

**British Equity Collecting Society
Limited**

Directors' Report and Financial Statements

Year Ended

30 April 2019

Company Number 03547531

DRAFT

British Equity Collecting Society Limited
(A Company Limited by Guarantee)

Company Information

Directors
P G Barnes
R Browne
J Cameron-Brown
N Gerson
S M Kenis
A J Prodger
F C Pyne
J A Rogers

Company secretary T Nasser

Registered number 03547531

Registered office
Plouviez House
First Floor
19-20 Hatton Place
London
England
EC1N 8RU

Independent auditors
BDO LLP
150 Aldersgate Street
London
United Kingdom
EC1A 4AB

British Equity Collecting Society Limited
(A Company Limited by Guarantee)

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British Equity Collecting Society Limited

(A Company Limited by Guarantee)

Directors' Report For the Year Ended 30 April 2019

The directors present their report and the financial statements for the year ended 30 April 2019.

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgements 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 to 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.

Directors

The directors who served during the year were:

P G Barnes
R Browne
J Cameron-Brown
N Gerson
S M Kenis
A J Prodger
F C Pyne
J A Rogers

Disclosure 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 the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

British Equity Collecting Society Limited
(A Company Limited by Guarantee)

Directors' Report (continued)
For the Year Ended 30 April 2019

Auditors

On 1 February 2019 Moore Stephens LLP merged its business with BDO LLP. As a result, Moore Stephens LLP has resigned as auditor and the Directors have appointed BDO LLP as auditor in their place. BDO LLP has indicated its willingness to continue in office.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

J A Rogers
Director

Date:

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British Equity Collecting Society Limited

(A Company Limited by Guarantee)

Independent Auditors' 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 2019 which comprise the Statement of Comprehensive Income, Balance Sheet and Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2019 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 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 audit opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate, or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 (A Company Limited by Guarantee)

Independent Auditors' 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 the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have 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 strategic report or the directors' report.

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.

Responsibilities of directors

As explained more fully in the directors' responsibilities Statement set out on page 1, 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.

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Councils website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Heather Wheelhouse (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
BDO LLP
United Kingdom

British Equity Collecting Society Limited
(A Company Limited by Guarantee)

Statement of Comprehensive Income
For the Year Ended 30 April 2019

	Note	2019 £	2018 £
Turnover		630,196	528,596
Gross profit		630,196	528,596
Administrative expenses		(651,490)	(536,667)
Operating loss	4	(21,294)	(8,071)
Interest receivable and similar income		3,664	7,921
Loss before tax		(17,630)	(150)
Tax on loss	7	12,686	5,968
(Loss)/profit for the financial year		(4,944)	5,818

There was no other comprehensive income for 2019 (2018:£NIL).

The notes on pages 8 to 17 form part of these financial statements.

British Equity Collecting Society Limited
(A Company Limited by Guarantee)
Registered number: 03547531

Statement of Financial Position
As at 30 April 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	8	16,151	78,648
Tangible assets	9	54,215	75,621
		<u>70,366</u>	<u>154,269</u>
Current assets			
Debtors: amounts falling due within one year	10	106,408	172,825
Cash at bank and in hand		10,069,713	6,934,287
		<u>10,176,121</u>	<u>7,107,112</u>
Creditors: amounts falling due within one year	11	(9,501,675)	(6,511,625)
Net current assets		<u>674,446</u>	<u>595,487</u>
Total assets less current liabilities		<u>744,812</u>	<u>749,756</u>
Net assets		<u>744,812</u>	<u>749,756</u>
Capital and reserves			
Profit and loss account		744,812	749,756
		<u>744,812</u>	<u>749,756</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

J A Rogers
Director

Date:

The notes on pages 8 to 17 form part of these financial statements.

