

Registered number  
2685120 (England and Wales)

The company is limited by guarantee

**DIRECTORS UK LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 28 FEBRUARY 2010**

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**DIRECTORS UK LIMITED****COMPANY INFORMATION**

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**DIRECTORS**

B S Adamson - resigned 11 11 09  
S H Berthon  
J Campbell - appointed 29 10 09  
S Curtis  
P Haggard  
J E A Hawes  
B A Hill  
P Kosminsky  
M Lipsey  
M McMurray - resigned 11 11 09  
R Mitchell  
P Nicholson  
S Orme - appointed 29 10 09  
T G Roberts  
R Spence - resigned 11 11 09  
C Sturridge  
T Sullivan  
P A Unwin - appointed 29 10 09  
S M White  
H Wise - resigned 13 12 09

**SECRETARY**

S E Dormer

**BANKERS**

HSBC plc  
138 Tottenham Court Road  
London  
W1P 0AY

**AUDITORS**

French Associates  
Swan Centre  
Fishers Lane  
Chiswick  
London  
W4 1RX

**REGISTERED OFFICE**

31 & 32 Bedford Street  
London  
WC2E 9ED

**REGISTERED NUMBER**

2685120 (England and Wales)

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# **DIRECTORS UK LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 28 FEBRUARY 2010**

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The directors present their annual report together with the audited financial statements of the company for the year ended 28 February 2010

### **PRINCIPAL ACTIVITY**

The principal activity of the company throughout the year continued to be that of protecting, enhancing and enforcing the rights of directors

### **DIRECTORS**

The directors who held office during the year are as shown on page 1 of the financial statements

### **FIXED ASSETS**

The movements in the fixed assets of the company are disclosed in note 7 to the financial statements

### **DIRECTORS' RESPONSIBILITIES**

We, as directors, are responsible for preparing the annual 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 we 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 profit or loss for that period. In preparing these financial statements, we are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

We are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable us to ensure that the financial statements comply with the Companies Act. We 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.

We are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **AUDITORS**

The auditors are deemed to be reappointed under section 487(2) of the Companies Act 2006

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## **DIRECTORS UK LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 28 FEBRUARY 2010 (continued)**

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#### **DIRECTORS CONFIRMATIONS**

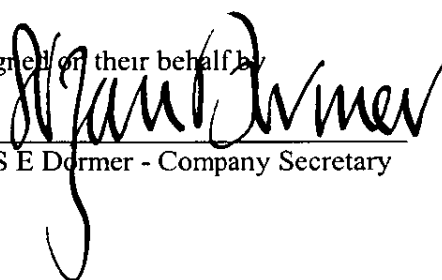
We, the directors of the company who held office at the date of approval of these financial statements, confirm that, so far as we are aware, that

- there is no relevant audit information of which the company's auditors are unaware, and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

The report of the directors has been prepared taking advantage of the small companies exemption of section 415A of the Companies Act 2006

#### **APPROVAL BY THE BOARD**

Approved by the board of directors on 10 June 2010 and signed on their behalf by

  
S E Dormer - Company Secretary

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DIRECTORS UK LIMITED

We have audited the financial statements of Directors UK Limited for the year ended 28 February 2010 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Sections 495 and 496 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 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.

### Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement (set out on 2), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. 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 (APB's) Ethical Standards for Auditors.

### Scope of the audit

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 company'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.

We have undertaken the audit in accordance with the requirements of the APB Ethical Standards including APB Ethical Standard - Provisions available for Small Entities, as we prepare and submit returns to the tax authorities and assist with the preparation 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 28 February 2010 and of its profit 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 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 of the information and explanations we required for our audit, or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime.

**R H French FCA - Senior Statutory Auditor**  
for and on behalf of French Associates  
**Statutory Auditor and Chartered Accountants**

17 June 2010

**DIRECTORS UK LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 28 FEBRUARY 2010**

	<i>Note</i>	<i>2010</i>	<i>2009</i>
		<i>£</i>	<i>£</i>
TURNOVER	2	657,535	514,095
Selling and distribution costs		9,303	19,453
Administration expenses		697,138	619,258
		<u>706,441</u>	<u>638,711</u>
OPERATING LOSS	4	(48,906)	(124,616)
Other operating income	3	139,243	94,000
		90,337	(30,616)
Other interest receivable and similar income		81,933	268,949
PROFIT on ordinary activities before taxation		172,270	238,333
TAXATION on profit on ordinary activities	6	(17,520)	(51,864)
PROFIT on ordinary activities after taxation		154,750	186,469
Profit for the financial year		<u>£154,750</u>	<u>£186,469</u>

