

BRIT AWARDS LIMITED

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

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BRIT AWARDS LIMITED

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BRIT AWARDS LIMITED

COMPANY INFORMATION

DIRECTORS	Tony Wadsworth CBE (Chairman) Geoff Taylor (Chief Executive Officer) Maggie Crowe David Joseph Michael Batt Miles Leonard Christian Tattersfield Nick Gatfield
COMPANY SECRETARY	Nicholas Glynn
REGISTERED NUMBER	03045116
REGISTERED OFFICE	Riverside Building County Hall Westminster Bridge Road London SE1 7JA
INDEPENDENT AUDITORS	Nexia Smith & Williamson Statutory Auditors & Chartered Accountants Portwall Place Portwall Lane Bristol BS1 6NA
BANKERS	Coutts & Co 440 Strand London WC2R 0QS
SOLICITORS	Wiggin & Co 95 The Promenade Cheltenham Gloucestershire GL50 1WG

BRIT AWARDS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012

The directors present their report and the financial statements for the year ended 31 December 2012

PRINCIPAL ACTIVITY

The principal activity of the company is organising the BRIT Awards shows

BUSINESS ENVIRONMENT

The BRIT Awards shows continue to generate high viewing figures and sales remain very high. The company's other key financial relationships, with its sponsors and broadcaster, are long-established and strong.

The UK recorded music market continues to produce and develop exceptionally talented artists and the BRIT Awards shows celebrate this fact and recognise their achievements and success every twelve months.

RESULTS

The profit for the year, after taxation, amounted to £75,859 (2011 - loss of £4,787)

PRINCIPAL RISKS AND UNCERTAINTIES

The key risks are a withdrawal of support from the sponsors and the broadcasters, and a failure to generate sufficient ticket revenue.

KEY PERFORMANCE INDICATORS

Given the straight forward nature of the business, the directors are of the opinion that analysis using KPIs is not necessary for the understanding of the development, performance or position of the business, however the BRIT Awards main show achieved 6.7 million UK TV viewers (2011 - 5.4 million) on its initial broadcast.

FUTURE OUTLOOK

The company expects to secure new long-term arrangements with the headline sponsors and broadcaster in the next financial year. Demand for tickets to the shows is expected to remain at current high levels.

The board and management team are committed to the future of the business.

DIRECTORS

The directors who served during the year were

Tony Wadsworth CBE	(Chairman)
Geoff Taylor	(Chief Executive Officer)
David Joseph	
Maggie Crowe	
Michael Batt	
Miles Leonard	
Christian Tattersfield	
Nick Gatfield	

BRIT AWARDS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012

CHARITABLE DONATIONS

The company made a charitable donation in the year, to the British Record Industry Trust of £700,000 (2011 - £842,500)

DIRECTORS' RESPONSIBILITIES STATEMENT

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). 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting 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.


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.

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

This report was approved by the board on 3rd July 2013 and signed on its behalf



.....
Nicholas Glynn
Secretary

BRIT AWARDS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF BRIT AWARDS LIMITED

We have audited the financial statements of BRIT Awards Limited for the year ended 31 December 2012, 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 shareholder 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 shareholder 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 shareholder 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, 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 and express an opinion on 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

A description of the scope of an audit of financial statements is provided on the Auditing Practices Board's website at www.frc.org.uk/apb/scope/private.cfm.

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 31 December 2012 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.

BRIT AWARDS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF BRIT AWARDS LIMITED

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 the information and explanations we require for our audit



Jonathan Talbot (Senior statutory auditor)

for and on behalf of

Nexia Smith & Williamson

Statutory Auditors & Chartered Accountants

Portwall Place

Portwall Lane

Bristol

BS1 6NA

Date

30 July 2013

BRIT AWARDS LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2012**

	Note	2012 £	2011 £
TURNOVER		7,540,945	7,114,980
Administrative expenses		(7,431,092)	(7,113,505)
OPERATING PROFIT	2	109,853	1,475
Interest receivable and similar income	5	6,837	6,387
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		116,690	7,862
Tax on profit on ordinary activities	6	(40,831)	(12,649)
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	13	75,859	(4,787)

