

Registration number: OC382805

# **Now That's What I Call Music LLP**

Members' report and Financial Statements

for the Year Ended 31 March 2023

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## **Members' report for the Year Ended 31 March 2023**

The members present their report and the audited financial statements for the year ended 31 March 2023.

### **Principal activities**

The principal activity of the LLP continued to be the exploitation of musical recordings.

### **Future developments**

The members intend to take every opportunity to utilise the NOW brand equity to enhance the business. The members continue to focus on the core business of curating the very best compilations and playlists for its many customers through both digital and physical platforms.

### **Principal risks and uncertainties**

The LLP considers its key risks and uncertainties to be physical music market decline and piracy, in addition to the strength of the release schedule. While Covid-19 has had some impact on physical sales via traditional retailers, it has not caused significant damage to NOW's business. The members continue to focus on the core business of curating high quality compilations and playlists across both digital and physical platforms to mitigate these risks.

### **Disclosure of information to the auditors**

The members confirm that, so far as they are each aware, there is no relevant audit information of which the LLP's auditors are unaware; and each member has taken all the steps that they ought to have taken to make them self aware of any relevant audit information and to establish that the LLP's auditors are aware of that information.

This report has been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.


**Members' report for the Year Ended 31 March 2023 (continued)**

**Members**


The members of the LLP during the year and up to the date of signing the financial statements were:

Sony Music Entertainment UK Limited  
Universal Music Operations Limited

On behalf of the members of the LLP

  
Christopher Crellin (Oct 19, 2023 18:08 GMT+1)

Christopher Crellin  
*Chief Financial Officer - Sony Music Entertainment UK Limited*

  
David Sharpe (Oct 19, 2023 19:15 GMT+2)

David Sharpe  
*Chief Operating Officer - Universal Music Operations Limited*

19 October 2023

## **Statement of members' responsibilities in respect of the financial statements**

The members are responsible for preparing the Members' report and the financial statements in accordance with applicable law and regulation.

Company law, as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (the "Regulations"), requires the members to prepare financial statements for each financial year. Under that law the members have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, as applied to limited liability partnerships, members 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 LLP and of the profit or loss of the LLP for that period. In preparing the financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

The members are responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The members are also responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that the financial statements comply with the Companies Act 2006.

## Independent Auditors' Report to the members of Now That's What I Call Music LLP

### Opinion

In our opinion the Now That's What I Call Music LLP's financial statements:

- give a true and fair view of the state of the LLP's affairs as at 31 March 2023 and of its loss and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

We have audited the financial statements, included within the Members' report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 March 2023; Statement of comprehensive income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remained independent of the LLP in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Conclusions relating to going concern

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 LLP'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.

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the LLP's ability to continue as a going concern.

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

## **Independent Auditors' Report to the members of Now That's What I Call Music LLP (continued)**

### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The members are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

### **Responsibilities for the financial statements and the audit**

#### **Responsibilities of the members for the financial statements**

As explained more fully in the Statement of members' responsibilities in respect of the financial statements, the members are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The members are also responsible for such internal control as they 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 members are responsible for assessing the LLP'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 members either intend to liquidate the LLP or to cease operations, or have no realistic alternative but to do so.

## **Independent Auditors' Report to the members of Now That's What I Call Music LLP** **(continued)**

### **Auditors' 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 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.

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.

Based on our understanding of the LLP and industry, we identified that the principal risks of non-compliance with laws and regulations related to compliance with tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate accounting entries to manipulate financial results and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- discussions with management in consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- reviewing unusual or unexpected journal entries to improve financial performance; and
- auditing accounting estimates for potential management bias.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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



**Independent Auditors' Report to the members of Now That's What I Call Music LLP  
(continued)**

**Use of this report**

This report, including the opinions, has been prepared for and only for the members of the partnership as a body in accordance with the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

**Other required reporting**

**Companies Act 2006 exception reporting**

Under the Companies Act 2006 as applicable to limited liability partnerships we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the LLP, 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.

We have no exceptions to report arising from this responsibility.



