

Registered number:  
02423219

**THE EDUCATIONAL RECORDING AGENCY LIMITED**  
(A company limited by guarantee)

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

**THE EDUCATIONAL RECORDING AGENCY LIMITED**

**(A company limited by guarantee)**

**COMPANY INFORMATION**

<b>Directors</b>	Ms D C Annetts Mr J C R Bell Mr A R Chowns Mr R Combes Mr T De Lange Mrs H A Evans Ms K E Fishman Ms E S Gibson Mr A Harrower Ms C J Hyndman Mr W R Jackson Mr J Kimberlin Mr L G Lavender Mr M J Lee Ms S M Malden Mr J V P O'Sullivan Mrs C G Payne Mr H Trubridge Mr J W Vandermeer Mr C Zimmerman Mr K J Whitehead
<b>Company secretary</b>	H Djurkovic
<b>Registered number</b>	02423219
<b>Registered office</b>	1st Floor, Barnard's Inn 86 Fetter Lane London EC4A 1EN
<b>Independent auditors</b>	Moore Stephens LLP 150 Aldersgate Street London EC1A 4AB

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# THE EDUCATIONAL RECORDING AGENCY LIMITED

(A company limited by guarantee)

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2018

The directors present their report and the financial statements for the year ended 31 March 2018.

### Principal activity and review of business

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

The use of broadcast materials in class by teachers and lecturers is a powerful tool for enhancing teaching and learning at all levels of education from primary to tertiary. Television and radio content provides a highly effective means of illustrating and explaining complex concepts, engaging students and stimulating debate. Such is the range and quality of broadcast resources available under the ERA Licence that materials are available that closely match the curricular and learning requirements of students across the vast majority of subjects and at all levels of study.

ERA is committed to ensuring its licensees can identify the most appropriate content and effective ways of using it to help unlock and stimulate the learning potential of children and young adults. Over the last year ERA has, and will continue to, invest time and resources in analysing the vast range of curricula taught in educational establishments across the UK to enable it to categorise and curate thousands of hours of available broadcast content according to subject, educational level and awarding body. In September 2018 a free online search service will be launched on ERA's new website, enabling licensees to pinpoint and link to television and radio programmes which match their specific teaching requirements through a free word search facility that allows filtering on a range of relevant criteria. The search facility is also valuable to students who may need help visualising or understanding subjects covered in class or are looking for resources to aid with revision.

ERA actively seeks out best practice in the use of broadcast recordings in UK educational establishments and produces case studies to illustrate how innovative and engaging approaches can be replicated or adapted by other licensees to raise educational standards. ERA is rapidly expanding its portfolio of cases studies, which are categorised according to the same criteria as broadcast content and searchable on the ERA website.

Over the last year ERA has significantly expanded communications with end users with the aim of increasing awareness and enhancing the 'added value' of the ERA Licence. ERA has an extensive outreach programme, involving visits to schools, colleges and universities and exhibiting and speaking at conferences and events organised by subject associations and professional bodies. Our outreach programme is designed not only to encourage use of broadcast materials for educational use and disseminate information about the resources we offer but also, perhaps more importantly, to maximise engagement with educators across subjects and type of institution to enable us to fully understand their requirements and ensure we tailor our services and resources to maximise the value our licensees derive from the ERA Licence.

ERA continues to explore opportunities to extend the ERA repertoire, thus enhancing the value of the ERA Licence, and to support an understanding of the vital importance of copyright management amongst students engaged in and seeking to build careers related to the creation of intellectual property.

ERA takes its responsibilities to the education sector in the UK extremely seriously and will continue to ensure that the ERA licence helps facilitate improvements in teaching and learning throughout the country.

During the course of the year ERA's long-serving CEO, Helen Nicholson, stood down and was replaced by Helena Djurkovic, who has extensive experience working in the education and media sectors. Supported by an active and engaged Board of Directors, the succession has been a success and ERA is well placed to deliver its strategic objectives of maximising the value that licensees derive from the ERA Licence by offering an expanding range of tools, services and support, designed in response to feedback from those working in the sector.

# THE EDUCATIONAL RECORDING AGENCY LIMITED

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## DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

### Results and dividends

The loss for the year, after taxation, amounted to £1,048 (2017 - loss £2,138).

