



THE PERFORMING RIGHT SOCIETY FOUNDATION

(A company limited by guarantee and not having a share capital)

Trustees' Report and Financial Statements

For the year ended 31 December 2022

Company number: 03901665
Charity number: 1080837

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ABOUT PRS FOUNDATION

PRS Foundation ("the Foundation") is the UK's leading charitable funder of new music and talent development.

Music creators supported by PRS Foundation secure hundreds of high-profile nominations for major industry awards each year, including 9 out of 12 Mercury Prize 2022 nominees and 4 of the 5 most recent winners, plus BRITS, Grammy, Ivor Novello, AIM, MOBO, Jazz FM and RPS Award winners and nominees. Perhaps more than anything, this demonstrates the impact of our long-term, targeted approach to talent development.

We empower and enable songwriters and composers of all backgrounds to realise their potential, create exceptional new music and reach audiences across the world. Through direct support for hundreds of Music Creators and funding for Organisations who reach thousands more each year, our funding removes barriers to progression and provides timely investment in exciting, diverse and innovative talent.

Launched by PRS in 2000, the Foundation has given more than £44 million to over 8,500 new music initiatives and founded partnership programmes that support music sector development – including global gender equality initiative Keychange, POWER UP, Women Make Music and the Talent Development Partner network.

Grantee success stories include Little Simz, Wolf Alice, Dave, Sam Fender, Abel Selaocoe, Years & Years, AJ Tracey, Anna Meredith, Yola, Natalie Driscoll, Glass Animals, Ezra Collective, Jade Bird, Ghetts, Shiva Feshareki, Sarathy Korwar, Floating Points, Nadine Shah, Natalie Holt, The Fanatix, Imogen Heap, IDLES, Kæ Tempest, Kojey Radical and Emily Burns.

The charity is widely respected as an inclusive, collaborative and proactive funding body, supporting an exceptional range of new music activity – from composer residencies and commissions to a network of talent development partners, and showcases in the UK and overseas.

PRS Foundation is a constantly evolving, dynamic organisation and its approach ensures that support reaches music creators from the grassroots up while responding to the changing environment in which the creators we support are working. Our crucial and timely support removes barriers and is helping to build a strong, connected, inclusive community of collaboration and brilliance.

This is all made possible thanks to our main donation from PRS, match funding from various partners, and the expertise of independent advisors working in different music genres and UK regions.

OBJECTIVES AND ACTIVITIES

PRS Foundation's charitable objects are to support, sustain and further the creation and performance of new music in the UK and increase the public's appreciation of and education in new music.

Our 2020-23 Strategic Priorities are to:

- invest in the development of exceptional, diverse music creators at crucial stages
- support pioneering organisations and talent development experts to enable those working in all genres across the UK to fulfil their potential
- spearhead new ways to connect music creators with organisations and partners to address talent pipeline gaps and fast-track career progression
- champion grantees and the way we work to add value, influence policy and attract increased external investment
- cement our reputation as the UK's most accessible, inclusive and collaborative music funder.

OBJECTIVES AND ACTIVITIES (continued)

Major activities in 2022 which delivered on these objectives were:

- supporting 402 projects (10.5% of applicants), investing approximately £3.29m in grants pledged (average £7,638 with easy-to-access grants pledged to 271 individual songwriters, composers and other music creators (67% of grants), 107 organisations supporting talent development (27% of grants), and 24 industry professionals/ future industry professionals through vital programmes which impact music creators (6% of grants)
- receiving 3,817 applications (vs. 5,939 in 2021 – reflecting our drive for streamlining programmes and deadlines post-pandemic)
- growing our reputation as the most inclusive music funder in the UK – with:
 - i. 63% music creator and industry professional grantees supported being women (47.6%), mixed gender groups (8.7%) or gender expansive (6.7%) (vs. 62.8% in 2021 and 53% in 2020);
 - ii. 58% of music creator and industry professional grantees being Black, Asian or ethnic minority (vs. 46.3% in 2021);
 - iii. 18% of music creator and industry professional grantees identifying as disabled (vs. 15% in 2021 and 10% in 2020)
- delivering successful New Music Biennial events in Coventry (April) and London (July) which championed world-class new UK music and reached new audiences across the UK in partnership with the Southbank Centre, BBC Radio 3, NMC Recordings and Coventry City of Culture Trust
- further adaptation of international programmes including the International Showcase Fund (ISF) to support the continued return of in person showcase and conference events (with an increase in the number of creators supported to export their music), plus Keychange which supported a further 74 participants based in 12 partner countries
- securing the 600th Keychange Pledge Signatory organisation and announcing the U.S. expansion of the global gender equity initiative which was co-founded by PRS Foundation in 2017
- celebrating the impact of our ambitious, long-term initiative POWER UP which tackles anti-Black racism in the UK music industry and supports annual cohorts of 40 Black music creators and industry professionals – the initiative received the inaugural IMPALA Changemaker Award in 2022
- supporting our network of 48 Talent Development Partner organisations
- continuing to support music creators to adapt and sustain their careers post-pandemic and post-Brexit
- ensuring that grant support is available when most needed, and that grants programmes adapt to help creators to tackle new challenges associated with the cost-of-living and cost-of-touring crises impacting music creators across the UK and abroad
- streamlining music creator programmes and reducing the number of deadlines the Foundation managed across the year
- securing a new multi-year funding agreement with the Performing Right Society Limited (“PRS”) which will increase year-on-year funding which can be allocated to PRS Foundation from 2024
- celebrating grantee adaptability, resilience and commercial and critical success, including high-profile Award wins and nominations (see below).

Context

Our crucial and timely support removes barriers and is helping to build a strong, connected, inclusive community of collaboration and brilliance.

The Team and Board have been working strategically to address unsustainable levels of demand we experienced in 2020 and 2021, particularly from music creators. While running as many existing and new programmes and deadlines was the right thing to do at the peak of the pandemic – with a high number of music creators requiring funding and applying for multiple programmes, and a need to offer flexible and frequent opportunities – it was not sustainable for the team.

Huge demand meant we received over 5,900 applications in 2021. The percentage of applicants receiving support dropped to an average of 8.2% and for some music creator schemes, success rate dipped below 5% for

Context (continued)

the first time. As a result, the creator community started to feedback that applying to many different funding bodies and opportunities during the crisis was impacting their resilience.

We addressed this in 2022 by streamlining programmes, including drastically reducing the number of deadlines held. We held only 32 deadlines compared to 41 in 2021 (a 22% decrease), including 6 deadlines for Organisations schemes, 24 for music creators (vs. 32 in 2021) and 2 for Industry Professionals.

We received a total of 3,817 applications (vs. 5,939 in 2021), which means an average of 119 applications per deadline, though demand remains particularly high per creator scheme compared to organisations schemes.

During the year, we supported 402 new music projects, investing approximately £3.29m in grants pledged to 271 music creators (songwriters, composers, artists and bands), 107 organisations (e.g. festivals, venues, studios, orchestras and other talent development-focussed organisations), and 24 industry professionals whose work impacts music creator development.

Once again, we prioritised direct support for music creators where demand is highest and the needs are most complex. The ongoing impacts of the pandemic combined with Brexit and energy/cost-of-living and touring-related challenges have greatly impacted music creator development, and the Foundation has played an important role in supporting the creative community and ecosystem to overcome these challenges.

While the overall percentage of applicants supported increased year-on-year (to 10.5%), for music creator-focussed programmes we were only able to support 8% of applicants (and in some popular open calls this figure fell below 6%).

This remains a very precarious time for music creators and for the non-profit organisations we fund to support creator development, with world events shining a light on inequities in music. This makes the Foundation's work even more vital and despite a challenging year which began with news of a potential reduction in the core donation from PRS, the Board and Team were pleased to end 2022 with news of a new multi-year funding agreement which will increase year-on-year funding which can be allocated to PRS Foundation from 2024.

THE IMPACT OF OUR WORK

For over 22 years, PRS Foundation investment has enabled songwriters and composers to develop and grow in ways which would not otherwise have been possible.

Our funding complements a changed investment landscape and reflects changing needs. Some music creators are likely to face bigger challenges than others and there is significant inequality between people of different socio-economic, ethnic and gender backgrounds.

Impact for music creators – direct investment in songwriters and composers

Our long-term approach enables music creators of all backgrounds to realise their potential, compose exceptional new music, and reach audiences across the world. Through financial support and more, we are breaking down barriers to empower outstanding and diverse talent, and we have proven that timely investment in the right creators is genuinely working.

PRS Foundation's successful model is perhaps best demonstrated through the hundreds of nominations received by grantees each year for major industry awards, with grantees being recognised with commercial and critical acclaim. 9 out of 12 Mercury Prize 2022 nominees have been supported through PRS Foundation's programmes at different career tipping points. And more than half of the Mercury nominees in the last 4 years have been supported, including 4 out of 5 winners. And we have funded BRITS, Grammy, Ivor Novello and Ivors Composer Award, AIM, MOBO, Jazz FM and RPS Award winners and nominees.

Other common outcomes for grantees include publishing and record deals, income generation, audience growth, developing teams, and securing media attention and critical acclaim.

Impact for music creators (continued)

Selecting the right creators at the most opportune and pivotal point(s) in their development is something PRS Foundation is uniquely placed to do. No other funder can boast our rate of success in empowering music creators to develop and thrive.

We know that timely investment makes a huge difference to:

- Career development – our grants help to transform careers
- Creative development and collaboration with other songwriters, composers, producers and creators
- Securing follow-on investment and levered funds
- Strengthen industry networks and to generate new opportunities (including helping creators to build communities and scenes)
- And project funding facilitates skills development and capacity-building for music creators and their representatives such as managers, labels and publishers.

Our investment is designed to reach songwriters and composers at different career stages in order to support the talent pipeline from the grassroots up.

Many are able to move up the pipeline of career-level support and we are streamlining programmes to ensure that this is clearer and easier for applicants to understand so that they can access the right support at the right time. This reflects a longer-term strategic commitment to building sustainable careers.

Addressing barriers facing music creators

Our crucial and timely support will remove barriers and build a strong, connected, diverse and inclusive community of collaboration and brilliance, enabling the creation of the most exciting and successful music in the world.

But music creators faced complex barriers in 2022 with the ongoing impacts of the pandemic, new issues relating to the cost-of-living and the cost of touring, Brexit-related barriers, and mental health impacts cannot be underestimated. It is therefore easy to see how vital PRS Foundation's funding support has been for music creator grantees and for organisations supporting these complex needs. And PRS Foundation truly understands the needs of songwriters and composers, consulting regularly with applicants, grantees and expert advisors to ensure that our programmes and projects adapt to tackle new challenges.