.....  
David Beer (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP,  
Chartered Accountants and Statutory Auditors  
Watford

20 October 2023


**Statement of comprehensive income**  
*for the Year Ended 31 March 2023*

	Note	2023 £ 000	2022 £ 000
Turnover	5	6,244	8,756
Cost of sales		<u>(3,789)</u>	<u>(5,078)</u>
Gross profit		2,455	3,678
Distribution costs		(1,311)	(1,314)
Administrative expenses		(889)	(1,059)
Other operating income	6	<u>98</u>	<u>200</u>
Operating profit	7	353	1,505
Other non-operating income		<u>42</u>	<u>9</u>
Profit for the financial year before members' remuneration and profit shares	14	395	1,514
Members' remuneration charged as an expense	14	<u>(651)</u>	<u>(1,774)</u>
Accumulated losses for the financial year available for discretionary division among members		<u>(256)</u>	<u>(260)</u>


**Balance Sheet**  
*as at 31 March 2023*

	Note	2023 £ 000	2022 £ 000
<b>Current assets</b>			
Debtors	9	986	1,897
Cash and cash equivalents		<u>3,402</u>	<u>6,681</u>
		4,388	8,578
<b>Current liabilities</b>			
<b>Creditors:</b> amounts falling due within one year	10	<u>(3,245)</u>	<u>(7,179)</u>
<b>Net assets</b> attributable to members		<u>1,143</u>	<u>1,399</u>
<b>Represented by Members' other interests</b>			
Other reserves		<u>1,143</u>	<u>1,399</u>
<b>Total members' interests</b>		<u>1,143</u>	<u>1,399</u>

Approved and authorised by the Board of Members on 19 October 2023 and signed on its behalf by:

  
Christopher Crellin (Oct 19, 2023 18:08 GMT+1)

Christopher Crellin

  
David Sharpe (Oct 19, 2023 19:15 GMT+2)

David Sharpe

**Statement of Changes in Equity**  
*for the Year Ended 31 March 2023*

	<b>Other Reserves £ 000</b>	<b>Total members' interests £ 000</b>
At 1 April 2022	1,399	1,399
Profit for the financial year available for discretionary division among members	395	395
Other divisions of profits	<u>(651)</u>	<u>(651)</u>
At 31 March 2023	<u>1,143</u>	<u>1,143</u>

	<b>Other Reserves £ 000</b>	<b>Total members' interests £ 000</b>
At 1 April 2021	1,659	1,659
Profit for the financial year available for discretionary division among members	1,514	1,514
Other divisions of profits	<u>(1,774)</u>	<u>(1,774)</u>
At 31 March 2022	<u>1,399</u>	<u>1,399</u>

**Statement of Cash Flows**  
*for the Year Ended 31 March 2023*

	Note	2023 £ 000	2022 £ 000
<b>Cash flows from operating activities</b>			
Profit for the year		395	1,514
Working capital adjustments			
Decrease in trade debtors	9	911	1,048
Decrease in trade creditors	10	<u>(3,934)</u>	<u>(1,126)</u>
Net cash (outflow)/inflow from operating activities		<u>(2,628)</u>	<u>1,436</u>
<b>Cash flows from financing activities</b>			
Distributions to members		<u>(651)</u>	<u>(1,774)</u>
<b>Net cash outflow from financing activities</b>		<u>(651)</u>	<u>(1,774)</u>
Net decrease in cash and cash equivalents		(3,279)	(338)
Cash and cash equivalents at 1 April		<u>6,681</u>	<u>7,019</u>
Cash and cash equivalents at 31 March		<u><u>3,402</u></u>	<u><u>6,681</u></u>

**Notes to the Financial Statements**  
*for the Year Ended 31 March 2023*

**1 General information**

Now That's What I Call Music LLP ('the LLP') has the principal activity of exploiting musical recordings within the United Kingdom.

The LLP is a partnership in which the members have limited liabilities and is incorporated in the United Kingdom. The address of its registered office is 2 Canal Reach, London, N1C 4DB.

**2 Statement of compliance**

The individual financial statements Now That's What I Call Music LLP have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

**3 Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The LLP has adopted FRS 102 in these financial statements.

***Basis of preparation***

The financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with Companies Act 2006 as applied to Limited Liability Partnerships, the Statement of Recognised Practice (SORP) for Limited Liability Partnerships.

The preparation of financial statements in conformity with FRS102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

***Foreign currencies***

***(i) Functional and presentational currency***

The LLP's functional and presentation currency is the Pound Sterling.

## Notes to the Financial Statements

*for the Year Ended 31 March 2023 (continued)*

### 3 Summary of significant accounting policies (continued)

#### *(ii) Transactions and balances*

Normal trading activities denominated in foreign currencies are recorded in sterling at the exchange rates as of the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year end are reported at the rates of exchange prevailing at the year end. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is reported as an exchange gain or loss in the profit and loss account.

