

PRS Members' Fund

Trustees' report and financial statements

For the year ended 31 December 2022

PRS Members' Fund

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PRS Members' Fund

**Reference and administrative details of the Charity, its Trustees and advisers
For the year ended 31 December 2022**

Charity Registration Number
1181735

Address
1st Floor, Goldings House
2 Hay's Lane,
London SE1 2HB

Patrons
Don Black OBE
Geoffrey Brand
Wayne Hector
Jools Holland OBE
Dr Brian May CBE
Heather Small
Carroll Thompson
Rick Wakeman CBE
Errollyn Wallen CBE
Martyn Ware
Brian Willey

Trustees
Nicholas Graham (Chair)
Sarah Rodgers (Deputy Chair)
Kim Appleby
Mark Fishlock
Kim Frankiewicz
Peter Glenister
Peter Knight Jnr
Mick Leeson
Eddie Levy
Michael Lindup
Paulette Long OBE
Megg Nicol
Paul Patterson
Phillip Pope
Mervyn Winwood

General Secretary
John Logan

Administrator
Christine Keeley

Welfare and Development Officer
Athena Pite

PRS Members' Fund

**Reference and administrative details of the Charity, its Trustees and advisers
For the year ended 31 December 2022**

Digital Marketing Officer

Ilaria Piscopo

Administration Assistant

Sebastian Willis

Visitors

Jane Nelson

Angelina Otoo

Bankers

NatWest Bank plc

PO Box 2162

20 Dean Street

London

W1A 1SX

Auditor

UHY Kent LLP t/a UHY Hacker Young

Thames House

Roman square

Sittingbourne

Kent ME10 4BJ

Investment advisers

abrdn

Floor 2

280 Bishopsgate

London

EC2M 4AG

James Hambro & Partners LLP

45 Pall Mall

London

SW1Y 5JG

Legal advisers

Russell-Cooke LLP

Solicitors

2 Putney Hill

London SW15 6AB

Simkins LLP

Solicitors

Lynton House

7-12 Tavistock Square

London WC1H 9LT

PRS Members' Fund

Eighty Ninth Annual Report of the Trustees For the year ended 31 December 2022

A welcome from the Chairman, Nicky Graham

It's not easy working in the music industry. For most musicians, and for thousands of PRS members, being a musician can mean insecurity, anxiety and a slight return on a lifetime of effort. For young musicians, faced with an incredibly competitive recording industry, multiple broadcasting platforms, dwindling percentages and constant scrutiny across social media, I hugely admire their resilience in the face of what can seem like - and often be - overwhelming odds.

And when I reflect on this attitude and this dedication, it makes me even more proud to be Chair of such an important charity as PRS Members' Fund. Everyday we help people who can't afford to keep the heating on. Who are at risk of losing their livelihood because of Covid. Who are suffering from anxiety or depression or overwhelming levels of stress for personal and professional reasons. Everyday we strive to be more inclusive and represent the rich diversity of every single one of our members. Making sure that the help they need is effective and accessible to them.

We can all agree 2022 was another tough year (when wasn't it?). I'm pleased to see the Fund in good shape, but still with so much potential to do more. Our finances are healthy, but we need to accelerate our fundraising if we're to be sustainable in the long term, as we aim to help more members in an ever more holistic way. We're beginning to use information and data more to shape those services, and guide our partnerships and collaborations. And we're breaking new ground in reaching more members, showing them what we can do, and all importantly, showing them how they can help fellow musicians just like them by supporting the Fund.

There's another year of hard work ahead for the Fund, and our strongest asset is always our people. We have dedicated staff and volunteers working together to deliver our new organisational strategy that gives us a clear plan to achieve our mission. We will support more people. We improve our already outstanding services. We will continue to thrive.

I look forward to showing you what we can do in 2023!

Nicky

PRS Members' Fund

Eighty Ninth Annual Report of the Trustees (continued) For the year ended 31 December 2022

Report of the Trustees

The PRS Members' Fund Trustees are pleased to share their report and financial statements for the year ended 31st December 2022 to members of the Performing Right Society.

We have prepared the report and financial statements in accordance with the requirements of the Charity's constitution, 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 in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) (Charities SORP (FRS 102)).

Each year of this decade seems to bring new challenges that affect every one of us in so many ways. As we try to recover from a global pandemic - which is ongoing - we are dealing with the most acute cost of living crisis any of us have lived through. It's no wonder then, that the services of the PRS Members' Fund are more critical than ever to our membership. We need each member to know we are here to help with the financial, practical and emotional problems they face. And, as a charity, we want them to know that through donations, legacies and royalties, their support is vital in getting help to other members.

Throughout the last 12 months we've continued to offer help. Our Winter Heating Scheme has given a lifeline to many members who are struggling to cope with their bills throughout the colder months. Our mental health partnerships with music-specific health charities are helping individuals work through many of the issues that are almost unique to our industry. And, our embedding of diversity and inclusion throughout the Fund is helping to raise our own awareness of the struggles many of our black and ethnic minority members face.

We've also continued to reflect and learn about ourselves. We're working closer than ever with PRS, raising awareness of our work within PRS itself, the benefit to their members, and the crucial part they play in the continuance of the Fund. We've discussed how we can best work as an organisation, post-Covid, making sure we're always flexible, effective and efficient. And, we're determined that the information and data within the Fund can help us make smarter decisions when we design and deliver our services.

New challenges need a new strategy. We're immensely proud of what we've achieved over the course of the last five years, working towards alleviating and preventing hardship for all our members that need support. This year we've developed our new strategic plan that focuses on providing more relevant and personalised services to our members, based on an increased use of data and insight. We'll also work to increase our financial resilience, ramp up the support and signposting we offer across mental health, and plan to become a more effective and flexible organisation.

We're confident about the future of the Fund and feel able to face the next year and beyond with a positive outlook, a pragmatic plan and the firm belief we can always support those who need us.

PRS Members' Fund

Eighty Ninth Annual Report of the Trustees (continued) For the year ended 31 December 2022

What we do

The music industry is a tough place to make a secure living. Success can be fleeting, the demands on the individual are constant, with long periods of physical and mental stress. Very few songwriters, composers and musicians are able to feel secure within their career, and there are constant challenges to overcome, practically and emotionally.

In the modern music landscape, with its increasingly fragmented processes and potential for meaningful financial return, succeeding in the industry is getting harder. So many musicians are still trying to recover from the devastation of a two year pandemic that all but shut down live music, and now they find themselves reeling from the effects of a full-blown cost of living crisis where many are having to choose between heating or food. And with the effects of the war in Ukraine having a direct impact on our daily lives here in the UK, it's no wonder more individuals need support than ever before.

For over 80 years, we've provided help for people who are the beating heart of the music industry – songwriters and composers. We help any PRS member who has held PRS membership for at least seven years or has earned £500 in royalties, and through the decades have reached thousands of members through the toughest of times. When someone's in crisis and in need of immediate help with bills, housing, mental or physical health issues, we can be the difference they need.

We're not only there for PRS members, but their immediate families and former members when things get tough. Beyond immediate help in a crisis, we offer advice from experts in mental health, financial support, careers, counselling and coaching. When every part of life feels tough, it's vital we provide support in each area:

- Housing
- Financial support
- Crisis grants
- Career change advice
- Mental health and physical health support
- Winter heating bills
- Sheltered Accommodation
- Regular grants

Whether affected by illness, in need of physical or mental support, accident or age related, we can - and do - help.

How we helped in 2022 - our aims and highlights

We reached the end of 2022 with a brand new organisational strategy to take us forward confidently to the next chapter of the Fund's development. Building on the work we've completed over the last years, and incorporating changes to the Fund, PRS membership and society as a whole, we've developed a set of strategic objectives that can direct our work, and ensure we're effective in helping as many members as possible with the help they need.

PRS Members' Fund

Eighty Ninth Annual Report of the Trustees (continued) For the year ended 31 December 2022

Our vision

We've updated our vision to reflect the world we're operating in today, what the future will likely hold, and how we can make the most impact:

Our updated vision is:

Always by the side of members, enabling them to move forward because the Fund exists to alleviate hardship, and support PRS members.

This vision will be reached by focusing on our new strategic priorities. Some of the priorities from the previous strategy are still absolutely pertinent, and now have updated action plans underneath them. Some new priorities reflect the changing landscape we work in:

Our Strategic Priorities are:

1. Sustainable financial resilience and stability
2. Broader, deeper and more personalised service
3. Improved knowledge to make evidence-based decisions
4. Mental health support and signposting for all members
5. A responsive, agile and flexible organisation

We've also created a set of guiding principles, that make sure we're approaching our work in a way that gets the best out of the Fund:

Our Organising Principles are:

1. Be honest and authentic
2. Treat people as people, not cases or resource
3. Keep innovating

Finally, there is a defined set of Enablers; things without which we can't succeed:

Our enablers are:

- Financial stability
- Improved communication
- Increased resource
- Stronger data, evidence and insight

PRS Members' Fund

Eighty Ninth Annual Report of the Trustees (continued) For the year ended 31 December 2022

2022 Highlights

What we said we would do and what we achieved

In 2022, we released the results of our latest Member survey covering awards made in 2021. They clearly show the importance and relevance of the Fund for many members.

