

British Equity Collecting Society Limited

Annual Report and Financial Statements

For the year ended 30 April 2026

British Equity Collecting Society Limited

Company Information

Directors	F Branson	
	J Cameron-Brown	
	R Early	
	S Gardner	(Appointed 2 December 2025)
	J A Hartley (PKA Rogers)	
	T Nasser	
	P Barnes	
	R Browne	(Appointed 9 February 2026)
	A K Francis	
Company number	03547531	
Registered office	2nd Floor, 22 Tudor Street London EC4Y 0AY	
Auditor	Moore Kingston Smith LLP 6th Floor 9 Appold Street London EC2A 2AP	

British Equity Collecting Society Limited

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British Equity Collecting Society Limited

Directors' Report

For the year ended 30 April 2026

The directors present their annual report and financial statements for the year ended 30 April 2026.

Principal activities

The principal activity of the company continued to be the collective management of audiovisual performers' rights, including the collection and distribution of rights revenue on behalf of its members. The company did not undertake any activities unrelated to collective rights management during the year.

Results

The results for the year are set out on page 8.

The company reported turnover of £866,137, compared with £1,203,175 in the previous year, and a profit after taxation of £205,419, compared with £435,973 in the previous year. At 30 April 2026, the company had net assets of £3,119,227 and net current assets of £3,092,164.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

F Branson	
J Cameron-Brown	
R Early	
S Gardner	(Appointed 2 December 2025)
J A Hartley (PKA Rogers)	
T Nasser	
N Gerson	(Deceased 27 July 2025)
P Barnes	
R Browne	(Appointed 9 February 2026)
A K Francis	

Qualifying third party indemnity provisions

The Company has indemnified its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision was in place during the year and is in force at the date of approving the financial statements.

Auditor

The auditor, Moore Kingston Smith LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The 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 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.

British Equity Collecting Society Limited

Directors' Report (Continued)

For the year ended 30 April 2026

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 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.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Collections and Distributions

During the year ended 30 April 2026, BECS collected £6.19 million in audiovisual rights revenue for distribution to members, compared with £9.64 million in the previous year. The reduction principally reflected the continued interruption or reduction of payments from certain European collective management organisations following the United Kingdom's withdrawal from the European Union.

During the financial year, 13,501 members received at least one payment from BECS, either directly or through their agent.

Activities during the year

BECS continued to pursue the recovery of statutory remuneration withheld from UK performers or in respect of UK productions in certain European territories. This included engagement with the relevant collective management organisations and the UK Intellectual Property Office, supported by specialist legal advice.

BECS also continued its policy and advocacy work to improve audiovisual performers' rights. Its principal activities included supporting the introduction of a UK private copying remuneration scheme through the Smart Fund campaign, advocating appropriate protection and remuneration for performers in relation to artificial intelligence, and campaigning for UK ratification and implementation of the Beijing Treaty on Audiovisual Performances.

During the year, members approved amendments to BECS's Articles of Association and membership documentation relating to artificial intelligence and the conduct of general meetings. BECS also strengthened its international relationships, including by signing a new bilateral agreement with the Slovenian collective management organisation.

The Board approved the implementation of new cloud-based finance, membership and distribution systems as part of a wider programme to modernise BECS's operations, strengthen financial controls and improve operational resilience.

Going Concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The directors have therefore continued to adopt the going concern basis in preparing the financial statements.

At 30 April 2026, the company had net current assets of £3,092,164 and net assets of £3,119,227. The directors will continue to monitor the effect of changes in international collections on the company's financial position and manage expenditure accordingly.

British Equity Collecting Society Limited

Directors' Report (Continued)

For the year ended 30 April 2026

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

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T Nasser

Director

Date:

British Equity Collecting Society Limited

Independent Auditor's Report

To the Members of British Equity Collecting Society Limited

Opinion

We have audited the financial statements of British Equity Collecting Society Limited (the 'company') for the year ended 30 April 2026 which comprise the Statement of Income and Retained Earnings, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2026 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.

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. 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

British Equity Collecting Society Limited

Independent Auditor's Report

To the Members of British Equity Collecting Society Limited (Continued)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has 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 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, 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, 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.

British Equity Collecting Society Limited

Independent Auditor's Report

To the Members of British Equity Collecting Society Limited (Continued)

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.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

British Equity Collecting Society Limited

Independent Auditor's Report

To the Members of British Equity Collecting Society Limited (Continued)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation.
- We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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.

Tim Hardy
Senior Statutory Auditor
for and on behalf of Moore Kingston Smith LLP

Date:

Chartered Accountants
Statutory Auditor

6th Floor
9 Appold Street
London
EC2A 2AP

British Equity Collecting Society Limited

Statement of Income and Retained Earnings

For the year ended 30 April 2026

	Notes	2026 £	2025 £
Turnover		866,137	1,203,175
Administrative expenses		(608,841)	(649,093)
Operating profit	2	257,296	554,082
Interest receivable and similar income		24,867	26,558
Profit before taxation		282,163	580,640
Tax on profit	5	(76,744)	(144,667)
Profit for the financial year		205,419	435,973
Retained earnings brought forward		2,913,808	2,477,835
Retained earnings carried forward		3,119,227	2,913,808

The Profit and Loss Account has been prepared on the basis that all operations are continuing operations.

