

COMPANY REGISTRATION NUMBER 01910848

BRITISH SCREEN FINANCE LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31st MARCH 2016

TUESDAY



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20/12/2016

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COMPANIES HOUSE

BREBNERS
Chartered Accountants & Statutory Auditor
130 Shaftesbury Avenue
London
W1D 5AR

BRITISH SCREEN FINANCE LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2016

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BRITISH SCREEN FINANCE LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

Mr T Mawby
Ms A Nevill CBE
Mr D Parkhill

Registered office

21 Stephen Street
London
W1T 1LN

Auditor

Brebners
Chartered Accountants
& Statutory Auditor
130 Shaftesbury Avenue
London
W1D 5AR

Bankers

Lloyds Bank Plc
32 Oxford Street
London
W1R 2BS

BRITISH SCREEN FINANCE LIMITED

DIRECTORS' REPORT

YEAR ENDED 31st MARCH 2016

The directors present their report and the financial statements of the company for the year ended 31st March 2016.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the management of investments in commercial film development and production. British Screen Finance Limited is the parent company for a group of companies involved with the acquisition, sale and management of film rights and loans. These are described in note 7 to the accounts.

DIRECTORS

The directors who served the company during the year were as follows:

Mr T Mawby
Ms A Nevill CBE
Mr D Parkhill

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

In preparing these financial statements, the directors are required to:

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

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

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

BRITISH SCREEN FINANCE LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31st MARCH 2016

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Signed on behalf of the directors

A handwritten signature in black ink, appearing to read 'DPH', is written over the printed name of David Parkhill.

David Parkhill
Director

Approved by the directors on 19 December 2016

BRITISH SCREEN FINANCE LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
BRITISH SCREEN FINANCE LIMITED
YEAR ENDED 31st MARCH 2016

I have audited the financial statements of British Screen Finance Limited for the year ended 31st March 2016. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's shareholders, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. My audit work has been undertaken so that I might state to the company's shareholders those matters I am required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for my audit work, for this report, or for the opinions I have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Statement of Directors' Responsibilities set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require me to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, I read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

BRITISH SCREEN FINANCE LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
BRITISH SCREEN FINANCE LIMITED *(continued)*

YEAR ENDED 31st MARCH 2016

OPINION ON FINANCIAL STATEMENTS

In my opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st March 2016 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In my opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH I AM REQUIRED TO REPORT BY EXCEPTION

I have nothing to report in respect of the following matters where the Companies Act 2006 requires me to report to you if, in my opinion:

- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by me; 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
- I have not received all the information and explanations I require for my audit; or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemptions from the requirement to prepare a strategic report.



MARTIN WIDDOWSON (Senior
Statutory Auditor)
For and on behalf of
BREBNETS
Chartered Accountants
& Statutory Auditor

130 Shaftesbury Avenue
London
W1D 5AR

20/12/2016

BRITISH SCREEN FINANCE LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31st MARCH 2016

		2016 £	2015 £
TURNOVER	Note 2	205,696	366,220
Administrative expenses		74,883	73,638
Other operating income		(13,984)	(26,647)
OPERATING PROFIT	3	144,797	319,229
Interest receivable		2,547	3,206
Gift aid payment	4	(147,344)	(322,435)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		—	—
Tax on profit on ordinary activities		—	—
PROFIT FOR THE FINANCIAL YEAR		—	—

The notes on pages 8 to 12 form part of these financial statements.

BRITISH SCREEN FINANCE LIMITED

BALANCE SHEET

31st MARCH 2016

	Note	2016 £	£	2015 £
FIXED ASSETS				
Investments	6		<u>156</u>	<u>156</u>
CURRENT ASSETS				
Debtors	8	150,850		222,818
Cash at bank		<u>1,124,365</u>		<u>1,202,709</u>
		1,275,215		1,425,527
CREDITORS: Amounts falling due within one year	9	<u>424,088</u>		<u>574,400</u>
NET CURRENT ASSETS			<u>851,127</u>	<u>851,127</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>851,283</u>	<u>851,283</u>
CAPITAL AND RESERVES				
Called up equity share capital	11		100	100
Profit and loss account	12		<u>851,183</u>	<u>851,183</u>
SHAREHOLDERS' FUNDS			<u>851,283</u>	<u>851,283</u>

These accounts were approved by the directors and authorised for issue on 19 December 2016, and are signed on their behalf by:



David Parkhill
Director

Company Registration Number: 01910848

The notes on pages 8 to 12 form part of these financial statements.

BRITISH SCREEN FINANCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st MARCH 2016

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Turnover

Interest is recognised on film loans on a receivable basis.

Profits from films (being receipts in excess of loans granted and interest received) to which the company is entitled under its loan agreements, are recognised on an accruals basis. Immaterial timing differences which arise due to the unpredictable nature of such revenues occasionally necessitate recognition upon receipt of funds.

Other interest income is recognised as interest accrues applying the effective interest rate method.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Consolidation

The company is not required to prepare group financial statements by virtue of the exemption available under section 400 of the Companies Act 2006. The results of the company are included in the group financial statements of the British Film Institute. The financial statements, therefore, present information about the company as an individual undertaking and not about its group.

