

**COMPANY REGISTRATION NUMBER 3547531
(England and Wales)**

BRITISH EQUITY COLLECTING SOCIETY LIMITED

COMPANY LIMITED BY GUARANTEE

**DIRECTORS' REPORT AND
FINANCIAL STATEMENTS**

YEAR ENDED 30 APRIL 2010

BRITISH EQUITY COLLECTING SOCIETY LIMITED
(Company Limited by Guarantee)

FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2010

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BRITISH EQUITY COLLECTING SOCIETY LIMITED
(Company Limited by Guarantee)

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

Jean Anne Rogers (Chairman)
Ian Barritt (Vice Chairman)
Bryn Evans
Jo Cameron Brown
Robin Browne
Frederick Pyne
Peter Barnes
John Webb

Company Secretary

Tayyiba Nasser

Registered Office

Guild House
Upper St Martins Lane
London
WC2H 9EG

Independent Auditors

Hard Dowdy
a trading style of Chantrey Vellacott DFK LLP
Statutory Auditors
23/28 Great Russell Street
London WC1B 3NG

BRITISH EQUITY COLLECTING SOCIETY LIMITED
(Company Limited by Guarantee)

THE DIRECTORS' REPORT
YEAR ENDED 30 APRIL 2010

The directors are pleased to present their report and financial statements for the year ended 30 April 2010.

PRINCIPAL ACTIVITIES and REVIEW

British Equity Collecting Society Limited (known as BECS) is the only United Kingdom based collective management for the rights of audio-visual performers. Founded in 1998 by the performers' union Equity, the primary role of the company is to collect, distribute and administer remuneration due to performers under statute, or paid to the company on a collective basis for the benefit of performers.

The company enforces the statutory rights of performers in the United Kingdom and collects revenue from the exploitation of these rights and other rights from the United Kingdom and overseas.

The company also acts as a collection and distribution agent for fees collectively negotiated by Equity which are to be distributed to performers utilising the expertise and data handling capability of the company.

BECS' membership has continued to grow. As at the end of April 2010, we represented over 24,000 members. We have also continued with efforts to increase the sources of revenue for our members.

DIRECTORS

The list of directors who served the company during the year is given on page 3.

SHARE CAPITAL

The company is limited by guarantee and has no share capital.

SURPLUS FOR THE YEAR

The surplus for the financial year after tax was £128,849 (2009: surplus of £152,872).

BRITISH EQUITY COLLECTING SOCIETY LIMITED
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DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period having regard to the substance of transactions. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; 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 proper accounting records that 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.

The directors are also responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

Confirmation of Disclosure to Auditors

The Board hereby confirms that each person who is a director of the company at the date of approval of this report have:

- (a) taken all steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information; and
- (b) communicated all such information to the auditors.

Accordingly, so far as the Board is aware, there is no "relevant audit information" of which the company's auditors are not aware.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with special provisions for small companies within part 15 of the Companies Act 2006.

Signed on behalf of the board of directors


Tayyiba Nasser
Company Secretary

Approved by the directors on 06/09 2010

BRITISH EQUITY COLLECTING SOCIETY LIMITED
(Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT

We have audited the financial statements of British Equity Collecting Society Ltd for the year ended 30 April 2010 which comprise the Profit and Loss Account, the Balance Sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting standards (UK GAAP).

This report is made solely to the society's members in accordance with section 495 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the society'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 society and the society's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the society's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2010 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept; 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.

Philip Clark (Senior Statutory Auditor)

Hard Dowdy

For and on behalf of HARD DOWDY

a trading style of Chantrey Vellacott DFK LLP

Statutory Auditors

23/28 Great Russell Street, London, WC1B 3NG

6 September 2010

BRITISH EQUITY COLLECTING SOCIETY LIMITED
(Company Limited by Guarantee)

PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 APRIL 2010

	Note	2010 £	2009 £
INCOME	1d	736,082	682,444
Administration Expenses		572,617	495,953
OPERATING SURPLUS		163,465	186,491
Taxation Provision	7	34,616	33,619
SURPLUS ON ORDINARY ACTIVITIES AFTER TAXATION		128,849	152,872
Balance at Beginning of Year		205,045	52,173
BALANCE AT END OF FINANCIAL YEAR		333,894	205,045

None of the company's activities were acquired or discontinued during the above two financial years. There were no recognised gains or losses other than those included in the profit and loss account. The surplus on ordinary activities before taxation and the surplus for the financial year have been calculated on the historical cost basis.

The notes on pages 9 and 10 form part of these accounts.

