

COMPANY REGISTRATION NUMBER: 01575236

Publishers' Licensing Services Limited
Company Limited by Guarantee
Financial Statements
31 March 2023

Publishers' Licensing Services Limited

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2023

Contents	Page
Officers and professional advisers	1
Directors' report	2
Independent auditor's report to the members	8
Income statement	13
Statement of financial position	14
Notes to the financial statements	15

Publishers' Licensing Services Limited

Company Limited by Guarantee

Officers and Professional Advisers

The board of directors

S M Faulder - Chief Executive
D C Conway (PA)
D M Dixon (ALPSP)
A R Freeman (PA)
M P Majurey (PA)
S L Fricker (ALPSP)
O E Gadsby (IPG)
R P Glazebrook - Chair
S Merali (PPA)
B C Shine (IPG)
W C Sime (ALPSP)
S Voss (PPA)
T J L Williams (IPG)
A C R Yeates (PPA)

Company secretary

S M Faulder

Registered office

1 St. Katharine's Way
London
England
E1W 1UN

Auditor

Shipleys LLP
Chartered accountants & statutory auditor
10 Orange Street
Haymarket
London
WC2H 7DQ

Publishers' Licensing Services Limited

Company Limited by Guarantee

Directors' Report

Year ended 31 March 2023

The directors present their report and the financial statements of the company for the year ended 31 March 2023.

Principal activities and review of the business

The principal activity of the Publishers' Licensing Services Limited (PLS) is to represent the interests of publishers in the collective management of their rights and to distribute collective licensing revenue to publishers. PLS's other services to publishers include a permissions clearance service and guidance on best practice in rights management.

Publishers Authorising PLS To Manage Their Collective Licensing Rights

PLS held active Accounts for 4,281 (2022: 4,171) publishers at the year end.

Collective Licensing

PLS works closely with a number of other collective management organisations to deliver the benefits to publishers of effective collective licensing including the following:

- a) The Copyright Licensing Agency (CLA) continues to be PLS's primary licensing agent, collecting revenues from the education, public and business sectors for copying and using extracts from books, journals, magazines and websites under (a) licences which it negotiates and issues in the UK and (b) its bilateral agreements with equivalent reproduction rights organisations overseas. PLS works in conjunction with the other members of CLA in overseeing its work on behalf of right holders. The members of CLA are the Authors' Licensing and Collecting Society (ALCS) representing authors, and visual artist organisations, Design and Artists Copyright Society (DACS) and Picture Industry Collecting Society for Effective Licensing (PICSEL).
- b) NLA media access (NLA), PLS's licensing agent for those magazine publishers that have instructed PLS to license the copying and use of their titles to the business and government sectors through NLA.

Revenue

PLS received collective licensing revenue for the year of £43.5m (2022: £42.7m) from the following sources:

- CLA: £39,374,446 (being the publishers' share of CLA revenues) (2022: £38,379,884) and
- NLA: £4,111,863 (being the publishers', authors' and visual artists' share of NLA revenues) (2022: £4,343,927).

Other sources of revenue for the year included:

- Stichting Reprorecht for publishers' public lending rights in the Netherlands: £32,150 (2022: £13,926) and
- PLSclear: generated gross revenues for publishers of £607,842 (2022: £622,972).

Publishers' Licensing Services Limited

Company Limited by Guarantee

Directors' Report *(continued)*

Year ended 31 March 2023

	2022/23	2021/22	% change
	£	£	
Collective Licensing			
CLA			
Education	15,280,075	15,017,995	1.7%
Business	15,359,330	14,255,496	7.7%
Government	1,971,705	1,878,439	5.0%
NHS	1,120,219	1,120,677	(0.0%)
Document delivery	105,506	125,370	(15.8%)
Media monitoring	191,356	267,725	(28.5%)
Foreign	5,346,255	4,591,945	16.4%
CLA Excess Admin	0	1,122,237	(100.0%)
CLA Total	39,374,446	38,379,884	2.6%
NLA media access	4,111,863	4,343,927	(5.3%)
	43,486,309	42,723,811	1.8%
Other revenue			
PLR (Netherlands)	32,150	13,926	130.9%
PLS Permissions	607,842	622,972	(2.4%)
Total	44,126,301	43,360,709	1.8%

Distributions

Distributable collective licensing revenue was £41.79m (2022: £40.8m), after deduction of PLS 6% administration fee, and was processed in accordance with the PLS Distribution Charter and the Distribution Timetable, both available on the website at www.pls.org.uk.

