

Music and Entertainment Rights Licensing Independent Network Limited (MERLIN)  
(UK establishment number BR022220)

**Annual Transparency Report for the year to 31 December 2024**

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# MERLIN

## **ANNUAL TRANSPARENCY REPORT**

**for the year to 31 December 2024**

**Music and Entertainment Rights Licensing Independent**

**Network Limited**

**("MERLIN")**

Registered Office:

25 North Wall Quay  
Dublin 1  
Dublin D01 H104

Business Address:

Midway House  
Third Floor  
27-29 Cursitor Street  
London EC4A 1LT

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**Annual Transparency Report for the year to 31 December 2024**

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**Merlin**

**2024 Transparency report**

This transparency report relates to MERLIN's financial year ended 31 December 2024 and has been published in accordance with Regulation 21 of the Collective Management of Copyright (EU Directive) Regulations 2016 (the "Regulations").

Gravita Audit II Limited have performed work in accordance with the International Standard on Related Services (ISRS) 4400 'Engagements to perform agreed upon procedures regarding financial information' and 'The Agreed Upon Procedures for the Audit of an Annual Transparency Report' as published by the Intellectual Property Office. Those procedures assist the directors of MERLIN (the "company") in fulfilling the obligation to report under section 21(2)(b) of the Regulations. Gravita Audit II Limited's private factual findings report is included as an appendix to this report.

This transparency report also includes certain financial information which is contained in MERLIN's separately published financial statements for the year ended 31 December 2024. Such information has been subject to audit by Crowleys DFK, and their audit report is included with MERLIN's 31 December 2024 financial statements.

➤ **Report of the activities for 2024**

The principal activity of MERLIN during the year to 31 December 2024 was licensing recorded music to digital music services and other digital platforms ("DSPs"). MERLIN obtains recorded music and related rights from independent record labels and distributors, who own and/or control such rights, and who choose to license rights to MERLIN for its licensing purposes and are known as Merlin Members ("Members").

MERLIN carries out its digital music licensing and copyright enforcement activities globally.

MERLIN did not undertake any other business unrelated to such activities.

2024 was another year of growth for MERLIN, with an increase in revenue and Member numbers as well as recruitment of new talent to its team.

➤ **Digital Service Providers and Platforms**

In 2024, MERLIN had (at its highest point) 39 active licensing agreements with DSPs including Apple Music, Deezer, Meta, Pandora, Snap, SoundCloud, Spotify and YouTube, finishing the year with 35 active deals.

During the year, the company signed a number of new and renewal agreements with DSPs. Following discussions, Merlin did not renew with four DSP partners.

➤ **MERLIN Members**

MERLIN continued to attract new Members in the year accepting 12 new members from across the world.

MERLIN continued to make royalty payments to Members, which totalled £1,243,835,130 in the year.

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**Annual Transparency Report for the year to 31 December 2024**

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➤ **IT**

Investment in IT infrastructure continued throughout 2024 with a focus on both data processing and automation (to ensure timely and efficient royalty reporting and payments to Members) and Merlin's data analytics capabilities (via ongoing advancements in data management and the development of Merlin's "data lake").

Merlin's data analytics function supports Merlin's business activities and its ability to provide analysis to its Members where (in relation to agreements in which they participate) regular "Insights" reports are now available to Members via Merlin's online portal. These activities improve transparency by increasing the amount and sophistication of information available to Members.

➤ **Legal and Governance structure of MERLIN**

MERLIN is a private company limited by shares, registered in The Republic of Ireland with company number 655936. MERLIN's business activities are operated from its offices in London. Its UK establishment number is BR022220.

The company is a wholly owned subsidiary of Merlin Network (Global Independent Digital) Company Limited by Guarantee, a company registered in the Republic of Ireland with company number 655914 ("Merlin Network").

The statutory Directors of Merlin Network are advised by a non-executive advisory committee, which is elected on a bi-annual basis by MERLIN's Members. The advisory committee (known as the "Merlin Board") may in addition include up to six non-voting advisors appointed by MERLIN's executives. The Merlin Board has the right to nominate two of Merlin Networks' statutory Directors ("Designated Directors") and accordingly, the Merlin Board exercises a supervisory role via the Designated Directors. The role of the Merlin Board (which is not remunerated) is to represent the interest of Members reflecting protections contained in Merlin's Membership Agreement with its Members.

All ownership interests in Merlin Network are held by individual members of the Merlin Board on behalf of and for the sole benefit of the Merlin Members.

MERLIN has a Board of statutory Directors that manages the operation of all aspects of the company's business, including its costs, revenues, licensing, and operating policies.

➤ **Members of the statutory Board of Directors during the year to 31 December 2024**

The Board of MERLIN during the year consisted of the following directors:

- Charlie Lexton
- Jeremy Sirota
- Ryan McWhinnie
- Adam Wright
- Neil Miller

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**Annual Transparency Report for the year to 31 December 2024**

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➤ **Members of the Merlin Board during the year to 31 December 2024**

The Merlin Board is an advisory committee to the statutory directors of Merlin's holding company, Merlin Network (Global Independent Digital) Company Limited by Guarantee:

- Darius Van Arman (Chairperson)
- Pascal Bittard
- Golda Bitterli
- Marie Clausen
- Jeffrey Chiang
- Tom Deakin
- Eniko Gallasz
- Fer Isella
- Megan Jasper
- Chris Maund
- Carlos Mills
- Louis Posen
- Michael Ugwu
- Justin West
- Simon Wheeler
- Horst Weidenmuller (Deceased 9 February 2025)
- Jennifer Newman Sharpe – Advisor

➤ **Designated Directors during the year to 31 December 2024**

The following individuals were the Designated Directors referred to above (i.e. directors of Merlin Network):

- Horst Weidenmuller
- Dauris Van Arman

➤ **Board remuneration**

The remuneration paid in the year to 31 December 2024 to the directors, who were employed and paid by MERLIN (or entities owned or controlled by MERLIN), and who constitute the persons who manage MERLIN's business within the meaning of Regulation 9 (being Adam Wright, Charlie Lexton, Jeremy Sirota, Neil Miller and Ryan McWhinnie), is outlined below.