Meeting changing music creator needs in 2022 included:

- Sustaining creativity through project funding, including supporting songwriting, composition, commissions, recording and releases
- Supporting a return to UK touring, helping artists to meet growing travel and accommodation costs and helping to mitigate issues around increased cancellations and the impact of shrinking disposable income to see emerging live music
- Further adapting our export programmes so that more artists and creators overcome post-Covid and post-Brexit barriers and take advantage of new models, including supporting the return of in-person international showcasing
- Increasing the average grant pledged in line with increased financial need and strategically prioritising the streamlining of our programmes.

Impact for organisations we fund

PRS Foundation's funding support reaches thousands of emerging and early career music creators via its project and programme funding for Organisations.

Our pioneering support for venues, festivals, promoters, orchestras, commissioning experts and other talent development organisations focusses on ensuring songwriters and composers can access meaningful development and vital 'lifeline' support, which ranges from commissions to creative development support, performance opportunities, career development, and access to free advice and guidance for music creators.

Impact for organisations we fund (continued)

- Grants for Organisations enable PRS Foundation and partners to reach venues, promoters, festivals, orchestras and talent development organisations – in turn ensuring that investment reaches thousands of music creators in all genres UK-wide
- It helps to build ecosystems which enable songwriters and composers to thrive
- 90% of organisations say the PRS Foundation grants have helped to improve their approach to creative development
- Investment opens access to creators who will otherwise be out of reach
- And support helps organisation grantees to secure additional funding – an average of £62,000 has been levered by organisation grantees
- The pioneering Talent Development Partner network consists of 48 organisations working at the frontline of talent development across the UK, supporting a broad range of music creators working in all genres. The TDP network fosters shared learning, better signposting, and ensures transformational support is on offer. PRS Members whose first taste of talent development support came via TDPs include Anna Meredith, Lewis Capaldi, Little Simz, Nubya Garcia and Sam Fender
- And organisations we fund implement best inclusivity practice, with the majority signing up to the Keychange Pledge, working closely on POWER UP and ensuring that funding reaches a broad range of emerging and talented creators
- Organisation grantees develop talented PRS members and future members, significantly boosting the UK's cultural and economic success.

^ PRS Foundation was particularly pleased to see several organisations we have supported being invited to the Arts Council England National Portfolio for the first time (including Audio Active, Chineke! Foundation, Baby People and The Warren), as well as other Talent Development Partner organisations receiving uplifts in core funding. This demonstrates the importance of our support early in an organisation's development.

Investing in music creator development across the UK

We are committed to supporting talent development from the grassroots up and across the length and breadth of the UK. 2022 stats were very positive for music creator grantees and show that through funding for organisations we were able to support a greater proportion of venues, festivals, promoters, studios and talent development agencies in the regions and nations. Statistics for 2022 grantees showed that:

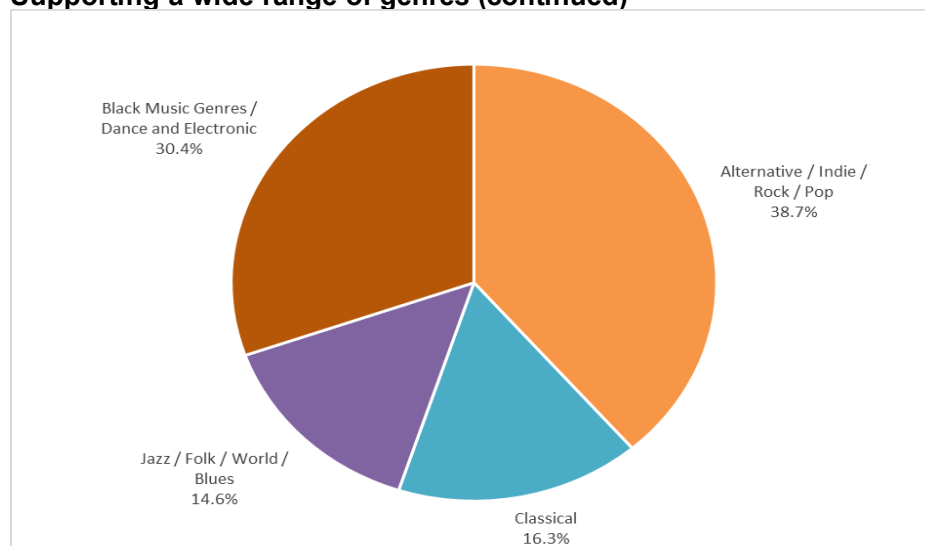
- **62%** of music creator and industry professional grantees were based outside London (vs. 60% in 2021), with 11% based in Scotland (vs. 9.3% in 2021), 10% based in Wales (vs. 8.8% in 2021) and 8% based in Northern Ireland (vs. 5% in 2021)
- **70% of organisations we funded were based outside London** – a significant increase year-on-year (vs. 67% in 2021)
- **23%** of organisation grantees were based **in Scotland** (vs. 11% in 2021), **9% in Wales** (vs. 10% in 2021) and **7% in Northern Ireland** (vs. 5% in 2021)
- And 90% of London based organisations reaching creators and audiences nationally or internationally (vs. 88% in 2021).

In 2022, we built upon our PPL Momentum Accelerator programme which already supported grantees in Yorkshire and Liverpool City Region, and has now been rolled out pan-Wales. We hope to secure increased investment to be able to meet demand from creators in Greater Manchester and the North East of England.

Supporting a wide range of genres

We supported a broad range of genres and sub-genres, maintaining a similar split in genre groupings to last year, and reintroducing Organisations schemes specialising in supporting contemporary classical composers.

Supporting a wide range of genres (continued)



DIVERSITY AND INCLUSION

Of all our approaches to tackling barriers facing members, PRS Foundation is perhaps best known for its pioneering approach to empowering exceptional and diverse music creators.

We believe that the success of the music we fund is driven by the diversity of the people who create it. We recognise the range of structural and social barriers that obstruct talent development, and we take responsibility to embrace inclusivity. We reach a broad range of creators directly while also funding organisations – including diverse-led organisations – who reach thousands of songwriters and composers from all backgrounds every year.

We expect similarly noteworthy findings in 2022 which we can report early next year once all grants have been pledged.

2022 Developments

- We expanded global gender equity and justice initiative, Keychange which reached the milestone of 600 Keychange Pledge Signatory organisations in September, and is expanding beyond Europe and Canada with the launch of Keychange U.S.
- We have been tackling economic inequality by rolling out socio-economic monitoring for more programmes which is showing that we are supporting those most in need of financial support, as well as organisations whose support for those most needing access and financial support is crucial
- The proportion of applicants with disabilities (visible and invisible) and long-term health conditions which impact their lives and music careers is increasing, and we continue to tackle barriers for disabled and neurodiverse creators
- And efforts to better monitor the diversity of boards and senior teams involved in Organisations we fund and their projects mean that we are supporting more diverse-led organisations and talent development programmes.

Gender

- 63% of music creator and industry professional grantees supported were women (47.6%), mixed gender groups (8.7%) or gender expansive (6.7%)
- 37% were men

We continue to meet gender representation targets across our programmes. The proportion of underrepresented gender creators vs. men is in line with 2021 figures and compares to a 53:47 split in 2020. The proportion of gender expansive (e.g. non-binary, gender queer, agender and Trans) grantees has increased year-on-year, which we believe is partly down to the good gender identity practice in place through our Keychange initiative

Gender (continued)

and our inclusive approach to reaching and supporting music creators from all backgrounds. As the disproportionate impact of the pandemic and the cost-of-living crisis becomes more apparent, this work is more vital than ever.

Sexual orientation

- 29.2% of music creator and industry professional grantees identified as LGBTQIA+ (vs. 27.3% in 2021)

Disability and Access

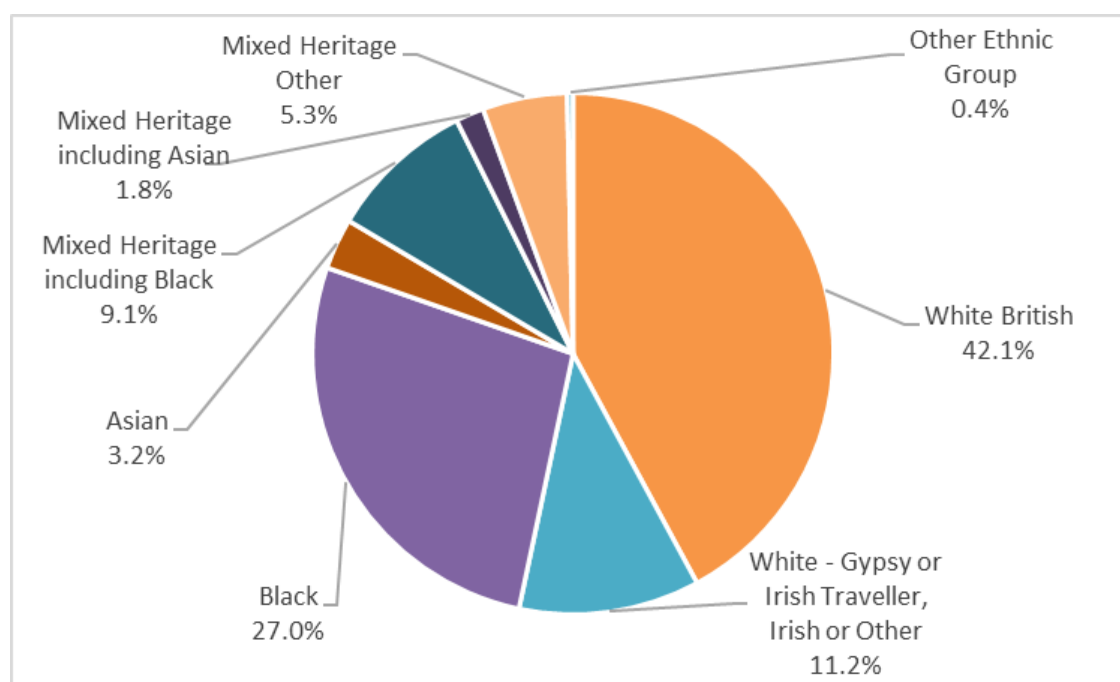
- 18% of music creator and industry professional grantees identifying as disabled or having a long-term health condition which affects their day-to-day life (vs. 15% in 2021 and 10% in 2020)

Ethnicity

The proportion of ethnic minority music creator grantees remains consistently high and grew year on year.

