

Summary of figures from PPL's Report & Accounts 2005-2012

Year	“Amount to be distributed to members and performers” *	“Payments to members and performers”	Amount “to be distributed” but not paid
2005	£73,487,000	£73,486,000	£1,000
2006	£82,228,000	£86,709,000	-£4,481,000
2007	£97,065,000	£75,612,000	£21,453,000
2008	£107,795,000	£104,855,000	£2,940,000
2009	£91,521,000	£112,682,000	-£21,161,000
2010	£121,077,000	£117,320,000	£3,757,000
2011	£127,639,000	£91,292,000	£36,347,000
2012	£143,277,000	£127,998,000	£15,279,000
<b>Total undistributed (2005-2012)</b>			<b>£54,135,000</b>
<b>Average undistributed per year (2005-2012)</b>			<b>£6,766,875</b>
* These figures show available royalties after operating costs and all other deductions			

# PHONOGRAPHIC PERFORMANCE LIMITED

## INCOME, EXPENDITURE AND DISTRIBUTION ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2012

	Note	2012 £000	2011 £000
<b>LICENCE FEE INCOME</b>	2	170,759	153,516
Cost of collection and distribution		(24,601)	(22,927)
Cost of servicing defined benefit pension scheme		(327)	(321)
		(24,928)	(23,248)
<b>NET INCOME BEFORE INTEREST AND TAXATION</b>	3	145,831	130,268
Interest receivable		1,544	952
Interest payable	5	(724)	(452)
Other finance (expense)/income		(78)	61
		146,573	130,829
<b>NET INCOME BEFORE TAXATION</b>		146,573	130,829
Taxation	8	-	-
		146,573	130,829
<b>AMOUNT AVAILABLE FOR DISTRIBUTION</b>		146,573	130,829
Anti-piracy/copyright protection	4	(3,296)	(3,190)
		(143,277)	(127,639)
<b>RETAINED RESERVES</b>	14	Nil	Nil
		Nil	Nil
<b>Cost to income ratio (excluding pension scheme costs)</b>		14 4%	14 9%

The results above refer entirely to continuing operations

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# PHONOGRAPHIC PERFORMANCE LIMITED

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## CASH FLOW STATEMENT AS AT 31 DECEMBER 2012

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	Note	2012 £000	2011 £000
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	15	140,436	130,441
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			
Interest received		644	957
Interest paid		(1,082)	(300)
<b>CAPITAL EXPENDITURE</b>			
Purchase of tangible fixed assets		(966)	(1,996)
<b>TAXATION</b>			
Corporation tax paid		-	-
<b>DISTRIBUTIONS</b>			
Payments to Members and performers		(127,998)	(91,292)
Anti-piracy/copyright protection contribution paid		(2,972)	(2,929)
<b>NET CASH INFLOW BEFORE USE OF LIQUID RESOURCES</b>		8,062	34,881
<b>MANAGEMENT OF LIQUID RESOURCES</b>			
Cash outflow to increase investment		(12,861)	(30,139)
<b>(Decrease)/Increase in net cash</b>	16	<u>(4,799)</u>	<u>4,742</u>

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# PHONOGRAPHIC PERFORMANCE LIMITED

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## INCOME, EXPENDITURE AND DISTRIBUTION ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2011

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	Note	2011 £000	2010 £000
<b>LICENCE FEE INCOME</b>	2	153,516	143,494
Cost of collection and distribution		(22,927)	(19,582)
Cost of servicing defined benefit pension scheme		(321)	(383)
Total cost of collection and distribution		<u>(23,248)</u>	<u>(19,965)</u>
<b>NET INCOME BEFORE INTEREST AND TAXATION</b>	3	130,268	123,529
Interest receivable		952	990
Interest payable	5	(452)	(464)
Other finance income		61	27
<b>NET INCOME BEFORE TAXATION</b>		<u>130,829</u>	<u>124,082</u>
Taxation	8	-	-
<b>AMOUNT AVAILABLE FOR DISTRIBUTION</b>		<u>130,829</u>	<u>124,082</u>
Anti-piracy/copyright protection	4	(3,190)	(3,005)
Amount to be distributed to members and performers		<u>(127,639)</u>	<u>(121,077)</u>
<b>RETAINED RESERVES</b>	15	<u>Nil</u>	<u>Nil</u>
<b>Cost to income ratio</b> (excluding pension scheme costs)		14.9%	13.6%