MERLIN and the other group companies operated three payrolls in the year (one in MERLIN). The directors and management who managed the business were remunerated from two of those group companies, one of which being MERLIN. The remuneration paid to such persons by MERLIN and other group companies collectively totalled £1,737,590 (inclusive of pension contributions, fees and other benefits) in the above year.

The Merlin Board (including the Designated Directors referred to above), which exercises the supervisory function within the meaning of the Regulation, received no remuneration for services to MERLIN or any group company during the year.

The directors do not consider any other employees as holding any other key management or supervisory function within the group during the year.

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➤ **Entities owned or controlled by MERLIN in whole or in part**

MERLIN wholly owns and controls the following entities:

- Merlin (UK Services) Limited, a company registered in England and Wales,
- Music and Entertainment Rights Licensing Independent Network Inc, a company registered in the United States,
- Merlin Japan KK, a company registered in Japan.

➤ **Special Report on the use of amounts withheld for the purpose of social, cultural and educational services**

There were no amounts paid, withheld or deducted for social, cultural and educational services during the financial year to 31 December 2024.

➤ **Cashflow statement**

A statement of cash flows is included within the annual accounts.

➤ **Information on refusal to grant a licence**

Regulation 21(4)(c) requires the Annual Transparency Report to include information on any refusals to grant a licence in accordance with paragraph (5)(b)(ii) of Regulation 15.

- In the year under review, any decision not to proceed with a licensing agreement requested in MERLIN's area of activity was given with a reasoned statement explaining the decision. There are a variety of reasons for not proceeding and each one is bespoke in its nature. The Board has a record of the number of licences rejected in a year but this is commercially sensitive, and therefore the information is not provided in the public domain.

➤ **Financial Information**

The 31 December 2024 audited financial statements of MERLIN, (comprising of the Profit and Loss Account, Statement of Financial Position, Statement of Changes in Equity and the Cash Flow Statement) are attached to the report and can be found on the company's website.

Regulations 21 (4)(i)(ii) specify that a CMO should include 'operating and financial costs...including management fees deducted from or offset against rights revenue...'. In MERLIN's activities, there is only one stream of revenue which is royalty income from music rights (including payments by way of the settlement of copyright breaches). Any costs, whether operating or financial, are 100% allocated against this one revenue stream. There have been no management fees payable in the year. Based on the Merlin Membership Agreement, MERLIN normally budgets on the basis of achieving a gross margin of 1.5% of the funds it receives from DSPs subject to the impact of "Additional Royalties" (as explained below). This is expected to cover MERLIN's operating costs.

Any excess of margin over operating costs, after deducting gross corporation tax at the applicable rate and allocating an amount as a reserve for the support of future activities and unforeseen contingencies, is distributed to Members as "Additional Royalties". The future activities of the company are detailed in business plans approved by the Merlin Board, details of which are commercially sensitive and therefore not disclosed in the public domain.

In 2024, MERLIN's profit before tax was £3,862,032. The margin MERLIN achieved in the year to 31 December 2024 (subsequent to an Additional Royalty payment to Members and tax payable in respect of this financial year) was 0.22%, being the profit after tax as a proportion of the gross cost of royalties for the year.

## Annual Transparency Report for the year to 31 December 2024

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### ➤ **Rights Revenue**

Royalty income for the year (including payments by way of the settlement of copyright breaches) totalled £1,237,618,285.

Royalty income (including payments by way of the settlement of copyright breaches) derives from licensing recorded music to DSPs and where applicable enforcing rights in such content.

All costs incurred by MERLIN are attributable and allocated against such income.

MERLIN is entirely self-funded and does not use any external funding to cover costs. However, MERLIN has loans outstanding at the year end, which relates to amounts provided by Members to facilitate MERLIN's purchase of investments.

### ➤ **Payments of Rights Revenue**

Royalty payments to the Members are made monthly.

The total payments made to Members in the year totalled £1,243,835,130

The total amount payable to Members (as recognised in the accounts for the year to 31 December 2024) was £1,225,557,513.

### ➤ **Distributions made outside the Regulation 12 (2) deadline**

Regulations 12 (2) specifies that distributions of a CMO's rights revenue should be made within 9 months from the end of the financial period in which the rights revenue was collected, unless prevented by objective reasons.

The Board's policy is to ensure the contractual amounts due to Members are paid as quickly as reasonably practicable in line with the Merlin Membership Agreement, and in any event in accordance with the Regulations (i.e. within 9 months of the end of the financial period).

MERLIN paid out 99.47% of all contractual amounts due to Members (being £1,225,557,513) within nine months following the end of the financial period ending 31 December 2024. As at September 2025, £6,521,175, representing the remaining 0.53% remained unpaid (which is an improvement on the 2023 results (2023: £7,700,917; 0.65%)). This balance remained unpaid as the result of ongoing investigations by MERLIN into irregular activity that, if left unaddressed, would or might result in improper or incorrect payments being made to Members, including payments being made to certain Members at the expense of other Members.

Furthermore, Merlin has additionally assessed that within the £1,225,557,513 paid to Members, £2,971,241 might have been attributed to Members incorrectly. If recovered, these funds will be redistributed to other Members.

MERLIN has accepted shares in lieu of certain royalty payments this year totalling £789,760 (representing 0.06% of Merlin's royalty earnings for the year), following settlement agreements with the relevant DSPs. This development is not expected to impact the company's distribution practices, and payments to rights holders will continue to be calculated and disbursed in line with established procedures. However, currently £1,613,873 relating to these DSPs hasn't been paid out to members, but £824,113 is expected to be paid out within 12 months following the end of the financial period ending 31 December 2024 and the remaining balance when the shares are sold.

### ➤ **Income arising from investment of rights revenue**

There was no income arising from investment (excluding cash deposits) of rights revenue during the financial year. All interest earned was on company-owned cash balances deposited with financial institutions.

