

BECS

British Equity Collecting Society



Report and Statement of Accounts

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PERFORMERS' RIGHTS ARE AT THE TOP OF OUR AGENDA

BECS' excellent reputation, here and abroad, encourages broadcasters to consider setting up agency agreements relieving them of the chore of distributing micro payments spawned by new technology. This welcome development opens up new income sources to members.

New technology, however, also opens up frightening possibilities of distortion and denigration. BECS and Equity have argued for UK law to give performers the moral right to control the use of their work. Regrettably the 2006 Performances Regulations did not address audio-visual performers in general, concentrating instead on audio performers. This seems illogical considering the ease with which performers' faces can be digitally manipulated on the internet.

In 1897, Gertie Millar, the most photographed actress of her time, sued a photographer who had superimposed her face onto a sexually explicit picture and sold the image as a postcard. The judge ruled she had no right to ownership of her image. It would have been different were she a vicar's daughter, he said, but as an actress putting herself in the public sphere, her body and image belonged to everyone.

Properly implemented moral rights mean a performer's image and performance does not "belong to everyone". It also gives the right to be identified by name - credits - a sore point for many! BECS has set out these important moral rights to the Intellectual Property Office, linking the need for full cast lists to aid fair allocation and distribution of monies.

This year, with a data-base of 45,000 television and radio cast lists, staff have made 19,723 payments. Some of these are single payments to agents for multiple performers. A fantastic result. Our sincere thanks to them all.

Please note the AGM date at BAFTA where staff and Board members will be on hand to answer your questions. I enjoyed meeting many of you last year. Apologies this time as I am in pantomime – "Oh yes she is!"

Jean Rogers
Chairman of BECS

*Performers
should have
a moral right
to control
the use
of their work*



£7M TO PERFORMERS AS BECS BUCKS ECONOMIC TREND

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Last year we celebrated our 10th anniversary and in the 2007/08 Annual Report I highlighted the growth we experienced during our first ten years, which included a 33% increase in the distributions made during 2008 alone.

I am delighted to report that in 2008/09, BECS has increased distributable revenue by a massive 66% - a remarkable achievement in the current global economic recession.

BECS' staff have pulled out all the stops. They have worked closely with colleagues in Equity and European collecting societies to enable, once again, a record level of distribution. For the first time this included a separate payout of over £1 million covering new media payments negotiated by Equity.

Nevertheless, we are not complacent and continually look for fresh opportunities. New agency agreements with UK broadcasters and reciprocal agreements with overseas societies continue to be concluded with more in the pipeline for next year.

In seeking further growth, BECS has to invest in the company's infrastructure.

We are currently looking at investing in a new computer system to ensure that the data and payments we process on your behalf are dealt with in the most secure and efficient way. This investment will also support BECS expanding into new areas of distribution for the benefit of our members.

Careful financial planning in recent years has earned us bank and investment interest of £200,000, which will be used to build and purchase the new IT system.

It is an investment which I and the Board believe is vital to the future of BECS.

It will improve our ability to seek out, process and pay to members their dues, which is, and will always be, the number one priority in the service we offer.

I hope to see you at BAFTA for this year's AGM.

Andy Prodger
Chief Executive Officer

*BECS has
increased
distributable
revenue
by 66%*



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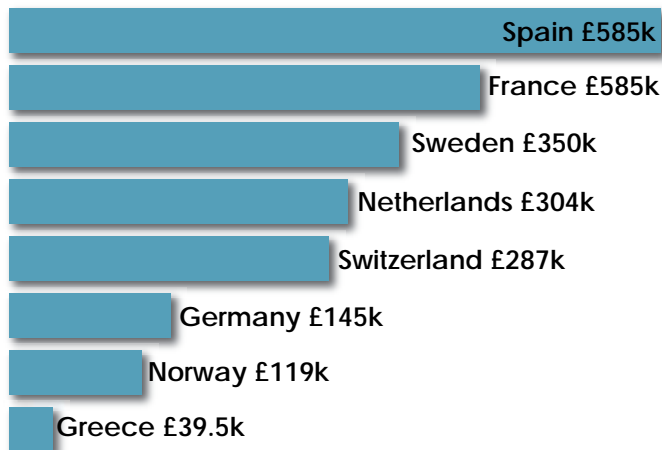
DISTRIBUTION FACTS AND FIGURES

BECS collected over £7 million from 23 different sources of revenue for distribution during 2009.