### Directors

The directors who served during the year were:

Ms D C Annetts  
Mr J C R Bell (appointed 18 January 2018)  
Mr A R Chowns  
Mr R Combes  
Mr T De Lange  
Mrs H A Evans  
Ms K E Fishman  
Ms E S Gibson  
Mr A Harrower  
Ms C J Hyndman  
Mr W R Jackson  
Mr J Kimberlin  
Mr L G Lavender  
Mr M J Lee  
Ms S M Malden  
Mr P R Mason (resigned 1 January 2018)  
Mr J V P O'Sullivan  
Mrs C G Payne  
Mr H Trubridge (appointed 1 April 2017)  
Mr J W Vandermeer  
Mr C Zimmerman  
Mr K J Whitehead

### Membership

The number of members represented during the year was 21 (2017: 21). ERA Licences do not include any Extended Collective Licensing Scheme.

### Share capital and structure

ERA is a private company limited by guarantee and has no share capital. ERA owns one dormant subsidiary company, Educational Resource Agency Limited.

ERA operates, on a not-for-profit basis, as a collective management organisation for the purposes of The Collective Management of Copyright (EU Directive) Regulations 2016 ("the CMO Regulations").

Each Member of ERA is entitled to nominate one representative who, subject to election by the Members of ERA, is then invited to be a non-executive Director of ERA.

Each non-executive Director of ERA also forms part of the supervisory function of ERA for the purposes of compliance with the Regulations.

Procedures for the appointment of Directors are set out in the Articles of Association of ERA. Directors may appoint alternates to attend Board meetings in their absence.

**THE EDUCATIONAL RECORDING AGENCY LIMITED**

**(A company limited by guarantee)**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2018**

**Distribution policy**

ERA members have approved the Distribution Policy applied by ERA for the purposes of proposing and (subject to required approvals) making distributions to ERA members.

The company seeks approval from the members for distribution of earned licence fees under the ERA Licensing Scheme.

The approved Distribution Policy is published on the ERA website at [www.era.org](http://www.era.org)

Four Distributions were made to ERA Members during the year ended 31 March 2018.

The total sums distributed were:

£2,750,000 on 30 June 2017  
£2,750,000 on 31 October 2017  
£2,750,000 on 29 December 2017  
£3,250,000 on 29 March 2018.

The total amount distributed to right holders during the year was £11,500,000.

# THE EDUCATIONAL RECORDING AGENCY LIMITED

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## DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

### Share capital and distribution

All licences issued during the year ended 31 March 2018 were in the form of the current ERA Licence and the categories and types of rights represented by ERA on behalf of its members is set out within the terms and conditions of the ERA Licence.

As at 1 April 2017 ERA held £2,151,182 as licence fees collected from educational establishments of Further and Higher Education and additional educational licensees, such as language schools, whose ERA Licences ran from 1 August 2016 to 31 July 2017. Schools licences are issued to apply from 1 April to 31 March annually.

Between 1 April 2017 and 31 March 2018 ERA received £12,337,293 as licence fees from the issue of ERA Licences.

As at 1 April 2018 ERA held £2,167,972 as licence fees collected from educational establishments of Further and Higher Education whose licences run from 1 August 2017 to 31 July 2018. These sums relate to licence fees relevant for the period 1 April 2018 to 31 July 2018 and fall due for distribution in the financial year commencing 1 April 2018.

The total revenue from the current ERA Licence during the year ended 31 March 2018 was £12,320,503.

No sums were held by ERA as non-distributable amounts.

The total costs incurred in administering licences during the year were £716,575. Details of the administration costs for the year can be found in Note 4 to the accounts.

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 6 to the accounts.

### Code of Conduct

The company has adopted and published a Code of Conduct relating to its operations.

The Code of Conduct has been made available to the members and is posted on the company website at [www.era.org.uk](http://www.era.org.uk).

### Reserves

In accordance with the company Policy on Deductions approved by ERA Members, the Directors have agreed that it is prudent for a provision of around £30,000 to be held by the company as unrestricted reserves to meet obligations of the Company.

# THE EDUCATIONAL RECORDING AGENCY LIMITED

(A company limited by guarantee)

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

### 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 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 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.

### 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.

### Auditors

Moore Stephens LLP were the company's auditors throughout the reporting period.

### Small companies note

In preparing the 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 5<sup>th</sup> July 2018 and signed on its behalf.

  
H Djurkovic  
Secretary



## THE EDUCATIONAL RECORDING AGENCY LIMITED

(A company limited by guarantee)

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE EDUCATIONAL RECORDING AGENCY LIMITED (CONTINUED)

#### Opinion

We have audited the financial statements of The Educational Recording Agency Limited for the year ended 31 March 2018, set out on pages 9 to 20. The financial reporting framework that has been applied in their preparation is applicable law and Section 1A "Small Entities" of FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2018 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.

