

TICKETS WITH CONFIDENCE

Annual Report and Financial Statements 2007 - 08

STAR MEMBERS

FULL MEMBERS

Abbey Box Office Ltd
Albemarle of London Ltd
The Big Bus Company
eLondonTickets Ltd
Encore Tickets Ltd / www.discounttheatre.com
Group Line / lovetheatre.com / Lashmars
Keith Prowse Ticketing / Applause
lastminute.com Network Ltd
Leicester Square Box Office
London Theatre Bookings / Rakes Theatre Ticket Agency Ltd
London Theatre Direct
Piccadilly Box Office (London)
Theatre Tickets Direct Ltd
The Ticket Factory
Ticketmaster UK Ltd
ticketSOUP.com
TicketWeb (UK) Ltd
West End Theatre Bookings Ltd / uktickets.co.uk

ASSOCIATE MEMBERS – VENUES

Alexandra Theatre, Birmingham
Ambassadors Theatre, London
Apollo Manchester, Manchester
Apollo Theatre, London
Apollo Victoria, London
Brighton Centre, Brighton
Bristol Hippodrome, Bristol
Cardiff International Arena, Cardiff
Churchill Theatre, Bromley
Comedy Theatre, London
Dominion Theatre, London
Donmar Warehouse Theatre, London
Duchess Theatre, London
Duke of York's Theatre, London
Edinburgh Playhouse, Edinburgh
Empire Theatre, Liverpool
Floral Hall Complex, Southport
Fortune Theatre, London
Garrick Theatre, London
Gielgud Theatre, London
Grand Opera House, York
Grimsby Auditorium, Grimsby
King's Theatre, Glasgow
Leas Cliff Hall, Folkestone
Lyceum Theatre, London
Lyric Theatre, London
Milton Keynes National Bowl, Milton Keynes
Milton Keynes Theatre, Milton Keynes
New Theatre, Oxford
New Victoria Theatre, Woking
New Wimbledon Theatre and Studio, London
Noel Coward Theatre, London
Novello Theatre, London
OFS Studio Theatre, Oxford
The Old Vic, London
Opera House, Manchester
Palace Theatre, Manchester

Phoenix Theatre, London
Piccadilly Theatre, London
Playhouse Theatre, London
Prince Edward Theatre, London
Prince of Wales Theatre, London
Princess Theatre, Torquay
Queen's Theatre, London
Regent Theatre, Stoke on Trent
Richmond Theatre, Richmond, Surrey
Royal Shakespeare Company, Stratford upon Avon
Savoy Theatre, London
Shaftesbury Theatre, London
Sheffield Arena, Sheffield
Southampton Guildhall, Southampton
St Martin's Theatre, London
Sunderland Empire Sunderland
Theatre Royal, Brighton
Theatre Royal Glasgow
Trafalgar Studios, London

ASSOCIATE MEMBERS – PRODUCERS

Cameron Mackintosh Limited, London
Really Useful Group, London
Walt Disney Theatrical (UK) Ltd, London

ASSOCIATE MEMBERS – ORGANISATIONS

National Arenas Association – National
SOLT tkts Ticket Booth, London

ASSOCIATE MEMBERS – AFFILIATES

Dewynters Ltd, London
AKA, London

TRAVEL AFFILIATE MEMBERS

Freespirit Events Limited, Hemel Hempstead
Show and Stay (Holiday Extras Ltd), Hythe
Scancoming Limited, London
Superbreak, York

June 2009

PERIOD OF THIS REPORT

This report covers the period from November 2007 to October 2008 in line with the Society's accounting reference date. In the interests of keeping the information enclosed as current as possible, information about the period from November 2008 to May 2009 is also included where relevant.

THE PURPOSE OF STAR

The Society of Ticket Agents and Retailers, or STAR, was formed in November 1997 by a number of companies and organisations within the ticketing industry to promote high standards of service to consumers and to enhance and promote the public perception of the ticket agents' industry.

