

Registered number: 02423219

**THE EDUCATIONAL RECORDING AGENCY LIMITED**  
(A Company Limited by Guarantee)

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2016**

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**THE EDUCATIONAL RECORDING AGENCY LIMITED**  
**(A Company Limited by Guarantee)**

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**COMPANY INFORMATION**

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<b>DIRECTORS</b>	Ms D C Annetts Mr A R Chowns Mr R Combes Mr T De Lange Mrs H A Evans Ms K E Fishman Ms E S Gibson Mrs A F Hales Mr A Harrower Mr W R Jackson Mr D Johnson Mr J Kimberlin Mr M J Lee Ms S M Malden Mr P R Mason Mrs C G Payne Mr J F Smith Mr J W Vandermeer Miss S Welsh Mr C Zimmermann
<b>COMPANY SECRETARY</b>	H Nicholson
<b>REGISTERED NUMBER</b>	02423219
<b>REGISTERED OFFICE</b>	Verulam House 60 Gray's Inn Road London WC1X 8LU
<b>INDEPENDENT AUDITORS</b>	Moore Stephens LLP 150 Aldersgate Street London EC1A 4AB

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**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2016**

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The directors present this Directors' Report and Annual Report and the audited financial statements for the Year ended 31 March 2016.

**PRINCIPAL ACTIVITIES**

The principal activity of the company is the issuing of licences for educational use of copyright works and performances to educational establishments in return for licence fees which, after deduction of expenses, are distributable to members.

**MEMBERSHIP**

The Members of ERA are listed on the ERA website at <http://www.era.org.uk/about-us/members>

No new members were admitted to membership during the year.

**DIRECTORS**

The directors who served during the Year were:

Ms D C Annetts  
Mr A R Chowns  
Mr R Combes  
Mr T De Lange  
Mrs H A Evans  
Ms K E Fishman  
Ms E S Gibson  
Mrs A F Hales  
Mr A Harrower  
Mr W R Jackson  
Mr D Johnson  
Mr J Kimberlin  
Mr M J Lee  
Ms S M Malden  
Mr P R Mason  
Mrs C G Payne  
Mr J F Smith  
Mr J W Vandermeer  
Miss S Welsh  
Mr C Zimmermann

**APPOINTMENT OF DIRECTORS**

Each member is entitled to nominate a director to sit on the Board. Directors may appoint alternates to attend Board meetings in their absence.

No remuneration was paid to directors during the year. Details of payments made for insurance to cover its Directors and Officers against liabilities can be found in Note 3 to the accounts.

**LICENSING**

The 2015/2016 financial year was the first complete year in which all income received derived from the single ERA Licence. However reference to the old ERA Plus Licence can be found in the Annual Report and Accounts

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**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2016**

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for the year, owing to residue ERA Plus revenue from 2014/2015 not being distributed till June 2015.

Schools' licensing from the 1st April 2015 for funded schools in England was supported by the second year of a three year agreement with the government, whereby the Department for Education (DfE) paid for relevant ERA licence fees centrally at the beginning of the licence year.

Since the year end, payment has been received from the DfE covering fees for the licence year 2016/17 as the final year of a three year agreement.

A meeting has already taken place with the DfE with regard to central payment of ERA Licence fees from the 1 April 2017, on the basis of a four-year agreement and modest tariff adjustments.

Central payment agreements with Wales and Scotland have remained elusive and schools in these two regions continue to have their licence fees paid by the relevant local authority, with individual licences being issued to the schools via CEFM.

The arrangement between ERA and the Independent Association of Prep Schools linked to invoicing independent schools in England and Wales came to an end on 31 March 2016.

Licence fees for independent schools in England and Wales are being invoiced on ERA's behalf by CEFM from the 1 April 2016.

ERA retained 99% licensing coverage of schools and FE and HE educational establishments across the United Kingdom during 2015/16. Our continued negotiations with representative bodies and the government ensure that tariffs are agreed and discounts have remained fair. Partly because of this, ERA maintains excellent relationships with licensees. All licensees are provided with a copy of the licence and the terms and conditions. Queries regarding the scheme and other matters are dealt with by providing comprehensive information on our website and by answering questions via email or phone on an individual basis.

#### **SHARE CAPITAL AND REVENUE**

The company is limited by guarantee and has no share capital.

