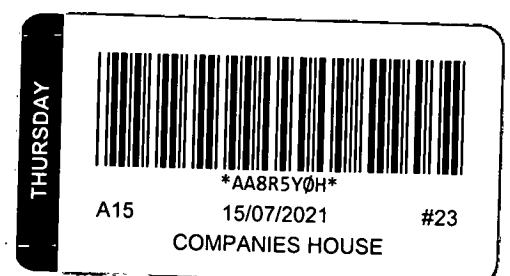


Registered number: 02685120

DIRECTORS UK LIMITED
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2021



DIRECTORS UK LIMITED
(A Company Limited by Guarantee)

COMPANY INFORMATION

Directors	W G Anderson E R M Bye A R Chowns (resigned 30 April 2020) J Genesis (appointed 23 June 2020) G M Gibbons N Guttridge L P Hannon A J Harrower (appointed 4 May 2020) J M Hobbs M R Hopkins (resigned 29 April 2021) C V Lalla (appointed 23 June 2020) E Russell (appointed 20 July 2020) S A Smith D A Stones (appointed 27 July 2020) A Thomson S M White D R Zeff
Company secretary	A Harrower
Registered number	02685120
Registered office	3rd & 4th Floor 22 Stukeley Street London WC2B 5LR
Independent auditors	Berg Kaprow Lewis LLP Chartered Accountants & Statutory Auditors 35 Ballards Lane London London N3 1XW

DIRECTORS UK LIMITED
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The following pages do not form part of the statutory financial statements:

DIRECTORS UK LIMITED
(A Company Limited by Guarantee)

STATEMENT FROM THE CHAIR
FOR THE YEAR ENDED 28 FEBRUARY 2021

Statement from the Chair

It is fair to say that this annual report covers an exceptional year – not just for Directors UK, but for our industry, and for everyone across the world.

Directors UK was set up by directors, for directors. And throughout this global pandemic, I have been heartened by the strength of our community. Without our committee meetings, without members responses to surveys and callouts, without their engagement in calling for better, safer, fairer working environments, without their tenacity to keep working, our community wouldn't have been able to navigate the most unusual twelve months.

As a Collective Management Organisation and membership organisation, our immediate priorities at the outbreak of the pandemic were to keep distributions on schedule despite the physical disruption to our team, and to lobby for COVID protection and support for freelancers. As the year progressed, we advocated for safe working environments and robust procedures for directors working under COVID, and we delivered craft focused guidance for directors creating in under restricted conditions. We're proud of how the team have been able to adapt and that we have been able to continue to offer a full range of benefits, services and support to our members.

Following the murder of George Floyd and the subsequent protests to protect black lives in the summer, we've seen many renewed commitments across the industry to make positive strides toward change. It is our duty to ensure that these commitments are enacted and are robust enough to result in meaningful change. No one should experience racism, bullying, harassment or unfair treatment because of who they are. The problems are deep rooted and systemic, and we know that there is a very long way to go before everyone is treated fairly and equally. Directors UK will continue to work to ensure an equal opportunity industry for all.

The past year has undoubtedly been challenging for our community, on both a professional and personal level. But in many ways, it has allowed us to embrace new and exciting ways of connecting. In moving our activities online, our offering is accessible to more members than ever before and we are exploring how we can build on this beyond lockdown to best serve our members across the UK. It's also enabled us to continue our political and lobbying activity remotely to ensure that directors are at the heart of industry conversations online.

Like many organisations across the country, we've taken a cautious approach to securing the business and reducing costs during this unprecedented time, to ensure we are fit for the future. Unfortunately, this means that there are some activities that we had hoped to undertake this year that we have had to put on hold. However, thanks to careful management throughout the years, we find ourselves in a strong position to weather the storm.

Gratitude must be given to Andy Harrower, who joined us as CEO in May 2020 and has expertly led us through a challenging year. I must also extend thanks to Andrew Chowns who delayed his retirement to support us through the early stages of the pandemic.

