
DIRECTORS UK LIMITED
(A Company Limited by Guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2013

DIRECTORS UK LIMITED
(A Company Limited by Guarantee)

COMPANY INFORMATION

DIRECTORS	A R Chowns D J Clifton A R Davies P Elston C Giedroyc J Goldschmidt P I Haggard J E A Hawes D Reed B Richards T G Roberts R E Sheppard I D Softley C Sturridge D Thomas P A Unwin
COMPANY SECRETARY	A R Chowns
REGISTERED NUMBER	02685120
REGISTERED OFFICE	3rd Floor 8-10 Dryden Street London WC2E 9NA
INDEPENDENT AUDITORS	Berg Kaprow Lewis LLP Chartered Accountants & Statutory Auditors 35 Ballards Lane London N3 1XW

DIRECTORS UK LIMITED
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DIRECTORS UK LIMITED
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CHIEF EXECUTIVE OFFICER'S REPORT
FOR THE YEAR ENDED 28 FEBRUARY 2013

The Chief Executive Officer presents his report for the period.

2012/13 was a momentous and extremely challenging year for Directors UK. Despite facing a relentless barrage of government consultations both in the UK and Europe that forced us to examine and defend some of the most fundamental aspects of the rights of directors, we have managed to maintain our concentration on the business of collecting and distributing royalties to members and on championing and advancing the cause of directors' rights. As a result we have distributed more money to members than ever before, successfully launched our new membership scheme and made our presence felt at home and abroad in our campaigns on behalf of directors' rights.

Royalty distribution

This year we distributed the first instalment of royalties due under the 2012 UK Rights agreement. Coupled with a substantial rise in our foreign royalty collections (including back payments from Holland, Sweden and Germany) our record total distribution to directors this year is:

	2012/13	2011/12	Change
BBC residuals scheme	£47,126	£131,012	-£83,886
UK Rights Agreement	£5,210,517	£3,724,761	+£1,485,756
UK educational recording licensing	£302,750	£287,875	+£14,875
Foreign	£3,686,577	£3,218,324	+£468,253
Total	£9,246,970	£7,361,972	+£1,884,998

Creative Rights

In April we were finally able to announce the launch of the Creative Rights partnership with the BBC, following a gruelling three-year negotiation. All BBC in-house productions – and the contracts of the directors working on them - are now subject to the terms of the two Creative Rights Agreements. Under the partnership we have been able to begin work on a number of new projects including independent research on directors' pay (ahead of a pay negotiation later this year), a review of the employment patterns of women directors, and a number of career development and training initiatives.

We are close to concluding a similar agreement with ITV Studios, and we expect shortly to be able to commence discussions with Pact to bring independent producers up to the same enlightened level.

Membership Scheme

By the end of February 2013 we had 1,049 signed up members of our new Membership Scheme. Members have been able to take advantage of a growing range of services and benefits. This year our monthly screenings programme featured Skyfall with Paul Greengrass interviewing Sam Mendes, and Les Miserables where our chair Charles Sturridge did the honours in conversation with Tom Hooper. Amongst others, we have held a networking event with BSkyB's commissioning team, run a second shorts project with our partners at Arri, held technology demonstrations and workshops with actors and agents, and conducted advice clinics on making a will and improving your CV. In summer we launched the "Find A Director" service on the website, with its searchable database of members and their credits and qualifications. The website has a rapidly expanding and updated range of content including member blogs, interviews, technology reviews, video content and good advice. The fortnightly newsletter is now a regular fixture. Our legal service has had a very busy year, reflecting in part the range of problems that directors regularly face such as unfair termination of contracts and non-payment of fees. On a more positive note, the service is also providing members with advice on contracts, optioning rights, development, and on personal issues such as tax and preparation of wills.

DIRECTORS UK LIMITED
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CHIEF EXECUTIVE OFFICER'S REPORT
FOR THE YEAR ENDED 28 FEBRUARY 2013

Film

Our main focus this year has been to ensure that recommendations of the Lord Chris Smith Film Industry review – and in particular those that relate to the improvement in shares of revenues for filmmakers including directors – are carried through by the government, the BFI and by producers. Both the government and the BFI have been publicly supportive of all the key recommendations, and the spotlight is now on Directors UK, Pact and the Writers Guild as the Filmmakers Alliance to complete negotiations on terms covering shares of revenues from BFI-funded films and minimum contract terms between Pact producers and film directors.