The distributable revenue received by PLS from CLA and Stichting Reprerecht was allocated and distributed to publishers. CLA deducts the shares payable to authors and visual artists before distribution to PLS.

The distributable revenue received by PLS from NLA included the shares payable to authors and visual artists. In accordance with the decision in the Rights Valuation, effective 1 January 2016, and as reflected in the Distribution Charter, PLS paid the shares due to authors (17.5%) and visual artists (10%) to ALCS and to DACS and PICSEL respectively for onward distribution prior to distributing NLA revenues to publishers.

A small part (under 1.5% on average per licence sector) of the monies PLS receives from CLA is for copying and use of works owned by publishers who have not previously signed a Publisher Account Form. PLS continues to employ 2 members of staff who are dedicated to tracing such publishers and inviting them to sign up to PLS so that the monies allocated to the copying of their works can be released to them. Largely as a result of this work, more than 200 publishers returned a PLS Publisher Account Form over the course of the year.

Publishers' Licensing Services Limited

Company Limited by Guarantee

Directors' Report *(continued)*

Year ended 31 March 2023

PLS Services

The **PLSclear** service offers publishers the means to manage their permissions more efficiently. The volume of permissions requests flowing through the service from authors and editors from all over the world was slightly down on the previous year.

Usage of PLS's free to use Access to Research service in public libraries is still recovering to pre-pandemic levels.

PLS's Rights & Licensing Hub has been populated with a wealth of information, training and other resources to support publishers in adopting best practice in managing and making the most of their rights. Recent additions include free online training courses and a guide to open access. This work has been done in collaboration with a group of rights experts drawn from across the publishing industry.

Publisher Engagement

PLS returned to both the London and Frankfurt book fairs during the year, following the suspension of book fairs during the pandemic, but continued to offer virtual meetings with publishers who chose not to attend the fairs in person. The uptake of in person and virtual meetings has been more or less equal, with many publishers welcoming the choice and flexibility now offered.

PLS resumed its attendance and speaking at publishing conferences as these have restarted following the pandemic.

The PLS Annual Rights and Licensing Forum was held in July, once again at the Stationers' Company Hall, and was well attended.

As in previous years, PLS sponsored various relevant online conferences and events in order to raise awareness and understanding amongst publishers of PLS and its collective licensing and permissions services.

Collaboration

CLA and NLA continue to evolve and maintain the relevance of their licence offerings in full consultation with PLS and publishers, and in response to licensee needs as appropriate. PLS strives to ensure that all new initiatives complement and support publishers' businesses.

PLS continues to outsource its finance, human resources and project management requirements to CLA.

Policy and Copyright

PLS has continued, now under the leadership of its Policy & Communications Manager, to work closely in partnership with its trade association members, with CLA and all its members, the British Copyright Council and IFRRO (the international organisation representing reproduction rights organisations, such as PLS, to support the copyright interests of publishers). There was a strong focus during the year on resisting the government's attempt to introduce a broad copyright exception for text and data mining to ease the way for the development of artificial intelligence.

Publishers' Licensing Services Limited

Company Limited by Guarantee

Directors' Report *(continued)*

Year ended 31 March 2023

Compliance and Code of Conduct

PLS is regulated under the Collective Management of Copyright (EU Directive) Regulations 2016 and continues to ensure that its governance and operations are compliant with the Regulations.

PLS staff continue to work in accordance with the PLS Code of Conduct. No complaints were received during the year.

Status

The Company is limited by guarantee and does not have a share capital. In the event of the Company being wound up, each member undertakes to contribute to the assets of the Company such amount as may be required but not exceeding £1. The members of the Company are:

The Association of Learned and Professional Society Publishers (ALPSP)
Independent Publishers Guild (IPG)
Professional Publishers Association Limited (PPA)
The Publishers Association Limited (PA)

Results

The result for the year is shown in the Income Statement on page 13.

Directors

Up to three directors are nominated by each of the members and approved by the Board. The Chair is appointed by the Board and is independent of the members. The Chief Executive is appointed by the Board. The following directors have held office since 1 April 2022:

Directors

The directors who served the company during the year were as follows:

RP Glazebrook, Chair	NAMD Service (PPA) (resigned 11/02/2023)
SM Faulder – Chief Executive	BC Shine (IPG)
DC Conway (PA) (appointed 01/08/2022)	WC Sime (ALPSP)
DM Dixon (ALPSP)	S Voss (PPA) (appointed 12/02/2023)
AR Freeman (PA)	TJL Williams (IPG)
SL Fricker (ALPSP)	ACR Yeates (PPA)
OE Gadsby (IPG)	
SA Lotinga (PA) (resigned 31/07/2022)	
MP Majurey (PA)	
S Merali (PPA)	

PLS purchased and maintained throughout the financial year directors' liability insurance in respect of itself and for its directors. This gives appropriate cover for any legal action brought against PLS or its directors.

