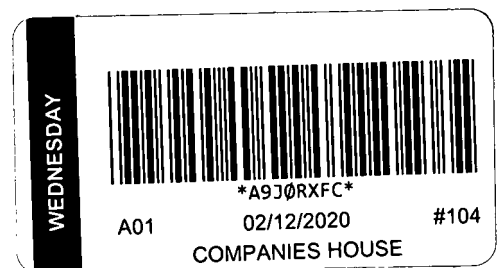


Spotify Finance Limited

Reg. Nr. 07598438

Report and Financial Statements for the

Year ended 31st December 2019



Spotify Finance Limited
Registered number 07598438

The Company is incorporated in England and Wales.

Company number: 07598438

Registered office: The Adelphi, 1-11 John Adam Street
London
WC2N 6HT

Current Directors: Peter Grandelius
Paul Aaron Vogel
Thomas Wolfe Tone Connaughton

Auditors: Ernst & Young LLP
1 More London Place
London
SE1 2AF

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Strategic report for the year ended 31 December 2019

General Business Information

Spotify Finance Ltd ("Company") is wholly owned by Spotify AB (the "parent") which has its registered office in Sweden.

The Company exists to pay payment service provider costs.

Review of Business and future developments

The total revenue related to commission fees for the financial year amounts to £ 19 336 356 (2018: £13 656 098). The result for the year before tax from continuing operations is a profit of £ nil (2018: £ 2). The increase in revenues is due to the increase in intercompany commission fees as a result of an increase in payment transaction fees.

Going forward, the Company's main revenues will continue to be intercompany commission fees.

Financial risk management objectives and policies


Our operations are exposed to financing and financial risks, which are managed under the control and supervision of the Board of Directors of the Company. To manage these risks efficiently, we have established guidelines in the form of a treasury policy that serves as a framework for the daily financial operations of the Spotify group. The treasury policy stipulates the rules and limitations for the management of financial risks within the Company.

In June 2016, voters in the United Kingdom approved the withdrawal of the United Kingdom from the European Union (commonly referred to as "Brexit"). In January 2020, the United Kingdom left the European Union and has now entered an 11-month transition period. As a result, the Company faces risks associated with the potential uncertainty and disruptions during and following the transition period, including with respect to volatility in exchange rates and interest rates and potential material changes to the regulatory regime applicable to our operations and corporate structure in the UK.

In March 2020, the World Health Organization declared the outbreak of a disease caused by a novel strain of the coronavirus (COVID-19) to be a pandemic. This pandemic has had, and could continue to have, an adverse impact on the Group's business, operating results, and financial condition, most notably a decline in advertising sales as a result of reduced demand. The COVID-19 pandemic has created significant volatility, uncertainty, and economic disruption. The full extent to which the COVID-19 pandemic will continue to impact our business, financial condition, and results of operations will depend on numerous evolving factors that we may not be able to accurately predict and that will vary by market, including the duration and scope of the pandemic, the impact of the pandemic on economic activity, and actions taken by governments, businesses, and individuals in response. Due to the continuing uncertainty surrounding the COVID-19 pandemic, we cannot estimate the full impact of the pandemic on our results of operations and over financial performance.

Further information on risks and uncertainties is given in note 10 of the financial statements.

On behalf of the board


Peter Grandelius (Nov 30, 2020 12:48 GMT+1)

Peter Grandelius

Director

Date: 30 November 2020

Report of the Directors for the year ended 31 December 2019

The Directors present their annual report and the audited financial statements for the year ended 31 December 2019.

Directors

The Directors who held office during the year and thereafter are given below:

Barry McCarthy JR (resigned on 9 December 2019)
Jens Christian Grejs Svolgaard (resigned on 15 April 2019)
Peter Grandelius (appointed on 15 April 2019)
Paul Aaron Vogel (appointed on 9 December 2019)
Thomas Wolfe Tone Connaughton

Going concern

The Directors have obtained written confirmation of the intention of the ultimate parent, Spotify Technology S.A., to provide ongoing financial support to Spotify Finance Limited.

The Directors have a reasonable expectation that the Company, the ultimate parent Spotify Technology S.A., and the ultimate parent's subsidiaries (collectively, the "Group") have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

Results and dividends

The Company generated a loss for the year after taxation of £ nil (2018: £ 2). No dividends were declared or proposed for the year ended 31 December 2019 (2018: none).

Events after the reporting year

In March 2020, the World Health Organization declared the outbreak of a disease caused by a novel strain of the coronavirus (COVID-19) to be a pandemic.