57.9% of grants have been awarded to those with Black, Asian or other ethnically diverse heritage, and in 2022:

- 53.3% of Music Creator grantees identified as White (vs. 53.7% in 2021)
42.1% were White British (vs. 46% in 2021); 11.2% were White – Other (vs. 7.2% in 2021)
- 36.1% of Music Creator grantees identified as Black (27%) or have mixed heritage including Black (9.1%)
(vs. 26.1% Black and 10.6% mixed heritage including Black in 2021)
- 5% of Music Creator grantees identified as Asian (3.2%) or have mixed heritage including Asian (1.8%)
(vs. 2.8% Asian and 2.1% mixed heritage including Asian in 2021)
- 5.3% of Music Creator grantees identified as 'Mixed Heritage – Other' (vs. 2.8% in 2021)
- 0.4% identified as belonging to an 'Other Ethnic Group' (vs. 1.8% in 2021)



The chart above shows how we break down ethnicity groupings and it should be noted that the proportion of White grantees has not shifted significantly, with more work to be done to support the British Asian community, which is more significant than the 5% of creator grantees who are Asian or have Mixed Heritage including Asian, although efforts in 2022 are helping to address underrepresentation.

Ethnicity (continued)

The continued success of POWER UP has had a positive impact on the proportion of Black creators and professionals we supported.

Power Up Successes So Far

Currently in its second cohort year, Power Up has attracted almost 1,000 Black music creator and professional applicants who have requested over £10m in support. With partnerships forged across the industry to tackle anti-Black racism, the participant programme has been powering up 80 individuals and key successes so far include:

- PRS Foundation received the inaugural IMPALA 'Changemaker Award' for the initiative
- Participants have been recognised with multiple award wins and nominations, including for the Mercury Prize, AIM Awards, Jazz FM Awards, Heavy Music Awards, MOBOs, and Music Week and MW Women in Music Awards
- Significant music creator career development includes UK and international tours for several participants, label and publishing deals, agency deals, chart success, high profile media and DSP coverage, and the completion and release of dozens of singles, EPs and albums – Power Up artists are dominating playlists and festivals across the world
- Industry professionals have been launching businesses, securing Board positions and gaining promotions into senior positions.

SIGNIFICANT OUTCOMES

PRS Foundation's grantees continued to receive many Award wins and nominations in 2022, building on critical acclaim which recognise the high quality of PRS Foundation-funded output.

2022 Nominations and Awards

- **Mercury Prize** – 9 of the 12 grantees nominated: Fergus McCreadie (International Showcase Fund), Gwenno (Women Make Music), Joy Crookes (International Showcase Fund), Kojey Radical (BBC Music Introducing and PRS Foundation showcase), Nova Twins (POWER UP, PPL Momentum Music Fund, International Showcase Fund), Sam Fender (PPL Momentum Music Fund, International Showcase Fund), Self Esteem (Open Fund for Music Creators), Yard Act (PPL Momentum Music Fund, International Showcase Fund) and **the winner Little Simz** (PPL Momentum Music Fund, PPL Momentum Music Fund, BBC Music Introducing and PRS Foundation showcase). 4 out of the last 5 winners have been #FundedByPRSF
- **Grammy Awards** – 6 nominations: Diana Ross "Thank You" album has been nominated for Best Traditional Pop Vocal Album and features the song 'I Still Believe' which was co-written by **Violet Skies** (Keychange, Hitmaker, International Showcase Fund) at a SheWrites writing camp for Diana Ross (SheWrites received Open Fund support for early iterations) and **Ayak** (Hitmaker) co-wrote "Come Together" from the album. International Showcase Fund supported Idles have been nominated for Best Rock Performance and Best Rock Album. And the album "Between Us (Live)" by **Anoushka Shankar** (Open Fund for Organisations), Metropole Orkest & Jules Buckley, and **Manu Delagu** (PPL Momentum Music Fund) has been nominated for Best Global Music Album
- **BRIT awards** – 22 nominations and **4 winners**, **Dave** (International Showcase Fund), **Little Simz** (International Showcase Fund, PPL Momentum Music Fund, BBC Music Introducing and PRS Foundation showcase), **Wolf Alice** (International Showcase Fund) and **Sam Fender** (PPL Momentum Music Fund, International Showcase Fund)
- **Ivors Composer Awards** – **26 nominations 6 winners: Judith Weir** (Resonate, Women Make Music), **Joanna Marsh** (The Composers' Fund), **Cheryl Frances-Hoad** (Women Make Music, The Open Fund for Music Creators, The Composers' Fund), **Laurence Crane** (New Music Biennial) and **Thomas Ades** (Resonate); and nominations for: **Laurence Osborn** (The Composers' Fund, International Showcase Fund), **Oliver Leith** (The Open Fund for Music Creators, The Composers' Fund), **Ken Hesketh** (Composer in the House, The Composers' Fund), **Kristina Arakelyan** (Open Fund for Organisations), **Emily Peasgood** (Open Fund for Organisations), **John Barber** (Open Fund for Music Creators), **Joe Cutler** (New Music 20x12, Beyond Borders, The Composers' Fund), **Laura Bowler** (Women Make Music, The Composers' Fund), **Brian Irvine** (New Music Biennial 2017, Beyond Borders),

2022 Nominations and Awards: (continued)

- Edmund Finnis** (New Music Biennial 2019), **Julian Anderson** (The Composers' Fund and Open Fund for Organisations), **James Weeks** (The Composers' Fund), **Hannah Kendall** (Women Make Music, Open Fund for Music Creators), **Una Lee** (Oram Awards), **Kathy Hinde** (Women Make Music, Oram Awards), **Ed Carter** (Open Fund), **Edward Jessen** (Open Fund), **John Casken** (Composers Fund), **Freya Waley-Cohen** (Classical:NEXT Fellowship)
- **Ivor Novello Awards** - 9 nominations and **4 winners** including, **Sam Fender** (PPL Momentum Music Fund), **Little Simz**, (International Showcase Fund, PPL Momentum Music Fund), **Dave** (International Showcase Fund) and **Laura Mvula** (Women Make Music)
 - **AIM Awards** – 25 nominations and **5 winners: Best independent album: Cleo Sol – (MOBO Tour 2012), Best independent track: Nova Twins** (POWER UP/ PPL Momentum/ International Showcase Fund), Best [difficult] second album: **Nilüfer Yanya** (PPL Momentum/ International Showcase Fund/ PRS Foundation & BBC Music Introducing Showcase), Best independent EP/mixtape - **TAAHLIAH** (POWER UP), Innovator award: **Rina Sawayama** (PPL Momentum Music Fund)
 - **Ivor Novello Awards** – 8 nominations: **Tom Misch** (PPL Momentum Music Fund), **AJ Tracey** (International Showcase Fund), **Arlo Parks** (BBC Music Introducing and PRS Foundation showcase), **Anoushka Shankar** (The Open Fund for Organisations) and Matthew Herbert and **2 winners Dave** (International Showcase Fund) and **Blanck Mass** (International Showcase Fund)
 - **Jazz FM Awards** - 13 nominations and **7 winners: Georgia Cécile** (Women Make Music), **Chelsea Carmichael** (BBC Music Introducing & PRS Foundation showcase), **Fergus McCreadie** (International Showcase Fund), **Georgia Cécile** (Women Make Music), **Norma Winstone** (International Showcase Fund), **Emma Jean-Thackray** (Lynsey de Paul Prize, Women Make Music, BBC Music Introducing & PRS Foundation showcase, PPL Momentum Fund, Musician in Residence Brazil), **Blue Lab Beats** (International Showcase Fund, PPL Momentum Fund)
 - **MOBO Awards 2021** – **31 nominations at this year's MOBO Awards** for 20 grantees: **Little Simz** (International Showcase Fund, PPL Momentum Music Fund, BBC Music Introducing and PRS Foundation showcase), **Dave** (International Showcase Fund), **Knucks** (PPL Momentum Music Fund), **Ms Banks** (International Showcase Fund, PPL Momentum Music Fund), **Tiana Major9** (PRS Foundation MOBO UnSung), **Kojey Radical** (International Showcase Fund), **Bru-C** (Open Fund for Music Creators), **Shakka** (International Showcase Fund), **D Double E** (International Showcase Fund), **Frisco** (International Showcase Fund), **Novelist** (PPL Momentum Music Fund), **K-Trap** (PPL Momentum Music Fund) **Big Joanie** (BBC Music Introducing and PRS Foundation showcase, PPL Momentum Music Fund), **Nova Twins** (PPL Momentum Music Fund, POWER UP, International Showcase Fund), **Blue Lab Beats** (International Showcase Fund, PPL Momentum Music Fund), **DoomCannon** (POWER UP), **Ego Ella May** (International Showcase Fund, PPL Momentum Music Fund, POWER UP), **Ezra Collective** (International Showcase Fund, PPL Momentum Music Fund, BBC Music Introducing and PRS Foundation showcase), **Jas Kayser** (International Showcase Fund) and **KOKOROKO** (International Showcase Fund, Women Make Music, PPL Momentum Music Fund).

Other Grantee Awards and Nominations

- We funded all 3 'Nations album of the year prize' winners this year: **Robocobra Quartet** (Flash Funding, Open Fund for Music Creators, International Showcase Fund, and PPL Momentum Music Fund) **won this year's Northern Ireland Music Prize**, **Adwaith** (PPL Momentum Music Fund) **won the Welsh Music Prize** and the Scottish Album of the Year Award was won by **Fergus McCreadie** (International Showcase Fund). The Robocobra Quartet and Adwaith albums were **both directly funded by PRS Foundation**.
- **Nova Twins** received the Best New Artist Award at the **Music Week Women in Music Awards**. Other wins at the ceremony included, PPL Momentum Music Fund supported songwriter Jessica Agombar won Music Creative and Talent Development Partner organisation, Come Play With Me, won the Company Award for Diversity in the Workplace, and Trustee Yolanda Brown won Music Champion
- **Love Ssega** (PPL Momentum and Musician in Residence China) won the Arts Foundation, "Futures Award 2022 for Music Change"
- At the **Youth Music Awards**, supported winners included The Original Track Award (Solo) – Amy DaSilva 'Think Twice' (supported by SoCo Music Project which is also funded through PRS Foundation's Open Fund for Organisations, The Original Track Award (Group) – Ava in the Dark 'Manic' (supported by Music:Leeds' Launchpad programme which is also funded through PRS Foundation's Talent

Other Grantee Awards and Nominations (continued)

Development Partner network); Rising Star Award – English Teacher (supported through the PPL Momentum Accelerator programme in partnership with PPL, Spotify and Music:Leeds' Launchpad programme which is also funded through PRS Foundation's Talent Development Partner network); The Outstanding Project Award – Girl Grind UK's SHE DON DIT IT project (founded and managed by artist Namywa who received International Showcase Fund and Sustaining Creativity Fund support); and Music Producer Award – Jessie Marcella (supported by Music:Leeds' Launchpad programme which is also funded through PRS Foundation's Talent Development Partner network).