Publishers' Licensing Services Limited

Company Limited by Guarantee

Directors' Report *(continued)*

Year ended 31 March 2023

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the surplus or deficit of the company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Publishers' Licensing Services Limited

Company Limited by Guarantee

Directors' Report *(continued)*

Year ended 31 March 2023

This report was approved by the board of directors on ...7th June 2023... and signed on behalf of the board by:



S M Faulder - Chief Executive
Director

Registered office:
1 St. Katharine's Way
London
England
E1W 1UN

Publishers' Licensing Services Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Publishers' Licensing Services Limited

Year ended 31 March 2023

Opinion

We have audited the financial statements of Publishers' Licensing Services Limited (the 'company') for the year ended 31 March 2023 which comprise the income statement, statement of financial position 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Publishers' Licensing Services Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Publishers' Licensing Services Limited *(continued)*

Year ended 31 March 2023

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Publishers' Licensing Services Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Publishers' Licensing Services Limited *(continued)*

Year ended 31 March 2023

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

We obtained an understanding of the company's activities, controls and laws and regulations and assessed the susceptibility of the company's financial statements to material misstatement from irregularities, including fraud.

We determined that the laws and regulations that are most significant to the company are those relating to the reporting framework (FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)), the Companies Act 2006 and the Collective Rights Management (CRM) Directive.

Based on this understanding we designed our audit procedures to detecting irregularities, including fraud. Testing undertaken included making enquiries on the management; journal entry testing; review of bank letters; review of board minutes; review of transactions for any undisclosed related party transactions; reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

These procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Publishers' Licensing Services Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Publishers' Licensing Services Limited *(continued)*

Year ended 31 March 2023

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Publishers' Licensing Services Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Publishers' Licensing Services Limited *(continued)*

Year ended 31 March 2023

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Tim Hardy

Tim Hardy (Senior Statutory Auditor)

For and on behalf of
Shipleys LLP
Chartered accountants & statutory auditor
10 Orange Street
Haymarket
London
WC2H 7DQ
09 June 2023

Publishers' Licensing Services Limited

Company Limited by Guarantee

Income Statement

Year ended 31 March 2023

	Note	2023 £	2022 £
Copyright fees received		44,126,301	43,360,709
Distributable to rightsholders		(41,788,586)	(40,819,178)
Turnover		2,337,715	2,541,531
Administrative expenses		(2,658,320)	(2,312,899)
Operating (deficit)/surplus	5	(320,605)	228,632
Other interest receivable and similar income	8	86,772	5,655
(Deficit)/surplus before taxation		(233,833)	234,287
Taxation	9	48,933	(45,793)
(Deficit)/surplus for the financial year		(184,900)	188,494

All the activities of the company are from continuing operations.

The company has no other recognised items of income and expenses other than the results for the year as set out above.

The notes on pages 15 to 22 form part of these financial statements.

Publishers' Licensing Services Limited

Company Limited by Guarantee

Statement of Financial Position

31 March 2023

	Note	2023		2022	
		£	£	£	£
Fixed assets					
Intangible assets	10		118,710		125,062
Tangible assets	11		3,954		26,933
Investment in joint venture	12		5		5
			<u>122,669</u>		<u>152,000</u>
Current assets					
Debtors	13	1,530,250		1,420,249	
Investments	14	4,082,214		1,268,661	
Cash at bank and in hand		4,124,180		8,271,374	
		<u>9,736,644</u>		<u>10,960,284</u>	
Creditors: amounts falling due within one year	15	<u>(9,018,842)</u>		<u>(10,084,724)</u>	
Net current assets			<u>717,802</u>		<u>875,560</u>
Total assets less current liabilities			<u>840,471</u>		<u>1,027,560</u>
Provisions			<u>(18,122)</u>		<u>(20,311)</u>
Net assets			<u><u>822,349</u></u>		<u><u>1,007,249</u></u>
Capital and reserves					
Profit and loss account			822,349		1,007,249
Members funds			<u><u>822,349</u></u>		<u><u>1,007,249</u></u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors and authorised for issue on **7th June 2023**, and are signed on behalf of the board by:



R P Glazebrook - Chair
Director

Company registration number: 01575236

The notes on pages 15 to 22 form part of these financial statements.

