THE BRITISH FILM INSTITUTE

England & Wales · Charity number 287780

Details

Other names	BFI
Status	Registered
Legal form	Other
Registered	1983-09-07
Register	View on the Charity Commission register

Contact

Address	British Film Institute 21 Stephen Street London W1T 1LN
Phone	020 7255 1444
Email	customerfeedback@bfi.org.uk
Website	www.bfi.org.uk

Activities

Objects: TO ENCOURAGE THE DEVELOPMENT OF THE ARTS OF FILM, TELEVISION AND THE MOVING IMAGE THROUGHOUT THE UNITED KINGDOM, TO PROMOTE THEIR USE AS A RECORD OF CONTEMPORARY LIFE AND MANNERS, TO PROMOTE EDUCATION ABOUT FILM, TELEVISION AND THE MOVING IMAGE GENERALLY, AND THEIR IMPACT ON SOCIETY, TO PROMOTE ACCESS TO AND APPRECIATION OF THE WIDEST POSSIBLE RANGE OF BRITISH AND WORLD CINEMA AND TO ESTABLISH, CARE FOR AND DEVELOP COLLECTIONS REFLECTING THE MOVING IMAGE HISTORY AND HERITAGE OF THE UNITED KINGDOM

Activities: The BFI is the lead organisation for film in the UK. Our mission is to ensure that film is central to our cultural life, in particular by supporting and nurturing the next generation of filmmakers and audiences.

Downloaded from opencharities.uk/ew/287780

Classification

- **How:** Makes Grants To Organisations, Provides Other Finance, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** Education/training, Arts/culture/heritage/science
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** GREAT BRITAIN
- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£128,072,000	£117,799,000	£140,927,000	638
2024-03-31	£125,995,000	£108,811,000	£137,342,000	595
2023-03-31	£127,827,000	£166,981,000	£108,846,000	599
2022-03-31	£132,333,000	£134,272,000	£63,382,000	547
2021-03-31	£145,628,000	£156,611,000	£17,096,000	497

Trustees

Name	Role	Appointed
Jay Hunt	Chair	2020-02-17
Declan Keeney		2023-06-27
Edgar Wright		2022-05-09
Eleanor Whitley		2020-02-17
Elizabeth Karlsen		2022-04-08
Laura Miele		2022-04-08
Michael Birshan		2020-02-17
Monica Chadha		2022-04-08

Downloaded from opencharities.uk/ew/287780

THE BRITISH FILM INSTITUTE

England & Wales - Charity number 287780

Accounts



2024/25

Annual Report and Financial Statements

HC 1445

Front cover image: Andrew Garfield poses with a cardboard cutout of Florence Pugh at the *We Live In Time* Mayor of London Gala, 68th BFI London Film Festival. (Photo by Gareth Cattermole/Getty Images for BFI)

British Film Institute Group and National Lottery Annual Report and Financial Statements for the year ended 31 March 2025

Presented to Parliament pursuant to Section 34(3) and 35(5) of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998 and the National Lottery Act 2006).

Ordered by the House of Commons to be printed on 17 December 2025

Presented to the Scottish Parliament pursuant to the Scotland Act 1998 Section 88

Laid before the Senedd Cymru/Welsh Parliament on 17 December 2025

Laid before the Northern Ireland Assembly on 17 December 2025

Charity Registration no: 287780

Company Registration no: RC000900

HC 1445
SG/2025/235

© BRITISH FILM INSTITUTE copyright 2025

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit **nationalarchives-gov-uk/doc/open-government-licence/version/3**.

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

The publication is available at **www.gov.uk/official-documents**.

Any enquiries regarding this publication should be sent to us at **customerfeedback@bfi.org.uk**.

ISBN: 978-1-5286-5922-2

E03414769 12/25

Printed on paper containing 40% recycled fibre content minimum.

Printed in the UK by HH Associates Ltd. on behalf of the Controller of His Majesty's Stationery Office

Contents

Performance report 4

- Purpose, mission and vision 5
- Chair statement 7
- Chief Executive statement 8
- What we are doing 10
  - Our six strategic ambitions 11
  - Future audiences 12
  - Embracing a wider screen culture 25
  - Reframing the public's relationship with the nation's screen heritage 29
  - Growing our digital platforms 40
  - Future learning and skills 45
  - Growing the cultural and economic impact of the UK's screen industries 51
- Strategic principles 71
  - Equity, diversity and inclusion 72
  - UK-wide 75
  - Environmental sustainability 78
- How we are doing 82
  - BFI National Lottery Strategy 2023-2033 83
  - Funding & Enterprise 87
  - Key performance measures 93
  - Financial review 95

Accountability Report 101

- How the BFI is governed 102
- Remuneration and people report 106
- Corporate information 114
- Governance statement 115

Financial Statements 120

- Group Financial Statements 121
- National Lottery Financial Statements 179
- Statutory background 224

Performance report

Purpose, mission and vision

About the BFI

The BFI was established in 1933 and is a Royal Charter charity. We are also a distributor of National Lottery funds and the Government's lead body for film and the moving image.

We are governed by a Board of up to 15 Governors who bring a range of business and creative insights, and contribute significant expertise from across the screen industries. They include representatives from Wales, Scotland and Northern Ireland.

We currently operate across five sites:

- **BFI Southbank:** Originally opened in 1957 as the UK's National Film Theatre, this is our main public venue. It hosts four cinema screens, the BFI Reuben Library, our Mediatheque, exhibition spaces, bars and restaurants.
- **BFI IMAX:** Our iconic single-screen IMAX cinema contains the biggest screen in the UK at 20 by 26 metres. It is frequently one of the best-performing IMAX sites in the world.
- **BFI J Paul Getty Jnr Conservation Centre:** The BFI National Archive's main 11-acre site, at Berkhamsted, Hertfordshire. It contains interconnected collections storage, laboratories and bespoke collections processing buildings.
- **BFI Master Film Store:** Our 21-acre site near Gaydon in Warwickshire, provides state-of-the-art storage facilities. It holds the national collection of film masters, as well as other key collections from our partners.
- **BFI Stephen Street:** Our headquarters in central London since 1987, home to two viewing theatres and specialist research viewing facilities.

Our purpose

At the BFI we are driven by a collective purpose.

We believe society needs stories. Film, television and the moving image help us to connect and understand each other better. We share the stories of yesterday, search for the stories of today, and shape the stories of tomorrow.

This purpose is built on:

Storytelling

The moving image brings stories to life, helping us all see the world through different lenses – so that we can understand each other better.

Choice

We stand for choice and difference. We champion over 100 years of the moving image in all its forms to create the greatest possible choice, access, and opportunity for all.

Opportunity

We work to keep screen culture vibrant. We drive the industry forward, inspire the artistic evolution of future talent, and expand the possibilities of storytelling.

Discovery

We help people get more out of their screen culture. We place it at the heart of our cultural lives for all to discover and delight in, and use it to teach us about the past, present and future.

Connection

We use the transformative power of screen culture for social good. We tell stories and start conversations that bring people and communities together.

Our mission

We want to create the conditions in which screen culture and the UK's screen industries can thrive – across the UK and around the world.

We do this by:

- Growing and caring for the BFI National Archive, the world's largest film and television archive.
- Offering the widest range of UK and International screen culture to audiences through our online and in-venue programmes and festivals.
- Using our knowledge to educate and deepen public appreciation and understanding of film, TV and the moving image.
- Supporting creativity and actively seeking out the next generation of UK creators.
- Working with the Government and industry to ensure the continued growth of the UK's screen industries.

Our vision

We will transform access to our programmes, screen culture, and jobs across the whole of the UK.

We will do this by focusing on the diversity of our audiences, expanding our work to fully embrace television and video games, reframing the public's relationship with the BFI's collections, investing in the growth of our digital platforms, and working with the industry to deliver long-term strategies for education, skills, and net zero.

Our strategy builds upon this vision through our six ambitions:

A – Transform our relationship with public audiences and be widely known as an open house for the discovery and enjoyment of film and the moving image.

B – Achieve wide appreciation of the cultural, social, and economic value of the full breadth of screen storytelling, including video games.

C – Establish the BFI National Archive as the most open moving image collection in the world.

D – Radically reform all BFI services by making them easy to use and widely available online, reaching more people and delivering more of the cultural programme digitally.

E – Reframe the educational value of screen culture with policymakers, educators and parents, and support a skilled and sustainable workforce that reflects the UK population.

F – Drive growth and international success across the screen sector, and address market failure through our funding schemes, policy, and evidence.

Chair statement

From our festival stages to our smallest screens, British creativity continues to make its mark on the world. This report highlights how the BFI has supported that creativity to grow and reach new audiences across the UK.

We welcomed record numbers to the BFI London Film Festival, with half of all tickets booked by first-time attendees. Our skills programmes are opening doors for young people to discover careers in screen, and the BFI Filmmaking Fund is backing bold new voices whose work is winning acclaim at home and internationally. These achievements, and many more set out in this report, show what is possible when we invest in British creativity.

Today, the UK's screen industries pulse with ambition and inventiveness. Our filmmakers, crews and artists are recognised worldwide for their originality. The BFI is proud to champion this flourishing diversity, ensuring that screen culture is rich, inclusive and truly reflective of voices from across the UK.

At the same time, technology is advancing at pace. Generative AI carries real promise – to increase efficiency, broaden access and empower new voices. But as our recent report, *AI in the Screen Sector: Perspectives and Paths Forward*, makes clear, such excitement must be matched with responsibility. The unauthorised use of film and television works to train AI models, without permission or payment to rights holders, strikes at the very heart of creative integrity and risks undermining the foundations of our industry. The BFI's roadmap calls for an IP licensing framework, an approach conscious of sustainability, and inclusive, ethical adoption, ensuring this powerful tool strengthens, rather than supplants, human imagination.

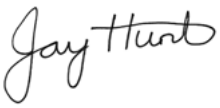
We stand at a defining moment, much like when sound and colour transformed the language of cinema. Once again, technology is poised to reshape storytelling. Our challenge, and our opportunity, is to harness its creative potential while safeguarding the values that define us.

Every generation has faced its own turning point, and the BFI has always stood ready to meet it. For more than ninety years, the BFI National Archive has been the record of our collective screen heritage – preserving the silent beginnings, the golden age of film and the digital revolutions that followed. This legacy reminds us that every leap in storytelling has been built on the foundations laid by creators before us. It is our responsibility, as guardians of this archive, to steward that history with care while opening it up for new generations to discover and be inspired by.

Just as we safeguard our screen heritage, we must also ensure the next generation of talent has the skills and opportunities to carry it forward. The screen industries make a vital contribution to the UK's economy and global reputation, but their future depends on cultivating a skilled and representative workforce. That is why we continue to invest in young people – through initiatives such as the Careers and Progression Programme, delivered with our partners Into Film, which helps 11–16 year-olds discover the breadth of careers in screen, especially those where new talent is most needed. This commitment to the next generation sits alongside our support for bold filmmaking today. Titles backed by the BFI Filmmaking Fund, such as Sandhya Suri's *Santosh*, honoured with multiple awards and selected as the UK's official entry for Best International Feature Film at the 97th Academy Awards, demonstrate the power of British talent to resonate on the world stage.

The BFI will continue to lead in shaping a future where innovation serves creativity and inclusion is at the heart of everything we do. In doing so, we will ensure that British storytelling not only endures but flourishes – unlocking new voices, captivating audiences everywhere, and proving once again that the moving image is one of our nation's most enduring cultural gifts.

This is the mission that I and my fellow Governors are proud to uphold: to protect, to champion, and to lead the BFI into a future where the UK's creativity continues to shine on the world stage.



Jay Hunt OBE,
Chair

Chief Executive statement

The moving image has never stood still – and neither can we. In 2024/25, our second year of Screen Culture 2033 and of the BFI National Lottery Strategy, we saw how our long-term commitments are shaping the BFI and screen culture more widely: opening programmes and festivals to wider audiences, supporting a broader range of screen storytelling, and working to establish the BFI National Archive as the most accessible collection of its kind. We also strengthened our digital presence, bringing more of our cultural offer online, and continued to back the industry – building a more diverse workforce and helping the UK screen sector grow internationally.

Within the BFI, we continued to shape a culture that is innovative and inclusive, that supports skills development, embraces new ways of working, and places passion for creative storytelling at the heart of everything we do.

Backing growth

This year saw the introduction of the Independent Film Tax Credit (IFTC) for films made on production budgets up to £15 million, which came into effect on 1 April 2025 and is a vital boost to the health of the UK independent film sector. The IFTC is the most significant policy intervention in this area since the 1990s, and its transformative impact will be felt across the industry - and by audiences as they enjoy the stories it helps bring to life on screen.

One of the central ambitions of Screen Culture 2033 is to drive growth and international success across the sector. That ambition took an important step forward in June with the government's £75m Screen Growth Package, announced as part of the Creative Industries Sector Plan. The package recognises both the global reputation of the UK's screen industries and the role the BFI has played in enabling their success. It includes a major expansion of the UK Global Screen Fund (UKGSF), launched in 2021 and administered by the BFI on behalf of DCMS, and new investment in the BFI Film Academy, which for over a decade has provided training and opportunities for 16–25-year-olds, many from backgrounds that are under-represented in the industry.

Through the UKGSF, we are strengthening the UK's independent screen sector in the global marketplace while shining a spotlight on British creativity. By developing emerging talent, the Film Academy strengthens the sector's pipeline – from independent productions to major features – ensuring that the rich diversity of voices across the UK is represented on screen.

Support is also being directed to CoSTAR, where the BFI is a key partner, to drive research and development in cutting-edge creative technologies; to the British Film Commission, to attract further international production to the UK; and to the BFI London Film Festival, which continues to showcase the very best of British and global cinema.

Sharing culture

The 68th BFI London Film Festival drew its largest audience in over a decade, with screenings at BFI Southbank, the Southbank Centre's Royal Festival Hall, nine partner venues across the UK and online. For the first time, the programme expanded to include video games, with our interactive Games Lounge giving audiences a taste of new approaches to storytelling.

Our cultural programme has continued to champion bold, original voices. *Chantal Akerman: Adventures in Perception* was a landmark retrospective that reached audiences on the Southbank, on tour across the UK, through BFI Player and via a Blu-ray release. The season also connected strongly with younger audiences – 30% of tickets sold to under-25s – showing how powerful such curation can be in opening up new perspectives on film history.

We also celebrated action cinema through *The Art of Action*, a nationwide season supported by the BFI Film Audience Network and released Payal Kapadia's Cannes Grand Prix-winning *All We Imagine as Light* to over 200 UK cinemas. Our distribution and programming highlights were matched on the big screen by BFI IMAX, which

ranked as the world's top-performing IMAX venue for six major releases and hosted international filmmakers including Alex Garland, Demi Moore and Francis Ford Coppola.

Reaching audiences

At the heart of our strategy is a commitment to audiences. Over the past year, we re-launched the Open Cinemas Fund as BFI Escapes, providing free film screenings across the UK. For 40% of attendees, it was their first visit to that cinema, and 86% said they would return within three months – evidence of the scheme's power to re-connect people with the big screen.

BFI Player has also grown, with subscriptions up 14% over the past 12 months and over 3 million streams across its services, devices, and territories. With 70% of our UK audience based outside London, the platform is becoming a vital way to ensure audiences everywhere can access the best of British cinema.

Through the BFI Film Audience Network we supported 400 local projects across the UK, and launched the Places Fund in ten towns – from Leigh to Neath Port Talbot – to strengthen cinemas and cultural venues outside the big cities.

Protecting heritage

The BFI National Archive remains central to our mission. Alongside restoring great works such as *Jeanne Dielman, 23, quai du Commerce, 1080 Bruxelles*, we also advanced our Our Screen Heritage programme, collecting digital-first content from the past 30 years and hosting the symposium Archiving in the Age of (Super) Abundance. This ensures that the voices and creativity of the online age are preserved as part of our shared cultural record.

Championing new filmmaking

The BFI Filmmaking Fund has supported a slate of standout titles that made a major impact this year. Sandhya Suri's *Santosh* was selected as the UK's official entry for Best International Feature at the Academy Awards, winning multiple BIFAs and earning her a BAFTA nomination. Karan Kandhari's *Sister Midnight* premiered at Cannes and secured wide UK release, while Andrea Arnold's *Bird* competed for the Palme d'Or and went on to further acclaim at the BIFAs.

Animation and documentary were equally strong: *Kensuke's Kingdom*, voiced by Cillian Murphy, Raffey Cassidy and Sally Hawkins, reached audiences across seven territories and earned a BAFTA nomination for Best Family Film; while *Grand Theft Hamlet*, supported by BFI Doc Society, won Best Documentary Feature at SXSW and went on to scoop two BIFAs, including Best Debut Director.

These achievements demonstrate the breadth and ambition of the talent we are backing – from independent voices to bold experimenters – and the impact BFI support has in bringing their work to national and international audiences.

Looking forward

As we move further into Screen Culture 2033, the BFI will continue to balance its dual role: to protect and unlock the heritage of the past while enabling innovation for the future. With the support of the Board of Governors, our funders and partners, I am confident that we can deliver a screen culture that is inclusive, sustainable and internationally admired – one that inspires audiences, empowers talent and secures the UK's global reputation for creativity.

This is an important moment to recognise everyone who makes this work possible. The BFI staff, whose energy, expertise and deep love of film power everything we do; our highly knowledgeable and committed Board of Governors; the UK Government; and our generous donors and partners. Thank you for your invaluable contributions and support.



Ben Roberts,
Chief Executive

What we are doing

Our six strategic ambitions

Our ten-year strategy Screen Culture 2033 sets out the following six ambitions:

A – Transform our relationship with public audiences and be widely known as an open house for the discovery and enjoyment of film and the moving image.

B – Achieve wide appreciation of the cultural, social, and economic value of the full breadth of screen storytelling, including video games.

C – Establish the BFI National Archive as the most open moving image collection in the world.

D – Radically reform all BFI services by making them easy to use and widely available online, reaching more people and delivering more of the cultural programme digitally.

E – Reframe the educational value of screen culture with policymakers, educators and parents, and support a skilled and sustainable workforce that reflects the UK population.

F – Drive growth and international success across the screen sector, and address market failure through our funding schemes, policy, and evidence.

Future audiences



Image: Millie Turner

Ambition A: Transform our relationship with public audiences and be widely known as an open house for the discovery and enjoyment of film and the moving image.

We want to welcome new and occasional audiences into a year-round and lifelong relationship with screen culture and the BFI. We want to encourage audiences to experience a thrilling sense of discovery of new and historic voices, technological advancements and different forms of screen storytelling. We will take a more egalitarian approach, making our online and physical spaces welcoming and inclusive for all. We will ensure anyone can afford to seek out something different. And we will not be afraid of populism and of embracing work with wider appeal.

Programme highlights

- ***LAIKA: Frame x Frame,*** this free exhibition exploring the art, craft and innovative wizardry of the studio's epic films drew 45,000 visitors to BFI Southbank as part of our *Stop Motion: Celebrating Hand-Crafted Animation on the Big Screen* season, exploring 100 years of animation with free film screenings for children under 16 (1 August–9 October 2024).

- ***Chantal Akerman: Adventures in Perception,*** a comprehensive retrospective of the influential Belgian filmmaker, showcasing BFI Distribution's acquisition of the Akerman catalogue. This included a season at BFI Southbank (3 February–18 March 2025) and a UK-wide touring programme, a 50th anniversary re-release and 2K restoration of *Jeanne Dielman, 23, quai du Commerce, 1080 Bruxelles,* a curated BFI Player collection, and a Blu-ray box set release.



All We Imagine as Light (2024), directed by Payal Kapadia

- ***Art of Action,*** a UK-wide season (October–December 2024) celebrating the skills and artistry of real action cinema – from the stunts of the silent era to the choreography of today's biggest action films, via the daredevil ethos of Hong Kong filmmaking. This season also featured the hotly anticipated re-release of Kathryn Bigelow's *Point Break.*

- ***All We Imagine as Light,*** the critically acclaimed BAFTA and Cannes award-winning hit from Payal Kapadia, was released by BFI Distribution in November 2024 to over 200 cinemas, achieving over £400,000 at the UK box office.

- BFI Southbank reached £1,627,731 box office over 2024/25 against a target of £1,183,284.

Programme

Diversifying our audience is about challenging and expanding the traditional 'canon' of film by celebrating the full breadth of cinema, so that all audiences see themselves and their histories on screen. Throughout the year, the BFI worked in collaboration with cultural partners and guest programmers to present a diverse and exciting programme to our audiences.

Of significant value in 2024/25 was the BFI acquisition of the Chantal Akerman catalogue for UK and Ireland from the Akerman Foundation. The roll-out of Akerman's extensive catalogue took place in February and included *Chantal Akerman: Adventures in Perception*, a near complete retrospective at BFI Southbank, featuring many restorations from Cinematek in Belgium along with special guests. The season proved a hit with young audiences, with 30% of tickets sold to under 25s – exceeding our 25% target. A touring package led by our brand new 2k restoration of *Jeanne Dielman, 23 quai du Commerce, 1080 Bruxelles* travelled throughout the UK, and the project will continue on BFI Player and BFI home entertainment.

Originally launched in France before touring across the African continent, *Tigritudes: A Pan-African Film Cycle* arrived at BFI Southbank in June and July 2024, with additional screenings at Tate Modern and the Garden Cinema. Our season *Stop Motion: Celebrating Hand-Crafted Animation on the Big Screen*, in partnership with LAIKA, explored the last century of stop motion animation and featured guests including Aardman and Henry Selick, and the eye-catching free exhibition *LAIKA: Frame x Frame*; while *Echoes In Time: Korean Films of the Golden Age and New Cinema*, 28 October–31 December 2024, in partnership with the Korean Cultural Centre and National Archive concluded with a special appearance from Bong Joon Ho to launch his new feature, *Mickey 17*. Other partnership highlights included Martin Scorsese as a guest curator for *Martin Scorsese Selects Hidden Gems of British Cinema* and *A Béla Tarr Retrospective: Will Heaven Fall Upon Us?* in partnership with Curzon.



In Conversation Céline Sciamma, *Chantal Akerman: Adventures in Perception*. Image: Millie Turner

Further programmatic high points were *Sidney Poitier: His Own Person*, a celebration of the trailblazing actor and director; *O Dreamland! Lindsay Anderson's Dark British Cinema*, the work of the British auteur presented by the BFI National Archive; *Luchino Visconti: Decadence and Decay*, a retrospective including a re-release of *Rocco and his Brothers*; a season exploring the appeal of *Discomfort Movies*; *Chasing the Real: Italian Neorealism*, a two-month exploration of Italian Neorealism which included a re-release of *Rome, Open City*; and *Maggie Cheung: Films of Romance, Melancholy and Magic*, a celebration of the iconic actress.

Our major UK-wide season *Art of Action* provided the perfect frame for *Point Break's* long-awaited return to cinemas via BFI Distribution, grossing £125k and becoming the first repertory title to be presented free to audiences as part of BFI Escapes, supported by our BFI National Lottery Audience Fund.

Elsewhere, our 'in conversation' and special events continued to bring major screen creatives to our venues; among our many guests were Raoul Peck, Mike Leigh, Timothée Chalamet, Tamara Lawrance, Saoirse Ronan, Judi Dench, Mario Van Peebles, Charlie Brooker, Alfonso Cuaron, Jack O'Connell, Jang Joon-hwan, Fiona Shaw and Marlon James. The annual Woman with a Movie Camera summit (18 January 2025) once again sold out to a majority female audience, while a special Stunt Saturday (16 November 2024) – celebrating the men and women behind the scenes of our favourite high octane cinema moments – was a highlight of *Art of Action*.

We continued our collaborations with partnership festivals SoulFest, the London Indian Film Festival, the London Short Film Festival, Film Africa, Queer East, the London Korean Film Festival and the UK Asian Film Festival. This was mirrored on BFI Player where Film Africa, Made in Prague, the London Indian Film Festival, MyFrenchFilmFestival and Reclaim the Frame all made us their digital home this year.

BFI Player programming extended the reach of eight BFI seasons to UK-wide audiences via our subscription service. These included *Tigritudes: A Pan-African Film Cycle*, *A Béla Tarr Retrospective: Will Heaven Fall Upon Us?*, *Luchino Visconti: Decadence and Decay, Chantal Akerman: Adventures in Perception, Art of Action* and *Echoes in Time: Korean Films of the Golden Age and New Cinema.*

BFI London Film Festival

A major event in the UK film calendar, the BFI London Film Festival (LFF) in partnership with American Express presents its programme in cinemas and online – welcoming audiences to screenings of the year's most highly anticipated films, attended by global film talent from behind and in front of the camera – at our iconic London venues, BFI Southbank and the Southbank Centre's Royal Festival Hall. In 2024, a curated selection of features was also showcased at nine partner venues across the UK, reflecting our commitment to ensuring audiences from all backgrounds throughout the UK can discover new voices within screen culture, and that no one is excluded from enjoying and participating in the latest cinema and events.

The 68th edition of the festival (9 to 20 October 2024) opened with the world premiere of Apple Original Films' *Blitz* – an epic tale of resilience and humanity in the face of adversity in World War II London – directed, produced and written by Steve McQueen. It closed with the European premiere of *Piece by Piece*, an inventive and vibrant journey through the life of Pharrell Williams directed by Morgan Neville and told through the lens of LEGO® animation. Within a wide-ranging programme, the festival included 38 world premieres, 12 international premieres and 21 European premieres, and welcomed more than 815 international and UK filmmakers, XR artists and series creatives presenting their work in person.

This year's festival drew a huge audience of 230,342 in-person attendees, an 18% increase on 2023 and the LFF's highest attendance in over ten years. In 2024, occupancy across both free and paid-for in-person screenings and events at London venues increased to 92%, with 49% of these tickets booked by first-time LFF attendees.

The 2024 programme included 252 titles – encompassing features, shorts, series and immersive works – hailing from 79 countries, and featured 63 languages, with 44% of works made by female and non-binary filmmakers.







Clockwise from top left: James Norton and Thomasin McKenzie at the *Joy* Cunard Gala (Image: Gareth Cattermole); Saoirse Ronan and Elliott Heffernan at the *Blitz* Opening Night Gala (Image: Joe Maher); Pedro Pascal (Image: Lia Toby) and Lupita Nyong'o (Image: Shane Anthony Sinclair) at *The Wild Robot* Special Presentation; and Ralph Fiennes, Edward Berger, Stanley Tucci, Isabella Rossellini, Michael Jackman and Tessa Ross at the *Conclave* Headline Gala (Image: Kate Green), 68th BFI London Film Festival – Getty Images for BFI







Clockwise from top left: Bill Nighy at *The Wild Robot* Special Presentation (Image: Shane Anthony Sinclair); Marianne Jean-Baptiste at the *Hard Truths* BFI Patron's Gala (Image: Gareth Cattermole); Andrew Garfield at the *We Live in Time* Mayor of London's Gala (Image: Gareth Cattermole); Pedro Almodóvar and Julianne Moore at *The Room Next Door* Headline Gala (Image: Joe Maher); and Pharrell Williams at the *Piece by Piece* Closing Night Gala (Image: Lia Toby), 68th BFI London Film Festival – Getty Images for BFI.

Outside London, 13 features screened at nine UK-wide partner cinemas, with additional screenings of *The Wild Robot* and *Endurance* also playing in cities across the UK's nations and regions. On the BFI streaming platform, BFI Player, films from our ten short film nominees were made available for audiences to view for free.

Alongside the film programme, LFF for Free offered audiences a varied programme of more than 60 events they could attend completely free of charge. These included activities for families, talks, video games, and augmented reality experiences – a highlight being an event celebrating 30 years of DreamWorks Animation and its accompanying exhibition.

This year's LFF Industry Forum welcomed more than 3,000 delegates. Events included the LFF Works-in-Progress showcase, a Buyers and Sellers Day, Press and Industry screenings, and Spotlight Conversations with Tim Bevan and Eric Fellner (Co-Chairs of Working Title Films), Katie Goodson-Thomas (Head of International Production and Development at Searchlight), and Jay Hunt OBE (BFI Chair).

For information on LFF Expanded see the section on Embracing a wider screen culture



David Furnish and Elton John at the *Elton John: Never Too Late* American Express Gala (Image: Gareth Cattermole) – Getty Images for BFI.

BFI Flare: London LGBTQIA+ Film Festival

The 39th edition of BFI Flare: London LGBTQIA+ Film Festival saw its audience continue to increase in size with 29,831 ticketholders enjoying screenings and events at BFI Southbank and accessing BFI Player. Festival occupancy increased to 92% at BFI Southbank, up from 87% in 2024, with 50% of bookers new to BFI Flare.

The 2025 programme consisted of 56 features, one series and 81 shorts from 41 countries screened at BFI Southbank. The festival hosted 34 world premieres, 18 international premieres, 7 European premieres and 47 UK premieres from across the programme of features, shorts and series. BFI Flare welcomed 260 filmmakers and their teams from 28 countries to present their films, including filmmakers from our Opening Night film *The Wedding Banquet* – Andrew Ahn, Bowen Yang, Lily Gladstone, Kelly Marie Tran, Han Gi-Chan, Joan Chen and Youn Yuh-Jung.

BFI Flare 2025 presented the 11th year of #FiveFilmsForFreedom in partnership with the British Council and marked the 11th year of the BFI NETWORK & BAFTA Mentoring programme in partnership with BFI Flare, with a new cohort of six filmmakers.