The Film Committee has also been active in campaigning to maintain the place of film as the medium of choice for filmmakers. Following our high profile debate on this issue at Bafta in November, we are pressing the BBC and other broadcasters to reinstate film as an accepted delivery medium for high-definition TV, and we are lobbying for the retention of a major film processing resource in the UK.

Copyright and Collective Rights

Throughout this year rights organisations including Directors UK have been under siege from copyright reform lobbyists and governments in the UK and Europe. This year we have responded to the Hargreaves Review of Copyright, the IPO Copyright Review, the project to set up a Digital Copyright Exchange led by Richard Hooper, the Culture Media and Sport Select Committee enquiry and the draft European Directive on Collecting Societies, to name but a few. Our strategy has been to support reforms that ensure a fair reward for rightsowners alongside a liberalisation of copyright law in key areas for the digital age. This has not always been easy: we have had to face, on the one hand, consumer and other groups who portray copyright and its supporters as outdated and restrictive of consumer freedoms, and on the other hand other collecting societies who are being dragged kicking and screaming into the digital age. I am in no doubt that this strategy is the right one for Directors UK and there are already signs that our position is finding support with government in the UK and Europe and that we are regarded as an example of modern and effective collective management.

One lasting consequence is that we are now subject to a growing degree of external regulation and scrutiny in both the UK and Europe, through our own Code of Conduct operated under the aegis of the British Copyright Council, and the impending regulation from Europe. That said I do not believe Directors UK has anything to fear from this, and that the interests of our members are best served by a society that is transparent and accountable, with the same rules applying to all the other societies in Europe.

Campaigns

Despite the pressure on us this year, our committees and members have been active on a wide range of campaigns aimed at protecting and advancing the cause of directors. Foremost among these is our continued lobbying of the BBC and ITV Studios for better pay deals for freelance directors, both of which are moving to critical stages at present. Our TV Factual Committee has identified the disruptive impact of the rise in use of edit producers and the general fragmentation of the role of the director. As a result there is now a joint working group with our Distribution Committee that is reviewing our Distribution Rules to examine whether we need to make change the credit hierarchy that we use to determine who receives the royalties. That project is also looking at how we can establish rules on directors' credits that can be promoted to production companies and broadcasters. The Factual Committee has also negotiated a new code governing self-shooting and lone operations with UK broadcasters. Our new Women's Committee has already made an impact by exposing, through the use of our own data, the marked under-representation of women directors in certain genres of TV production. We are now working with the BBC and ITV to identify why this has happened and what needs to be done to counter it. Finally, our lobbying of the government last year helped to convince the Treasury to create a new Tax Credit to support high end TV and Animation productions on the UK. As a welcome by-product of this initiative, the government has also made £6m of new funds available to be added to a new production levy in order to fund new training and career development projects. We see this as a great opportunity – at last – for us to take direct control of career development funds for directors and we are making a proposal to Skillset in partnership with Bectu for a new shadowing and mentoring scheme for high end television.

DIRECTORS UK LIMITED
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CHIEF EXECUTIVE OFFICER'S REPORT
FOR THE YEAR ENDED 28 FEBRUARY 2013

Representation Recognition and Profile

This year we have continued to press Bafta to ensure that directors are always included in the nominees for drama, comedy and authored factual programmes. We are also working with the organisers of this year's Edinburgh TV Festival to get more directors represented on session panels, and to shape the events programme to be more inclusive and relevant to creators. Our sponsorship of Sheffield's Docfest continued, and this year we will host a major session on the role of the director in factual programmes. We are also working with the London Film Festival on a new initiative involving directors in their industry programme. Much discussion has been taking place at the Board on whether we should fund a major profile-raising event such as an Awards or Tribute event, or a high profile advertising campaign. The desire for a heightened profile is clearly evident, but there is as yet no strong agreement on which of these is right for us.