Other Tangible Outcomes

Common tangible outcomes for PRS members who receive our support include creation of new works, signing publishing and record deals, securing future commissions, recording and releasing hundreds of albums, EPs and singles each year, live bookings which allow for increased performance of members' work, significant income generation, audience growth, developing teams around music creators, attracting sync attention, and securing media coverage and DSP support.

A number of recently supported grantees have signed deals this year as a result of our support, including Bru-C (Open Fund for Music Creators) signing a record deal with Def Jam, Abel Selaocoe (Open Fund and POWER UP) signing to Warner Classics, and Sans Soucis (Women Make Music and PPL Momentum Fund) signing to Decca, and English Teacher (PPL Momentum Accelerator) signing to Nice Swan Recordings. In classical music, composers are sustaining and developing their careers, creating high quality, critically acclaimed work through our support for orchestral performances, recordings, commissions and composer development programmes. Successes include:

- **Heloise Werner** (Open Fund for Music Creators) supported debut album "Phrases" received critical acclaim including a 5***** review in BBC Music Magazine
- **Abel Selaocoe** (POWER UP) had a feature interview in The Guardian discussing his debut album, while also being booked for Later with Jools Holland
- **Nwando Ebizie** (Women Make Music and Composers' Fund) album "The Swan" received an excellent review in the Quietus.

Chart and sales success for our grantees and continued positive reviews and recognition of releases in the media underline how our support is nurturing the creation of exceptional new music. Chart and sales highlights in 2022 include:

- **Yard Act** (International Showcase Fund, PPL Momentum Music Fund) debut album "The Overload" is now officially the fastest-selling debut album on vinyl of any band this century and reached Number 1 on the Physical Albums Chart, the Official Vinyl Albums Chart and Official Record Store Chart.

The profile of many of our grantees has transcended strictly music outlets into mainstream culture:

- **90 music creators at this year's Glastonbury Festival** have received PRS Foundation support for their careers and at this year's **BBC Proms more than 40 composers, music creators and orchestras** had had PRS Foundation's support.

Economic value

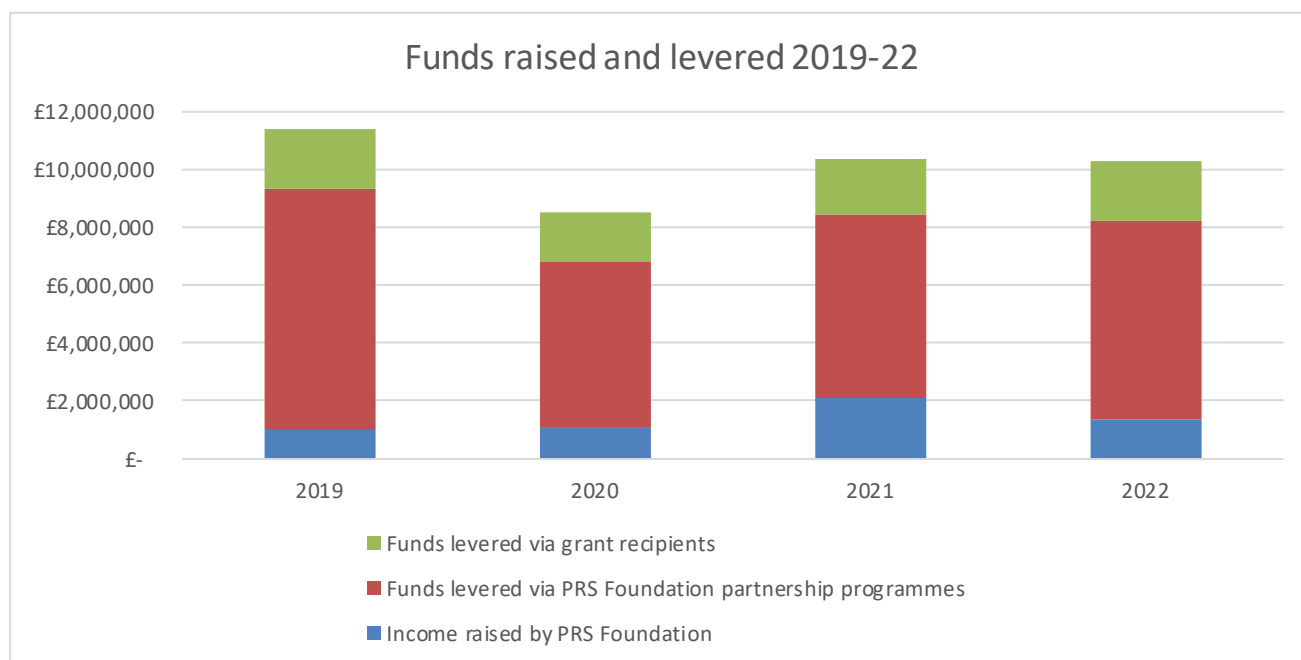
We continue to monitor economic impact of PRS Foundation support and although the pandemic and resulting economic downturn has an impact on most grantees' ability to produce such strong results in the short-term, grantees are maintaining some common tangible outcomes, including:

- creation of new works
- securing publishing deals and deals with record labels
- classical composers securing future Commissions
- recording and release of hundreds of albums, EPs and singles each year
- significant media attention and DSP support

Economic value (continued)

- securing future live bookings
- growing teams, which includes management, booking agents, lawyers and others to help sustain long-term careers
- attracting Sync attention.

Thanks to the quality of the music creators and organisations supported, every £1 invested by PRS generated an additional £4.13 (2021: £3.59) for the sector: £1,396,133 from fundraising undertaken by the Foundation (2021: £1,656,916), £6,834,256 (2021: £6,318,356) in match funding, cash and in-kind, levered through our leadership of partnership programmes and £2,100,000 (2020: £1,680,000) through funds grantees have been able to secure thanks to our seed-investment.

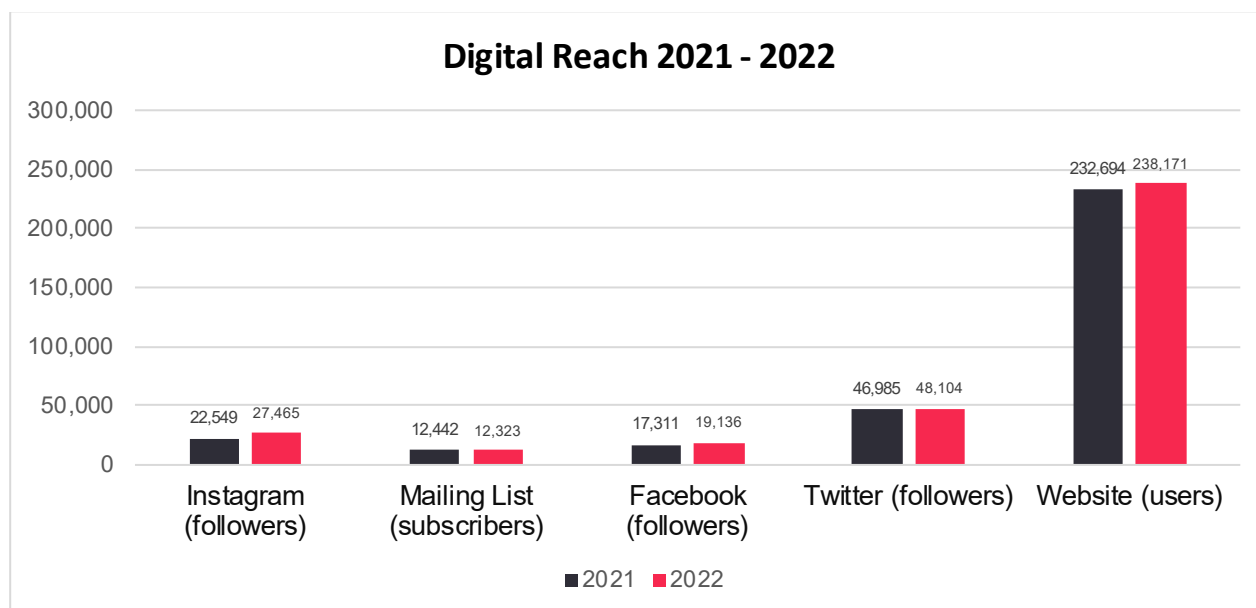


PR and Profile

Our reach and Advertising Value Equivalency (AVE) in 2022 reached £16,879,310.79 across almost 3,000 pieces of coverage, continuing to generate high levels of PR and underlining PRS' commitment to the development of PRS members and others in the ecosystem.

PRS Foundation's flagship initiatives demonstrate that talented music creators, regardless of background, ethnicity or gender are recognised, valued and supported to succeed. For example, our Keychange initiative generated over 900 pieces of coverage with an AVE of over £13m.

PR and Profile (continued)



Our reach across social media platforms continues to grow, providing powerful ways for us to promote the achievements of current and future PRS members and the impact investment is having on the industry.

PUBLIC BENEFIT

We have referred to the Charity Commission's general guidance on public benefit (including the guidance 'public benefit: running a charity PB2'), when reviewing our aims and objectives and in setting our grant making policy for the year. Public benefit is implicit in the criteria we use to assess grants which focus on the extent to which the projects we support will benefit a broad range of music creators, result in high quality music and be enjoyed by a large and diverse audience.

The Foundation accepts funding applications from all kinds of music creators. Details of the Foundation's activities are easily available on www.prsfoundation.com, including grant-making policies, priorities for each funding programme and application forms.

Our emphasis on transparency and our staff's ability to give expert advice to potential applicants, is a crucial part of the grant-making process. We also work in partnership with other organisations to extend our reach and impact, particularly in relation to any music genres and UK regions which are under-represented in our funding portfolio.

Please see "Looking Ahead" (page 15) for details of our targets for 2023.

MONITORING, EVALUATION AND LEARNING

Our bespoke Flexi-Grant funding platform allows us to monitor current grants projects and we were able to implement more consistent Evaluations Reporting systems so that we are gathering the same information for all schemes to measure the impact of funding from an economic, cultural and social impacts perspective.

The team discusses results with trustees and we are able to see that the vast majority of grantees meet intended outcomes and achieve additional unexpected positive outcomes.

We also produce long-term impact evaluation reports – often releasing one report publicly per year - engaging the services of external evaluation experts to assess and publicly report on the long-term impacts of our investment in talent.

MONITORING, EVALUATION AND LEARNING (continued)

We initially planned to commission and launch a long-term impact report for pioneering programme Women Make Music in 2022 but this work was delayed until 2023 for strategic reasons, with a series of long-term impact reports scheduled for Keychange (February 2023), Women Make Music (March 2023) and our '10 Years of PPL Momentum Music Fund' (May 2023).

We share learning and outcomes through our website, social media and regular mailings as well as via panel discussions at relevant industry conferences in the UK and overseas.

