

European Co-Production Fund Limited

Annual Report and Financial Statements
for the Year Ended 31 March 2022

Brebners

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

EUROPEAN CO-PRODUCTION FUND LIMITED

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EUROPEAN CO-PRODUCTION FUND LIMITED

Company Information

Directors	A B Hagan B Roberts
Company secretary	A D W Owen
Registered office	21 Stephen Street London W1T 1LN
Auditor	Brebners Chartered Accountants & Statutory Auditor 130 Shaftesbury Avenue London W1D 5AR

EUROPEAN CO-PRODUCTION FUND LIMITED

Directors' Report for the Year Ended 31 March 2022

The directors present their report and the financial statements for the year ended 31 March 2022.

Directors of the company

The directors who held office during the year were as follows:

A B Hagan (appointed 29 October 2021)

T J C Mawby (resigned 8 December 2021)

D C Parkhill (resigned 29 October 2021)

B Roberts

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 19 December 2022 and signed on its behalf by:

.....
A B Hagan
Director

EUROPEAN CO-PRODUCTION FUND LIMITED

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual 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 period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements 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; and
- 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 and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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.

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Independent Auditor's Report to the Members of European Co-Production Fund Limited

Opinion

We have audited the financial statements of European Co-Production Fund Limited (the 'company') for the year ended 31 March 2022, which comprise the Income Statement, Statement of Financial Position, Statement of Changes in Equity, and Notes to the Financial Statements, 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 FRS 102 Section 1A '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 31 March 2022 and of its profit 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 auditor 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 UK, including the FRC'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 director's 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 original financial statements were 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.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's 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 matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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Independent Auditor's Report to the Members of European Co-Production Fund Limited

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, 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.

Auditor 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 auditor's 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.

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Independent Auditor's Report to the Members of European Co-Production Fund Limited

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:

Based on our understanding of the company and the industry in which it operates, we determined that the principal risks of non-compliance with laws and regulations related to the reporting framework (FRS 102 and the Companies Act 2006) and UK corporate taxation laws. These risks were communicated to our audit team and we remained alert to any indications of non-compliance throughout our audit.

We understood how the company is complying with relevant legislation by making enquiries of management. We also considered the results of our audit procedures and to what extent these corroborate this understanding and assessed the susceptibility of the company's financial statements to material misstatement. This included consideration of how fraud might occur and evaluation of management's incentives and opportunities for fraudulent manipulation of the financial statements.

We designed our audit procedures to identify any non-compliance with laws and regulations. Such procedures included, but were not limited to, inspection of any regulatory or legal correspondence; challenging assumptions and judgements made by management; identifying and testing journal entries with a focus on large or unusual transactions as determined based on our understanding of the business; and identifying and assessing the effectiveness of controls in place to prevent and detect fraud.

Owing to the inherent limitations of an audit, there remains a risk that a material misstatement may not have been detected, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance with laws and regulations and cannot be expected to detect all instances of non-compliance.

The primary responsibility for the detection and prevention of fraud rests with those responsible for governance and management. The further removed non-compliance with laws and regulations is from the events reflected in the financial statements, the less likely the auditor will become aware of it.

The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission, misrepresentation or forgery.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

.....
Martin Widdowson (Senior Statutory Auditor)
For and on behalf of Brebners, Statutory Auditor
130 Shaftesbury Avenue
London
W1D 5AR

19 December 2022

EUROPEAN CO-PRODUCTION FUND LIMITED

Income Statement for the Year Ended 31 March 2022

	Note	2022 £	2021 £
Turnover		-	-
Gross profit/(loss)		-	-
Administrative expenses		(650)	(650)
Operating loss		(650)	(650)
Other interest receivable and similar income		1,212	719
Profit before tax		562	69
Profit for the financial year		562	69

The notes on pages 10 to 12 form an integral part of these financial statements.

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Statement of Financial Position as at 31 March 2022

	Note	2022 £	2021 £
Current assets			
Debtors	<u>6</u>	4,564	5,175
Cash at bank and in hand		<u>12,028</u>	<u>10,884</u>
		16,592	16,059
Creditors: Amounts falling due within one year	<u>7</u>	<u>(1,902)</u>	<u>(1,369)</u>
Net assets		<u><u>14,690</u></u>	<u><u>14,690</u></u>
Capital and reserves			
Called up share capital		2	2
Retained earnings		<u>14,688</u>	<u>14,688</u>
Shareholders' funds		<u><u>14,690</u></u>	<u><u>14,690</u></u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Approved and authorised by the Board on 19 December 2022 and signed on its behalf by:

.....