Outreach and International

One sign of our growing confidence as an organisation is the higher profile we are attaining internationally. Our role in the European directors' organisation FERA will be further enhanced in 2013 when we host the FERA General Assembly in London for the first time. There will be an opportunity in June this year at the CISAC World Copyright Summit in Washington for us to speak out for directors, and we are very much a leading voice within SAA, the audio-visual authors group in Europe.

New Office and Members' Facilities

Finally, at the end of this year we moved into our new offices in Dryden Street. As well as providing us with a much more efficient work space, our new premises will give us our own space in which to mount events for members, and areas for members to use for work, meetings, auditions and other production meetings, networking with friends and colleagues or simply as a space to relax and think.

Once again I would like to express my thanks to the Board, to our chair Charles Sturridge and to our President Paul Greengrass for their support, enthusiasm and commitment to the full range of the work of Directors UK and to the cause of directors' rights. I would also like to thank again our hugely talented staff team who have tackled a wide and challenging range of projects this year with energy, creativity and professionalism. I am full of hope for the future

Name A Chowns
 Chief Executive Officer

Date

DIRECTORS UK LIMITED
(A Company Limited by Guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 28 FEBRUARY 2013

The directors present their report and the financial statements for the year ended 28 February 2013.

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 surplus or deficit 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

The directors 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 and other information included in Directors' Reports may differ from legislation in other jurisdictions.

PRINCIPAL ACTIVITIES

Directors UK Limited is the professional association for film and television directors. Directors UK operates as a collecting society that licences use of directors' copyright and collects revenues to members under licensing schemes in the UK and the rest of the world. It is also a member organisation for directors that provides campaigning and negotiating on behalf of its members, supporting them in their careers, providing a resource of knowledge, running a programme of events, training and other benefits, and creating a network and community where directors can interact with one another.

DIRECTORS

The directors who served during the year are as listed on the company information schedule.

DIRECTORS UK LIMITED
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DIRECTORS' REPORT
FOR THE YEAR ENDED 28 FEBRUARY 2013

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.

AUDITORS

Under section 487(2) of the Companies Act 2006, Berg Kaprow Lewis LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

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 on

and signed on its behalf.

T G Roberts
Director

DIRECTORS UK LIMITED
(A Company Limited by Guarantee)

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 2013, which comprise the Income and Expenditure Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 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, 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

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. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2013 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; 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.

DIRECTORS UK LIMITED
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DIRECTORS UK 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; 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.

Myfanwy Neville ACA (Senior Statutory Auditor)

for and on behalf of
Berg Kaprow Lewis LLP

Chartered Accountants
Statutory Auditors

London
Date:

DIRECTORS UK LIMITED
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INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 28 FEBRUARY 2013

	Note	2013 £	2012 £
TURNOVER	1	1,181,326	910,122
Distribution costs		(32,047)	(23,310)
Administrative expenses		(1,118,305)	(950,853)
Other operating income	2	-	27,769
		<hr/>	<hr/>
OPERATING SURPLUS/(DEFICIT)	3	30,974	(36,272)
Interest receivable and similar income		229,906	49,535
		<hr/>	<hr/>
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		260,880	13,263
Tax on surplus on ordinary activities	5	(54,500)	-
		<hr/>	<hr/>
SURPLUS FOR THE FINANCIAL YEAR		206,380	13,263
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 11 to 17 form part of these financial statements.

DIRECTORS UK LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 02685120

BALANCE SHEET
AS AT 28 FEBRUARY 2013

	Note	£	28 February 2013 £	£	29 February 2012 £
FIXED ASSETS					
Tangible assets	6		283,958		105,551
Investments	7		3,931		3,931
			<u>287,889</u>		<u>109,482</u>
CURRENT ASSETS					
Debtors	8	227,430		85,552	
Cash at bank and in hand	9	17,962,458		15,739,787	
			<u>18,189,888</u>		<u>15,825,339</u>
CREDITORS: amounts falling due within one year	10		<u>(17,894,795)</u>		<u>(15,566,719)</u>
NET CURRENT ASSETS			<u>295,093</u>		<u>258,620</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>582,982</u>		<u>368,102</u>
PROVISIONS FOR LIABILITIES					
Deferred tax	11		<u>(24,500)</u>		<u>(16,000)</u>
NET ASSETS			<u>558,482</u>		<u>352,102</u>
CAPITAL AND RESERVES					
Income and expenditure account	13		<u>558,482</u>		<u>352,102</u>
			<u>558,482</u>		<u>352,102</u>

DIRECTORS UK LIMITED
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BALANCE SHEET (continued)
AS AT 28 FEBRUARY 2013

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

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

T G Roberts
Director

A R Chowns
Director

The notes on pages 11 to 17 form part of these financial statements.