In 2021, the Fund supported:

- 1,112 members
- 870 of which were through the Emergency Relief Fund

Of those who received support;

- 72% felt more settled
- 61% felt more healthy
- 68% felt more confident
- 75% felt more creative

Improving lives

We continued to provide essential financial support to PRS members, ex-members and their families facing tough times, awarding grants totalling £437,755 to those in need. Examples of the additional help provided:

- Our weekly grants help pay for essentials like food and heating. In 2022 we gave 321 weekly grants totalling £138,068 to help people buy food, medication and other essentials.
- With the war in Ukraine and the cost of living crisis biting hard, fuel bills continue to rise. To help Members struggling to pay the bills through the cold weather in the face of one of the biggest energy cost hikes in memory, our Winter Heating Scheme received 170 applications and we were able to distribute £62,000 towards essential warmth and wellbeing during the initial weeks of the scheme. The scheme runs until 31st March 2023.
- When money is tight, unexpected and upfront costs can become unaffordable. Our grants help pay for repairs or replace worn out household appliances and furniture, and can cover advance rent/deposits and removal costs for members who need to move home because of illness or vulnerability. In 2022 we gave £21,794 to 30 people in need.
- When illness stops our members working or earning an income, our grants can make a huge difference. We awarded 30 grants to pay for disability aids, therapy, treatment costs, dental treatment and nursing home fees, to the total of £27,867.
- A Fund loan can help members with a variety of needs. In 2022, 27 members had loans outstanding with the Fund totalling £159,869.
- Through our Christmas Cash Grant for Grant Holders, we supplied a cash grant of £150 for all regular grant holders.

PRS Members' Fund

Eighty Ninth Annual Report of the Trustees (continued) For the year ended 31 December 2022

We developed and signed off on a new organisational strategy

We have signed off our new organisational strategy for 2022 - 2025. We worked collaboratively across the Fund to include views and insights from all sides, and use the knowledge of staff and trustees to give the plan strong foundations, set in deep experience.

We worked again with an external consultant, to facilitate the development of the strategy, using desk research, workshops, group work and depth interviews. To ensure we positioned the strategy correctly in relation to where we are as an organisation, we reflected on the progress made on the aims of the previous strategy:

1. Respond appropriately to the trend of the people we help needing our support for longer.
2. Fill gaps in knowledge and data about the people we help through our new Impact Measurement Framework, so we can better tailor our support for them.
2. Expand the services we provide in breadth and depth.
3. Address the mental health crisis among songwriters and composers.

This meant we could update the strategic priorities to incorporate the latest learnings across each of these priorities to understand if they're still relevant and pressing. For example, the expectation of more members needing support for longer hasn't materialised, but has informed the first strategic priority in the new strategy; Sustainable financial resilience and stability.

Ultimately, the strategy needs to be - and is - a strategy for growth, both in terms of service provision and consequently, income. There is more depth on the plans in the Future Plans section below, where we make clear that to provide the level of service our Members need, the Fund needs to be able to afford to expand services. We need an increasingly close working relationship with the PRS that leads to access to the entire membership. This is how we will raise awareness of not only the Fund's services but the fact the Fund is dependent on voluntary income to serve those Members who desperately need our services.

Diversity and Inclusion becoming a way of life

During 2022, we have progressed through our Pathway To Progress plan, embedding diversity and inclusion into the DNA of the Fund. We're still on a journey, and by working with experts with lived experience, we can move closer to diversity and inclusion becoming fully integrated into our culture, our planning and our behaviours. Here's a summary of what we've achieved.

Below are the main projects and initiatives we are working on:

1. The Fund is regularly engaging in discussions with the team and trustees to work towards increasing diversity and balance of age differentiation, disability, ethnicity and gender within our organisation.
2. We are aligning ourselves with the PRS Diversity & Inclusion Taskforce objectives and initiatives to explore how we can reduce inequality.
3. We are aligning with PRS policies, where possible, to ensure a diverse pool of candidates in every recruitment process.

PRS Members' Fund

Eighty Ninth Annual Report of the Trustees (continued) For the year ended 31 December 2022

4. We are enhancing our collective understanding of racism in the industry and what being anti-racist means with access to learning & development opportunities.
5. We have implemented the collection of data on ethnicity for applications to the Fund to ensure we are supporting members from any background.
6. We have improved our communications through our website, social media and email marketing to highlight the support available across diverse community groups.
7. We have signed up to the UK Music Ten-Point-Plan to help increase diversity and boost inclusion within the music industry.
8. We have partnered with PRS Foundation's Power Up programme to create real opportunities for talented Black music creators and industry professionals and will offer mental health and well-being support to PRS member participants including grants towards the cost of specialist treatments and therapies.

Our Welfare and Development Officer and Finance Chairman attended a forum to discuss the Black Lives in Music's report; Unpacking the UK Music Diversity 2020. The forum was a fantastic opportunity to understand how to use the findings of the report to advance diversity and inclusion within the workplace, and it clearly highlighted the fact that there was very little advocacy for the LGBTQ and Reggae Genre cohorts.

Black musicians are frequently under-represented in access to appropriate suitable mental health support. This year we financed a collaboration between mental health in music organisation Tonic Rider and charity Help Musicians UK to facilitate a peer support group for Black PRS members. We've been working closely with the two groups throughout the year, alongside talking to individual members, to make sure we're providing the support they need in the way that works for them. We're currently looking at how this group works alongside our other support services, and that we're able to offer the help that's needed for all PRS members.

In November, we worked with Roger Wilson, Director of Operations at Black Lives in Music to create an education and learning session on Allyship & Intersectionality, which was an excellent opportunity to reinforce and explore some of the key areas of diversity and inclusion we've been working to embed into the Fund's culture.

Celebrating International Reggae Day, 1 July

We were thrilled that Eugenie Matthias agreed to create a short film promoting the Fund and what we do for the PRS songwriter and composer community to tie in with International Reggae Day 2022. Eugenie is a fantastic ambassador for the Fund and is always keen to support us whenever she can.

Supporting our members through the cost of living crisis

It's essential our members know we can provide vital help in these extremely difficult times, when so many people are struggling to cover the basics because of the intensity of the cost of living crisis.

Throughout 2022 we were determined to support our members, continuing to increase our awareness campaigning and provide both money and information to help available.

PRS Members' Fund

Eighty Ninth Annual Report of the Trustees (continued) For the year ended 31 December 2022

We were delighted that PRS were on board with our Winter Crisis Scheme initiative and agreed to email members aged over 60. They also agreed to a banner promoting the Scheme being placed on all distribution statements.

The Winter Crisis Scheme is open to all vulnerable members, and we've promoted it via the Fund's social media. All applications will be carefully assessed and if illness is flagged in an application, it will be triaged to our normal application process and the appropriate level of support recommended.

Supporting musicians' mental health

For several years, working with Help Musicians UK, we've supported Music Minds Matter (MMM) a dedicated, free and confidential 24/7 mental health support line and service for the music industry where PRS members can access counselling, therapies and emotional support.

At present, 32% of people who use MMM are PRS members, so we realised there was the opportunity to work even closer for the benefit of our members. By delivering and promoting elements of MMM specifically to PRS members, we hope to become a key collaborator of the service, and able to make sure our members are getting exactly what they need.

We also prepared a joint protocol with music mental health and addiction charity Music Support that covered rehab applications. We know rehab can be a life-saving intervention and this document, based upon clinical governance within the NICE guidelines, will strengthen our understanding and ability to support members through addiction.

In October, we supported PRS members through Mental Health Week by producing a number of articles for the Fund's website and social media. We also produced an article around mental health that was published in the PRS newsletter and our website. We got great engagement on our social channels for all the articles, highlighting how relevant and urgent this issue is to so many of our members.

BAPAM Donation

We agreed to increase our annual donation to BAPAM this year to £10,000 (2021 £9,150) to mirror the expected increase in the numbers of PRS members engaging with BAPAM, especially in the age group of 36-45. Although this increase is not always consistent, we expect more members to need BAPAM services in the near future.

Ukraine Crisis Fund

The war in Ukraine has affected everyone across the globe, and we know there are PRS members suffering directly on the front line. Throughout 2022, we've been working with PRS to contact the 53 members in Ukraine to offer them general financial support and relocation costs. We've made a number of small grants, equating to a month's wage in Ukraine, and continued to try to contact all members we believe to be in Ukraine.

PRS Members' Fund

Eighty Ninth Annual Report of the Trustees (continued) For the year ended 31 December 2022

Regular Grants Review

To ensure the Fund is getting the right level of help to where it's needed the most, this year we reviewed our regular weekly grants, focusing on members receiving £10 and £20 regular weekly grants.