#### 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 Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to 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.

## THE EDUCATIONAL RECORDING AGENCY LIMITED

(A company limited by guarantee)

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE EDUCATIONAL RECORDING AGENCY LIMITED (CONTINUED)

#### 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 Auditors' report thereon. Our opinion on the financial statements does not cover the 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.

#### Opinion 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

#### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a strategic report.

# THE EDUCATIONAL RECORDING AGENCY LIMITED

(A company limited by guarantee)

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE EDUCATIONAL RECORDING AGENCY LIMITED (CONTINUED)

### Responsibilities of directors

As explained more fully in the Directors' responsibilities statement on page 5, 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.

### Auditors' 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 Auditors' 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 Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). The description forms part of our Auditors' report.

### Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an 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.

Moore Stephens LLP

Philip Clark (Senior statutory auditor)

for and on behalf of  
**Moore Stephens LLP**

150 Aldersgate Street  
London  
EC1A 4AB

Date: 18 July 2018

THE EDUCATIONAL RECORDING AGENCY LIMITED

(A company limited by guarantee)

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2018

	Note	2018 £	2017 £
Turnover		824,020	810,867
Cost of sales		(139,821)	(143,738)
<b>Gross profit</b>		<b>684,199</b>	<b>667,129</b>
Administrative expenses		(716,575)	(719,288)
<b>Operating loss</b>	4	<b>(32,376)</b>	<b>(52,159)</b>
Interest receivable and similar income		32,057	52,159
<b>Loss before tax</b>		<b>(319)</b>	<b>-</b>
Tax on loss		(730)	(2,138)
<b>Loss for the financial year</b>		<b>(1,049)</b>	<b>(2,138)</b>

There was no other comprehensive income for 2018 (2017:£NIL).

The notes on pages 11 to 20 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 2018

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	7	36,239	58,452
Investments	8	1	1
		<u>36,240</u>	<u>58,453</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	9	632,043	534,316
Cash at bank and in hand	10	1,704,250	1,735,629
		<u>2,336,293</u>	<u>2,269,945</u>
Creditors: amounts falling due within one year	11	(2,346,100)	(2,300,916)
<b>Net current liabilities</b>		<u>(9,807)</u>	<u>(30,971)</u>
<b>Total assets less current liabilities</b>		<u>26,433</u>	<u>27,482</u>
<b>Net assets</b>		<u><u>26,433</u></u>	<u><u>27,482</u></u>
<b>Capital and reserves</b>			
Profit and loss account		26,433	27,482
<b>Members' funds</b>		<u><u>26,433</u></u>	<u><u>27,482</u></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 on

*elt*  
M D Annetts  
Director

*elt*

5 July 2018

The notes on pages 11 to 20 form part of these financial statements.

# THE EDUCATIONAL RECORDING AGENCY LIMITED

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

### 1. General information

These financial statements are presented in Pounds Sterling (GBP), as that is the currency in which the all of the Company's transactions are denominated.

The Company is a United Kingdom company limited by guarantee and is incorporated in England.

### 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 following principal accounting policies have been applied:

#### 2.2 Going concern

These financial statements have been prepared using the going concern basis of accounting. Costs are covered by retaining the necessary amount from fees collected on behalf of members. Management are confident that fees received will continue to cover the expenses and liabilities incurred by the Company.

#### 2.3 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. Therefore, revenue is recognised based on expenses and services that have occurred in the year.

#### 2.4 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 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

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.

# THE EDUCATIONAL RECORDING AGENCY LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

### 2. Accounting policies (continued)

#### 2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

#### 2.6 Debtors

Short term debtors are measured at transaction price, less any impairment.

#### 2.7 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.

#### 2.8 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

#### 2.9 Creditors

Short term creditors are measured at the transaction price.

# THE EDUCATIONAL RECORDING AGENCY LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

### 2.10 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.

### 2.11 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 statement of comprehensive income.

### 2.12 Interest income

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

### 2.13 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 balance sheet date in the countries where the Company operates and generates income.

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

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets and liabilities. Use of available information and application of judgment are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The management do not consider that there are any significant judgements, estimates and assumptions that may cause amounts recognised or disclosed to change in the following reporting periods.