The results above refer entirely to continuing operations

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# PHONOGRAPHIC PERFORMANCE LIMITED

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## CASH FLOW STATEMENT AS AT 31 DECEMBER 2011

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	Note	2011 £000	2010 £000
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	16	130,441	109,430
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			
Interest received		957	573
Interest paid		(300)	(464)
<b>CAPITAL EXPENDITURE</b>			
Purchase of tangible fixed assets		(1,996)	(3,322)
<b>TAXATION</b>			
Corporation tax paid		-	-
<b>DISTRIBUTIONS</b>			
Payments to members and performers		(91,292)	(117,320)
Anti-piracy/copyright protection contribution paid		(2,929)	(3,005)
<b>NET CASH INFLOW/ (OUTFLOW) BEFORE USE OF LIQUID RESOURCES</b>		<u>34,881</u>	<u>(14,108)</u>
<b>MANAGEMENT OF LIQUID RESOURCES</b>			
(Increase)/decrease in cash invested		(30,139)	12,000
<b>Increase/(decrease) in net cash</b>	17	<u>4,742</u>	<u>(2,108)</u>

**PHONOGRAPHIC PERFORMANCE LIMITED**  
**INCOME, EXPENDITURE AND DISTRIBUTION ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

	Note	Year Ended 31 December 2010		Year Ended 31 December 2009	
		£'000	£'000	£'000	£'000
Licence fee income before exceptional item		143,494		129,567	
Public performance refund		-		(18,127)	
	2		143,494		111,440
Cost of collection and distribution		(19,582)		(18,868)	
Cost of servicing the defined benefit pension scheme		(383)		(180)	
Total cost of collection and distribution			(19,965)		(19,048)
<b>Net income from operating activities before interest and taxation</b>	3		123,529		92,392
Interest receivable			990		2,104
Interest payable	5		(464)		(1,521)
Other finance income/(costs)	13		27		(71)
<b>Net income from operating activities before taxation</b>			124,082		92,904
Taxation	8		-		-
<b>Amount available for distribution</b>			124,082		92,904
Anti-piracy/copyright protection/industry contributions	4		(3,005)		(1,383)
Amount to be distributed to Members and Performers			(121,077)		(91,521)
<b>Retained reserves</b>	14		Nil		Nil

Cost to Income Ratio (excluding pension scheme costs and exceptional item)	13.6%	14.6%
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The results above relate entirely to continuing operations

**PHONOGRAPHIC PERFORMANCE LIMITED**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

	Note	Year Ended 31 December 2010		Year Ended 31 December 2009	
		£'000	£'000	£'000	£'000
<b>Net cash inflow from operating activities</b>	15		109,430		113,889
<b>Returns on investments and servicing of finance</b>					
Interest received		573		1,328	
Interest paid		(464)		(1,521)	
Net cash inflow/(outflow) from returns on investments and servicing of finance			109		(193)
<b>Capital Expenditure</b>					
Payment to acquire tangible fixed assets		(3,322)		(4,365)	
Net cash outflow from capital expenditure			(3,322)		(4,365)
<b>Distributions</b>					
Payments to Members & Performers		(117,320)		(112,682)	
Anti-piracy/copyright protection contributions paid		(3,005)		(1,898)	
Net cash outflow from distributions			(120,325)		(114,580)
<b>Net cash outflow before use of liquid resources</b>			(14,108)		(5,249)
<b>Management of liquid resources</b>					
Decrease in cash placed on fixed term deposits			12,000		11,000
<b>(Decrease) / increase in cash</b>	16		<u>(2,108)</u>		<u>5,751</u>

**PHONOGRAPHIC PERFORMANCE LIMITED**  
**INCOME, EXPENDITURE AND DISTRIBUTION ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**