DIRECTORS UK LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2013

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 the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2 CASH FLOW

The financial statements do not include a Cash Flow Statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.3 TURNOVER AND REVENUE RECOGNITION

Turnover comprises revenue recognised by the company in respect of services provided during the year, exclusive of Value Added Tax.

Turnover from operations is derived from three sources:

- Distribution services;
- Membership scheme service;
- Registration fees.

Distribution service

Income arises as a percentage deduction from amounts distributed to members under defined agreements, and is recognised at the point that the funds are distributed.

Membership scheme service

A service offered to members whereby members pay an annual subscription to become entitled to additional support services. Income is recognised in the profit and loss account in the period to which it relates.

Registration fees

This is income receivable from members as a one-off registration fee. This income is recognised as invoiced.

1.4 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Short term leasehold property	-	Over lease period
Fixtures & fittings	-	25% and 33% straight line
Distribution system	-	20% straight line

1.5 FIXED ASSET INVESTMENTS

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

DIRECTORS UK LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2013

1. ACCOUNTING POLICIES (continued)

1.6 OPERATING LEASES

Rentals under operating leases are charged to the Income and Expenditure Account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.7 PENSIONS

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.8 CASH RECOGNITION POLICY

Funds received pending distribution to members are recognised within current assets, with a corresponding creditor shown as part of current liabilities.

1.9 DISTRIBUTION POLICY

Members' funds are allocated to members for distribution in accordance with the Rules of Distribution of Directors UK. A copy of the current rules can be accessed on the Directors UK website and is available on request from the company.

2. OTHER OPERATING INCOME

	2013	2012
	£	£
Other operating income	-	27,769
	<u> </u>	<u> </u>

3. OPERATING SURPLUS/(DEFICIT)

The operating surplus/(deficit) is stated after charging:

	2013	2012
	£	£
Depreciation of tangible fixed assets:		
- owned by the company	34,412	24,239
Auditors' remuneration	8,000	8,000
Pension costs	25,679	15,587
	<u> </u>	<u> </u>

DIRECTORS UK LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2013**

4. DIRECTORS' REMUNERATION

	2013	2012
	£	£
Director's salary, benefits and pension costs	163,628	144,499

During the year retirement benefits were accruing to 1 director (2012 - 1) in respect of defined contribution pension schemes.

5. TAXATION

	2013	2012
	£	£
ANALYSIS OF TAX CHARGE/(CREDIT) IN THE YEAR		
CURRENT TAX		
UK corporation tax charge/(credit) on surplus for the year	46,000	(15,921)
Adjustments in respect of prior periods	-	(79)
TOTAL CURRENT TAX	46,000	(16,000)
DEFERRED TAX (see note 11)		
Origination and reversal of timing differences	8,500	16,000
TAX ON SURPLUS ON ORDINARY ACTIVITIES	54,500	-

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The current year tax charge reflects the carry forward of tax losses from prior years adjusted against taxable profit for the year.