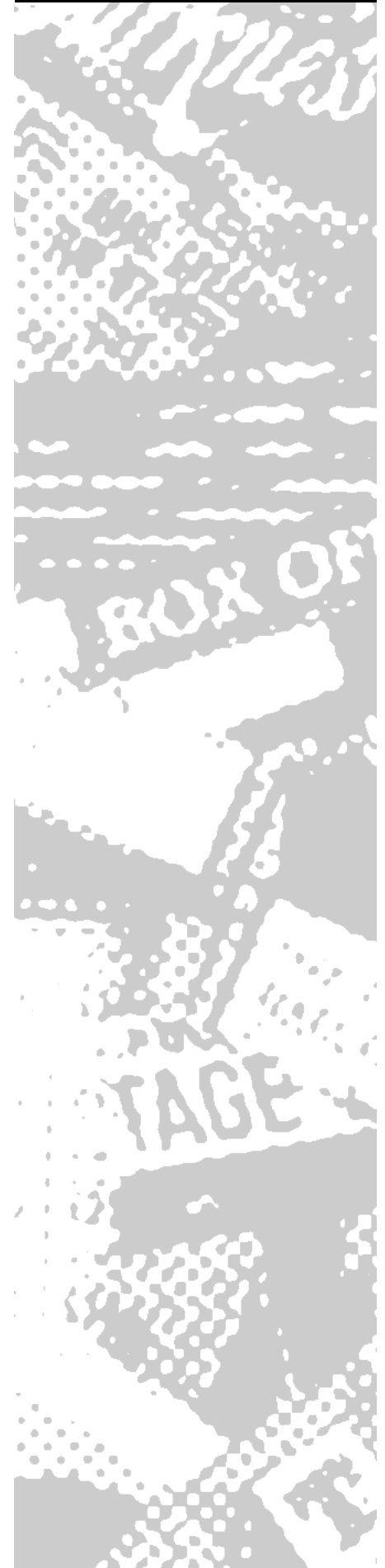
During the 1980s and early 1990s it had become clear that action would need to be taken against ticket touts who had threatened to bring the whole ticketing industry into disrepute by charging members of the public, including visitors to Britain, ticket fees vastly in excess of the actual price printed on the ticket. There were also suggestions of intimidation by the ticket touts, the use of misleading information and the provision of forged tickets.

As a result of this, certain reputable firms within the ticket agent sector decided to act. They felt that self-regulation would be the best method of providing the regulations and procedures necessary to distinguish them from the touts and to promote high standards of service between the ticket agents and the ticket-buying public. STAR was therefore created.

The membership of STAR is drawn from the ticketing industry. The administrative functions are carried out by the Council which, together with the Chairman of the Council, is elected annually by the membership of STAR. Day-to-day functions are carried out by the Secretariat providing information and advice in relation to STAR and the operation of the Code. A Sub-Committee examines all breaches of the Code reported to it and disciplines Members where it considers such action necessary, potentially including expulsion from STAR in the most serious cases. Appeals in relation to the Sub-Committee's decisions are heard by the Council. The membership of this sub-committee is drawn from members of the Council and independent persons, the latter always being in the majority and providing the Chair. Any Council member with a business interest in a case being considered by the Sub-Committee is not eligible to vote on any matter concerning such a case at a meeting at which it is considered.

STAR is funded by annual contributions from its membership.

Membership of STAR can be recognised by the use of the organisation's logo found on the cover to this report.





THE CHAIRMAN'S STATEMENT

Last year I outlined STAR's appearance before the House of Commons Culture, Media and Sport's enquiry into ticketing and the opportunity it gave to emphasise points about consumer protection and the problems of an unregulated ticket market.

While the Committee's final report didn't lead to legislative changes, the Government did make some new proposals, including a "code of principles" for ticket selling, possible restriction on resale of tickets for nationally important "Crown Jewel" events and the use of technology to improve security of ticket purchase. Crucially, in its subsequent public consultation, the Department for Culture, Media and Sport (DCMS) proposed asking STAR to help frame the new principles – incorporating the Society's existing code of practice – to work with the ticketing industry to develop best practice and to promote the code to consumers.

This is very significant support for STAR; it shows real acknowledgement of its potential to lead the ticketing industry in better self-regulation and to help consumers buy tickets safely and securely. The consultation period has only just ended, so we shan't know the outcome until later this year, but STAR is ready to take up the central role that has been suggested if the idea is supported.

Meanwhile, the long-awaited launch of standard terms and conditions for ticket sale – an initiative in which STAR has been a major driving force – is now scheduled for late July. With the support of the OFT as well as the ticketing industry, this will be a major step in the extension of consumer protection, the culmination of a long campaign to make ticket buying more transparent and safer for all.