	Note	Year Ended 31 December 2009		Year Ended 31 December 2008	
		£'000	£'000	£'000	£'000
Licence fee income before public performance refund		129,567		127,648	
Public performance refund		<u>(18,127)</u>		<u>-</u>	
Licence fee income	2		111,440		127,648
Cost of collection and distribution		(18,868)		(18,638)	
Cost of servicing the defined benefit pension scheme		<u>(180)</u>		<u>(343)</u>	
Total cost of collection and distribution			<u>(19,048)</u>		<u>(18,981)</u>
<b>Net income from operating activities before interest and taxation</b>	3		92,392		108,667
Interest receivable			2,104		4,459
Interest payable	5		(1,521)		(2,903)
Other finance (costs)/income	13		<u>(71)</u>		<u>45</u>
<b>Net income from operating activities before taxation</b>			92,904		110,268
Taxation	8		<u>-</u>		<u>-</u>
<b>Amount available for distribution</b>			92,904		110,268
Anti-piracy/copyright protection/industry contributions	4		(1,383)		(2,473)
Amount to be distributed to Members and Performers			<u>(91,521)</u>		<u>(107,795)</u>
<b>Retained reserves</b>	14		<u>Nil</u>		<u>Nil</u>
Cost to Income Ratio (excluding pension scheme costs and public performance refund)			14.6%		14.6%

The results above relate entirely to continuing operations

**PHONOGRAPHIC PERFORMANCE LIMITED**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**

	Note	Year Ended 31 December 2009		Year Ended 31 December 2008	
		£'000	£'000	£'000	£'000
<b>Net cash inflow from operating activities</b>	15		113,889		121,870
<b>Returns on investments and servicing of finance</b>					
Interest received		1,328		4,396	
Interest paid		(1,521)		(3,459)	
Net cash inflow from returns on investments and servicing of finance			(193)		937
<b>Capital Expenditure</b>					
Payment to acquire tangible fixed assets		(4,365)		(591)	
Net cash outflow from capital expenditure			(4,365)		(591)
<b>Distributions</b>					
Payments to Members & Performers		(112,682)		(104,855)	
Anti-piracy/copyright protection/industry contributions paid		(1,898)		(3,976)	
Net cash outflow from distributions			(114,580)		(108,831)
<b>Net cash (outflow)/inflow before use of liquid resources</b>			(5,249)		13,385
<b>Management of liquid resources</b>					
Decrease/(increase) in cash placed on fixed term deposits			11,000		(18,000)
<b>Increase/(decrease) in cash</b>	16		<u>5,751</u>		<u>(4,615)</u>

**PHONOGRAPHIC PERFORMANCE LIMITED**  
**INCOME, EXPENDITURE AND DISTRIBUTION ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

	Note	Year Ended 31 December 2008		Year Ended 31 December 2007	
		£'000	£'000	£'000	£'000
Licence fee income	2		127,648		114,966
Cost of collection and distribution		(18,638)		(16,834)	
Cost of servicing the defined benefit pension scheme		(343)		(408)	
<b>Total cost of collection and distribution</b>			<b>(18,981)</b>		<b>(17,242)</b>
<b>Net income from operating activities before interest and taxation</b>	3		<b>108,667</b>		<b>97,724</b>
Interest receivable			4,459		4,060
Interest payable	5		(2,903)		(2,476)
Other finance income	13		45		177
<b>Net income from operating activities before taxation</b>			<b>110,268</b>		<b>99,485</b>
Taxation	8		-		-
<b>Amount available for distribution</b>			<b>110,268</b>		<b>99,485</b>
Anti-piracy/copyright protection contributions	4		(2,473)		(2,420)
Amount to be distributed to Members and Performers			(107,795)		(97,065)
<b>Retained reserves</b>			<b>Nil</b>		<b>Nil</b>
<b>Cost to Income Ratio (excluding pension scheme costs)</b>			<b>14.6%</b>		<b>14.6%</b>

The results above relate entirely to continuing operations.

**PHONOGRAPHIC PERFORMANCE LIMITED**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

	Note	Year Ended 31 December 2008		Year Ended 31 December 2007	
		£'000	£'000	£'000	£'000
<b>Net cash inflow from operating activities</b>	15		121,870		80,668
<b>Returns on investments and servicing of finance</b>					
Interest received		4,396		3,528	
Interest paid		(3,459)		(2,612)	
Net cash inflow from returns on investments and servicing of finance			937		916
<b>Capital Expenditure</b>					
Payment to acquire tangible fixed assets		(591)		(1,268)	
Net cash outflow from capital expenditure			(591)		(1,268)
<b>Distributions</b>					
Payments to Members & Performers		(104,855)		(75,612)	
Anti-piracy/copyright protection contributions paid		(3,976)		(1,962)	
Net cash outflow from distributions			(108,831)		(77,574)
<b>Net cash inflow before use of liquid resources</b>			13,385		2,742
<b>Management of liquid resources</b>					
(Increase)/decrease in cash placed on fixed term deposits			(18,000)		2,000
<b>(Decrease) / increase in cash</b>	16		<u>(4,615)</u>		<u>4,742</u>

