

Report of the Auditors to the directors of The Educational Recording Agency Limited

We have performed the procedures agreed with you and enumerated below with respect to the Annual Transparency Report of The Educational Recording Agency Limited for the year ended 31 March 2017. Our engagement was undertaken in accordance with the International Standard on Related Services applicable to agreed-upon procedures engagements. The procedures were performed solely for the purpose of your compliance with Regulation 21(2)(b) of the Collective Management of Copyright (EU Directive) Regulations 2016 and are summarised in Guidance on the UK Regulations Implementing the Collective Rights Management (CRM) Directive issued by the Intellectual Property Office.

We report our findings below:

- We found the balances in the Transparency Report to be in agreement with the audited financial statements;
- We have obtained details of and agreed the amounts deducted for the purposes of social, cultural or educational services;
- We have obtained a detailed analysis of rights revenues and agreed these to the statutory financial statements, the disclosures in this report and the underlying records;
- We have obtained a detailed analysis of the use of Rights Revenue including payments to rights holders and income arising from investment;
- We have obtained a detailed analysis of all operating and financial costs, representing the costs associated with management fees, and agreed these to the statutory financial statements and a sample to underlying records;
- We have obtained an analysis of amounts attributed to rights holders, the total amounts paid and the amounts not yet distributed. These have been agreed to the statutory financial statements and amounts disclosed in the Transparency Report;
- In respect of payments made to rights holders we have agreed the amounts and dates of payment disclosed in the Transparency Report;
- We have agreed the position in respect of payment and receipts from other CMO's and the disclosure in the Transparency Report;
- We have read the other information contained within the Transparency Report and confirm that there is no material inconsistency between this and other information presented and the financial information reviewed during the course of our work.

Because the above procedures do not constitute either an audit or a review made in accordance with International Standards on Auditing (UK) or the International Standard for Review Engagements (UK and Ireland), we do not express any assurance on the Annual Transparency Report for the year ended 31 March 2017.

Had we performed additional procedures or had we performed an audit or review of the financial statements in accordance with International Standards on Auditing (UK) or the International Standard for Review Engagements (UK and Ireland), other matters might have come to our attention that would have been reported to you.

Use and purpose of our report

Our Report is prepared solely for the use of The Educational Recording Agency Limited 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 The Educational Recording Agency Limited for any other purpose whatsoever. Our Report was not prepared for the benefit of any party other than The Educational Recording Agency Limited. Moore Stephens LLP 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.

Moore Stephens LLP

Philip Clark
Senior Statutory Auditor

For and on behalf of
Moore Stephens LLP

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Date 11 August 2017