#### *Turnover and revenue recognition*

Turnover comprises the value of sales (excluding VAT and net of trade discounts) of physical goods, digital products and of services sold in the normal course of business. Turnover relating to goods is recognised when the product has been dispatched or, if goods are dispatched on a consignment basis, at the time when title has passed to the customer. Turnover relating to digital products is recognised when the products are sold based on reports from digital service providers. Turnover relating to services is recognised once the services have been performed.

#### *Other operating income*

Other operating income comprises the value of sales (excluding VAT) of services provided to the Members for development of the NOW Streaming App. This income is recognised once the services have been performed.

#### *Employee benefits*

The LLP provides a range of benefits to employees, including paid holiday arrangements. These benefits are recognised as an expense in the period in which the service is received.

#### *Royalties*

Royalties payable are recognised on an accruals basis.

#### *Taxation*

Income tax payable on the profits of the LLP is solely the personal liability of the individual members and consequently is not dealt with in these financial statements.

#### *Financial instruments*

##### *(i) Financial assets*

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

## Notes to the Financial Statements

*for the Year Ended 31 March 2023 (continued)*

### 3 Summary of significant accounting policies (continued)

#### *(ii) Financial liabilities*

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

#### *Members' remuneration charged as an expense*

Members' remuneration charged as an expense is recognised based on cash distributions paid to members in the period. See note 12 for details of members' capital distributions.

#### *Members capital and current accounts*

Members' capital contributions are classified in creditors due within one year. Members' current accounts represent the allocated net profits less drawings earned by the Members in their capacity as owners of the LLP, and are not included within creditors. The average number of members of the LLP was two for the financial year. In accordance with the members' agreement governing the LLP, on a winding up the amounts owed to members would, prima facie, rank below other unsecured creditors.

### 4 Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### *Key accounting estimates and assumptions*

The estimates and assumptions that have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

#### *(i) Returns provision (note 10)*

Provision is made for the expected level of returns of physical products sold before the year ended 31 March 2023. There are uncertainties around ascertaining the timing of returns. This is driven by the decline in volumes of physical stock in the market and the tendency of retailers to hold on to stock until the volume of the return is sufficiently large enough.

### 5 Turnover

The turnover for the year is attributable to the principal activities of the LLP and is sourced within the UK.



**Notes to the Financial Statements**  
*for the Year Ended 31 March 2023 (continued)*

**6 Other operating income**

The analysis of the company's other operating income for the year is as follows:

	2023	2022
	£ 000	£ 000
Miscellaneous other operating income	<u>98</u>	<u>200</u>

Other operating income relates to funds received from Members (Universal Music Operations Limited and Sony Music Entertainment UK Limited) of £52,954 each as a fee for facilitating streaming of Universal Music and Sony repertoire in streaming services (2022: £70,870). Other operating income also includes a reversal of funds originally booked from Members (Universal Music Operations Limited and Sony Music Entertainment UK Limited) of (£4,092) each relating to the year ending March 2022 which was intended for the development of the NOW Streaming App (2022: £29,000 credit to the P&L).

**7 Operating profit**

Operating profit is stated after charging:

	2023	2022
	£ 000	£ 000
<b>Auditors' remuneration</b>		
- Audit of LLP's financial statements	<u>23</u>	<u>21</u>

**8 Staff numbers and costs**

The aggregate payroll costs were as follows:

	2023	2022
	£ 000	£ 000
Wages and salaries	77	68
Social security costs	7	7
Other pension costs	<u>6</u>	<u>5</u>
	<u>90</u>	<u>80</u>

**Notes to the Financial Statements**  
*for the Year Ended 31 March 2023 (continued)*

**8 Staff numbers and costs (continued)**

The monthly average number of persons employed by the company during the year, analysed by category was as follows:

	2023 No.	2022 No.
Sales, marketing and distribution	<u>3</u>	<u>3</u>

**9 Debtors**

	2023 £ 000	2022 £ 000
Other debtors	63	818
Prepayments and accrued income	837	1,037
Other taxation and social security	<u>86</u>	<u>42</u>
	<u>986</u>	<u>1,897</u>

**Notes to the Financial Statements**  
*for the Year Ended 31 March 2023 (continued)*

**10 Creditors: amounts falling due within one year**

	<b>Restated</b>	
	<b>2023</b>	<b>2022</b>
	<b>£ 000</b>	<b>£ 000</b>
Trade creditors	454	1,194
Amounts owed to related parties	139	3,421
Accruals	1,024	512
Returns Provision	617	733
Accrued royalties	<u>1,011</u>	<u>1,319</u>
	<u><b>3,245</b></u>	<u><b>7,179</b></u>

Other creditors balance has been split into more specific categories to provide more useful information to the users of financial statements. As a result the prior year split has been adjusted where relevant.