The main debate at the well-attended meeting STAR held in December 2008 was about potential admittance of secondary sellers as STAR members, with strong views expressed both for and against. But the practical reality is that distinctions between primary and secondary outlets are now irrelevant to many customers; the expanding secondary market serves a need and the crucial requirement is for the same level of consumer protection to be available no matter how tickets are bought. With the launch of the standard terms now imminent, a subsequent poll of STAR members endorsed the view that, given the realities of the market, the Society should admit as members both sellers and resellers – but, crucially, only those who adhere to the code of principles.

In the debate about primary and secondary sellers, it was clear that members felt the Society's profile needed to be raised and that consumer education was vital in helping ticket-buyers find their way through a constantly evolving market. I'm pleased to say that we have now appointed a PR consultant, that the STAR website is undergoing a much-needed redesign and that we have also acquired a better domain name (www.star.org.uk), which will be phased in gradually. These moves will all help raise awareness amongst both the public and the ticketing industry of the value of STAR membership in ensuring fair practice in ticket sales and support the Society in its prospective role if the DCMS plans go ahead.

As ever, I'd like to thank the members of the STAR Council, who continue to give their time and energy to the Society's direction and act as advocates for best practice across the industry, and Jonathan Brown, STAR's Secretary, for his continuing day-to-day management of the Society, dispute resolution and ambassadorial role. This is an important time for STAR, as the ticketing market continues to evolve, and I am confident that, with the support of its Council and membership, the Society can continue to play a major part in ensuring the highest standards of self-regulation and consumer support.

A handwritten signature in black ink, which appears to read "Tom Wright". The signature is written in a cursive style.

Tom Wright CBE
Chairman
June 2009

THE STAR COUNCIL

The STAR Council comprises the elected directors of the organisation. Elections take place each year at the Annual General Meeting. All members of the Council retire at each AGM but may stand for re-election if they so choose. New nominations to the Council are solicited from the membership. The present Council comprises:

Tom Wright CBE (Chair)

Chief Executive of Age UK; formerly Chief Executive of Visit Britain

Saad Afzal

General Manager, The Ticket Factory

Helen Brownlee

Head of Sales, Ambassador Theatre Group

Peter Evans

Divisional Manager, UK Venues, Live Nation

John Gibson

Director, Theatre and Arts, Ticketmaster UK

Lisa Popham (ex officio)

Marketing Director, Dewynters plc

Linda Solicari

Director, Abbey Box Office

David Thomas

Brand Development Manager, Superbreak

Simon Warwick (Fisher)

Managing Director and co-owner of The Ticket Machine Limited, trading as Group Line, LOVEtheatre, Show Pairs and Lashmars

Sue Uings (ex officio)

Ticketing and Sales Consultant, Cameron Mackintosh Limited

All members of the STAR Council retire at the AGM on 18 June 2009 and all are standing for re-election.

The day to day administration of STAR is dealt with by the Secretary, **Jonathan Brown**. **Cat Washbrook** was appointed as PR consultant by the Council in March 2009.

This Annual Report has been compiled and edited by **Don Keller**, who also provides periodic marketing and organisational consultancy to STAR.



THE STAR WEBSITE

The STAR Website (www.s-t-a-r.org.uk) receives around 100 visitors a day. The website is kept deliberately simple and provides visitors with contact details for members, advice on ticket buying, the Code of Practice and how to make a complaint. STAR Members are asked to provide a link from their own websites to STAR and links can also be found from other resources such as the Visit Britain website. The STAR website is currently being redesigned, with the new site due to go online in July 2009.

THE STAR HELPLINE

The STAR Helpline (0870 603 9011) receives a broad range of enquiries which, along with enquiries submitted by post and e-mail (info@s-t-a-r.org.uk) include:

- complaints (against members and non-members)
- requests for advice as to how and where to buy tickets
- press and media enquiries
- enquiries from new businesses in the industry
- enquiries from trading standards bodies
- membership enquiries

COMPLAINTS

STAR requires that members deal with complaints within five working days. On occasion new or unresolved complaints are referred to STAR, either by the member or the customer involved. Conciliation then takes place through the STAR Secretariat in an effort to reach a satisfactory resolution. In the event of a dispute not being resolved through this process, complaints may be referred to an independent Disciplinary Sub-Committee to resolve the issue and, if necessary, to issue penalties if a member is found to have breached the Code of Practice. These penalties include fines, suspension of membership and, ultimately, expulsion from STAR.