Finally, this has been my last year as Chair of Directors UK. It has been a privilege to represent my colleagues.

Steve Smith, Chair of Directors UK

DIRECTORS UK LIMITED
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CHIEF EXECUTIVE'S REPORT
FOR THE YEAR ENDED 28 FEBRUARY 2021

Financial Performance

Another steady financial performance through the turbulent year to 28th February 2021 has generated a surplus after tax of £55,107.

Moderate growth in both management fees and membership income enabled revenues to close marginally ahead of the previous year. However interest receivable declined by 20% in the face of record low interest rates.

Administration expenses were 10% higher, largely due to increases in staff costs and other fees, whilst establishment costs finished some 8% lower, benefitting from reduced operating costs during lockdown. The switch from physical events to online delivery resulted in Member Services department costs reducing by 66% and Communications, Campaigns and Public Affairs expenses closed 8% below the previous year.

During the year £75k was released from our non-distributable creditor to match a donation of the same amount to the Directors' Charitable Foundation. The non-distributable creditor has reduced by a net £47k to £435k.

Our balance sheet remains strong, with retained earnings having increased to £554k.

Response to COVID-19

Directors UK has spent the majority of the 2020/2021 financial year navigating COVID-19; both ensuring the organisation continues to operate effectively, and supporting our members in response to the issues that have arisen due to the pandemic.

As well as prioritising distributions to our members and fielding enquiries, we've supported directors in finding financial aid and have continued to lobby government to address the gaps in support affecting directors excluded from help under the Self-Employed Income Support Scheme (SEISS) and the Coronavirus Job Retention Scheme (CJRS).

We have collaborated with our colleagues across the industry to deliver a framework for safe working conditions for the production sector – ensuring that the director's voice was heard and considered, with contributions to all top level industry safety guidelines. Where gaps for director-specific advice remained, we filled them with bespoke guidance designed to protect directors – whether that was by enabling directors to make safe decisions in *Working Under COVID: Advice for Factual Directors* or in finding creative solutions to shooting intimate scenes in *Intimacy in the Time of COVID-19*.

Our London offices closed in mid-March 2020 and the Directors UK team have been working remotely since then.

Rights and Royalty Distribution

In the 2020/21 financial year, we distributed £10.6m in UK payments and £6.9m in foreign payments to our members. The foreign distribution was the largest yet, and included more than double the volume of individual payments compared to the previous financial year.

DIRECTORS UK LIMITED
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CHIEF EXECUTIVE'S REPORT (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2021

Amounts paid £000's	2020/21	2019/20	Incr. / (Decr.)	% Change
UK Rights Agreement	10,133	12,249	-2,116	-17.30%
Educational Recordings	409	420	-11	-2.60%
BBC Residuals	23	83	-60	-72.30%
Total UK Royalties	10,565	12,752	-2,187	-17.20%
Foreign Royalties	6,923	5,277	1,646	31.20%
Total	17,488	18,029	-541	-3.00%

The move to remote working due to the pandemic meant that we had to shift our entire distribution operation online, adapt processes and ensure that staff had access to the tools, equipment and systems required to continue to distribute payments to members.

We held the first remote distribution under lockdown conditions in April 2020, and have since held another four large distributions, totaling £17.5m.

Membership

Our membership has continued to grow to a total of 7,850 members at February 2021.

Membership category	Feb-21	Feb-20	% Change
Full	2,127	2,261	-6%
Associate	424	420	1%
Distribution-only	5,299	4,857	8%
TOTAL	7,850	7,538	4%

Having launched the new collection agreement online in September 2019, we were well placed to avoid any major disruption from the shift to remote working because members could already complete their registration with us digitally. With the processes and systems already in place, we were able to continue registering directors and uniting them with their rights payments throughout the year.

With the lockdowns and the impact of the pandemic on work for directors, the importance of royalties as a vital source of income for our members has been highlighted more than ever.