British Equity Collecting Society Limited
(A Company Limited by Guarantee)

Statement of Cash Flows
For the Year Ended 30 April 2019

	2019 £	2018 £
Cash flows from operating activities		
Loss for the financial year	(4,944)	5,818
Adjustments for:		
Amortisation of intangible assets	63,244	70,841
Depreciation of tangible assets	22,175	18,540
Interest received	(3,664)	(7,921)
Taxation charge	(12,686)	(5,968)
Decrease/(increase) in debtors	68,112	(17,355)
Increase/(decrease) in creditors	2,990,050	(5,915,058)
Corporation tax received	10,991	-
Net cash generated from operating activities	3,133,278	(5,851,103)
Cash flows from investing activities		
Purchase of intangible fixed assets	(747)	(93,216)
Purchase of tangible fixed assets	(769)	-
Interest received	3,664	7,921
Net cash from investing activities	2,148	(85,295)
Net increase/(decrease) in cash and cash equivalents	3,135,426	(5,936,398)
Cash and cash equivalents at beginning of year	6,934,287	12,870,685
Cash and cash equivalents at the end of year	10,069,713	6,934,287
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	10,069,713	6,934,287
	10,069,713	6,934,287

The notes on pages 8 to 17 form part of these financial statements.

British Equity Collecting Society Limited

(A Company Limited by Guarantee)

Notes to the Financial Statements For the Year Ended 30 April 2019

1. General information

The Company is a United Kingdom private company limited by guarantee. It is both incorporated and domiciled in England and Wales. The registered office address is Plouviez House, First Floor, 19-20 Hatton Place, London, England, EC1N 8RU.

These financial statements are presented in Pounds Sterling (GBP), as that is the currency in which the majority of the Company's transactions are denominated. They comprise the financial statements of the Company for the year ended 30 April 2019 and are presented to the nearest pound.

The Company has determined that GBP is its functional currency, as this is the currency of the economic environment in which the Company predominantly operates.

The principal activity of the Company during the period under review that of a collective management organisation for the rights of audio visual performers.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Revenue

Revenue represents the amounts receivable in the year from commissions, distributions fees and interest income.

Revenue 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, receive data for allocations of monies, and the uncertainty over amounts involved, revenue is recognised as received or invoiced in each financial year. Revenue is also generated from administration charges for European Distributions.

2.3 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

British Equity Collecting Society Limited

(A Company Limited by Guarantee)

Notes to the Financial Statements For the Year Ended 30 April 2019

2. Accounting policies (continued)

2.5 Pensions

Defined contribution pension plan

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 the Statement of Comprehensive Income 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.

2.6 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.7 Intangible assets

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.

Amortisation is provided on the following bases:

Computer software	-	20 % straight line
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British Equity Collecting Society Limited

(A Company Limited by Guarantee)

Notes to the Financial Statements For the Year Ended 30 April 2019

2. Accounting policies (continued)

2.8 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 charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	-	20% straight line
Fixtures and fittings	-	20% straight line
Office equipment	-	33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.9 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.

2.10 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.

2.11 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.

British Equity Collecting Society Limited

(A Company Limited by Guarantee)

Notes to the Financial Statements For the Year Ended 30 April 2019

2. Accounting policies (continued)

2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

2.13 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.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Useful economic lives and therefore the depreciation rate and amortisation that is charged to profit is considered to be a material estimate and area of judgement applied by management.

British Equity Collecting Society Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 30 April 2019

4. Operating loss

The operating loss is stated after charging:

	2019	2018
	£	£
Depreciation of tangible fixed assets	22,175	18,540
Amortisation of intangible assets	63,244	70,841
Auditor's remuneration	13,800	7,950
	=====	=====

5. Employees

The average monthly number of employees, including directors, during the year was 4 (2018 - 4).

6. Directors' remuneration

	2019	2018
	£	£
Directors' emoluments	46,339	44,344
Company contributions to defined contribution pension schemes	7,878	7,539
	=====	=====
	54,217	51,883

British Equity Collecting Society Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 30 April 2019

7. Taxation

	2019	2018
	£	£
Corporation tax		
Current tax on profits for the year	(10,991)	-
Adjustments in respect of previous periods	-	(10,982)
	<u>(10,991)</u>	<u>(10,982)</u>
Total current tax	<u>(10,991)</u>	<u>(10,982)</u>
Deferred tax		
Origination and reversal of timing differences	11,282	195
Adjustments in respect of prior periods	-	(6,463)
Deferred tax asset not recognised	(12,977)	11,282
	<u>(1,695)</u>	<u>5,014</u>
Total deferred tax	<u>(1,695)</u>	<u>5,014</u>
Taxation on loss on ordinary activities	<u>(12,686)</u>	<u>(5,968)</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2018 - lower than) the standard rate of corporation tax in the UK of 19% (2018 - 19.92%). The differences are explained below:

	2019	2018
	£	£
Loss on ordinary activities before tax	<u>(17,630)</u>	<u>(150)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19.92%)	(3,350)	(28)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	22	54
Fixed asset adjustments	1,433	192
Utilisation of tax losses	-	(17,445)
Deferred tax adjustments	200	11,259
Refund received	(10,991)	-
Total tax charge for the year	<u>(12,686)</u>	<u>(5,968)</u>

British Equity Collecting Society Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 30 April 2019

7. Taxation (continued)

Factors that may affect future tax charges

The Company has tax losses arising of £132,129 (2018: £154,160) that are available indefinitely for offset against future taxable profits. Deferred tax assets have not been recognised in respect of these losses.