The COVID-19 pandemic has created significant volatility, uncertainty, and economic disruption. The full extent to which the COVID-19 pandemic will impact our business, financial condition, and results of operations will depend on numerous evolving factors that we may not be able to accurately predict and that will vary by market, including the duration and scope of the pandemic, the impact of the pandemic on economic activity, and actions taken by governments, businesses, and individuals in response. Due to the continuing uncertainty surrounding the COVID-19 pandemic, we cannot estimate the full impact of the pandemic on our results of operations and over financial performance.

Political donations

The Company made no political donations during the year (2018: £ nil).

Directors' liabilities

The Company has not granted any indemnity against liability to its Directors during the year or at the date of approving the Directors' Report.

Statement of disclosure to auditors

- so far as each person who was a Director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report of which the auditor is unaware; and
- having made enquiries of the auditor and of each other, the Directors have taken all the steps that they are obliged to take as Directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

SPOTIFY Finance Limited
Registered number 07598438

Report of the Directors for the year ended 31 December 2019 (continued)

Auditors

A resolution to appoint Ernst & Young LLP as auditors for the ensuring year will be proposed at the annual general meeting in accordance with the Companies Act 2006.

On behalf of the board



Peter Grandelius (Nov 30, 2020 12:48 GMT+1)

Peter Grandelius
Director

Date: 30 November 2020

Statement of Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

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

- select suitable accounting policies in accordance with IAS 8 and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements; 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 keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPOTIFY FINANCE LIMITED

Opinion

We have audited the financial statements of Spotify Finance Limited for the year ended 31 December 2019 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes 1 to 13, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2019 and of its result for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Effects of COVID-19

We draw attention to Notes 1 and 13 of the financial statements which describe the economic and social consequences the company is facing as a result of COVID-19. Our opinion is not modified in respect of this matter.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

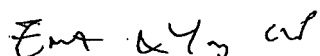
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee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

A further description of our responsibilities for the audit of the financial statements is located on the

Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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



Gordon Cullen (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
Date: 30 November 2020

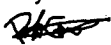
Statement of comprehensive income
For the year ended 31 December 2019

	Note	2019 £	2018 £
Continuing operations			
Revenue	4	19 336 356	13 656 098
Cost of sales		<u>(19 336 326)</u>	<u>(13 656 071)</u>
Gross profit		30	27
Other operating income		674	-
Administrative expenses		<u>(30)</u>	<u>(25)</u>
Operating profit		674	2
Finance Income/(Costs) - net		(674)	-
Result before tax from continuing operations		-	2
Income tax charge		<u>-</u>	<u>-</u>
Profit for the year		-	2

The accompanying notes are an integral part of this statement of comprehensive income.

The profit for the year is attributable to owners of the Company.

They were signed on its behalf by:


Peter Grandelius (Nov 30, 2020 12:48 GMT+1)

Peter Grandelius

Director


Statement of financial position
For the year to 31 December 2019

	Note	2019 £	2018 £
ASSETS			
Current assets			
Trade and other receivables	7	5 440 177	6 828 901
Tax receivable		4 224	4 224
		<u>5 444 401</u>	<u>6 833 125</u>
Total assets		<u>5 444 401</u>	<u>6 833 125</u>
LIABILITIES			
Current liabilities			
Trade and other payables	8	(4 152 437)	(5 541 161)
		<u>(4 152 437)</u>	<u>(5 541 161)</u>
Net current assets		<u>1 291 964</u>	<u>1 291 964</u>
Net assets		<u>1 291 964</u>	<u>1 291 964</u>
EQUITY			
Share capital	9	1	1
Retained earnings		1 291 963	1 291 963
Total equity		<u>1 291 964</u>	<u>1 291 964</u>

The accompanying notes are an integral part of this Statement of financial position.

The financial statements of Spotify Finance Limited (Registration number: 07598438) were approved by the Board of Directors and authorised for issue on 30 November 2020.

They were signed on its behalf by:


Peter Grandelius (Nov 30, 2020 12:48 GMT+1)

Peter Grandelius
Director

Statement in changes in equity
For the year to 31 December 2019

Attributable to equity holders of the Company

	Share capital £	Retained earnings £	Total equity £
Balance at 31 December 2017	1	1 291 961	1 291 962
Total comprehensive profit for the year	-	2	2
Balance at 31 December 2018	1	1 291 963	1 291 964
Total comprehensive profit for the year	-	-	-
Balance at 31 December 2019	1	1 291 963	1 291 964

Statement of cash flows
For the year ended 31 December 2019

	2019 £	2018 £
Profit after tax from continuing operations	<u>-</u>	<u>2</u>
Working capital adjustments		
Decrease/(Increase) in trade receivables	1 388 724	(165 234 317)
(Decrease)/Increase in trade payables	(1 388 724)	165 197 891
Increase in tax liabilities	<u>-</u>	<u>36 428</u>
Net cash flows used in operating activities	<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents	<u>-</u>	<u>-</u>
Cash and cash equivalents at beginning of year	<u>-</u>	<u>-</u>
Cash and cash equivalents at end of year	<u>-</u>	<u>-</u>

Note 1. Accounting policies

Basis of preparation

Spotify Finance Limited is a Company limited by shares incorporated in England.