The team conducted a thorough review of processes, individual income and expenditure calculations and circumstances and where there was a case for review, these were referred to the Trustees for an increase in the weekly amount awarded.

We agreed to increase the amounts available for those under the minimum weekly threshold and, alongside the review making the application process quicker, simpler and clearer, the team involved completed an excellent piece of work that will make a real difference to some of our hardest hit members.

Francis W Reckitt Arts Trust Songwriter Retreats

After forced closure owing to the Covid lockdowns, in 2022 we were able to reintroduce the Francis W Reckitt Arts Trust Songwriter Retreats scheme which gives grants to professional artists, writers and composers to find time and space away from home for creative retreats and periods of recovery.

The songwriting retreat and rest & recovery scheme re-opened this year, with grants to cover board and lodging for eligible PRS members. We were incredibly pleased to make £3,000 available to help with our members' wellbeing and overall health.

Cyril Wood Court

We continued to support and direct members in need of sheltered accommodation to Cyril Wood Court in Bere Regis, Dorset, built for people who have worked in music and other areas of the creative arts. Our Welfare and Development Officer was able to visit Cyril Wood Court for the first time in two years because of the pandemic, and we now hope that regular visiting will resume from now on.

The Fund in Jamaica

For many years we have supported PRS members living in Jamaica through The Jamaican Association of Composers, Authors and Publishers Ltd. (JACAP). This year our General Secretary, John Logan, was invited out there to see how our work was changing lives on the island. It's clear JACAP is still the "frontline" so far as local PRS members and Fund support is concerned, and the Fund's work in Jamaica through JACAP is necessary and appreciated.

We make regular monthly awards to older PRS members towards groceries and medication needs. Contributions were also made towards funerals that matched local Government contributions.

IVORS Academy

Our Welfare and Development Officer and Administrator attended an IVORS Monthly Members Social, where they talked with 30 PRS members about the work of the Fund. It was a great opportunity to raise awareness and understanding of the range of services the Fund offers, as many of the attendees didn't know the extent to which we help PRS members when they need us.

PRS Members' Fund

Eighty Ninth Annual Report of the Trustees (continued) For the year ended 31 December 2022

The importance of legacies and donations of royalties

2022 was another tough year for people in the music industry, including hundreds of PRS members who are still struggling with the cost of living and knock-on impacts, some of whom are having to decide between heating or eating.

We can only continue to be there for each and every one of them who needs us with the life-changing donations of people who support the Fund's work. Legacies and donations of royalties are essential to our work, and can help us plan for support now, and into the future. By having more secured funds, we can reach more members with the help they desperately need.

An increasingly productive relationship with PRS

We are the charity of PRS. We exist to help their members, past and present, and their families. To make sure we're helping as many members as possible, and in turn for them to support our work through donations of legacies and royalties, we need to work increasingly closely with PRS. This means we continue to raise awareness and understanding of our services throughout the membership, and make sure PRS and the Fund are always working effectively together.

Contacting members

Both at the Fund and PRS, we want to make sure PRS member's details are protected, and we've been working hard this year to find the best ways to communicate to members about the services we offer that could make a life-changing, and even life-saving difference to them, such as our mental health support and Cost of Living scheme.

We've been working with legal experts around GDPR (the law that governs how organisations are allowed to contact individuals) and after a great deal of intense work by PRS and the Fund, have agreed to contact members by post who are over 60 years old about the Winter Heating Scheme. This letter was sent to 3,000 eligible members and we're hoping that more individuals will get the help they desperately need.

We're always looking for imaginative ways to get our message out to members, including social media, influencers, ambassadors and other communication campaigns.

PRS donation to the Fund

After months of planning and following a very successful presentation to their Members' Council, PRS are now supporting our 'Quids In' campaign, and will be donating to the Fund £1 per member per year.

This has followed some creative and dedicated work by Fund Trustees and staff, creating a promotional video for the proposal, and setting up a dedicated email and web page for members to show their support and provide feedback.

PRS Members' Fund

Eighty Ninth Annual Report of the Trustees (continued) For the year ended 31 December 2022

The Fund's presentation at the Members' Council in July was a perfect opportunity for us to present our current financial position and outline the increased long term financial challenges we will face, particularly in relation to the cost-of-living crisis, the Music Minds Matter (MMM) partnership and the change in demographic in membership, which brings with it an expectation of more demands on our services. During the meeting, we explained why in the short to medium term we needed increased support to maintain our essential investment base until further steps are taken towards developing fundraising and resolving wider GDPR issues.

After the Fund was able to provide further financial details and spending projections, the PRS Members' Council formally passed the £1 per member per year donation request. A Service Level Agreement (SLA) is currently being drawn up and we hope this campaign success will cement our partnership going forwards with a secure pledge of funding related to the level of membership.

We are incredibly grateful to everyone at PRS and every member who gave their support to the Quids In campaign and backed the appeal. The difference these funds will make is huge, enabling us to continue to provide the services we know members rely on when times can be at their toughest.

Sharing expertise

Through the above work, we've seen a genuine desire from the Members' Council to strengthen its relationship with the Fund and over time it will put forward candidates to fill all of its designated trustee positions on the Fund's Trustee board.

There was also work carried out on the implementation of the proposed SLA between the Fund and PRS, which has become a requirement for all organisations partnering with PRS. The SLA explains the purposes of the funding relationship and the amount involved. This negotiated agreement includes definitive arrangements for use of legitimate interests in PRS/Fund communications and continuing support with the Fund's AGM film.

PRS Members' Open Days

During the year, we attended two key open days for PRS members in Manchester and Cardiff. These were great opportunities to promote our work and reach out and connect with more members attending these events

Our hopes for the future

We believe by working ever closer with PRS, we can be there for more members. And by showing them the difference a gift to the Fund can make, we can ensure we're always there for everyone who needs us. We rely on our members leaving us legacies and royalties so current and future members have that support. Without these generous donations, it's impossible for us to continue our essential work.

PRS Members' Fund

Eighty Ninth Annual Report of the Trustees (continued) For the year ended 31 December 2022

2023 future plans

With our new organisational strategy signed off, we can plan our future work knowing what we need to prioritise and achieve. Here are the key areas of work under each strategic priority (SP) that we'll be focusing on:

SP1. Sustainable financial resilience and stability

1. Co-develop an engagement plan with PRS
2. Develop a fundraising strategy
3. Design, develop and embed campaign template
4. Develop a marketing plan
5. Develop an efficiency saving criteria
6. Review existing and implement new risk and project management systems

SP2. Broader, deeper and more personalised service

1. Formalise a service usage research plan and process
2. Develop costed business cases for each service
3. Work with PRS membership to develop a service strategy
4. Counselling lead to assess training and resources needed

SP3. Improved knowledge to make evidence-based decisions

1. Work with PRS to agree data and communication principles and protocols
2. Continue to develop and embed impact measurement framework
3. Review the Fund's owned channels for data collection and security
4. Develop a knowledge partnership plan
5. Review data training needs of Fund staff and volunteers
6. Review existing data protocols and policies and update where necessary

SP4. Mental health support and signposting for all members

1. Develop a mental health plan covering PRS members, Fund staff and volunteers
2. Review current mental health activity, partnerships, impact and costs
3. Commission research to understand specific mental health issues within membership
4. Work with existing and seek out new partnerships to develop mental health partnerships

SP5. A responsive, agile and flexible organisation

1. Define what an optimal 'responsive, agile and flexible' PRS Members' Fund looks like
2. Define changes needed to move towards the correct working organisational model
3. Plan, develop and promote opportunities for more diverse Fund staff and volunteers
4. Create new opportunities to involve members
5. Develop an initial 12 month training plan

PRS Members' Fund

Eighty Ninth Annual Report of the Trustees (continued) For the year ended 31 December 2022

Structure and Governance

Constitutional changes

We have reviewed and refreshed our Constitution to support even more of our members in unique circumstances, and to prevent further hardship and poverty. Through more preventative action, such as increased information and guidance on our website and social channels, by attending more member events and overall, by increasing contact and dialogue with members, we'll be able to help more members manage their situations, and stop bigger problems happening down the road.

Re-election of Trustees

Holding Trustees Nicky Graham, Pete Glenister and Paul Patterson were reappointed as CIO Board Trustees for further terms of three years to 24 January 2025 at the Trustees' discretion of no more than six years, and subject to a continuous period of trusteeship of 12 years, meaning that if reappointments continue they will as of 24 January 2031 need to have a break from trusteeship, unless the Board believes that exceptional circumstances apply. Reappointments are referred to in c.11(c) of the amended constitution, approved by the Charity Commission on 23rd February 2019.

There being no other nominations for the Chair and Deputy Chair, Finance Committee Chair, Deputy Finance Committee Chair, and Chair of the Staff Committee, Nicky Graham, Sarah Rodgers, Pete Glenister, Mick Leeson and Sarah Rodgers as Chair of the Staff Committee were re-elected en-bloc to serve in their respective posts for a further term. All were congratulated and thanked for their continuing dedicated efforts during the past year.