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**FOR THE YEAR ENDED 28 FEBRUARY 2007**

	<i>Note</i>	<i>2010</i>	<i>2009</i>
		<i>£</i>	<i>£</i>
Profit for the financial year		154,750	186,469
Unrealised (deficit)/surplus on HSBC Libor fund		68,683	(216,925)
Total recognised gains and losses relating to the year		<u>£223,433</u>	<u>(£30,456)</u>

None of the company's activities were acquired or discontinued during the above two years

The notes on pages 7 to 11 form part of these financial statements

**DIRECTORS UK LIMITED**  
**BALANCE SHEET - 28 FEBRUARY 2010**

	<i>Note</i>	<i>2010</i>	<i>2009</i>
		£	£
<b>FIXED ASSETS</b>			
Tangible assets	7	34,340	67,217
Investments	8	3,931	3,931
		<u>38,271</u>	<u>71,148</u>
<b>CURRENT ASSETS</b>			
Debtors	9	80,255	535,459
Cash at bank and in hand		9,572,081	8,099,261
		<u>9,652,336</u>	<u>8,634,720</u>
CREDITORS amounts falling due within one year	10	9,406,474	8,645,168
<b>NET CURRENT ASSETS/(2009 LIABILITIES)</b>		<u>245,862</u>	<u>(10,448)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>284,133</u>	<u>60,700</u>
<b>CAPITAL AND RESERVES</b>			
Profit and loss account		£284,133	£60,700
<b>MEMBERS FUNDS</b>	12	<u>£284,133</u>	<u>£60,700</u>

Approved by the board of directors on 10 June 2010 and signed on its behalf Authorised for issue on that date

C Sturridge  
 Director

The notes on pages 7 to 11 form part of these financial statements

# DIRECTORS UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - 28 FEBRUARY 2010

### 1 ACCOUNTING POLICIES

The principal accounting policies which are adopted consistently in the preparation of the financial statements are set out below

#### **Basis of accounting**

The financial statements have been prepared in accordance with applicable accounting standards under the historical cost convention

The company has taken advantage of the exemption, conferred by Financial Reporting Standard 1, from presenting a cash flow statement as it qualifies as a small company

#### **Turnover**

Turnover represents net invoiced management and registration fees, excluding value added tax

#### **Tangible fixed assets**

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset over its estimated useful life. The principal annual rates in use are

Leasehold property refurbishment	Over lease period to next rent review
Equipment, fixtures and fittings	25% and 33 1/3% on cost
Distributions system	20% on cost

Rentals applicable to operating leases, where substantially all the benefit and risk of ownership remain with the lessor, are charged to the profit and loss account on a straight line basis over the lease term

#### **Deferred taxation**

Provision is made to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. The net liability or asset arising is provided for in full unless, in the case of deferred tax assets, recoverability is likely to be relatively uncertain

#### **Pension scheme**

The company contributes to defined contribution pension schemes for certain employees, none of whom are directors, and whose assets are held separately from the company. The amount charged to the profit and loss account in respect of pension costs is the contributions payable in the year. There are no prepaid contributions at the balance sheet date

### 2 TURNOVER

The turnover and profit before taxation is attributable to the one principal activity of the company

### 3 OTHER OPERATING INCOME

Being the allocation of members funds to assist with extra costs arising during the company's three year expansion and development plan (2009 allocation of members funds to assist with costs incurred in the ERA distributions review)



# DIRECTORS UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - 28 FEBRUARY 2010 (continued)

### 4 OPERATING LOSS

The operating losses are stated after charging

	<u>2010</u>	<u>2009</u>
	£	£
Directors' emoluments	5,057	18,461
Staff costs	415,123	352,905
Total staff costs (note 5)	420,180	371,366
Depreciation of owned assets	45,799	46,556
Auditors' remuneration	4,000	4,000
Operating lease rentals - other assets	68,161	59,579

### 5 STAFF COSTS

Staff costs including directors' remuneration were as follows

	<u>2010</u>	<u>2009</u>
	£	£
Wages and salaries	367,895	326,442
Social security costs	37,146	32,638
Other pension costs - defined contribution schemes	15,139	12,286
	420,180	371,366

The average weekly number of employees during the year was as follows

Office and management	<u>13</u>	<u>12</u>
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### 6 TAXATION