Payments negotiated under collective licence by Equity and linked to contracts for programmes on BBC, ITV and Channel 4 new media platforms were issued in August. A separate payout of non-contractual performers' rights and BBC cable and satellite retransmission revenue followed in October.

In the space of 11 years, BECS has collected a phenomenal £23.7 million of additional revenue for audio-visual performers in British film, television and radio productions.

Total Performers' Rights Revenue Collected by Country in 2009



TOTAL £2.25M

Total Sums Negotiated by Equity for Performers on Equity Contracts 2009

BBC, Channel 4 and ITV new media platforms (i-player, VOD, HDTV, online clips)	£1.003M
BBC programmes broadcast by cable and satellite in Belgium, Ireland and the Netherlands in 2007	£2.30M
Back payments for BBC programmes broadcast in Belgium, Ireland and The Netherlands 2000-2006	£1.28M
BBC7 Digital Radio transmissions in 2007	£0.30M
TOTAL	£4.883M

Over £23 million collected since 1998



LEGAL AND POLICY DEVELOPMENTS

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NEW RELATIONSHIPS

2009 has been a year of forging new relationships with overseas collecting societies on behalf of our growing 23,000 strong membership. A new agreement has been signed with EJI in Hungary and another is under discussion with Intergram in the Czech Republic. At home, BECS has worked closely with Equity, the BBC, ITV and Channel 4 in its capacity as payment agent for new media agreements.

BUILDING ON RIGHTS

This year's exceptional growth would not have been possible without the effective collective application of performers' rights, which risk being eroded, or ignored, in the face of technological advances. BECS' efforts to promote and build on rights have centred on developments at the European and UK level.

FOCUS ON EUROPE

On 23 April 2009 the European Parliament voted in favour of a draft Directive to extend the term of protection for musicians from 50 to 70 years. After much debate the draft Directive included a commitment to assess a similar extension of term of protection for audio visual performers. Whilst progress at European Council level has stalled until the end of this year, it is to be hoped that the Directive will be taken forward in 2010 under the new Spanish Presidency of the EU.

LOBBYING FOR RIGHTS IN THE UK

Our lobbying efforts have focused around responding to the government's Digital Britain proposals. Addressing the damage that is being caused to the film and television sector from unauthorised file sharing remains a priority. At the same time, BECS continues to raise the current inequity within Europe over the allocation and distribution of private copying levies to performers.

Review of copyright law continues in the form of seemingly endless consultations about possible reform. Some are helpful to us. Others are frustrating. An example of the helpful has been a consultation about the extension of the Public Lending Right to provide for payments to narrators of audio books when these are lent by libraries.

In addition, there has been a review of moral rights of performers. This has enabled us to highlight the practical importance of your credits being noted and available for us and the wider public. The cast data held by BECS supports increasingly varied secondary payments being made by BECS to its members.