**Annual Transparency Report for the year to 31 December 2024**

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➤ **Held revenue**

Rights revenue unallocated to Members as at 31 December 2024 totalled £283,511,419. This is made up of:

<b>Current liabilities</b>	<b>2024</b>
	<b>£</b>
Royalties Payable	227,782,174
Settlement fees	176,165
Additional Royalties	6,475,661
DSP advances	3,646,971
Doubtful royalties payable provision	(1,983,680)
Other accruals and WHT	1,217,291
Deferred income	46,196,836
<b>Total</b>	<b>283,511,419</b>

Royalties payable represent amounts payable to, but not yet due and not allocated to Members.

Settlement fees represent balances of royalties (relating to settlement income), which are payable, but not yet allocated to, Members. Until allocated to Members, MERLIN does not recognise its margin on the amount.

Additional Royalties (sometimes referred to as "rebate") represent an additional royalty payment due to Members (as described above).

DSP advances are advance payments of royalties to MERLIN from DSPs on account of future royalty payments. These amounts fund MERLIN's royalty payments to Members when royalty reporting to MERLIN is provided by the applicable DSPs.

Doubtful royalties payable provision relates to royalties not payable by MERLIN to Members as a result of corresponding balances due from DSPs being deemed irrecoverable.

Other accruals and WHT include amounts withheld pending recovery of taxation charges withheld.

Deferred income represents amounts received from DSPs on which royalties are payable by MERLIN to Members over the period of the relevant agreement.

There are no operating costs for services other than related to rights management. There are no costs for social, cultural or educational services during the year ended 31 December 2024.

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**Annual Transparency Report for the year to 31 December 2024**

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➤ **Information on the cost of rights management and other services provided**

MERLIN has only one rights category, therefore, the costs, as disclosed in the Profit and Loss account give a total account of the costs incurred by the company.

In the year to 31 December 2024, MERLIN's operating costs amounted to £11,789,146.

Other financial and operating income amounted to £3,590,406, of which all related to interest receivable.

Corporate taxation charges totalled £1,123,518.

In 2024, the costs of MERLIN (costs of rights management and other services — excluding finance and corporate taxation charges) amounted to 0.96% of reported revenue.

➤ **Information on relationships with other Collective Management Organisations**

There was no financial relationship with other Collective Management Organisations during the financial year to 31 December 2024.

➤ **Approval**

The directors acknowledge their responsibilities in ensuring that the company's Annual Transparency Report complies with Regulation 21 of the Collective Management of Copyright (EU Directive) Regulations 2016 and is in accordance with the underlying financial and non-financial information used to prepare it.



Charles Lexton

For and on behalf of MERLIN

**Annual Transparency Report for the year to 31 December 2024**

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➤ **Independent Auditors Report to the Directors of Music and Entertainment Rights Licensing Independent Network Limited**

We have performed the procedures agreed with you and listed below on the 2024 Transparency Report. Our work was performed in accordance with the International Standard on Related Services (ISRS) 4400 'Engagements to perform agreed-upon procedures regarding financial information.' The procedures were performed solely to assist the company's directors in fulfilling their reporting obligations under Regulation 21 of the Collective Management of Copyright (EU Directive) Regulations 2016 (the "Regulations") and are summarised in Annex C of Agreed Upon Procedures for the audit of an Annual Transparency Report as issued by the Intellectual Property Office.

We have nothing to report with respect to the findings from the procedures undertaken.

Although the above procedures are of an audit nature, they do not constitute a full scope audit or review engagement performed in accordance with International Standards on Auditing (UK) or the International Standard for Review Engagements (UK and Ireland). Accordingly, we do not express any assurance on the annual transparency report for the year ended 31 December 2024.

Had we performed additional procedures, or had we performed an audit or review of the 2024 Transparency Report in accordance with generally accepted auditing standards, other matters might have come to our attention that we would have reported to you. This report relates only to the 2024 Transparency Report and does not extend to any financial statements of the company taken as a whole.

➤ **Use and purpose of our report**

Our report is prepared solely for the use of MERLIN and solely for the purpose of its compliance with Regulation 21(2)(b) of the Collective Management of Copyright (EU Directive) Regulations 2016. It may not be relied upon by MERLIN for any other purpose whatsoever. Our report was not prepared for the benefit of any party other than MERLIN. Gravita Audit II Limited neither owes nor accepts any duty to any other party (including any copyright owner, heirs to copyright owners, agents or licensees) and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by their reliance on our report.

*Daniel Rose*

**Daniel Rose (Senior Statutory Auditor)  
For and on behalf of Gravita Audit II Limited  
Chartered Accountants  
Statutory Auditor**

Date 6/11/2025

Aldgate Tower  
2 Leman Street  
London  
E1 8FA

**MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT  
NETWORK LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

**MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED**

**COMPANY INFORMATION**

<b>Directors</b>	Charles Jonathan Lexton (British) Jeremy Sirota (American) Adam Geoffrey Wright (British) Ryan McWhinnie (British) Neil Anthony Miller (British) (appointed 1 July 2024)
<b>Company secretary</b>	Goodbody Secretarial Limited
<b>Registered number</b>	655936
<b>Registered office</b>	25 North Wall Quay Dublin 1 Ireland D01 H104
<b>Business address</b>	125 Kingsway London WC2B 6NH
<b>Independent auditors</b>	Crowleys DFK Unlimited Company Chartered Accountants and Statutory Audit Firm 16/17 College Green Dublin 2 D02 V078
<b>Bankers</b>	HSBC Ireland 1 Grand Canal Square Grand Canal Harbour Dublin 2 D02 P820
<b>Solicitors</b>	ACK Media Law LLP 37 Duke Street London W1U 1LN  Mitchell Silberberg & Knupp LLP 2049 Century Park East 18th Floor Los Angeles CA 90067

**MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED**

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## MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED

### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

The directors present their annual report and the audited financial statements for the year ended 31 December 2024.