All amounts relate to continuing operations

There were no recognised gains and losses for 2012 or 2011 other than those included in the Profit and loss account

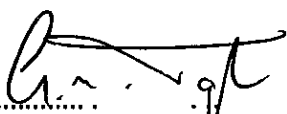
The notes on pages 8 to 14 form part of these financial statements

BRIT AWARDS LIMITED
REGISTERED NUMBER: 03045116

BALANCE SHEET
AS AT 31 DECEMBER 2012

	Note	£	2012 £	£	2011 £
FIXED ASSETS					
Investments	7		100		100
CURRENT ASSETS					
Work in progress	8	397,381		389,152	
Debtors	9	3,007,111		1,494,545	
Cash at bank		935,027		2,051,465	
		<u>4,339,519</u>		<u>3,935,162</u>	
CREDITORS: amounts falling due within one year	10	<u>(4,109,368)</u>		<u>(3,780,870)</u>	
NET CURRENT ASSETS			<u>230,151</u>		<u>154,292</u>
NET ASSETS			<u>230,251</u>		<u>154,392</u>
CAPITAL AND RESERVES					
Called up share capital	12		2		2
Profit and loss account	13		<u>230,249</u>		<u>154,390</u>
SHAREHOLDERS' FUNDS	14		<u>230,251</u>		<u>154,392</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by



 Geoff Taylor Chief Executive Officer
 Director

Date 3rd July 2013

The notes on pages 8 to 14 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

The company is itself a subsidiary company and is exempt from the requirement to prepare group financial statements by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with Financial Reporting Standard 1.

1.3 Turnover

Turnover represents receipts from the annual BRIT Awards ceremony and related licensing as well as receipts from the Classic BRIT Awards ceremony and from sales of other licensed products. Amounts invoiced in the year and prior to the ceremony are recognised as deferred income. Revenue is released to the profit and loss account at the time the ceremony is held. All turnover originates in the United Kingdom.

1.4 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.5 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value, and represents costs incurred in respect of award ceremonies occurring after the year end. These costs are recognised in the profit and loss account at the time the ceremony is held.

1.6 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

BRIT AWARDS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

1. ACCOUNTING POLICIES (continued)**1.7 Pensions**

The company makes contractually agreed contributions towards approved defined contribution pension schemes for certain employees. The company's contributions are charged to the profit and loss account on an accruals basis.

The schemes are completely separate from the assets of the company.

2. OPERATING PROFIT/(LOSS)

The operating profit is stated after charging

	2012 £	2011 £
Auditors' remuneration	7,000	7,000
Auditors' remuneration - non-audit	2,500	2,195
	<u> </u>	<u> </u>

3. STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2012 £	2011 £
Wages and salaries	408,588	364,585
Social security costs	42,779	38,247
Other pension costs	23,111	19,821
	<u> </u>	<u> </u>
	<u>474,478</u>	<u>422,653</u>

The average monthly number of employees, including the directors, during the year was as follows

	2012 No	2011 No
Administrative, legal and event organisers	7	6
	<u> </u>	<u> </u>

BRIT AWARDS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

4. DIRECTORS' REMUNERATION

	2012 £	2011 £
Emoluments	113,361	109,898
Company pension contributions to defined contribution pension schemes	9,270	9,000

During the year retirement benefits were accruing to 1 director (2011 - 1) in respect of defined contribution pension schemes

5. INTEREST RECEIVABLE

	2012 £	2011 £
Other interest receivable	6,837	6,387

6. TAXATION

	2012 £	2011 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	2,481	-
Adjustments in respect of prior periods	37,927	10,708
Total current tax	40,408	10,708
Deferred tax		
Origination and reversal of timing differences	28,500	11,828
Effect of tax rate change on opening balance	-	613
Adjustment in respect of previous years	(28,077)	(10,500)
Total deferred tax (see note 11)	423	1,941
Tax on profit on ordinary activities	40,831	12,649