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

The company has historic capital losses available to carry forward of £161,794. No deferred tax asset has been recognised in respect of these losses.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2013

6. TANGIBLE FIXED ASSETS

	Land and buildings £	Other fixed assets £	Total £
COST			
At 1 March 2012	12,273	141,373	153,646
Additions	112,329	100,490	212,819
At 28 February 2013	<u>124,602</u>	<u>241,863</u>	<u>366,465</u>
DEPRECIATION			
At 1 March 2012	8,150	39,945	48,095
Charge for the year	4,740	29,672	34,412
At 28 February 2013	<u>12,890</u>	<u>69,617</u>	<u>82,507</u>
NET BOOK VALUE			
At 28 February 2013	<u>111,712</u>	<u>172,246</u>	<u>283,958</u>
<i>At 29 February 2012</i>	<u>4,123</u>	<u>101,428</u>	<u>105,551</u>

7. FIXED ASSET INVESTMENTS

	Unlisted investments £
COST OR VALUATION	
At 1 March 2012 and 28 February 2013	<u>3,931</u>
NET BOOK VALUE	
At 28 February 2013	<u>3,931</u>
<i>At 29 February 2012</i>	<u>3,931</u>

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

DIRECTORS UK LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2013

8. DEBTORS

	28 February	<i>29 February</i>
	2013	<i>2012</i>
	£	£
DUE AFTER MORE THAN ONE YEAR		
Other debtors	34,500	-
DUE WITHIN ONE YEAR		
Accrued income and prepayments	166,982	47,136
Other debtors	25,948	22,495
Tax recoverable	-	15,921
	227,430	<i>85,552</i>
	227,430	<i>85,552</i>

9. CASH AT BANK AND IN HAND

Included within Cash at Bank and in Hand are fixed term deposits of £10,817,047 (2012: £6,000,000) due to mature between April and December 2013.

**10. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	28 February	<i>29 February</i>
	2013	<i>2012</i>
	£	£
Bank loans and overdrafts	-	11,411
Trade creditors	125,473	10,002
Corporation tax	46,000	-
Social security and other taxes	17,662	164,683
Other funds for distribution	215,994	364,018
Members' Fund (Foreign)	8,820,869	8,263,737
Members' Fund (UK)	8,483,481	6,662,898
Other creditors	185,316	89,970
	17,894,795	<i>15,566,719</i>
	17,894,795	<i>15,566,719</i>

Of the above, funds for distribution and Members' Fund balances totalling £17,520,344 (2012: £15,290,653), are matched by specific funds earmarked for distribution to members from the company's cash and current asset investment reserves. These funds will be distributed to members in accordance with the company's distribution policy as set out in Accounting Policy note 1.9

DIRECTORS UK LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2013**

11. DEFERRED TAXATION

	28 February 2013	<i>29 February 2012</i>
	£	£
At beginning of year	16,000	-
Charge for year	8,500	16,000
	<hr/>	<hr/>
At end of year	24,500	16,000
	<hr/> <hr/>	<hr/> <hr/>

The provision for deferred taxation is made up as follows:

	28 February 2013	<i>29 February 2012</i>
	£	£
Accelerated capital allowances	29,000	26,000
Tax losses carried forward	(4,500)	(10,000)
	<hr/>	<hr/>
	24,500	16,000
	<hr/> <hr/>	<hr/> <hr/>

12. 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.

13. RESERVES

	Income and expenditure account
	£
At 1 March 2012	352,102
Surplus for the year	206,380
	<hr/>
At 28 February 2013	558,482
	<hr/> <hr/>

14. CAPITAL COMMITMENTS

At 28 February 2013 the company had capital commitments as follows:

	28 February 2013	<i>29 February 2012</i>
	£	£
Leasehold improvements contracted for but not provided in these financial statements	68,995	-
	<hr/>	<hr/>
	68,995	-
	<hr/> <hr/>	<hr/> <hr/>

DIRECTORS UK LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2013

15. OPERATING LEASE COMMITMENTS

At 28 February 2013 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	28 February	<i>29 February</i>
	2013	<i>2012</i>
	£	£
EXPIRY DATE:		
Between 2 and 5 years	-	56,580
After more than 5 years	68,750	-
	=====	=====

16. RELATED PARTY TRANSACTIONS

The Board comprises both elected and co-opted working directors.

Like all members of Directors UK Limited ("Directors UK"), these board members are entitled to rights payments from Directors UK under its Distribution Schemes in respect of the use of any copyright works created by them.

The payments are calculated on the same basis as those paid to all members and paid in accordance with the Distribution Rules of the company. The total royalties paid by Directors UK Limited to these board members during the year amounted to £101,451 (2012: £110,726).