#### Principal activities

The principal activity of the Company is licensing recorded music owned and/or controlled by independent record labels and distributors to digital music services. Record labels and distributors who choose to license rights to the Company for this purpose are known as Merlin Members.

#### Business review

Revenue for this year amounted to £1,237,618,285 (2023: £1,191,959,139) which is an increase of 4% from the prior year. The Company continues to operate the Business in line with expectations.

#### Results and dividends

The profit for the year, after taxation, amounted to £2,738,514 (2023: £3,987,363). At 31 December 2024, the Company had assets of £308,501,596 (2023: £303,641,433), liabilities of £296,295,492 (2023: £294,173,843) and total capital and reserves of £12,206,104 (2023: £9,467,590). The directors expect the nature of the Company's activities to be unchanged for the foreseeable future.

The Directors did not pay any interim dividends during the year ended 31 December 2024 (2023: £543,000). The Directors do not recommend payment of a final dividend (2023: £Nil).

#### Directors

The directors who served during the year were:

Charles Jonathan Lexton (British)  
Jeremy Sirota (American)  
Adam Geoffrey Wright (British)  
Ryan McWhinnie (British)  
Neil Anthony Miller (British) (appointed 1 July 2024)

#### Company secretary

The Company secretary who served throughout the financial year was Goodbody Secretarial Limited.

#### Directors, company secretary and their interests

In accordance with Section 329 of the Companies Act 2014, the directors' and company secretary shareholdings and the movements therein during the year ended 31 December 2024 were as follows:

	Ordinary shares of £1 each	
	31/12/24	1/1/24
Charles Jonathan Lexton	-	-
Jeremy Sirota	-	-
Adam Geoffrey Wright	-	-
Ryan McWhinnie	-	-
Neil Anthony Miller (appointed 1 July 2024)	-	-
	=	=

## MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED

### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

#### Principal risks and uncertainties

The directors consider that the principal risks and uncertainties faced by the Company and its subsidiaries are in the following categories:

#### Credit risk

The Company has a growing number of customers. However, there is limited risk with debtors, as the credit risk situation is closely monitored.

#### Fraud risk

The risk is mitigated by maintaining segregation of duties for receipt of funds and the payment of creditors. The directors have put processes and controls in place to ensure that detailed checking is carried out at all stages, to ensure the accuracy and validity of all transactions.

#### Profitability risk

The Company has a strong focus on its cost structure. The directors place a strong emphasis on cost control and prepare monthly management accounts which are compared to monthly budgetary figures.

#### Business risk

Due to the current economic situation and the risks and uncertainties identified, the directors and parent company have indicated they will continue to place strong emphasis on cost control, the management of the Company's cashflow and to continue to regularly review their management accounts. On this basis it is deemed appropriate to continue to prepare the accounts on a going concern basis.

#### Accounting records

The measures taken by the directors to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at 125 Kingsway, London WC2B 6NH.

#### Future developments

There are no plans in respect of changes to the activities of the Company that require disclosure in the financial statements.

#### Statement on relevant audit information

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

## MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED

### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

#### Audit Committee

Section 167 of the Companies Act 2014 requires the directors of a company over a particular size to either establish an Audit Committee or to explain in the Directors' Report why they have not decided to establish an Audit Committee.

The directors of the Company have decided not to establish an Audit Committee because the Merlin group, of which the Company forms part, already has an internal finance function which:

- (i) monitors the financial reporting process;
- (ii) monitors the effectiveness of the Company's systems of internal control and risk management;
- (iii) monitors the statutory audit of the Company's statutory financial statements;
- (iv) reviews and monitors the independence of the statutory auditors and in particular the provision of additional services to the Company.

#### Directors' compliance statement

As required by section 225(2) of the Companies Act 2014, the directors acknowledge that they are responsible for securing the Company's compliance with its relevant obligations (as defined in section 225(1)).

The directors confirm that:

- a) A compliance policy statement (as defined in section 225(3)(a)) has been drawn up setting out the Company's policies, which, in the directors' opinion, are appropriate to ensure compliance with the Company's relevant obligations;
- b) Appropriate arrangements or structures that are, in the directors' opinion, designed to secure material compliance with the relevant obligations have been put in place; and
- c) A review of these arrangements or structures has been conducted in the financial year to which this report relates.

#### Post balance sheet events

There have been no significant events affecting the Company since the year end.

#### Auditors

The auditors, Crowleys DFK Unlimited Company Chartered Accountants and Statutory Audit Firm, continue in office in accordance with section 383(2) of the Companies Act 2014.

This report was approved by the board on 26-09-2025 and signed on its behalf.

Signed by:



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**Adam Geoffrey Wright**  
Director

DocuSigned by:



B6B38329ED3746D...

**Charles Jonathan Lexton**  
Director

## MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED

### DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

The directors are responsible for preparing the Directors' Report and financial statements in accordance with Irish law and regulations.

Irish company law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and The Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', which is issued by the Financial Reporting Council.

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 assets, liabilities and financial position of the Company as at the financial year end date, of the profit or loss for that financial year and otherwise comply with the Companies Act 2014.

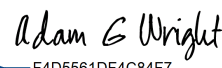
In preparing these financial statements, the directors are required to:

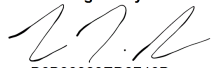
- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- 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 ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be audited. 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the board on: 26-09-2025

Signed by:  
  
F4D5561DF4C84F7...  
**Adam Geoffrey Wright**  
Director

DocuSigned by:  
  
B6B38329ED3746D  
**Charles Jonathan Lexton**  
Director

## **MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED**

#### **Report on the audit of the financial statements**

#### **Opinion**

We have audited the financial statements of Music and Entertainment Rights Licensing Independent Network Limited (the 'Company') for the year ended 31 December 2024, which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows, and the notes to the financial statements, including a summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish law and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', which is issued by the Financial Reporting Council.

In our opinion, the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) 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 Company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), 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 the date 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.

## **MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED (CONTINUED)**

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. 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 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.

#### **Opinion on other matters prescribed by the Companies Act 2014**

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

- 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.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited, and the financial statements are in agreement with the accounting records.