The flexibility of membership options has ensured that directors can continue to receive payments from us through Distribution-Only membership during this tough year. We also saw an uptake of new member sign-ups due to peer-to-peer sharing of our trace list in January 2021, a method of tracing we are looking to engage with further to connect more directors with their money.

Copyright and Collective Rights Management

Now that we have left the EU, the new European Copyright Directive will not be implemented into UK law. However, we continue to engage with the UK Government on the issue of copyright and the importance of ensuring fair remuneration for directors. In March 2020, we presented the *Directors UK Best Direction Award* at the Film the House awards held at the House of Commons. The event engages with many parliamentarians and industry representatives on the importance of copyright and IP. We also attended a roundtable with the Intellectual Property Office (IPO) and the Minister responsible for IP; we continue to engage with them, making the case that the Government must protect and enhance the UK copyright regime, and ensure that creators and authors receive fair and proportionate remuneration.

We are continuing the next phase of our work to negotiate for directors to be compensated for the use of their

DIRECTORS UK LIMITED
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CHIEF EXECUTIVE'S REPORT (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2021

work on channels and platforms that are not part of our current UK rights deal. The pandemic has caused some delays to these negotiations, but we are in the early stages of discussions with these non-signatory broadcasters and streaming services and they remain a priority for the coming year.

Member Services and Benefits

In response to the lockdowns imposed by COVID-19, our events offering was moved entirely online. This move has allowed more members than ever to engage with our events programming, wherever they are in the country.

Despite the added challenges of adapting to new technology, we managed to deliver an extensive series of 'in conversation' events with acclaimed directors, covering 7 of the 8 films nominated for Best Picture at the 2021 Academy Awards. Directors have included Aaron Sorkin, Amma Asante, Antonio Campos, Barry Jenkins, Beeban Kidron, Ben Wheatley, Billie Piper, Charlie Kaufman, Coky Geidroyc, Darcia Martin, Edgar Wright, Emerald Fennell, George C. Wolfe, George Clooney, Gurinder Chadha, J Blakeson, James Hawes, Jessica Hobbs, Jim Loach, Lisa Cortés, Liz Garbus, Marc Munden, Mike Leigh, Paul Greengrass, Phillipa Lowthorpe, Ramin Bahrani, Regina King, Remi Weekes, Richard Curtis, Rose Glass, Sally Potter, Sam Mendes, Shaka King, Spike Lee and Stephen Daldry.

Our members continue to connect and network through open meetings and committee meetings, as well as discussions (such as a mental health awareness talk) organised by the events team.

Skills and Career Development

Like our events offering, lots of our career development opportunities have successfully moved online. We have hosted an array of skills webinars with topics including directing actors, directing intimacy, storytelling for factual directors, pitching and online coaching.

We've curated a week-long series of sessions for multi-camera and entertainment directors in partnership with ScreenSkills, and collaborated with Stage Directors UK. We've also hosted online masterclasses with factual director Marcus Plowright about his work on *In Cold Blood* and with John Strickland focused on his work on *Line of Duty* and *Bodyguard*.

As production tentatively resumed under COVID restrictions during the summer, we were able to facilitate placements for underrepresented drama directors on *Slow Horses*, *Midsomer Murders* and *The Long Call*. We also organised a placement on *Silent Witness* as part of the High-End Drama Directors Programme funded by ScreenSkills.

As well as completing our Back on Track scheme, a mentoring programme for directors returning to work, we've also been able to continue to offer peer-to-peer mentoring support via our Inspire programme, connecting over 40 directors across all genres.

Campaigns

This year has seen the formation of three member groups which advise and support the work of the campaigns team: the Access and Inclusion Committee, the Directors of Colour Committee and the Disabled Directors Working Group.