All licences issued during the year ended 31 March 2016 were in the form of the current ERA Licence.

The total revenue from the current ERA licence during the year was £11,897,174 (2015: £11,495,803).

Revenues from licences granted under licensing schemes superseded by the current licensing scheme, but for which fees had been earned but not distributed prior to 1 April 2015 were:-

£24,650 from ERA licences issued under the certified licensing scheme in place before the current ERA licensing scheme was launched; and

£1,546 from ERA plus licences.

The total costs incurred for administering licences during the year were £706,031 (2015: £758,127). Details of the administration costs for the year can be found in Note 3 to the accounts.

#### **DISTRIBUTION POLICY**

The company adopted an updated Distribution Policy following approval from ERA Members in July 2015. The agreed Distribution Policy is published on the company website. The company secured approval from ERA members for distribution of earned licence fees in accordance with the Distribution Policy on a quarterly basis during the year. The approval of all ERA Members was secured prior to each distribution being made.

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**FOR THE YEAR ENDED 31 MARCH 2016**

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Four Distributions were made to ERA Members during the year ended 31 March 2016.

The total sums distributed were

£2,550,000 on 30 June 2015  
£3,000,000 on 30 September 2015  
£2,800,000 on 31 December 2015  
£2,800,000 on 31 March 2016.

The total amount distributed to right holders during the year was £11,150,000.

### **COMMUNICATIONS**

Over the last year the ERA team has expanded communications with the aim of increasing awareness and enhancing the 'added value' of the licence.

Blog articles are published at least once a week on the ERA website and include ERA's 'Pick of the Week' for schools and colleges. The posts are also used suggest how material can be used in education. These are posted in combination with tweets to maximise impact.

Collaborations with third parties have allowed ERA to produce information about software solutions where access to material is problematic, as well as populating our case studies with 'power-users' or ERA Champions of broadcast content.

### **RESERVES**

The loss for the year after tax of £91,758 (2015 - profit £1,288), when added to the retained surplus brought forward from previous years gives the company a carried forward deficit of £60,867.

### **GOVERNANCE**

During the year, the Government consulted with collective management organisations operating in the UK concerning the wording of Regulations to be implemented, transposing into UK law the provisions of Directive 2014/26/EU of the European Parliament and the Council of 26 February 2014 on collective management of copyright and related rights and multi-territorial licensing of rights in musical works for online use in the internal market.

ERA engaged with the consultation process.

### **THE COLLECTIVE MANAGEMENT OF COPYRIGHT (EU DIRECTIVE) REGULATIONS 2016 ("the Regulations")**

The Regulations came into force on 10 April 2016.

In preparation for implementation of the Regulations, the Members of ERA instructed the company to prepare updated Articles of Association for the company. Updated Articles of Association were approved by the Board of Directors on 19 May 2016 with a view to formal presentation to the ERA Members for adoption at the Annual General Meeting to take place on 15 September 2016.

### **ERA CODE OF PRACTICE**

ERA first published its Code of Practice in November 2012.

Since that time, ERA membership has grown with the admission of Open University Worldwide Limited with

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**FOR THE YEAR ENDED 31 MARCH 2016**

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effect from 1 July 2013.

In addition legislative changes relevant to the way in which the ERA Licensing scheme can be operated by reference to s 35 and paragraph 6 Schedule 2 Copyright, Designs and Patents Act 1988 were implemented on 1 June 2014 under The Copyright and Rights in Performances (Research, Education, Libraries and Archives) Regulations 2014 (S.I. 2014 No.1372).

The Copyright (Regulation of Relevant Licensing Bodies) Regulations 2014 (S.I. 898) were also brought into force on 6 April 2014.

The ERA Code of Practice was updated with the approval of ERA Members and published as an updated Code of Conduct in June 2014.

The Members of ERA will be invited to adopt a further updated Code of Conduct reflecting the changes made to ERA's governance documents to reflect to the Regulations at the Annual General Meeting scheduled to take place in September 2016.

#### **DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the Directors' Report and the Annual Report and the financial statements in accordance with applicable law and regulations.