The festival's 2025 industry programme offered topical industry-focused discussions plus networking events and press and industry screenings. The industry events programme, 21–23 March, included panels on film funding, personal documentary, script editing, music supervision, festival programming and a spotlight on German filmmaking.









Clockwise from top left: Bowen Yang and Kelly Marie Tran, Bobo Le, and Lily Gladstone at *The Wedding Banquet* Opening Night Gala; Marcio Reolon and Filipe Matzembacher at the *Night Stage* Closing Night Gala, Shatara Michelle Ford at the *Dreams in Nightmares* Special Presentation at the 39th BFI Flare: London LGBTQIA+ Film Festival. Images: Millie Turner

From left to right: Nicola Coughlan at the BFI Flare Opening Night Gala; The Makers event with Andrew Ahn and James Schamus. Images: Millie Turner





BFI IMAX

Highlights

- BFI IMAX continued to reach new audiences in 2024/25 with Chinese language hits *Ne Zha 2*, *Detective Chinatown* and *Creation of the Gods* 2.
- Two 70mm IMAX titles were presented at the venue as part of the BFI Film on Film festival's revival of celluloid – *Dune: Part Two* and *The Searchers*.
- BFI IMAX charted as the number one IMAX cinema globally for six major releases.
- 2024/25 saw an increase in talent appearing in venue, with Alex Garland, Tarsem, Demi Moore and Francis Ford Coppola all appearing on stage.

A reduced slate owing to the 2023 Hollywood strikes proved a challenge this year, which was mitigated by creatively programming repertory cinema.



BFI IMAX. Image: Ocean Outdoor, Paramount Pictures and Wavemaker



Sky Pearls (2024), directed by Moin Hussain. Image: Lisa Stonehouse for Escape Films

BFI Distribution

BFI Distribution brings a broad range of films into UK-wide cinemas, from classics and important world cinema titles to contemporary British and European films.

A notable development in 2024/25 was BFI Distribution's acquisition of the Chantal Akerman catalogue. The catalogue was presented to UK audiences throughout the year – including in the *Chantal Akerman: Adventures in Perception* retrospective season at BFI Southbank and a UK-wide tour, and with a 50th anniversary re-release and 2K restoration of *Jeanne Dielman, 23, quai du Commerce, 1080 Bruxelles,* allowing audiences across the UK's nations and regions to experience Sight and Sound's 2022 Greatest Films of All Time at its best.

Among the interesting and varied re-releases BFI Distribution brought to audiences in 2024/25 were BFI restorations *Big Banana Feet* (gross £73K) and *Watership Down*, the latter of which was screened in 38 cinemas following its BFI London Film Festival premiere, and then went on to be released by the BFI's home entertainment division on Blu-ray, UHD, AppleTV and Amazon Prime.

New film releases included *Sky Peals,* written and directed by Moin Hussain, folk horror *Starve Acre,* written and directed by Daniel Kokotajlo*, Àma Gloria,* written and directed by Marie Amachoukeli, and *Architecton* from documentarian Victor Kossakovsky, all of which premiered at the BFI London Film Festival (LFF).

Cannes Grand Prix winner and BAFTA-nominated *All We Imagine as Light* was released by BFI Distribution on 29 November following its LFF gala debut and has now grossed over £400k to date. Director Payal Kapadia and lead actor Kani Kusruti supported the release by participating in screenings and events, and media agency Media House provided specialist PR support. *All We Imagine as Light* had a successful launch on BFI Player and has been released by the BFI on Blu-ray/DVD, AppleTV and Amazon Prime.

BFI Player

BFI Player continued to be the BFI's widest-reaching audience platform, with over 3 million film streams across BFI Player's multiple services, devices and territories. In 2024/25, 333 films were added to those services, including more than 180 to UK Subscription, 46 comprising 'Subscription Exclusives', encouraging the 14% year-on-year subscriber growth that BFI Player has experienced over the last 12 months.

BFI Player Subscription continued to establish itself as the home for exciting contemporary British cinema, exclusively presenting BFI Filmmaking Fund-supported titles such as *Girl, Raging Grace*, *Sky Peals* and *Starve Acre*, while also supporting broader British and Irish

successes such as *Baltimore, That They May Face the Rising Sun* and *Wilding*. Together, these seven films amassed over 50,000 views.

A major new initiative this year was the launch of a new series of contextual videos, designed to help viewers delve deeper and discover fascinating filmmaking stories. These videos included exclusive Q&As for British releases such as *Silver Haze* and *Starve Acre*, a newly commissioned *Chantal Akerman* video essay, and the 45-minute standalone documentary, *Visions, Dreams and Magic: The Unmade Films of Michael Powell*.

Another exciting development in 2024/25 was the establishment of our first Hollywood studio SVOD deals with Columbia/Sony Pictures and LionsGate Films, bringing curated packages of acclaimed and award-winning films onto UK services for the first time – and helping us reach a broader potential subscriber base in line with our future growth ambitions. We look forward to continuing further expansion of BFI programming via BFI Player in 2025/26.

BFI DVD

In physical media, we continue to see retail dominance from Amazon as they build consumer loyalty by offering highly competitive prices and free delivery. Over the last 12 months 42% of our physical sales came from Amazon.co.uk. This therefore poses a significant challenge when we experience errors with their fully automated business to business platform. We are actively working with the platform to ensure all new releases are listed correctly and available to pre-order to coincide with quarterly press releases. To broaden the customer base, we are encouraging online shoppers to seek alternative outlets such as HMV.com.

Nonetheless, BFI Home Entertainment saw an upsurge in new release titles as we benefitted from Toho making their 4K restorations of key Kurosawa features available to international distributors. *Ikiru*, *Yojimbo*, *Sanjuro*, *Stray Dog,* and *High & Low* discs received excellent reviews and corresponding sales, but most notable was the release of *Seven Samurai* in November 2024 which generated £165,000 in gross sales within four months and accounted for 10% of the label's total revenue for the year.

We also benefitted from several other strong performers in the release slate, including the BFI restoration of *Watership Down,* which reached £100,000 in four months, as well as *Cronos*, *Big Banana Feet*, *Cooking Price-Wise*, *Starve Acre* and *Chantal Akerman Collection: Vol 1*.

Sight and Sound

Sight and Sound remains committed to delivering on the Screen Culture 2033 promise to grow and diversify audiences through bold, agenda-setting journalism that celebrates global cinema. The Winter 2024-25 double issue featured our end-of-year poll, crowning *All We Imagine as Light* by Payal Kapadia as the best film of 2024, reflecting our dedication to showcasing diverse voices.

In-depth interviews this year included Kapadia on Mumbai's cinematic landscape, Denis Villeneuve on *Dune: Part Two*, David Lynch on his musical innovations, Sean Baker on his Palme d'Or-winning *Anora*, Bong Joon Ho on *Mickey 17*, and Wong Kar Wai marking 25 years of *In the Mood for Love* with Maggie Cheung, William Chang, and Christopher Doyle.

Other notable filmmakers featured were George Miller, Richard Linklater, Luca Guadagnino, RaMell Ross, Andrea Arnold, Steve McQueen, Pedro Almodóvar, Francis Ford Coppola, and Guillermo del Toro, underscoring our unique editorial reach across contemporary and historical cinema.

Highlights included the Summer 2024 issue's 21st-century cinema special, where 25 critics selected era-defining films from 2000 to 2024. The September 2024 music in cinema special explored scores by Ishibaki Eiko and more, while April 2025 celebrated Italian neorealism with Vittorio De Sica's legacy and gig economy themes in *On Falling*.

Print performed well, with UK newsstand sales hitting a decade-high in Winter 2024 and March 2025 hitting the highest daily average sales since 2017, defying a UK magazine market decline of -10% annually. A Chantal Akerman bookazine, released in January 2025 and funded by a philanthropic donation, outperformed expectations in both the BFI Shop and on newsstands, integrating seamlessly into the BFI's Akerman season by enhancing audience engagement and supporting cross-departmental



Saoirse Ronan and Timothée Chalamet in Conversation at BFI Southbank, available to view on the BFI YouTube channel. Image: Getty Images for Searchlight, Studio Canal and BFI.

programming. Net audience growth on social media was strong, engagement increased, and newsletter subscribers remained high, with open rates double the industry standard, aligning with the audience goals set out in Screen Culture 2033 to grow and diversify.

Editorial

In 2024/25 we published 358 written articles – including features in support of the BFI cultural programme and new and re-releases, viewing recommendations, video game articles, obituaries and film and TV anniversary pieces. Among them were interviews with Kirsten Dunst, Alex Garland, Heiny Srour, Helene Louvart, Roger Corman, Sandhya Suri, Bertrand Bonello, Claire Denis, Takashi Miike, Euzhan Palcy, Lee Isaac Chung, Ti West, Béla Tarr, M. Night Shyamalan, Clio Barnard, Mark Cousins, Bill Nighy, Stephen Tung Wai, Richard Eyre, James Ivory, Sammo Hung and many more.

We published numerous articles in support of the *Art of Action* blockbuster programme, including a year-by-year top 100, alongside a growing body of work in support of the BFI National Archive and curatorial activity. We upped our video games coverage, including an article on *Fallout* which became one of the year's most popular articles. 'Long tail' content is still the bedrock of our traffic, driven by our evergreen franchises '10 great', 'Where to begin', and 'Then and now'. Over the year, our editorial pages attracted 5 million views, with a number of new initiatives and series now underway for 2025/26.

We began a new strand of video editorial on BFI Player, with exclusive content produced to accompany key titles including *Sky Peals, All We Imagine as Light* and the Chantal Akerman retrospective. These took the form of 'spoiler-full' extended Q&As, offering audiences who had watched these films on Player insights into the production process, alongside new video essay commissions from rising stars in film criticism.

Launched in June, the video series *Inside the Archive* explores the work of the BFI National Archive. Our YouTube audience have a deep interest in film heritage and conservation, and the videos – such as our explainer about a film reel that sunk with the Lusitania – have proved very popular.

Our YouTube Shorts output, developed in collaboration with the digital marketing team, expanded this year. Shorts videos featuring Maggie Smith, Jesse Eisenberg and Bong Joon Ho ranked among our most popular content of the year. This activity, along with high-performing Southbank videos from both the film (*Saoirse Ronan and Timothée Chalamet in conversation*) and TV (*SAS: Rogue Heroes*) programmes helped the YouTube channel to gain 57,500 subscribers. Total views came in at 32.6 million, with watch time reaching 1.1 million hours.

UK-wide audiences overview

BFI UK-wide audiences activities supported by National Lottery funding contribute significantly towards the first objective of our National Lottery strategy, ensuring **everyone can experience a rich range of screen culture**. By offering a range of opportunities for engagement, through national events supported by the BFI National Lottery Audience Projects Fund, targeted local activity through the BFI Film Audience Network, and the ambitious BFI National Lottery Open Cinemas initiative – now trading as the regular free cinema ticket event, BFI Escapes – we aim to give the broadest possible audience the chance to engage with screen culture, no matter where they live or what their background. Each of the principles that make up this objective are addressed through our overall approach:

1.1 Children and young people are empowered to develop their own relationships with a wider range of screen culture, including through education

1.2 People across the UK can access a wider choice of film and the moving image including stories that reflect their lives

1.3 Funding helps to tackle social, economic, and geographic barriers for screen audiences in new and effective ways

1.4 More people can engage with heritage collections that better reflect the diversity of the UK

Separate to our National Lottery activity, we have greatly valued the opportunity to model policy and strategic cases that advocate for industry and Government support for the exhibition and distribution sectors, in partnership with many of our applicants, in addition to trade bodies and sector-facing organisations, to ensure that our National Lottery strategy objective of achieving **success in a changing landscape** extends to the breadth of the film ecology.

BFI National Lottery Audience Projects Fund

In 2024/25, as well as making awards to a number of key exhibition venues, independent film distributors, and national film festivals to support independent film, and investing in a larger number of broader screen immersive projects, the BFI National Lottery Audience Projects Fund supported several high-profile projects. Two examples include Bradford City of Culture and The Libraries Digital Network, both of which align with the ambition set out in Screen Culture 2033 to reach audiences representative of the general population.

Bradford City of Culture 2025

A year-long programme of film screenings and events took place in Bradford throughout 2025, sitting within and benefiting from the City of Culture 2025 cultural programme. The film programme has been developed with a number of partners, including the National Science and Media Museum, and includes three main elements:

1. **The Bigger Picture**: designed to reach a diverse audience, this is a strand of curated seasons to expand upon the National Science and Media Museum's cultural cinema programme, cementing the museum as a leading cultural hub working in partnership with community groups and festivals.

2. **A Screen Near You**: designed to reach older audiences and ethnically diverse audiences in wards outside the city centre, this is a film screening and events programme for arts and community centres which includes training for volunteer led cinemas delivered by Cinema For All, and The Incredible Moving Cinema travelling across Bradford to support screenings in areas with no provision.

3. **Big Screen**: designed to reach a younger audience and a rural audience, these events are large scale, outdoor and site-specific, delivered in partnership with Wild Rumpus. Sites include Thornton Viaduct, Cannon Mills, Ilkley Lido, and Milner Fields.

BFI support: £451,560. Total programme budget: £1,127,354 (plus a further £46,345 awarded for a pre-application R&D project)

Libraries Digital Network

Launched in January 2025, this year-long project brings together a network of nine library services across England, from Bridgwater to Bradford, in a strategic national digital capacity building programme. Co-led by The Space and Coventry Libraries (the lead library service in Coventry's City of Culture), the BFI award supports a national VR film tour to engage audiences and communities with little or no access to digital technologies. Complementing the tour are the co-creation of new cultural digital commissions and a programme of regionally targeted workshops training young people, supported by Arts Council England and the Library Services.

BFI award: £190,000. Total budget: £861,900

The BFI National Lottery Audience Projects Fund also underwent a full mid-term evaluation in 2024/25, delivered by The Audience Agency. The evaluation helps us to determine the efficacy of this new fund, and to consider objective recommendations ahead of the next funding period. Evaluations are published at **https://www.bfi.org.uk/industry-data-insights/reports/bfi-evaluations**.

BFI Film Audience Network

In 2024/25, 400 audience projects were supported by the BFI Film Audience Network (FAN), delivering a diverse selection of film screenings to communities and audiences in locations across the UK.

The Places Fund was launched in 10 locations, providing intensive support to cinemas and cultural venues in small/medium size towns to help them boost their profile and increase community engagement. Towns receiving support include Leigh, Shrewsbury, Hexham and Neath Port Talbot.

Spotlight is an ongoing 3-year FAN initiative to develop screening activity in eight areas across the UK where there is currently little or no activity. Delivered in partnership with local organisations, it aims to inspire and equip local groups and organisations with the tools to get involved and start screening films for and with their local communities. There is a significant level of interest and enthusiasm for the project – in Peterborough, for example, 60% of partners supported by Spotlight would not have put on screenings otherwise, helping to achieve over 4,150 admissions in the two years that the initiative has been running in that location.

Other highlights of the year include *Art of Action*, a UK-wide major programme delivered by FAN in partnership with BFI Southbank. For this programme, 80 organisations took part in a wide range of screenings and events celebrating the real-life action and stunts performed by actors and technical artists across the world of cinema.

The inaugural edition of FAN CON, a conference by and for the FAN membership, took place over two days in Belfast in 2024. Attended by 150 delegates, the sessions ranged from the use of AI, the health benefits of film, placemaking and environmental sustainability.

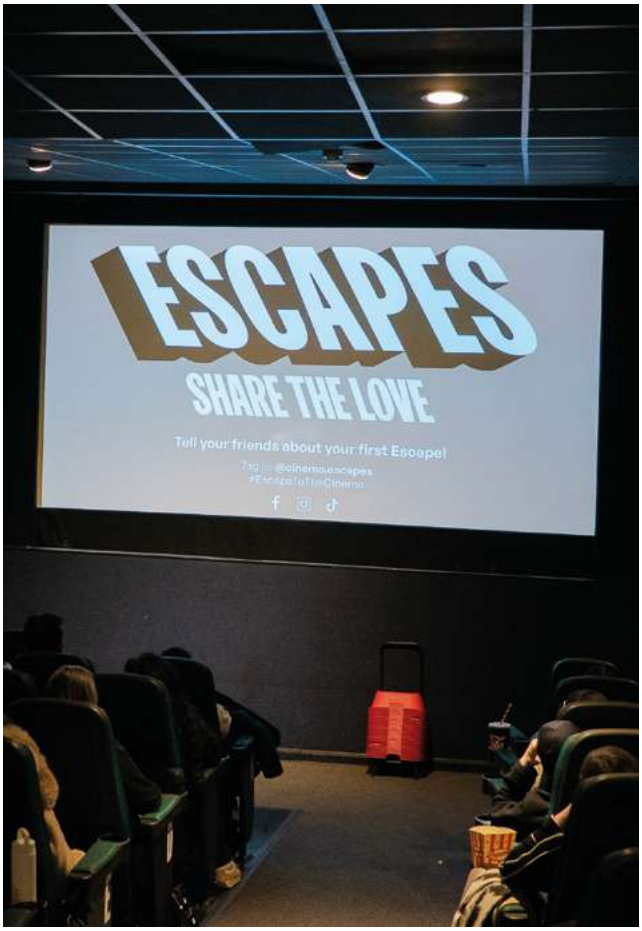
FAN also supported its membership to build and develop their capacity through training and workshops covering topics such as business skills, audience development, access and programming.

BFI National Lottery Open Cinemas Fund

In 2024/25 the BFI National Lottery Open Cinemas Fund underwent its full first year of operation under the name BFI Escapes, providing free, curated film screenings for audiences across the UK. The aim of the fund is to encourage people in all locations in the UK to discover or rediscover the joy of cinema-going and of their local cinemas. A key objective is to remove the barriers that have historically prevented audiences from engaging with and enjoying independent films in cinemas, whether related to price, accessibility provision or threshold anxiety.

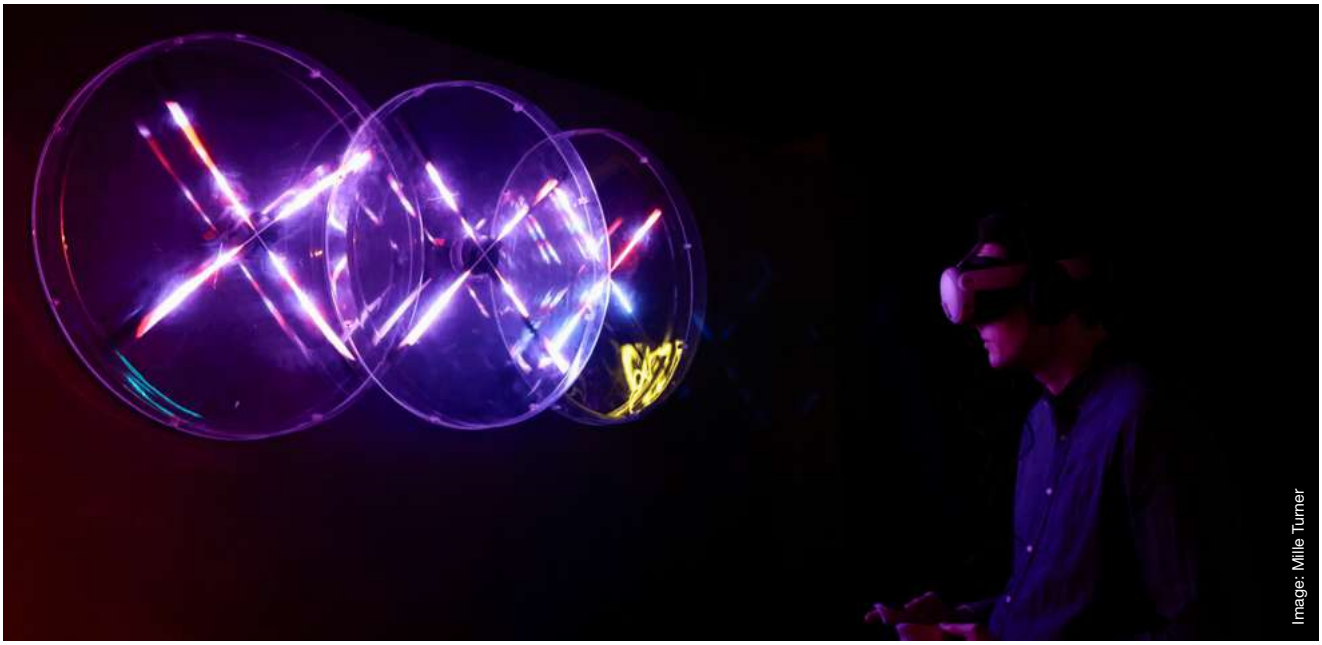
At 10 screenings events held throughout the year, Escapes offered everyone in the UK the opportunity to enjoy the big screen experience for free. These screenings (as well as two pilots held in early 2024) brought in over 100,000 bookings in 168 cinemas with audience survey results showing that 98% of attendees would recommend Escapes to friends, family and other people. There has been a significant impact in terms of Escapes audiences discovering cinemas with 40% reporting they had not previously been to the cinema that they visited for Escapes and 86% noting that they are likely to return to the cinema to watch a non-Escapes film within three months.

Survey data shows that over 70% of Escapes audiences to date were from outside London and the South East. It also shows that an average of 26% of this audience were D/deaf or disabled, 15% were LGB+, and 15% were from a working-class background. An average of 44% of audiences in London and 13% outside London were Black and Global Majority; these numbers are split by location in alignment with the BFI inclusion targets for Black and Global Majority audiences which are set separately for London and outside London.



For Escapes, a broad range of films were selected to reach a wide range of audiences and to be representative of the UK population. In early 2025, *Point Break* was the first classic title screened, and *The Sloth Lane* the first family title. A collaboration with the National Lottery Open Week also took place, with preview screenings of *The Penguin Lessons* making it the biggest Open Week to date, and the first to include a free cinema ticket offer. For these first three films of the year, more than 30,000 tickets were booked, with 75% of audience members being first-time Escapes attendees.

Embracing a wider screen culture


Image: Mille Turner

Ambition B: Achieve wide appreciation of the cultural, social, and economic value of the full breadth of screen storytelling, including video games.

We want to build on our international reputation as an expert and advocate of film and the moving image, and fuel an entirely new narrative around the cultural significance of video games amongst the public and government. We will use the first three years of our strategy to build a clear case for the role of government and industry support for the video games sector. We will take what we have learnt from this period to build a roadmap for how we will support video games and interactive media over the remainder of the strategy.

LFF Expanded

Our immersive art and extended reality (XR) programme, LFF Expanded, invites audiences to explore and experience powerful new ways of telling stories on screen. Featuring leading UK and international filmmakers, artists, and creative teams, the 2024 programme offered audiences a diverse array of storytelling approaches at the cutting-edge of screen technology.

Four major installations were presented at Southbank Centre's Undercroft, BFI Southbank, BFI IMAX and Outernet London.

- *Impulse: Playing With Reality*, a groundbreaking installation from UK studio Anagram, narrated by Tilda Swinton. Combining Mixed Reality with engaging gameplay, the work provides a deeper insight into ADHD while raising important questions about how we perceive and engage with neurodiversity.

- *ARCADE,* a major immersive audio installation from Darkfield. Combining spatial sound and sensory effects with the nostalgic aesthetic of 1980s video games, its narrative explores the evolving relationship between players and avatars, as audiences set out on an interactive quest that asks deep questions about free will and consciousness.

- *The Great Endeavour* by Liam Young, presented in partnership with Outernet London – an inspiring cinematic experience that envisions a future where we achieve planetary transformation by coming together to remove carbon from the atmosphere.



Hannah Andrews and Imogen Heap on stage during *Imogen Heap Playing the Audience*, LFF for Free. Image: Tristan Fewings/Getty Images for BFI

- *Superradiance: Embodying Earth* by Memo Akten and Katie Peyton Hofstadter, presented in partnership with Digital Body Festival London, a multiscreen video and sound installation that combines AI with dance to provoke and nurture strong connections to the global ecosystems of which we are a part.

Alongside these major installations, a selection of free XR works at Bargehouse at Oxo Tower Wharf explored how Virtual and Mixed Reality can offer new perspectives on physical and mental health, including *Mammary Mountain, Soul Paint,* and *Emperor.*

For the very first time at the BFI London Film Festival, video games were showcased for audiences to play for free at BFI IMAX in an interactive Games Lounge, which featured five creative projects playfully exploring alternative storytelling methods and diverse approaches to audience interaction and game design – *A Highland Song, Playing Kafka, Paper Trail, Dome King Cabbage* and *Closer the Distance.*

The LFF Expanded programme was complemented by events including an engaging conversation on ADHD and gaming at Science Gallery, from the team behind *Impulse: Playing with Reality*, and a conversation with polymath artist Imogen Heap, unveiling the early stages of her journey with digital twin *AI.MOGEN*.

BFI Filmmaking Fund

In July, Marshmallow Laser Feast premiered *Sweet Dreams*, its newest multi-sensory experience at Manchester's AVIVA Studios at Factory International. The immersive multimedia narrative-driven show, developed and supported by the BFI Filmmaking Fund, invited audiences to explore their place in the food chain, wrapping ideas about appetite and desire into a surreal pop package.

Another immersive BFI Filmmaking Fund supported project, the award-winning *In Pursuit of Repetitive Beats* – an interactive adventure transporting the viewer back to 1989 and into the heart of the Acid House movement – headed on a national tour in 2024/25, jointly supported by Arts Council England and the BFI National Lottery Audience Projects Fund. The VR experience, from East City Films and created by Darren Emerson, visited eight cities across the UK, including Brighton, Belfast, and Cardiff in 2024 and London's Barbican May–August 2025.

Video Games

In 2024/25, the BFI reinforced its commitment to the UK video games sector and achieved substantial progress. We continued to support video games developers transitioning from the Video Games Tax Relief (VGTR) to the Video Games Expenditure Credits (VGEC), and additionally in 2024 provided up to 30% of available funding within the UK Global Screen

LFF Expanded Games Lounge. Image: Millie Turner





Fund's International Business Strand to six games companies to support their growth and expansion internationally.

We have begun an open dialogue with video games trade bodies, Ukie and TIGA, and are working collaboratively to support a Games Skills Network, ensuring that the BFI can take on board where there are key areas of need such as for instance, skills and development.

Since its inception in 2005, the BFI has supported Games London and the London Games Festival through fringe events and talks. This year, we officially partnered with the London Games Festival for the Screen Play Conference, which explored the interplay between games and film – particularly in relation to IP – with keynote speakers from Sony, Playstation and Story Kitchen.

In 2024, the scope of LFF Expanded – the immersive strand of the BFI London Film Festival – was broadened to include video games, with five titles from games developers showcased in the foyer of the BFI IMAX. The incorporation of video games into festival programming continued for BFI Flare 2025, which included a panel session featuring representatives from the video games industry called 'LGBTQIA+ Gamers – Queer and in Control' in which LGBTQIA+ creatives explored their relationship to queerness and video games.

CoSTAR

The CoSTAR programme is a major investment by the Government in creative R&D, funded and delivered by the UK Research and Innovation (UKRI) Arts and Humanities Research Council.

In November 2023, the BFI was confirmed as a key partner in the CoSTAR Foresight Lab, and began work creating research partnerships to explore the potential for new technology in screen production. Now leading the CoSTAR Foresight Lab's Insight workstream, in 2024/25 the BFI assembled a Carbon Working Group and delivered a first report, in partnership with Arup, on the *Sustainability Impacts of Convergent Technologies in the UK Creative Industries.* The report identifies research and development priorities that will be taken forward by labs across the CoSTAR network.

We have also developed a first survey of how major UK screen organisations are engaging with artificial intelligence (AI) and convergent technologies, with results helping to inform the CoSTAR Foresight Lab report on *AI in the Screen Sector* published in June 2025. Additionally, the team co-developed a major new longitudinal survey of creative businesses across the UK – which will produce data on companies' strategic priorities, barriers to success, and skills needs.

BFI National Lottery Innovation Challenge Fund

The BFI National Lottery Innovation Challenge Fund, which supports innovations tackling the UK screen sector's most critical challenges, announced three challenge calls in 2024/25.

The first call, informed by consultation with the sector, is supporting video games projects to develop open data solutions and new tools to support smaller-scale and independent developers. It also addressed barriers facing emerging under-represented developers in bringing projects to market. Following an open tender process, four projects to be supported by the fund were announced in October 2024.



Transformative open data for the UK video games industry

Into Games CIC – The Games Insights Database

Into Games, Games Jobs Live and Birds Eye View will create the **Games Insights Database (GIDB)** – a new UK-wide, freely accessible digital data platform to support independent games organisations to access more accurate and up-to-date information around workforce, skills, salary benchmarking, and funding availability.

OKRE: Opening Knowledge across Research and Entertainment – UK Video Games Econometrics

Partners OKRE and UKIE will undertake an initial scoping study to gather insights capturing the economic, social and cultural value of the UK video games sector – collating data to build a comprehensive picture of the sector. This data will have the potential to unlock funding and support through more effective advocacy.

Support for under-represented emerging developers

Code Coven – Aurora

A business development accelerator and agency dedicated to underrepresented game developers, empowering them to secure funding while retaining creative control of their work, by building their skills and knowledge in business development and games financing. Code Coven will also provide comprehensive support by championing these studios and facilitating connections with publishers and investors.