In the year ended 31 October 2008 STAR received 65 complaints, the majority of which were resolved immediately by the member concerned. Most of these complaints related to difficulties over service, making bookings, use of website booking facilities etc.

It was not necessary for any complaints to be referred to the Disciplinary Sub-Committee during the year.

The number of complaints referred to STAR will often depend on how individual member companies use STAR in their dispute resolution procedure. The majority of members resolve disputes directly with customers before they ever need to be referred to STAR.

Examples of Complaints

1. A customer had bought tickets by phone for her son and friends to attend a concert. She was sent a confirmation email for the booking and realised the address was wrong. As soon as this was known she contacted the agent but learned that the tickets had been despatched. The agent worked to ensure that the customer was provided with duplicate tickets on the night, although as she had bought them on behalf of her son it was necessary for her to travel with him to collect them. The agent also took up this matter with the sales operator and worked to improve standards of care when taking down address details.

2. Tickets were sent to a customer for a football match but the venue details printed on the tickets were ambiguous and the customer went to the wrong venue. Although there had been no other complaints about this matter, the agent agreed to a full refund, acknowledging that the information provided should have been clearer.
3. A customer bought tickets online to go to a concert with her daughter but the tickets stated that entry was for "over 14s only". She therefore went to the concert without her daughter, who was under that age. At the concert she was told that children were admitted provided they were with an adult. The customer was therefore complaining that the ticket included the wrong information. On investigation it was revealed that the correct terms of sale had been provided twice during the online sales process and stipulated that the concert could only be attended by those over 14 and anyone under 16 had to be accompanied by an adult. Although the customer was not happy with the resolution, the ticket agent had provided all the relevant information at the time of sale.

Jonathan Brown
Secretary
June 2009



STAR in 2008 - 09

It's become a commonplace that online trading has revolutionised UK retail sales, whether in books, DVDs, flights, clothes or household goods. Certainly, in entertainment ticketing, the impact of online sales has been almost as profound as that of computerisation was on box offices and ticket agencies two decades ago, opening up new markets and giving customers faster and more direct access to seats than ever before.

Alongside this expansion of the ticket marketplace has come a blurring of the old distinctions between primary and secondary agents – at least in the minds of many ticket-buyers, for whom a distinction between agencies receiving ticket allocations directly from a venue or promoter and those reselling tickets obtained elsewhere is irrelevant. The actual difference has become even less clear with the UK launch in recent years of ticket exchange websites which, in some cases, not only sell tickets on behalf of individuals but also have contracts directly with promoters, and in most cases operate market-led dynamic pricing rather than selling at fixed prices. With the mantra of “choice” increasingly applied to almost every walk of life, from utilities to health services, superficially at least the internet appears to offer unlimited choice to anyone wanting to go to a concert, play, musical, opera or any other entertainment event, with numerous outlets offering tickets at a range of prices from face-value through to mark-ups of many times the box office price. Many customers shop around for the best value but are willing to pay an inflated “market price” for tickets in great demand – which is fine until something goes wrong with their booking and the tickets or their sellers disappear, along with the payment.

Every year STAR receives a large number of e-mails and phone calls from customers who have fallen foul of dubious websites, “bedroom touts” or on-street traders selling tickets that either they haven't got or which are for non-existent events such as “unannounced” concerts. In most cases, all that can be done is to refer customers to their credit card issuers or Trading Standards, and, despite periodic successful prosecutions of the worst offenders, it is impossible to police a medium where almost anyone can create a convincing-looking website or set up a ticket outlet on a public street. What the contacts with STAR make apparent is that many prospective customers are unable to identify potentially risky websites, while buyers in person can be easily bamboozled by plausible-looking shopfronts or retailers in the West End.

STAR and secondary sellers

In this context, STAR's meeting last December to debate the possible admittance of secondary sellers as members was always likely to provoke strong views. Several speakers denounced many secondary sellers and ticket exchange websites as plain ticket touts and examples were cited to show that money had allegedly been taken for non-existent tickets or performances and for tickets that had been resold several times at ever-higher mark-ups. In contrast, other speakers argued that STAR's remit was to support safe purchases rather than be a protective trade association and that the Society should look to ways to increase consumer confidence across all outlets – realistic assessment of the marketplace would show that it was both necessary and sensible to embrace all ticket outlets that signed up to fair and transparent terms of trade and not just primary sellers.