#### **Matters on which we are required to report by exception**

Based on the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

The Companies Act 2014 requires us to report to you if, in our opinion, the requirements of any of sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the Company. We have nothing to report in this regard.

#### **Respective responsibilities and restrictions on use**

##### **Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement on page 4, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

## MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED (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 (Ireland) 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.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's 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 Auditors' 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 Auditors' 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.

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.

**MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MUSIC AND ENTERTAINMENT RIGHTS  
LICENSING INDEPENDENT NETWORK LIMITED (CONTINUED)**

**The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. 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 Auditors' 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.

DocuSigned by:



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Tony Cooney

for and on behalf of

**Crowleys DFK Unlimited Company**

Chartered Accountants and Statutory Audit Firm

16/17 College Green

Dublin 2

D02 V078

Date: 26-09-2025

**MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	2024 £	2023 £
Royalties	4	1,237,618,285	1,191,959,139
Gross cost of Royalties		(1,225,557,513)	(1,178,467,160)
<b>Gross profit</b>		<u>12,060,772</u>	<u>13,491,979</u>
Administrative expenses		(11,789,146)	(9,904,511)
<b>Operating profit</b>	5	<u>271,626</u>	<u>3,587,468</u>
Other interest receivable and similar income	9	3,590,406	1,805,637
Value adjustments in respect of financial assets		(612,256)	(551,531)
Value adjustments in respect of member loans		612,256	551,531
<b>Profit before taxation</b>		<u>3,862,032</u>	<u>5,393,105</u>
Tax on profit	10	(1,123,518)	(1,405,742)
<b>Profit for the financial year</b>		<u><u>2,738,514</u></u>	<u><u>3,987,363</u></u>

The notes on pages 15 to 32 form part of these financial statements.

**MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2024**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Profit for the financial year	2,738,514	3,987,363
Other comprehensive income	-	-
<b>Total comprehensive income for the financial year</b>	<u>2,738,514</u>	<u>3,987,363</u>

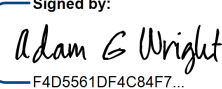
The notes on pages 15 to 32 form part of these financial statements.

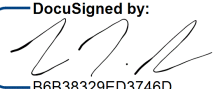
**MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED**

**BALANCE SHEET  
AS AT 31 DECEMBER 2024**

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Intangible assets	12	1	1
Tangible assets	13	163,052	150,060
Financial assets	14	2,634,234	3,103,514
		2,797,287	3,253,575
<b>Current assets</b>			
Debtors: amounts falling due within one year	15	200,892,385	187,538,103
Cash at bank and in hand	16	104,811,924	112,849,755
		305,704,309	300,387,858
Creditors: amounts falling due within one year	17	(295,505,369)	(292,622,483)
		10,198,940	7,765,375
<b>Net current assets</b>		10,198,940	7,765,375
<b>Total assets less current liabilities</b>		12,996,227	11,018,950
Creditors: amounts falling due after more than one year	18	(790,123)	(1,551,360)
		12,206,104	9,467,590
<b>Net assets</b>		12,206,104	9,467,590
<b>Capital and reserves</b>			
Called up share capital presented as equity	21	1	1
Merger reserve	22	16,157	16,157
Profit and loss account	22	12,189,946	9,451,432
		12,206,104	9,467,590
<b>Shareholders' funds</b>		12,206,104	9,467,590

The financial statements were approved and authorised for issue by the board on 26-09-2025

Signed by:  
  
 F4D5561DF4C84F7...  
**Adam Geoffrey Wright**  
 Director

DocuSigned by:  
  
 B6B38329ED3746D...  
**Charles Jonathan Lexton**  
 Director

The notes on pages 15 to 32 form part of these financial statements.

**MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED****STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Called up share capital	Merger reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2024	1	16,157	9,451,432	9,467,590
Profit for the year	-	-	2,738,514	2,738,514
<b>At 31 December 2024</b>	<b>1</b>	<b>16,157</b>	<b>12,189,946</b>	<b>12,206,104</b>

The notes on pages 15 to 32 form part of these financial statements.

**MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED****STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Called up share capital	Merger reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2023	1	16,157	6,007,069	6,023,227
Profit for the year	-	-	3,987,363	3,987,363
Dividends: Equity capital	-	-	(543,000)	(543,000)
<b>At 31 December 2023</b>	<b>1</b>	<b>16,157</b>	<b>9,451,432</b>	<b>9,467,590</b>

The notes on pages 15 to 32 form part of these financial statements.

**MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>		
Profit for the financial year	2,738,514	3,987,363
<b>Adjustments for:</b>		
Depreciation of tangible assets	39,861	38,312
Value adjustments in respect of financial assets	612,256	551,531
Loss on disposal of tangible assets	-	19,790
Interest received	(3,590,406)	(1,805,637)
Taxation charge	1,123,518	1,405,742
(Increase) in debtors	(13,354,281)	(19,990,014)
Increase in creditors	3,244,043	42,955,344
Corporation tax (paid)	(1,634,488)	(728,288)
Value adjustment in respect of member loans	(612,256)	(551,531)
<b>Net cash generated from operating activities</b>	<u>(11,433,239)</u>	<u>25,882,612</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(52,022)	(36,055)
Purchase of investments	(142,976)	(80,867)
Interest received	3,590,406	1,805,637
<b>Net cash from investing activities</b>	<u>3,395,408</u>	<u>1,688,715</u>
<b>Cash flows from financing activities</b>		
Dividends paid	-	(543,000)
<b>Net cash used in financing activities</b>	<u>-</u>	<u>(543,000)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<u>(8,037,831)</u>	<u>27,028,327</u>
Cash and cash equivalents at beginning of year	112,849,755	85,821,428
<b>Cash and cash equivalents at the end of year</b>	<u><u>104,811,924</u></u>	<u><u>112,849,755</u></u>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	104,811,924	112,849,755
	<u><u>104,811,924</u></u>	<u><u>112,849,755</u></u>

**MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024****1. General information**

These financial statements comprising the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes constitute the individual financial statements of Music and Entertainment Rights Licensing Independent Network Limited for the financial year ended 31 December 2024.