Film London – Access to Market: Self-Publishing Toolkit

Led by Games London, a branch of Film London, this project will help UK-based video game developers from under-represented backgrounds bring their first or second game to market through self-publishing. Over the course of this two-year project, up to 12 independent games companies will engage in business development workshops focused on self-publishing. The insights gained from these workshops will then be developed into a free digital toolkit available to the whole sector.

The second call of the BFI National Lottery Innovation Challenge Fund supports moving image archives in developing skills and AI literacy across the sector. In January, King's College London was awarded £192,500 for Intelligent Systems for Screen Archives (ISSA), a project looking at how UK moving image archives could creatively explore emerging AI technologies in their work documenting, developing, and sharing moving image heritage.

A third call seeks to accelerate research and innovation around equity, diversity and inclusion data monitoring for film production and will be announced in the next financial year.



Reframing the public's relationship with the nation's screen heritage



Ambition C: Establish the BFI National Archive as the most open moving image collection in the world.

We want to unlock the value and expertise of one of the world's greatest collections of screen heritage and find new ways to communicate our experts' knowledge, skills and passion for the moving image. We will transform public access and education through the Screen Archive of the Future; safeguard the future record of our artform and fulfil our global leadership potential; and invest in a digital-ready and diverse UK-wide screen heritage workforce.

Acquisition of heritage assets

Collecting

The BFI National Archive holds the national collection of film and television, a multi-media library including paper and moving image formats, recording, restoring and preserving the evolution of the moving image.

Features

In 2024/25, the BFI National Archive newly acquired or accessioned over 2,100 feature length films for preservation, encompassing both contemporary and historic works, and ranging across feature-length material, shorts and mid-length works (40-60 minutes). This total includes the online moving image titles acquired through the Our Screen Heritage programme outlined later in the report.

Highlights include:

- Contemporary features funded by the BFI Filmmaking Fund, such as *How to Have Sex* (Molly Manning Walker, 2023), *The Old Oak* (Ken Loach, 2023), and *Bird* (Andrea Arnold, 2024); and features part-funded by the BFI UK Global Screen Fund, such as *Freud's Last Session* (Matt Brown, 2023).
- Contemporary digital documentaries funded by the BFI Doc Society Fund, such as *Fashion Reimagined* (2023).
- Educational films donated by higher, further, and school education organisation Learning on Screen, including *Evolution in Progress* (1955), *Language and Creativity* (1972) and *Fascism* (1980).
- A legacy collection from Universal Film Laboratory including *This is Marks & Spencer* (1968) and *London for You* (1978).

- A large film collection donated by World Wide Pictures (Britain's oldest independent production company, which has produced short films since 1942) including such varied sponsored documentaries as *A Road to Ruin* (1959), *The Way Back* (1967) and *Understanding Sexual Problems* (1978).

- Various collections donated by private individuals, including films as wide-ranging as *Bakelite: Material of Infinite Uses* (1933), *1st Day at School* (1958), and *Arabian Bazaar* and *Jerusalem* (both 1938: two previously not-held episodes of the Jack Cardiff-photographed World Window series of Technicolor travelogues).

Television

Television acquisitions for the BFI National Archive included more than 440 titles from broadcasting and streaming partners by file transfer in 2024, as well as our complete recording of 17-plus channels off-air as-broadcast.

Highlights include:

- The drama series *Litvinenko* (2022), *Karen Pirie* (2022) and the factual *series Kew Gardens: A New Year in Bloom* (2022).

- From Netflix, we collected the second series of *Top Boy*, and selected episodes of the documentary series *Formula 1: Drive to Survive.* The first year of our partnership with Prime Video UK enabled the acquisition of both *Good Omens* (2019) and *Clarkson's Farm* (2021).

- A major acquisition of the historical TV-am collection was agreed, an independent franchise which broadcast breakfast television nationally from 1983 to 1992. Highlights of the collection include vital interviews with major political figures and landmark news reporting of the era. We will be working to accession this exceptionally large collection in the coming years.

On World TV Day, 21 November, the Archive released 103,000 digitised programmes to the BFI Southbank Mediatheque. With over 175,000 titles now accessible, the Mediatheque currently has the most titles available to stream of any UK streaming platform.

Symposium Event BFI_MT54728_Photo by Millie Turner_BFI – Engagement

Special Collections

Special Collections took a focused and strategic approach to acquisitions in 2024/25, investing in the key growth area of born digital collecting. Supported by the National Lottery and BFI Screen Heritage Fund, we have been working to acquire the born digital archive of leading British filmmaker, Gurinder Chadha; with the ambition to pilot the preservation and access infrastructures required for born digital document archives.

Online, non-broadcast and shorts

Outside of the Our Screen Heritage programme, the Archive accessioned film, tape or digital elements for a further 1,041 works.

Highlights include:

- A home movie collection from British cinematographer Douglas Slocombe who worked on Hollywood blockbusters such as *Close Encounters of the Third Kind* (1977) and *Raiders of the Lost Ark* (1981). The reels include behind-the-scenes location footage of two of the famed Ealing Studio's Technicolor titles: *The Titfield Thunderbolt* (1951) and *The Love Lottery* (1954).

- A collection of over a hundred film prints from a pioneering non-theatrical distributor Educational Films Bureau, which has roots back to the 1920s. This included an extensive range of sponsored educational films and a collection of commercials for the drinks brand Ovaltine, constituting a fascinating four-decade case study in screen advertising.

- Preservation copies of the majority of the films nominated in BAFTA's 2025 British Short Film and British Short Animation categories, including the winning animation *Wander to Wonder* (2023) by Nina Gantz, and the powerful documentary essay film *The Flowers Stand Silently, Witnessing* (2024) which offers a powerful statement on intervention into, and engagement with, colonial archive film.



- Original negatives for Susan Shapiro's *Fakenham Film* (1972), a feminist direct cinema documentary about a six-month work-in at a shoe factory by women workers threatened with redundancy.
- A small collection of newsreel films kept by Sir Matt Busby, the first manager of an English team to win the European Cup, documenting his successes as manager of Manchester United.
- 16mm Technicolor prints of *Arabian Bazaar* and *Jerusalem*, two 1938 travelogues from the Jack Cardiff-photographed World Window series, both previously not held in the collection.
- Original reversal print of a film documenting the 1948 British United Aid to China trip to the country in the middle of a Civil War, visiting both Nationalist and Communist areas under the guidance of Lady Isobel Cripps.
- Concert visuals produced for Pink Floyd's Dark Side of the Moon tour c.1973; part of a collection of films from the estate of animator and filmmaker Ian Emes (1949-2023).
- A preservation copy of an Experimenta Mixtape based on the work of Lindsay Anderson, compiled by artist Stephen Sutcliffe, and screened as part of the popular series at BFI Southbank.
- Ongoing accessioning of Public Information Films and other official government productions from the collection of the Central Office of Information. This is a long-term accessioning project enhancing and completing the holdings of this hugely important organisation in UK screen history.
- Continued accessioning from a large film collection donated by World Wide Pictures (which has produced short film since 1942) including such varied sponsored documentaries as *A Road to Ruin* (1959), *The Way Back* (1967) and *Understanding Sexual Problems* (1978).
- Educational films donated by universities organisation Learning on Screen, including films such as *Evolution in Progress* (1955), *Language and Creativity* (1972) and *Fascism* (1980).

This year, we began a pilot collecting activity as part of Our Screen Heritage, focused on acquiring key and/or representative examples of moving image, ranging across multiple genres and production contexts, that were produced primarily or solely for online distribution over the last c.30 years for the BFI National Archive. Examples of work acquired and preserved under this programme, as well as other newly acquired digital works and short form content, include:

- *Trojan Room Coffee Pot Movie* (2024), a reconstituted record of the output of the world's first webcam feed.

- *Badgers* (2003), an animated web film which became an early viral hit.
- *#MyClitoris* (2016), an example of online video used for awareness-raising purposes, part of a charity-funded campaign about Female Genital Mutilation.

Research development

We were delighted to be awarded Arts and Humanities Research Council (AHRC) funding for the collaborative project *Women's Screen Work in the Archives Made Visible* – led by Professor Helen Hanson (University of Exeter) with Wendy Russell (BFI Special Collections) as one of the Co-Leads. The BFI Special Collections strand of *Women's Screen Work in the Archives Made Visible,* which began in September 2024, will critically engage with archival practice and the cataloguing of two women filmmakers – Tina Gharavi and Gurinder Chadha – with a view to highlighting their work and the work of other women found within their collections. Cataloguing of Gharavi's collection is already underway and will include smaller pieces of work aimed at enhancing the visibility of the women within it. In January 2025, BFI Special Collections presented a panel on the project at the Woman with a Movie Camera summit alongside a public 'show and tell' event of script supervisors archives at BFI Southbank.

We are also proud to have been awarded two collaborative PhD studentships by the AHRC. The first, entitled *From Narratives of Value to Valuable Algorithms: a decade of promotional screen culture in the UK seen by machine*, is a partnership with King's College London. This project aims to bring to light advertisements in the collection broadcast across all main commercial public service broadcast channels in the UK since 2016. The analysis will be carried out through a computational humanities approach, making these moving images an open record of the transformation of social and economic values in the UK's recent history. The second, entitled *Britsoft Unlocked: The Use and Reuse of Videogame Archives in the UK*, will see the BFI National Archive working with University College London on a project that will examine historic and contemporary approaches towards the digital curation of video game archiving, evaluate the current state-of-the-art, and help identify potential users of video game related collections. Both projects began in September 2024 and are co-supervised by our Head of Data and Digital Preservation.

Cataloguing

Cataloguing was completed for the Michael Powell Archive: this included 1,000 boxes comprising the seminal British filmmaker's production papers, correspondence, publicity ephemera and 'juvenilia'.

The Sidney Bernstein Archive was also completed: 450 boxes were catalogued, including but not limited to papers and scrapbooks relating to the Granada Cinema chain, publicity ephemera, correspondence on all aspects of cinema building and maintenance, exhibition, marketing and showmanship.

Audit to Access

Audit to Access, a major two-year project supported by the National Lottery Heritage Fund which began in December 2023, is an audit of un-accessioned paper collections connected to film and screen heritage preserved at the BFI National Archive. This survey will provide the most comprehensive picture of these collections to date.

This essential review contributes to opening up access to the national collection, supporting the BFI's responsibility to understand and interpret the BFI National Archive and meet the public's interest in engaging with their screen heritage, a long-term ambition set out in Screen Culture 2023.

Audit to Access has delivered an audit as follows:

- Containers audited: *6,612.*
- Shelves audited: *1,044.*
- Rows audited: *27.*
- Collections audited: *633.*
- Collections with condition rating 2 found: *53.*
- Collections with condition rating 3 found: *8.*
- Containers rehoused: 148. Disposal cases identified: *17*.

'Condition rating' refers to the overall material condition of a collection and the assigned actions in response to the present condition of the objects as defined by our project-specific criteria.

The rating system is as follows:

1. *No identifiable issues*
2. *Condition or hazard issue present*
3. *Condition or hazard issue requiring immediate attention*

Documentation

BFI Documentation added 134 films to the BFI Filmography in 2024/25, cataloguing them to enhanced standards for cast and credits. In the first year of our streaming partnerships with Netflix and Prime Video UK, 186 records of UK television titles for Netflix and 53 records for Prime Video were fully catalogued and preserved. To enhance our cataloguing and documentation practice, many improvements were made to our Collections Management System, including the addition of 150 new fields to enhance visibility of automated digital media technical metadata,; new sections in our Collections Assets database, to allow cataloguing and location tracking of equipment used in film and video preservation and restoration; and a new condition reporting template to standardise film condition documentation outputs.

The BFI Collections Systems team also participated as a pilot museum in the AHRC-funded Sensational Museum Project, investigating ways to make cataloguing more representative of all senses, not just sight. Learnings from this project will inform future work on the Collections Management System.



The Golden Pince-Nez, BFI National Archive



Eille Norwood as Sherlock Holmes, BFI National Archive

Restoring and remastering

The iconic Holmes of the silent era, Eillee Norwood still holds the record for having appeared in more Sherlock Holmes films than any other actor on the big screen. He portrayed the famous sleuth in 45 two-reelers across three series: *The Adventures of Sherlock Holmes* (1921), *The Further Adventures of Sherlock Holmes* (1922) and *The Last Adventures of Sherlock Holmes* (1923), plus two features, *Hound of the Baskervilles* (1921) and *The Sign of Four* (1923). This year the BFI National Archive completed the restoration of one episode from each of the three series: *A Scandal in Bohemia; The Golden Pince-Nez*; and *The Final Problem*. The three titles were presented as part of the 68th BFI London Film Festival at a special presentation in Alexandra Palace Theatre, with three newly commissioned scores composed by MacGregor, Neil Brand and Joseph Havlat, with Joanna MacGregor conducting an ensemble of 10 young Royal Academy of Music players. The BFI's Silent Sherlock restoration project has been made possible under a rights agreement between the BFI and The Really Useful Group, alongside generous support from Iron Mountain's Living Legacy Initiative, part of Iron Mountain's commitment to preserve and make accessible cultural and historical information and artefacts.

Throughout 2024/25, the *Cinema Unbound: The Creative Worlds of Powell and Pressburger* programme, which includes new BFI National Archive 4k restorations and 35mm prints, travelled to international venues across North America, including the TIFF Cinematheque in Toronto (10–29 May), the Academy Museum of Motion Pictures, MoMA New York (21 June–31 July), Los



Bryony Dixon, the BFI National Archive's silent film curator, receives the Jean Mitry Award

Angeles (18 July–19 August), the SIFF Egyptian Theatre in Seattle (18 September–20 November), and the Gene Siskel Film Center in Chicago (2–17 October).

Further presentations of BFI National Archive restorations took place at the Lumière Festival in Lyon in October, and at the Havana Film Festival in Cuba in December.

Engagement

In October 2024, BFI Replay was awarded with the Highly Commended trophy for the Unlocking the Value and Potential of Archives award, at the International Federation of Television Archives annual event in Bucharest; fellow nominees included the BBC and Radio Canade, who took home the big prize. The judges highly commended BFI Replay and the project team for their "exemplary partnership work" and their "achievement across rights clearances with a huge and complex set of rights holders." They also commended the curation and design of the BFI Replay platform itself which is now in 2,268 branch libraries (across 117 registered library services), representing half of all libraries within the UK.

Bryony Dixon, the BFI National Archive's silent film curator, was honoured twice in 2024/25. First, she received the prestigious Vittorio Boarini Award at the Il Cinema Ritrovato Film Festival in June. Recognised as one of the world's leading curators of Early Cinema, she was awarded for her exceptional contribution to the safeguarding and dissemination of world cinema heritage. Later in the year, she joined a distinguished lineage of silent film luminaries by receiving the Jean Mitry Award, which celebrates figures and institutions for their outstanding contributions to the field of conservation and study of silent-film history. At a ceremony on 11 October, she was presented with her award by Bruno Malattia, Vice President of the Fondazione Friuli.

In September, the BFI National Archive's Conservation Centre in Berkhamsted took part in Heritage Open Day, England's largest community-led festival of history and culture. The building, usually closed to the public, opened its doors over consecutive Saturdays and featured displays and talks from specialists at the archive. Almost 1,000 people booked places for the events, and despite rain and train delays, we welcomed over 600 visitors over the two days.

In February 2025, the BFI National Archive's Our Screen Heritage project held its first symposium. Archiving in the Age of (Super)Abundance. The event addressed the challenges of collecting and preserving online content following the advent of online video in the early 1990s, which had caused seismic shifts in film content, production and consumption. The sold-out NFT3 event was livestreamed to more than 450 online attendees. Supported by a sizzle reel, media outreach and a live, ongoing social and marketing campaign, the BFI National Archive continues to seek submissions from audiences on what era-defining digital-first material we should collect.

Licensing and archive access

The Life and Deaths of Christopher Lee was presented at BFI Southbank as a preview ahead of its Halloween 2024 broadcast on Sky Arts, having premiered at FrightFest in August 2023. This feature documentary, co-produced by the BFI National Archive and Sky Arts, marked the second BFI collaboration with producer Hank Starrs and director Jon Spira, following the BritBox series *Reel Britannia*. BFI Special Collections and curatorial expertise made a significant contribution to the production, which is currently available to stream on NOW in the UK and on Blu-ray. Progress was also made on potential co-productions throughout the year with further releases expected in 2025/26.

In October 2024, the BFI celebrated the world premiere of *Endurance* at the BFI London Film Festival. This landmark production, a major collaboration with National Geographic Documentary Films, tells the definitive story

of Sir Ernest Shackleton's 1914–15 Antarctic expedition and the 2022 discovery of his shipwreck. Central to the film is the BFI's 4k restoration of *South* (1919), featuring Frank Hurley's extraordinary footage of the original expedition. The archive collaboration team worked closely with producers Consequential, Little Dot Studios, and History Hit over a two-year period to enable the creative reuse of material, including an agreement to digitally colour-treat the footage for the first time. The film premiered to a 2,000-strong audience at the Royal Festival Hall and enjoyed a short theatrical run as part of LFF on Tour, before launching globally on Disney+, which has over 124 million subscribers. A key component of the collaboration was the tie-in documentary *Saving South*, co-produced by the BFI and History Hit, which delves into the story behind the preservation and restoration of Hurley's footage. *Saving South* is currently available via History Hit's subscription platform, with a wider release on BFI channels planned for 2025.

Over the course of 2024/25, the BFI Archive Sales team responded to 7,200 incoming enquiries, including 1,600 footage-specific requests, along with a broad range of access, rights and reuse requests regarding film and TV moving image, stills, and Special Collections materials. Rights were licensed out for reuse in 180 new productions and 200 new works, across a variety of platforms and formats in cultural and educational spaces worldwide.

Among the year's production highlights was the reissue of the landmark NHK series *The 20th Century*, alongside creative research and footage contributions to several biographical documentaries, including titles centred on the Segreto Brothers, David Frost, and Jacinda Ardern. The team also provided a curated selection of World War II footage for 72 films and Netflix's *Britain and the Blitz*. In addition, archival access and support were provided for the forthcoming documentary *Orwell: 2+2=5*, set to premiere at the 2025 Cannes Film Festival.

In partnership with Adam Matthew Digital, the BFI developed and launched several new digital academic resources, which will be available for purchase by higher education institutions worldwide in 2025/26. One example is *China on Film*, a significant new collection showcasing rare footage shot by travellers in China,



China on Film, BFI National Archive

Hong Kong, and Shanghai throughout the 20th century, offering intimate and previously unseen insights into everyday life during a period of dramatic change.

The BFI National Archive continued its support for international partners by scanning an original 16mm print of *Nongnu (1963)* for the Rotterdam International Film Festival, and through its many collaborations with the International Federation of Film Archives. These included *The Arch*, a project commissioned by Hong Kong's M+ Collection Archives. A repository of valuable primary documents, *The Arch* offers deep insights into the creative processes of artists and makers within the M+ Collections – and was developed in collaboration with the University of California's Berkeley, Art Museum and the Pacific Film Archive.

The BFI National Archive additionally supplied key materials for another high-profile film restoration project – Cineteca di Bologna's L'Immagine



China on Film, BFI National Archive

Ritrovata's restorations of both the original 1925 release and the 1942 reissue of Charlie Chaplin's film *The Gold Rush.*

Preservation of heritage assets

The BFI confirmed its commitment to supporting newly reinstated printing and processing workflows in 2024/25. The laboratory launched several new preservation programmes focused on safeguarding unique nitrate elements, made possible by support from the Arts and Humanities Research Council (AHRC). The facility has also begun producing new prints from digital intermediate negatives (DI). Complementing these efforts in film photographic preservation, a new formal Print Loan Policy and Procedures process was approved by the Collections Board in April 2024 to cover the loan of collections prints for exhibition.

A major award from the Government's Department for Science, Innovation and Technology (DSIT) supported the purchase and upgrade of conservation and digital preservation equipment and facilities. This support allowed us to significantly update our film digitisation and computational processing capacity to better address the challenges associated with increased content bitrate and resolution of our collection. It will open the door for greater machine learning research to benefit discoverability and interoperability.

Looking ahead, a further AHRC award confirmed in 2024/25 will support the creation of the UK's first dedicated conservation lab for the moving image. Part of the AHRC's RICHeS (Research Infrastructure for Conservation and Heritage Science) programme, our Moving Image Conservation Research Laboratory (MICRL) will be dedicated to the scientific analysis of film materials, the introduction of innovative film conservation treatment services, and the advancement of scientific colour emulation and modelling techniques. Once established, the lab will be open for use by a range of stakeholders, from regional archives to academics and industry, adding significant value to the country's dispersed moving image heritage.

BFI National Lottery Screen Heritage Fund

In 2024/25, the BFI National Lottery's Screen Heritage Fund supported several UK's screen archive initiatives aimed at improving representation of the UK's diverse communities. These included the London Screen Archives 'Undocumented' project, and Northern Ireland Screen's contemporary collecting project, which seeks to give voice to communities whose stories are currently underrepresented within its Digital Film Archive and to champion equality, diversity and inclusion.

The fund additionally opened a new strand to address at-risk screen heritage skills, offering bursaries for individuals, as well as inviting screen heritage organisations to propose new training schemes and initiatives.

Heritage assets (Group and Charity)

Since its establishment in 1933, the BFI has looked after the National Archive – which comprises film and related materials dating back to the 19th century. The BFI develops, cares for, and interprets a collection that illustrates the art, history and impact of film, to be held in safe custody in perpetuity for the public, for their use and engagement and for use by the BFI in pursuit of its objectives. The collection is one of the largest and most diverse collections in the world. It includes feature films, documentary and factual films, television programmes, artists film, photographic stills, posters, books, and other related materials, held primarily for use in the BFI's activities and charitable objectives, as described in more detail throughout this Annual Report. In 2020, BFI adopted its current Collection Policy, which can be found on **www.bfi.org.uk**. This policy documents our procedures for acquisition and disposal, documentation, care and conservation and access, and describes our role in a national network of organisations that collect or provide access to film and television. Key measures taken to safeguard the national collections include major investment in physical infrastructure to preserve master (preservation status) and accessible materials, developing our extensive database of materials and information, and digitising materials for the dual purposes of preservation and improved public access.

In line with the BFI's accounting policy, heritage assets are not recognised on the balance sheet owing to an absence of reliable cost information, and as a valuation approach is not practicable at a cost commensurate with the benefit to the users of the accounts and to the charity. To provide an indication of the physical size and diversity of the collections, the main elements are summarised below. The figures reflect the collection inventory as described within the BFI's collection management system and exclude titles and materials that are pending acquisition.

Fiction film

42,990 titles. The collection includes the original camera negatives of some of the most important feature films in British film history. The BFI also looks after an extensive international collection of films.

Non-fiction film

138,863 titles including documentaries, newsreels, government films, sponsored films, advertisements and home movies. It is the world's most important collection of documentary films.

Television

As of April 2025, **2,124,484 television titles** including material recorded off-air, as it was seen by the viewer, as well as production and transmission material. The collection reflects the role of the BFI as the national television archive (by Statute) with programming covering the history of television as broadcast by ITV, Channel 4 and Channel 5 and including selected BBC programming. The collection includes unique live broadcasts, advertising and extensive samples of commercial terrestrial television, with an emphasis on key British productions. As well as the recorded material, significant collections of transmitted programming donated by broadcasters include the Rediffusion Collection (the earliest ITV contractor) and material preserved on analogue videotape from the 1960s and 1970s donated by the BBC and ITV. The collection is expanding to include programmes to be acquired from content streamers.



Image: Adam Bronkhorst



Library

The library collection contains materials which aid in the research and understanding of the history of cinema, film and the moving image, from its inception to the present day. It can be used as a basis for research into the historical development of film and the moving image as an industry and the critical response to its creations and its organisation. It is international in scope, but with an emphasis on the screen culture of the UK.

It includes extensive material on the theory of film and the moving image, as well as material for practitioners and those working in the film and moving image industries. It can be used to chart the growth of the UK film and moving image industry specifically, as well as provide a history of the British Film Institute itself.

For further information on the library collection see BFI Library and Learning in the section on Future learning and skills.

Special collections

- 693 collections of personal and company papers that evidence the professional lives of UK screen communities over the past 125 years.
- 5,863 production and costume designs in over 150 collections of screen art professionals including costume designers, productions designers and animators/animation companies.
- A collection of 22,244 scripts, including many first drafts, shooting scripts, continuity scripts and annotated scripts.
- A collection of 28,116 press campaign books, including one of the world's most extensive collections of English language campaign books.
- 20,239 film posters, including extensive collections of British, Polish, Indian and early cinema posters.
- Approximately 5,000 individual items of ephemera, including early and pre-cinema items.
- 3,000 animation cels including artwork by leading animators; and extensive audio collections including oral history recordings and interviews with many key industry figures.
- 1.6 million photographic prints, including the UK's most extensive collection of film stills, as well as TV stills and studio portraiture, transparencies, negatives and publicist's albums.

BFI policies

Acquisition of heritage assets

Items may be acquired by donation, purchase, transfer, exchange, copying (including digitisation) and recording. Deposit and loan may be used to enhance the collection breadth and viewer access but are not formal acquisition into the national

collection. Acquisition (and loans) will be subject to a written agreement between the donor/owner and the BFI. The Director of Collections, Learning and Engagement is responsible for ensuring that acquisition decisions are made in line with the Collections Policy and the prevailing Collections Development Plan. All acquisition proposals are assessed by an Acquisitions, Disposals & Loans group, attended by the Director of Collections, Learning and Engagement, the Director of Collections Operations and senior curators, ensuring that documentation and care needs can be met (i.e. the collection impact), justification for acquisition is documented and clearly understood, and that external stakeholders and other BFI staff are informed and involved. All acquisition decisions are subject to further approval as required by the Collections Development Board, chaired by the Director of Collections, Learning & Engagement, which includes the Executive Director of Knowledge, Learning and Collections, colleagues from the department who can advise on collections management, data and digital preservation, conservation, and occasional external specialist advisors as required. All loans, and any acquisitions deemed sensitive, complex, or high volume requiring extraordinary resources will be referred to the Collections Development Board for decision. The Collection Development Board may refer further to the BFI CEO, Executive Board and/or Governing Body if necessary.

Preservation of heritage assets

Our first principle in preservation and conservation is to adopt a preventative approach to collections care, with materials stored in a secure and stable environment with temperature, humidity and light levels that prevent or reduce the rate of deterioration. They shall be handled as little as possible, to prevent mechanical damage. In practice, materials are sometimes acquired in a damaged or deteriorated condition. They can also suffer accidental damage and wear through use. In such cases, specialised and sympathetic remedial work may be required, including delicate repair and cleaning. Copying, migration and digitisation will generally only be carried out for access purposes, unless deterioration, damage or obsolescence cannot be addressed through remedial work, or has advanced to a point that renders the material inaccessible, or threatens loss.

Management of heritage assets

Documentation enables accountability for moving image works and physical objects in the collections by recording provenance, ownership and rights. It supports collection management by tracking location, recording technical data and conservation actions. Documentation underpins access by describing the collections and providing associated information, interpretation and meaning. The BFI creates information resources in connection with its overall subject – the art, history and impact of film – which include filmographic and biographical information and knowledge resources created for its cultural programme. Collections documentation, information and knowledge resources are all subject to this common documentation policy. Detailed implementation plans are drawn up for each collection and dataset, as part of an overall collections management programme.

Disposal of heritage assets

The BFI has a long-term purpose and holds permanent collections in relation to its Royal Charter objectives. The collection is also a palimpsest of film history, reflecting the priorities and decisions made by curatorial staff through time. Therefore, there is a strong presumption against deaccession and disposal of works or items from the collection. Any disposal and deaccessioning is a curatorial-led activity, undertaken for the benefit of the collections and public. The BFI recognises that the principles on which priorities for rationalisation and disposal are determined will be through a formal review process. The outcome of review and any subsequent rationalisation will not reduce the quality or significance of the collection and will result in a more useable, well-managed collection. The procedures used have to meet professional standards; the process has to be documented, open and transparent; and with clear communication with key stakeholders about the outcomes and the process.