We launched two new pieces of work to support directors as they navigate the pandemic. In response to gaps in high level industry guidance, we worked with members to produce *Working under COVID: Advice for Factual Directors*, which acts as a useful tool to empower directors to make safe decisions under COVID restrictions. *Intimacy in the Time of COVID-19* is an update to our celebrated guidance *Directing Nudity and Simulated Sex*, which explores how to safely tell stories of intimacy, nudity and sex when cast and crew are working with social distancing restrictions and possible risks of infection through physical contact.

We continue to work with other industry organisations to make positive change. We contributed to the BAFTA

DIRECTORS UK LIMITED
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CHIEF EXECUTIVE'S REPORT (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2021

2020 Review to ensure that voting processes at BAFTA reflect the wealth of talent that exists in our industry. We have been proactively participating in the collective accountability work of the Film & TV Charity to address bullying and harassment and poor working culture, as well as being part of the core industry group championing the BAFTA/BFI bullying and harassment principles for the film industry. We have been actively working with pan-industry group Coalition for Change, and are involved in the working group that is developing a freelancer charter that aims to improve the working conditions, work-life balance and treatment of freelancers in TV.

Representation and Profile

We have continued to represent directors, the craft of directing and our organisation in both the mainstream and trade press. Our public profile continues to increase as we are called upon for trusted industry comment.

We've secured coverage in the trade press including Broadcast, Deadline, The Hollywood Reporter, Screen International, TBI, Televisual and Variety. Mainstream and entertainment media coverage including the Daily Mail, Entertainment Weekly, the Evening Standard, the Daily Express, Forbes, Glamour, The Guardian, the I, The Independent, IndieWire, Sky News, The Telegraph and Yahoo! News. Broadcast coverage including the BBC Radio 4 Today Programme, BBC Radio Leicester and Times Radio.

We've continued to build strong relationships with the media, hosting virtual meet and greets with contacts to share the key areas of interest for directors and the focus of Directors UK's work. These meetings have generated strong rapport and coverage and have served to raise the profile of Directors UK, as well as position Andy Harrower as a key industry figure to the press.

Public Affairs

Our Public Affairs work has continued to increase. Throughout the pandemic we have lobbied for better financial support for self-employed and creative freelancers and for safe working environments. Despite continued lobbying efforts to the Chancellor, the Treasury and DCMS, and submitting evidence to the various Treasury, DCMS and BEIS select committees inquiries and House of Lords inquiries, we are disappointed that many of the gaps in support have yet to be resolved.

We have ensured that directors have also been represented in industry and government conversations by responding to numerous consultations, inquiries and round tables on a broad range of issues, ranging from the pandemic to the future of Public Service Broadcasting; including regulation and funding of the BBC; UK copyright; protecting participants in TV; and ethnic disparities and inequality in the UK.

Our political outreach work during the pandemic has created new contacts with cross-party politicians who we continue to build relationships with to ensure directors are represented at government level. We have also been connecting with other industry organisations to join up our lobbying efforts and strengthen the position of directors and creatives.

Digital and Member Communications

Our online activity this year has made a point of celebrating the craft of directing in all its forms, highlighting how creativity has endured despite the challenges and setbacks brought about by the pandemic. We have published articles and interviews with our members and we have featured stories from directors who have taken part in our various career development programmes. We have also continued to develop the website behind the scenes so that it best serves members.

The Directors UK Podcast has been particularly successful over the last year, with listens, subscribers and shares continuing to grow as we release new episodes featuring our director-on-director in-conversation events, which allows us to share and promote the craft of directing with a wider global audience.

Our newsletter has maintained an exceptional open rate and was a vital source of information and reassurance to members in the early days of the pandemic. It has since continued to engage members with updates, event

DIRECTORS UK LIMITED
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CHIEF EXECUTIVE'S REPORT (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2021

announcements, content from the website and other industry news.

Social media has remained a key method for communicating and sharing our messaging with our members and followers. We often share first reaction and comment on industry issues directly through social media generating wider interaction and discussion.