**11 Members' profit shares**

The average profit per member based on these financial statements was £197,500 (2022: £757,000), calculated by dividing the total profits available for distribution equally among members.

The final allocation and distribution of profits to members is made after the financial statements have been approved. In the current year profits of £651,000 (2022: £1,774,000) have been distributed equally to members, leaving cumulated undistributed profits of £1,143,000 (2022: £1,399,000).

**Notes to the Financial Statements**  
*for the Year Ended 31 March 2023 (continued)*

**12 Members' capital**

**Profits and losses**

*Allocation of profits and losses*

The profits of the LLP shall be divided between the Members in accordance with their respective profit sharing percentages, and shall be credited to the Members' current accounts as soon as the annual financial statements for the relevant accounting year are approved by the Members.

The Members may from time to time determine, by unanimous resolution, that profits of the LLP are required to provide working capital for the LLP, or otherwise in connection with the business, in which case the resolution shall specify the proportion of profit that would otherwise be credited to members' current accounts that shall instead, as soon as the annual financial statements for the relevant accounting year are approved by the Members, be credited to a working capital reserve to be used for the purposes of the business. Such amounts shall be allocated between the Members in accordance with their respective profit sharing percentages.

The Members may from time to time determine, by unanimous resolution, that profits in the working capital reserve are no longer required for the purposes of the business, in which case such profits shall be divided between the Members in accordance with their respective profit sharing percentages, and the LLP shall promptly credit such profits to the Members' current accounts and distribute them to the Members.

*Distributions of profits*

The LLP shall distribute the share of profits allocated to any Member in respect of any accounting year to the relevant Member at various intervals throughout the year in accordance with and to the economic effect of their respective equal profit sharing percentages stated in the Members' Agreement.

*Allocation of losses*

The losses of the LLP shall be divided between the Members in accordance with their respective profit sharing percentages, and shall be debited to the Members' current accounts as soon as the annual financial statements for the relevant accounting year are approved by the Members, provided that if a Member's current account has a negative balance in an amount equal to or greater than the amount of the Member's capital contribution, no further losses may be allocated to that Member.

## Notes to the Financial Statements

*for the Year Ended 31 March 2023 (continued)*

### 13 Related party transactions

Sony Music Entertainment UK Limited is a related party as it has a 50% interest in the LLP. Sony Music Entertainment UK Limited provided the LLP with certain distribution and administrative services during the year. The net charge from these transactions with the LLP was £353,000 (2022: £728,000) during the year.

The LLP also owed Sony Music Entertainment UK Limited at 31 March 2023 its 50% share of cumulative undistributed profits which is £571,500 (2022: £699,500). The amount owed to Sony Music Entertainment UK Limited by the LLP at 31 March 2023 was £133,000 (2022: £3,766,000).

The LLP charged Sony Music Entertainment UK Limited for administrative and development costs during the year totalling £49,000 (2022: £100,00).

Universal Music Operations Limited is a related party as it has a 50% interest in the LLP. Universal Music Operations Limited provided certain manufacturing, distribution and administrative services to the LLP during the year. The net charge from these transactions with the LLP was £2,915,000 (2022: £1,892,000) during the year.

The amount owed by Universal Music Operations Limited to the LLP at 31 March 2023 was £301,000 (2022: £999,000). The LLP also owes Universal Music Operations Limited its 50% share of cumulative undistributed profits which is £571,500 (2022: £699,500).

The LLP charged Universal Music Operations Limited for administrative and development costs during the year totalling £49,000 (2022: £100,000). £64,000 of these amounts from previous years remained unpaid at the year end and is included in the £301,000 owed to the LLP above.

During the year, the LLP processed and paid royalties and collected digital income on behalf of the NOW joint venture that operated between Sony Music Entertainment Ireland Limited and Universal Music Ireland Limited.

The amount owed to Sony Music Entertainment Ireland Limited to LLP at 31 March 2023 was £5,000 (2022: Sony Music Entertainment Ireland Limited owed LLP £408,000).

**Notes to the Financial Statements**  
*for the Year Ended 31 March 2023 (continued)*

**14 Profit and loss account**

	2023	2022
	£ 000	£ 000
Opening balance	1,399	1,659
Profit for the financial year before members' remuneration and profit shares	395	1,514
Members' remuneration charged as an expense	<u>(651)</u>	<u>(1,774)</u>
Closing balance	<u><u>1,143</u></u>	<u><u>1,399</u></u>