Growing our digital platforms

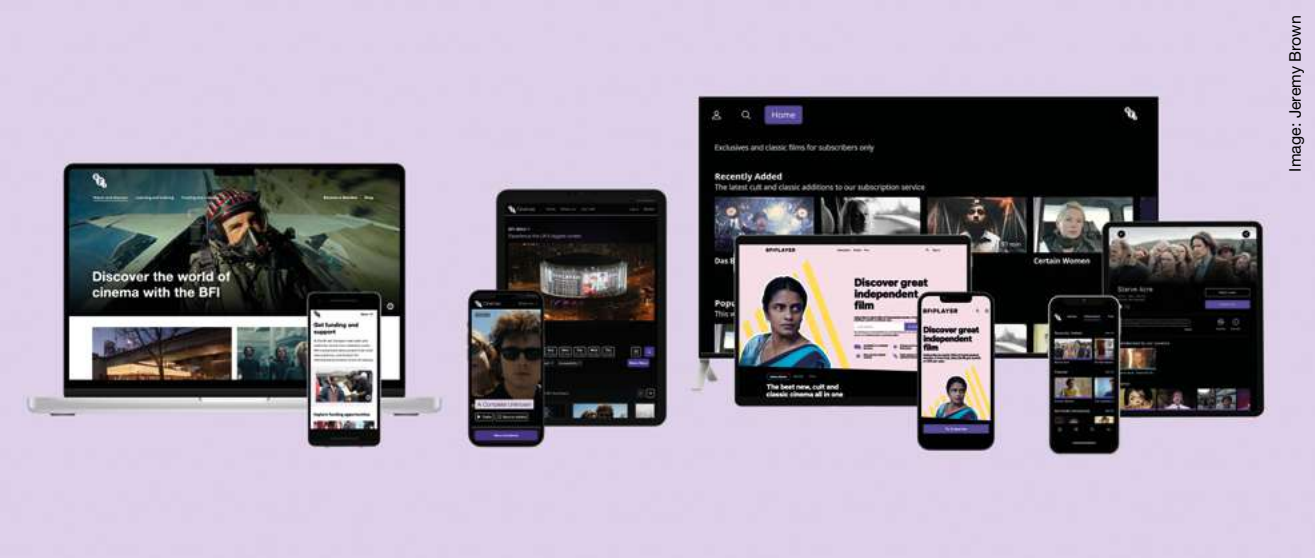


Image: Jeremy Brown

Ambition D: Radically reform all BFI services by making them easy to use and widely available online, reaching more people and delivering more of the cultural programme digitally.

We want to expand our digital reach and improve access so that everyone can benefit from everything the BFI does – no matter where they live. We also need to future-proof our organisation, embracing technological change and diversifying our income to sustain our charitable activities.

We will develop and launch our next generation streaming service, enabling UK audiences beyond our Southbank catchment to discover, discuss and delve into the best of UK and world screen culture, past and present, with us and each other.

BFI Player

As part of Screen Culture 2033, we committed to developing our next generation streaming service, to enable us to share the BFI's unique cultural programme more widely.

In 2024/25, BFI Player achieved its second consecutive record year with over 3 million feature film views, reaching its highest level of subscribers and engagement to date.

Key to this growth has been making BFI Player easier to watch on major at-home devices. With our partner Accedo (formally Easel TV) we released new apps on LG TV and Apple TV, with an update to our longstanding Samsung TV app to follow later in 2025. These apps further expand BFI Player's availability beyond those released in 2023/24 for Android TV, Fire TV, and Android mobile. Additionally, after months of development, the new designs for the BFI Player website are being launched to the public, providing a fresh look and improved user experience.

We have continued to increase our subscriber base despite challenging market conditions, thanks to a carefully curated programme of high-performing new titles and perennial favourites including *Starve Acre* (Daniel Kokotajlo), *All We Imagine as Light* (Payal Kapadia), *Evil Does Not Exist* (Ryusuke Hamaguchi), *Getting It Back: The Story of Cymande* (Tim Mackenzie-Smith) and *Nil By Mouth* (Gary Oldman).

Currently, 70% of BFI Player's UK audience is outside London. Our continuing partnership with The Uggla Family Foundation has allowed us to provide access to BFI Player for over 500,000 university and higher education students, with plans to reach even more.

We remain committed to investing in our UK service, providing the very best independent UK and world cinema, while also expanding our international presence. Our audience continues to grow steadily in the US, with expansion into more territories coming in 2025/26.



Starve Acre (2023), directed by Daniel Kokotajlo, is available to subscribers on BFI Player

Digital service transformation

The bfi.org.uk website continues to be the largest entry point for all BFI services with 14.5 million sessions worldwide, 9.3 million UK sessions and 5.1 million users every month.

Digital-first cinema programme and ticketing

The design and build of a transformative new digital-first service, helping audiences find out what's on at BFI Southbank and BFI IMAX, is at an advanced stage and will be ready for public users to test early 2025/26.

This work will improve the user experience and make our programmes more accessible, streamline our internal workflows to make our processes more efficient and less print-oriented, connect more BFI services to one another, and standardise user-experience and visual design across our products. We have also evolved our working methods as a multidisciplinary digital team, leading service transformation across the organisation by developing skills and co-designing this new service in collaboration with teams and directorates.

Digital access to the collections

A unified digital service for accessing and interpreting moving image archive collections is nearing completion. It has been tested with selected stakeholders in readiness for wider rollout in early 2025/26. This new platform consolidates the existing Britain on Film service with BFI Replay, offering public users a joined-up service allowing them to view all digitised moving image content in these collections currently available to stream at home or in libraries (and, later, through the BFI Mediatheque at BFI Southbank). This work supports our wider vision of becoming the most open moving image collection in the world.

Additionally, development work on the BFI Mediatheque content management system enabled the addition of 69,254 new titles alongside updated curatorial selections.

Progress continues on designing a service for born-digital acquisitions into the BFI National Archive. We are currently co-designing an end-to-end service with a specialist service design agency to create a seamless experience for our donors while enhancing our capability and understanding of service design as a practice.

Other digital services

Throughout 2024/25 we have continued to make iterative improvements to the BFI Intranet, a business-critical digital resource that supports BFI staff in their work by streamlining internal communications, knowledge-sharing, document management and other business tools. This much used staff resource is an essential virtual hub that facilitates the BFI's remote/hybrid working policy.

The appointment of a new Associate Product Manager has enabled us to provide dedicated digital support to the BFI's various digital services supporting corporate and screen industry users. For example, we are undertaking discovery and design work to improve the BFI's online funding application process to make it easier for filmmakers to understand what funding is available to them, determine if they are eligible, and complete an application. This complements ongoing content design efforts to improve multiple components of the funding application process.

We also maintain and continuously improve all live services including the monthly and annual cultural programme for BFI Southbank, BFI IMAX, the BFI London Film Festival and BFI Flare.

Flexible and connected digital platforms

A sustained focus on platform development across teams has led to several new applications being built in-house to support our digital services. This includes a content management system and decoupled front-end for the cinema programme, a complete rebuild of the asset and metadata management system for BFI Player, and an enhanced back-end system to support the unified digital collections access platform.

Thanks to vital support from the Bloomberg Philanthropy's Digital Accelerator Programme, we have completed the procurement and installation of a Customer Identity and Access Management platform. With this in place, we have made progress on implementing a common user account across BFI Player, BFI Southbank and BFI IMAX online.

We also completed a large migration of editorial content from the old BFI website, which has now been fully decommissioned. Work continues on consolidating the new look and feel across the BFI's wider digital estate.

Embedding digital culture and methods

A key principle of the Government Functional Standard for Digital, Data and Technology is ensuring you have appropriately skilled people. With our UX, agile delivery and product and software development expertise now operating as a mature team, we have been able to advance a programme of digital service design and transformational change while upskilling non-digital teams on these practices. Work in progress is shared openly through a regular schedule of show-and-tells and intranet blog posts.

Early 2025, our new Digital Transformation Advisory Board was established whose membership includes leading experts in digital public services, digital innovation in arts and culture, video streaming, video games and the world's largest film database and fan site. The new board has convened as a full group twice, to discuss the whole of the BFI's digital and technology roadmap, and for a deep dive into BFI Player; as well as providing advice and mentorship outside of those meetings.

Cyber security

The BFI significantly strengthened its cyber security posture in 2024/25 following a comprehensive expert review, leading to a business case for permanent investment in capability. This work was informed by the British Library's generosity in sharing lessons learnt from its 2023 cyber incident.

In 2024/25 we established clear ownership of cyber security and set up a cross-BFI cyber governance group. We created and appointed four new dedicated roles, introduced new tools, completed several key projects, and identified a roadmap of phased investments and further initiatives to enhance and sustain our security posture beyond previous levels. In addition, we refined and rehearsed our cyber incident response plans and delivered organisation-wide communications and training.

Alongside this, our Corporate Technology team retained compliance with ISO27001 and Cyber Essentials, in alignment with industry standards. We will continue to build on these foundations to develop a mature cyber team and practice in the coming years.



Image: Tim Whitby

BFI Shop cyber incident

On 1 April 2025 we detected unauthorised access to the BFI Shop's online payment page. We took the shop offline immediately and worked with cyber security specialists to investigate and fix the issue. We were open with customers throughout and contacted everyone who was affected by the issue. We also published and updated an FAQ to keep people informed of our investigation.

The incident underlined the importance of the programme already under way and informed the next phase of work. Since then, we have taken further steps to strengthen our resilience alongside the broader roadmap described above. The BFI Shop will reopen on a new platform later this year.

Cinema technology

In 2024/25, we carried out improvements to further enhance the BFI audience experience across our three cinema venues. This included new seating and lighting in the NFT3 auditorium and a refurbished projection booth. The vastly increased legroom, better sightlines and entrance lobby have proved popular with audiences.

BFI IMAX was upgraded with the most powerful non-IMAX 4K laser projector on the market. This has streamlined operations for film premieres and corporate hire, with the improved image quality very well received by distributor partners and audiences alike. Reliability of the IMAX GT has improved with the more regular service visits helping reduce downtime. We experienced some disruptions to screenings in June 2024, but this was swiftly resolved, and IMAX film remains a hugely popular part of the programme.

At BFI Stephen Street, Screening Room 2 underwent an extensive refurbishment, with luxurious seating, a new speaker, and new carpets and wall coverings installed.

Iterative improvements to the audio specification and draping in the Royal Festival Hall for the BFI London Film Festival Galas proved effective, delivering our best-sounding screenings to date.

Finally, the UHD releases completed by the Content Remastering team helped BFI Video Publishing to achieve its most successful year yet.

Corporate technology

Following our migration to M365 in 2023/24, this year we continued to embed its use through a sustained programme of training and guidance for both essential and advanced apps in the Microsoft ecosystem and established a staff network to lead M365 adoption within their own teams.

BFI Corporate Technology, which is comprised of applications, infrastructure and security, and service delivery teams, throughout the year delivered a continuous high-volume of project work to upgrade and improve IT services both in our buildings and for staff working remotely. This included a major replacement programme of desktop computers and older mobile phones, upgrades to network connectivity and corporate applications, a major programme of security

updates, new advanced threat detection and response cyber tooling across all our server infrastructure, retiring legacy services, and building automations using Power Automate and Power BI to streamline workflows and improve reporting capabilities.

The BFI IT Service Desk experience was enhanced this year by implementing new tools and processes, improving efficiency and accessibility. This contributed to increased user satisfaction scores, which held steady at over 90% positive for the last two quarters. Across the year the team managed over 8,500 service requests.

Following a consultant-led review of cloud migration options to inform decision-making about our on-premises data centre, we have procured a new IT Asset Management tool. This will provide comprehensive data on software utilisation to reduce costs, risk and complexity.

The 68th BFI London Film Festival Opening Night, Royal Festival Hall. Image: Millie Turner



Future learning and skills



Ambition E: Reframe the educational value of screen culture with policymakers, educators and parents, and support a skilled and sustainable workforce that reflects the UK population.

We want to give everyone the opportunity to build a lifelong relationship with the moving image as a form of expression and communication. For their enjoyment and wellbeing, and as a viable career.

We will make the case for screen culture to be taught as an essential part of the curriculum. We will work with the sector to remove barriers to access, improve career paths, and expand training opportunities UK-wide.

Skills and workforce development

As set out in our Screen Culture 2033 National Lottery strategy, BFI Skills and Workforce Development is focused on supporting a greater diversity of talent – including underrepresented and underserved young people – to embark on a career in screen, with an emphasis on below-the-line roles.

All our skills funding programmes are UK-wide, with some programmes having a more targeted geographical focus to support parts of the UK where we have identified growth in production.

Highlights from the year:

- We progressed our **Careers and Progression Programme** into year two of delivery. This UK-wide careers advice and guidance programme for secondary schools is delivered by Into Film and supports 11–16 year-olds, teachers, and careers advisers to gain a better understanding of the true breadth of careers in screen, with an emphasis on the roles most urgently requiring trained people.

- We advanced our **Young Creatives** programme into year two of delivery. The National Saturday Club achieved a total of 32 Film and Screen clubs across the UK in line with their target and will be piloting an expansion of their Screen clubs into Video Games in 2025/26. Into Film revised their offer in-year and are developing a new model of delivery that supports a diversity of youth settings to introduce filmmaking clubs to 11–16-year-olds.

- The six **BFI Skills Clusters**, established in 2023/24, delivered their localised skills interventions successfully as per programme plans. We also introduced a seventh Skills Cluster in Wales, led by Sgil Cymru in partnership with Creative Wales and Screen Alliance Wales, which is operating pan-Wales.

- Our **Skills Bursary Fund**, which is managed by ScreenSkills and designed to support the bespoke progression needs of those early in their screen production career, continued to be oversubscribed in 2024/25.

- Our **Business Development Training Programme** delivered by Creative England through its Creative Enterprise initiative, successfully delivered against programme plans. TRC Media launched International Horizons: Scripted to support scripted drama companies in Scotland, Northern Ireland and Wales to scale up their skills, knowledge and networks to enable them to compete in the international scripted arena.

- Following the launch of the Good Work Programme Fund in January 2024, Counterculture LLP were selected as the pilot programme delivery partner in 2024/25. They went on to launch the **WorkWise for Screen** website in October 2024, as part of the BFI London Film Festival industry programme, hosting new best practice guidance and resources, a podcast programme, an events programme, and signposting to existing sector resources to help improve the industry's adherence to good work principles and practices. This programme is still in its early stages and will be continued to be developed throughout 2025/26.

- **The Places Fund: Skills and Training** was also launched in 2024/25. This modest fund is designed to support specific parts of the country with demonstrated growth potential to better assess local skills needs and pilot new skills interventions to help inform future skills strategies. This year, awards totalling c.£500k were made to Create Studios in Swindon, Screen Cornwall, and Bristol City Council.

In May 2024, the BFI Director of Skills and Workforce Development gave evidence to the Culture, Media and Sport Select Committee Inquiry on British Film and High-End Television, and continued to oversee the Creative Industries Council's response to the Creative Industries Good Work Review, finalising the first Creative Industries Good Work Review Action Plan, with implementation now well underway.

A new Portable Apprenticeships pilot programme for the screen industries was green-lit this year by the Department for Education, which we will progress in partnership with industry partners and screen-focused training providers. The launch of this pilot has been delayed due to the change in Government in-year and is now expected to take place in 2026 due to the timeframes associated with the legislative changes needed, which will alter the current continuous minimum employment term for apprenticeships in England from 12 months to 16 weeks.

We also launched a range of skills research studies designed to help us better understand the skills needs of the screen heritage sector, the high-level skills needs in the exhibition and distribution sectors, the range and use of training programmes used in the digital content production sectors, alongside a larger-scale piece of research that seeks to identify what a perfect day in production looks like. Findings from each of these studies will be reported throughout 2025.

Thanks to support from the DCMS, we have been able to create new Creative Competency Modules for use within school careers programmes – designed to help 11–16-year-olds acquire and place greater value on creativity and the skills that define it, such as problem solving, critical thinking, and interpersonal communication. We hope to be able to pilot the delivery of these modules in select schools throughout the 2025/26 academic year.



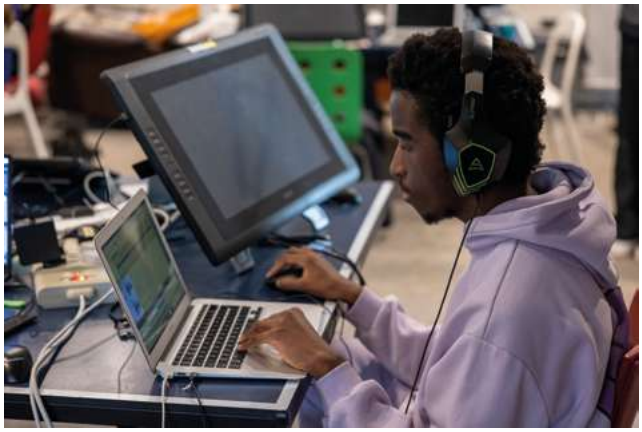
BFI Film Academy

In 2024/25, we piloted a new delivery model for the BFI Film Academy, introducing efficiencies in programme management and empowering delivery partners with greater autonomy over the delivery of short courses, which introduce young people to filmmaking and associated job roles for the first time.

We selected a delivery partner for the three UK nations and each region of England and expect to build on this approach in 2025/26. We also introduced a new programme of Specialist Courses aligned to skills shortage areas including Set Decoration and Props, Visual Effects, Film Programming, Curation and Archiving, Production Management, Editing and Post-production, Cinematography, and Hair, Wigs, Makeup & Prosthetics. The 2024/25 programme has benefitted over a thousand young people.

The Department for Education continued to co-fund BFI Film Academy in 2024/25, notifying us at the end of 2024 that this funding partnership will transfer to the DCMS. We welcome this transition and hope there is future scope to align BFI Film Academy with DCMS youth strategy ambitions.

A new strategy for the BFI Film Academy, for implementation from April 2026, was also finalised, introducing a refreshed multi-stranded programme offer. This strategy seeks to extend the reach of BFI Film Academy by broadening the age range of beneficiaries to 16-25 year-olds and further target the offer to underserved and underrepresented young people, so we can ensure we are reaching those who will benefit the most from the programme's support.





BFI Film Academy. Images: Millie Turner


BFI Future Film Festival. Image: Yves Salmon

BFI Future Film Festival

The 2025 edition of the BFI Future Film Festival offered live in-person events at the BFI Southbank as well as free online events for global audiences. At BFI Southbank, we saw 3,630 tickets sold to screenings and events. Alongside this, for the second year in a row, the festival hosted a UK-wide programme of events at 13 venues across the country, curated and produced by BFI Film Academy Plus delivery partners, with support from our National Lottery allocation.

As submissions, the festival received over 1,100 short films from young filmmakers aged 16-25, from 54 countries, with filmmakers from 15 countries selected. 51% of the filmmakers come from Global Majority backgrounds and 24% identify as disabled. These films were shown at the BFI Southbank and were accessible to a global audience on YouTube, amassing nearly 23,000 online views.

BFI Library and Learning

The BFI Learning and Library offers learning opportunities that provide access to the world of film, wider screen culture and the BFI National Archive to a diverse audience.

Our collections comprise some 50,356 books; 5,114 serials with 234,977 issues; over 9,000 festival catalogues and programmes; and 170,000 digitised press cuttings from the UK and international press containing 4,000,000 images, amongst other types of published works about screen culture.

Schools

The BFI Education programme is designed to engage students of all ages in the world of film and media. It is delivered in a variety of formats at the BFI Southbank partner cinemas across the UK, and through online webinars. Events cater to a wide range of audiences, including children and families, young adults (16-25 years old), university students, postgraduates, and lifelong learners. Additionally, we provide Continuing Professional Development (CPD) for teachers, training as part of the Teach First summer programme, and opportunities for bespoke study days and tailored events to support classroom teaching.

Our partnerships and specialist initiatives include the Short Film Project in collaboration with the UCL Institute of Education (IoE) Languages Department, and the Network for Diversity in Film Education which aims to improve access and inclusion for diverse groups in film education.

In 2024/25, we continued to deliver a vibrant and ambitious programme of cross-curricular study days for schools, both at BFI Southbank and online. Over 25,000 students from Key Stage 2 to A-Level and above took part in 73 events, exploring the power of film to open up new perspectives and tell diverse stories from the UK and around the world. For many students, these sessions offer their first chance to engage with a film industry professional or academic specialist. Held at a leading cultural venue, they can provide a truly transformative learning experience.



Our study days are not just about watching film – they are about using it as a lens to explore identity, history, society, and culture. From examining classic cinema to contemporary global storytelling, each event invites young people to think critically and creatively, while building their understanding of the world around them.

We are proud to continue our support for the Network for Ethnically Diverse Film Educators, whose work challenges traditional curriculum models and champions a film education that reflects the richness and complexity of our society. Their learning activities, inspired by titles available on BFI Player, actively confront racism and promote inclusive, reflective teaching through film.

Over the past year, BFI Learning and Library has worked closely with colleagues across the BFI to develop and deliver a range of cultural programmes, including unique events that presented titles from the National Film Archive to new audiences, and connected schools and wider learning communities with Britain's screen heritage.

A particular highlight of 2024/25 was our flagship study day: *Life in Modern Britain: migration, identity, and democracy* a cross-curricular event for KS3 Citizenship and History students held in NFT1. Developed in collaboration with Library and Learning team and Our Screen Heritage colleagues, this event offered students a timely and compelling exploration of Britain's evolving national identity. Plans are now underway to repackage this study day and tour it to partner venues across the UK, expanding its reach and impact.

BFI Reuben Library and Mediatheque

The BFI Reuben Library holds a collection of books, journals and digitised material about the world of film, television and the moving image, while the Mediatheque offers direct access to a vast film archive. Both are free and open to the public at BFI Southbank – and are available for educational and research purposes.

In 2024/25, BFI Library and Learning continued to expand its educational engagement initiatives, further cementing BFI Southbank as a cultural hub for film scholarship. A diverse programme of talks and study visits was delivered that reflects our commitment to connecting audiences with cinema in meaningful ways.

We hosted sessions with students from Millennium Performing Arts College, London College of Contemporary Music, and The Courtauld Institute, broadening our reach within the academic and creative communities. As part of the cpd25 staff development and training programme, we also welcomed librarians from the M25 Consortium of Academic Libraries.

The BFI Reuben Library remains a vibrant space for discovery, learning, and community, attracting a wide range of visitors through its engaging programme of events. Highlights included Folk Horror on Film, and The Graveyard Shift, a unique public research event that invited cinephile sleuths to help uncover missing death dates for film professionals, contributing to the BFI's copyright knowledge and collection data. In support of accessible film culture, the reading room also hosted several discussion events tied to the BFI Southbank's relaxed screenings programme, designed for neurodivergent audiences.

Visitor engagement remained strong, with over 41,000 people participating in our Library and Learning activities over the past year – an encouraging testament to the continued relevance and impact of the Library and its programme.

As part of our New Writings strand, we hosted a number of speakers including seminal film scholar Sir Christopher Frayling, to celebrate the release of his book, *Sergio Leone by Himself*. We partnered with the UK Asian Film Festival to welcome Dr. J. Daniel Luther and Sunny Singh to introduce their essential new work, explored stop-motion video games with game designers and developers Luke Whittaker (*Lumino City*), Claire Morwood (*Asterism*) and Gretchen Maynard-Hahn (*Crackernuts*), and celebrated an alternative history of Hollywood through a century of its most notable flops for the launch of *Box Office Poison* by Tim Robey. We also forged new relationships with peer institutions such as the National Poetry Library and the Margaret Herrick Library.

Into Film

Into Film, supported by BFI National Lottery funding, continued delivering its Teaching with Film programme throughout 2024/25, successfully training teachers and creating valuable resources for film in the classroom. A key achievement was exceeding its goal of training 900 student teachers within the year.

Folk Horror on Film, BFI Reuben Library



Growing the cultural and economic impact of the UK's screen industries


Santosh (2025), directed by Sandhya Suri. Image: Taha Ahmad

Ambition F: Drive growth and international success across the screen sector, and address market failure through our funding schemes, policy, and evidence.

We want to establish greater interconnectivity and collaboration within the UK's screen sector. We will work with industry and policymakers in our role as the lead body for film and the moving image to advocate for a successful future for the sector. We will particularly focus on how to maximise the opportunities that lie ahead and how we can help minimise the challenges.

BFI Filmmaking Fund

The BFI Filmmaking Fund, BFI NETWORK, and BFI Doc Society offer crucial National Lottery funding and in-kind support for the UK independent film sector. Our role is to develop and champion a culturally diverse range of emerging and established producers, writers, and directors, representative of the UK's nations and regions, enabling them to create innovative and publicly impactful short, feature, immersive, animation, dramatic and documentary films, and reach a wide variety of audiences at home and worldwide.

Highlights – BFI Filmmaking Fund supported titles

- *Santosh* – after making its world premiere at Cannes Film Festival 2024, and UK premiere at the 68th BFI London Film Festival (LFF), writer and director Sandhya Suri was nominated for Outstanding Debut by a British Writer, Director or Producer at the 2025 BAFTAs. *Santosh* was the official UK entry in the Best International Film official selection for the 97th Academy Awards and also took home BIFA Awards for Best Screenplay and Breakthrough Producer. The film sold in 14 territories, including its UK release in March 2025 through Vertigo.

- *Kneecap* – following its world premiere at Sundance Film Festival in 2024, Rich Peppiatt's boisterous debut feature *Kneecap* won the Audience Award and went on to be included as the Irish entry in the Best International Film official selection for the 97th Academy Awards. Peppiatt won the BAFTA award this year for Outstanding Debut by a British Writer, Director or Producer, and *Kneecap* was the most decorated film at the BIFAs, winning seven awards including Best British Independent Film. It was among the top 20 UK-qualifying independent films at the worldwide box office in 2024, selling to Sony Classics for a six-figure



On Falling (2025), directed by Laura Carreira

sum and has grossed over $4.5 million in worldwide box office to date. It was also ninth in the Top 10 highest grossing UK independent films of the year, grossed over £2m at the UK and Irish box office, and is the most significant Irish film opening since *The Banshees of Inisherin*.

- *Hoard* – Luna Carmoon was nominated for Outstanding Debut by a British Writer, Director at the BAFTAs and the film received six BIFA nominations following its Venice International Film Festival and LFF premieres in 2023. *Hoard* was released by Vertigo in the UK in May 2025.

- *Sister Midnight* – after the film made its world premiere at Cannes Film Festival 2024 and UK premiere at the 68th BFI London Film Festival, filmmaker Karan Kandhari was nominated for Outstanding Debut by a British Writer, Director or Producer at the BAFTAs. *Sister Midnight* was released by Altitude on more than 80 screens in the UK and Ireland, receiving significant acclaim.

- Andrea Arnold's *Bird* was nominated for the Palme d'Or after its world premiere at Cannes Film Festival 2024. After its UK premiere at the 68th BFI London Film Festival, *Bird* went on to receive four BIFA nominations – winning Best Supporting Performance for Franz Rogowski – and two European Film Award nominations. *Bird* was released in UK cinemas by MUBI in November 2024 and sold worldwide.

- Dylan Southern's debut feature *The Thing with Feathers*, starring Benedict Cumberbatch and adapted from Max Porter's best-selling novel, was hosted at Sundance Film Festival 2025 and screened at Berlin International Film Festival, selling in 23 territories, including the UK.

- Animated feature *Kensuke's Kingdom*, by Neil Boyle and Kirk Hendry, was among the top 20 UK-qualifying independent films at the worldwide box office in 2024. Voiced by Cillian Murphy, Raffey Cassidy and Sally Hawkins, the film achieved $4.1m from seven territories and received a 2024 BAFTA nomination for Best Family Film.

- Mikko Mäkelä's *Sebastian* made its UK premiere at the 68th BFI London Film Festival and sold for distribution in 13 territories. Scottish filmmaker Ruaridh Mollica was nominated for Breakthrough Performance at the BIFAs and was named one of Screen International's 2024 Rising Stars Scotland, alongside *Sebastian* producer James Watson.

- Janis Pugh's musical romantic comedy *Chuck Chuck Baby* won two 2024 BAFTA Cymru awards for Best Feature/TV with Pugh winning the Breakthrough Cymru award. *Chuck Chuck Baby* was released by Studio Soho on 19 July 2024.

- Laura Carreira's debut *On Falling* made its UK premiere at 68th BFI London Film Festival. Carreira won the Sutherland Award for Best Debut Feature at LFF, as well as Best Director at the San Sebastian Film Festival

- The Brothers Quay's *Sanatorium Under the Sign of the Hourglass* a UK-Polish co-production, made its UK premiere at the 68th BFI London Film Festival, while the Brothers Quay was nominated for the Giornate degli Autori Director's Award at the Venice International Film Festival. The film also premiered at Sitges Film Festival, Thessaloniki International Film Festival, and Taipei Film Festival.

- The Sundance Film Festival 2025 screened BFI Filmmaking Fund debut feature *Brides* directed by Nadia Fall and written by Suhayla El-Bushra.

- In 2024, Marshmallow Laser Feast premiered its multi-sensory experience *Sweet Dreams* at Manchester's AVIVA Studios at Factory

International, an immersive multimedia narrative-driven show which invites audiences to explore their place in the food chain.

- The BFI Filmmaking Fund supported *In Pursuit of Repetitive Beats*, an award-winning interactive VR adventure that transports the viewer to Coventry in 1989, at the height of the Acid House movement, embarked on a UK tour in 2024/25 jointly supported by Arts Council England and the BFI National Lottery Audience Projects Fund.

- Naqqash Khalid (*In Camera*), Luna Carmoon (Hoard) and Pinny Grylls (BFI Doc Society supported *Grand Theft Hamlet*) jointly won the BFI Chanel Filmmaker Award 2024, each receiving a £20,000 cash prize for their 'creative audacity'. The awards were presented by a jury headed by Tilda Swinton.

- BFI Filmmaking Fund titles, *Kneecap*, *Timestalker*, and *Layla*, along with the BFI Doc Society title, *Grand Theft Hamlet*, were included in BFI National Lottery Open Cinemas, reaching a total audience of 12,154 admissions who viewed these films for free as part of BFI Escapes.