Legal

Our legal team have been exceptionally busy, supporting our members with contract vetting requests and continuing to offer member support on dispute queries, including disputes related to COVID-19 and other issues that our members have faced.

We also provided new guidance and updated existing advice via the Directors UK website, contributing legal insight to the added complexities of life as a freelance director in light of the pandemic.

Governance

Responding to the needs of our membership, a Directors of Colour Committee has been formed. We now have six member committees:

Access and Inclusion
Directors of Colour
Distribution
Nations and Regions
Nominations
Pay and Working Conditions

The member committees' work and discussions are a sounding board for the issues that are important to directors. Through our committees, the insight of working directors drives our agenda and feeds directly into the work Directors UK does.

We have been exploring how to better support our underrepresented members and better serve members who live and work in the nations and regions. This work has faced challenges due to the pandemic but remains a priority for Directors UK.

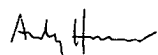
As a number of our current Board Members are coming to the end of their terms, the Nominations Committee has been supporting the management team in preparing for the upcoming election.

International

Directors UK works with organisations all over the world to protect creators' rights and lobby for protection for creative freelancers.

We have been working collaboratively with our colleagues internationally, attending regular meetings with CISAC and working closely with FERA. We were invited by the Society of Audiovisual Authors (SAA) to present to other international collecting societies on how they might support greater diversity in TV and film.

Andy Harrower
Director and CEO



Date: Jun 9, 2021

DIRECTORS UK LIMITED
(A Company Limited by Guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 28 FEBRUARY 2021

The directors present their report and the audited financial statements for the year ended 28 February 2021.

Directors' responsibilities statement

The directors are responsible for preparing the Chief Executive's Report, the Directors' Report and the audited financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare audited financial statements for each financial year. Under that law the directors have elected to prepare the audited 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 audited 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 audited 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the audited 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 audited 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.

Principal activity

Directors UK Limited is the professional association for film and television directors. Directors UK licences the use of directors' copyright and collects royalties resulting from 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.

Results and dividends

The surplus for the year, after taxation, amounted to £55,107 (2020 - £60,946).

DIRECTORS UK LIMITED
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2021

Directors

The directors who served during the year were:

W G Anderson
E R M Bye
A R Chowns (resigned 30 April 2020)
J Genesis (appointed 23 June 2020)
G M Gibbons
N Guttridge
L P Hannon
A J Harrower (appointed 4 May 2020)
J M Hobbs
M R Hopkins
C V Lalla (appointed 23 June 2020)
E Russell (appointed 20 July 2020)
S A Smith
D A Stones (appointed 27 July 2020)
A Thomson
S M White
D R Zeff

Future developments

The company will continue to optimise its functions as a collective management organisation and develop its representation of and services to its members.

Due to the ongoing effects of the COVID-19 lockdown, future collections of royalties under the UK Rights Agreement and from foreign societies may be reduced. Any reductions will impact on subsequent royalty payments to members by Directors UK Limited.

It is not possible to quantify the potential amount of any such future reductions and for the foreseeable future, the company will continue its normal distributions schedule.

In the event that future royalty distributions are reduced, resulting in lower management fees accruing to the company, management will review the company's activities and costs accordingly.

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.

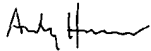
DIRECTORS UK LIMITED
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2021

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.

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



A Harrower
Director

Date: Jun 9, 2021

DIRECTORS UK LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF DIRECTORS UK LIMITED

Opinion

We have audited the financial statements of Directors UK Limited (the 'Company') for the year ended 28 February 2021, which comprise the Statement of Income and Retained Earnings, the Statement of Financial Position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 28 February 2021 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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

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

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

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

DIRECTORS UK LIMITED
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INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF DIRECTORS UK 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 other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF DIRECTORS UK LIMITED
(CONTINUED)

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 7, 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.