BRITISH EQUITY COLLECTING SOCIETY LIMITED
(Company Limited by Guarantee)

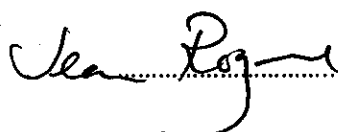
BALANCE SHEET
AS AT 30 APRIL 2010

	Note	2010 £	2009 £
FIXED ASSETS	1b, 2		
Historic Cost		89,673	87,554
Less: Depreciation		83,541	76,537
TOTAL FIXED ASSETS		6,132	11,017
CURRENT ASSETS			
Investments	3	881,144	817,502
Cash at bank		8,338,680	8,909,185
Debtors and prepaid expenses	4	31,543	1,033,262
		9,251,367	10,759,949
CURRENT LIABILITIES			
Creditors - Amounts falling due within one year	5	6,425,195	8,438,539
NET CURRENT ASSETS		2,826,172	2,321,410
Total Assets less Current Liabilities		2,832,304	2,332,427
Creditors - Amounts falling due after more than one year	6	2,498,410	2,127,382
NET ASSETS		333,894	205,045
RESERVES (Balance of Funds)		333,894	205,045

The financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006

These financial statements were approved by the directors on the 6th September 2010

Signed on behalf of the board of directors

 Director

The notes on pages 9 and 10 form part of these accounts.

BRITISH EQUITY COLLECTING SOCIETY LIMITED
(Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 APRIL 2010

1. ACCOUNTING POLICIES

a. Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable Accounting Standards.

b. Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the estimated useful life of the asset. Depreciation is provided as follows:

Computer Technology -	33% per annum on cost
Office Furniture-	20% per annum on cost

c. Cash Flow

The company has taken advantage of the small companies' exemption from producing a cash flow statement (as per FRS1).

d. Income

Income represents the amounts receivable in the year from commissions, distribution fees and interest income. Income arises either as a percentage deduction from amounts distributed to members or a flat fee charged to broadcasters under a defined agreement. Due to the time required to negotiate agreements, to receive data for allocation of monies and the uncertainty over amounts involved, income is recognised as received or invoiced in each financial year.

2. FIXED ASSETS

	<u>Computer Technology</u>	<u>Office Furniture</u>	<u>Total</u>
	£	£	£
Cost			
Balance 1 May 2009	84,960	2,594	87,554
Additions	1,901	218	2,119
Balance 30 April 2010	86,861	2,812	89,673
Depreciation			
Balance 1 May 2009	74,190	2,347	76,537
Charge for the year	6,881	123	7,004
Balance 30 April 2010	81,071	2,470	83,541
NET BOOK VALUE			
As at 30 April 2010	5,790	342	6,132
As at 30 April 2009	10,770	247	11,017

BRITISH EQUITY COLLECTING SOCIETY LIMITED
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3. INVESTMENTS

The company has invested surplus cash in an investment portfolio of fixed interest bonds which are readily convertible to cash. The market value of these investments as at 30 April 2010 was £914,797 (2009 - £869,111).

4. DEBTORS and PREPAID EXPENSES

	2010	2009
	£	£
Receivables for Distribution	0	985,580
Other debtors	15,400	15,400
Prepayments and accrued income	16,143	32,282
	31,543	1,033,262

5. CREDITORS: Amounts falling due within one year

	2010	2009
	£	£
Corporation tax	35,007	40,990
Accrued expenditure	40,833	51,567
Tax and social security costs	-776	91,652
Distributable to members	6,350,131	8,254,330
	6,425,195	8,438,539

6. CREDITORS: Amounts falling due after more than one year

	2010	2009
	£	£
Claims (and Legal) Fund	60,719	283,678
Allocated but unpaid	757,590	568,178
Awaiting Distribution Data	1,680,101	1,275,525
	2,498,410	2,127,381

7. TAXATION

A provision of £35,007 (2009: £40,990) for corporation tax has been made on the adjusted surplus for the year.

8. RELATED PARTY TRANSACTIONS

The company paid an administration charge of £47,767 (2009: £48,650) to Equity, a trade union of which the majority of the board of directors are members.

9. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee and has no share capital.

Every member of the company undertakes to contribute to the assets of the company, in the event of a winding up, such an amount as may be required not exceeding £1.

BRITISH EQUITY COLLECTING SOCIETY LIMITED
(Company Limited by Guarantee)

DETAILED PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 APRIL 2010

	2010	2009
	£	£
INCOME		
Commission	484,176	265,683
Distribution Fee Income	110,629	121,478
Bank Interest and investment income	141,270	294,924
Other income	6	359
TOTAL INCOME	736,082	682,444
EXPENDITURE		
Database materials / System Expenditure	78,909	34,293
Administration charge	48,338	49,073
Salaries and national insurance	233,326	202,629
Consultancy	45,772	43,609
Office occupancy	94,876	92,555
Printing and postage	21,754	20,670
Communications	3,782	4,435
Equipment rental, maintenance and insurance	6,181	10,256
Meeting expenses and travel	4,056	5,749
Legal and professional fees	6,941	5,600
Audit, accountancy and bookkeeping	6,140	2,610
Bank charges	2,234	1,516
Subscriptions, affiliations and training	11,707	7,594
Sundry	1,596	3,593
Depreciation	7,004	11,771
TOTAL EXPENDITURE	572,617	495,953
SURPLUS FOR THE YEAR BEFORE TAXATION	163,465	186,491