Music and Entertainment Rights Licensing Independent Network Limited is a private Company limited by shares (registered under Part 2 of the Companies Act 2014) incorporated and registered in the Republic of Ireland (CRO Number: 655936). The registered office of the Company is 25 North Wall Quay, Dublin 1, D01 H104. The principal place of business of the Company is 125 Kingsway, London WC2B 6NH. The nature of the Company's operations and its principal activities are set out in the Director's Report.

The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland".

The financial statements have been presented in Pound (£) which is also the functional currency of the Company.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

**2. Accounting policies****2.1 Basis of preparation of financial statements**

The financial statements have been prepared on the going concern basis and under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland, and the Companies Act 2014.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

**2.2 Group accounts**

The Company has not prepared group consolidated financial statements for the year ended 31 December 2024 as the Company is exempt from the obligation to prepare and deliver group financial statements under Section 299 of the Companies Act 2014 whereby the Company and all of its subsidiary undertakings are included in the consolidated financial statements of a larger group drawn up by its ultimate parent undertaking, Merlin Network (Global Independent Digital) CLG. Copies of Merlin Network (Global Independent Digital) CLG's consolidated financial statements are available from the Companies Registration Office.

Consequently, the Company's financial statements for the year ended 31 December 2024 deal with the results of the Company as a single entity and not of its group. Details of the Company's subsidiary undertakings are included in note 14 to the financial statements.

**MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024****2. Accounting policies (continued)****2.3 Foreign currency translation****Functional and presentation currency**

The Company's functional and presentational currency is GBP £.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each year end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Profit and Loss Account within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

**2.4 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

**Rendering of services**

In addition, royalties income is only recognised in the period in which the relevant content has been used by the customer and when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably; and
- it is probable that the Company will receive the consideration due under the contract.

**2.5 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

**2.6 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

## MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

#### 2. Accounting policies (continued)

##### 2.7 Pensions

###### Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

##### 2.8 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

##### 2.9 Intangible assets

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.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Amortisation is provided on the following bases:

Website development costs	-	20 % straight line
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##### 2.10 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

**MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024****2. Accounting policies (continued)****2.10 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Computer equipment	-	25% reducing balance
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

**2.11 Valuation of investments**

Investments in subsidiaries are measured at cost less impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Profit and Loss Account for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

**2.12 Debtors**

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.13 Cash and cash equivalents**

Cash is represented by cash in hand and demand deposits with financial institutions. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.14 Creditors**

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.15 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024****2. Accounting policies (continued)****2.16 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans from/to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Profit and Loss Account if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and Loss Account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024****3. Judgements in applying accounting policies and key sources of estimation uncertainty**

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

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

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

**Establishing useful lives for depreciation purposes of tangible fixed assets**

The annual depreciation charge depends primarily on the estimated lives of each type of asset and estimates of residual values. The Directors regularly review these asset lives and change them as necessary to reflect current thinking on remaining lives considering prospective economic utilisation and physical condition of the assets concerned. Details of estimated useful lives are included in the accounting policies. The net book value of tangible fixed assets subject to depreciation at the financial year end date was £163,052 (2023: £150,060).

**Impairment of financial assets**

Financial assets are assessed for impairment at each reporting date by evaluating whether indicators of impairment exist in relation to the continued use of the asset by the Company. If an indicator of impairment exists the recoverable amount of the asset is determined, and any impairment loss recognised in the profit or loss. The net book value of financial assets at the financial year end date was £2,634,234 (2023: £3,103,514).

**Impairment of debtors**

The Company trades with customers on credit terms. Some debts due may not be paid due to the default of customers. The company uses estimates based on historical experience and current information in determining the level of debts (if any) for which an impairment charge is required. The level of impairment (if any) is reviewed on an ongoing basis. The carrying value of trade debtors at the financial year end date was £81,035,216 (2023: £70,811,771).

**Going concern**

In preparing these financial statements, the directors have considered the results for the year and the financial position of the Group.

On that basis, the directors are of the opinion that there is no material uncertainty regarding the Company's ability to continue as a going concern. Accordingly, these financial statements have been prepared on a going concern basis and do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the Company was unable to continue as a going concern.

**MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**4. Revenue**

An analysis of revenue by class of business is as follows:

	<b>2024</b>	<b>2023</b>
	£	£
Gross royalties	1,237,618,285	1,191,959,139
	<u>1,237,618,285</u>	<u>1,191,959,139</u>

Analysis of revenue by country of destination:

	<b>2024</b>	<b>2023</b>
	£	£
Republic of Ireland	4,395,088	3,615,700
Rest of Europe	571,837,198	590,397,807
Rest of the world	661,385,999	597,945,632
	<u>1,237,618,285</u>	<u>1,191,959,139</u>

**5. Profit on ordinary activities before taxation**

The operating profit is stated after charging:

	<b>2024</b>	<b>2023</b>
	£	£
Depreciation of tangible fixed assets	39,030	38,312
Exchange differences	1,402,537	27,167
Rent	151,516	84,542
Pension costs	167,622	87,104
	<u>1,760,705</u>	<u>167,135</u>

**6. Auditors' remuneration**

	<b>2024</b>	<b>2023</b>
	£	£
Audit of financial statements	84,000	74,500
Other non-audit services	9,000	6,500
	<u>93,000</u>	<u>81,000</u>

**MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**7. Employees**

Staff costs, including directors' remuneration paid directly by the company, were as follows:

	<b>2024</b>	<b>2023</b>
	£	£
Wages and salaries	3,830,545	2,657,264
National insurance	510,224	284,301
Pension costs	167,621	87,104
Other staff costs	315,272	165,782
	<u>4,823,662</u>	<u>3,194,451</u>

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

	<b>2024</b>	<b>2023</b>
	No.	No.
Administrative staff	<u>39</u>	<u>30</u>

**8. Directors' remuneration**

	<b>2024</b>	<b>2023</b>
	£	£
Directors' emoluments in respect of qualifying services	1,713,456	1,650,248
Directors' national insurance	156,691	128,897
Employer contributions to defined contribution pension schemes	24,134	10,452
	<u>1,894,281</u>	<u>1,789,597</u>

The above includes an amount of £1,155,132 (2023: £905,343) paid directly by the Company in respect of the Directors. The balance was paid by subsidiary companies.