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

- Enquiring of management and those charged with governance around actual and potential litigation and claims;
- Reviewing minutes of those charged with governance, including the audit committee and interim audit committee meeting minutes to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Detailed review of cash transactions both across office and member bank accounts.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

DIRECTORS UK LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF DIRECTORS UK LIMITED
(CONTINUED)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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.

M Neville

Myfanwy Neville FCA (Senior Statutory Auditor)

for and on behalf of
Berg Kaprow Lewis LLP

Chartered Accountants
Statutory Auditors

London

Date: Jun 9, 2021

DIRECTORS UK LIMITED
(A Company Limited by Guarantee)

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 28 FEBRUARY 2021**

	Note	2021 £	2020 £
Turnover		2,416,028	2,375,992
Gross profit		2,416,028	2,375,992
Distribution costs		(66,965)	(72,865)
Administrative expenses		(2,643,396)	(2,464,117)
Other operating income	3	144,127	94,813
Other operating charges		(77,778)	(226,865)
Operating loss		(227,984)	(293,042)
Interest receivable and similar income		295,801	370,931
Profit before tax		67,817	77,889
Tax on profit	5	(12,710)	(16,943)
Profit after tax		55,107	60,946
Retained earnings at the beginning of the year		498,407	437,461
		498,407	437,461
Profit for the year		55,107	60,946
Retained earnings at the end of the year		553,514	498,407

The notes on pages 16 to 27 form part of these financial statements.

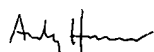
DIRECTORS UK LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER:02685120

STATEMENT OF FINANCIAL POSITION
AS AT 28 FEBRUARY 2021

	Note	28 February 2021 £	29 February 2020 £
Fixed assets			
Tangible assets	6	189,492	231,115
Investments	7	3,931	3,931
		<u>193,423</u>	<u>235,046</u>
Current assets			
Debtors due after more than 1 year	8	161,313	161,313
Debtors due within 1 year	8	227,749	585,383
Current asset investments	9	21,416,367	19,666,167
Cash at bank and in hand	10	1,756,208	3,219,054
		<u>23,561,637</u>	<u>23,631,917</u>
Creditors: amounts falling due within one year	11	<u>(23,201,546)</u>	<u>(23,368,556)</u>
Net current assets		<u>360,091</u>	<u>263,361</u>
Total assets less current liabilities		<u>553,514</u>	<u>498,407</u>
Net assets		<u><u>553,514</u></u>	<u><u>498,407</u></u>
Capital and reserves			
Profit and loss account		<u>553,514</u>	<u>498,407</u>
		<u><u>553,514</u></u>	<u><u>498,407</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 by:



A J Harrower
Director

Date: Jun 9, 2021

The notes on pages 16 to 27 form part of these financial statements.

DIRECTORS UK LIMITED
(A Company Limited by Guarantee)

1. General information

Directors UK Limited ("the Company") is a professional association for film and television directors. Directors UK licences the use of directors' copyright and collects royalties resulting from 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.

The Company is limited by guarantee and is incorporated in England and Wales.

The Company's registration number is 02685120 and registered office is 3rd & 4th Floor; Stukeley Street; London; WC2B 5LR.

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 ("FRS 102") and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on a going concern basis. The directors have considered the surplus for the year, the Statement of Financial Position at the accounting date and reviewed forecasts and are satisfied that the Company is in a position to meet its liabilities as they fall due for a period of at least twelve months from the date of signing these financial statements.

Due to the ongoing effects of the COVID-19 lockdown, future collections of royalties under the UK Rights Agreement and from foreign societies may be reduced. Any reductions will impact on subsequent royalty payments to members by Directors UK Limited.

It is not possible to quantify the potential amount of any such future reductions and for the foreseeable future, the company will continue its normal distributions schedule.

In the event that future royalty distributions are reduced, resulting in lower management fees accruing to the company, management will review the company's activities and costs accordingly.

DIRECTORS UK LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2021

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Turnover from operations is derived from two sources:

- Royalty distributions;
- Membership scheme service.