The Directors are all non-executive Directors of the company and, as such, with a view to providing a fair and balanced representation of the different categories of members of the company are responsible for providing the supervisory function for the company for the purposes of the compliance with The Collective Management of Copyright (EU Directive) Regulations 2016. In providing this supervisory function the Directors will prepare an Annual Transparency Report for the members of the company in addition to the Directors' Report and financial statements to reflect the requirements of the Regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **AUDITORS**

The auditors, Moore Stephens LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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**THE EDUCATIONAL RECORDING AGENCY LIMITED**  
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**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2016**

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**DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the persons who are directors at the time when this Directors' and Annual 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 relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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



**H Nicholson**  
**Secretary**

Date: 14/07/2016



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**THE EDUCATIONAL RECORDING AGENCY LIMITED**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE EDUCATIONAL RECORDING AGENCY LIMITED**

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We have audited the financial statements of The Educational Recording Agency Limited for the Year ended 31 March 2016, set out on pages 8 to 15. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 31 March 2016 and of its loss 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.

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**THE EDUCATIONAL RECORDING AGENCY LIMITED**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE EDUCATIONAL RECORDING AGENCY LIMITED**

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**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 to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Directors' Report.

**Moore Stephens LLP**

**Moore Stephens LLP**

150 Aldersgate Street  
London  
EC1A 4AB

Date: **22 July 2016**

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**THE EDUCATIONAL RECORDING AGENCY LIMITED**  
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**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2016**

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	Note	2016 £	<i>Restated 2015</i> £
<b>TURNOVER</b>	1	<b>773,335</b>	<b>743,453</b>
Cost of sales		<u>(138,589)</u>	<u>(168,593)</u>
<b>GROSS PROFIT</b>		<b>634,746</b>	<b>574,860</b>
Administrative expenses		<u>(681,508)</u>	<u>(614,105)</u>
<b>OPERATING LOSS</b>	2	<b>(46,762)</b>	<b>(39,245)</b>
Interest receivable and similar income		<u>46,762</u>	<u>39,245</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>-</b>	<b>-</b>
Tax on profit on ordinary activities	4	<u>(1,271)</u>	<u>1,288</u>
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>	11	<u><u>(1,271)</u></u>	<u><u>1,288</u></u>

The notes on pages 10 to 15 form part of these financial statements.

**THE EDUCATIONAL RECORDING AGENCY LIMITED**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 02423219**

**BALANCE SHEET**  
**AS AT 31 MARCH 2016**

	Note	£	2016 £	Restated 2015 £
<b>FIXED ASSETS</b>				
Tangible assets	5		29,859	45,336
Investments	6		1	1
			29,860	45,337
<b>CURRENT ASSETS</b>				
Debtors	7	568,703		560,177
Cash at bank and in hand		1,742,651		1,820,915
		2,311,354		2,381,092
<b>CREDITORS: amounts falling due within one year</b>	8	(2,311,594)	(2,395,538)	
<b>NET CURRENT LIABILITIES</b>			(240)	(14,446)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			29,620	30,891
<b>CAPITAL AND RESERVES</b>				
Profit and loss account	11		29,620	30,891
	12		29,620	30,891

The financial statements have been prepared in accordance with the special provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

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

Ms D C Annetts  
 Director



Date:

14/7/16

The notes on pages 10 to 15 form part of these financial statements.

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**THE EDUCATIONAL RECORDING AGENCY LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2016**

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**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 January 2015).

**1.2 Consolidation**

In the opinion of the directors, the company and its subsidiary undertaking comprise a small group. The company has, therefore, taken advantage of the exemption provided by Section 398 of the Companies Act 2006 not to prepare group accounts.

**1.3 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 January 2015).

**1.4 Turnover**

Turnover relates to the principal activity of issuing licences for off-air educational use of copyright works and performances to educational establishments and represents fee revenue retained by the company to cover operating overheads.

**1.5 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:

Leasehold property improvements-	over the term of the lease
Fixtures and fittings	- 15% per annum on cost
Office equipment	- 20%/33.33% per annum on cost

**1.6 Operating leases**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

**1.7 Pensions**

The company operates a defined contribution pension plan for employees. The assets of the plan are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

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**THE EDUCATIONAL RECORDING AGENCY LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2016**

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**1. ACCOUNTING POLICIES (continued)**

**1.8 Deferred taxation**

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

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

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

Deferred tax assets and liabilities are not discounted.