**PHONOGRAPHIC PERFORMANCE LIMITED**  
**INCOME, EXPENDITURE AND DISTRIBUTION ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2007**

	Note	Year Ended 31 December 2007		Year Ended 31 December 2006	
		£'000	£'000	£'000	£'000
Licence fee income	2		114,966		97,885
Cost of collection and distribution		(16,834)		(14,735)	
Cost of servicing the defined benefit pension scheme		(408)		(391)	
<b>Total cost of collection and distribution</b>			<b>(17,242)</b>		<b>(15,126)</b>
<b>Net income from operating activities before interest and taxation</b>	3		<b>97,724</b>		<b>82,759</b>
Interest receivable			4,060		3,323
Interest payable	5		(2,476)		(1,823)
Other finance income	13		177		132
<b>Net income from operating activities before taxation</b>			<b>99,485</b>		<b>84,391</b>
Taxation	8		-		20
<b>Amount available for distribution</b>			<b>99,485</b>		<b>84,411</b>
Anti-piracy/copyright protection contributions	4		(2,420)		(2,183)
Amount to be distributed to Members and Performers			(97,065)		(82,228)
<b>Retained reserves</b>	14		<b>Nil</b>		<b>Nil</b>
<b>Cost to Income Ratio (excluding pension scheme costs)</b>			<b>14.6%</b>		<b>15.1%</b>

The results above relate entirely to continuing operations

**PHONOGRAPHIC PERFORMANCE LIMITED**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2007**

	Note	Year Ended 31 December 2007		Year Ended 31 December 2006	
		£'000	£'000	£'000	£'000
<b>Net cash inflow from operating activities</b>	15		80,668		84,729
<b>Returns on investments and servicing of finance</b>					
Interest received		3,528		4,390	
Interest paid		(2,612)		(1,197)	
Net cash inflow from returns on investments and servicing of finance			916		3,193
<b>Capital Expenditure</b>					
Payment to acquire tangible fixed assets		(1,268)		(2,520)	
Net cash outflow from capital expenditure			(1,268)		(2,520)
<b>Acquisitions</b>					
Net cash acquired from PAMRA and AURA		-		1,475	
Net cash inflow from acquisitions			-		1,475
<b>Distributions</b>					
Payments to Members & Performers		(75,612)		(86,709)	
Anti-piracy/copyright protection contributions paid		(1,962)		(2,022)	
Net cash outflow from distributions			(77,574)		(88,731)
<b>Net cash inflow / (outflow) before use of liquid resources</b>			2,742		(1,854)
<b>Management of liquid resources</b>					
Decrease in cash placed on fixed term deposits			2,000		8,000
<b>Increase in cash</b>	16		<u>4,742</u>		<u>6,146</u>

**PHONOGRAPHIC PERFORMANCE LIMITED**  
**INCOME, EXPENDITURE AND DISTRIBUTION ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2006**

	Note	Year Ended 31 December 2006		Year Ended 31 December 2005	
		£'000	£'000	£'000	£'000
Licence fee income	2		97,885		86,526
Cost of collection and distribution		(14,735)		(12,514)	
Cost of servicing the defined benefit pension scheme		(391)		(501)	
<b>Total cost of collection and distribution</b>			<b>(15,126)</b>		<b>(13,015)</b>
<b>Net income from operating activities before interest and taxation</b>	3		<b>82,759</b>		<b>73,511</b>
Interest receivable			3,323		3,575
Interest payable	5		(1,823)		(1,621)
Other finance income / (cost)	14		132		(17)
<b>Net income from operating activities before taxation</b>			<b>84,391</b>		<b>75,448</b>
Taxation credit	8		20		10
<b>Amount available for distribution</b>			<b>84,411</b>		<b>75,458</b>
Anti-piracy/copyright protection contributions	4		(2,183)		(1,971)
<b>Amount to be distributed to Members and Performers</b>			<b>(82,228)</b>		<b>(73,487)</b>
<b>Retained reserves</b>	15		<b>Nil</b>		<b>Nil</b>
<b>Cost to Income Ratio (excluding pension scheme costs)</b>			<b>15.1%</b>		<b>14.5%</b>