As at 31 December 2024, there is 1 Director to whom retirement benefits are accruing under a defined contribution scheme (2023: 1).

**9. Interest receivable**

	<b>2024</b>	<b>2023</b>
	£	£
Bank interest	<u>3,590,406</u>	<u>1,805,637</u>
	<u>3,590,406</u>	<u>1,805,637</u>

**MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**10. Taxation**

	<b>2024</b>	<b>2023</b>
	£	£
<b>Corporation tax</b>		
Current tax on profits for the year	1,123,518	1,405,742
	<u>1,123,518</u>	<u>1,405,742</u>
<b>Total current tax</b>	<u>1,123,518</u>	<u>1,405,742</u>
<b>Deferred tax</b>		
<b>Total deferred tax</b>	<u>-</u>	<u>-</u>
	<u>1,123,518</u>	<u>1,405,742</u>

**Factors affecting tax charge for the year**

The company is tax resident in the UK. The standard rates of corporation tax in the UK for the year is 25% (2023: 19% and 25%). The differences are explained below:

	<b>2024</b>	<b>2023</b>
	£	£
Profit on ordinary activities before tax	3,862,032	5,393,105
	<u>3,862,032</u>	<u>5,393,105</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in UK of 25% (2023: 19% and 25%)	965,508	1,267,380
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	4,946	7,524
Value adjustments in respect of financial assets	153,064	129,610
Other differences leading to an increase/(decrease) in the tax charge	-	1,228
	<u>-</u>	<u>1,228</u>
<b>Total tax charge for the year</b>	<u>1,123,518</u>	<u>1,405,742</u>

**Factors that may affect future tax charges**

There are no factors that may affect future tax charges.

**MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**11. Dividends**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Dividends paid	-	543,000
	-	543,000
	-	543,000

**12. Intangible assets**

	<b>Website development costs</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>Cost</b>		
At 1 January 2024	53,886	53,886
	53,886	53,886
At 31 December 2024	53,886	53,886
	53,886	53,886
<b>Amortisation</b>		
At 1 January 2024	53,885	53,885
	53,885	53,885
At 31 December 2024	53,885	53,885
	53,885	53,885
<b>Net book value</b>		
At 31 December 2024	1	1
	1	1
At 31 December 2023	1	1
	1	1

**MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**13. Tangible fixed assets**

	<b>Computer equipment £</b>	<b>Total £</b>
<b>Cost or valuation</b>		
At 1 January 2024	323,139	323,139
Additions	52,022	52,022
At 31 December 2024	<u>375,161</u>	<u>375,161</u>
<b>Depreciation</b>		
At 1 January 2024	173,079	173,079
Charge for the year on owned assets	39,030	39,030
At 31 December 2024	<u>212,109</u>	<u>212,109</u>
<b>Net book value</b>		
At 31 December 2024	<u><u>163,052</u></u>	<u><u>163,052</u></u>
At 31 December 2023	<u><u>150,060</u></u>	<u><u>150,060</u></u>

**MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**14. Financial assets**

	Investments in subsidiary companies £	Other fixed asset investments £	Total £
<b>Cost or valuation</b>			
At 1 January 2024	1,030,171	4,124,572	5,154,743
Additions	-	142,976	142,976
At 31 December 2024	<u>1,030,171</u>	<u>4,267,548</u>	<u>5,297,719</u>
<b>Impairment</b>			
At 1 January 2024	-	2,051,229	2,051,229
Charge for the year	-	612,256	612,256
At 31 December 2024	<u>-</u>	<u>2,663,485</u>	<u>2,663,485</u>
<b>Net book value</b>			
At 31 December 2024	<u>1,030,171</u>	<u>1,604,063</u>	<u>2,634,234</u>
At 31 December 2023	<u>1,030,171</u>	<u>2,073,343</u>	<u>3,103,514</u>

**MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024****14. Financial assets (continued)**

The following are subsidiary undertakings of the Company:

<b>Company subsidiary undertaking</b>	<b>Registered office</b>	<b>Nature of business</b>	<b>Shares held</b>	<b>Proportion of shares held</b>
Merlin (UK Services) Limited	2 Lemn Street, London, E1 8FA	Provides services to Music and Entertainment Rights Licensing Independent Network Limited	Ordinary	100%
Music and Entertainment Rights Licensing Independent Network INC	4B Inverness Court East Suite 100 Englewood, CO 80112, United States	Provides services to Music and Entertainment Rights Licensing Independent Network Limited	Ordinary	100%
Merlin Japan KK	DECKS Tokyo Beach, 1 Chrome-6-1 Daiba, Minato City, Tokyo, Japan	Provides services to Music and Entertainment Rights Licensing Independent Network Limited	Ordinary	100%

The Company has availed of the exemption under section 315(b) of the Companies Act 2014 from the requirement to disclose information on the net assets and results of its subsidiaries in its individual comparative financial statements.

**MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**15. Debtors**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Trade debtors	81,035,216	70,811,771
Prepayments and accrued income	110,785,265	104,929,710
Amounts owed by group undertakings	829	-
Other debtors	4,228,383	5,875,977
VAT receivable	4,842,692	5,920,645
	<u>200,892,385</u>	<u>187,538,103</u>

All debtors are due within 1 year. All trade debtors are due within the company's normal terms. Trade debtors are shown net of impairment in respect of doubtful debts. Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

**16. Cash and cash equivalents**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Cash at bank and in hand	104,811,924	112,849,755
	<u>104,811,924</u>	<u>112,849,755</u>

**MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**17. Creditors: Amounts falling due within one year**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Trade creditors	9,764,687	8,772,378
Other creditors	33,643	9,307
Deferred income	46,196,836	50,146,094
Accruals	238,193,176	231,832,213
Amounts owed to group undertakings	541,197	617,354
Taxation and social insurance	141,614	99,951
Corporation tax	634,216	1,145,186
	<u>295,505,369</u>	<u>292,622,483</u>
	<u><u>295,505,369</u></u>	<u><u>292,622,483</u></u>

Member creditors included in trade creditors are paid as soon as possible after the month end in accordance with the membership agreement. Other trade creditors are paid in accordance with their terms.