**1.9 Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**2. OPERATING LOSS**

The operating loss is stated after charging:

	<b>2016</b>	<i>Restated 2015</i>
	£	£
Depreciation of tangible fixed assets:		
- owned by the company	<b>19,483</b>	<i>31,958</i>
Auditors' remuneration	<b>10,328</b>	<i>7,815</i>
	<u><u>          </u></u>	<u><u>          </u></u>

During the Year, no director received any emoluments (2015 - £NIL).

**3. DIRECTORS' REMUNERATION**

	<b>2016</b>	<b>2015</b>
	£	£
Aggregate remuneration	<b>2,273</b>	<i>2,273</i>
	<u><u>          </u></u>	<u><u>          </u></u>

The emoluments disclosed above represent the payment by the company of insurance to cover its Directors and Officers against liabilities in relation to their duties to the company.

**THE EDUCATIONAL RECORDING AGENCY LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**4. TAXATION**

	2016 £	Restated 2015 £
<b>Analysis of tax charge in the Year/year</b>		
<b>Current tax</b>		
UK corporation tax charge/(credit) on profit for the year	2,624	(1,288)
<b>Deferred tax (see note 9)</b>		
Origination and reversal of timing differences	(1,353)	-
<b>Tax on profit on ordinary activities</b>	<b>1,271</b>	<b>(1,288)</b>

**5. TANGIBLE FIXED ASSETS**

	Long-term leasehold property £	Fixtures and fittings £	Office equipment £	Total £
<b>Cost</b>				
At 1 April 2015	51,092	51,755	102,799	205,646
Additions	-	1,182	2,873	4,055
Disposals	-	(5,763)	(40,604)	(46,367)
At 31 March 2016	51,092	47,174	65,068	163,334
<b>Depreciation</b>				
At 1 April 2015	30,658	32,728	96,924	160,310
Charge for the Year	10,220	5,512	3,751	19,483
On disposals	-	(5,763)	(40,555)	(46,318)
At 31 March 2016	40,878	32,477	60,120	133,475
<b>Net book value</b>				
At 31 March 2016	10,214	14,697	4,948	29,859
At 31 March 2015	20,434	19,027	5,875	45,336

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**6. FIXED ASSET INVESTMENTS**

	<b>Subsidiary undertaking £</b>
<b>Cost or valuation</b>	
At 1 April 2015 and 31 March 2016	1
<b>Net book value</b>	
At 31 March 2016	1
<i>At 31 March 2015</i>	1

**Subsidiary undertakings**

The following were subsidiary undertakings of the company:

<b>Name</b>	<b>Class of shares</b>	<b>Holding</b>
Educational Resource Agency Limited	Ordinary	100%

The aggregate of the share capital and reserves as at 31 March 2016 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

<b>Name</b>	<b>Aggregate of share capital and reserves £</b>	<b>Profit/(loss) £</b>
Educational Resource Agency Limited	1	-

The subsidiary has been dormant since incorporation.

Under the provision of section 398 of the Companies Act 2006 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity.

**7. DEBTORS**

	<b>2016 £</b>	<i>Restated 2015 £</i>
Trade debtors	900	5,300
VAT repayable	525,962	514,560
Other debtors	36,591	36,420
Deferred tax asset (see note 9)	5,250	3,897
	<b>568,703</b>	<b>560,177</b>



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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**8. CREDITORS:**  
**Amounts falling due within one year**

	2016 £	<i>Restated 2015</i> £
Trade creditors	7,062	1,788
Amounts owed to group undertakings	1	1
Corporation tax	2,624	3,870
Other taxation and social security	11,337	9,598
Amounts available for distribution	2,266,571	2,355,534
Other creditors	23,999	24,747
	<b>2,311,594</b>	<b>2,395,538</b>

**9. DEFERRED TAX ASSET**

	2016 £	<i>Restated 2015</i> £
At beginning of year	3,897	3,897
Released during year (P&L)	1,353	-
	<b>5,250</b>	<b>3,897</b>

The deferred tax asset is made up as follows:

	2016 £	<i>Restated 2015</i> £
Accelerated capital allowances	5,250	3,897
	<b>5,250</b>	<b>3,897</b>

**10. COMPANY STATUS**

The company is a private company limited by guarantee and consequently does not have share capital.