British Equity Collecting Society Limited

Balance Sheet

As at 30 April 2026

		2026		2025	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	6		27,769		2,958
Tangible assets	7		8,315		6,195
			<u>36,084</u>		<u>9,153</u>
Current assets					
Debtors	8	184,460		146,453	
Investments	9	10,000,000		9,000,000	
Cash at bank and in hand		781,912		1,378,117	
		<u>10,966,372</u>		<u>10,524,570</u>	
Creditors: amounts falling due within one year	10	<u>(7,874,208)</u>		<u>(7,617,627)</u>	
Net current assets			<u>3,092,164</u>		<u>2,906,943</u>
Total assets less current liabilities			<u>3,128,248</u>		<u>2,916,096</u>
Provisions for liabilities	11		<u>(9,021)</u>		<u>(2,288)</u>
Net assets			<u><u>3,119,227</u></u>		<u><u>2,913,808</u></u>
Capital and reserves					
Profit and loss reserves			<u>3,119,227</u>		<u>2,913,808</u>
Total equity			<u><u>3,119,227</u></u>		<u><u>2,913,808</u></u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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

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T Nasser
Director

Company Registration No. 03547531

British Equity Collecting Society Limited

Statement of Cash Flows

For the year ended 30 April 2026

		2026		2025	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	15	554,974		(3,012,639)	
Income taxes paid		(144,616)		(187,240)	
Net cash inflow/(outflow) from operating activities		410,358		(3,199,879)	
Investing activities					
Purchase of intangible assets		(25,800)		-	
Purchase of tangible fixed assets		(5,630)		(4,367)	
Proceeds from disposal of tangible fixed assets		-		190	
Proceeds from disposal of investments		(1,000,000)		3,000,000	
Interest received		24,867		26,558	
Net cash (used in)/generated from investing activities		(1,006,563)		3,022,381	
Net decrease in cash and cash equivalents		(596,205)		(177,498)	
Cash and cash equivalents at beginning of year		1,378,117		1,555,615	
Cash and cash equivalents at end of year		781,912		1,378,117	

British Equity Collecting Society Limited

Notes to the Financial Statements

For the year ended 30 April 2026

1 Accounting policies

Company information

British Equity Collecting Society Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 2nd Floor, 22 Tudor Street, London, EC4Y 0AY.

1.1 Basis of preparation

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents the amounts receivable in the year from distribution fees and interest income on timed deposit investments. Turnover is generated in the form of administration charges calculated as a percentage deduction on amounts collected from CMO partners, prior to distributions to members, as agreed by the membership. Due to the time required to negotiate agreements, receive data for allocations of monies, and the uncertainty over amounts involved, revenue is recognised as received or invoiced in each financial year.

Interest Income

Interest income earned on timed deposits has been included as turnover as per BECS' Investment Policy. BECS is authorised to invest monies collected into long-term deposits until funds are required to fulfil its distributions as they fall due following authorisation in accordance with the relevant BECS' Distribution Policy.

Interest Receivable

Interest receivable comprises of interest earned on cash balances held within banking institutions. Bank interest income is recognised in the statement of profit or loss and is presented separately within interest receivable.

1.4 Intangible fixed assets other than goodwill

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

British Equity Collecting Society Limited

Notes to the Financial Statements (Continued)

For the year ended 30 April 2026

1 Accounting policies

(Continued)

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computer Software	20% straight line
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

1.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Office equipment	33% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

1.7 Financial instruments

Financial instruments are recognised in the Statement of Financial Position when the Company becomes party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price unless the arrangement constitutes a financing transaction which includes transaction costs for financial instruments not subsequently measured at fair value. Subsequent to initial recognition, they are measured as set out below. A financing transaction is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Classification

Financial instruments are classified as either 'basic' or 'other' in accordance with Chapter 11 of FRS 102.

Subsequent measurement

Loans and receivables are measured at amortised cost, using the effective interest method. Trade debtors and trade payables are recognised at the undiscounted amount owed by the customer or to the supplier, which is normally the invoice amount.

British Equity Collecting Society Limited

Notes to the Financial Statements (Continued)

For the year ended 30 April 2026

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Current Asset Investments

Current asset investments are liquid investments that mature in more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value at the date of maturity.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.8 Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

British Equity Collecting Society Limited

Notes to the Financial Statements (Continued)

For the year ended 30 April 2026

1 Accounting policies

(Continued)

Deferred tax

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

1.9 Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

1.10 Retirement benefits

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

1.11 Company limited by guarantee

The company is limited by guarantee and does not have any share capital. In the event of the Company being wound up, each member undertakes to contribute to the assets of the Company such amount as may be required but not exceeding £1.