In any event, it is clear that the Government's favoured approach to ticket selling abuses is for better self-regulation, that it sees a need for the existence of a secondary market as well as a primary one – provided always that safeguards are in place – and that it wants STAR to play a key role in consumer protection activities. Those at December's meeting also agreed that better customer information was essential in helping ticket-buyers navigate their way through the market and clearly endorsed raising STAR's profile both with the public and with the ticketing industry.

In a subsequent poll, which drew votes from almost 80% of members, a majority supported the proposal that STAR should open membership to secondary sellers, provided they fully comply with the Society's Code of Practice. While accepting that there are still reservations about some secondary outlets, STAR recognises that it is good for consumer support to extend the "tickets with confidence" message to all sellers who sign up to the essentials of good practice: STAR will embrace the secondary market only through the imposition of safeguards that make secondary sellers take responsibility for their sales in the same way as primary outlets. The STAR Code, which already needs some updating, may also need to be developed to improve protection for customers buying from the secondary market and some direction on this may come from the DCMS consultation.

The value of recognition

Greater public and trade recognition of the value of STAR endorsement will lead ultimately to a critical mass of sellers who treat customers fairly, while those whose sales practices are less than watertight will stand out in contrast, with the absence of STAR membership suggesting that consumers treat them with caution. The launch of the standard terms and conditions, scheduled for July – and the appointment of Cat Washbrook to look after STAR's PR – provides a good opportunity for the Society to raise its profile. If, as hoped, the results of the DCMS consultation endorse the proposed central role for STAR in championing best practice across the industry, then this will be an additional boost.

There is a continuing problem with unscrupulous ticket resellers, predominantly those who do not provide correct information to consumers, mislead tourists and sell tickets they don't and never will have. But a better profile for STAR and bolder and more consistently presented consumer information will help to counter this by informing customers about what they should expect from honest traders.



**THE SOCIETY OF TICKET AGENTS AND RETAILERS
(LIMITED BY GUARANTEE)**

**DIRECTORS' REPORT AND UNAUDITED FINANCIAL
STATEMENTS FOR THE YEAR ENDED
31 OCTOBER 2008**

COMPANY INFORMATION

Directors	T Wright S Afzal J Gibson D Thomas L Solicari S Fisher P Evans H Brownlee
Secretary	J Brown
Company number	3453544
Registered office	Regina House 124 Finchley Road London NW3 5JS
Accountants	Nyman Libson Paul Chartered Accountants Regina House 124 Finchley Road London NW3 5JS
Business address	PO Box 43 London WC2H 7LD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 OCTOBER 2008

The directors present their report and financial statements for the year ended 31 October 2008.

Principal activities

The principal activity of the company is to operate an organisation which is representative of all those involved in the sale or resale of tickets within the entertainment industry and which enhances and promotes the public perception of this industry and promotes good practice and high standards of service to the general public.

Directors

The following directors have held office since 1 November 2007:

T Wright
S Afzal
J Gibson
D Thomas
L Solicari
S Fisher
P Evans
H Brownlee

Directors' responsibilities

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

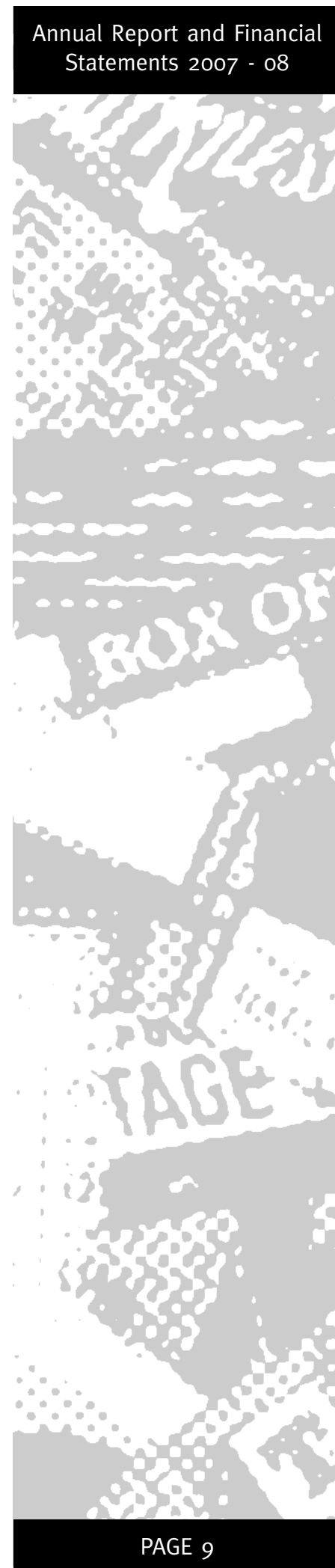
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies. On behalf of the Board