- Further BFI Filmmaking Fund titles released UK-wide in 2024/25 were *A House in Jerusalem* (31 May 2025, Peccadillo), Daina Oniunas-Pusic's *Tuesday* (6 August 2024, A24), Moin Hussain's *Sky Peals* (9 August 2024, BFI Distribution), Daniel Kokotajlo's *Starve Acre* (6 September, BFI Distribution), Alice Lowe's *Timestalker* (11 October 2024, Vertigo), Naqqash Khalid's *In Camera* (13 September 2024, Conic) and *Layla* by Amrou Al-Khadhi (22 November 2024, Curzon) which made its UK premiere at the 68th BFI London Film Festival.

In 2024/25, 65 film projects were awarded £1,759,349 in Development funds by the BFI Filmmaking Fund; and 11 film projects received a total of £1,100,000 in Development pre-Production funds.

For Production, nine film projects received Discovery awards totalling £6,692,518; three projects received a total of £3,235,000 in Impact funding; 10 film projects received Enhancement awards totalling £466,250 and Step Up & Wellbeing funds were awarded to 11 film projects totalling £340,000.

Three projects were awarded £230,724 in Shortform Animation funding and seven projects received a total of £827,075 from the Creative Challenge Fund.

BFI inclusion targets

Our inclusion targets, which are based on the proportionality of the UK's working age population and are revised regularly, are there to give a baseline of how we are working to meet representation in our funding. They are one way we monitor and take accountability for our progress against our core principle of "equity, diversity and inclusion", which guides and cuts across all of our work. Exceeding these targets in some cases can be seen as a reflection on our work committing to this principle, helping to address what had long been low or non-existent support for historically marginalised groups within the industry.

All film funding from the BFI Filmmaking Fund and BFI NETWORK is awarded through an open application process and we award funding to the strongest applications which also respond to the fund's priorities. Decision-making is not linked to protected characteristics, which are monitored separately. We use the data to closely monitor patterns and look to respond and adapt our activity accordingly.

Animation

Two BFI Filmmaking Fund supported animated features were released during 2024/25, these were *Kensuke's Kingdom* and the UK-Polish co-production *Sanatorium Under the Sign of the Hourglass*, created by stop-motion legends The Quay Brothers.

The third round of the Short Form Animation Fund received 90 applications, from which nine projects were advanced. Of these nine projects, 67% aim to have their main production base outside London and the South East, 42% of the core teams identify as LGB+ and 41% as disabled, as below.

Short Form Animation Fund

The Inclusion stats were calculated by dividing the 'Yes' responses by the total of 'Yes' 'No' responses and excluding 'Prefer not to say' responses.

CATEGORY	WRITER	DIRECTOR	PRODUCER	TOTAL	TARGET
Disabled (including those with a longstanding physical or mental condition and those identifying as D/deaf or neurodiverse)	38%	29%	57%	41%	18%
Black and Global Majority (London)	33%	0%	0%	14%	40%
Black and Global Majority (UK outside London)	17%	29%	0%	29%	30%
Gender – those identifying within the gender binary (also monitoring trans and non-binary identities)	44%	44%	44%	44%	50%
Sexual identity (those identifying as LGB+)	33%	22%	67%	42%	10%
Working-class background	0%	0%	25%	8%	39%


Kensuke's Kingdom (2023)



Ish (2025), directed by Imran Perretta

Discovery Fund

In 2024/25, 105 eligible applications were submitted to the Discovery Fund for its two rounds of funding, with eight projects taken forward. The eight projects completed their principal photography, including Harris Dickinson's directorial feature debut *Urchin* starring Frank Dillane, and Harry Lighton's *Pillion*, starring Harry Melling and Alexander Skarsgård, both selected for Un Certain Regard at the Cannes Film Festival 2025. Coming soon are *Ish*, directed by Turner prize bursary winner Imran Perretta and shot in Bedfordshire, and Ted Evan's *Retreat* – a ground-breaking production which will be the first UK feature presented predominantly in British Sign Language and led by Deaf creatives with a majority Deaf cast. Retreat will shoot in the West Midlands.

Impact Fund

The Impact Fund received 54 eligible applications in 2024/25, with five selected for production funding. This past year, four productions also completed principal photography, including Mark Jenkin's *Rose of Nevada*, filmed and set on the Cornish coast, and Clio Barnard's latest feature, the Birmingham-shot and centred *I See Buildings Fall Like Lightning*. Acclaimed TV director Molly Manners also wrapped her feature length debut *Extra Geography*, set and shot in Yorkshire.



I See Buildings Fall Like Lightning, directed by Clio Barnard

Production Funds

The Inclusion stats were calculated by dividing the 'Yes' responses by the total of 'Yes' 'No' responses and excluding 'Prefer not to say' responses.

These stats do not include any additional funding awards but do include both Discovery and Impact awards.

CATEGORY	WRITER	DIRECTOR	PRODUCER	TOTAL	TARGET
Gender (balance of those identifying within the gender binary, monitoring trans and non-binary identities)	27%	27%	36%	31%	50%
% excluded from calculations	0%	0%	7%	3%	
Disabled* *Including those with a longstanding physical or mental condition and those identifying as D/deaf or neurodiverse	25%	13%	50%	32%	18%
% excluded from calculations	27%	27%	20%	24%	
Black and Global Majority (London)	17%	50%	40%	35%	40%
Black and Global Majority (outside London)	25%	25%	22%	24%	30%
% excluded from calculations	9%	9%	7%	8%	
Sexual Identity (people identifying as LGB+)	30%	20%	23%	24%	10%
% excluded from calculations	9%	9%	13%	11%	
Working Class background	0%	0%	50%	21%	39%
% excluded from calculations	27%	27%	20%	24%	
Caring Responsibilities Do you have any caring responsibilities?	50%	70%	54%	58%	
% excluded from calculations	9%	9%	13%	11%	
Returnships Are you returning to work following an extended period (12 months or more) of absence?	0%	0%	8%	3%	
% excluded from calculations	9%	9%	20%	14%	

Pre-production Fund

The Inclusion stats were calculated by dividing the 'Yes' responses by the total of 'Yes' 'No' responses and excluding 'Prefer not to say' responses.

CATEGORY	WRITER	DIRECTOR	PRODUCER	TOTAL	TARGET
Gender (balance of those identifying within the gender binary, monitoring trans and non-binary identities)	40%	40%	42%	41%	50%
% excluded from calculations	0%	0%	0%	0%	
Disabled* *Including those with a longstanding physical or mental condition and those identifying as D/deaf or neurodiverse	29%	14%	50%	32%	18%
% excluded from calculations	30%	30%	33%	31%	
Black and Global Majority (London)	17%	43%	40%	33%	40%
Black and Global Majority (outside London)	25%	33%	33%	31%	30%
% excluded from calculations	0%	0%	0%	0%	
Sexual Identity (people identifying as LGB+)	38%	25%	44%	36%	10%
% excluded from calculations	20%	20%	25%	22%	
Working Class background	0%	0%	33%	14%	39%
% excluded from calculations	20%	20%	0%	13%	
Caring Responsibilities Do you have any caring responsibilities?	33%	67%	50%	50%	
% excluded from calculations	10%	10%	9%	10%	
Returnships Are you returning to work following an extended period (12 months or more) of absence?	0%	0%	0%	0%	
% excluded from calculations	10%	10%	25%	16%	

Development

In 2024/25, the Development Fund received 221 applications and made 181 new awards, 29 supplementary awards and 11 pre-production awards. Two films developed within the fund also went on to receive production funding through the separately assessed production application process: Simon Ryninks's debut *Out There*, in collaboration with Ffilm Cymru Wales, and Fateme Ahmadi's debut *Daughter of Eden*. Another project backed for development, *Dreamers* by Joy Gharoro-Akpojotor and starring Ronkę Adékoluejo, was made with BBC Film and premiered at the Berlinale 2025.

Development (New Awards)

The Inclusion stats were calculated by dividing the 'Yes' responses by the total of 'Yes' 'No' responses and excluding 'Prefer not to say' responses.

CATEGORY	WRITER	DIRECTOR	PRODUCER	TOTAL	TARGET
Gender (balance of those identifying within the gender binary, monitoring trans and non-binary identities)	43%	41%	82%	58%	50%
% excluded from calculations	0%	4%	3%	2%	
Disabled* *Including those with a longstanding physical or mental condition and those identifying as D/deaf or neurodiverse	20%	17%	38%	26%	18%
% excluded from calculations	17%	22%	24%	21%	
Black and Global Majority (London)	62%	64%	47%	58%	40%
Black and Global Majority (outside London)	29%	50%	31%	34%	30%
% excluded from calculations	3%	17%	9%	9%	
Sexual Identity (people identifying as LGB+)	33%	30%	39%	35%	10%
% excluded from calculations	10%	13%	18%	14%	
Working Class background	39%	38%	29%	34%	39%
% excluded from calculations	23%	30%	9%	20%	
Caring Responsibilities Do you have any caring responsibilities?	54%	50%	52%	52%	
% excluded from calculations	7%	13%	15%	11%	
Returnships Are you returning to work following an extended period (12 months or more) of absence?	3%	5%	0%	2%	
% excluded from calculations	0%	4%	6%	3%	

Development (Supplemental Awards)

The Inclusion stats were calculated by dividing the 'Yes' responses by the total of 'Yes' 'No' responses and excluding 'Prefer not to say' responses.

CATEGORY	WRITER	DIRECTOR	PRODUCER	TOTAL	TARGET
Gender (balance of those identifying within the gender binary, monitoring trans and non-binary identities)	57%	57%	83%	67%	50%
% excluded from calculations	5%	18%	0%	6%	
Disabled* *Including those with a longstanding physical or mental condition and those identifying as D/deaf or neurodiverse	41%	44%	30%	37%	18%
% excluded from calculations	23%	47%	13%	26%	
Black and Global Majority (London)	43%	50%	38%	44%	40%
Black and Global Majority (outside London)	45%	50%	13%	36%	30%
% excluded from calculations	23%	35%	30%	29%	
Sexual Identity (people identifying as LGB+)	35%	43%	31%	36%	10%
% excluded from calculations	23%	18%	30%	24%	
Working Class background	31%	40%	18%	27%	39%
% excluded from calculations	41%	41%	4%	27%	
Caring Responsibilities Do you have any caring responsibilities?	32%	45%	40%	38%	
% excluded from calculations	14%	35%	13%	19%	
Returnships Are you returning to work following an extended period (12 months or more) of absence?	5%	7%	0%	4%	
% excluded from calculations	9%	18%	9%	11%	

Future Takes

Two short films supported in the first round of the new BFI Filmmaking Fund and BFI NETWORK high-budget shorts scheme, in collaboration with Film4, premiered in 2024/25. Rory-Fleck Byrne's *In Heat* debuted at the BFI London Film Festival and Jamie Di Spirito's *Homework* at the Edinburgh International Film Festival. The remaining films are in post-production and the second round of Future Takes will open later in 2025.

Creative Challenge Fund

This brand-new, innovative fund launched in October 2023 with the first call looking to stimulate greater development of projects in genres beyond drama, and to decentralise development for greater access UK-wide. Eight labs were funded in the first round, supporting a diverse cohort of 86 projects from 130 exciting filmmakers and immersive creatives through mentorships, masterclasses, industry sessions, pitch events and script feedback. The fund will relaunch in April 2025 as a rolling fund, with two additional 'challenges' that focus on UK independent producers, recognising the acute challenges they face including the limited opportunities available to develop multiple projects and business strategies.

Wellbeing, access, inclusion

The BFI Filmmaking Fund is regularly evolving its inclusion targets in line with the Screen Culture 2033 and National Lottery strategy principle to engage people from the widest range of backgrounds, continually taking on board best practice to help us to reach our new targets and work towards improvements in areas where we are currently below target.

A fund highlight from 2024/25 was *Retreat*, directed by Ted Evans who is Deaf, and which features a mostly Deaf cast and crew. The BFI Filmmaking Fund additionally funded the Associate Producer role on *Retreat*, working with BFI Film Academy to offer the opportunity to an emerging producer from the North West who is Deaf. The Associate Producer was able to develop and learn new skills working with experienced producers Michelle Stein and Jennifer Monks.

Another highlight was *Ish*, directed by Imran Perretta and produced by Dhiraj Mahey. The filmmakers worked with We Are Bridge, a Community Interest Company focused on working with street-cast young people from underrepresented groups and their families to help them build a sustainable career. We Are Bridge offers a range of support, including wellbeing and financial literacy sessions, aftercare, and help with preparation ahead of the film's festival run and general release.

The BFI Filmmaking Fund continues to support the development of crew from underrepresented backgrounds on our productions through the BFI Crew opportunity. This year, we established a partnership with BFI Skills Clusters and will develop our collaborations with BFI Film Academy in the new financial year.

Sustainability

As part of our ongoing commitment to support a more sustainable film industry, all funded projects require a member of the creative team – writer, director, or producer – to complete a relevant BAFTA albert academy workshop, provided through the National Lottery Sustainable Screen Programme, with Heads of Department also encouraged to undertake training to strengthen the team's sustainability efforts. All projects must also successfully achieve BAFTA albert certification, which involves calculating the productions carbon footprint at the pre-production stage and creating a Carbon Action Plan to establish meaningful interventions to reduce the footprint. In 2025/26, we will announce additional layers of support for our productions.

BFI NETWORK

Throughout 2024/25, BFI NETWORK continued to support filmmakers at the initial stages of their careers to produce short films and develop debut features, as well as offering professional and creative development opportunities. Its UK-wide partnership model provides localised talent hubs, executives and support, while key national industry partnerships and talent development activity are coordinated by a central team at the BFI.

In 2024/25, 34 short film projects were awarded funds totalling £727,682; 22 debut long-form projects in the early stages of development received £132, 077 in Early Development Funding, and More Films for Freedom awarded 3 film projects a total of £74, 473.

Partnerships/ professional development funding towards BFI NETWORK@LFF 2024 and BFI Flare x BAFTA Mentoring Programme 2025 totalled £65,000.

The above totals do not include the Year 2 allocations for 3-year awards that were reported in the 2023/24 annual report.

UK-wide partner model

BFI NETWORK is delivered through a UK-wide partnership with leading cultural venues across England within the five BFI Film Audience Network (FAN) hubs and with national partners Ffilm Cymru Wales, Northern Ireland Screen and Screen Scotland. Additionally, BFI NETWORK works with BFI Doc Society to support short documentary films each year through the BFI Doc Society Made of Truth Fund.

Our nine core delivery partners continue to build on their talent development activity and connect with around 250 UK-wide organisations to diversify the screen sector, co-develop programmes, run joint activities, and help promote funded projects. Our partners report regularly to the BFI on their local activity, including screening and event data and EDI data relating to regional activity and outreach.

In 2024, the BFI NETWORK England Short Film Fund received more than 1,000 applications with 30 applications recommended for support across the five English regions. A further three short films, which included creative collaborations between UK-based filmmakers and storytellers from both Africa and the South West Asian and North Africa area, were supported through the More Films for Freedom initiative run in partnership with British Council. Delegate partners in Northern Ireland, Scotland, Wales and our UK-wide partner BFI Doc Society Fund supported 45 short films with BFI NETWORK funding over the year.


Image: Dimitthri L Vithange

Funded teams receive training in environmental sustainability, and a mandatory session on the BFI's principles and guidance to tackle and prevent bullying, harassment and racism in the screen industries. Filmmakers also have access to an online library of resources including the publicly available Short Film and Insight Producer toolkits.

The BFI NETWORK England Early Development Fund received more than 600 applications in 2024; 26 projects were recommended for funding. As part of a pilot in 2024, five writers were awarded additional funding to take their projects to first draft. We anticipate supporting another five writers with first draft funding again in 2025.

Equity, diversity and inclusion

The following data is for the 54 BFI NETWORK awards made between 1 April 2024–31 March 2025. Short Film (30 projects); Early Development – Stage 1 (21 projects); and More Films for Freedom (3 projects).

NETWORK (Short Film, Early Development & More Films for Freedom)

The Inclusion stats were calculated by dividing the 'Yes' responses by the total of 'Yes' 'No' responses and excluding 'Prefer not to say' responses.

These stats do not include any additional funding awards or Stage 2 awards to Early Development projects.

CATEGORY	WRITER	DIRECTOR	PRODUCER	TOTAL	TARGET
Gender (balance of those identifying within the gender binary, monitoring trans and non-binary identities)	39%	31%	65%	48%	50%
% excluded from calculations	19%	24%	13%	18%	
Disabled* *Including those with a longstanding physical or mental condition and those identifying as D/deaf or neurodiverse	50%	62%	46%	51%	18%
% excluded from calculations	19%	15%	13%	16%	
Black and Global Majority (London)	38%	33%	47%	43%	40%
Black and Global Majority (outside London)	45%	43%	32%	41%	30%
% excluded from calculations	7%	6%	13%	9%	
Sexual Identity (people identifying as LGB+)	49%	50%	40%	46%	10%
% excluded from calculations	25%	18%	27%	24%	
Working Class background	40%	36%	30%	35%	39%
% excluded from calculations	16%	18%	22%	18%	
Caring Responsibilities Do you have any caring responsibilities?	28%	27%	25%	27%	
% excluded from calculations	12%	12%	13%	12%	
Returnships Are you returning to work following an extended period (12 months or more) of absence?	2%	0%	0%	1%	
% excluded from calculations	9%	15%	13%	12%	



BFI NETWORK@LFF, BFI London Film Festival. Image: Dimitthri L Vithange

Partners and professional development activity

We received 481 applications for the 2024 edition of BFI NETWORK@LFF, 380 of which were from filmmakers with narrative fiction projects and 101 were documentary or hybrid formats. A cohort of 15 filmmakers was selected with representation from across the five English regions, Northern Ireland, Scotland, and Wales. A curated programme was screened for the filmmakers with the opportunity to meet the creative teams from BFI-supported titles and hear about their process and experiences from making those films. 2024 saw this programme collaborate closely with our BFI Doc Society partners for the first time, expanding the available provision for documentary filmmakers taking part in the lab.

From the largest number of applications to date – 269 in total, up 25% from the previous year – six emerging LGBTQIA+ filmmakers were selected for the 2024/25 BFI NETWORK & BAFTA Mentoring Programme in partnership with BFI Flare which kicked off with a talent lab during the festival.

Our partnership with the British Council to promote UK short form work internationally included a UK stand at the Clermont-Ferrand International Short Film Festival and activity at the Berlinale, alongside a new-look Travel Grant Fund, which is funded by BFI NETWORK and BFI International. This refreshed fund now offers comprehensive international exposure and support for UK films and filmmakers at various career levels. Since April 2024, 167 applications were received with 138 (83%) of filmmakers with short films supported to attend festivals or labs.

Alumni success

Notable success for BFI NETWORK alumni this year include Sandhya Suri's debut narrative feature film, *Santosh* achieving acclaim and awards (see page 51); Jack King, Hollie Bryan, and Lucy Meer's feature debut, *The Ceremony,* which won the Sean Connery Prize for Feature Filmmaking Excellence at the Edinburgh International Film Festival; and Laura Carreira and Jack Thomas-O'Brien's debut feature, *On Falling*, which won the Sutherland Award at the BFI London Film Festival.

BFI Doc Society Fund

The BFI's funding for documentary filmmaking and talent development is managed by Doc Society, the BFI's delegate for documentary filmmaking and talent since 2018 (reappointed following an open call for a delivery partner for the 2023-2026 period of the Screen Culture 2033 strategy).

The BFI Doc Society Fund provides funding awards and a year-round talent support programme.



Grand Theft Hamlet (2024), directed by Pinny Grylls and Sam Crane

The Awards Programme has three strands:

- A Features Fund, on a rolling basis, supporting feature documentary filmmaking projects at any stage, from development to post-production;
- 'Made of Truth' Short Film Fund, with an annual call; and
- RAD (research and development) Fund, supporting filmmaking projects in the earliest stages of development, on a rolling basis.

In 2024/25, 16 feature film projects from a diverse range of filmmakers UK-wide were awarded funds totalling £1,057,000; 17 short films received awards totalling £377,895. The RAD fund made 11 awards totalling £56,286.

Documentary film releases and awards

Following its world premiere at the Sheffield DocFest in 2024, Mike Warrington's *Harder than the Rock* was released in UK cinemas in the autumn. Jeanie Finlay's *Your Fat Friend* premiered at Tribeca and screened at Sheffield and Edinburgh before a UK cinema release and a run in Australia and New Zealand. The film was also shortlisted for Best Cinema Documentary at the Grierson Awards.

After playing in competition at the BFI London Film Festival, director Chloe Abrahams's *The Taste of Mango* had a UK theatrical release in November, followed by December in the US release.

The experimental *Grand Theft Hamlet* has had notable success, winning two awards at the BIFAs – Best Debut Director (Feature Documentary) for Pinny Grylls and Sam Crane, and the Raindance Maverick Award. The film premiered at SXSW where it was also named Best Documentary Feature.

Strike: An Uncivil War from Director Daniel Gordon, won the Audience Award at Sheffield DocFest and was released in cinemas across the UK before acquisition by Netflix in September.

Other notable wins for features include *White Nanny*, *Black Child*, which won the BAFTA for Specialist Factual at the 2024 BAFTA Television Awards, and *Holloway* from co-directors Sophie Compton and Daisy-May Hudson, which won the Audience Award at the BFI London Film Festival.

Awards success for Made of Truth shorts include *Ted & Noel* (Best Short Documentary, Grierson Awards) and *Frontier Town* (Best Photography Factual, Welsh BAFTAs). BFI Doc Society supported filmmakers Alice Russell (*If the Streets Were on Fire*) and Rochelle Newman (*White Nanny*, *Black Child*) were both named BAFTA Breakthroughs.

Talent Support Programme

The BFI Doc Society talent support programme backs the development of new and emerging filmmakers across the UK through events and initiatives designed to share knowledge and skills, promoting opportunities, helping filmmakers build networks and professional relationships.



ScreenUK Industry Talent Talk: Urchin, UK Pavilion 2024 Cannes Film Festival

As part of the Talent Support programme, the BFI Doc Society team travelled across the UK holding joint events with BFI NETWORK, the Scottish Documentary Institute, and the Documentary Film Council, and attended Film Hub North and BAFTA albert events. The team also supported a delegation of seven UK producers to attend IDFA (with the BFI International Fund) and hosted an open-access Drop-in Day at Sheffield DocFest aimed at emerging talent.

The RISE Producer Programme – offering sustained guidance to producers over a six-month period – was also a success. Six emerging producers working towards their first independent feature documentary attended Sheffield DocFest as a delegation through this programme which included a dedicated introduction to Meetmarket, festival roadmap, and networking with organisations including IDA, BBC, Ford Foundation, Doc Society, The Guardian and Metfilm.

International engagement and partnerships

The BFI's National Lottery International Fund supports a wide range of activity to increase the international reach of UK screen content and the visibility of UK talent at festivals and other industry events around the world to create future collaboration partnerships. Additionally, often working with partners in other countries, the fund supports activities that encourage knowledge exchanges with international peers and collaboration with the UK, including through co-productions.

In 2024, the BFI established ScreenUK Industry (taking over from We Are UK Film) to represent the UK screen sector's national and regional agencies at key international festivals and markets. As part of ScreenUK Industry, a new platform was launched to provide relevant and up-to-date information on working with the UK screen sector, as well as funding opportunities for UK screen professionals.

The UK Pavilion at the 2024 Cannes Film Festival – which featured a series of curated industry panels and networking sessions – was delivered by the BFI under the ScreenUK Industry banner for the first time. The BFI additionally supported a UK stand at the Berlinale and the Toronto International Film Festival (TIFF), both delivered by Film Export UK. The Annecy International Animated Film Festival also featured a UK stand, organised by Animation UK with support from the BFI National Lottery UK Focus Fund.

UK producers were supported to attend the Sarajevo Film Festival, San Sebastian Film Festival, IDFA, CPH:Dox and International Film Festival Rotterdam, supported through the BFI International Connections Fund.

Activities aimed at connecting UK and international producers to foster collaboration included a UK-Italy co-production day at the Italian Cultural Institute, in partnership with the Directorate General for Cinema and Audiovisual of the Ministry of Culture in Italy (DGCA-MiC) and Cinecittà. A UK-France co-production day was

also hosted by the Institut Français, in partnership with the French National Centre of Cinema (CNC) and the Institut Français.

The BFI also partnered with the British Council on a Travel Grants Fund, which continues to provide comprehensive support improving access to international festivals, labs, and co-production forums for producers and UK screen professionals.

UK Global Screen Fund

Launched in 2021, the UK Global Screen Fund (UKGSF) is designed to boost international development, production, distribution and promotional opportunities for the UK's independent screen sector. The fund targets support across the sector, including film, TV, documentary, animation and interactive narrative games content. Financed by the UK Government's Department for Culture, Media and Sport (DCMS) and delivered by the BFI, the UKGSF is focused on supporting international co-production, international business development and international distribution.

In 2024/25 the fund made 83 awards in the form of non-recoupable grants totalling over £5.9 million. This included funding for 19 international co-productions, bringing new global partnerships for the UK with 18 territories including Brazil, Morocco, USA, Canada, Finland and Greece. International co-productions supported by the fund screened at major international film festivals, including World Premieres for *September Says* (Ariane Labed) at Cannes; *Bring Them Down* (Christopher Andrews) at Toronto; and *Sukkwan Island* (Vladimir de Fontenay) at Sundance. The fund also helped to boost international sales of critically acclaimed UK feature and co-production titles including *Sebastian* (Mikko Mäkelä), *The Penguin Lessons* (Peter Cattaneo), *The Salt Path* (Marianne Elliott) and *Freud's Last Session* (Matthew Brown). The fund also awarded 26 companies with support for business development strategies that drive international growth.

The UKGSF renewed its support for the European Solidarity Fund for Ukrainian Filmmakers (ESFUF). Managed by the CNC in France, the ESFUF brings together 20 partners from 19 different countries and offers dedicated support for Ukrainian filmmakers to help them complete their films or develop new projects, while fostering co-productions.

Marking four years since the launch of the UKGSF, BOP Consulting published the UK Global Screen Fund Multi-Year Evaluation, examining the fund's process, impact and economic value. The evaluation found a benefit cost ratio of 1.7:1 for the UK Global Screen Fund programme and that every £1 of UKGSF funding generates £22 of net benefit.



September Says (2024), directed by Ariane Labed

Alongside financial support for UK screen businesses, the UKGSF oversees the consumer brand, ScreenUK, which promotes UK screen content internationally – inspiring global audiences to discover the best of UK talent.

Inward investment

Inward investment plays a critical role in the UK's screen industries, reaffirming UK's position as a major global production hub and contributing significantly to economic growth, competitiveness, job creation and skills development. The BFI supports and works in partnership with the British Film Commission (BFC) to deliver economic growth through inward investment to the UK for film and high-end TV production.

A key pillar of the BFC's work is the tailored support provided to productions in partnership with screen agencies across the UK which in 2024 saw almost £1.85 billion of feature film inward investment production and £2.8 billion of high-end television inward investment production. During this year, inward investment has rebounded significantly, with a 78% increase in film inward investment and 36% increase in inward investment for high-end television production after the preceding year, which experienced a significant impact on new production investment in the UK in the wake of the Writers Guild of America and Screen Actors Guild-American Federation of Television and Radio Artists (SAG-AFTRA) strikes.

The BFC also represents the UK at key markets and festivals such as Toronto International Film Festival, the European Film Market in Berlin, the Sundance Film Festival, and MIFA in Annecy, as well as delivering promotional events such as the UK Film and TV week in Los Angeles.

International policy

2024/25 saw major shifts in the global political landscape: the UK elected a Labour government, the European Parliament elections reshaped the European Commission, and the US voted in a Republican president. The BFI advanced its international policy objectives within this changing environment.

A key platform for European engagement was our active role in the European Film Agency Directors (EFAD) association, which unites 35 national film agencies through General Assembly meetings – held in Cannes, Brussels, and Berlin in 2024/25 – and dedicated working groups. We also maintained engagement with European institutions, including the UK Mission to the EU, Council of Europe, and international industry bodies such as the International Federation of Film Distributors' and Publishers' Associations (FIAD), European Broadcasting Union (EBU), Association of Commercial Television and Video on Demand Services in Europe (ACT), The European Producers' Club (EPC), and Motion Picture Association (MPA), focusing on European Works, mobility, co-production, copyright,



ScreenUK Industry stand, 2025 Berlinale



Pressure (1976), directed by Horace Ové

and AI. We additionally partnered with peer agencies in France and Italy to promote greater sector collaboration.

The BFI ensured UK screen sector interests were represented in Government negotiations on new Free Trade Agreements (FTAs) throughout the year, including those with India, South Korea, and the Gulf Cooperation Council (GCC). We also contributed as an active member of the Creative Industries Trade and Investment Board.

In emerging markets, we engaged with the Department for Business and Trade via the UK-China Forum, and strengthened ties with China, Hong Kong, Singapore, and South Korea. Following the 2024 UK-Nigeria Enhanced Trade and Investment Partnership, and the BFI Chief Executive's visit to Lagos with the Foreign Secretary, we hosted the launch of the UK-Nigeria Creatives Working Group. This group aims to foster business opportunities and strengthen collaboration between the UK and Nigerian creative industries.

International cultural activity

International engagement with the BFI National Archive remained strong throughout the year with restorations, screening materials and curatorial collaborations taking place around the world.