Royalty distributions

Income arises from management fees, deducted from royalties distributed to members, and is recognised at the point of distribution.

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 Income and Expenditure account in the period to which it relates.

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:

Short-term leasehold property	- Over lease period
Fixtures and fittings	- 25% and 33% straight line
Distribution system	- Straight line over life of the system

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 Income and Expenditure account.

DIRECTORS UK LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2021

2. Accounting policies (continued)

2.5 Valuation of investments

Fixed asset investments

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of Income and Retained Earnings for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Current asset investments

Investments in cash held as fixed-term deposits are initially recognised at transaction price, and subsequently carried at amortised costs using the effective interest method.

2.6 Cash and cash equivalents

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

DIRECTORS UK LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2021

2. Accounting policies (continued)

2.7 Financial instruments

The company only enters into basic financial instruments and transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors and loans to and from third parties.

(i) Financial assets

Basic financial assets, including trade and other debtors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Income and Expenditure account.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors and accruals, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised costs using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

DIRECTORS UK LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2021

2. Accounting policies (continued)

2.8 Coronavirus Job Retention Scheme income and expenditure

Furlough income is receivable as compensation for salary expenses already incurred and to give immediate financial support to the Company with no future related costs. This income is recognised in the Statement of Income and Retained Earnings in the same period as the related expenditure.

2.9 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Income and Retained Earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Income and Expenditure account within 'other operating income'.

2.10 Operating leases: the Company as lessee

Rentals paid 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 lease term.

DIRECTORS UK LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2021

2. Accounting policies (continued)

2.11 Other operating income and other operating charges

Other operating income comprises:

(i) Grant funding which is credited to the Statement of Income and Retained Earnings as the related project expenditure is incurred. The related project expenditure is included as part of other operating charges, and;

(ii) Rental income, which is credited to the Income and Expenditure Account over the period to which it relates.

(iii) Screen Skills income, which is credited to the Income and Expenditure Account in the period in which the expenses are incurred.

(iv) Sundry income, which is credited to the Income and Expenditure Account in the period to which it relates.

(v) Release from Members' Fund Non-Distributable, which is credited to the Income and Expenditure Account as the project arises in accordance with accounting policy 2.13.

2.12 Pensions

Defined contribution pension plan

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

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

2.13 Taxation

Tax is recognised in the Income and Expenditure Account except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

2.14 Distribution policy

Royalties are allocated to members and rights holders 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.

DIRECTORS UK LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2021

2. Accounting policies (continued)

2.15 Members' Fund Non-distributable

The company receives royalty payments from fellow foreign collecting societies for allocation and distribution to members. In line with the Collective Management of Copyright (EU Directive) Regulations (2016) and the company's own general policy on the use of non-distributable funds, foreign monies which have been allocated to non-registered right holders and not claimed within six years of allocation are considered to be non-distributable. These monies are reclassified to a Members' Fund Non-Distributable creditor.

The balance remains a creditor owed to the Members, from which the company will continue to honour claims from right holders who join as members in good faith more than six years after allocation. Nevertheless, the Member approved general policy on the use of non-distributable funds enables a proportion of the balance to be appropriated against specific projects that meet pre-determined criteria, for the benefit of all member right-holders, as those projects arise.

3. Other operating income

	2021 £	2020 £
Screen Skills income	19,335	36,563
Rental income	6,000	18,000
Coronavirus Job Retention Scheme income	11,759	-
Sponsorship income	-	6,968
Release from Members' Fund Non-Distributable	75,000	8,712
UK Rights Agreement - costs contribution	30,000	22,500
Sundry income	2,033	2,070
	<u>144,127</u>	<u>94,813</u>

4. Employees

The average monthly number of employees, including directors, during the year was 31 (2019 - 30)

DIRECTORS UK LIMITED
(A Company Limited by Guarantee)