Muff Winwood, the PRS Member Appointed Trustee, retired at the AGM in May 2022 and became eligible and willing to stand for re-appointment. He was duly re-appointed for a term of three years until May 2025. Kim Frankiewicz was appointed under the casual vacancy procedure, which allowed the Trustee Board to appoint prior to being ratified at the next PRS AGM. Under the Constitution, PRS Members' Council nominated trustees Mick Leeson and Mark Fishlock are due for re-appointment in 2023 for a period of up to six years until 24 January 2029.

The PRS Member nominated trustee retiring at the AGM in 2023 is Kim Frankiewicz who is willing to stand for re-appointment.

We want to pay tribute to our patrons Brian Willey and Geoffrey Brand whose deaths have recently been notified to us in January and February 2023 respectively. We owe them a deep debt of gratitude for their dedicated service as trustees and lately patrons, and they have done much to help further our cause.

PRS Members' Fund

Eighty Ninth Annual Report of the Trustees (continued) For the year ended 31 December 2022

Closer ties to the PRS Foundation

We discussed working closer with the PRS Foundation throughout 2022. Although both charities exist to serve PRS Members, our remits are distinctly different. The Foundation is there to help with career progression. The Fund is there to make sure every member has the essential support they need when times are tough. In practice this means, for example, our Recovery & Rebuild scheme is focussed on personal and financial recovery from the effects of the Covid pandemic, whereas the Foundation's is geared towards professional career development.

We're committed to working in whatever way benefits PRS members the most, for example our continued work as a partner within the Foundation's Power Up initiative. We'll always be working closely with the Foundation and we remain open minded and will continue to engage in further discussion around collaboration.

Improving information, data and knowledge

2022 has seen us make significant steps in using data to deliver even more effective services.

After an exhaustive market review of CRM (Customer Relationship Management) systems, including various demos from leading providers, we have chosen CRM specialists, Being Guided, to develop the Salesforce platform for the Fund, and we will continue to work with Pangaea Consulting, who will assist in the implementation of the project.

Salesforce is a best in breed CRM solution used by millions of businesses of all sizes and sectors, including PRS. It will give us invaluable insight that will improve our efficiency and effectiveness.

Office Updates

2022 saw us move from our home in Streatham and set up shop in the PRS Hub at London Bridge. The new office space has enabled flexible working for the Fund, with five desks available, and plenty of meeting spaces so staff and trustees can keep in regular contact and continue to work effectively. A Licence to Occupy was signed off by the relevant parties.

Finance Sub-Committee

The Finance Sub-Committee (Chair: Pete Glenister) continued to have quarterly meetings with the Fund's investment advisers, Aberdeen Standard Capital (now known as abrdn) and James Hambro & Partners who manage a second and much smaller portfolio of investments. All matters relating to the management and performance of the Fund's two portfolios were reviewed and considered at these meetings. All Trustees are invited to attend Finance Sub-Committee meetings. Regular reports and the minutes of Finance Sub-Committee meetings were submitted to the Trustees.

Peter Glenister (Chair), Nicky Graham, Mick Leeson, Mark Fishlock, and Muff Winwood were re-elected to serve on the Finance Sub-Committee for the year.

PRS Members' Fund

Eighty Ninth Annual Report of the Trustees (continued) For the year ended 31 December 2022

Staff Sub-Committee

The Staff Sub-Committee's purpose is to consider specific staff matters that are referred to it by the Trustees. In particular, the Staff Sub-Committee advises the Trustees on issues such as management and staff appraisals; objective setting and reviews; management and staff incentive schemes; and the terms and conditions of employment and remuneration of all Fund personnel.

Sarah Rodgers chairs the Staff Sub-Committee. Mick Leeson, Mike Lindup, Mark Fishlock, Kim Appleby and Nicky Graham were re-appointed members of the Staff Sub-Committee at the beginning of the year. The sub-committee met twice during the year.

Mental Health Sub-Committee

The Mental Health Sub Committee ensures that the responsibilities and duties of the Trustees with regard to the development, implementation and monitoring of services designed to support the mental health and wellbeing of beneficiaries, are effectively managed.

Members of the Mental Health Sub-Committee are Pete Glenister (Chair), Kim Appleby, Mark Fishlock, Mike Lindup, Paulette Long, Megg Nicol, Paul Patterson and Sarah Rodgers.

Financial review

2022 was another challenging year with its own unique circumstances that PRS members had to deal with and adapt to. Total income, including donations, investment income, and donated facilities such as accommodation, rates, heating and lighting, amounted to £1,584,728 (2021: £831,988). Donated facilities were £21,255 (2021: £9,793) and are included as income within donations and as a corresponding expense within support costs. Income, excluding the cost of donated facilities, amounted to £1,563,473 (2021: £822,195), comprising regular donations and legacies of £537,795 (2021: £503,797), along with investment and other income amounting to £371,673 (2021: £328,191). The value of total income for the year has been inflated by a legacy notified to the Fund, but for which the funds have not yet been distributed by the Estate. The value of the Fund's share of the legacy at the Balance Sheet date was £675,260 and is included within debtors. In 2021 there were also Emergency Relief Fund donations of £5,652 but these donations stopped being received in 2022 as the pandemic caused less interruption to daily life. Donations and legacy income also included royalty bequests of £360,715 (2021: £306,670).

In 2022 we distributed £434,505 (2021: £337,986) in regular grants, to help those in need, along with £3,250 (2021: £354,867) in Covid Support grants to help those in need of help during the tail end of the global pandemic. Again, this was much reduced in 2022 with the return to normal life after the pandemic. With the cost of living crisis affecting people's lives in 2022, £29,598 was given out in grants to support people impacted in December. Additional funds have been pledged through a Cost of Living Scheme which runs until March 2023.

PRS Members' Fund

Eighty Ninth Annual Report of the Trustees (continued) For the year ended 31 December 2022

Donated gifts from Wills and royalties

We are extremely grateful to PRS member Tom Springfield for the very generous bequest of copyrights and royalties in his Will as well as a share of the residuary estate.

We are also extremely grateful that Mrs Maureen Croom-Johnson, partner of Austen Croom-Johnson, pioneer of the advertising jingle, notified us of the gift of a legacy, copyrights and royalties from his work.

Moira Franz, widow of PRS member Johnny, has left us a royalty bequest, meaning we can ensure our services can support more members today, and into the future.

Every gift in a Will that is left to the Fund, every donated royalty, every legacy we receive helps members in need get through another day. Without the support of our donors, so many more members facing the toughest times of their lives wouldn't feel like they could cope.

And every penny that's donated goes directly to supporting PRS members. Our back office costs are covered by investment income or from our reserves in the event of a shortfall.

Thank you.

Our supporters and partners

Without the support and help of other charities, agencies, businesses and organisations, we wouldn't be able to make the Members we support pay the bills, feel able to cope and face another day, knowing there's someone there with them who can make a difference.

We want to say an enormous and heartfelt thank you to: Cyril Wood Court Trust, Workjoy, Performance and Media Coaching, East Boro Housing Trust, DES Computer Solutions, Being Guided, Pangaea Consulting, , Next Rebel Ltd, Association of Charitable Organisations, The Ivors Academy, Help Musicians, Music Minds Matter, Tonic Rider, Royal Society of Musicians, Royal Theatrical Fund, Incorporated Society of Musicians, British Association for Performing Arts Medicine, Music Support, Musicians Union, UK Music, AIM, PRS Foundation, Black Lives in Music, British Black Music, Royal Variety Charity, Francis W Reckitt Arts Trust, and FELT Branding

We also work with several amazing societies overseas and local PRS agencies who help us assess individual's needs and get urgent financial help directly to local members. These include SAMRO (South Africa), JACAP (Jamaica), ECCO (Eastern Caribbean) and PRS Malta.

We also want to say thank you to PRS for its support in the form of donated facilities and services such as rent-free accommodation, heating and lighting. We are thankful too for advice and guidance from PRS's communications, membership, human resources, legal and finance directorates.

We greatly appreciate the efforts of the Fund's staff – John Logan, Christine Keeley, Athena Pite, Ilaria Piscopo and Sebastian Willis, and our Regional Visitors, Jane Nelson and Angelina Otoo.

Finally, we acknowledge the dedicated efforts of all the Trustees, who give their time freely.

PRS Members' Fund

Eighty Ninth Annual Report of the Trustees (continued) For the year ended 31 December 2022

Public benefit

The PRS Members' Fund is a registered charity whose charitable purpose, as defined within the Charities Act 2011, is the relief and prevention of poverty. The Trustees believe that the Fund provides public benefit through the financial help and other assistance it gives to past and present members of PRS and their dependents. Dependents do not have to be members of PRS to qualify for help.

Our assistance can be crucial in preventing people falling further into poverty. For members of working age who are sick or injured, our support ensures that any delay in their recovery is kept to a minimum, with consequent savings to the taxpayer in sickness and other benefits.