THE EDUCATIONAL RECORDING AGENCY LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

4. Operating loss

The operating loss is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets	23,153	22,144
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	13,000	12,150
Loss on disposal of fixed assets	458	9,337
Other operating lease rentals	<u>21,547</u>	<u>40,337</u>

5. Employees

The average monthly number of employees, including directors, during the year was 5 (2017 - 6).

6. Directors' remuneration

	2018 £	2017 £
Aggregate remuneration	2,145	2,135
	<u>2,145</u>	<u>2,135</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 2018

7. Tangible fixed assets

	Leasehold property improvements £	Fixtures and fittings £	Office equipment £	Total £
<b>Cost or valuation</b>				
At 1 April 2017	21,081	8,374	40,048	69,503
Additions	-	-	1,398	1,398
Disposals	-	-	(757)	(757)
At 31 March 2018	<u>21,081</u>	<u>8,374</u>	<u>40,689</u>	<u>70,144</u>
<b>Depreciation</b>				
At 1 April 2017	3,307	-	7,744	11,051
Charge for the year on owned assets	10,120	1,256	11,777	23,153
Disposals	-	-	(299)	(299)
At 31 March 2018	<u>13,427</u>	<u>1,256</u>	<u>19,222</u>	<u>33,905</u>
<b>Net book value</b>				
At 31 March 2018	<u>7,654</u>	<u>7,118</u>	<u>21,467</u>	<u>36,239</u>
At 31 March 2017	<u>17,774</u>	<u>8,374</u>	<u>32,304</u>	<u>58,452</u>

THE EDUCATIONAL RECORDING AGENCY LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

8. Fixed asset investments

	Subsidiary undertaking £
<b>Cost or valuation</b>	
At 1 April 2017	1
At 31 March 2018	<u>1</u>
<b>Net book value</b>	
At 31 March 2018	<u><u>1</u></u>
At 31 March 2017	<u><u>1</u></u>

**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Educational Resource Agency Limited	England	Ordinary	100%	dormant

The aggregate of the share capital and reserves as at 31 March 2018 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

THE EDUCATIONAL RECORDING AGENCY LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

8. Fixed asset investments (continued)

	Aggregate of share capital and reserves £
Educational Resource Agency Limited	1
At 31 March 2018	<u>1</u>

The subsidiary has been dormant since incorporation. Its registered office is Barnard's Inn, 86 Fetter Lane, London, England, EC4A 1EN.

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.

9. Debtors

	2018 £	2017 £
Trade debtors	5,924	453
Other debtors	610,478	522,815
Prepayments and accrued income	12,659	10,560
Deferred taxation	2,982	488
	<u>632,043</u>	<u>534,316</u>

THE EDUCATIONAL RECORDING AGENCY LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

10. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	1,704,250	1,735,629
	<u>1,704,250</u>	<u>1,735,629</u>

11. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	26,835	3,426
Amounts owed to group undertakings	1	1
Other taxation and social security	7,219	11,857
Corporation tax	3,224	-
Amounts due to members	2,283,908	2,270,635
Accruals and deferred income	24,913	14,997
	<u>2,346,100</u>	<u>2,300,916</u>

12. Financial instruments

	2018 £	2017 £
<b>Financial assets</b>		
Financial assets measured at amortised cost	5,924	4,535
Cash and cash equivalents	1,704,250	1,735,629
	<u>1,710,174</u>	<u>1,740,164</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	2,342,876	2,300,916
	<u>2,342,876</u>	<u>2,300,916</u>

THE EDUCATIONAL RECORDING AGENCY LIMITED

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13. Financial instruments (continued)

Financial assets measured at amortised cost comprise trade debtors and other debtors (excluding VAT debtors).

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accruals.

14. Deferred taxation

	2018 £
At beginning of year	488
Charged to profit or loss	2,494
<b>At end of year</b>	<u><u>2,982</u></u>
The deferred tax asset is made up as follows:	
Tax losses carried forward	2,982
	<u><u>2,982</u></u>

15. Company status

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

16. Commitments under operating leases

At 31 March 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
Not later than 1 year	17,034	37,430
Later than 1 year and not later than 5 years	425	25,945
	<u><u>17,459</u></u>	<u><u>63,375</u></u>

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**17. Related party transactions**

No transactions with related parties were undertaken such as are required to be disclosed under FRS102.

**18. Members' liability**

The members of the company are the subscribing members of the Association at any one time, and their liability, in the event of the winding-up of the Association, is limited to £1 per member.

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.

**19. Controlling party**

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