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

Terms of the accruals and deferred revenue are based on the underlying contracts.

Taxes are subject to the terms of the relevant legislation. Interest accrues on late payment. No interest was due at the financial year end.

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Other taxation and social insurance</b>		
PAYE/national insurance	141,614	99,951
	<u>141,614</u>	<u>99,951</u>
	<u><u>141,614</u></u>	<u><u>99,951</u></u>

**18. Creditors: Amounts falling due after more than one year**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Loans repayable to members	790,123	1,551,360
	<u>790,123</u>	<u>1,551,360</u>
	<u><u>790,123</u></u>	<u><u>1,551,360</u></u>

**MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**19. Loans**

Analysis of the maturity of loans is given below:

	<b>2024</b>	<b>2023</b>
	£	£
<b>Amounts falling due after 5 years</b>		
Member loans repayable other than by instalments	790,123	1,551,360
<b>Total member loans</b>	<u>790,123</u>	<u>1,551,360</u>

Loans outstanding at year end relate to various amounts advanced to the Company by its Members to enable the Company to purchase certain listed investments.

All member loans are repayable on 30 September 2036 subject to the Company earning sufficient funds from the subsequent sale of the underlying listed investments.

The Company may elect to repay all or any part of the member loans prior to the repayment date, but may not reborrow any amounts so repaid at any time.

The rate of interest applying to member loans is 0.05% per annum.

During the year ended 31 December 2024 the carrying value of these loans were reduced by £612,256 (2023: £551,531) to reflect the corresponding fall in the carrying value of the underlying listed investments and by £148,981 to reflect foreign exchange revaluations in the financial year.

**20. Financial instruments**

	<b>2024</b>	<b>2023</b>
	£	£
<b>Financial assets</b>		
Financial assets measured at fair value through profit or loss	<u>933,349</u>	<u>1,626,472</u>

Financial assets measured at fair value through profit or loss comprise investments in listed shares.

**21. Share capital**

	<b>2024</b>	<b>2023</b>
	£	£
<b>Allotted, called up and fully paid</b>		
1 (2023: 1) Ordinary share of €1.00	<u>1</u>	<u>1</u>

**MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**22. Reserves**

**Profit and loss account**

The profit and loss account represents cumulative gains and losses recognised in the profit and loss account, net of transfers to/from other reserves and dividends paid.

**Merger reserve**

The merger reserve represents the issued share capital transferred to the Company on absorption of Music and Entertainment Rights Licensing Independent Network B.V. on 1 January 2020.

**23. Analysis of net debt**

	<b>At 1 January 2024 £</b>	<b>Cash flows £</b>	<b>Other non- cash changes £</b>	<b>At 31 December 2024 £</b>
Cash at bank and in hand	112,849,755	(8,037,831)	-	104,811,924
Member loans due after 5 years	(1,551,360)	-	761,237	(790,123)
Debt due within 1 year	(9,307)	(24,335)	-	(33,642)
	<u>111,289,088</u>	<u>(8,062,166)</u>	<u>761,237</u>	<u>103,988,159</u>

**24. Pension commitments**

The Company operates a defined contribution scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The costs charged to the profit and loss in respect of defined contribution plans for the year was £167,622 (2023: £87,104).

**25. Related party transactions**

**Key management personnel compensation**

Total compensation (inclusive of employer taxes) charged to the income and expenditure account in respect of key management personnel amounted to £1,155,132 (2023: £905,343) during the year ended 31 December 2024. A further £739,149 was paid to key management personnel by subsidiary companies during the year ended 31 December 2024 (2023: £884,254).

**Transactions with wholly owned group undertakings**

The company has availed of the exemptions in FRS 102 Section 33, Paragraph 3.1A which allows non disclosure of transactions between two or more members of a group, provided that the subsidiary which is a party to the transaction is wholly owned by such a member.

**Other related party transactions**

During the year ended 31 December 2024 there were no other related party transactions (2023: £Nil).

## MUSIC AND ENTERTAINMENT RIGHTS LICENSING INDEPENDENT NETWORK LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

#### 26. Parent company and ultimate controlling party

The Company's parent undertaking and the parent undertaking of the smallest and largest groups in which the Company is consolidated is Merlin Network (Global Independent Digital) CLG, a company incorporated and registered in the Republic of Ireland, with its registered office at 3 Dublin Landings, North Wall Quay, Dublin 1. Copies of Merlin Network (Global Independent Digital) CLG's consolidated financial statements are available from the Companies Registration Office.

Merlin Network (Global Independent Digital) CLG, is a company limited by guarantee and it does not have a share capital. Merlin Network (Global Independent Digital) CLG therefore has no shareholders. Instead, the members of the Advisory Committee to the Board of Merlin Network (Global Independent Digital) CLG are the members of such company limited by guarantee, and hold these membership interests on trust and as nominees for the rightsowner members of Merlin. As no single member controls (directly or indirectly) 25% or more of voting rights in the company the directors are deemed to be beneficial owners under Irish beneficial ownership legislation.

The following changes in membership numbers occurred during year ended 31 December 2024 and year ended 31 December 2023:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Opening members	16	16
New members in the year	-	-
Member cessations in the year	-	-
<b>Closing members</b>	16	16

#### 27. Post balance sheet events

There have been no significant events affecting the Company since the year end.

#### 28. Comparatives

Comparatives have been reclassified to conform with current year presentation.

#### 29. Approval of financial statements

The board of directors approved these financial statements for issue on 26-09-2025