**11. RESERVES**

	<b>Profit and loss account</b> £
At 1 April 2015	30,891
Loss for the Year	(1,271)
	<b>29,620</b>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**12. RECONCILIATION OF MOVEMENT IN MEMBERS' FUNDS**

	<b>2016</b>	<i>Restated 2015</i>
	<b>£</b>	<b>£</b>
Opening members' funds	<b>30,891</b>	29,603
(Loss)/profit for the year	<b>(1,271)</b>	1,288
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>
Closing members' funds	<b>29,620</b>	30,891
	<hr style="border-top: 3px double black;"/>	<hr style="border-top: 3px double black;"/>

**13. CAPITAL COMMITMENTS**

Capital expenditure for fixtures and fittings, authorised and contracted for which has not been provided for in the financial statements amounted to £nil (2015: £nil).

**14. OPERATING LEASE COMMITMENTS**

At 31 March 2016 the company had annual commitments under non-cancellable operating leases as follows:

	<b>Land and buildings</b>		<b>Other</b>	
	<b>2016</b>	<i>Restated 2015</i>	<b>2016</b>	<i>Restated 2015</i>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Expiry date:</b>				
Within 1 year	<b>31,140</b>	-	-	-
Between 2 and 5 years	-	<b>31,140</b>	<b>1,700</b>	<b>1,700</b>
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>

**15. RELATED PARTY TRANSACTIONS**

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard for Smaller Entities (effective January 2015).

**16. CONTROLLING PARTY**

In the opinion of the directors there is no controlling party.

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**THE EDUCATIONAL RECORDING AGENCY LIMITED**  
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**DETAILED TRADING AND PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2016**

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	Page	2016 £	<i>Restated 2015</i> £
<b>TURNOVER</b>	17	<b>773,335</b>	<b>743,453</b>
Cost of sales	17	<b>(138,589)</b>	<b>(168,593)</b>
		<hr/>	<hr/>
<b>GROSS PROFIT</b>		<b>634,746</b>	<b>574,860</b>
Gross profit %		<b>82.1 %</b>	<b>77.3 %</b>
<b>LESS: OVERHEADS</b>			
Administration expenses	17	<b>(681,508)</b>	<b>(614,105)</b>
		<hr/>	<hr/>
<b>OPERATING LOSS</b>		<b>(46,762)</b>	<b>(39,245)</b>
Interest receivable	18	<b>46,762</b>	<b>39,245</b>
		<hr/>	<hr/>
<b>PROFIT FOR THE YEAR</b>		<b>-</b>	<b>-</b>
		<hr/> <hr/>	<hr/> <hr/>

**THE EDUCATIONAL RECORDING AGENCY LIMITED**  
(A Company Limited by Guarantee)

**SCHEDULE TO THE DETAILED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2016**

	2016 £	<i>Restated 2015</i> £
<b>TURNOVER</b>		
Sales	<u>773,335</u>	<u>743,453</u>
	2016 £	<i>Restated 2015</i> £
<b>COST OF SALES</b>		
Agents commissions	91,757	69,296
Licence aggregation costs	46,832	99,297
	<u>138,589</u>	<u>168,593</u>
	2016 £	<i>Restated 2015</i> £
<b>ADMINISTRATION EXPENSES</b>		
Personnel costs	422,591	371,466
Survey/Field liaison	6,993	4,284
Printing: Newsletter, booklets and posters	3,133	5,812
Promotion: Exhibitions & seminars	17,011	18,759
Office accommodation costs	62,561	54,110
Office stationery and printing costs	8,880	8,930
Membership fees	15,016	13,300
Postage and carriage	6,681	4,525
Telephone, IT & copier costs	17,555	14,109
Entertainment, travel & subsistence	9,053	10,494
Storage & security shredding	3,104	3,120
Website costs	9,660	5,022
Depreciation	19,483	31,958
Accountancy fees	28,050	22,750
Auditors' remuneration	10,328	7,815
Legal and professional	6,190	16,310
Directors/Officers & commercial insurance	5,714	2,273
Bank charges	1,604	2,069
Bad debts	-	2
Copyright outreach/support	9,545	2,000
Strategic planning	18,356	14,997
	<u>681,508</u>	<u>614,105</u>

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**THE EDUCATIONAL RECORDING AGENCY LIMITED**  
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**SCHEDULE TO THE DETAILED ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2016**

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	<b>2016</b>	<i>Restated 2015</i>
	<b>£</b>	<b>£</b>
<b>INTEREST RECEIVABLE</b>		
Bank interest receivable	<b>46,762</b>	<b>39,245</b>