We follow the Charity Commission guidance on public benefit when reviewing our charitable objectives, achievement and performance and in planning our future activities, as described in this report.

Conflicts of interest and conflicts of loyalty

Our Constitution sets out the procedure for the Trustees to follow when a possible conflict of interest has been identified, in line with best practice and the Charity Commission's expectations. The Fund also maintains a register which is updated annually.

Risk management

Risk management focuses on every aspect of the Fund's activities, including health and safety of staff, financial controls and mandates, electronic payments security, IT and database security, disaster planning, recovery and safeguarding. The Trustees are comfortable with the processes that are in place to mitigate these risks.

The Fund subscribes to policies and procedures as laid down and monitored by PRS for Music Ltd; all Fund personnel are permanently seconded from this holding company.

Annual Loans Review

Due to the current financial struggles that members are facing, especially as some members are suffering with poor health, we decided this year to look at the structure of some of our members' loans. We reviewed the reasons they were originally agreed and considered if it was good Governance to convert any to grants because of the slow rate of recovery. This process was carried out in line with recognised audit practice.

Investments, endowments and reserves

In 2022 these totalled £15.5 million.

Investments are a critical part of the Fund's financial resilience and these reserves provide an ability to plan for a secure future. They produce an income that is used to cover operational costs and grant making where there is insufficient income to cover all expenditure and meet demand. This was the situation for most occupational benevolent funds in the UK.

PRS Members' Fund

Eighty Ninth Annual Report of the Trustees (continued) For the year ended 31 December 2022

We need to ensure there are enough resources so programmes can continue to run whatever the circumstances. Reserves (or rather the investment fund) provide the Fund with the reliable income stream that it needs to retain the long-term stability of its charity work.

Our overall aim in the longer term is to become less dependent on our investment income and increase our voluntary income through fundraising and legacies. We are focusing on employing a dedicated fundraiser to help with this objective.

We need the additional funding so we can offer enhanced support to PRS members following the adoption of a much wider Constitution meant we can provide far more diverse, personalised and holistic services which will make increasing impact on the future wellbeing of our members. This includes non-grant making activities such as the visiting programme and debt-management advice.

We are anticipating an increased grant spend forecast to deal with increased mental health and wellbeing provision, fuel crisis and the cost of living squeeze, as well as greater support towards private hospital treatment due to NHS delays.

If we are to raise awareness, that leads to understanding of our mission, that leads to demonstrable financial support from more partners, supporters and members, we also need additional staff resources to help with fundraising and comms generally.

This is why fundraising, legacies and the gift of royalties is so central to our continued work.

Reserves Policy

The Trustees continue to review their policy on reserves in the light of changing circumstances. The Trustees carry this out as part of the annual budget process. For 2022, the Trustees agreed that the policy should remain as stated: The Fund holds reserves, in the form of listed investments and programme-related 'investments', in order to produce income which can be used, after payment of management expenses, for grant-giving. The Fund aims to sustain and increase its grant-making capability over the long term.

To clarify which of the Fund's assets constitute reserves, and which constitute current funds for immediate use, the Trustees decided to divide the total unrestricted funds into a designated reserve fund and a general fund. It agreed to define the designated reserve fund as being of an amount equal to the value of the Fund's investments as at 31 December, in addition to those balances set aside by the Trustees for the Winter Heating Scheme and the Winter Crisis Scheme. The general fund consists of the remaining balance of the Fund's uncommitted funds and represents an amount of unspent net resources.

The purpose of the designated reserve fund is to generate income which the Fund can use to meet its charitable objectives. Any investment gains or losses will be transferred to the designated reserve fund in the first instance. The Fund's annual budget will therefore normally be set at an amount reflecting the anticipated level of income from the designated reserve fund. The Trustees may, however, transfer funds into and out of the designated reserve fund as they see fit in order to further the Fund's objectives. The

PRS Members' Fund

Eighty Ninth Annual Report of the Trustees (continued) For the year ended 31 December 2022

designated reserve fund, which remains unrestricted, may be drawn on from time to time, at the discretion of the Trustees, to provide funds for major charitable projects which the Fund wishes to support and which cannot be covered out of the annual grants budget and the income arising from investments. Such a situation arose in 2020. We were able to support unprecedented levels of grant-making through the Emergency Relief Fund by drawing down from our reserves. We will continue to liquidate our investment holdings as necessary to support members who are continuing to suffer hardship as a result of the pandemic.

The Trustees consider the level of remaining reserves to be prudent and justified, and necessary to cover fluctuations in income and provide relief to an ever-increasing PRS membership. The Trustees also have in mind the long-term demographic challenges that may be faced when widening its service provision going forward, against an anticipated reduction in investment income due to realisation of assets, as described above, lower yields and our royalty income being adversely affected due to the impact of Covid-19 on the live music sector.

Investment portfolio

Fund managers abrdn confirmed that we were unlikely to see the returns of the past 10 years repeated in the next 10. Capital preservation and sustainable income generation were likely to be our achievable goals in the short to medium term.

This prediction will impact our financial structuring going forward and heightens our need to focus on increased fundraising and a predictable donation stream from PRS. Again, it underlines the critical importance of donations of legacies and royalties to make sure we can keep supporting our members and we have predictable income with which to plan.

Investment performance

Both the abrdn and James Hambro portfolios are managed on a total return basis, which includes both income and capital returns.

abrdn

Having delivered strong returns through 2020 and 2021, 2022 was a most challenging environment for the PRS Members' Fund portfolio managed by abrdn. It would be no understatement to say that the year was extraordinary with dramatic events in geopolitics, the global economy, and fiscal and monetary policies resulting in investors having to deal with numerous shocks and changes in the outlook across all major asset classes. The portfolio delivered a negative absolute return of -11.5%. Owing to the high inflationary environment, the portfolio fell some way behind its CPI +4% long-term target of +14.9%.

The portfolio is focused on investing responsibly into companies who are the beneficiaries of long-term structural growth trends with many of these underlying companies being out-of-favour for much of the year. In the final few months the outlook has started to improve and we remain focused on unearthing high quality companies that have the potential to deliver on performance targets over the market cycle. Longer-term performance remains robust with an annual return of +3.2% over the last three years versus a peer group of just +1.7% (ARC Steady Growth ACI).

PRS Members' Fund

Eighty Ninth Annual Report of the Trustees (continued) For the year ended 31 December 2022

James Hambro

In what was a tumultuous year for politics, international relations and asset markets, world equities posted their worst calendar year performance since the global financial crisis in 2008. Meanwhile government bonds delivered their weakest performance in a generation.

The prospects for 2023 will be determined by the impact of higher rates on growth, employment and the complexion of recessions.

The speed with which interest rates have increased means that we have yet to see their true impact on the economy but canaries have begun to drop. The fourth quarter at last brought some stability and potentially good news.

With investors desperate for a sign of better times ahead, the tentative reports of falling inflation were reflected in a positive final quarter for markets. This was welcome in what has been one of the most difficult years on record for investors.

The focus at James Hambro & Partners has been on underscoring the quality of all our holdings in the investment portfolio as we continue to lean towards caution and those securities that can provide greater resilience in the face of further challenges ahead.

The challenging conditions facing both investment portfolios throughout 2022 resulted in a net loss on investments for the financial year of £2,068,681. This is in stark contrast to the gain of £1,579,422 reported in the previous year's statutory accounts for the year to 31 December 2021.

For the first time in over a decade, we can extract a reasonable nominal return from lower risk assets with cash and short-dated government bonds currently paying anywhere from 3% to 4%. We have taken advantage to earn a return whilst we wait for opportunities.

Investment policy

The Trustees have considered the most appropriate policy for investing funds on a total return basis which considers both the capital growth and the investment income generated. It has issued the investment managers with an Investment Policy Statement (IPS), which allows the asset allocation to move between various investment strategies, depending on prevailing market conditions. The asset classes include bonds and equities for which IPS ranges have been issued and which are subject to scrutiny and review periodically.

Additionally, surplus cash (for which an IPS has also been issued) is held on short-term deposit and is readily available to the Trustees. It enabled the Trustees to create the ERF when the impact of the pandemic on members' incomes began to unfold and PRS members required urgent financial support. We feel this policy should meet the Trustees' strategy of achieving above-average returns through capital growth over the longer term, without taking excessive risk.

PRS Members' Fund

Eighty Ninth Annual Report of the Trustees (continued) For the year ended 31 December 2022

Responsible Investment Policy (ESG)

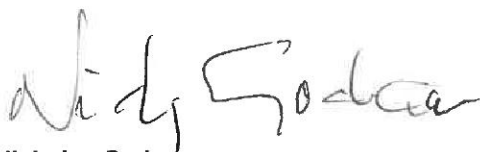
We all want to make as much return on our investments, but we are bound by strict moral and ethical guidelines that means we will never invest in sectors that cause harm. Our investment partner, abrdn, state; "we do not invest in the development, production, assembly, acquisition, repair, sale, use, possession, transport, transfer stockpiling or conservation of cluster munitions or APLs. This covers all direct and indirect investments. We support and uphold the UN Cluster munitions and APL Conventions.