T Wright
Director
21 May 2009



THE SOCIETY OF TICKET AGENTS AND RETAILERS (LIMITED BY GUARANTEE)

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE
UNAUDITED FINANCIAL STATEMENTS OF THE SOCIETY OF TICKET AGENTS AND
RETAILERS**

In accordance with the engagement letter dated 20 April 2006, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of The Society of Ticket Agents and Retailers for the year ended 31 October 2008, set out on pages 11 and 12 from the accounting records and information and explanations you have given to us.

This report is made to the Company's Board of Directors, as a body, in accordance with the terms of engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Board of Directors that we have done so, and state those matters we have agreed to state to them in this 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 Board of Directors as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet as at 31 October 2008 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

Nyman Libson Paul
Chartered Accountants

21 May 2009

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 OCTOBER 2008

	Notes	2008 £	2007 £
Turnover		46,118	46,706
Administrative expenses		<u>(36,777)</u>	<u>(37,326)</u>
Operating profit		9,341	9,380
Other interest receivable and similar income	2	<u>729</u>	<u>381</u>
Profit on ordinary activities before taxation		10,070	9,761
Tax on profit on ordinary activities	3	<u>(2,073)</u>	<u>(1,814)</u>
Profit for the year	6	<u>7,997</u>	<u>7,947</u>

BALANCE SHEET AS AT 31 OCTOBER 2008

	Notes	2008 £	£	2007 £	£
Current assets					
Debtors	4	5,381		8,236	
Cash at bank and in hand		<u>30,700</u>		<u>18,989</u>	
		36,081		27,225	
Creditors: amounts falling due within one year	5	<u>(5,273)</u>		<u>(4,414)</u>	
Total assets less current liabilities			<u>30,808</u>		<u>22,811</u>
Capital and reserves					
Profit and loss account	6		<u>30,808</u>		<u>22,811</u>
Members' funds			<u>30,808</u>		<u>22,811</u>

In preparing these financial statements:

- The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- The directors acknowledge their responsibilities for:
 - ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements were approved by the Board on 21 May 2009 and signed on its behalf by:

T Wright
Director

J Gibson
Director

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

1.2 Turnover

Turnover represents subscriptions and levies receivable from members.

2 Investment income

	2008	2007
	£	£
Bank interest	724	381
Other interest	5	-
	<u>729</u>	<u>381</u>

3 Taxation

	2008	2007
	£	£
Domestic current year tax		
UK corporation tax	2,073	1,814
	<u>2,073</u>	<u>1,814</u>
Current tax charge		

4 Debtors

	2008	2007
	£	£
Trade debtors	3,780	6,509
Other debtors	1,601	1,727
	<u>5,381</u>	<u>8,236</u>

5 Creditors: amounts falling due within one year

	2008	2007
	£	£
Trade creditors	600	-
Taxation and social security	2,073	1,814
Other creditors	2,600	2,600
	<u>5,273</u>	<u>4,414</u>

6 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 November 2007	22,811
Profit for the year	7,997
	<u>30,808</u>
Balance at 31 October 2008	<u>30,808</u>

7 Control

There is no overall controlling party of the company and it does not have a share capital, being limited by guarantee. In the event of the company being wound up, the maximum amount which each member is liable to contribute is £10. At 31 October 2008 there were 19 full members (2007:17).

8 Related party transactions

Turnover includes £32,010 (2007: £26,775) in respect of annual fees receivable from the company's full members.



TICKETS WITH CONFIDENCE

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London WC2H 7LD

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