end. Full details on loans made to ICE Services can be found in note 17.

The Company received services from NMP to the value of £1,977,000 (2024 - £1,592,000). The Company also charged NMP an amount of £121,000 (2024 - £125,000) for services provided and was owed a balance of £12,000 (2024 - £10,000) at the year end.

The Company received a dividend from NMP to the value of £454,000 during the year (2024 - £nil).

During the year the Company charged SOLAR an amount of £108,000 (2024 - £90,000) for services provided and paid commissions of £11,019,000 (2024 - £10,145,000). The Company was owed a balance of £nil (2024 - £8,000) at the year end. Full details on loans made to SOLAR can be found in note 16.

During the year the Company made a contribution to UK Music 2009 Limited of £745,000 (2024 - £624,000).

During the year, the Company provided operational services to MCPS, a company with common directors, under the terms of a service level agreement. The value of the service was £17,075,000 (2024 - £15,472,000). At the year end the Company was owed a balance of £nil (2024 - £1,337,000) and had fees to charge of £3,689,000 (2024 - £3,213,000).

The Company charged The PRS Members' Benevolent Fund an amount of £510,000 (2024 - £349,000) for services provided. PFM was not owed a balance (2024 - £nil) and had costs to recharge of £nil (2024 - £7,000) at the year end.

The Company provided subsidised services including accommodation to The Performing Right Society Foundation Limited. The Company charged an amount of £2,000 (2024 - £nil) for other services provided.

During the year, the Company 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 2025 was £132,000 (2024 - £190,000). During the year the Company was also charged an amount of £137,000 (2024 - £165,000) for sponsorship.

During the year the Company recharged PPL - PRS an amount for costs incurred of £622,000 (2024 - £618,000) and had costs to recharge of £137,000 at 31 December 2025 (2024 - £150,000). Additionally, the Company incurred service charges of £16,043,000 (2024 - £15,294,000) during the year. Full details on loans made to PPL - PRS can be found in note 16.

PRS FOR MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2025

27 Ultimate controlling party

The Company is a wholly-owned subsidiary of Performing Right Society Limited, a company limited by guarantee and incorporated in the UK. PRS has no share capital. The directors regard PRS as the Company's ultimate parent and the ultimate controlling party. Group financial statements can be obtained by request in writing to the Group's registered address: Performing Right Society Limited, Goldings House, 2 Hays Lane, London, SE1 2HB.

PRS is the parent of the largest and smallest group of which the Company is a member and for which consolidated financial statements are prepared.

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