PRS Members' Fund has no direct exposure to Russian/Belarusian companies and we will not be investing in Russia or Belarus for the foreseeable future.

We have applied the ethical screening to the Hambro portfolio, consistent with restrictions imposed on the abrdn portfolio. Therefore, no direct investment is permissible in companies that generate revenues from the following sectors:

1. Gambling
2. Adult Entertainment
3. Predatory lending
4. Thermal coal
5. Oil sands, Shale oil, Shale gas
6. Armaments and weapons

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



Nicholas Graham
Chairman of the Trustees

Date: 16 March 2023

PRS Members' Fund

Eighty Ninth Annual Report of the Trustees (continued) For the year ended 31 December 2022

The Fund owes a deep debt of gratitude to all, past and present, who have generously made bequests and donations, large or small, to help the Fund and its work:

Ira Aldridge	Michael Hurd
Christopher Anderson	Albert W. Ketelbey via M. Ketelbey
Doris Arnold via H.S. Pepper	C.S. Lang via W.M. Fox
Dorothea Barcroft	Michael Gerald Lane via Patricia A Stanley
Eily Kathleen Beadell	Bert Lee
Donald Morgan Bowden	Harry Leon aka Art Noel
Frank Bridge via E.E. Bridge	Edward F. Lockton via E.C. Lockton
Ronald Bridges	E.M. Lockwood
Helen Brown	J.P. Long via Ethel Maud Blair
Elizabeth Bryce-Romain	Claudine Lordan
Mabel Buchanan	Billy Mayerl via E.G. Mayerl
Ivy Burgess	Stella Morgan
Rex Burrows via E Burrows	Joseph Murrells
Sir Alfred Butt via Lady Vilma Butt	Norman Murrells
Desmond Carter	Cecil Norman
Austin Coates via Yim Kim Fung	Desmond O'Connor
Eric Coates via Yim Kim Fung	Daphne Oram
Les Condon	Leslie Herbert Osborne
Samuel Cope	Panda Music via Monica Lawrence
Austen Croom-Johnson via Maureen Croom-Johnson	Harry S. Pepper
Thomas Dando via Elizabeth Dando	Sid Phillips via Marie Phillips
Michael Dawney	Charles W. Prentice via Phyllis Prentice
Luigi Denza	Leonard Rafter via Beryl Rafter
Leslie Elliott	Gordon Reed via M. Reed
W.M. Farren via Maud Farren	Gordon Reid via Joyce Reid
Marc Feld aka Marc Bolan	Margaret Reizenstein
David Ferguson	Stan Reynolds
Andrew Fenner	Sydney Rosenbloom
Len Fillis via D. James	Frederick Rosse
Marjorie Finck	Paul A. Rubens via E. Burlinson
Reginald Fogwell via A.E. Fogwell	Cecil James Sharp via Briony A Jose
Percy E. Fletcher via Marie Fletcher	Reginald Somerville
Peter Foss via Mrs Olive Foss	Tom Springfield
Douglas Furber via Gilberta Furber	W.H. Squire
Max Gartman via P. Desmond	Thomas P. Sutton
Carroll Gibbons via Brian Lidstone	Ivy St Helier
Percy Greenbank via Phyllis Greenbank	Phyllis Tate
Johnnie Gray	Helen Taylor via S.H. Rothschild
Maurice Grew via G. Grew	Madeline Chase Thomas
Michael Head	Henry (Harry) Thorne
William Henly via J. Reynolds	Michael Trelford
Geoffrey Henman via Mrs S Boeckmann	Charles Williams via M Williams
Leslie Holmes via Ellen Joan Kilpatrick	Charles Windeatt via Jessie Windeatt

PRS Members' Fund

Eighty Ninth Annual Report of the Trustees (continued) For the year ended 31 December 2022

Statement of Charity Trustees' Responsibilities

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the Charity for that period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the Charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Nicholas Graham
Chairman of the Trustees

Date: 16 March 2023

PRS Members' Fund

Independent auditors' report to the Members of PRS Members' Fund

Opinion

We have audited the financial statements of PRS Members' Fund (the 'charity') for the year ended 31 December 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its incoming resources and application of resources 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 Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 the charity'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.

PRS Members' Fund

Independent auditors' report to the Members of PRS Members' Fund (continued)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

PRS Members' Fund

Independent auditors' report to the Members of PRS Members' Fund (continued)

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:

How the audit was considered capable of detecting irregularities including fraud:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the Fund through discussions with management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the Fund, including the Charities Act 2011;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Fund's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management and representatives of Trustees as to actual and potential litigation and claims.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

PRS Members' Fund

Independent auditors' report to the Members of PRS Members' Fund (continued)

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



UHY Kent LLP
Chartered Accountants
Thames House
Roman Square
Kent
ME10 4BJ

Date: 30 March 2023

UHY Kent LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

PRS Members' Fund

Statement of financial activities For the year ended 31 December 2022

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	3	-	1,213,055	1,213,055	503,797
Investments	4	-	371,673	371,673	328,191
Total income		-	1,584,728	1,584,728	831,988
Expenditure on:					
Raising funds:	5,6				
Publicity and fundraising		-	167,403	167,403	148,212
Investment management		-	79,614	79,614	69,986
Charitable activities	8	3,000	606,424	609,424	847,536
Total expenditure		3,000	853,441	856,441	1,065,734
Net (expenditure)/income before net (losses)/gains on investments		(3,000)	731,287	728,287	(233,746)
Net (losses)/gains on investments		-	(2,068,681)	(2,068,681)	1,579,422
Net movement in funds before other recognised gains		(3,000)	(1,337,394)	(1,340,394)	1,345,676
Other recognised gains:					
Gains on revaluation of fixed assets		-	25,000	25,000	23,000
Net movement in funds	22	(3,000)	(1,312,394)	(1,315,394)	1,368,676
Reconciliation of funds:					
Total funds brought forward		3,000	16,903,795	16,906,795	15,538,119
Net movement in funds		(3,000)	(1,312,394)	(1,315,394)	1,368,676
Total funds carried forward	22	-	15,591,401	15,591,401	16,906,795

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 33 to 52 form part of these financial statements.

PRS Members' Fund

Balance sheet
As at 31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	13	28,180	-
Investments	16	13,940,574	15,378,838
Social investments	17	253,265	312,783
Investment property	15	275,000	250,000
		<u>14,497,019</u>	<u>15,941,621</u>
Current assets			
Debtors	18	677,668	2,635
Investments	19	394,503	179,421
Cash at bank and in hand		165,588	921,263
		<u>1,237,759</u>	<u>1,103,319</u>
Creditors: amounts falling due within one year	20	(143,377)	(138,145)
Net current assets		<u>1,094,382</u>	<u>965,174</u>
Total net assets		<u><u>15,591,401</u></u>	<u><u>16,906,795</u></u>
Charity funds			
Restricted funds	22	-	3,000
Unrestricted funds	22	15,591,401	16,903,795
Total funds		<u><u>15,591,401</u></u>	<u><u>16,906,795</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Mervyn Winwood
Trustee



Mark Fishlock
Trustee

Date: 16 March 2023

The notes on pages 33 to 52 form part of these financial statements.

PRS Members' Fund

Statement of cash flows
For the year ended 31 December 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash used in operating activities		(275,715)	(435,378)
Cash flows from investing activities			
Dividends, interests and rents from investments		371,673	328,191
Purchase of intangible assets		(28,180)	-
Proceeds from sale of investments		3,585,912	1,500,555
Purchase of investments		(4,256,726)	(2,881,578)
Repayment of loans from beneficiaries		63,062	66,654
Net cash used in investing activities		(264,259)	(986,178)
Change in cash and cash equivalents in the year		(539,974)	(1,421,556)
Cash and cash equivalents at the beginning of the year		1,100,065	2,521,621
Cash and cash equivalents at the end of the year		<u>560,091</u>	<u>1,100,065</u>

The notes on pages 33 to 52 form part of these financial statements

PRS Members' Fund

Notes to the financial statements For the year ended 31 December 2022

1. General information

The PRS Members' Fund is a Charitable Incorporated Organisation (CIO) registered with the Charity Commission for England and Wales. The Fund's registered office is 1st Floor, Goldings House, 2 Hay's Lane, London, SE1 2HB.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

PRS Members' Fund meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

There are no significant areas of judgement or key assumptions that affect items in the financial statements other than those included within the accounting policies described below. With respect to the next reporting period for the year ended 31 December 2023, the most significant areas of uncertainty that affect the carrying value of assets held by the Fund are the level of investment return and the performance of the investment markets (see the investment policy and performance and risk management sections of the Report of the Trustees for more information).

2.2 Going concern

The Trustees consider that there are no material uncertainties about the Fund's ability to continue as a going concern.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations and royalty bequests are credited to the SOFA when received or when the amount can be quantified with reasonable accuracy, if earlier.