The *Cinema Unbound: The Creative Worlds of Powell and Pressburger* programme travelled to international venues across North America, including the TIFF Cinematheque in Toronto (10 – 29 May), the Academy Museum of Motion Pictures in Los Angeles (18 July–19 August), MoMA New York (21 June–31 July), the SIFF Cinema Egyptian in Seattle (18 September–20 November), and the Gene Siskel Film Center in Chicago (2–17 October), strengthening BFI relationships with archives and festivals and expanding audience engagement across North America.

The BFI National Archive 4K restoration of *The Small Back Room* (Powell and Pressburger, 1949) was introduced by Josephine Botting at the Lumière Festival in Lyon in October, and Rosie Taylor presented the Archive's holdings from the collection of Philip Jenkinson at the AMIA conference in Milwaukee in December. Additionally, the new BFI restorations of *Pressure* (Horace Ové, 1976) and *I Know Where I'm Going!* (Powell and Pressburger, 1945) played at the 2024 Havana Film Festival in Cuba in December, introduced by Robin Baker.

A partnership with TCM Classic Film Festival (24–27 April) saw the festival showcase six films from the BFI National Archive's collection, including a pristine, original British release, dye-transfer Technicolor print of *Jaws* (Steven Spielberg, 1975). Marking the film's 50th anniversary, the screening was introduced by BFI Chief Executive Ben Roberts, and featured one of the stars of the film, Lorraine Gary, who was interviewed on stage. The festival also presented a rare 1945 nitrate release print of Michael Curtiz's *Mildred Pierce* (1945), and the BFI hosted a Club TCM event at The Roosevelt Hotel – entitled 'From Across the Pond: Sights & Sounds of the British Film Institute' with Ben Roberts and special guest Guillermo Del Toro discussing the important restorations, big discoveries, and precious rarities from the BFI National Archive's collection and rich 90-year history.

Research and Statistics Unit (RSU)

The BFI Research and Statistics Unit (RSU) provides independent public-domain evidence for the UK screen industries through data collection, analysis and research. This evidence underpins decisions on the future of the sector, regarding culture, practice, and economic and policy needs. Research is published on **www.bfi.org.uk**, shared widely with stakeholders, and made available through RSU events.

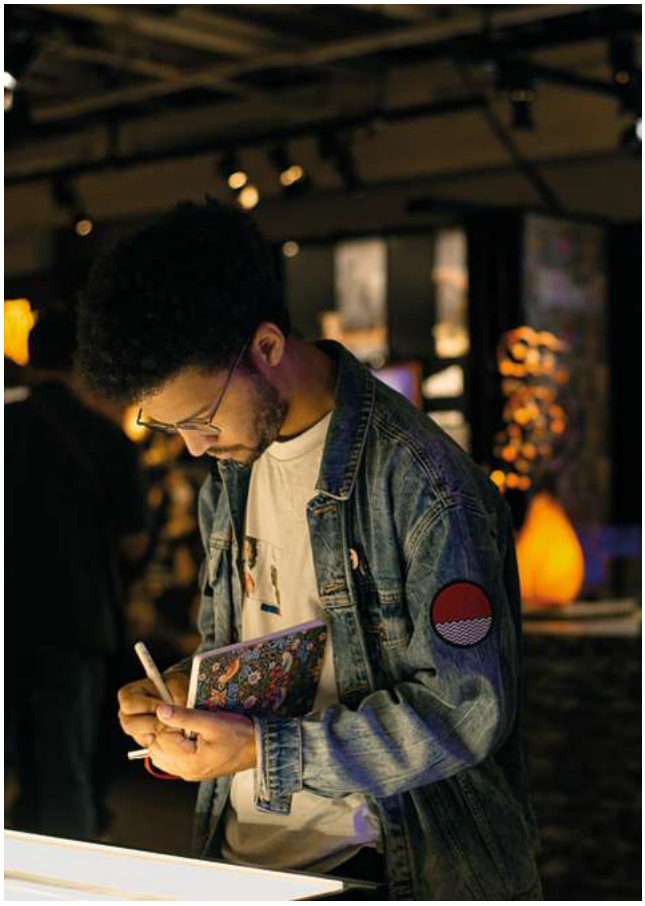
BFI official statistics

Throughout 2024/25 the BFI's RSU continued to produce official statistics on the UK film industry and other screen sectors. This included weekly reports on the UK weekend box office and performance of UK films, along with quarterly and annual reports on cinema admissions and box office revenue; UK production spend on film and high-end TV (HETV) production; and the volume and spend of film, HETV, children's programmes, animation programmes and video games receiving British certification. This data is widely used across the screen sector and by researchers, policy makers and the media, providing unique insights into the performance of UK qualifying and independent films, and the value and volume of productions taking place across the UK.

National Lottery Research and Statistics Fund

The RSU published two key reports in 2024/25, the first of these was *Mapping the Presence of Animation Activity Across the UK: Stage Two,* which addresses the recommendations in the previous Stage One study and makes a substantial methodological contribution to the existing research on mapping the size and economic contribution of animation activities in the UK, including the number of jobs they create and the number of companies working in animation across the UK nations and England's regions.

The second was the BFI's latest film audience survey, *The Wider World of Film*, which provides fresh insights into the role of film in the context of the wider viewing landscape. This includes the measurement of all the different ways that audiences consume films, the factors that influence how and why films are viewed, and the key drivers and barriers to consumption. Additional to these reports was the publication of the Welsh translation of the *Screen New Deal: Transformation Plan for Wales* report. Commissioned by the BFI and led by BAFTA albert, Arup, Creative Wales, Ffilm Cymru Wales and Media Cymru, the transformation plan provides a route map for stakeholders in Wales to transform the nation's film and high-end television industry into a zero-carbon, zero-waste sector. It is designed to act as a blueprint for use in the other UK nations and England's regions.



LAIKA: Frame x Frame, BFI Southbank. Image: Toby Lewis Thomas for LAIKA and BFI.

BFI audience insight and evaluations

In 2024/25 the RSU surveyed more than 10,000 BFI audience members, including those visiting BFI Southbank and BFI IMAX; attendees at the BFI London Film Festival, BFI Film on Film festival, BFI Flare; and BFI Player users across the UK. We have also undertaken focused research on BFI members, the LAIKA: Frame x Frame free exhibition at BFI Southbank, and the Heritage Open Day 2024, helping to build a picture of all BFI audiences and how they engage with us.

Evaluations were completed for programmes under the previous BFI2022 strategy, with the final years of activity carried over into the current financial year. This extension was due to various factors, including the prolonged impact of COVID-19, and included end-of-term evaluations for the Heritage 2022 programme and BFI London Film Festival 2020+ strategy.

Formal evaluations were commissioned for a range of Grant-in-Aid activity under Screen Culture 2033 as well as the National Lottery Strategy to assess the delivery and early impact of funding activities, as well as to inform future developments.

This included the UK Global Screen Fund multi-year evaluation, the BFI Film Academy courses 2023/24 evaluation, the Audience Projects Fund interim evaluation and an interim evaluation of programmes delivered by partner Into Film. We continue to publish the majority of BFI commissioned evaluations for accountability and transparency of public spending.

Policy and advocacy

A key focus for BFI policy in 2024/25 was the House of Commons Culture, Media and Sport Select Committee's re-launched Inquiry into British Film and High-End TV. The Committee's report was published in April 2025 and many of its recommendations reflect the written and oral evidence provided by the BFI, which included evidence provided by our Director of Skills and Workforce Development to the Committee in June 2024; points raised at a Screen Heritage Roundtable at the BFI National Archive's Conservation Centre in December 2024; and evidence provided by our Chair and CEO at the inquiry's final session in January 2025. BFI Policy continues to work with Government and the sector in taking forward appropriate recommendations from the Committee's report.

In addition, the BFI worked with the screen industry to provide evidence to several significant Government consultations – the Curriculum Review, the Copyright and Artificial Intelligence consultation, and the Foreign Affairs Committee's Soft Power Inquiry. We continued to advocate for an effective Audiovisual Expenditure Credit (AVEC) regime, which includes supporting the introduction of an uplift for visual effects work. In October, we marked the implementation of the Enhanced AVEC for Lower Budget Film (also referred to as the UK Independent Film Tax Credit or IFTC) by convening an industry roundtable hosted by the Minister for Creative Industries, Arts and Tourism.

BFI Policy also worked with colleagues across the BFI and the UK Government in preparation for Phase 1 and 2 of the Comprehensive Spending Review. Phase 1 (2024/25) was announced at the 2024 Autumn Budget, when funding was confirmed for the 2025 BFI London Film Festival (LFF), the UK Global Screen Fund (UKGSF), BFI's Certification Unit, and the BFI Film Academy. Submissions were made to the DCMS for Phase 2 (2025/26 onwards) in Q4.

We continued to collaborate with our partners to progress areas of shared interest, such as the development of an AI observatory and tech demonstrator hub, and funding for independent cinemas, and supported the delivery of flagship events, including coordinating cross-industry representation at the Buckingham Palace Garden Party for the Creative Industries, and the attendance of the DCMS Secretary of State at the BFI London Film Festival. In addition to these major projects, throughout the year BFI Policy supported colleagues across the BFI in advancing policy change in areas from skills and inclusion through to international policy issues.

BFI Certification Unit

The BFI Certification Unit is the first point of contact for applicants in the film, television and video games sectors seeking to access the UK Government's Audio-Visual Expenditure Credits (AVEC) and Video Games Expenditure Credits (VGEC). The Unit has administered the cultural test and co-production treaty qualifications on behalf of the Department for Culture, Media and Sport (DCMS), His Majesty's Revenue and Customs (HMRC) and His Majesty's Treasury (HMT) since the introduction of film tax relief (FTR) in 2007. The Unit therefore plays an important role in the process through which UK screen productions and projects may qualify as British to access the expenditure credits.

The AVEC and VGEC came into force on 1 January 2024. Additionally, an Enhanced AVEC for lower budget film, also known as IFTC, was introduced for films starting production on or after 1 April 2024 (claimable from 1 April 2025). The Unit has worked closely with the DCMS and HMT on the introduction of the new expenditure credits, and throughout 2024/25, resourced the team to manage the additional demands of increased delivery and promotion of the changes. The Unit continues to work with government on the revision of co-production treaties where appropriate. This year, the Unit received a total of 2,699 applications, an increase of 403 against the previous year. This was comprised of 1,435 applications for film productions, 472 applications for HETV productions, 123 for animation television productions, 129 for children's television productions and 540 for video games projects.

Strategic principles

Equity, diversity and inclusion


Filmmaker Rungano Nyoni, 2024 Cannes Film Festival

Representation in the UK screen sectors has long been unequal, from the stories told on screen, to the opportunities available to create and work in the sector. Equity, diversity and inclusion are about everyone being able to develop a meaningful relationship with screen culture, irrespective of their background or circumstance.

This includes people of all ages, religions or beliefs, ethnicities, genders, sexual orientations, working class backgrounds, as well as disabled people, those with a long-standing physical or mental condition, and those identifying as d/Deaf or neurodiverse.

This principle is core to the BFI's own organisational structure, our Screen Culture 2033 ten-year strategy and how we spend National Lottery funds across our programme and funded partners.

BFI Inclusion

Diversity and inclusion is embedded into each BFI directorate's strategic delivery as one of the one of the three strategic principles in Screen Culture 2033. This includes an organisation-wide focus on anti-racism, anti-ableism and access.

Sitting alongside Screen Culture 2033 is the Inclusion Strategy, which outlines the deliverables of the BFI Inclusion team and how we consult and advocate for best practice at the BFI and throughout the wider industry. Our key strategic practices are:

1. Community building
2. Access enabling and knowledge sharing
3. Consultancy and advocacy
4. Delivering on our commitments in Screen Culture 2033

The BFI Inclusion team comprises the Director of Inclusion, focusing on strategy and advocacy, the Inclusion Manager, who leads the wider team and is responsible for strategic delivery, and two Inclusion Partners and an Inclusion Coordinator, who project-manage the work of the team.



Disability inclusion panel, 2025 Rotterdam International Film Festival

Community building

In 2024/25, BFI Inclusion continued to create safer spaces for historically marginalised communities, within which people can network and create.

For a second consecutive year, BFI Inclusion held a Black Womxn's lunch at the Cannes Film Festival, which continues to grow in attendance and popularity. The event was attended by more than 150 Black cis and trans women, non-binary people and allies, and was organised in partnership with Diversity in Cannes and supported by Times Up UK and The British Blacklist. BFI additionally hosted a more intimate lunch to celebrate Rungano Nyoni and her film, *On Becoming a Guinea Fowl,* for which she won the Best Director award in the Un Certain Regard selection at the festival.

At the BFI London Film Festival, BFI Inclusion created spaces of community – a Black Womxn's lunch to partner the one in Cannes; and, as part of our Beyond the Binary work with Reclaim the Frame and Women in Hollywood, exploring how to be better allies to trans and non-binary people, we hosted a group of trans and non-binary dancehall queens for a screening of *I'm Your Venus* and a reception with the filmmakers. We additionally hosted our Disability Advisory Group members at the festival for a screening of *Patrice: The Movie* written by the group's Chair, Kyla Harris.

At the Berlinale, we hosted Black and Global Majority filmmakers at our annual reception, and in March took part in the inaugural Muslim Heritage Month, supporting UK Muslim Film to host a screening and Iftar meal at BFI Stephen Street.

Access enabling and knowledge sharing

An important part of our work is providing access to BFI's expertise, spaces and resources, recognising that small interventions from us can have a wider, exponential impact. We utilise the BFI brand to support, legitimise and amplify the work of grassroots and community organisations and their beneficiaries.

In 2024/25, BFI Inclusion worked with BFI International to support the attendance of a cohort of Disabled filmmakers at the Rotterdam International Film Festival – the first time the BFI International Fund had been used to make attendance at an international festival fully accessible for a group of filmmakers. By placing access at the centre of the planning and execution of this trip – we were able to ensure the filmmaker's access and professional needs were met. Filmmakers, Ella Glendining, Anna Keeley, Cristián Saavedra and Sarah Leigh met with collaborators and networks at the festival, were featured in Screen Daily, and participated in an industry panel event.

The BFI Inclusion team was invited to talk and present at several national and international academic institutions and events, on topics including gender equity, access, anti-ableism, inclusion and the BFI's inclusion strategy for organisations. Our hosts included the University of Westminster, Spanish Film Academy, Scottish Queer International Film Festival (SQIFF), Sheffield DocFest, Bristol ID Screening Days, Annecy International Animation Film Festival, London Metropolitan University, Vilnius Short Film Festival andThe New Black Film Collective XPO (TNBFC XPO).

We continue to sponsor or provide in-kind support to several grassroots organisations and diverse talent such as SOUL, Our Stories, the Muslim International Film Festival, Intermission Film, Hair Story Film, Cecile Emeke, Wonder Women and the Female Film Club.

Consultancy and advocacy

BFI Inclusion uses research, expertise and our reputation to advocate for this work being undertaken in the right way by other organisations, agencies and businesses across the UK and internationally. We also raise awareness of the ever-changing inclusion landscape in order to inspire action and change in this area.

In 2024/25, the Director of Inclusion took part in a two-way exchange between London and Madrid, participating in a public panel and closed workshop exploring women's equity in the Spanish and UK film industries, in partnership with the Spanish National Archive (Filmoteca), CIMA and the University of Southampton. She also attended the Celtic Media Festival, alongside the BFI Head of Sustainability, to explore ways of better embedding both EDI and environmental sustainability into the BFI's festivals. They discussed these issues in a podcast by Nausica, which focused on social impact in the screen industries.

The Director of Inclusion also participated in a podcast with Wonder Women, a series spotlighting female leaders in the British Creative Industries fronted by TV presenter Ria Hebden.

BFI Inclusion contributed to the Lab Femmes de Cinema report which collates information about EDI activity across the European Film Agencies.

Delivering on our commitments – Screen Culture 2033

Within the organisation, BFI Inclusion provides consultation to colleagues to ensure inclusion is meaningfully embedded across the six strategic ambitions of Screen Culture 2033, including our National Lottery strategy.

We remain deeply involved in continuing our anti-racism work and moving our learning into action – in particular, co-designing actions focused on decolonising our collections and programme.

Through work with our disability advisory group, We Crip Film, we continue to advocate for and support BFI colleagues to instil anti-ableism and access into all aspects of our work. We are continuing to develop our strategy and establish a working group to help to foster more collaboration with colleagues in this area.

BFI Inclusion also helped to provide training and best practice for Film Audience Network and BFI Network talent executives in 2024/25, and embarked on a tour of Bristol, Birmingham, Manchester and Leeds, meeting BFI supported and grassroots organisations in our regions and nations.

UK-wide

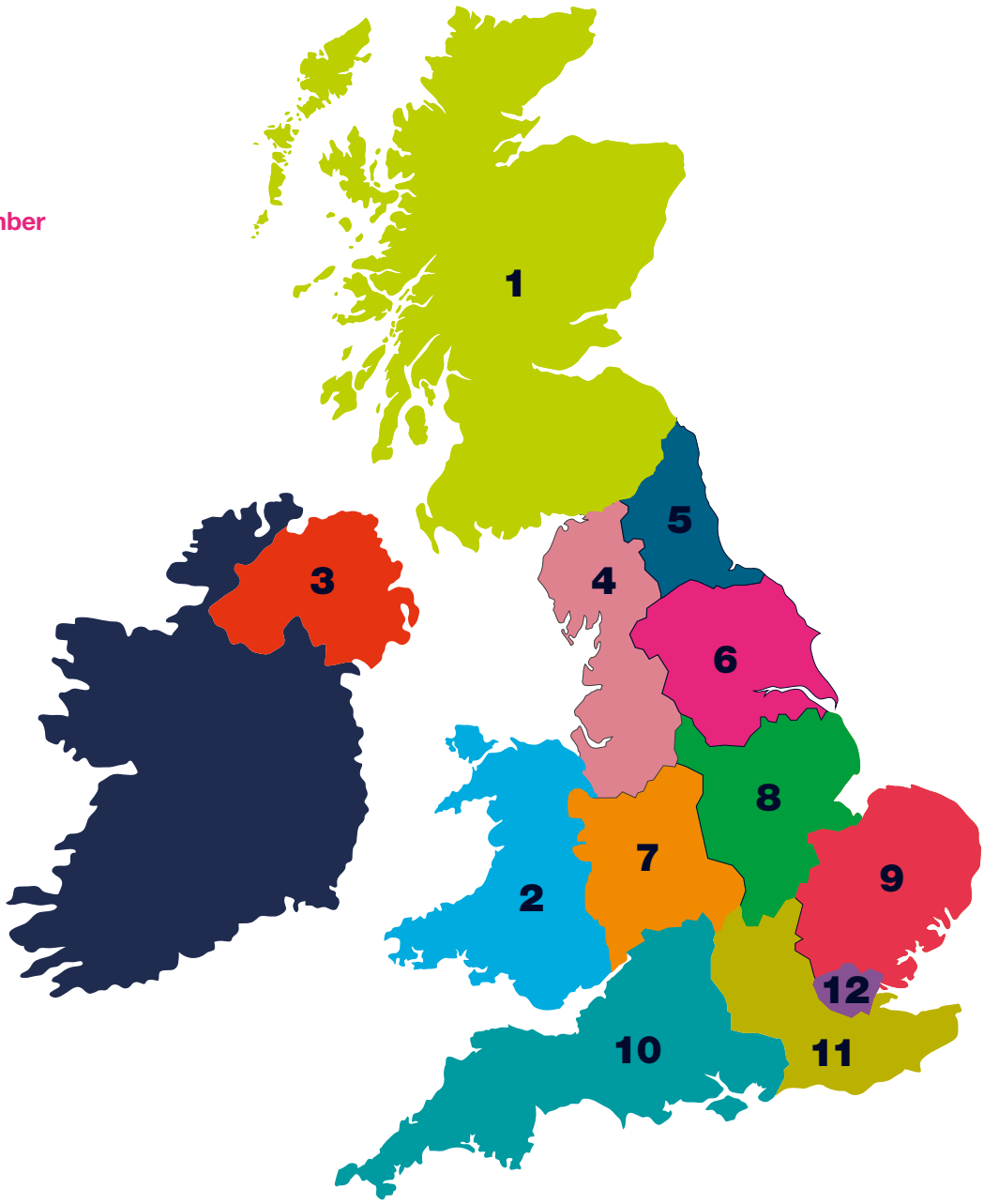
BFI UK-wide funding by nation and region

Everyone across the UK should be able to experience and create the widest range of moving image storytelling. It has a huge role to play in helping us explore the rich diversity of UK life across every national and region. Economic opportunities and access to jobs should be developed UK-wide. All funded activity has to demonstrate how it supports these ambitions.

2024/2025 was the second year of our 10-year Screen Culture 2033 strategy and our National Lottery Funding Plan. Over the course of these strategies, we are committed to looking at how best to grow the role of local decision-makers in deciding how to deliver strategic outcomes. Our audience, filmmaking and education and skills development activities benefit people and businesses across the UK. Here we detail funded initiatives and partnerships which work to deliver this work UK-wide.

Awards supporting activity UK-wide from our National Lottery, Grant-in-aid and Department for Education funding supports partners in delivering programmes and activity throughout the UK.

1 Scotland
2 Wales
3 Northern Ireland
4 North West
5 North East
6 Yorkshire & the Humber
7 West Midlands
8 East Midlands
9 East of England
10 South West
11 South East
12 London



1 Scotland
BFI Skills – Business Development in NI, Scotland, Wales (1) BFI Film Audience Network delivery partner (1) BFI Skills Clusters (1) BFI Film Academy delivery partner (2) BFI Film Academy Plus delivery partner (1) BFI Audience Projects Fund (3) BFI NETWORK (2) BFI Filmmaking Fund – Development, Production (4*) BFI Creative Challenge Fund (1) UK Global Screen Fund (10) BFI Replay branches (24) Into Film account holders (7,545) BFI Skills Fund – Skills Bursary Fund partner (49) BFI National Lottery Open Cinema venues (18)

2 Wales
BFI Film Academy delivery partner (2) BFI Film Academy Plus delivery partner (1) BFI Film Audience Network delivery partner (1) BFI NETWORK (1) BFI Audience Projects Fund (1) BFI Film Audience Network Places Fund (1) BFI Filmmaking Fund – Development, Production (1) UK Global Screen Fund (3) BFI Replay branches (3) Into Film account holders (4,578) BFI Skills Fund – Skills Bursary Fund partner (15) BFI National Lottery Open Cinema venues (9)

3 Northern Ireland
BFI Film Academy delivery partner (1) BFI Film Academy Plus delivery partner (1) BFI Film Audience Network delivery partner (1) BFI Skills Clusters (1) BFI Audience Projects Fund (2) UK Global Screen Fund (8) Irish Language Broadcast Fund (1) Ulster Scots Broadcast Fund (1) Into Film account holders (2,684) BFI Skills Fund – Skills Bursary Fund partner (27) BFI National Lottery Open Cinema venues (6)

4 North West
BFI Film Academy delivery partner (1) BFI Audience Projects Fund (2) BFI Filmmaking Fund – Development, Production (5*) BFI NETWORK – England short film funding (2) BFI Screen Heritage Fund (1) BFI Screen Heritage – Resilience Fund (1) UK Global Screen Fund (1) BFI Replay branches (15) Into Film account holders (8,051) BFI Skills Fund – Skills Bursary Fund partner (33) BFI National Lottery Open Cinema venues (21)

5 North East
BFI Film Academy delivery partner (1) BFI NETWORK (3) BFI Audience Projects Fund (2) BFI Screen Heritage Fund (1) UK Global Screen Fund (1) BFI Replay branches (31) Into Film account holders (3,586) BFI Skills Fund – Skills Bursary Fund partner (9) National Lottery Open Cinema venues (8)

6 Yorkshire & the Humber
BFI Audience Projects Fund (5) BFI Film Audience Network delivery partner (1) BFI Film Academy Plus delivery partner (1) BFI Filmmaking Fund – Development, Production (12) BFI Skills Clusters (1) BFI NETWORK (7) BFI National Lottery Creative Challenge Fund (1) BFI Screen Heritage – Resilience Fund (1) BFI Film Audience Network Places Fund (1) BFI Screen Heritage Fund (2) UK Global Screen Fund (3) BFI Replay branches (106) Into Film account holders (5,635) BFI Skills Fund – Skills Bursary Fund partner (19) National Lottery Open Cinema venues (8)

7 West Midlands
BFI Film Academy delivery partners (1) BFI Audience Projects Fund (5) BFI Skills Clusters (1) BFI Filmmaking Fund – Development, Production (4*) BFI NETWORK (7) UK Global Screen Fund (1) BFI Skills Clusters (1) Into Film account holders (6,323) BFI Skills Fund – Skills Bursary Fund partner (15) National Lottery Open Cinema venues (9)

8 East Midlands
BFI Film Academy delivery partner (5) BFI Film Academy Plus delivery partner (1) BFI Film Audience Network delivery partner (1) BFI NETWORK (1) BFI Audience Projects Fund (3) BFI Film Audience Network Places Fund (1) BFI Filmmaking Fund – Development, Production (2*) BFI Screen Heritage Fund (1) BFI Screen Heritage – Resilience Fund (1) BFI Replay branches (32) Into Film account holders (5,314) BFI Skills Fund – Skills Bursary Fund partner (7) National Lottery Open Cinema venues (10)

9 East of England
BFI NETWORK (5) BFI Filmmaking Fund – Development, Production (2*) UK Global Screen Fund (3) Into Film account holders (7,022) BFI Skills Fund – Skills Bursary Fund partner (12) BFI Screen Heritage – Resilience Fund (1) National Lottery Open Cinema venues (15)

10 South West
BFI Film Academy delivery partners (2) BFI Film Academy Plus delivery partner (1) BFI Film Audience Network delivery partner (1) BFI Audience Projects Fund (2) BFI Filmmaking Fund – Development, Production (4*) BFI NETWORK delivery partner/ short film funding (11) BFI Skills Places Fund (3) BFI Screen Heritage – Resilience Fund (1) UK Global Screen Fund (5) BFI Replay branches (39) Into Film account holders (6,331) BFI Skills Fund – Skills Bursary Fund partner (42) National Lottery Open Cinema venues (28)

11 South East
BFI Film Academy delivery partners (1) BFI Audience Projects Fund (3) BFI Filmmaking Fund – Development, Production (8*) BFI Skills Clusters (1) BFI NETWORK (7) BFI Creative Challenge Fund (1) UK Global Screen Fund (5) BFI Screen Heritage – Resilience Fund (1) UK BFI Replay branches (28) Into Film account holders (9,807) BFI Skills Fund – Skills Bursary Fund partner (48) UK National Lottery Open Cinema venues (15)

12 London
BFI Film Academy partner (4) BFI Film Academy Plus delivery partner (1) BFI Audience Projects Fund (18) BFI Skills Clusters (1) BFI Film Audience Network delivery partner (2) BFI Filmmaking Fund – Development, Production (72*) BFI Screen Heritage Fund (5) BFI Screen Heritage – Resilience Fund (1) BFI NETWORK (29) UK Global Screen Fund (44) BFI Creative Challenge Fund (4) BFI Research & Statistics Fund (3) BFI Replay branches (6) Into Film account holders (10,632) BFI Skills Fund – Skills Bursary Fund partner (180) BFI National Lottery Open Cinema venues (33)

UK-wide delivery by London-based organisations
BFI UK Focus Fund (5) BFI Innovation Challenge Fund (4) BFI Audience Projects Fund (6) Sustainable Screen (2) BFI Documentary Delegation (2) BFI Skills Bursary Fund Delegation (1) Education – Careers and Progression (1) BFI Teaching with Film/Young Creatives (3)

UK-wide delivery by North West-based organisations
BFI Skills Fund – Good Work (1)

England-wide delivery by North West-based organisations
BFI Skills Fund – Business Development (1)
Production across England (2)

UK-wide delivery by South East-based organisations
BFI Innovation Challenge Fund (1) BFI UK Focus Fund (1)

UK-wide delivery by Yorkshire & the Humber-based organisations
BFI UK Focus Fund (1)
BFI Audience Project Fund (1)

International activity and inward investment
International Connections Awards (7) British Film Commission (3) International Travel Grants delivery (6)

Notes:

Some awards cover multiple years

BFI Film Audience Network partners are hubs around the UK which work with a wider range of film organisations in their areas

BFI Filmmaking Fund awards include film development, production, Future Takes productions and Locked Box awards

Into Film account holders include educators, career advisors, youth workers and parents

Three BFI Film Audience Network partners cover more than one region on the map: BFI FAN hub for the Midlands covers East and West Midlands

BFI FAN hub North covers the North East, North West and Yorkshire & Humberside

BFI FAN hub South East covers East of England and South East

Environmental sustainability

Environmental sustainability is one of the three principles that underpin all our work. We are working to improve our net benefit to the environment, reduce our negative impact, and move towards net zero across all our activities, our programming, our operations, our estate, as well as decisions across our funding portfolio. We use our status as the lead body for film and the moving image to support and enable industry to achieve a just and green transition. Our work across the organisations delivers directly against nine of the 17 Sustainable Development Goals.



In 2024/25 we expanded the Environmental Sustainability team with the appointment of industry and business partner roles to lead major strands of our new strategy. We also completed a costed Heat Decarbonisation Plan for four out of five sites and commissioned a *Routemap to Net Zero* for the organisation for delivery in 2025/26.

We have continued our workshop programme with colleagues across all BFI directorates to inform and finalise team action plans that will provide structure to localised initiatives and decision-making, as well as enabling corporate reporting and progress monitoring.