BRIT AWARDS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

6 TAXATION (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2011 - higher than) the standard rate of corporation tax in the UK of 20.00% (2011 - 20.25%). The differences are explained below

	2012 £	2011 £
Profit on ordinary activities before tax	116,690	7,862
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.00% (2011 - 20.25%)	23,338	1,592
Effects of		
Expenses not deductible for tax purposes	7,652	10,384
Adjustments to tax charge in respect of prior periods	37,927	10,708
Short term timing differences	-	(12,404)
Unrelieved tax losses	(28,500)	428
Group relief	(9)	-
Current tax charge for the year (see note above)	40,408	10,708

Factors that may affect future tax charges

There were no factors that may affect future tax charges

7. FIXED ASSET INVESTMENTS

	Investment in subsidiary company £
Cost or valuation	
At 1 January 2012 and 31 December 2012	100
Net book value	
At 31 December 2012	100
At 31 December 2011	100

BRIT AWARDS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

7. FIXED ASSET INVESTMENTS (continued)**Subsidiary undertakings**

The following was a subsidiary undertakings of the company

Name	Class of shares	Holding
BRIT Awards (Productions) Limited	Ordinary shares of £1 each	100 %

The principal activity of BRIT Awards (Productions) Limited is to oversee the production of the BRIT Awards shows in the year

Name	Aggregate of share capital and reserves		Profit/(loss)	
	2012 £	2011 £	2012 £	2011 £
BRIT Awards (Productions) Limited	1,147	1,191	(44)	453

8. STOCKS

	2012 £	2011 £
Work in progress	397,381	389,152

9. DEBTORS

	2012 £	2011 £
Trade debtors	2,934,791	1,335,304
Amounts owed by group undertakings	72,075	158,018
Other debtors	245	800
Deferred tax asset (see note 11)	-	423
	3,007,111	1,494,545

BRIT AWARDS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

10 CREDITORS**Amounts falling due within one year**

	2012 £	2011 £
Trade creditors	176,654	60,260
Amounts owed to group undertakings	1,081,124	1,069,276
Corporation tax	2,481	-
Social security and other taxes	448,235	370,551
Amounts due to connected companies	-	142,500
Accruals and deferred income	2,400,874	2,138,283
	<u>4,109,368</u>	<u>3,780,870</u>

11. DEFERRED TAXATION

	2012 £	2011 £
At beginning of year	423	2,364
Released during the year	(423)	(1,941)
At end of year	<u>-</u>	<u>423</u>

The deferred taxation balance is made up as follows

	2012 £	2011 £
Tax losses carried forward	<u>-</u>	<u>423</u>

12. SHARE CAPITAL

	2012 £	2011 £
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

BRIT AWARDS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

13 RESERVES

	Profit and loss account £
At 1 January 2012	154,390
Profit for the year	75,859
	<hr/>
At 31 December 2012	230,249
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14 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2012 £	2011 £
Opening shareholders' funds	154,392	159,179
Profit/(loss) for the year	75,859	(4,787)
	<hr/>	<hr/>
Closing shareholders' funds	230,251	154,392
	<hr/>	<hr/>

15. PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £23,111 (2011 - £19,821). Contributions totalling £nil (2011 - £nil) were payable to the fund at the balance sheet date and are included in creditors.

16. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption available under Financial Reporting Standard 8 from providing details of related party transactions with group companies as they are incorporated within the financial statements of its parent company, BPI (British Recorded Music Industry) Limited.

During the year the company donated £700,000 (2011 - £842,500) to the British Record Industry Trust, a charity, which has common directors to the company. This donation is charged to administrative expenses. At the year end £nil was outstanding (2011 - £142,500).

17. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The parent and ultimate controlling party is BPI (British Recorded Music Industry) Limited, a company incorporated in Great Britain and registered in England and Wales.

The parent company has prepared group financial statements. Copies of the parent company's group financial statements are available from its registered office, Riverside Building, County Hall, Westminster Bridge Road, London, SE1 7JA.