Donated services and facilities are included at the value to the Fund where this can be quantified.

Legacies are recognised when they are measurable, probate has been granted and entitlement is clear. Where deemed appropriate, a discount is made for expected costs within the estate.

Investment income is credited gross to the SOFA on the date it becomes payable with the exception of income from fixed interest bonds which is credited over the period of the bonds.

PRS Members' Fund

Notes to the financial statements For the year ended 31 December 2022

2. Accounting policies (continued)

2.4 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Fund to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is charged to the SOFA on an accruals basis.

Grants to beneficiaries are charged to the SOFA on the date approved by the Trustees or on the date of any conditions or requests being met, if later.

Pension contributions are charged to the SOFA as they become payable.

Support costs are allocated to costs of raising funds and charitable activities on the basis consistent with the use of these resources.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable trust for UK income tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 10 of the Income Tax Act 2007 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. No tax charge has arisen in the year.

2.7 Intangible assets and amortisation

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life. The asset had not been brought into use at the Balance Sheet date, accordingly no amortisation has been charged in the year.

2. Accounting policies (continued)

2.8 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised and valued at historic cost. Depreciation is provided using the following rates and bases, which reflect the anticipated useful lives of the assets and their residual value

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Software	-	33%
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2.9 Investments

All investments are carried at their fair value. Investments in bonds, equities, property and alternative investments are all traded in quoted public markets, primarily the London Stock Exchange. The basis of fair value for quoted investments is equivalent to the market value, using mid-market price. Asset sales and purchases are recognised at the date of trade at cost (i.e. their transaction value).

2.10 Investment property

Investment property is measured at fair value at each reporting date. An impairment review is carried out annually and the fair value adjusted for any impairment identified.

2.11 Programme related investments

Programme related investments are concessionary loans provided for the benefit of the Fund's beneficiaries and loans made to a Trust under a scheme to provide practical help for the Fund's older beneficiaries. Such loans are initially recognised and measured at the amount paid, with the carrying amount adjusted at each balance sheet date to reflect repayments and any accrued interest, less any impairment.

2.12 Gains/losses on investment assets

All gains and losses are taken to the Statement of Financial Activities as they arise.

Unrealised gains and losses on investment assets represent the difference between their fair value at the end of the year and their fair value at the beginning of the year, or transaction value if acquired during the year.

2.13 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2. Accounting policies (continued)

2.14 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.15 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.16 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.17 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

PRS Members' Fund

Notes to the financial statements For the year ended 31 December 2022

3. Income from donations and legacies

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Donations				
Donations	-	400,377	400,377	322,842
Donated services and facilities	-	21,255	21,255	9,793
Total donations	-	421,632	421,632	332,635
Legacies	-	791,423	791,423	171,162
Total 2022	-	1,213,055	1,213,055	503,797
<i>2021 Total by fund</i>	<i>3,000</i>	<i>500,797</i>	<i>503,797</i>	

Donated services and facilities relates to non-exchange transactions in respect of rent and other services provided by PRS for Music Limited to the Fund.

4. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Rental income	10,150	10,150	9,900
Dividends	358,236	358,236	314,589
Interest	3,287	3,287	3,702
Total 2022	371,673	371,673	328,191
<i>2021 Total by fund</i>	<i>328,191</i>	<i>328,191</i>	

PRS Members' Fund

**Notes to the financial statements
For the year ended 31 December 2022**

5. Expenditure on raising funds**Publicity and fundraising activities**

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Marketing and communications	7,685	7,685	1,024
Support costs (Note 10)	44,536	44,536	37,551
Salaries (Note 11)	115,182	115,182	109,637
Total 2022	167,403	167,403	148,212
<i>2021 Total by fund</i>	<i>148,212</i>	<i>148,212</i>	

6. Investment management costs

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Investment managers fees	76,053	76,053	67,198
Investment property expenses	3,561	3,561	2,788
	79,614	79,614	69,986
<i>2021 Total by fund</i>	<i>69,986</i>	<i>69,986</i>	

PRS Members' Fund

**Notes to the financial statements
For the year ended 31 December 2022**

7. Analysis of grants

	Grants to Institutions 2022 £	Grants to Individuals 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Grants to beneficiaries	10,000	437,755	447,755	702,003
<i>Analysis of 2021 Total</i>	9,150	692,853	702,003	

Grants to institutions represent the grant issued by the Fund to the British Association for Performing Arts Medicine in the year in the sum of £10,000 (2021: £9,150).

Included in grants to beneficiaries for 2021 are grants made as part of the Emergency Relief Fund totalling £354,867 (2022: £3,250) in response to the Covid-19 pandemic. An analysis of grants issued in the year is provided in the Trustees' Report at the front of these financial statements.

8. Analysis of expenditure on charitable activities**Summary by fund type**

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total 2022 £	<i>Total 2021 £</i>
Direct costs	3,000	606,424	609,424	847,536
<i>2021 Total by fund</i>	-	847,536	847,536	

PRS Members' Fund

**Notes to the financial statements
For the year ended 31 December 2022**

9. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Direct costs	117,133	447,755	44,536	609,424	847,536
<i>Analysis of 2021 Total</i>	<i>107,981</i>	<i>702,003</i>	<i>37,552</i>	<i>847,536</i>	

Analysis of direct costs

	Total funds 2022 £	<i>Total funds 2021 £</i>
Cost of programme of visits (Note 11)	115,182	104,750
Staff training	-	2,500
Travel and motor expenses	1,234	448
Website costs	717	283
Total	117,133	107,981

PRS Members' Fund

**Notes to the financial statements
For the year ended 31 December 2022**

10. Analysis of support costs

	Unrestricted funds 2022 £	<i>Unrestricted funds 2021 £</i>
General support costs		
Accountancy and bookkeeping	9,600	9,600
Printing, postage and stationery	54	76
Sundries	7,777	8,643
Travel and motor expenses	5,166	1,346
Irrecoverable VAT	12,731	17,738
Insurance	3,095	2,707
Business rates	-	(6,829)
Rent and services provided by PRS	21,255	9,793
IT costs	8,226	19,034
	<hr/> 67,904	<hr/> 62,108
Governance costs		
Auditors' remuneration - external audit	7,250	7,250
Legal fees	5,237	4,369
Trustees' meeting expenses	2,501	1,201
Impact measurement project	600	175
Strategic review and development of grants programme	5,580	-
	<hr/> 21,168	<hr/> 12,995
Total support costs	<hr/> 89,072	<hr/> 75,103

Support costs are apportioned to the following activities based on an estimate of staff time spent on each activity.

Allocation of support costs

	2022 £	2021 £
Publicity and fundraising activities	44,536	37,551
Charitable activities	44,536	37,552
	<hr/> 89,072	<hr/> 75,103

PRS Members' Fund

Notes to the financial statements For the year ended 31 December 2022

11. Staff costs

Staff are employed by an administration company of the Performing Rights Society Limited, who also charge the Fund with the total related costs, including VAT. The pension scheme is also administered by that company.

	2022 £	2021 £
Wages and salaries	175,023	165,268
Social security costs	18,329	14,982
Pension contributions	22,177	20,897
Irrecoverable VAT on above costs	14,835	13,240
	<u>230,364</u>	<u>214,387</u>

The average number of persons employed by the Charity during the year was as follows:

	2022 No.	2021 No.
Administration	<u>5</u>	<u>5</u>

The Fund has 2 full-time staff (2021: 2), 3 part-time staff members (2021: 3) and 2 contracted visitors (2021: 3) and, in addition, uses temporary staff and volunteers as required.

The Fund considers its key management personnel comprises the Trustees. The Trustees did not receive any remuneration or other financial benefits for the year, directly or indirectly, from the Charity's funds (2021: £Nil).

Allocation of staff costs

Staff costs are apportioned to the following activities based on an estimate of time spent on each activity.

	2022 £	2021 £
Publicity and fundraising activities	115,182	109,637
Charitable activities	115,182	104,750
	<u>230,364</u>	<u>214,387</u>

Charitable activities includes the cost of charity employees involved in meetings with trustees and the cost of any administrative support provided to the trustees by staff.

PRS Members' Fund

Notes to the financial statements
For the year ended 31 December 2022

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year, 2 Trustees (2021: 15) were reimbursed for travel expenses totalling £1,246 (2021: £1,346).

13. Intangible assets

	Computer software £
Cost	
Additions	28,180
At 31 December 2022	<u>28,180</u>
Net book value	
At 31 December 2022	<u>28,180</u>
At 31 December 2021	<u>-</u>

PRS Members' Fund

**Notes to the financial statements
For the year ended 31 December 2022**

14. Tangible fixed assets

	Computer equipment £
Cost	
At 1 January 2022	17,271
At 31 December 2022	<u>17,271</u>
Depreciation	
At 1 January 2022	17,271
At 31 December 2022	<u>17,271</u>
Net book value	
At 31 December 2022	<u>-</u>
At 31 December 2021	<u>-</u>

15. Investment property

	Freehold investment property £
Valuation	
At 1 January 2022	250,000
Surplus on revaluation	25,000
At 31 December 2022	<u>275,000</u>

The property was valued by Freeman Forman Estate Agents, trading as part of the Countrywide Estate Agents group on an open market basis, as at 31 December 2022.