The financial statements of Spotify Finance Ltd have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and by the Standing Interpretations Committee (SIC) and/or the IFRS Interpretations Committee (IFRS IC) adopted for use in the European Union.

The financial statements of Spotify Finance Ltd have been prepared under the historical cost convention and in accordance with the Companies Act 2006.

The principal accounting policies are set out below. These, except to the extent noted, have been applied on a consistent basis. The financial statements are presented in GBP sterling.

Going concern

The Directors have obtained written confirmation of the intention of the ultimate parent, Spotify Technology S.A., to provide ongoing financial support to Spotify Finance Limited.

The Directors have a reasonable expectation that the Company, the ultimate parent Spotify Technology S.A., and the ultimate parent's subsidiaries (collectively, the "Group") have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

Foreign currency translation

(a) Functional and presentation currency

The financial statements are presented in GBP Sterling which is the company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Revenue recognition

The Company recognises revenue when the service has been performed. Revenue consists of commission fees. 100% of revenue relates to related parties.

Cost of sales

Cost of sales comprises of credit card and payment processing fees from external payment providers.

Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank and on hand. As of 31 December 2019, the Company held no cash and cash equivalents (2018: £nil). The Company participates in the Group cash pool, which is ultimately controlled by Spotify AB.

Note 1. Accounting policies (continued)

Current and deferred income tax

Tax expense comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company's subsidiaries operate and generate taxable income. The present corporate income tax rate in the UK is 19%.

Deferred income tax is recognised on temporary differences (other than temporary differences associated with unremitted earnings from foreign subsidiaries and associates to the extent that the investment is essentially permanent in duration, or temporary differences associated with the initial recognition of goodwill) arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the Company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Trade and other receivables

Trade and other receivables, which comprises solely of amounts owed by group undertakings, are recognised initially at the transaction price. These amounts are due on demand and no provision is held against these items.

Trade and other payables

Trade and other payables, which generally have a 30 day term, are recognised and carried at their invoiced value inclusive of any VAT that may be applicable.

Financial assets and liabilities

The Company's financial assets include trade and other receivables and the Company's financial liabilities include trade and other payables.

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

Impairment of financial assets

The Company carries no other financial assets other than trade and other receivables. These comprise solely of amounts owed by group undertakings and no provision is held against these items.

Note 1. Accounting policies (continued)

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full.

Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled or expires.

Offsetting assets and liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

Share capital

Ordinary shares are classified as equity.

Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Note 2. Changes in accounting policies

Important accounting principles are summarized above in Note 1.

New and amended standards and interpretations adopted by the Company

There are no IFRS or IFRS IC interpretations that are effective as of January 1 2019 that had a material impact on the Company's financial statements.

New standards and interpretations issued not yet effective

There are no recently issued, new, or revised IFRS or IFRS IC interpretations that are not effective that are expected to have a material impact.

Note 3. Judgements in applying policies and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amount of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form a basis for making the judgments about carrying value of assets and liabilities that are not readily apparent from other sources.

The directors have reviewed the estimates and assumptions used in the preparation of the financial statements. The directors do not believe that there is a significant risk which would lead to material adjustments to the carrying value of any assets and liabilities in the next financial year due to the changes on the estimates or assumptions.

Note 4. Revenue

Analysis of revenue by category	2019 £	2018 £
Intercompany services, commission fees	19 336 356	13 656 098
Total	19 336 356	13 658 098

Note 5. Auditor's remuneration

	2019 £	2018 £
Auditor's remuneration – audit	(4 450)	(5 565)
<i>*audit remuneration is not recharged from the parent entity to the subsidiaries, instead it is covered by Transfer pricing</i>		

Note 6. Staff costs

The Company had 0 employees in the year. (2018: nil).

Directors' remuneration

The directors of the Company are also directors of a number of subsidiaries of the ultimate parent undertaking. The directors do not believe that it is practicable to apportion the remuneration between remuneration as directors of the Company and their remuneration as directors of the fellow subsidiary companies. The director's remuneration is therefore disclosed in the accounts of the fellow subsidiaries that make the remuneration payments. **Note. 7**

Trade and other receivables

	2019 £	2018 £
Other receivables	-	31 674
Amounts owed by group undertakings	5 440 177	6 797 227
Total	5 440 177	6 828 901

Amounts owed by group undertakings are due on demand.