5. Taxation

	2021 £	2020 £
Corporation tax		
Current tax on surplus for the year	12,710	19,293
Total current tax	12,710	19,293
Deferred tax		
Origination and reversal of timing differences	-	(2,350)
Total deferred tax	-	(2,350)
Taxation on surplus on ordinary activities	12,710	16,943

DIRECTORS UK LIMITED
(A Company Limited by Guarantee)

6. Tangible fixed assets

	Short-term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 March 2020	293,850	44,901	101,965	440,716
Additions	-	-	25,685	25,685
At 28 February 2021	293,850	44,901	127,650	466,401
Depreciation				
At 1 March 2020	106,721	39,140	63,740	209,601
Charge for the year on owned assets	32,255	5,761	29,292	67,308
At 28 February 2021	138,976	44,901	93,032	276,909
Net book value				
At 28 February 2021	154,874	-	34,618	189,492
At 29 February 2020	187,129	5,761	38,225	231,115

7. Fixed asset investments

	Other fixed asset investments £
Cost or valuation	
At 1 March 2020	3,931
At 28 February 2021	3,931

The investment refers to the cost of shares held in 'Société des Auteurs Audiovisuel', The Association of European Collecting Societies.

DIRECTORS UK LIMITED
(A Company Limited by Guarantee)

8. Debtors

	28 February 2021 £	<i>29 February 2020 £</i>
Due after more than one year		
Other debtors	161,313	161,313
Due within one year		
Trade debtors	62,666	347,530
Other debtors	7,830	22,019
Prepayments and accrued income	157,253	215,834
	<u>389,062</u>	<u>746,696</u>

9. Current asset investments

	28 February 2021 £	<i>29 February 2020 £</i>
Cash held in fixed term deposits	<u>21,416,367</u>	<u>19,666,167</u>

10. Cash and cash equivalents

	28 February 2021 £	<i>29 February 2020 £</i>
Cash at bank and in hand	<u>1,756,208</u>	<u>3,219,054</u>

DIRECTORS UK LIMITED
(A Company Limited by Guarantee)

11. Creditors: Amounts falling due within one year

	28 February 2021 £	29 February 2020 £
Trade creditors	57,462	42,529
Corporation tax	12,710	19,293
Other taxation and social security	454,367	447,141
Members' Fund (UK)	9,945,560	10,682,538
Members' Fund (Foreign)	11,995,728	11,393,775
Members Fund Non-Distributable	434,691	481,224
Accruals and deferred income	301,028	302,056
	<u>23,201,546</u>	<u>23,368,556</u>

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. 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 £76,563 (2020: £71,228). Contributions totaling £12,447 (2020: £10,229) were payable to the fund at the balance sheet date and are included in creditors.

14. Commitments under operating leases

At 28 February 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	28 February 2021 £	29 February 2020 £
Not later than 1 year	327,147	331,591
Later than 1 year and not later than 5 years	1,134,103	1,218,766
Later than 5 years	241,969	483,938
	<u>1,703,219</u>	<u>2,034,295</u>

DIRECTORS UK LIMITED
(A Company Limited by Guarantee)

15. Related party transactions

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

Like all members of the company, these board members are entitled to royalty payments from the company under its distribution scheme 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 the company to the board members during the year amounted to £136,519 (2020: £187,473). In addition, fees amounting to £109,449 (2020: £46,280) were paid to non-executive board members, as agreed by all members at the AGM.

During the year the company received royalties for distribution from The Educational Recordings Agency Limited, a company in which Directors UK Limited is a member totaling £412,215 (2020: £409,500). These royalties were received during the normal course of business, and distributed to members in accordance with the company's distribution policy.

Administration expenses include allowances totalling £312 (2020:£8,247) paid to board members while carrying out the company's duties during the year.

Also included within administration expenses are charitable donations of £75,000 (2020: £25,000), paid to Directors Charitable Foundation, an entity in which certain of the directors are trustees.