PRS FOUNDATION'S RESPONSE TO CRISES FACING MUSIC CREATORS

The Covid-19 pandemic continued to present songwriters and composers with complex challenges in 2022. Although the 'return to live' meant that many of the creators supported by PRS Foundation were able to return to more regular performances, the economic and health impact of the pandemic means that for many creators who would identify as 'emerging artists', the live sector is yet to fully recover. The longer-term impact on consumers mean that it has been tough to adapt while ensuring that creators can monetise their music and sustain their careers.

These issues have been exacerbated by Russia's war on Ukraine and the resulting cost-of-living crisis. Music creators have been impacted in complex ways, with the cost-of-living crises reducing the level of disposable income available to music consumers (which in turn impacts creator income), and the resulting increased costs of touring (e.g. petrol costs, hotel costs, increased expenses) making it much harder for artists and creators to perform and tour across the UK. The wider live sector ecosystem has certainly been impacted and it is hard to see how promoters, venues and festivals can increase ticket prices at the emerging artist level, meaning most stakeholders are suffering financially.

PRS Foundation's support for creation and performance of new music has therefore been more vital in 2022, and we are ensuring that the average grant pledged is increased, while also increasing the maximum grant available through some of our programmes. We would like to see an increase in demand for tour funding and expect this to be the case in 2023.

Pre-pandemic, roughly 1/3 of our grants were pledged for international activity, including through the International Showcase Fund. A combination of Brexit-related restrictions, the Covid-19 pandemic and the cost-of-living crisis makes artist and creator mobility more challenging and we are pleased that through ISF, Keychange and our partnership with BBC Music Introducing, we were able to support more music creators to showcase their work internationally in 2022. The Foundation also plays a key role in the European Music Exporters Exchange network, the European Talent Exchange Programme (now known as ESNS Exchange) and joined the On The Move network to ensure that UK creators can benefit from new export opportunities despite obvious challenges.

PRS SUPPORT AND COLLABORATION

PRS has invested a significant amount of financial and other support since setting up PRS Foundation in 2000 - with £42.4m invested to support new music and the development of current and future members.

The main donation from PRS also enables the Foundation to raise match funding from various sources, including public funders, collection societies around the world, and commercial sponsors. For the last few years, we have secured between £1m-£2m of additional support per year to match the PRS donation. This helps us to reach thousands more creators and pioneering organisations who support talent development.

The donations from PRS are funded through income generated separately from the royalties paid out to members. This income was in decline over recent years, not least because of historically low interest rates. As such, a difficult decision was made by the PRS Members' Council in December 2021 to reduce donations from 2024 to reflect the funds available for this income at the time.

PRS SUPPORT AND COLLABORATION (continued)

This would have had a significant impact on the Foundation's programmes but would have allowed the Foundation to sustain many programmes and subsidise operational costs. The news was announced at PRS's AGM in May 2022.

We thank the PRS team and Council members for engaging in productive, sector-wide conversations throughout the year. These conversations highlighted the importance of the Foundation's proactive, inclusive and collaborative approach to supporting music creator development.

PRS Foundation is a constantly evolving, dynamic charity - working closely with PRS to support creators and to shape the future of new music.

The Board and Team were pleased to end 2022 with new of a new multi-year funding agreement with PRS. A PRS Members' Council review of future funding options, alongside an increase in interest rates during 2022 allowed for a new funding model to be agreed upon, which will see funding determined annually, with the maximum funding which can be made available growing year-on-year from 2024, while also putting in place new measures to ensure its future financial security.

COLLABORATION WITH THE INDUSTRY AND SECTOR IMPACT

We continued to build stronger connections within the commercial sector, with key developments including:

- Power Up: We renewed partnerships with YouTube Music, the BMC, Spotify, Believe and 11 Trade Associations; confirmed more partnerships with the independent sector; and Beggars Group doubled their donation to PRS Foundation
- Through Keychange we have built stronger links with pledge signatories, reaching the milestone of 600 company signatories. New sponsors included Amazon Music
- Big and small companies continue to consult with our team in relation to gender equity and active anti-racism, and we have been involved in DCMS and Creative UK-led Bullying, Harassment and Discrimination working groups which will result in a new Independent Standards Authority
- Colleagues still sit on the UK Music Skills and Communications committees, CEO Joe Frankland is part of the LIVE group and meets regularly with 'sister' trade bodies, Arts Councils, and other arts Trusts and Foundations
- Internationally our collaborative work includes European Music Export Exchange membership and we are part of the DEMEC consortium to boost European music export. We also partner on ESNS Exchange and the On The Move network, and work closely with other export funders and agencies

Impact for the wider sector:

- The annual donation from PRS generates over £10m per year for the UK music sector, including funds raised by PRS Foundation from other sources, income generated, and funds levered by grantees as a result of our investment
- PRS Foundation feeds the talent pipeline and intervenes when and where it is most important, benefiting individual creators, publishers, record labels, the live sector, managers, and others
- PRS Foundation only supports creators in need of funding, prioritising early career talent, DIY creators and those working with independent companies (which benefits companies, team members and in some cases larger labels and publishers who take over investment at a later stage)
- The wider music sector acknowledges PRS Foundation's contribution
- PRS Foundation shapes a fairer, stronger, more connected and more diverse sector.

LOOKING AHEAD

Priorities in 2023 include:

- proactively responding to the changing needs of music creators – with particular attention being paid to tackling new barriers to touring and performing new music
- celebrating the long-term impact of flagship programmes Women Make Music and the PPL Momentum Music Fund (March and May respectively)
- continuing to expand and build upon the successes of inclusivity programmes Keychange and Power Up, including securing more investment from the industry and future funding from Creative Europe
- maintaining our presence in vital European and international collaborative projects and networks
- streamlining and evolving our programmes for music creators – including a review of our 'Next Level' grants programmes and ringfencing funds for early career talent
- consulting with music creators and organisations regarding future adaptations to organisations' funding.

In 2020, we created a Strategic Plan for 2020-23, with Strategic Priorities including:

- to be the UK's most accessible and inclusive funder of new music
- to implement a vastly streamlined programme by 2023
- connect music creators showing potential to organisations we fund and industry partners to fast-track career progression
- address regional talent development pipeline gaps and reduce the proportion of music creator grantees in London to 35% within the next five years
- better address the international needs of creators beyond showcasing
- to increase total donations to over £5m per annum by 2024 which will better meet demand, with approximately 15% of applications being supported.

In the current climate, the final target seems ambitious, though it should be evaluated regularly.

In 2023, PRS Foundation's Chief Executive ("CEO") will work on a new Strategic Plan for 2024-2026 which will reflect on the post-crises needs of music creators and the ways in which we will streamline music creator-focussed programmes. It is important to remain the leading funder of new music and talent development and to take advantage of how well we perform when creating inclusive programmes that have long-term impact. New strategies will include the streamlining of funding for organisations (to revamp our Talent Development Partner network), increasing the scope of our International Showcase Fund, and consolidation of interventions to better tackle regional infrastructure issues – inspired by our PPL Momentum Accelerator programme.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Structure

PRS Foundation was established as a charity and company limited by guarantee in 2000. The organisation is governed by the Board of Trustees which comprises individuals who are both trustees of the charity and non-executive directors of the company. The Members of the PRS Foundation are its directors together with the Performing Right Society Limited.

The Foundation's partnerships with other public funders, charities and private sector companies are central to the way we work. These partnerships enable us to share or pool resources, grow our impact and initiate pioneering programmes which support sector development.

Governance

The Foundation monitors the terms of office of all trustees and carries out skills audits on a regular basis. Trustees serve for three-year terms and are eligible to be re-elected for a maximum of three terms. As of July 2015, the Members amended the Articles so that if a trustee is retiring after a period of continuous service exceeding nine years, the trustees may allow the retiring trustee to be re-elected for a maximum continuous period of 12 months, in order to help with induction and mentoring of successor trustee.

Governance (continued)

At the end of the reappointed period the retiring trustee shall not be eligible for re-election.

In 2020 the Foundation made amendments to the Memorandum of Association, updating the wording better to reflect the charitable objectives.

The Foundation has provision for not more than 15 trustees of whom up to seven trustees (or no more than half of the total number of trustees if fewer than fifteen) shall be nominated by the board of the Performing Right Society Limited. Other trustees shall be independent individuals with relevant experience relating to the role of the Foundation. Michelle Escoffery is a PRS-nominated trustee.

Chair of the board, Nitin Sawhney began his tenure in 2020. A nominations sub-committee chaired by Nitin Sawhney was formed to identify and recruit four replacement trustees, one of whom, YolanDa Brown, joined the board in July 2022.

The board's Finance and Personnel Committee review the organisational structure on at least an annual basis. Benchmarking of pay is carried out by management and reviewed with the Committee. The Chair of the Committee submits the Committee's recommendations for board approval in the same board meeting that the annual budget is approved.

Grant-Making Process

Final decisions regarding grant-making resourced by unrestricted funds are made by the trustees, following recommendations and advice from the management team which is informed by the Advisory Council. The Foundation pays advisors a fee for specific services, which are set out in a letter or email confirming these services when required. As part of the grant-making process, link trustees take an active part in the Foundation's grant-making procedures. At board meetings, the link trustee is asked by the Chair to present an overview of the Advisory Panel's discussions to the board, highlighting strategic priorities addressed by the grant recommendations and confirming that due process was followed.

Trustees are required to ratify (rather than approve) grants made through partnership-funded schemes such as the PPL Momentum Music Fund, International Showcase Fund and Beyond Borders. These funding decisions are recommended by specialist programme advisors and/ or funding partners.

Management

Day-to-day management is the responsibility of an administrative team of nine full time and five part time staff (including consultants), led by Chief Executive, Joe Frankland who has authority, within terms of delegation approved by the directors, for all operational matters.

RISK MANAGEMENT

The trustees identify potential risks by carrying out regular detailed reviews of the activities and an annual risk assessment which is approved by the board via the Finance and Personnel Committee meetings and as part of the business planning process.

The following specific measures are in place to mitigate potential risks:

- a wide and appropriate level of professional skills and experience within the board of trustees
- the employment of professionally qualified staff and the engagement of professional services for legal, financial and human resource requirements
- the employment of an increasingly broad range of independent advisors who help to assess the Foundation's applications
- collaboration with relevant PRS departments to support our finance and personnel policies
- good internal communications and controls.

FINANCIAL REVIEW

Income

Total income for the year 2022 was £4,007,624 compared with £4,184,850 in 2021.

The Foundation is extremely grateful for the generosity and support from all of the funders listed in this report. This includes the membership and Board of PRS which has shown their continued commitment to the Foundation's charitable activities and the importance of our work to songwriters, composers, performance groups, bands, festivals, promoters and other organisations making new music across the UK. We also acknowledge the generous support of our other major donor, PPL, support from Creative Europe and Arts Councils across the UK. Where the Foundation sets ambitious external fundraising targets and performs well - raising between £1.5m-£2m per year to match our core donation from PRS - the management team and Trustees acknowledge that in the current climate it has been difficult to meet targets for some programmes. This is partially due to the competitive nature of public funding and a trend of music tech companies - including DSPs who make up a significant proportion of external investment – having to reduce budgets across the board. We will continue to diversify income sources and welcome collaboration with alternative larger music companies.