The results above relate entirely to continuing operations

**PHONOGRAPHIC PERFORMANCE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2006**

	Note	Year Ended 31 December 2006		Year Ended 31 December 2005	
		£'000	£'000	£'000	£'000
<b>Net cash inflow from operating activities</b>	16		84,729		74,260
<b>Returns on investments and servicing of finance</b>					
Interest received		4,390		4,014	
Interest paid		(1,197)		(1,721)	
Net cash inflow from returns on investments and servicing of finance			3,193		2,293
<b>Taxation</b>					
Corporation tax received			-		7
<b>Capital Expenditure</b>					
Payment to acquire tangible fixed assets		(2,520)		(764)	
Net cash outflow from capital expenditure			(2,520)		(764)
<b>Acquisitions</b>					
Net cash acquired from PAMRA and AURA		1,475		-	
Net cash inflow from acquisitions			1,475		-
<b>Distributions</b>					
Payments to Members & Performers		(86,709)		(73,486)	
Anti-piracy/copyright protection contributions paid		(2,022)		(1,804)	
Net cash outflow from distributions			(88,731)		(75,290)
<b>Net cash (outflow) / inflow before use of liquid resources</b>			(1,854)		506
<b>Management of liquid resources</b>					
Decrease/(mcrease) in cash placed on fixed term deposits			8,000		(1,173)
<b>Increase / (decrease) in cash</b>	17		<u>6,146</u>		<u>(667)</u>

**PHONOGRAPHIC PERFORMANCE LIMITED**  
**INCOME, EXPENDITURE AND DISTRIBUTION ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2005**

	Year Ended 31 December 2005	As Restated Year Ended 31 December 2004
Note	£'000	£'000
Licence fee income	2 86,526	82,674
Cost of collection and distribution	(12,514)	(11,977)
Cost of servicing the defined benefit pension scheme	(501)	(313)
Net cost of collection and distribution	<u>(13,015)</u>	<u>(12,290)</u>
<b>Net income from operating activities before interest and taxation</b>	3 73,511	70,384
Interest receivable	3,575	3,223
Interest payable	5 (1,621)	(1,947)
Other finance costs	13 (17)	(18)
<b>Net income from operating activities before taxation</b>	<u>75,448</u>	<u>71,642</u>
Taxation credit / (charge)	8 10	(35)
<b>Amount available for distribution</b>	<u>75,458</u>	<u>71,607</u>
Anti-piracy/copyright protection contributions	4 (1,971)	(1,616)
Amount to be distributed to Members and Performers	(73,487)	(69,831)
<b>Retained reserves</b>	14 <u>Nil</u>	<u>160</u>
<b>Cost to Income Ratio (excluding pension scheme costs)</b>	14.5%	14.5%

The results above relate entirely to continuing operations.

**PHONOGRAPHIC PERFORMANCE LIMITED**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2005**

		Year Ended 31 December 2005		Year Ended 31 December 2004	
	Note	£'000	£'000	£'000	£'000
<b>Net cash inflow from operating activities</b>	15		74,260		69,276
<b>Returns on investments and servicing of finance</b>					
Interest received		4,014		3,415	
Interest paid		(1,721)		(1,049)	
Net cash inflow from returns on investments and servicing of finance			2,293		2,366
<b>Taxation</b>					
Corporation tax received / (paid)			7		(58)
<b>Capital expenditure</b>					
Payment to acquire tangible fixed assets		(764)		(60)	
Proceeds from sale of tangible fixed assets		-		2	
Net cash outflow from capital expenditure			(764)		(58)
<b>Distributions</b>					
Payments to members & performers		(73,486)		(69,359)	
Anti-piracy/copyright protection contributions paid		(1,804)		(1,988)	
Net cash outflow from distributions			(75,290)		(71,347)
<b>Net cash inflow before use of liquid resources</b>			506		179
<b>Management of liquid resources</b>					
(Increase)/Decrease in cash placed on fixed term deposits			(1,173)		13,615
<b>(Decrease) / Increase in cash</b>	16		<u>(667)</u>		<u>13,794</u>