8. Intangible assets

	Computer software £
Cost	
At 1 May 2018	447,704
Additions	747
At 30 April 2019	448,451
Amortisation	
At 1 May 2018	369,056
Charge for the year	63,244
At 30 April 2019	432,300
Net book value	
At 30 April 2019	16,151
At 30 April 2018	78,648

British Equity Collecting Society Limited
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Notes to the Financial Statements
For the Year Ended 30 April 2019

9. Tangible fixed assets

	Leasehold improvements £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation				
At 1 May 2018	101,274	28,159	35,328	164,761
Additions	-	-	769	769
Disposals	(40,466)	-	-	(40,466)
At 30 April 2019	<u>60,808</u>	<u>28,159</u>	<u>36,097</u>	<u>125,064</u>
Depreciation				
At 1 May 2018	50,736	20,340	18,064	89,140
Charge for the year on owned assets	12,331	1,919	7,925	22,175
Disposals	(40,466)	-	-	(40,466)
At 30 April 2019	<u>22,601</u>	<u>22,259</u>	<u>25,989</u>	<u>70,849</u>
Net book value				
At 30 April 2019	<u><u>38,207</u></u>	<u><u>5,900</u></u>	<u><u>10,108</u></u>	<u><u>54,215</u></u>
At 30 April 2018	<u><u>50,538</u></u>	<u><u>7,819</u></u>	<u><u>17,264</u></u>	<u><u>75,621</u></u>

10. Debtors

	2019 £	2018 £
Trade debtors	-	91,745
Other debtors	18,738	13,041
Prepayments and accrued income	83,605	62,071
Income tax recoverable	-	5,968
Deferred taxation	1,695	-
VAT repayable	2,370	-
	<u><u>106,408</u></u>	<u><u>172,825</u></u>

British Equity Collecting Society Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 30 April 2019

11. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	25,206	23,025
Other taxation and social security	5,977	12,988
Amounts for distribution	6,990,888	6,461,597
Other creditors	2,466,429	-
Accruals and deferred income	13,175	14,015
	9,501,675	6,511,625

12. Financial instruments

	2019 £	2018 £
Financial assets		
Financial assets measured at fair value through profit or loss	10,069,713	6,934,287
	10,069,713	6,934,287

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

13. Contingent asset

Within the amounts identified for distribution, British Equity Collecting Society Limited is holding £506,477.10 and a further £100,000 in Escrow. This amount withheld is to cover the maximum possible commission charge and the VAT thereon (£576,134.56) to Equity for the work conducted by BECS on Equity's behalf prior to Equity taking their distributions back in-house. This charge is under negotiation.

14. Company status

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

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 £20,451 (2018: £24,340). No contributions were payable to the fund at the reporting date.

British Equity Collecting Society Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 30 April 2019

16. Commitments under operating leases

At 30 April 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019	2018
	£	£
Not later than 1 year	39,000	39,000
Later than 1 year and not later than 5 years	156,000	156,000
Later than 5 years	123,500	162,500
	318,500	357,500
	318,500	357,500

17. Related party transactions

The Company paid royalties totalling £75 (2018: £1,156) to 3 (2018: 6) directors during the year.

The Company reimbursed expenses totalling £1,257 (2018: £832) to 3 (2018: 4) directors during the year. These transactions occurred on an arm's length basis and are considered to represent market value.

18. Post balance sheet events

After the reporting date, the escrow of £100,000 held by BECS, disclosed within Note 13 Contingent Asset, was released. £98,086.11 was paid to Equity with the remaining balance of £1,913.89 being returned to BECS. The remaining balance of £506,477.10 held as a contingent asset is still in dispute. This is a non-adjusting post balance sheet event.