Expenditure

Total expenditure in the year was £4,191,056 compared with £4,056,224 in 2021, in line with increased income. Expenditure incurred to generate income is minimal (2.1% of funds raised) as the fundraising function is integrated with the Chief Executive's responsibility to work strategically with a broad range of funding partners who share our objectives. PRS Foundation does not engage external professional fundraisers or commercial participators to carry out fundraising activity and does not engage in face-to-face or telephone fundraising.

As part of its preparation for the General Data Protection Regulation that came into force in May 2018, PRS Foundation has reviewed and updated its Privacy Notices. These notices, published on our website, clearly states what personal data the Foundation holds in relation to supporters and how this data will be used. It sets out how individuals can raise concerns or complaints. The Foundation has received no complaints about its fundraising activities either during the financial year or subsequently.

RESERVES

The total year end funds are £1,038,075 compared with £1,221,507 in 2021. This amount is split between £141,248 of unrestricted funds and £896,827 of restricted funds. The net movement in funds for 2022 is a deficit of £183,432 (2021: surplus of £128,626), which is due to the timing of income recognition and grants expenditure between years.

The Foundation also has confirmed funding partnerships that will secure funding for future periods. The trustees intend that our free reserves, i.e. the unrestricted reserves of the Foundation, excluding those designated or tied up in fixed assets, will cover the operating costs of the charity for the first quarter of the following year. The trustees believe that the Foundation should aim to award the majority of its funds to grantees and not to build up large reserves. The free reserves at 31 December 2022 stand at £141,248. For these purposes, the charity's operating costs cover salaries and support costs, but not grant payments and are estimated at approximately £110,028 for the first quarter of 2023. The reason for holding reserves is as a buffer in case of adverse events and/ or loss of income.

TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of The Performing Right Society Foundation for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- comply with applicable accounting standards, including FRS 102, subject to any material departures disclosed and explained in the financial statements
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is appropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

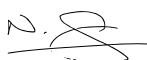
- there is no relevant audit information of which the charitable company's auditor is unaware
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

The auditors, Moore Kingston Smith LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the Board



Nitin Sawhney (Chair)
Trustee

Date:

1 August 2023

Opinion

We have audited the financial statements of The Performing Right Society Foundation ('the company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Summary Income and Expenditure account, the Balance Sheet, the Cash Flow Statement and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including 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 trustees' 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 charitable 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 trustees 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 trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information.

Other information (continued)

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matter 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 trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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 material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 18, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 trustees 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 trustees are responsible for assessing the charitable 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 trustees either intend to liquidate the charitable 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Auditor's responsibilities for the audit of the financial statements

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance, particularly in relation to the adoption of the accounting policies considered to be most relevant to the charitable company's financial reporting.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP.

.....
James Saunders, FCCA DChA (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

9 Appold Street
London
EC2A 2AP

Date: 2 August 2023

Name and status:	The Performing Right Society Foundation ("PRS Foundation") is a company limited by guarantee, being governed by its memorandum and articles of association and has no share capital.
Company number:	03901665
Charity number:	1080837
Principal and registered office:	Tea Auction House Counter Street London SE1 2HD
Trustees:	Yolanda Brown - Appointed on 5 July 2022 Chris Butler Lorna Clarke Michelle Escoffery Christine Geissmar Richard King Caroline Norbury Mark Poole Nitin Sawhney (Chair) Susannah Simons
Principal staff:	Joe Frankland, Chief Executive Fiona Harvey, Senior Manager, Operations Becci Scotcher, Senior Grants and Programmes Manager Liam McMahon, Senior Communications Manager Yaw Owusu, Senior Power Up Programme Manager
Secretary:	Fiona Harvey
Auditors:	Moore Kingston Smith LLP 9 Appold Street London EC2A 2AP
Bankers:	Santander UK plc Bridle Road Bootle L30 4GB

Statement of Financial Activities
(Incorporating the Summary Income and Expenditure
account) For the year ended 31st December 2022



	Note	Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
		£	£	£	£
INCOME:					
Income and endowments from:					
Donations and legacies	3	2,611,491	1,181,788	3,793,279	3,863,850
Corporate sponsorship		-	214,345	214,345	321,000
Total income		<u>2,611,491</u>	<u>1,396,133</u>	<u>4,007,624</u>	<u>4,184,850</u>
EXPENDITURE:					
Raising funds	5	(15,344)	(69,685)	(85,029)	(71,703)
Charitable activities	6	(963,491)	(3,142,536)	(4,106,027)	(3,984,521)
Total expenditure		<u>(978,835)</u>	<u>(3,212,221)</u>	<u>(4,191,056)</u>	<u>(4,056,224)</u>
Net income / (expenditure)		1,632,656	(1,816,088)	(183,432)	128,626
Transfers between funds	16	<u>(1,610,280)</u>	<u>1,610,280</u>	-	-
Net movement in funds		22,376	(205,808)	(183,432)	128,626
Reconciliation of funds					
Total Funds Brought Forward		<u>118,872</u>	<u>1,102,635</u>	<u>1,221,507</u>	<u>1,092,881</u>
Total Funds Carried Forward		<u>141,248</u>	<u>896,827</u>	<u>1,038,075</u>	<u>1,221,507</u>

The notes on pages 27 to 40 form an integral part of these accounts.

Balance Sheet
As at 31st December 2022



	Notes	2022	2022	2021	2021
		£	£	£	£
Fixed Assets					
Tangible fixed assets	12	-	-	794	-
Current Assets					
Debtors	13	480,189		927,163	
Cash at bank and in hand		<u>3,893,963</u>		<u>3,427,258</u>	
		4,374,152		4,354,421	
Creditors: Amounts falling due within one year	14	(3,336,077)		(3,133,708)	
Net Current Assets			<u>1,038,075</u>		<u>1,220,713</u>
Total Net Assets			<u><u>1,038,075</u></u>		<u><u>1,221,507</u></u>
The funds of the charity	16				
Unrestricted funds			141,248		118,872
Restricted funds			896,827		1,102,635
Total charity funds			<u><u>1,038,075</u></u>		<u><u>1,221,507</u></u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The notes on pages 27 to 40 form an integral part of these accounts.

Approved by the Board of Trustees, authorised for distribution, on 1 August 2023
and signed on their behalf by:

.....
Nitin Sawhney, Trustee, Chair

Company Registration Number: 03901665

Statement of Cash Flows
For the year ended 31st December 2022



		2022	2021
	Note	£	£
Net cash used in operating activities	17	466,705	(394,452)
Cash flows from investing activities:			
Dividends, interest and rent from investments		-	-
Purchase of tangible fixed assets		-	-
Net cash provided by investing activities		-	-
Change in cash and cash equivalents in the reporting period		466,705	(394,452)
Cash and cash equivalents at the beginning of the reporting period		3,427,258	3,821,710
Cash and cash equivalents at the end of the reporting period		<u>3,893,963</u>	<u>3,427,258</u>

1 Accounting Policies

Statement of compliance

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The Charities SORP (FRS102)).

Basis of Preparation of the Financial Statements

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound. The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted, which have been consistently applied to all the years presented, are set out below.

Going Concern

The financial statements are prepared on a going concern basis which assumes that the charitable company will continue in operational existence for a period of at least twelve months from the date of approval of these financial statements.

We have been scenario planning for most programmes and trustees have reviewed reforecast budgets for 2023 which include assessments of the probability of reaching fundraising targets, using percentage indicators, particularly in the context of the impact of the pandemic and the cost-of-living crisis on the charitable company's priorities.

Trustees are assured that unrestricted income is confirmed from PRS in 2023 (£2,500,000) and 2024 (over £2,500,000) and that expenditure on programmes is not begun until funds have been confirmed.

Senior management is in constant communication with funders and funding partners with regard to future funding which has helped our scenario planning. The Foundation is very experienced at adapting to changing needs and trustees accept that expenditure on programmes needs to be adjusted where necessary. The trustees will work with management to look for new fundraising opportunities.

The trustees believe that the charitable company is well placed to manage its business risks and has considerable financial resources including cash balances. It is therefore appropriate to prepare these accounts on the going concern basis.

Income

(i) *Income- donations and grants*

Donations and grants are recognised where there is entitlement, probability of receipt and the amount can be measured reliably. Such income is only deferred when:

- the donor specifies that the grant or donation must only be used in future accounting periods; or
- the donor has imposed conditions which must be met before the charity has unconditional entitlement.

(ii) *Donated services and facilities*

Where services are provided to the Foundation as a donation that would normally be purchased from suppliers, this contribution is included in the financial statements as an estimate based on the value of the contribution to the Foundation. Donated services and facilities are discussed in Note 19.

(iii) *Investment income*

Investment income is recognised on a receivable basis.

1 Accounting Policies (continued)

Expenditure

Expenditure, which is charged in the Statement of Financial Activities on an accrual basis, has been classified under headings that aggregate all costs related to the type of activity. Where costs cannot be directly attributed to a particular activity (i.e. support costs) they have been allocated to them on a basis consistent with use of the resources. Support costs have been allocated on the basis of staff time spent on the various activities as this is felt to be a measure of the relative proportion of resources consumed.

Grant obligations are recognised on an accruals basis once the grant offer has been communicated to the recipient.

Tangible Fixed Assets

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

Depreciation is provided on all tangible fixed assets, acquired at a cost of more than £1,000, 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:

Computer equipment 3 years

The useful economic lives and residual values of all tangible assets are re-assessed annually. Impairment reviews are also carried out annually.

Value Added Tax

The charity is registered for value added tax.

Pensions

Contributions to personal pension schemes are charged to the Statement of Financial Activities as they become payable in accordance with the individual schemes.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

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

1 Accounting Policies (continued)

Recognition basis

Basic financial assets are initially measured at transaction price and subsequently carried at amortised cost. Basic financial liabilities are initially recognised at transaction price and subsequently measured at amortised cost.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received, where this is material to the accounts.

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.

2 Judgements and key sources of estimation uncertainty

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount 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.

In the opinion of the trustees there are no sources of estimation uncertainty as at the reporting date that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities in the next reporting period.