Sustainable procurement and construction

Sustainability is an integral element of our procurement process. Applications are assessed against sustainability criteria which contribute to the scoring outcome, and for procurement exercises with a greater scope to positively impact our sustainability performance, the tender is drawn up in conjunction with our Sustainability Lead. We have also ensured that high environmental standards are expected within our Supplier Code of Conduct, including within the supply chain.

All works in 2024/25 were focused on the refurbishment of spaces or building systems, and a key focus of the design process was ensuring we deliver an efficient and sustainable design. There are mandatory requirements for contractors within our procurement process concerning sustainability, and we work closely with each appointed contractor to utilise their experience and knowledge, with the aim of enhancing the design further and improving delivery on-site.

This year we had the opportunity to carry out several projects via the Public Bodies Infrastructure Fund (PBIF) which was awarded to the BFI to resolve significant estate issues. Where these upgrades have taken place, we have aimed to install the most sustainable technologies available while carrying out the work. This has resulted in the decarbonisation of Vault 2 at the BFI National Conservation Centre, Berkhamsted and NFT2 Cinema at our BFI Southbank site. We also fixed several long-standing water ingress issues on our estate which will reduce energy consumption by reducing the need to dehumidify these areas.

The BFI was awarded funding via the SALIX Low Carbon Skills Fund in July 2024 to form a Heat Decarbonisation Plan (HDP). This was completed in early late 2024 and has given us outline plan on the timescale and cost to decarbonise our estate. During the coming year we will develop the plans further and begin preparing for the next stages of implementation.

Work has continued on day-to-day energy management of our estate, and we have introduced lighting upgrades and more efficient technologies and systems in a number of areas. Work has also taken place on the main HVAC control systems to ensure our major system are operating efficiently.

BFI National Lottery Sustainable Screen Fund

The BFI National Lottery Sustainable Screen Fund continues to support all BFI National Lottery awardees and the wider screen sector to decarbonise and minimise their environmental impact. Delivered in partnership with Julie's Bicycle and BAFTA albert, the programme provides access to carbon accounting tools tailored to the screen industries, as well as training, resources, guidance, advocacy, and support free-of-charge across the UK.

This year, BAFTA albert launched five new Academy workshops and case studies, focusing on feature films and high-end television, short films, animation, documentaries, and editorial. Engagement with these workshops has demonstrated growing demand, with approximately 120 participants attending each quarter by the end of Q4 2024/25. Julie's Bicycle also launched the Sustainable Screen Resource Hub, offering practical self-service materials for organisations across the screen sector, with an average of 1,800 views per page across its suit of resources.

In 2025/26, we will continue to build on this support, including delivering more in-person sessions across the nations and regions.

Climate change adaptation

Climate change adaptation is identified as a perennial risk in the BFI's corporate risk register and is being embedded in special projects estate work including Screen Archive of the Future and upgrades to our visitor sites at BFI Southbank and BFI IMAX at Waterloo.

The BFI's Environmental Sustainability Strategy (2025-29) is the first step in embedding climate change adaptation through our policy development, staff learning and development. Ongoing adaptation of our estates is reported in the Sustainable Procurement and Construction section.

The Environmental Sustainability team participate in formal and informal peer networks and working groups to ensure the organisation is abreast of the latest developments and policy guidance on climate change adaptation.

Nature recovery and biodiversity

In 2024/25 we continued to further the biodiversity improvements of the last few years at our BFI Master Film Store in Gaydon and the main BFI National Archive site in Berkhamsted, where we enhanced the wilding of several areas and made improvements to the habitat for native species.

We are looking at how we can improve the biodiversity opportunities at our central London sites, in particular at our BFI Southbank site, working in collaboration with our cultural neighbours and local stakeholders.

We have commissioned updated ecological surveys of our sites at Berkhamsted and Gaydon for delivery in 2025/26 as we work towards an organisational nature recovery plan.

Taskforce for Climate-related Financial Disclosures (TCFD)

Compliance statement

The BFI complied with the majority of Phase 2 requirements with two caveats regarding our data. The first is that the organisation currently uses a spend-based approach to business travel which is not considered best practice and an internal review of current travel data indicated that it is not yet of sufficient quality to publish externally. To address this, BFI Procurement is leading an exercise to implement a new travel desk which will include comprehensive environmental data reporting requirements, including statistics on domestic and international air travel. Secondly, as part of our commitments under our Screen

Culture 2033 strategy, we have commissioned a *Routemap to Net Zero* which will deliver a comprehensive new baseline carbon footprint. We expect the development process for the routemap to identify data gaps primarily in our scope 3 reporting – but will also review the robustness of scopes 1 and 2 data to ensure compliance for Phase 3 of TCFD reporting. We have also considered and chosen not to disclose at this stage our processes for assessing the potential size and scope of identified climate-related risks, pending some risk assessment work being undertaken on this area in 2025/26. We anticipate that our organisational footprint for 2025/26 will differ significantly to that reported in previous years.

Governance

The Board receives regular updates about our work on environmental sustainability as a strategic principle of the organisation. This includes updates on climate risks, detailed later.

As per the last reporting period, the designated Senior Responsible Officer (SRO) for Environmental Sustainability remains the Deputy CEO. Oversight of this work is managed by the Director of Policy and Public Affairs, who line manages the Head of Environmental Sustainability. This has established a clear hierarchy for sustainability within the organisation and has improved the effectiveness of an organisational transition to more sustainable practices.

In October 2024, the BFI restructured reporting lines to establish an internal Environmental Sustainability team. The Energy and Carbon Manager role was reformed and a postholder recruited to work more broadly across the organisation internally. An industry lead was appointed to focus on external engagement and manage the BFI National Lottery Sustainable Screen Fund. Both roles are titled Environmental Sustainability Business Partner (Corporate/ Industry) and report directly to the Head of Environmental Sustainability.

The BFI Executive has reviewed and approved the Environmental Sustainability Strategy, which is a guiding document for the BFI's principles and practices. Directors have been consulted on delivering sustainability action plans for their teams ahead of the next business planning cycle in October 2025. The planning process for these documents will commence in Q1 2025/26 through to the start of Q3 2025/26.

Risk Management

The expansion of the BFI Environmental Sustainability team has allowed the Corporate Environmental Sustainability Partner to develop expertise on climate related risks. This has included the development an environmental legal register and the integration of a more robust perennial risk assessment into the BFI's overarching corporate risk register. The current assessment of environmental risks includes both physical risks (to our estate) and transitional risks (including reporting obligations and reputational risks). This document is reviewed and approved annually at Board level. Climate-related risk is identified and managed by key stakeholders in both the Environmental Sustainability and Estates teams.

Metrics and targets

In Q3, the BFI commissioned a Heat Decarbonisation Plan – funded through the Low Carbon Skills Fund – to assess the energy status of four of our five sites (BFI IMAX is already heat decarbonised). This has generated useful actions for estate decarbonisation and contributed to our Strategic Estates Plan and *Routemap to Net Zero* development. To build on this work and support delivery of our overarching organisational strategy, the BFI appointed an external consultant in Q4 to deliver a *Routemap to Net Zero*. This work will be delivered across 2025/26, aligned to the Greening Government Commitments (2025-30) and will include a future-projected analysis of scenario-based carbon impact, a target for net zero and relevant interim milestones.

Environmental Reporting Metrics

Scope 1&2 Co_2e

		24/25	23/24	22/23	21/22	20/21	17/18 GGC Benchmark
Non-financial indicators (tonnes Co_2e)	Scope 1 Gas	446	506	609	742	552	688
	Scope 1 Fuel LPG	4	16	33	34	44	27
	Scope 1 Fleet & Fugitive	106	80				
	Scope 2 Electricity*	1,269	1,231	1,189	1,153	1,218	2,683
	Total	**1,825**	**1,833**	**1,831**	**1,929**	**1,814**	**3,398**

*BFI electricity tariff is zero carbon but uses a standard emissions factor for GGC reporting.

Scope 1&2 kWh

		24/25	23/24	22/23	21/22	20/21	17/18 GGC Benchmark
Energy Consumption (kWh)	Scope 1 Gas LPG	2,547,000	2,764,000	3,103,000	3,695,000	3,013,000	3,714,000
	Scope 2 Electricity	5,611,000	5,944,000	6,149,000	6,371,000	5,223,000	7,632,000
	Total	**8,158,000**	**8,708,000**	**9,252,000**	**10,066,000**	**8,236,000**	**11,346,000**
Energy Generation (kWh)	Total	150,000	98,000	–	–	–	–
Financial indicators (£)	Energy Costs	1,670,000	1,410,000	1,320,000	1,010,000	800,000	900,000
	Fleet Fuel Costs	3,527	–	–	–	–	–

Materials & Waste

		24/25	23/24	22/23	21/22	20/21	17/18 GGC Benchmark
Non-financial indicators (tonnes)	Paper (purchased)	1,008	1,593	976	831	51	2,957
	Landfill	0	0	0	0	0	0
	Recycled	210	296	404	155	63	509
	Composted	17	13	7	2	0	0
	Incinerated (EfW)	151	244	258	30	21	171
	Total	**378**	**553**	**669**	**187**	**84**	**680**
Financial indicators (£)	Costs	89,300	100,446	77,888	23,203	26,921	52,147

Water

		24/25	23/24	22/23	21/22	20/21	17/18 GGC Benchmark
Water Consumption (m^3)	Total	16,641	15,399	17,642	17,844	9,372	18,318

How we are doing

BFI National Lottery Strategy 2023-2033



Art of Action Stunt Saturday. Image: Lara Cornell

Audiences

In 2024/25 we used National Lottery funding to significantly expand access to screen culture across the UK – helping to deliver on our National Lottery Strategy aim of ensuring everyone can experience a rich and diverse range of film and media.

Through the BFI National Lottery Audience Projects Fund, we supported national events and local projects. Notable examples include activity with Bradford City of Culture and The Libraries Digital Network, both designed to engage audiences that reflect the UK's diverse population. The fund also backed immersive screen experiences and provided grants to independent cinemas, distributors, and festivals.

We also launched BFI Escapes, the rebranded BFI National Lottery Open Cinemas Fund, which offered free, curated film screenings across the UK. This initiative aimed to remove barriers such as cost, accessibility, and social anxiety, encouraging more people to rediscover the joy of cinema.

Working closely with our Film Hub Network partners, the BFI Film Audience Network (FAN) supported 400 projects that brought diverse film screenings to communities across the UK. FAN also launched Spotlight, a three-year initiative that works with partners in areas with little or no existing film activity to build engagement – its work in Peterborough, for example, helped deliver more than 4,000 admissions, with 60% of participating partners having never hosted screenings before. To further support underserved areas, the Places Fund was introduced in 10 towns, including Leigh, Shrewsbury, Hexham, and Neath Port Talbot. This initiative helped local cinemas and cultural venues raise their profiles and deepen community engagement.

FAN also delivered *Art of Action*, a UK-wide programme celebrating stunt work and action in cinema, involving 80 organisations. Additionally, FAN CON, the first national conference for FAN members, was held in Belfast, drawing 150 delegates to discuss topics like AI, health and film, and environmental sustainability. FAN also provided training and workshops on business skills, programming, accessibility, and audience development, helping its members grow and adapt to changing audience needs.

Please see pages 22-24 for more detail about our work on audiences.



Sister Midnight (2024), directed by Karan Kandhar

Filmmaking and talent development

The BFI continued to award National Lottery funding to achieve its objective of cultivating filmmaking talent at all levels. Through a range of programmes, we nurtured a culturally diverse range of emerging and established writers, directors, and producers across the UK, enabling them to create impactful work across short films, features, animation, immersive media, and documentaries.

The year saw major successes including *Kneecap*, which won multiple awards and became the most successful Irish release since *The Banshees of Inisherin*, and *Santosh*, the UK's official Oscar entry. Other acclaimed titles included *Hoard*, *Sister Midnight*, *Bird*, *The Thing with Feathers*, and *Sebastian*. Animation highlights included *Kensuke's Kingdom* and *Sanatorium Under the Sign of the Hourglass*.

The BFI also supported innovation through immersive projects like *Sweet Dreams* and *In Pursuit of Repetitive Beats*, and launched new talent through the Future Takes shorts scheme. The Discovery Fund backed bold debuts such as *Urchin* and *Pillion.* The Creative Challenge Fund supported 86 projects across eight labs, decentralising development and encouraging genre diversity.

Inclusion remained a priority for the BFI Filmmaking Fund, with highlights including *Retreat*, directed by Deaf filmmaker Ted Evans, featuring a predominantly Deaf cast and crew. The Fund also supported a Deaf Associate Producer through BFI Film Academy. Another highlight, *Ish*, worked with We Are Bridge to support underrepresented young people through its production. The BFI also expanded crew development opportunities through partnerships with BFI Film Academy and Skills Clusters, ensuring a more inclusive and sustainable future for UK film.

Working with our partners across the UK, BFI NETWORK continued to support emerging filmmakers across the UK, focusing on professional development, short film production, and debut feature development. The England Short Film Fund received over 1,000 applications, funding 30 projects, with three more supported through the More Films for Freedom initiative with British Council. Delegate partners (NI Screen, Screen Scotland, Ffilm Cymru Wales, Doc Society) funded 45 additional shorts. The Early Development Fund backed 26 projects from over 600 applications, with five writers receiving extra support. Filmmakers also accessed training in sustainability, anti-bullying, and online resources.

Professional development highlights included BFI NETWORK@LFF, selecting 15 filmmakers UK-wide, and the BFI NETWORK & BAFTA Mentoring Programme, supporting six LGBTQIA+ filmmakers. A revamped Travel Grant Fund, in partnership with the British Council, enabled 138 filmmakers to attend international festivals.

Alumni successes included award-winning debuts from Sandhya Suri (*Santosh*), Jack King, Hollie Bryan, Lucy Meer (*The Ceremony*), and Laura Carreira (*On Falling*), showcasing the programme's impact.

Our delegate partner BFI Doc Society supported UK documentary filmmakers through three funding strands: Features, Made of Truth shorts, and RAD development. It awarded over £1.49 million across 44 projects. Highlights included *Grand Theft Hamlet*, *Strike: An Uncivil War*, and *White Nanny, Black Child*. The Talent Support Programme offered nationwide events, mentoring, and networking, including the RISE Producer Programme at Sheffield DocFest, helping emerging producers build industry connections and develop their first feature documentaries.

Please see pages 51-65 for more detail about our work on filmmaking and talent development.

Knowledge, learning and collections: *BFI National Lottery Screen Heritage Fund*

This year we continued to work toward empowering people to engage with the UK's moving image heritage – including children and young people. In 2024/25, the BFI National Lottery's Screen Heritage Fund supported several UK's screen archive initiatives aimed at improving representation of the UK's diverse communities. These included the London Screen Archives 'Undocumented' project, and Northern Ireland Screen's contemporary collecting project, which seeks to give voice to communities whose stories are currently underrepresented within its Digital Film Archive, and to champion equality, diversity and inclusion. The fund additionally opened a new strand to address at-risk screen heritage skills, offering bursaries for individuals, as well as inviting screen heritage organisations to propose new training schemes and initiatives.

Into Film, supported by BFI National Lottery funding, also continued to deliver its Teaching with Film programme throughout 2024/25, successfully training teachers and creating valuable resources for film in the classroom. A key achievement was exceeding its goal of training 900 student teachers within the year.

Please see page 36 and page 50 for more detail about our work on knowledge, learning and collections.

Skills and workforce development

As set out in our Screen Culture 2033 National Lottery strategy, BFI Skills and Workforce Development is focused on supporting a greater diversity of talent – including underrepresented and underserved young people – to embark on a career in screen, with an emphasis on below-the-line roles.

In 2024/25, the BFI delivered a range of UK-wide programmes to build skills and open up career pathways. The Careers and Progression Programme, delivered by Into Film, continued to support 11–16-year-olds and educators with careers advice focused on in-demand screen roles. The Young Creatives programme expanded, with 32 Film and Screen clubs and a pilot for Video Games clubs launching in 2025/26.



The BFI Skills Clusters delivered localised training, with a new cluster launched in Wales. The Skills Bursary Fund, managed by ScreenSkills, remained oversubscribed, while Creative Enterprise and TRC Media delivered business and international training for screen companies.

The Good Work Programme, launched in 2024, introduced the WorkWise for Screen platform to promote best practice in employment. The Places Fund: Skills and Training awarded £500k to pilot local interventions in Swindon, Cornwall, and Bristol.

The BFI Film Academy piloted a new delivery model, empowering regional partners and introducing specialist courses in skills shortage areas. Over 1,000 young people benefited. A new strategy was finalised to expand the programme to 16–25-year-olds and better target underserved groups. The Department for Education continued co-funding, with responsibility transitioning to the DCMS by year-end.

Please see pages 45-47 for more detail about our work on skills and workforce development.

International

In 2024/25, the BFI used National Lottery funding to expand the global reach of UK screen content and talent, and to foster international collaboration. This included supporting UK presence at major festivals and markets, facilitating co-production opportunities, and improving access to global industry platforms.

A key development was the launch of ScreenUK Industry, replacing We Are UK Film as the UK's official international screen sector presence. It introduced a new platform offering up-to-date information on working with the UK and funding opportunities for professionals.

The BFI delivered the UK Pavilion at Cannes under the ScreenUK Industry banner, featuring curated panels and networking. It also supported UK stands at Berlinale, TIFF, and Annecy, and enabled UK producers to attend festivals such as Sarajevo, San Sebastian, IDFA, and Rotterdam.

Co-production days with Italy and France further strengthened international ties, while the Travel Grants Fund, in partnership with the British Council, helped UK professionals access global festivals and labs.

Please see pages 65-66 for more detail about our work on international activity.

Research and insight

This year we continued our work to deliver evidence-based insight and analysis to the benefit of the sector. The Innovation Challenge Fund launched three calls, with the first focused on supporting the UK video games sector. It funded four projects aimed at developing open data tools and addressing barriers faced by under-represented developers.

The Research and Statistics Unit (RSU) published two major reports. The first, *Mapping the Presence of Animation Activity Across the UK: Stage Two*, provided detailed data on the economic contribution of animation, including job creation and company distribution across the UK. The second, *The Wider World of Film*, offered new insights into how audiences engage with film across platforms, exploring motivations, behaviours, and barriers to access.

Additionally, the Welsh-language version of the *Screen New Deal: Transformation Plan for Wales* was published, offering a blueprint for a sustainable, zero-carbon screen industry across the UK.

Please see pages 68-70 for more detail about our work on research and insight.

Industry

The BFI continued to support industry to deliver against its strategic principles of UK-wide development and environmental sustainability. The British Film Commission continued to offer inward investment support, helping make the UK and attractive place for international productions and securing investment in industry across the UK. Creative England also continue to deliver the Filming in England programme, liaising between productions, local authorities and other stakeholders across the regions of England outside of London, helping make sure the benefit of production activity was felt as widely as possible. Through the work of our partners BAFTA albert and Julie's Bicycle, the Sustainable Screen programme also continued to make support available to all National Lottery awardees on how to minimise their environmental impact, while helping to engage with the wider sector on this major question too.

Funding & Enterprise



BFI LUMINOUS Fundraising Gala, 2024

2024/25 was a successful year for BFI Fundraising & Enterprise, where strategic objectives were met and targets significantly surpassed – thanks to the generosity of so many individuals, partners and organisations who joined us or renewed their support. We are proud to have associations with so many who share our passion for the BFI's mission and programmes. With their help, we are delighted to have raised a total of £10m (including Gifts in Kind) towards our fundraising, sponsorship and marketing initiatives.

In October 2024, we returned to the iconic Roundhouse for the biennial BFI LUMINOUS Fundraising Gala for a celebration of British Film in support of the BFI National Archive. Thanks to the support of our partnership with Chanal, our BFI Gala champions, and the generosity of our guests, LUMINOUS was another star-studded evening which honoured three emerging filmmakers through the BFI & CHANEL Filmmaker Award and highlighted treasures held within the BFI National Archive.

One of our key objectives was to strengthen and develop commercial income, and despite the unprecedented budgetary challenges faced by UK universities, University partnerships and academic BFI Player subscriptions went from strength to strength this year.

Another strategic objective was to cement our association with the film industry, and we were delighted to renew relationships with our much-valued BFI industry partners – welcoming back Apple TV+, Comcast NBC Universal Sky, Netflix, Paramount, Prime, The Walt Disney Company and Warner Bros Discovery to work with us again.

The BFI London Film Festival proudly celebrated the 15th year of our principal partnership with American Express, in the festival's most successful year to date. Alongside galas from American Express and Cunard, we hosted events for Bloomberg and Reddit, and at our official hotel partner, Sea Containers London. We additionally launched our first ever 'Film Festival at Sea' with Cunard – a one-of-a-kind cruise that allowed Cunard passengers to experience screenings, talks with talent, and filmmaking masterclasses.

For this year's BFI Future Film Festival, thanks to the continued support of Netflix, now in its fifth year of partnership, and Warner Bros Discovery, we hosted a number of networking events for young people interested in both above and below-the-line elements of filmmaking. Additional support came from Action Xtreme, Sony and Triple Exposure.

One of the most well-attended events in 2024 was the LAIKA: Frame x Frame exhibition, supported by LAIKA Studios. This free exhibition drew 45,000 visitors to BFI Southbank and was accompanied by a full season of stop-motion classics which had the highest occupancy of any season in 2024.

We were thrilled to announce Rolex as our new Platinum screen sponsor at both the BFI IMAX and BFI Southbank, presenting their fantastic Art of Storytelling campaign featuring luminaries of the screen. We also launched a new partnership with Sofas & Stuff for a BFI Player-focussed campaign that will run throughout 2025.

BFI Flare Festival 2025 was a highlight of the BFI calendar, seeing continued audience growth and attracting global talent, with returning partners Interbank LGBT+ Forum hosting a screening and networking event for their LGBTQ+ network, and Mishcon de Reya returning as an official screening sponsor.

In response to the BFI's skills strategy, the National Lottery Heritage Fund committed a third grant through their Heritage Innovation Fund, funding three traineeships at the BFI National Archive Conservation Centre, the creation of career pathways materials, and continued staff development opportunities. While The Leverhulme Trust Under-18s Arts Scholarships Grant provided vital support to economically disadvantaged young people engaging on Film Academy specialist courses. This was also a year of deepening engagement across the BFI's philanthropic community. Philippe and Stephanie Camu continued their long-term support with a grant towards the BFI's Southbank programme, with a particular focus on January-March's Chantal Akerman season and accompanying Sight and Sound publication; and we received cornerstone funding from a major US donor for the 2025 edition of the BFI Film on Film Festival in London.

Furthering our association with our supporters is one of our key objectives, and we were delighted to take a group of donors to the 75th International Berlin Film Festival in February 2025, with the festival now added to our roster of international trips, which has previously included Venice, Bologna and San Sebastian.

The BFI Patrons Scheme continues to follow a strong trajectory of growth, maintaining its high rate of donor retention. Alongside the Auteurs Circle, our individual giving schemes now contribute more funds than ever, which, as unrestricted core funding, is of huge value to our organisation's work.

Finally, a key focus for the year has been strengthening international fundraising potential in partnership with California-registered 501(c)(3) non-profit organisation, Friends of the BFI, which awarded a generous grant to support the BFI's work. In September 2024, ahead of the relaunch as BFI America in April 2025, Ben Roberts and BFI National Archive colleagues travelled to LA and San Francisco, where they hosted a screening of *The Red Shoes* within the brand-new screening rooms on the Universal lot – and showcased the Archive's special collections at a specially-arranged cultivation event, hosted by the Friends of the BFI's Board of Directors. Friends of the BFI was also delighted to welcome Mali Heled Kinberg and Penelope Wong to its Board this year, who will bring a wealth of industry expertise and connections to its work in the USA.

The US-based Film Foundation funded two major Archival projects in 2024/25, British Noir titles Daybreak and The Long Memory, continuing and strengthening the longstanding partnership between the Foundation and the BFI National Archive.

Setting the stage for 2025/26, we announced in March that Tom Cruise would receive a BFI Fellowship, the BFI's highest honour, in recognition of his extraordinary achievements as an actor and huge contribution to the film industry. The Fellowship was presented at the BFI Chair's Dinner on Monday 12 May 2025, hosted by BFI Chair Jay Hunt and attended by key industry and government figures as well as the BFI's closest supporters. Throughout May, we celebrated Cruise's remarkable career with a dedicated film season at BFI Southbank and BFI IMAX, alongside a special public event: *Tom Cruise in Conversation* at BFI Southbank.

As we reflect on everything we accomplished in 2024/25 and turn our sights to the future, we are continually inspired by the generosity of our ever-growing community of partners and supporters who embrace our ambition and enable the BFI's vision and mission. We thank every single one of you.

The BFI warmly thanks the following organisations and individuals for their generous support

List of sponsors, funders, donors & patrons for the year 1 April 2024–31 March 2025

Business Partnerships & Enterprise
PRINCIPAL PARTNER BFI LONDON FILM FESTIVAL 2024
AMERICAN EXPRESS
CORPORATE PARTNERS
Action Xtreme
Apple TV+
Bloomberg Philanthropies
CHANEL
Cunard
Interbank LGBT+ Forum
LAIKA
Lloyds
Mishcon de Reya
NBCUniversal / Sky
Netflix
Paramount Pictures
PGIM Real Estate
Prime Video
Reddit
Rolex
Sea Containers London
Sofas & Stuff
Sony UK
The Walt Disney Studios
Triple Exposure
Warner Bros. Discovery
IN-KIND SUPPORTERS
Birra Morretti
Cadogan Tate
Christie Digital
Dalston's Soda
Konditor

Business Partnerships & Enterprise
Noughty

Individual Donors
MAJOR DONORS
Philippe & Stephanie Camu
Elisabeth de Kergorlay
Simon & Harley Hessel
Gilberto & Daniela Pozzi
The Adam S Rubinson Charitable Fund**
Jane Stanton
The Uggla Family Foundation
AUTEURS CIRCLE
Sawsan Asfari
Donald Brydon
John Burbank
Philippe & Stephanie Camu
Caroline Clarry
Jeremy Coller
Peter Conroy
Miel de Botton
Gerry Fox
Amy Gardner
Keith Haviland
Ian & Beth Mill
Col & Karen Needham
Kate and Beth Needham
Sabina Reeves
Stephen van Rooyen
Robert Senior
Howard Stringer
DIRECTORS CUT PATRONS
Eric Abraham

Individual Donors
Simeon Brown
Kieran Chalker
Isabelle Georgeaux
Dr & Mrs Alexander Gerko
Laura & Donald Miele**
Ocean Outdoor
Hans Rausing
Tim & Sylvie Richards
Betsy Ryan**
Kathryn Uhde
EPIC PATRONS
Rabbi James Baaden
Michael & Sophie Birshan
Mickey Cornwell
Eric Fellner, CBE
Adam Griffin and Robert Davies
Melanie Howard
Kevin Kane
Lynn M. Lewis
Michelle X. Lu**
The Marshall Foundation
Peter & Maggie Murray-Smith
Yana & Stephen Peel
John Reiss
Dr. Christopher R. Reynolds
Michael & Gail Sandler
Gregory Stone and Annabel Scarfe
Gavin Williams
CLASSIC PATRONS
Greg and Cathy Abbott
Richard Abela
Paul Adams
Benjamin Ah-Time
Adeem Altaf
Miss E Barnett

Individual Donors
Francis Bennett
C. Allegra Berman and Kate Richardson
Seif Borin
Paul Bowen
Felicia Brocklebank
R L Brock
The Broughton Family Charitable Trust
Professor Barry Buzan
Enrico & Cristiana Cavallo
Charles Cecil
Paul Chilvers
Chris Coen
Ed Cooke
Sammy Cooper-Smith
Stefan Cross KC
Cley Crouch
Mike Cunningham and Leah Harris
Carl Dalby
Tabitha Dale
Hai Duc Dao
Matthew Dean
Jon Dear
Bruce and Lindis Dockeray
Sarah Dorman
Anastasia Evko
Daniele Fiandaca
Patrick and Anne Foster
Caroline Gabriel
Stephen Garrett
Lizie Gower
Deo Gratias
Anne Gray
Claude Green
Kathryn Greig
Michael Hamlyn
Drew Hess and Emily Quesada
Jay Hunt OBE

Individual Donors
Mr Mankash Jain
Elizabeth Karlsen and Stephen Woolley
Susie Kelsall
Nicola Kerr
Kim J. Koch
Apostolos Kostoulas
Larry Laks**
Steven Larcombe
Christopher Thomas Ley
Ian and Natalie Livingstone
Laura Lonsdale
Matthew Lopez
Charlotte and Alan Lyne
Kirwan Lyster
Alice MacNair
Daniel Madridejos Varela
Anne and Chris Mallaband
Michael Marden
Andrew Meadows
Assad Moghul
Jackie Mountain
Dr Danny Morrison
Bill Mumford
Richard Murphy
David Neale
Paul Obey
Alexandra Oliveira-Jones
Anton Ozornin
Ligia Osepciu and Olivier Ward
E Ozen
Stephen and Claire Paine
Andrew J A Parsons
Jake Liban Pezzack
Andrew Pope
Dawn Postans
Lesley Purcell
Alex Rahim

Individual Donors
Lisa Reuben Valk
Simon and Louise Robson
Sue and Tony Rosner
Tom and Vanessa Rowlands
Lisbeth Savill
Nick Scudamore
Angela Seay
Andrew M Smith OBE DL
Peter and Giuseppina Smith
Phil and Sarah Stokes
Wayne Spencer
Ahilan Sivaranjan
Jan Taylor-Strong
David and Jan Thomas
Barnaby Thompson
Andrew James Thornton
Andrew Tseng
Makar Tsurkan
Vikas Uppal
Christiaan Weiland
Louise L Whitewright
Johnny Yau

Trust, Foundation & Statutory Funders
MAJOR DONORS
Arts and Humanities Research Council
BFI America
The David Lean Foundation
Department for Science, Innovation and Technology
The Esmée Fairbairn Foundation
The Film Foundation**
The National Lottery Heritage Fund
Old Possum's Practical Trust
The Leverhulme Trust
Thompson Family Charitable Trust
PROJECT DONORS
Chapman Charitable Trust

Trust, Foundation & Statutory Funders
The Charles Skey Charitable Trust
The London School Trust
The Polonsky Foundation

BFI America Donors
Cecil B DeMille Foundation & Cecilia DeMille Presley
Colin Walsh & Dave Ederick
Penelope Wong & Tim Kochis

Thank you to all other supporters, including anonymous donors & BFI Members.