PRS Members' Fund

**Notes to the financial statements
For the year ended 31 December 2022**

16. Fixed asset investments

	Listed investments £	
Valuation		
At 1 January 2022		15,378,838
Additions		4,256,726
Disposals		(3,626,309)
Revaluations		(2,068,681)
At 31 December 2022		<u>13,940,574</u>
	2022 £	2021 £
Investments at market value comprise:		
UK Fixed interest securities	1,506,532	1,021,069
Equities	11,238,545	13,044,863
Other investments	1,195,497	1,312,906
	<u>13,940,574</u>	<u>15,378,838</u>

All investments are carried at their fair value. Investments in bonds, equities, property and alternative investments are all traded in quoted public markets, primarily the London Stock Exchange. The basis of fair value for quoted investments is equivalent to the market value, using mid-market price. Asset sales and purchases are recognised at the date of trade at cost (i.e. their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the Fund is considered in the financial review and investment policy and performance sections of the Report of the Trustees.

The main risk to the Fund from financial instruments lies in the combination of uncertain investment markets and volatility in yield. The Fund is reliant on dividend yield in part to finance its work and this leads to greater exposure to international companies, the values of which, together with their yield, are exposed to exchange rate risk when converting the holdings into sterling.

The Fund manages these investment risks by retaining expert advisers and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The Fund does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer-term yield total return.

PRS Members' Fund

**Notes to the financial statements
For the year ended 31 December 2022**

17. Social investments

	Programme related investments £
Cost	
At 1 January 2022	314,383
Accrued interest	1,944
Repayments	(63,062)
Cost at 31 December 2022	253,265

Social investments comprise:

Programme related investments

	Other 2022 £	Total 2022 £	Total 2021 £
Loans to beneficiaries	159,869	159,869	208,362
East Boro Housing Trust Limited	93,396	93,396	106,020
Total	253,265	253,265	314,383

Loans have been made to East Boro Housing Trust Limited, formally known as Cyril Wood Court Trust (a registered housing corporation, No. L0519) under schemes to provide practical help for the Fund's older beneficiaries who require sheltered housing.

18. Debtors

	2022 £	2021 £
Due within one year		
Sundry debtors	2,408	2,635
Accrued income	675,260	-
	677,668	2,635

PRS Members' Fund

**Notes to the financial statements
For the year ended 31 December 2022**

19. Current asset investments

	2022	2021
	£	£
Unlisted investments (liquid)	394,503	179,421

20. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Other taxation and social security	24,637	22,650
Accruals and deferred income	118,740	115,495
	<u>143,377</u>	<u>138,145</u>

21. Financial instruments

	2022	2021
	£	£
Financial assets		
Financial assets measured at fair value through income and expenditure	<u>14,775,665</u>	<u>16,729,522</u>

Financial assets measured at fair value through income and expenditure comprise listed investments, investment property and cash and cash equivalents.

PRS Members' Fund

Notes to the financial statements For the year ended 31 December 2022

22. Statement of funds

Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2022 £
Unrestricted funds						
Designated funds						
Investments	15,628,838	356,187	(76,053)	350,283	(2,043,681)	14,215,574
Winter heating scheme	197,180	-	-	(80,435)	-	116,745
Winter crisis scheme	-	-	-	250,000	-	250,000
	<u>15,826,018</u>	<u>356,187</u>	<u>(76,053)</u>	<u>519,848</u>	<u>(2,043,681)</u>	<u>14,582,319</u>
General funds						
General fund	<u>1,077,777</u>	<u>1,228,541</u>	<u>(777,388)</u>	<u>(519,848)</u>	<u>-</u>	<u>1,009,082</u>
Total Unrestricted funds	<u>16,903,795</u>	<u>1,584,728</u>	<u>(853,441)</u>	<u>-</u>	<u>(2,043,681)</u>	<u>15,591,401</u>
Restricted funds						
Francis W Reckitt fund	<u>3,000</u>	<u>-</u>	<u>(3,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total of funds	<u><u>16,906,795</u></u>	<u><u>1,584,728</u></u>	<u><u>(856,441)</u></u>	<u><u>-</u></u>	<u><u>(2,043,681)</u></u>	<u><u>15,591,401</u></u>

PRS Members' Fund

Notes to the financial statements For the year ended 31 December 2022

22. Statement of funds (continued)

The purpose of the charity's funds are as follows:

Unrestricted funds

General fund

The general fund represents the funds of the Charity which are not designated for particular purposes.

Designated funds

Investments

The investments fund represents the fair value at the Balance Sheet date of both the Fund's listed investments and investment property.

Winter heating scheme

In 2021 the Trustees of the Fund agreed to designate monies to assist beneficiaries with increasing home fuel costs. These monies are expected to be spent over subsequent winters.

Winter crisis scheme

In 2022 the Trustees of the Fund agreed to designate monies to assist beneficiaries with increasing cost of living and home fuel costs. These monies are expected to be spent over subsequent winters.

Restricted funds

Francis W Reckitt fund

The Francis W Reckitt Arts Trust gives grants to professional artists, writers and composers to find time and space away from home for creative holidays and periods of recovery. The song writing retreat and R&R scheme opened back up in 2021. The Trust made a £3,000 grant to the Fund to cover board and lodging for eligible PRS members.

Transfers between funds:

During the year, £250,000 was transferred from the general fund to designated funds to create the new Winter crisis scheme created by the Trustees.

At the year end, £80,435 was transferred from the Winter heating scheme to the general fund to reimburse grants paid that satisfy the qualifying criteria, from unrestricted funds.

A further £350,283 was transferred from the general fund to the designated investments fund to bring the value of that fund in-line with the fair value as presented on the Balance Sheet.

PRS Members' Fund

Notes to the financial statements For the year ended 31 December 2022

22. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2021 £
Unrestricted funds						
Designated funds						
Investments	12,648,119	310,854	(67,198)	1,134,641	1,602,422	15,628,838
Winter heating scheme	-	-	-	197,180	-	197,180
	<u>12,648,119</u>	<u>310,854</u>	<u>(67,198)</u>	<u>1,331,821</u>	<u>1,602,422</u>	<u>15,826,018</u>
General funds						
General fund	<u>2,890,000</u>	<u>518,134</u>	<u>(998,536)</u>	<u>(1,331,821)</u>	<u>-</u>	<u>1,077,777</u>
Total Unrestricted funds	<u>15,538,119</u>	<u>828,988</u>	<u>(1,065,734)</u>	<u>-</u>	<u>1,602,422</u>	<u>16,903,795</u>
Restricted funds						
	<u>-</u>	<u>3,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,000</u>
Total of funds	<u><u>15,538,119</u></u>	<u><u>831,988</u></u>	<u><u>(1,065,734)</u></u>	<u><u>-</u></u>	<u><u>1,602,422</u></u>	<u><u>16,906,795</u></u>

PRS Members' Fund

**Notes to the financial statements
For the year ended 31 December 2022**

23. Analysis of net assets between funds**Analysis of net assets between funds - current year**

	Unrestricted funds 2022 £	Total funds 2022 £
Intangible fixed assets	28,180	28,180
Fixed asset investments	13,940,574	13,940,574
Investment property	275,000	275,000
Social investments	253,265	253,265
Current assets	1,237,759	1,237,759
Creditors due within one year	(143,377)	(143,377)
Total	15,591,401	15,591,401

Analysis of net assets between funds - prior year

	<i>Restricted funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Fixed asset investments	-	15,378,838	15,378,838
Investment property	-	250,000	250,000
Social investments	-	312,783	312,783
Current assets	3,000	1,100,319	1,103,319
Creditors due within one year	-	(138,145)	(138,145)
Total	3,000	16,903,795	16,906,795

PRS Members' Fund

Notes to the financial statements For the year ended 31 December 2022

24. Contingent liabilities - pension scheme

The five staff are not directly employed by the Fund, and given that there is no separate valuation of the scheme's assets and actuarial liabilities that relate to the Fund's staff, contributions to the scheme are treated as if the scheme was a defined contribution scheme. Full details of the scheme and its deficit are included in the financial statements of PRS For Music Limited.

Employer contributions are affected by the deficit in the scheme and the Fund has been asked to pay additional annual contributions of approximately £5,000 for the next 13 years, together with a share of the final lump sum payment, estimated at around £70,000. The amount of this future commitment is still subject to negotiation and agreement between the Fund and the scheme operator. As the additional annual contribution amounts could vary and the final lump sum is subject to agreement, it is not possible to reliably measure the current value of the liability and for this reason, a liability has not been recognised in the accounts.

25. Related party transactions

With the exception of those transactions disclosed in note 12, the Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 December 2022.