3 Voluntary income

	Unrestricted £	Restricted £	2022 £
Donations 2022			
Performing Right Society Limited	2,500,000	-	2,500,000
Public funding	-	395,789	395,789
Trusts and Foundations	-	105,427	105,427
Other	111,491	680,572	792,063
	<u>2,611,491</u>	<u>1,181,788</u>	<u>3,793,279</u>

'Public funding' comprises donations from Arts Council Wales, Department for International Trade, Arts Council England, Arts Council Northern Ireland, Creative Wales (Welsh Government), Creative Scotland, Wales Arts International, Liverpool City Council, and Arts Council Ireland.

'Other' includes donations from PPL, Beggars Group, British Underground, and Musicians' Union.

3 Voluntary income (continued)

	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>2021</i> £
Donations 2021			
<i>Performing Right Society Limited</i>	2,525,986	-	2,525,986
<i>Public funding</i>	-	482,069	482,069
<i>Trusts and Foundations</i>	-	30,825	30,825
<i>Other</i>	1,948	823,022	824,970
	<u>2,527,934</u>	<u>1,335,916</u>	<u>3,863,850</u>

'Public funding' comprises donations from Arts Council Wales, Arts Council Northern Ireland, British Council, Creative Scotland, Liverpool City Council, and Department for International Trade.

'Other' includes donations from PPL, Crowdfunder, British Underground, Beggars Group, Musicians' Union, FACTOR Canada, Believe Direct Limited and STEF (Iceland).

4 Government grants

During the year income of £60,000 (2021: £26,500) was received from Department for International Trade, relating to the International Showcase Fund, and £45,000 (2021: £30,000) from Creative Wales (Welsh Government) relating to PPL Momentum Music Fund.

No unfulfilled conditions or contingencies attached to the grant have been recognised as income.

5 Cost of generating funds

	<i>2022</i> £	<i>2021</i> £
Staff costs	60,246	58,399
Direct costs	20,553	11,738
Support costs (see note 8)	3,076	543
Consultancy costs	1,154	1,023
	<u>85,029</u>	<u>71,703</u>

6 Charitable activities costs

	Direct activities £	Grants (See note 7) £	Support costs (See note 8) £	Total 2022 £
Project / activity 2022				
Talent Development	292,196	2,045,054	19,573	2,356,823
Open Funds	131,474	676,365	15,675	823,514
International	310,587	260,859	10,666	582,112
UK Collaboration	62,479	200,850	2,945	266,274
Other Partnerships	39,339	35,000	2,965	77,304
	<u>836,075</u>	<u>3,218,128</u>	<u>51,824</u>	<u>4,106,027</u>

Within the above, 'direct activities' is comprised of expenditure on grants awarded and the direct costs of supporting charitable activities. This includes an allocation of staff costs on the basis of staff time spent on the various activities as this is felt to be a measure of the relative proportion of resources consumed.

Support costs, which cannot be directly attributed to a particular activity, have been allocated on the same basis.

Included within the above are grants to 187 institutions (2021: 222 institutions), which include bands, orchestras, festivals and promoters totalling £1,824,655 (2021: £1,931,484).

Included within the above are grants to 226 individuals (2021: 235 individuals) totalling £1,466,759 (2021: £1,243,523).

Also included within the above are deductions for 57 grant reclaims (2021: 17) totalling £73,286 (2021: £33,040).

Further details about these programmes can be found at www.prsfoundation.com

	Direct activities £	Grants (See note 7) £	Support costs (See note 8) £	Total 2021 £
Project / activity 2021				
Talent Development	330,984	1,897,707	23,829	2,252,520
Open Funds	119,363	782,653	17,258	919,274
International	262,026	278,017	13,199	553,242
UK Collaboration	24,016	168,590	2,475	195,081
Other Partnerships	46,215	15,000	3,189	64,404
	<u>782,604</u>	<u>3,141,967</u>	<u>59,950</u>	<u>3,984,521</u>

7 Grants awarded

	2022 £	2021 £
Commitments brought forward	2,897,954	2,417,501
Grants pledged in year	3,291,414	3,175,007
Grant commitments reclaimed	(73,286)	(33,040)
Grantee debtors	161,145	160,727
Grant payments made	(3,340,790)	(2,822,241)
	<u>2,936,437</u>	<u>2,897,954</u>
Commitments carried forward (note 14)		

8 Support costs

	2022 £	2021 £
Fundraising and activities to generate funds	3,076	543
Charitable activities	<u>51,824</u>	<u>59,950</u>
	<u>54,900</u>	<u>60,493</u>

Support costs, included in the above, are detailed below

Accommodation	-	30,804
Governance costs	21,302	12,313
Staff training	6,501	5,185
Staff costs	4,321	4,259
Consultancy	1,154	1,023
Travel and subsistence	3,026	535
Keychange Trademark	6,552	-
Legal services	5,121	-
Personnel services	695	173
Other office running costs	<u>6,228</u>	<u>6,201</u>
	<u>54,900</u>	<u>60,493</u>

9 Net movement in funds

	2022 £	2021 £
Net resources are stated after charging:		
Depreciation- owned assets	794	905
Auditors' remuneration- current year	11,700	9,600
Auditors' remuneration- prior year additional	2,950	-

10 Trustees' remuneration and benefits

The trustees did not receive any remuneration as statutory directors of the company.

During the year no trustees were reimbursed expenses for travel and subsistence.

The following expenses were incurred during the year: £134 (2021: £147) on trustee/ staff entertaining and £0 (2021: £100) on leaving/ thank you gifts for trustees.

11 Staff costs

	2022	2021
	£	£
Salaries	369,763	365,399
Social security costs	33,074	31,497
Pension costs	19,156	19,613
	<u>421,993</u>	<u>416,509</u>

Included in the above costs are £56,162 of salaries (2021: £64,618) and £4,368 of social security costs (2021: £4,091) that are funded by restricted income.

The average number of monthly employees during the year was as follows:

	2022	2021
Fundraising and activities to generate funds	0.7	0.7
Charitable activities	9.9	9.3
Governance	0.1	0.1
Total	<u>10.7</u>	<u>10.1</u>

One employee received emoluments, excluding pension contributions, of between £70,000-£80,000 (2021: one employee between £60,000-£70,000).

Employer pension contributions for this employee totalled £4,220 (2021: £4,097).

In addition to remuneration, including pension contributions, for three key management personnel of £192,320 (2021: £185,700), there are two additional members of key management personnel who were paid £21,719 (2021: £20,460) and £31,263 (2021: £35,393) on a consultancy basis.

12 Tangible fixed assets

	Computer equipment £
Cost	
At 1st January 2022	2,717
Additions	-
Disposals	-
At 31st December 2022	<u>2,717</u>
Depreciation	
At 1st January 2022	1,923
Charge for year	794
Eliminated on disposal	-
At 31st December 2022	<u>2,717</u>
Net book value	
At 31st December 2022	<u>-</u>
At 31st December 2021	<u>794</u>

13 Debtors

	2022 £	2021 £
Prepayments and accrued income	176,320	670,533
Trade debtors	203,784	145,659
VAT repayment	8	-
Other debtors	-	244
Grantee debtors	161,145	160,727
Bad debt provision	<u>(61,068)</u>	<u>(50,000)</u>
	<u>480,189</u>	<u>927,163</u>

14 Creditors: Amounts falling due within one year

	2022 £	2021 £
Taxation and Social Security	10,867	6,077
VAT payable	-	11,454
Grants payable	2,936,437	2,897,954
Trade creditors	-	23,146
Other creditors	980	2,769
Accruals	39,410	91,399
Deferred income	348,383	100,909
	<u>3,336,077</u>	<u>3,133,708</u>
Deferred income		
At 1st January 2021	100,909	
Income deferred	348,383	
Income released to Statement	(100,909)	
At 31st December 2021	<u>348,383</u>	

15 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Fixed assets	-	-	-
Current assets	1,974,188	2,399,964	4,374,152
Current liabilities	(1,832,940)	(1,503,137)	(3,336,077)
	<u>141,248</u>	<u>896,827</u>	<u>1,038,075</u>
	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Fixed assets	794	-	794
Current assets	2,070,337	2,284,084	4,354,421
Current liabilities	(1,952,259)	(1,181,449)	(3,133,708)
	<u>118,872</u>	<u>1,102,635</u>	<u>1,221,507</u>

16 Movement in funds

	At 1 January 2022 £	Incoming resources £	Resources expended £	Transfers £	At 31 December 2022 £
Unrestricted funds 2022					
General	118,872	2,611,491	(978,835)	(1,610,280)	141,248
Restricted funds 2022					
(a) Anthropy	-	2,000	(3,472)	1,472	-
(b) BBC Introducing	97,980	-	(34,566)	35,789	99,203
(c) Beyond Borders	32,252	52,888	(103,688)	25,488	6,940
(d) The Composers' Fund	160,436	0	(138,479)	85,579	107,536
(e) The Hitmaker Fund	30,383	0	(159,576)	119,911	(9,282)
(f) International Showcase Fund	210,533	258,683	(301,465)	131,608	299,359
(g) Keychange	81,832	65,870	(154,990)	51,065	43,777
(h) Keychange USA	-	50,975	(101,504)	6,465	(44,064)
(i) NFTS Scholarships	5,000	-	(21,477)	16,477	-
(j) New Music Biennial	(46,490)	78,400	(169,135)	124,192	(13,033)
(k) POWER UP	(27,892)	207,120	(471,064)	236,181	(55,655)
(l) PPL Momentum Accelerator	(12,772)	66,446	(51,965)	18,410	20,119
(m) PPL Momentum Music Fund	495,532	513,751	(673,907)	81,911	417,287
(n) Rebalance	12,808	-	(3,311)	2,311	11,808
(o) Resonate	50,802	-	(53,700)	3,700	802
(p) Sustaining Creativity Fund	1,910	-	-	-	1,910
(r) Talent Development Partners	10,321	100,000	(769,922)	669,721	10,120
Total restricted funds	1,102,635	1,396,133	(3,212,221)	1,610,280	896,827

	At 1 January 2021 £	Incoming resources £	Resources expended £	Transfers £	At 31 December 2021 £
Unrestricted funds 2021					
General	105,261	2,527,934	(1,036,504)	(1,477,819)	118,872
Restricted funds 2021					
BBC Introducing	81,653	-	(18,412)	34,739	97,980
Beyond Borders	44,252	(12,000)	(5,266)	5,266	32,252
The Composers' Fund	126,911	20,000	(81,766)	95,291	160,436
The Hitmaker Fund	8,795	50,000	(150,633)	122,221	30,383
International Showcase Fund	221,554	217,750	(358,423)	129,652	210,533
Keychange	73,537	127,375	(197,883)	78,803	81,832
NFTS Scholarships	-	-	(1,354)	6,354	5,000
New Music Biennial	-	92,000	(196,508)	58,018	(46,490)
POWER UP	3,010	372,396	(497,895)	94,597	(27,892)
PPL Momentum Accelerator	-	29,000	(53,409)	11,637	(12,772)
PPL Momentum Music Fund	362,388	589,500	(560,391)	104,035	495,532
Rebalance	12,808	-	(3,015)	3,015	12,808
Resonate	50,802	-	(8,048)	8,048	50,802
Steve Reid InNOVation Award	-	-	(1,044)	1,044	-
Sustaining Creativity Fund	1,910	-	-	-	1,910
Talent Development Partners	-	170,895	(885,673)	725,099	10,321
Total restricted funds	987,620	1,656,916	(3,019,720)	1,477,819	1,102,635

16 Movement in funds (continued)

(a) Anthropy

Anthropy is a new annual conference empowering leaders to shape the future of Britain through panels and networking featuring thought leaders from the worlds of business, sports and culture. PRS Foundation worked alongside Creative UK and other partners in the culture sector to programme relevant panel events, and to showcase a previous PRS Foundation grantee.