A B Hagan

Director

Company registration number: 02631250

The notes on pages 10 to 12 form an integral part of these financial statements.

EUROPEAN CO-PRODUCTION FUND LIMITED

Statement of Changes in Equity for the Year Ended 31 March 2022

	Note	Share capital £	Profit and loss account £	Total £
At 1 April 2021		2	14,688	14,690
Profit for the year		-	562	562
Gift Aid donation to parent	<u>5</u>	-	(562)	(562)
Total comprehensive income		-	-	-
At 31 March 2022		2	14,688	14,690
		Share capital £	Profit and loss account £	Total £
At 1 April 2020		2	14,688	14,690
Profit for the year		-	69	69
Gift Aid donation to parent	<u>5</u>	-	(69)	(69)
Total comprehensive income		-	-	-
At 31 March 2021		2	14,688	14,690

The notes on pages 10 to 12 form an integral part of these financial statements.

EUROPEAN CO-PRODUCTION FUND LIMITED

Notes to the Financial Statements for the Year Ended 31 March 2022

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

21 Stephen Street
London
W1T 1LN

The principal activity of the company is that of managing a historical portfolio of films which were co-produced with European partners.

2 Accounting policies

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except any items disclosed in the accounting policies as being shown at fair value and are presented in sterling, which is the functional currency of the entity.

Going concern

The directors have considered the potential effect of the current COVID-19 crisis and, although there is no certainty as to when this will end, the directors' view is that the impact will have a minimal effect on the company. The company has no significant overheads or working capital requirement.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to remain in operational existence for the foreseeable future. Accordingly the directors continue to prepare the financial statements under the going concern basis.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable in the normal course of the company activities in respect of profits from films, being receipts in excess of loans granted and interest received to which the company is entitled under its loan agreements.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

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Notes to the Financial Statements for the Year Ended 31 March 2022

3 Staff numbers

The average number of persons employed by the company during the year, was 0 (2021 - 0).

4 Auditor's remuneration

	2022 £	2021 £
Audit of the financial statements	<u>500</u>	<u>500</u>

5 Gift Aid Donations

During the year Gift Aid donations amounting to £562 (2021 - £69) were payable to the parent undertaking, British Film Institute, a charity registered in England and Wales.

6 Debtors

	2022 £	2021 £
Amounts owed by group undertakings	4,563	5,174
Other debtors	<u>1</u>	<u>1</u>
	<u>4,564</u>	<u>5,175</u>

Repayment of outstanding loans is dependant on a number of factors, including performance of the film at the box office and in ancillary markets, and the recoupment position of any other investors' loans. For these reasons it is not possible to state when, or if, loans will be repaid.

In view of the age and portfolio of the loans and the uncertainty around the repayment the outstanding loans have been provided in full in previous years.

Any subsequent repayments are classified as a reduction in the provision for losses. In certain circumstances repayment may be waived or modified at the company's discretion.

Loans for film production

	2022 £	2021 £
Amounts outstanding at 1 April 2021 and 31 March 2022	14,168,782	14,170,705
Provision for losses at 1 April 2021 and 31 March 2022	<u>(14,168,782)</u>	<u>(14,170,705)</u>
Carrying value at 1 April 2021 and 31 March 2022	<u>-</u>	<u>-</u>

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Notes to the Financial Statements for the Year Ended 31 March 2022

7 Creditors

Creditors: amounts falling due within one year

	2022	2021
	£	£
Amounts owed to group undertakings	1,252	719
Other creditors	650	650
	<u>1,902</u>	<u>1,369</u>

8 Related party transactions

In accordance with FRS 102 paragraph 1AC.35 exemption is taken not to disclose transactions in the year or amounts falling due between undertakings where 100% of the voting rights are controlled within the group.

9 Controlling Party

The company's ultimate controlling undertaking is the British Film Institute.

The smallest group preparing group accounts incorporating the results of the company is headed by the British Film Institute.

The registered office of the British Film Institute is 21 Stephen Street, London W1T 1LN.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.