2 Operating profit

	2026	2025
	£	£
Operating profit for the year is stated after charging:		
Amortisation of intangible assets	989	1,973
Depreciation of tangible fixed assets	3,510	2,188
Operating lease rentals	72,440	45,806
Auditor remuneration	14,950	13,500
Auditor remuneration for accountancy services	1,500	1,500
Auditor remuneration for tax services	2,500	5,000
	<u> </u>	<u> </u>

British Equity Collecting Society Limited

Notes to the Financial Statements (Continued)

For the year ended 30 April 2026

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2026 Number	2025 Number
Administrative staff	5	5

4 Directors' remuneration

	2026 £	2025 £
Remuneration paid to directors	165,644	175,682

5 Taxation

	2026 £	2025 £
Current tax		
UK corporation tax on profits for the current period	70,011	144,616
Deferred tax		
Origination and reversal of timing differences	6,733	51
Total tax charge	76,744	144,667

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2026 £	2025 £
Profit before taxation	282,163	580,640
<i>Expected tax charge based on the standard rate of corporation tax in the UK of 25.00% (2025: 25.00%)</i>	70,541	145,160
Fixed asset differences	(530)	(544)
Other timing differences	6,733	51
Taxation charge for the year	76,744	144,667

British Equity Collecting Society Limited

Notes to the Financial Statements (Continued)

For the year ended 30 April 2026

6 Intangible fixed assets

	Computer Software £
Cost	
At 1 May 2025	438,291
Additions	25,800
At 30 April 2026	464,091
Amortisation and impairment	
At 1 May 2025	435,333
Amortisation charged for the year	989
At 30 April 2026	436,322
Carrying amount	
At 30 April 2026	27,769
At 30 April 2025	2,958

7 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 May 2025	12,562
Additions	5,630
At 30 April 2026	18,192
Depreciation and impairment	
At 1 May 2025	6,367
Depreciation charged in the year	3,510
At 30 April 2026	9,877
Carrying amount	
At 30 April 2026	8,315
At 30 April 2025	6,195

British Equity Collecting Society Limited

Notes to the Financial Statements (Continued)

For the year ended 30 April 2026

8 Debtors

	2026 £	2025 £
Amounts falling due within one year:		
Other debtors	27,724	24,123
Prepayments and accrued income	156,736	122,330
	<u>184,460</u>	<u>146,453</u>

9 Current asset investments

	2026 £	2025 £
Timed deposit accounts > 3 months	<u>10,000,000</u>	<u>9,000,000</u>

10 Creditors: amounts falling due within one year

	2026 £	2025 £
Trade creditors	12,378	184
Corporation tax	70,160	144,765
Other taxation and social security	7,982	15,507
Other creditors	7,783,688	7,457,171
	<u>7,874,208</u>	<u>7,617,627</u>

11 Provisions for liabilities

	2026 £	2025 £
Deferred tax liabilities	<u>9,021</u>	<u>2,288</u>

12 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2026 £	Liabilities 2025 £
Balances:		
Fixed asset timing differences	<u>9,021</u>	<u>2,288</u>

British Equity Collecting Society Limited

Notes to the Financial Statements (Continued)

For the year ended 30 April 2026

12 Deferred taxation

(Continued)

	2026 £
Movements in the year:	
Liability at 1 May 2025	2,288
Charge to profit or loss	6,733
Liability at 30 April 2026	9,021

13 Operating lease commitments

As lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2026 £	2025 £
Within 1 year	72,440	72,440
Years 2-5	58,680	131,120
Total commitments	131,120	203,560

14 Related party transactions

Transactions with related parties

The company paid royalties totalling £773 (2025: £842) to 5 (2025: 5) directors during the year.

The company reimbursed expenses totalling £1,257 (2025: £1,311) to 5 (2025: 5) directors during the year. These transactions occurred on an arm's length basis and are considered to represent market value.

The company received income of £15,277 (2025: £nil) from Audiovisual Licensing Alliance (AVLA) Limited, a related party, in respect of office space and other services during the year.

British Equity Collecting Society Limited

Notes to the Financial Statements (Continued)

For the year ended 30 April 2026

15 Cash generated from/(absorbed by) operations

	2026 £	2025 £
Profit after taxation	205,419	435,973
Adjustments for:		
Taxation charged	76,744	144,667
Investment income	(24,867)	(26,558)
Amortisation and impairment of intangible assets	989	1,973
Depreciation and impairment of tangible fixed assets	3,510	2,188
Movements in working capital:		
(Increase)/decrease in debtors	(38,007)	193,477
Increase/(decrease) in creditors	331,186	(3,764,170)
Cash generated from/(absorbed by) operations	<u>554,974</u>	<u>(3,012,450)</u>

16 Analysis of changes in net funds

	1 May 2025 £	Cash flows £	30 April 2026 £
Cash at bank and in hand	<u>1,378,117</u>	<u>(596,205)</u>	<u>781,912</u>