Fixed asset investments

Investments held as fixed assets are stated at cost less any provision for impairment in value. The carrying value of investments are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

BRITISH SCREEN FINANCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st MARCH 2016

1. ACCOUNTING POLICIES *(continued)***Value of license rights**

The value of the license to the rights in the film loans made by the National Film Finance Corporation is stated at the expected amount of future receipts.

Loans

Loans relating to films are stated at the lower of the amount advanced and the expected amount of future receipts from exhibition, distribution and other security.

2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	2016 £	2015 £
United Kingdom	<u>205,696</u>	<u>366,220</u>

3. OPERATING PROFIT

Operating profit is stated after charging:

	2016 £	2015 £
Directors' remuneration	-	-
Auditor's remuneration		
- as auditor	<u>-</u>	<u>-</u>

Auditor's fees are met by a fellow group undertaking.

4. GIFT AID PAYMENT

	2016 £	2015 £
Gift aid payment	<u>147,344</u>	<u>322,435</u>

5. TAXATION ON ORDINARY ACTIVITIES

The company has accumulated tax losses of £5,642,837 (2015: £5,788,205) available to offset against future trading profits. No deferred tax asset has been provided due to the uncertainty of the timing of recovery.

BRITISH SCREEN FINANCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st MARCH 2016

6. INVESTMENTS**Investments in subsidiary and associated undertakings**

	£
COST	
At 1st April 2015 and 31st March 2016	<u>156</u>
NET BOOK VALUE	
At 31st March 2016 and 31st March 2015	<u>156</u>

The company's subsidiary and associated undertakings at 31st March 2016, all of whom are incorporated in England and Wales, were as follows:

	Ordinary shares of £1 each	Holding	Net assets at 31st March 2016 £	Result for the year £
Subsidiary undertakings				
The Greenlight Fund Limited	100	100%	19,987	–
British Screen Rights Limited	2	100%	120,236	–
European Co-production Fund Limited	2	100%	14,921	–
National Film Finance Consortium Limited	2	100%	100	–
Associated undertaking				
British Film-Makers Limited	50	50%	100	–

Principal Activities

The principal activities of the subsidiary and associated undertakings are as follows:

British Screen Rights Limited acquires and sells rights in feature films.

European Co-production Fund Limited manages a historical portfolio of films which were co-produced with various European partners.

British Film-Makers Limited collects and distributes film revenues on behalf of British Screen Finance and other third parties.

National Film Finance Consortium Limited and The Greenlight Fund Limited are dormant companies.

7. LOANS RECEIVABLE

	2016	2015
	£	£
Repayments	(13,984)	(26,647)
Provisions released	13,984	26,647

Repayment of outstanding loans is dependent upon a number of factors, including the performance of the films at the box office and in ancillary markets, and the recoupement position of the loans vis-à-vis other investors' loans. Loans amounting to £45,662,259 (2015: £45,676,243) are recoverable although provision has been made in full in previous years.

A licence has been granted to the company by the Secretary of State giving the company the benefit of loans made in past years by the National Film Finance Corporation.

BRITISH SCREEN FINANCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st MARCH 2016

8. DEBTORS

	2016	2015
	£	£
Trade debtors	22,269	19,318
Amounts owed by group undertakings	116,138	104,666
Amounts owed by undertakings in which the company has a participating interest	4,375	90,509
VAT recoverable	–	257
Other debtors	8,068	8,068
	<u>150,850</u>	<u>222,818</u>

9. CREDITORS: Amounts falling due within one year

	2016	2015
	£	£
Amounts owed to group undertakings	409,698	565,750
VAT	10,048	–
Accruals and deferred income	4,342	8,650
	<u>424,088</u>	<u>574,400</u>

10. RELATED PARTY TRANSACTIONS**Control**

The company was under the control of the British Film Institute throughout the current and previous year. No one entity had ultimate control of the company.

Transactions

The company, being a wholly owned subsidiary, has taken advantage of the exemption in FRSSE (2015) not to disclose related party transactions with other group undertakings.

At 31st March 2016 an amount of £4,375 (2015: £90,509) was due from British Film-Makers Limited, an associated undertaking.

11. SHARE CAPITAL**Allotted and called up:**

	2016		2015	
	No.	£	No.	£
Ordinary shares fully paid of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

BRITISH SCREEN FINANCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st MARCH 2016

12. PROFIT AND LOSS ACCOUNT

	2016	2015
	£	£
Balance brought forward	851,183	851,183
Balance carried forward	<u>851,183</u>	<u>851,183</u>

13. ULTIMATE PARENT UNDERTAKING

The directors consider the British Film Institute to be the ultimate parent undertaking and the parent undertaking of the smallest and largest group of which the company is a member and for which group financial statements are drawn up. Copies of its financial statements can be obtained from the Charities Commission or by application to the Secretary to the Governors, the British Film Institute, 21 Stephen St, London, W1T 1LN.