(b) BBC Introducing and PRS Foundation partnership

A partnership between PRS Foundation and BBC Introducing since 2014, which brings emerging talent to showcases worldwide. Selected through the Introducing Uploader network and curated and presented by BBC DJs, artists are supported international events including Eurosonic, Winter Jazzfest, SXSW, Reeperbahn Festival and Montreal Jazz Festival.

(c) Beyond Borders

As a flagship programme, Beyond Borders stimulates and strengthens cross-border collaborations between music creators, performers and presenters. It supports the creation, touring and promotion of innovative and high-quality new music across all genres and encourages engagement with audiences across England, Scotland, Wales, Northern Ireland, and since 2014, the Republic of Ireland through multiple performances and digital activities. Support is given to up to 8-10 projects per year with funding of up to £15,000 available for projects that include new commissions, recordings and repeat performances of music written in the past five years. It is managed and funded by PRS Foundation with funds also from Creative Scotland, Arts Council of Wales, Arts Council of Northern Ireland and Arts Council Ireland/An Chomhairle Ealaíon.

(d) The Composers' Fund

The Composers' Fund is an opportunity for composers with a strong track record to gain direct access to funding at pivotal stages in their career. Grants of up to £8,000 - £15,000 are available to no more than 15 composers per year who are already making a significant cultural contribution in the UK and have the potential for greater impact in the UK and overseas. Previous projects have included recordings, the promotion and performance of existing works, international co-commissions and development, performer collaboration, residencies, sabbaticals or childcare costs and project or promotional support. It is managed and funded by PRS Foundation.

(e) The Hitmaker Fund

The Hitmaker Fund offers an opportunity for songwriters and producers working in popular music genres to further develop their careers and writing/production with grants of between £5,000 - £10,000. Launched in 2017 as a response to the long-term career needs of those working behind the scenes, The Hitmaker Fund (formerly The Writer Producer Fund) was initiated by PRS Foundation with the Ivors Academy Trust. The rebranded Hitmaker Fund is now managed and funded by PRS Foundation.

(f) International Showcase Fund

The International Showcase Fund (ISF) offers vital export support for UK-based artists, bands, songwriters and producers who have been invited to perform or create new music at international showcasing festivals or conferences. It is managed and funded by the Foundation with funds also from partners: Department for International Trade (DIT), British Underground, Arts Council England, PPL, Creative Scotland, Wales Arts International and Arts Council of Wales, Arts Council of Northern Ireland and Invest NI and the Musicians' Union. Grants and support from fund partners enable artists to perform at key showcasing events and conferences around the world such as Eurosonic (Europe), SXSW (North America), Reeperbahn Festival (Europe), Zandari Festival (Asia), Womex (Europe), Americana Fest (North America), JazzAhead (Europe) and Mutek (North America).

16 Movement in funds (continued)

(g) Keychange

Keychange is a pioneering international initiative which transforms the future of music whilst encouraging festivals and music organisations to include 50% women and underrepresented genders in programming, staffing and beyond. 74 emerging artists and innovators each year from across Europe and Canada will take part in international festivals, showcase events, collaborations and a programme of creative labs. Initiated by PRS Foundation and European partners, Keychange is led by Reeperbahn Festival, PRS Foundation and Musikcentrum Ost, supported by the Creative Europe programme of the European Union, in partnership with Tallinn Music Week, Iceland Airwaves, BIME, Oslo World, Linecheck/Music Innovation Hub, Ireland Music Week, SACEM, Liverpool Sound City, Way Out West, Spring Break, MAMA, Mutek and Breakout West.

(h) Keychange USA

Keychange Core Partners, including PRS Foundation, have been involved in securing a founding sponsor donation of \$250,000 from Believe and TuneCore and strategically steering the expansion of the global Keychange initiative into the United States. For an initial period, PRS Foundation – on behalf of core partners- are administering that donation and making payments while overseeing a small Keychange U.S. team of employees and consultants using Employer of Record, Multiplier. Keychange U.S. has recently been incorporated as a standalone 501(c)(3) non-profit organization in the U.S., with its own Board of Directors (including PRS Foundation CEO, Joe Frankland). And once Keychange U.S. is ready to accept future donations and take over the financial management of a bespoke Talent Development Program and wider advocacy work, PRS Foundation's role overseeing the administration will end. Future administrative and partnership support will be recognised through Keychange U.S. payments to PRS Foundation and Core Partners.

(i) National Film and Television School Scholarships (NFTS)

We support two scholarships per year for emerging composers at the National Film and Television School. During the course, students compose music for fiction, documentary and animation films, commercials and television productions. This variety allows students to experiment musically and discover their strengths and individual styles.

(j) New Music Biennial

New Music Biennial is a PRS Foundation and Southbank Centre initiative, presented in partnership with Coventry City of Culture 2022, Southbank Centre, BBC Radio 3 and NMC Recordings. It supports and provides a platform for talented organisations and music creators who are pushing the boundaries of new music in the UK. 2022 marked the tenth anniversary of the New Music Biennial. The project is funded and managed by the Foundation with funds also from Arts Council England, Arts Council Northern Ireland, and Paul Hamlyn Foundation.

(k) POWER UP

POWER UP is an ambitious, long term initiative which supports Black music creators and industry professionals and executives, as well as addressing anti-Black racism and racial disparities in the music sector. Co-founded by PRS Foundation and Ben Wynter and managed by the Foundation in partnership with YouTube Music, Beggars Group, and the Black Music Coalition, the initiative brings together several music industry partners and goes beyond solidarity, with new approaches which foster meaningful change. Other supporters include the Google Cultural Institute, including Google Arts & Culture, Creative Scotland, Arts Council Wales, Creative Wales and Paul Hamlyn Foundation.

16 Movement in funds (continued)

(l) PPL Momentum Accelerator

PPL Momentum Accelerator is a targeted scheme to support the development of outstanding artists and bands who are writing their own music, and future Industry Professionals, outside London and who face regional/national barriers in reaching a crucial career tipping point based on their location. Through the evaluation of our PPL Momentum Music Fund and evidence from thousands of applications PRS Foundation receives each year, we identified talent pipeline gaps across the UK. Partners provide support for a number of future industry professionals such as managers, promoters, record labels, music publishers, and booking agents, to bolster regional scenes across the UK. Launched as a pilot in Liverpool in 2019, PPL Momentum Accelerator runs in Liverpool City Region, Yorkshire and Wales. PPL Momentum Accelerator is managed by PRS Foundation in partnership with PPL, Music:Leeds, Liverpool City Region and Arts Council Wales.

(m) PPL Momentum Music Fund

The PPL Momentum Music Fund offers grants of £5,000 to £15,000 for UK based artists/bands to break through to the next level of their careers. Activities eligible for support include recording, touring and marketing. The PPL Momentum Music Fund is run by PRS Foundation in partnership with PPL, Creative Wales, Arts Council of Northern Ireland, Invest NI and Spotify. PRS Foundation and Arts Council England initiated The Momentum Music Fund in 2013.

(n) ReBalance

In partnership with Festival Republic, ReBalance is a pioneering programme which provides five days' studio recording time to a core female-identified band or artist each month, as well as a slot at a Festival Republic or Live Nation festival and numerous live events throughout the year. ReBalance is managed and funded by PRS Foundation also with funds from Festival Republic.

(o) Resonate

Resonate is a fund and resource which encourages professional orchestras to programme into their repertoire the best pieces of British music from the past 25 years. PRS Foundation offers financial support with grants of up to £10,000 to orchestras who commit to exploring contemporary UK repertoire as part of a season / tour and longer-term audience development programme. The Resonate database is currently updated on an annual basis, following an open submission process. Resonate is managed and funded by PRS Foundation in partnership with the Association of British Orchestras and in association with broadcast partner BBC Radio 3.

(p) Sustaining Creativity Fund

Thanks to the Spotify COVID-19 Music Relief Fund and generous donations from members of the public, PRS Foundation launched the Sustaining Creativity Fund to support artists, songwriters and composers to create and develop when they need it most. For those experiencing significant impact on their work, income and ability to complete planned musical activities, we wanted to enable creativity and to help grantees to be in a good position to fulfil creative and career potential, breaking down the huge barriers presented by the Covid-19 pandemic.

(r) Talent Development Partners

Talent Development Partners (TDP), which include venues, festivals, rehearsal spaces, studios and other talent development experts, receive a grant from the Foundation for their year-round activity. They also work closely with PRS Foundation to address talent pipeline gaps through joint work and signposting. During the Talent Development Conference in January 2021, the Foundation announced that PPL would be supporting the TDP network. This partnership provides match funding for the Foundation's donation from PRS for Music. The TDP Network is managed and funded by PRS Foundation also with funds from PPL.

17 Net cash outflow from operating activities

	2022 £	2021 £
Net income as per Statement of Financial Activities	(183,432)	128,626
Adjustments for:		
Investment income	-	-
Depreciation of tangible fixed assets	794	905
Amortisation of intangible fixed assets	-	-
Decrease / (increase) in debtors	446,974	(479,702)
Increase / (decrease) in creditors	202,369	(44,281)
Net cash used in operating activities	466,705	(394,452)

18 Related parties

During the year the charity received a donation of £2,500,000 (2021: £2,500,000) from a member, the Performing Right Society Limited, of which £2,500,000 was received by the end of December 2022 (2021: £2,500,000).

The Foundation has the use of PRS's premises and a range of associated services. This has been funded by PRS to the value of £58,999 (2021: £25,986).

During the year the charity made grants to the following institutions who share a common trustee or key management personnel with the Foundation:

	2022 £	2021 £
Britten Sinfonia	18,000	-
British Film Institute	8,000	-

During the year the charity made grants to individuals of £3,940 (2021: £0 to 0 individuals), who are represented by publishers who are trustees of the charity.

19 Legal status

The charity is a company limited by guarantee and has no share capital. The members of the company are the Performing Right Society Limited and the trustees. The liability of each member in the event of a winding up is £10.