Lobbying in Europe to extend copyright protection for audio-visual work



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BECS ACCOUNTS

Income and Expenditure Account
Year ended 30 April 2009

	2009	2008
INCOME	682,444	532,640
Administration Expenses	495,953	429,791
OPERATING SURPLUS / (DEFICIT)	186,491	102,849
Taxation Provision	33,619	21,730
SURPLUS ON ORDINARY ACTIVITIES AFTER TAXATION	152,872	81,119
Balance brought forward	52,173	(28,946)
Balance carried forward	205,045	52,173

Balance Sheet
Year ended 30 April 2009

	2009	2008
FIXED ASSETS		
Historic Cost	87,554	84,058
Less: Depreciation	76,537	64,767
Total Fixed Assets	11,017	19,291
CURRENT ASSETS		
Investment	817,502	777,772
Cash at Bank	8,909,185	6,590,178
Debtors & prepaid expenses	1,033,262	229,547
	10,759,949	7,597,497
CREDITORS: Amounts falling due within 1 year	8,438,539	5,439,571
NET CURRENT ASSETS	2,321,410	2,157,926
TOTAL ASSETS LESS CURRENT LIABILITIES	2,332,427	2,177,217
CREDITORS: Amount falling due after more than 1 year	2,127,382	2,125,044
NET ASSETS/(LIABILITIES)	205,045	52,173
RESERVES (Balance of funds)	205,045	52,173

NOTES

These figures are extracts of the Financial Statements for the year ended 30th April 2009. For a full understanding or analysis of the British Equity Collecting Society's financial affairs, please refer to the complete financial statements, the Auditors' report on these statements and the Directors' Report. Copies of these can be obtained from: Company Secretary, BECS, Hudson House, 8 Tavistock Street, London, WC2E 7PP, or are available on the BECS website at www.equitycollecting.org.uk

Income & Expenditure: Detailed View April 2008 to April 2009

	2009	2008
INCOME		
Commission	265,683	183,926
Distribution Fee Income	121,478	90,799
Interest	294,924	257,765
Other income	359	150
TOTAL INCOME	683,444	532,640
EXPENDITURE		
Database materials	34,293	27,107
Administration charge (incl. Equity support)	49,073	10,708
Salaries and National Insurance	202,629	171,627
Consultancy	43,609	86,777
Office occupancy	92,555	51,121
Printing and Postage	20,670	27,944
Communications (incl. website development)	4,435	2,561
Equipment rental, Maintenance and Insurance	10,256	7,580
Travel and Meeting expenses	5,749	4,003
Legal and Professional fees	5,600	18,257
Audit, accountancy and bookkeeping	2,610	5,192
Bank Charges	1,516	1,749
Subscriptions, Affiliations and Training	7,594	4,012
Sundry	3,593	3,208
Loss on sale of bond	0	1,930
Depreciation	11,771	6,015
TOTAL EXPENDITURE	495,953	439,491
Surplus/(Deficit) for the year before taxation	187,491	93,149

FINANCIAL HIGHLIGHTS:

The three main sources of income have once again increased in comparison to previous years.

- Commission has increased by about 44% reflecting the rise in revenue collected and distributed to members.
- Commission rates have not changed since 2001 with average rates remaining at 8%.
- Fee income increased as a result of BECS managing new streams of revenue negotiated by Equity with national broadcasters.

British Equity Collecting Society is the UK's only collective management organisation for audiovisual performers. BECS is a membership society with a mandate to act on behalf of 23,000 actors, singers, dancers, stunt artists and other performers. It has collected over £23 million from UK and overseas sources for film, television and radio performances since 1998. Funds distributed come from collective licences negotiated by Equity and statutory performers' rights for private copying, rental and other uses throughout the European Union territories.

BRITISH EQUITY COLLECTING SOCIETY

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CHIEF EXECUTIVE OFFICER:

Andy Prodger

CHAIRMAN:

Jean Rogers

BECS BOARD

Peter Barnes, Ian Barritt, Jo Cameron-Brown, Robin Browne, Bryn Evans, Frederick Pyne and John Webb

BECS TEAM

Kelly Chinoy (Distribution Officer), Angela Lyttle (General Manager), Natasha Montefiore (Senior Distribution Officer), Tayyiba Nasser (Finance Manager), Adrian Tulley (Distribution Officer) and Andrew Yeates (Legal Consultant)

COMPANY SECRETARY

Tayyiba Nasser

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