Publishers' Licensing Services Limited

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2023

1. General information

The company is a private company limited by guarantee, registered in England and Wales. The address of the registered office is 1 St. Katharine's Way, London, E1W 1UN, England.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Monetary amounts in these financial statements are rounded to the nearest pound.

Going concern

The financial statements have been prepared on the going concern basis. The directors have considered the results for the year and the balance sheet at the accounting date. The directors specifically considered the ongoing impact of Covid-19 on the company's forecasts and are satisfied that the company is in a position to meet its liabilities as they fall due over the next twelve months from the date these financial statements are approved.

Cashflow statement

The company has taken advantage of the small companies exemption from preparing a cashflow under the terms of FRS 102 Section 1A.

Turnover

Turnover consists of the subvention retained by the company (net of VAT) from the amounts receivable for disbursement. The company recognises the income as it becomes legally entitled to it once the revenue is distributed to publishers. Turnover also includes income received from PLS Permissions service. The income is recognised once the permission fees have been received.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Publishers' Licensing Services Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Income tax *(continued)*

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Computer Software	-	3 years
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Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	Over term of occupation
Fixtures and fittings	-	8 years
Computer equipment	-	3 years

Publishers' Licensing Services Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Investments

Investments in joint ventures are carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of investments in joint ventures the difference between disposal proceeds and the carrying amounts of the investments is recognised in profit or loss.

Financial instruments

Financial instruments are recognised at amortised cost.

Defined contribution plans

The company makes payments on behalf of employees to a defined contribution scheme. The contributions are charged against income for the period on which the contributions are due.

4. Company limited by guarantee

The company is limited by guarantee and does not have any share capital. In the event of the Company being wound up, each member undertakes to contribute to the assets of the Company such amount as may be required but not exceeding £1.

5. Operating surplus

Operating surplus or deficit is stated after charging:

	2023	2022
	£	£
Amortisation of intangible assets	81,683	86,622
Depreciation of tangible assets	12,304	21,420
Loss on disposal of tangible assets	12,641	–
Auditor's remuneration - audit services	18,250	19,500
Auditor's remuneration - other services	4,900	10,850
	<u> </u>	<u> </u>

6. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2023	2022
	No.	No.
Management and administration	18	17
	<u> </u>	<u> </u>

Publishers' Licensing Services Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

6. Staff costs *(continued)*

The aggregate payroll costs incurred during the year, relating to the above, were:

	2023	2022
	£	£
Wages and salaries	926,272	773,937
Social security costs	104,951	81,617
Other pension costs	92,390	80,900
	<u>1,123,613</u>	<u>936,454</u>

7. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2023	2022
	£	£
Remuneration	166,225	157,492
Company contributions to defined contribution pension plans	30,312	27,372
	<u>196,537</u>	<u>184,864</u>

The highest paid director of the company received emoluments of £128,365 (2022: £121,435) and pension contributions of £30,312 (2022: £27,372).

One director is accruing pension benefits under a defined contribution pension scheme (2022: one).

8. Other interest receivable and similar income

	2023	2022
	£	£
Interest receivable	<u>86,772</u>	<u>5,655</u>

9. Taxation

Major components of tax (income) / expense

	2023	2022
	£	£
Current tax:		
UK current tax (income) / expense	(43,432)	53,561
Adjustments in respect of prior periods	(3,312)	–
Total current tax	<u>(46,744)</u>	<u>53,561</u>
Deferred tax:		
Origination and reversal of timing differences	(2,189)	(7,768)
Taxation	<u>(48,933)</u>	<u>45,793</u>

Publishers' Licensing Services Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

9. Taxation *(continued)*

Reconciliation of tax (income) / expense

The tax assessed on the (deficit)/surplus on ordinary activities for the year is lower than (2022: higher than) the standard rate of corporation tax in the UK of 19% (2022: 19%).