The fair value of receivables above approximate to their carrying values.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables mentioned above. The Company does not hold any collateral as security.

Note 8. Trade and other payables

	2019 £	2018 £
Amounts due to group undertakings (note 11)	4 152 437	5 541 161
	4 152 437	5 541 161

Amounts due by group undertakings are due on demand. The fair values of the payable amounts above approximate to their carrying amounts.

Note 9. Issued share capital

	2019 £	2018 £
Allotted, called up and fully paid		
1 ordinary shares of £ 1 each	1	1

Note 10. Financial risk management objectives and policies

The Company's financial assets and liabilities are as outlined below.

	2019 £	2018 £
Financial assets		
Other receivables	-	31 674
Amounts owed by group undertakings	5 440 177	6 797 227
Total	5 440 177	6 828 901
Financial liabilities		
Amounts owed to group undertakings	4 152 437	5 541 161
Total	4 152 437	5 541 161

Capital management

The capital management of the Company is considered as part of the capital management of the Spotify Technology S.A. Group. The Spotify Technology S.A Group aims to ensure that the capital in Spotify Finance Limited is sufficient to support its business and maximize shareholder value.

Credit risk

The credit risk for the Company is limited as it only trades within the Spotify Group.

Credit risk means the risk of financial loss if a customer or contracting party of a financial instrument fails to fulfil their contractual duties. The company endeavours to ensure that services will only be rendered to customers of an appropriate credit standing. The credit risks, the way they arise as well as the targets, policies and procedures for constant monitoring of the risks and the credit risk assessment methods remained unchanged during the financial year.

Maximum credit risk as at 31 December 2019 and 31 December 2018:

	2019 £	2018 £
Other receivables	-	31 674
Amounts owed by group undertakings	5 440 177	6 797 227
Total	5 440 177	6 828 901

Liquidity risk

Liquidity risk is the Company's risk of not being able to meet the short term payment obligations due to insufficient funds. The Company has internal control processes and contingency plans for managing liquidity risk. The liquidity management takes into account the maturities of financial assets and financial liabilities and estimates of cash flows from operations.

The Company only has Group internal borrowings.

All financial liabilities of the Company are due within one year.

The carrying amounts of the Company's financial assets and liabilities approximate fair value due to their relatively short maturities.

SPOTIFY Finance Limited
Registered number 07598438
Notes to the Financial Statements

Foreign currency risk

The Company operates internationally and is exposed to foreign currency exchange risk arising from various currency exposures, primarily with respect to GBP and EUR. Gains and losses arising from foreign currency rate fluctuations are assumed by Spotify AB, via the intercompany transfer pricing arrangement.

Interest rate risk

The interest rate risk arising on interest income and expense is immaterial and the Company does not currently consider it necessary to actively manage interest rate risk.

Note 11. Related Party Transactions

The Company is controlled by Spotify AB. This Company controls 100% of the Company's shares.

(a) Sales

	2019 £	2018 £
Spotify AB	19 336 356	13 656 098
Total	19 336 356	13 656 098

(b) Key management compensation

Key management includes the Directors and all members of Company's management.
Key management are remunerated through the Group, which is where their remuneration is disclosed.

(c) Year end balances arising from sales of goods and purchases of goods/services

Receivables from related parties

	2019 £	2018 £
Spotify AB	5 440 177	6 797 227
Total	5 440 177	6 797 227

Payables from related parties

	2019 £	2018 £
Spotify AB	4 152 437	5 541 161
Total	4 152 437	5 541 161

There are no provisions for related parties receivables in 2019 and 2018.

Note 12. Ultimate parent undertaking and controlling party

Spotify Finance Limited is a wholly owned subsidiary of Spotify AB, incorporated in Sweden. Spotify Technology S.A., incorporated in Luxembourg is the ultimate parent undertaking and the controlling entity.

Note 13. Events after the reporting year

In March 2020, the World Health Organization declared the outbreak of a disease caused by a novel strain of the coronavirus (COVID-19) to be a pandemic.

The COVID-19 pandemic has created significant volatility, uncertainty, and economic disruption. The full extent to which the COVID-19 pandemic will impact our business, financial condition, and results of operations will depend on numerous evolving factors that we may not be able to accurately predict and that will vary by market, including the duration and scope of the pandemic, the impact of the pandemic on economic activity, and actions taken by governments, businesses, and individuals in response. Due to the continuing uncertainty surrounding the COVID-19 pandemic, we cannot estimate the full impact of the pandemic on our results of operations and over financial performance.