	<u>2010</u>	<u>2009</u>
	£	£
<b>a) Analysis of charge in the period</b>		
Current corporation tax		
Corporation tax on ordinary activities at 21% (2009 20 9%)	17,520	51,864
Total current tax charge	17,520	51,864
Deferred tax		
Charged/(credited) in the year	-	-
Total deferred tax	-	-
Taxation on profit on ordinary activities	17,520	51,864

# DIRECTORS UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - 28 FEBRUARY 2010 (continued)

### b) Circumstances affecting current and future tax charges

The tax assessed for the period is different to the standard rate of corporation tax in the UK of 30%. The differences are explained as follows

	2010	2009
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30%	48,235	71,499
Effect of		
Expenses not deductible for tax purposes	2,475	4,318
Capital allowances in excess of depreciation	-	(1,427)
Depreciation in excess of capital allowances	6,019	-
Marginal and lower rate reliefs	(5,841)	(22,526)
Utilisation of brought forward corporation tax losses	(33,368)	-
	<u>17,520</u>	<u>51,864</u>

Corporation tax losses brought forward of £119,178 have been fully utilised in the year

A deferred tax asset has not been recognised in respect of losses arising on the HSBC Libor fund as the losses can only be offset against similar profits and the company considers this unlikely to occur. The estimated value of the deferred tax asset not recognised is £34,240.

### 7 TANGIBLE FIXED ASSETS

	Office refurb- ishment	Computer equipment fixtures and fittings	Distributions system	Total
<u>Cost or valuation</u>				
At 1 March 2009	24,856	126,269	116,284	267,409
Additions	5,542	7,380	-	12,922
Disposals	(24,856)	-	-	(24,856)
At 28 February 2010	5,542	133,649	116,284	255,475
<u>Depreciation</u>				
At 1 March 2009	20,662	87,574	91,956	200,192
Charge for the year	4,734	17,809	23,256	45,799
Released on disposal	(24,856)	-	-	(24,856)
At 28 February 2010	540	105,383	115,212	221,135
<u>Net book value</u>				
At 28 February 2010	<u>£5,002</u>	<u>£28,266</u>	<u>£1,072</u>	<u>£34,340</u>
At 1 March 2009	<u>£4,194</u>	<u>£38,695</u>	<u>£24,328</u>	<u>£67,217</u>

Office refurbishment costs are in respect of office premises for which the company has a short term lease.

# DIRECTORS UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - 28 FEBRUARY 2010 (continued)

### 8 INVESTMENTS

	<u>2010</u>	<u>2009</u>
	£	£
Unlisted investments at cost		
At 1 March 2009 and at 28 February 2010	<u>3,931</u>	<u>3,931</u>

The investment refers to the cost of shares held in 'Societe des Auteurs Audiovisuel', a European collecting society

### 9 DEBTORS

	<u>2010</u>	<u>2009</u>
	£	£
Trade debtors	3,018	486,279
Other debtors	63,690	17,750
Prepaid expenses and accrued income	13,547	31,430
	<u>80,255</u>	<u>535,459</u>

### 10 CREDITORS: amounts falling due within one year

	<u>2010</u>	<u>2009</u>
	£	£
Bank loans and overdrafts	5,869	8,680
Trade creditors	32,290	31,192
Amounts for distribution to members - UK Rights	3,215,017	3,134,241
Amounts for distribution to members - Other	6,014,262	5,327,518
Other creditors	79,990	60,992
Corporation tax	20,757	55,262
Other tax and social security	10,385	10,694
Accruals and deferred income	27,904	16,589
	<u>9,406,474</u>	<u>8,645,168</u>

Accruals include £673 (2009 £2,004) in respect of pension contributions payable

### 11 RESERVES

	<i>Profit and loss account</i>
At 1 March 2009	60,700
Retained profit for the year	154,750
Unrealised surplus on HSBC Libor fund	68,683
At 28 February 2010	<u>284,133</u>

# DIRECTORS UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - 28 FEBRUARY 2010 (continued)

### 12 RECONCILIATION OF MOVEMENTS IN MEMBERS FUNDS

	<i>2010</i>	<i>2009</i>
	<i>£</i>	<i>£</i>
Profit for the year	154,750	186,469
Other recognised gains and losses	68,683	(216,925)
	<u>223,433</u>	<u>(30,456)</u>
Members funds at 1 March 2009	60,700	91,156
Members funds at 28 February 2010	<u>284,133</u>	<u>60,700</u>

The company is limited by guarantee and there are therefore no equity interests

### 13 CONTINGENT LIABILITIES

There were no contingent liabilities as at 28 February 2009 or at 28 February 2010