	2023	2022
	£	£
(Deficit)/surplus on ordinary activities before taxation	(233,833)	234,287
(Deficit)/surplus on ordinary activities by rate of tax	(44,428)	44,515
Adjustment to tax charge in respect of prior periods	(3,312)	–
Effect of expenses not deductible for tax purposes	2,373	473
Effect of capital allowances and depreciation	(4,406)	(203)
Depreciation on assets not qualifying for tax allowances	840	1,008
Tax on (Deficit)/surplus	<u>(48,933)</u>	<u>45,793</u>

10. Intangible assets

	Computer Software £
Cost	
At 1 April 2022	1,701,386
Additions	75,331
At 31 March 2023	<u>1,776,717</u>
Amortisation	
At 1 April 2022	1,576,324
Charge for the year	81,683
At 31 March 2023	<u>1,658,007</u>
Carrying amount	
At 31 March 2023	<u>118,710</u>
At 31 March 2022	<u>125,062</u>

Publishers' Licensing Services Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

11. Tangible assets

	Property improvements £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 April 2022	41,180	39,235	29,653	110,068
Additions	–	–	1,967	1,967
Disposals	(41,180)	(39,235)	–	(80,415)
At 31 March 2023	<u>–</u>	<u>–</u>	<u>31,620</u>	<u>31,620</u>
Depreciation				
At 1 April 2022	32,944	27,303	22,888	83,135
Charge for the year	4,942	2,584	4,778	12,304
Disposals	(37,886)	(29,887)	–	(67,773)
At 31 March 2023	<u>–</u>	<u>–</u>	<u>27,666</u>	<u>27,666</u>
Carrying amount				
At 31 March 2023	<u>–</u>	<u>–</u>	<u>3,954</u>	<u>3,954</u>
At 31 March 2022	<u>8,236</u>	<u>11,932</u>	<u>6,765</u>	<u>26,933</u>

12. Investment in joint venture

	Joint venture £
Cost	
At 1 April 2022 and 31 March 2023	<u>5</u>
Impairment	
At 1 April 2022 and 31 March 2023	<u>–</u>
Carrying amount	
At 31 March 2023	<u>5</u>
At 31 March 2022	<u>5</u>

ALCS and PLS agreed in 2015 to cooperate in the establishment and management of Fetter Investments Limited as a joint venture through the medium of a company. The company has one hundred issued shares of ten pence each. ALCS and PLS share equally in the management and control of the Company. The company is dormant.

Publishers' Licensing Services Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

13. Debtors

	2023	2022
	£	£
Trade debtors	1,325,962	1,320,739
Prepayments and accrued income	93,041	98,012
Corporation tax repayable	46,142	–
Other debtors	65,105	1,498
	<u>1,530,250</u>	<u>1,420,249</u>

14. Investments

	2023	2022
	£	£
Short-term deposits	<u>4,082,214</u>	<u>1,268,661</u>

15. Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	372,142	449,133
Accruals and deferred income	135,124	237,174
Social security and other taxes	536,927	557,990
Publisher's fees	7,358,686	8,189,158
Contributor's fees	615,963	643,870
Other creditors	–	7,399
	<u>9,018,842</u>	<u>10,084,724</u>

16. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2023	2022
	£	£
Included in provisions	<u>18,122</u>	<u>20,311</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2023	2022
	£	£
Accelerated capital allowances	18,122	21,717
Provisions	–	(1,406)
	<u>18,122</u>	<u>20,311</u>

Publishers' Licensing Services Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

17. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2023	2022
	£	£
Not later than 1 year	128,700	48,985
Later than 1 year and not later than 5 years	66,300	–
	<u>195,000</u>	<u>48,985</u>

18. Related party transactions

R P Glazebrook, S A Lotinga, N A M D Service, A R Freeman, M P Majurey and S Voss served as directors of the Copyright Licensing Agency (CLA), from which the company received the majority of its copyright fee revenue, of which R P Glazebrook is also joint chair.

The four member bodies, being The Publishers Association (PA), Professional Publishers Association (PPA), Association of Learned and Professional Society Publishers (ALPSP) and Independent Publishers Guild (IPG) are each represented on the board by three directors.

During the year, fees totalling £137,041 (2022: £130,109) were paid to PA, PPA, IPG and ALPSP for governance.

Fees totalling £406,394 (2022: £332,263) were paid to PA, PPA, ALPSP and IPG for sponsorship and services provided.

The fees paid to N A M D Service during the year for presentational skills training services were £900 (2022: £nil).

The company was charged £103,032 (2022: £94,776) for finance services, £17,005 (2022: £18,120) for HR services, £12,000 (2022: £12,000) for project management services and £89,655 (2022: £112,496) for premises and office related costs by CLA. The company charged £531 (2022:£nil) to CLA for events and staff training and £nil (2022: £22,294) to CLA for staff costs. As at 31 March 2023 CLA had an accounts payable balance of £nil (2022: £21,662) and accounts receivable balance of £nil (2022: £6,155).

At 31 March 2023, £nil (2022: £960) was outstanding from PA.

At 31 March 2023, the amount due from Fetter Investments was £1,499 (2022: £1,499).