During the year the company received funds for distribution from the Educational Recording Agency, a company in which A R Chowns is a director, totalling £307,125 (2012: £302,875). These funds were received during the normal course of business, and distributed to members in accordance with the company's distribution policies.

Included within administration expenses are professional fees of £2,100 (2012: Nil) paid to Porcupine Pictures Limited during the normal course of business, a company controlled by the director B Richards.

17. 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 £25,679 (2012: £15,587).

DIRECTORS UK LIMITED
(A Company Limited by Guarantee)

DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 28 FEBRUARY 2013

	2013 £	2012 £
TURNOVER	1,181,326	910,122
Other operating income	-	27,769
	<hr/>	<hr/>
	1,181,326	937,891
 LESS: OVERHEADS		
Distribution expenses	(32,047)	(23,310)
Administration expenses	(999,754)	(860,343)
Establishment expenses	(118,551)	(90,510)
	<hr/>	<hr/>
OPERATING SURPLUS/(DEFICIT)	30,974	(36,272)
Interest receivable	229,906	49,535
	<hr/>	<hr/>
SURPLUS FOR THE YEAR	260,880	13,263
	<hr/> <hr/>	<hr/> <hr/>

DIRECTORS UK LIMITED
(A Company Limited by Guarantee)

**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 28 FEBRUARY 2013**

	2013 £	2012 £
TURNOVER		
Management fee income	1,099,301	904,040
Membership scheme income	82,025	6,082
	<u>1,181,326</u>	<u>910,122</u>
	<u><u>1,181,326</u></u>	<u><u>910,122</u></u>
	2013 £	2012 £
OTHER OPERATING INCOME		
Other operating income	-	27,769
	<u>-</u>	<u>27,769</u>
	<u><u>-</u></u>	<u><u>27,769</u></u>
	2013 £	2012 £
DISTRIBUTION EXPENSES		
Advertising	15,139	13,277
Sponsorship	5,898	2,500
AGM and EGM costs	11,010	7,533
	<u>32,047</u>	<u>23,310</u>
	<u><u>32,047</u></u>	<u><u>23,310</u></u>
	2013 £	2012 £
ADMINISTRATION EXPENSES		
Directors national insurance	19,640	16,892
Directors salaries	149,185	130,249
Directors pension costs	13,590	13,025
Staff salaries	451,217	334,459
Staff private health insurance	3,065	2,893
Staff national insurance	45,820	33,159
Staff pension costs	12,089	2,562
Staff training	5,896	2,352
Entertainment	821	1,311
Travel and subsistence	21,386	14,076
Printing and stationery	8,562	14,097
Postage	6,007	9,265
Telephone and fax	1,939	3,344
Computer costs	54,394	66,605
Meetings and events	47,078	24,267
Trade subscriptions	24,457	25,008
Legal and professional	31,076	69,653
Auditors' remuneration	8,000	8,000
	<u>904,222</u>	<u>771,217</u>
Sub-total carried forward	<u><u>904,222</u></u>	<u><u>771,217</u></u>

DIRECTORS UK LIMITED
(A Company Limited by Guarantee)

SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 28 FEBRUARY 2013

	2013 £	2012 £
ADMINISTRATION EXPENSES (continued)		
Sub-total brought forward	904,222	771,217
Accountancy fees	31,018	21,441
Equipment hire	1,526	1,691
Bank charges	1,879	835
PR and brochures	4,398	25,867
Sundry expenses	15,929	10,614
Cleaning	5,378	3,545
Repairs and maintenance	992	893
Depreciation - office equipment	7,899	15,848
Depreciation - computer equipment	21,773	4,587
Depreciation - leasehold property	4,740	3,805
	<u>999,754</u>	<u>860,343</u>
	2013 £	2012 £
ESTABLISHMENT EXPENSES		
Rent and rates	100,735	81,620
Water	1,000	2,400
Light and heat	1,200	2,333
Insurances	3,193	3,097
Repairs and maintenance	12,423	1,060
	<u>118,551</u>	<u>90,510</u>
	2013 £	2012 £
INTEREST RECEIVABLE		
Bank interest receivable	<u>229,906</u>	<u>49,535</u>