The British Film Institute (BFI) is a charity registered in England and Wales No. 287780

* BFI America is a US 501(c)(3) non-profit organisation that supports the work of the BFI in the UK and the US. EIN 95-4334449.

** Donations marked with double asterisk were made to BFI America.

Key performance measures

Key performance measures 2024/25 (Screen Culture 2033)

An important element of the proposed approach to monitoring and evaluation of the Screen Culture 2033 strategy was to agree a set of Key Performance Indicators (KPIs).

This work continued through the year, and was supplemented by the BFI's involvement in the DCMS's Public Body KPI Pilot Project (DCMS Impact Framework).

In 2024/25 our performance was as follows:

Measure of success	2024/25 target	2024/25 performance	2023/24 performance
Self-generated income	£40.4m	£42.8m	£48.1m
Increased the diversity of talent supported through National Lottery programmes	Woman 50% Black & Global Majority (London) 40% Black & Global Majority (outside London) 30% Disabled 18% Sexual Identity (those identifying as LGB+) 10%	**Development:** Woman 58% Black & Global Majority 34% Disabled 26% Sexual Identity (those identifying as LGB+) 35% **Production:** Woman 31% Black & Global Majority 24% Disabled 32% Sexual Identity (those identifying as LGB+) 24% **NETWORK:** Woman 48% Black & Global Majority 41% Disabled 51% Sexual Identity (those identifying as LGB+) 46% **Future Takes Programme:** Not applicable – no new awards in the year.	**Development:** Woman 58% Black & Global Majority 39% Disabled 18% Sexual Identity (those identifying as LGB+) 27% **Production:** Woman 57% Black & Global Majority 26% Disabled 9% Sexual Identity (those identifying as LGB+) 30% **NETWORK:** Woman 58% Black & Global Majority 39% Disabled 18% Sexual Identity (those identifying as LGB+) 27% **Future Takes Programme:** Woman 57% Black & Global Majority 26% Disabled 9% Sexual Identity (those identifying as LGB+) 30%

Measure of success	2024/25 target	2024/25 performance	2023/24 performance
Self-generated income	£40.4m	£42.8m	£48.1m
Increased engagement with BFI activities across the UK and increased the quality and cultural depth of their experience	11.1m interactions	14.9m interactions	9.04m interactions
Conserve and digitise titles on behalf of the nation		Number of titles conserved – 22,602 Number of titles digitised – 19,536	Number of titles conserved – 26,144 Number of titles digitised – 108,521*
Supported British films and British talent which have received recognition domestically and internationally		The 2024/25 awards season/financial year saw National Lottery funded films receive 99 nominations. This was largely driven by 40 BIFA nominations, which included 10 wins. There were 29 award wins in total, the third highest number of the last ten years. We received 10 BAFTA nominations, including 1 win for Outstanding Debut (*Kneecap*). Notably, 4 of the 5 Best Debut BAFTA Film nominations were for films backed by the fund.	The 2023/24 awards season/financial year saw a record number of nominations for National Lottery funded films – 125 up from the previous best of 118 set in 2022/23 This was largely due to a record number of BIFA nominations – 68 up from 56 in 2022/23 There were 24 award wins in total, the joint fourth highest number of the last ten years.

*Digitisation boosted under the BFI Lottery – Heritage 2022 programme, which concluded in 2023/24.

Financial review

This has been a successful second year of the Screen Culture 2033 strategy, as we continued to invest in our people and infrastructure, through the planned use of reserves, including restricted grant funding secured in previous years. Within what is now a constant dynamic environment, income generation outperformed budget. This overperformance in both 2024/25 and 2023/24 has allowed us to designate reserves for continued essential investment in the foundational years of our strategy, which will help us to weather future uncertain times.

Total income for the year to 31 March 2025 was £128.1m, an increase of £2.1m from the £126.0m of 2023/24. This movement reflects an increase in grant-in aid funding and securing of Industry Support, both of which offset the reduction in other earned income streams, driven by some one-off grant funding secured in the prior year.

Total expenditure for the year of £117.8m (2024: £108.8m) has increased compared with last year, mainly driven by the timings of Lottery award expenditure. Lottery spend increased to £32.2m (2024: £28.6m), with net Lottery income of £16.9m (2024: £16.2m).

Net Group income of £10.3m (2024: £17.2m) included non-cash costs of depreciation of £7.8m (2024 restated: £3.8m) amortisation of £0.4m (2024 restated: £0.3m) and non-cash pension income of £0.2m (2024: costs of £0.5m). The increase in the depreciation charge mainly relates to a reassessment of the useful economic lives of certain leasehold assets which was carried out during the year. This year a reclassification from tangible to intangible fixed assets was also carried out and the prior year comparatives have been restated accordingly. Intangible fixed assets represent capitalised software costs. The impact on the surplus for the year to 31 March 2024 is £Nil.

Debtors have fallen to £14.6m (2024: £19.8m), while creditors have decreased significantly to £54.1m (2024: £74.9m) as Lottery and other awards committed in prior years continue to be paid out.

With other working capital movements our cash holdings decreased by £2.4m (2024: £5.3m) to £25.9m (2024: £28.3m). Much of the cash is restricted, held in respect of grant award commitments relating to the Lottery, the UK Global Screen Fund and the Young Audience Content Fund. Lottery award commitments are covered by a combination of the funds held at the National Lottery Distribution Fund and restricted cash.

Other recognised gains and losses were actuarial losses on the pension scheme of £8.5m (2024: gains of £8.8m) and gains on the fixed asset revaluation of £1.8m (2024: £2.6m). In line with accounting standards, a pension asset can only be recognised to the extent that the surplus can be recovered either through reduced contributions in the future, or through refunds. In 2024/25 the actuaries have calculated that the present value of the service cost is lower than the present value of future contributions, and as such no surplus can be recognised, which has resulted in the actuarial losses to reverse the asset included in the prior year accounts.

These factors combined have resulted in a decrease in unrestricted reserves to £108.6m (2024: £113.6m). Total Reserves however have increased by £3.6m to £140.9m (2024: £137.3m), driven by an improvement in Lottery reserves year on year.

As anticipated, reduced lottery expenditure in the year compared with prior years has resulted in an increase in net Lottery reserves of £16.9m to a surplus of £26.4m (2024: £9.5m). In line with our accounting policies pre-commitments of awards to partner organisations for the period 2023-26 were recorded as expenditure in full at the point of award decision in the 2022/23 accounts, whilst being covered by future years' revenue. With these awards already made in 2022/23, the level of new awards in the following two years has consequently been considerably lower and so reserves levels have improved accordingly.

Other restricted reserves have decreased by £8.3m to £5.9m as we utilised prior years' funding from the BFI Trust and the Department for

Science, Innovation and Technology as strategic investments during the year, primarily on digital innovation, BFI Player and archive technology.

Net unrestricted expenditure was £7.3m (2024: £1.2m) before transfers of £5.5m, actuarial losses on the pension scheme of £5.0m and fixed asset revaluation of £1.8m. As a result, total unrestricted reserves decreased by £5.0m to £108.6m (2024: £113.9m).

In order to fund the delivery of its charitable objectives the BFI's financial strategy continues to aim to maximise income and margin growth through optimising existing as well as seeking out new income streams. This is alongside seeking improvements to operational effectiveness and operational efficiencies to further drive down costs. At the year end, Group free reserves stood at £8.0m (2024: £8.9m), and the Board of Governors has taken the decision to set aside £2.7m in designated funds to fund business plans for delivery of the Screen Culture 2033 strategy.

Non-Lottery activities

Incoming resources

Incoming resources from non-Lottery activities increased slightly in the year by a net £0.5m to £76.1m (2024: £75.6m), as outlined below.

Earned income fell slightly to £32.9m (2024: £33.6m), an indication of the delayed impact of the US strikes in 2023 and wider economic challenges. Revenue GiA increased to £31.8m (2024: £27.7m) mainly due to some one-off funding, while Capital GiA also increased to £2.9m (2024: £2.5m).

Fundraising (other grants, legacies and donations plus donated services and facilities) decreased to £7.7m, of which £5.2m (67%) were cash contributions and £2.5m (33%) gifts in kind (2024: £10.9m of which cash contributions £8.5m (78%) and gifts in kind £2.4m (22%)). Last year (2023/24) benefitted from some one-off grants including the Department for Science, Innovation and Technology and the Arts and Humanities Research Council to fund activities in 2024/25 and 2025/26. Sponsorship (within *Earned income*) dropped slightly to £3.1m (2024: £3.3m), but Industry support from key sponsors continued into the current year, particularly towards the BFI London Film Festival.

Fundraising costs of £2.9m represent the costs of running the BFI Development division in order to raise funds for the BFI, and also reflect the higher costs of holding the biannual Luminous fundraising gala (2024: £2.1m).

Resources Expended

Total non-Lottery expenditure increased by £5.4m to £85.6m (2024: £80.2m) due to cost increases from income generation.

Gross Transfers between funds

There were no new section 27 awards during the year. Gross transfers between Lottery and non-Lottery activities of £0.5m represent the fall-in of the prior year awards relating to the extended Heritage 2022 programme, which came to an end last year.

Actuarial Gains/ losses on defined pension scheme

On the FRS 102 basis the total net pension scheme asset of £7.0m decreased by £8.3m to a deficit of £1.3m (2024: an £8.2m decrease in the deficit to an asset of £7.0m). The movement from an asset to a deficit position is mainly due to the impact of the actuarial "asset ceiling" which requires a pension asset to only be recognised to the extent that it can be recovered either through reduced contributions in the future or through refunds. See Note 8 to the Group Financial Statements for further details.

The result of the triennial valuation by the London Pension Fund Authority Trustees as at March 2022, upon which current and future contributions are based, is a surplus of £18.2m (2019: deficit of £2.3m) for the whole pension scheme including Lottery.

Movement in asset revaluation reserve

The value of the leasehold land and buildings and associated plant and fixtures increased by £1.8m, following revaluation using publicly available indices (2024: £2.6m increase). See Note 10 to the Group Financial Statements for further details.

Lottery activities

Incoming resources

BFI's share of the incoming resources of the National Lottery Distribution Fund was 2.7% (2024: 2.7%), which generated £48.5m

(2024: £46.6m) in the year, with the increase largely attributable to rollovers and uncollected prize money.

In addition to the Lottery revenues the BFI received £3.6m of recoupment from its investments in the year (2024: £5.2m). Of this, £0.8m (2024: £1.0m) was surplus recoupment over the original investment and was taken to income.

The higher interest rates seen in 2023/24 remained high for most of 2024/25, resulting in a consistent level of investment income from our NLDF balance of £2.3m (2024: £2.3m), as was the case with interest from our cash holdings at £0.3m (2024: £0.3m)

Resources Expended – Lottery awards

2024/25 was the second year of BFI's 10-year strategy, Screen Culture 2033.

Under the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998), Lottery distributors are permitted to commit funds against future years' revenues. Under the new strategy in March 2023, BFI committed £57.4m of funds for partnership activity in the period April 2023-2026, which were reflected as expenditure at the point of decision, with the liabilities subsequently reducing as activity is undertaken and payments made.

This pre-commitment meant that predominantly only awards for project funding were made in the year. New non-film rights awards in the year decreased further to £11.8m (2024: £18m).

As a result, overall net assets have increased by £16.9m to a net asset position of £26.4m at 31 March 2025.

In addition, £14.7m (2024: £12.5m) of awards were taken to Film Rights in the Statement of Financial Position (Balance Sheet).

Adjustments of £13.0m (2024: £10.6m) against the Film Rights valuation were charged to expenditure for the year.

Operating and Administrative Costs were £6.7m (2024: £6.4m) in the year to March 2025.

Net incoming resources on a three-year rolling average (2022-25) and after offsetting costs of generating recoupment, were £53.7m (2024: £51.5m).

The DCMS has set the BFI a gross target for award processing and other administrative costs of 8% (a temporary uplift from 7.75%) of incoming resources. In 2024/25 the gross award processing and other administrative costs stood at 8% of net incoming resources (£4.1m) (2024: 7.9% of net incoming resources, £4.0m) due primarily to inflationary pressure on the cost base. We continually review costs to determine if any further efficiencies and reductions can be identified.

Actuarial Gains/ losses on defined pension scheme

On the IAS 19 basis the net pension scheme asset attributed to Lottery activities was de-recognised in the year, resulting in actuarial losses of £3.4m taken to the Statement of Comprehensive Net Expenditure in the year. As mentioned above this is as a result of the impact of the asset ceiling, by which no pension surplus can be included in the financial statements. See Note 8 to the Group Financial Statements for further details.

Reserves Policy

The Governors are committed to the management of activities within the available funds. A significant element of income is subject to market conditions and the risks are incorporated into the budgets, with ongoing financial planning and management of expenditure used to meet any unforeseen expenditure or fall in income.

The BFI's policy is to hold free reserves of three months' unrestricted expenditure in order to ensure financial stability by acting as a safeguard against volatile and unpredictable income streams, unforeseen expenditure or liabilities, management of working capital and to allow the BFI to take advantage of new opportunities.

The Board of Governors has taken the decision to set aside £2.7m in designated funds to fund business plans for delivery of the Screen Culture 2033 strategy. The funds will be accessible subject to approval of compelling business cases for those investments, and so far £1.0m has been approved for expenditure over 2025-29.

Including the £2.7m designated funds set aside, Group Free Reserves were £8.0m at the end of the year (2024: £8.9m) with Charity Free Reserves of £6.9m (2024: £7.8m). The BFI's main financial objective continues to be to balance opportunities to build reserves with the requirement to undertake essential investment and adequately provide for long-term maintenance whilst continuing to deliver its charitable objectives.

Non-Lottery restricted reserves are held in accordance with the requirements of grant givers as funding for specific future activities and ensure that they are not used for general BFI purposes.

Lottery reserves were reduced in recent years to a temporary deficit of £6.7m due to the long-term awards referenced above, but have improved during the first two years of the BFI's Screen Culture 2033 strategy to a reserves net asset position of £26.4m.

Going Concern

The accounts have been prepared on a going concern basis.

The BFI is a Royal Charter body and the government's lead body for film, a sector which is a successful contributor to the UK economy. As a Lottery distributor, the BFI has a statutory right to receive a share of the National Lottery Distribution Fund (NLDF), is considered by government to be a "Non-Departmental Public Body" and is responsible for the National Film and Television Archive within its extensive collection. We receive Grant-in-Aid (GiA) funding each year from the DCMS to help fund our wide-ranging activities and providing financial security. Following the Spending Review, the DCMS have confirmed our funding settlement through to 31 March 2026 with core funding maintained plus a 2% annual uplift for inflation. While we await the full outcome of the Spending Review for 2026-29, there have been positive announcements as part of the Creative Industries Sector Plan, including three years' of funding for the Global Screen Fund, BFI Film Academy, BFI London Film Festival and the British Film Commission. It is clear that the BFI will continue to fulfil its valuable public services into the future.

Since our origins in 1933, the BFI has a long history of successful operation through challenging times, with its activities continuing to deliver public benefit.

We continue to operate in a challenging and volatile environment with global and domestic factors continuing to impact our financial performance and cash flows.

As part of the work of our Screen Culture 2033 strategy the BFI has continued to develop and implement detailed plans to support the delivery of an organisationally and financially resilient, forward-looking organisation over the next few years. Although challenging, we are currently in the process of delivering against a balanced budget for 2025/26 and developing consistent, sustainable plans for future years.

Taking all these factors into consideration, the Board considers that the BFI will maintain a positive cash position in the foreseeable future. The capacity to control expenditure, generate additional income and to raise additional funds from supporters and philanthropists along with the opportunity to make a case for support to the DCMS provides the Board of Governors with confidence that the BFI has sufficient resources to continue for at least the next 12 months following signature of the accounts. Accordingly, the financial statements for the charity, group and Lottery activities have been prepared on a going concern basis.

Public Benefits

The Board of Governors continued to operate in line with the Charity Commission's guidance on public benefit, the guidance on public benefit and fee charging being particularly borne in mind while shaping our objectives for the year and planning activities.

The Board also continues to be conscious of its responsibilities as the custodian of a National Collection which it holds in trust for the nation.

The BFI's Charter includes a requirement to 'promote access to and appreciation of the widest possible range of British and World cinema'. The BFI, as a National Lottery Distributor for film, invests National Lottery money and Grant in Aid to help ensure that audiences across the UK have access to a wide range of cinema.

The BFI also uses National Lottery and Grant in Aid to support activities including education and lifelong learning and the preservation of the UK's screen heritage. All these interventions deliver significant public benefit.

The BFI delivers public benefit and covers its operating costs utilising a mix of income drawn from the National Lottery, Grant in Aid from the Government, philanthropic activity and income from ticket and other sales, fees and charges. In setting both the overall strategy for the organisation as the lead body for film and the level of prices, fees and charges, the Governors have given careful consideration to accessibility to the activities funded by the BFI for those on low incomes.

A key part of our longer-term development strategy has involved providing free access to a wide range of the services we fund and those we run for example, through the BFI Player, our Mediatheque and our websites, to free public screenings and broadcast partnerships. In addition to meeting our social responsibilities, the BFI also considers its impact on local communities, a diverse range of audiences, provides work experience and employment opportunities and works with schools, local authorities and many other organisations.

The BFI directly supports the distribution and exhibition of film through National Lottery funding and is also the UK's biggest distributor of world cinema – non-commercial film culture from all parts of the world, both these interventions give the public access to a diversity of film culture which would not otherwise be available.

The diversity of Britain's cultural life would be dramatically reduced without the BFI's interventions. We also support and directly make available a wide range of titles on all other platforms.

There are many ways in which the public accesses the BFI's work, and this range ensures we deliver the maximum public benefit for our charitable resources. The BFI activities which deliver public benefit are described in more detail in the pages of this report.

Complaints

The BFI has in place a procedure for handling complaints and welcomes feedback from members of the public and representatives of other organisations.

During the year, the BFI received 308 complaints via its customer enquiry service (345 in 2023/24). No complaints were accepted for investigation by the Parliamentary Ombudsman (0 in 2023/24).

In terms of summary:

	2024/25	2023/24
Number of complaints accepted for investigation by the Parliamentary Ombudsman in the year	0	0
Number of investigations reported on by the Parliamentary Ombudsman in the year and the percentage of those reports where the complaint was upheld in full, in part; or not upheld	In full – 0 In part – 0 Not Upheld – 0	In full – 0 In part – 0 Not Upheld – 0
Number of Ombudsman recommendations complied with and not complied with	N/A	N/A

Complaints and feedback help the BFI identify opportunities to make better use of our resources and deliver services in a more effective way. If any customer is dissatisfied with a service that the BFI has provided, or feel they have been treated unfairly; they may wish to make a complaint. The Complaints Procedure explains how to provide feedback or to make a complaint and tells customers what they can expect from us if they do.

Depending on the area of activity, feedback and complaints will be handled slightly differently; however, the BFI works to a set of standard guiding principles:

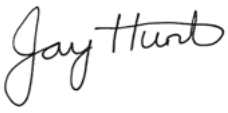
Feedback and complaints are an important way for the BFI to be accountable to the public, as well as providing valuable prompts to review organisational performance and the conduct of people that work within and for it.

If the BFI has got something wrong, it will apologise and take prompt action to put the matter right. If it can resolve your complaint by clarifying its position, or explaining its decision-making process it will do so.

It will be open and honest and ensure that customers are not disadvantaged in their future dealings as a result of the complaint.

It will respect privacy and ensure that complaints are treated confidentially.

The Complaints Procedure was again reviewed in 2024/25, taking on board previous customer feedback, case analysis and considering best practice. In addition, an Equality Impact Assessment (EIA) was undertaken on the Complaints Procedure to ensure that the policy, and procedure, are fair and do not present barriers to participation or disadvantage any protected groups.



Jay Hunt OBE,
Chair, Governor

5 December 2025



Ben Roberts,
Chief Executive

5 December 2025

Accountability Report

How the BFI is governed

The BFI is governed by a Board of up to 15 Governors subject to the BFI's Royal Charter. The Governors, who are also the trustees of the Charity, now submit their annual report and the audited financial statements for the year ended 31 March 2025. In preparing the annual report and financial statements of the Charity, the Governors have adopted the Statement of Recommended Practice, Accounting and Reporting by Charities issued in February 2005 (SORP 2005).

Governors

Governors who were in post for at least part of the financial year 2024/25 or at the date of signing these accounts:

Jay Hunt OBE (Chair)
Michael Birshan (Deputy Chair)[1]
Monica Chadha
Anwen Griffiths
Elizabeth Karlsen
Declan Keeney
Laura Miele
Romana Ramzan
Robin Saunders
Andrew M Smith OBE DL
Phil Stokes
Scott Stuber
Eleanor Whitley
Edgar Wright

Methods of Appointment

The Chair and Governors of the BFI are appointed by the Secretary of State for Culture, Media and Sport pursuant a process regulated by the Office of the Commissioner for Public Appointments. Governors are required to comply with the Principles of Public Life as described in the Cabinet Office Code of Conduct for Board Members of Public Bodies.

The Board of Governors reserves one place on the Board for a Member Governor. This appointment is subject to approval by the Board of Governors.

A Governor's term of office is normally four years. Pursuant to the BFI's Royal Charter, a Governor may only serve two terms in office. Newly appointed Governors receive a letter of appointment and induction documents which together address, amongst other things, duties, period of appointment, time commitment, remuneration, performance and their responsibilities and duties as Charitable Trustees.

Governors have broad experience and expertise in the areas of film, television, the moving image generally, business, strategy and education. All Governors are part-time, unremunerated non-executives.

The Board of Governors has corporate responsibility for:

- delivering the mission set out in the Royal Charter; delivering the BFI's charitable objectives; and developing the overall strategic direction of the BFI;
- ensuring that the BFI as a Non-Departmental Public Body complies with any statutory or administrative requirements for the use of public funds and to maximise value for money;
- ensuring that the BFI acts reasonably and prudently in all matters relating to its charitable status;
- appointment of the Chief Executive;
- ensuring that all BFI properties and assets are protected and effectively utilised in the pursuit of the BFI's overall mission;
- ensuring commercial activities are self-financing and aligned to the BFI core purpose and that these activities uphold fair trading standard requirements;
- ensuring that any fund-raising activity carried out on behalf of the BFI is properly undertaken and that all funds collected are properly accounted for;

1 Appointed as Deputy Chair on 21 November 2024

- overseeing the delivery of planned results by monitoring performance against agreed strategic objectives and targets;
- ensuring that the BFI's rules for the recruitment and management of staff provide for appointment and advancement on merit on the basis of equal opportunity for all applicants and staff; and
- ensuring the board operates sound environmental policies and practices in accordance with the Government's green initiatives and other relevant guidance.

Board Assessment

The Board undertakes a formal and rigorous evaluation of its own performance and that of its committees and individual Governors on an annual basis

Organisational Structure

The Board of Governors delegates specific responsibilities to its Committees. Recommendations made by Committees are presented to the Board as a whole for approval. A brief description of each Committee and its function is given below:

Audit, Risk & Governance

This Committee reviews the effectiveness of the processes, structures, and controls used to direct, manage and account for the financial and business affairs of the BFI. The Audit, Risk and Governance Committee consider all internal and external audit reports and recommendations.

Finance

This Committee is responsible for overseeing the budgetary, financial performance assurance and value for money processes within the BFI.

Remuneration

This Committee determines and keeps under review the levels of pay, and the terms and conditions of service, for the Chief Executive and other senior managers.

Composition of the Committee during the year was:

Audit, Risk & Governance

Phil Stokes (Chair)
Andrew M Smith OBE DL
Anwen Griffiths[2]
Charles Cecil MBE (co-opted)[3]
Sukie Kooner (co-opted)

Finance

Michael Birshan (Chair)
Robin Saunders
Phil Stokes
Andrew Coates (co-opted)

Remuneration

Jay Hunt (Chair)
Michael Birshan
Phil Stokes

The Secretary to the Board of Governors and its committees is James Morgan.

Board of Governors Attendance 2024/25

The number of BFI Board meetings held in the 2024/25 financial year was five and the Governors' attendance records were as follows:

Jay Hunt OBE (Chair)	5 of 5
Michael Birshan	4 of 5
Monica Chadha	5 of 5
Anwen Griffiths	5 of 5
Elizabeth Karlsen	4 of 5
Declan Keeney	4 of 5
Laura Miele	5 of 5
Romana Ramzan	4 of 5
Robin Saunders	4 of 5
Andrew M Smith OBE DL	5 of 5
Phil Stokes	5 of 5
Scott Stuber	4 of 5
Eleanor Whitley	4 of 5
Edgar Wright	1 of 5

All Governors are required to complete a declaration of any potential related party interests – and details of any transactions with these related parties is reported in note 32 of the Charity and Group financial statements.

2 Appointed to the Committee on 24 April 2024
3 Resigned from the Committee on 30 January 2025

Audit, Risk and Governance Committee Attendance 2024/25

The number of Audit, Risk and Governance Committee meetings held in the 2024/25 financial year was four and the members' attendance records were as follows:

Phil Stokes (Chair)	4 of 4
Andrew M Smith OBE DL	4 of 4
Anwen Griffiths[4]	3 of 4
Sukie Kooner (Non-Governor Member)	3 of 4
Charles Cecil MBE (Non-Governor Member)[5]	2 of 4

Finance Committee Attendance 2024/25

The number of Finance Committee meetings held in the 2024/25 financial year was four and the members' attendance records were as follows:

Michael Birshan (Chair)	4 of 4
Robin Saunders	4 of 4
Phil Stokes	4 of 4
Andrew Coates (Non-Governor Member)	3 of 4

Remuneration Committee Attendance 2024/25

The Remuneration Committee met by correspondence during the 2024/25 financial year.

Executive

The Board of Governors employs a Chief Executive, Ben Roberts, who was appointed in December 2019. Ben leads an Executive team that during the year consisted of:

Ben Roberts
Chief Executive

Harriet Finney
Deputy Chief Executive and Executive Director of Corporate and Industry Affairs

Alyson Hagan
Executive Director of Finance, People and Business Operations

David Hamilton
Executive Director of Engagement, Marketing and Communications[6]

Arike Oke
Executive Director of Knowledge, Learning and Collections

Neil Williams
Executive Director of Technology and Digital Transformation

Jason Wood
Executive Director of Programmes and Audiences

Francesca Vinti
Executive Director of Fundraising and Enterprise

The Executive makes day-to-day management decisions on behalf of the Board of Governors under the Financial Procedures approved by the Board.

Better Payment Practice Code

The BFI attempts to abide by the Better Payment Practice Code and in particular to settle bills in accordance with contract. Invoices are normally settled within our suppliers' standard terms, which are typically in line with our standard 30 day terms. The average payment terms taken were 16 days (2024: 157).

The Information Commissioners Office (ICO) contacted the BFI in relation to one case regarding data protection. In this case, the ICO accepted the BFI's response and no further action was taken.

Data protection

In the year, the BFI was committed to ensuring the security and protection of the personal information that it processes and to ensure that it was compliant and provided a consistent approach to data protection. In so doing, the BFI received and managed 123 Data Protection (DP) data subject rights requests (2023/24: 157).

4 Appointed to the Committee on 24 April 2024
5 Resigned from the Committee on 30 January 2025
6 Appointed on 9 May 2024

Speaking Up policy and procedure

Included within the Financial Procedures Manual is a Speaking Up (Whistleblowing) Policy & Procedure – the BFI is committed to the highest possible standards of openness, probity and accountability. The purpose of this policy is to encourage reporting of suspected wrongdoing and provide clear guidance on: (i) the steps staff should take if they have concerns; (ii) how staff raising concerns will be supported; and (iii) what will happen after such concerns are raised. This policy also seeks to reassure staff that they should be able to raise genuine concerns without fear of reprisals, even if they turn out to be mistaken.

This policy was consulted upon with our recognised trade unions and is in line with the BFI's legal obligations. It covers all BFI staff plus other workers such as consultants, contractors, and agency workers.

Disclosure of information to the auditors

So far as the Accounting Officer and each person who was a Governor at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow Governors, the Chief Executive and the Group's auditor, each Governor/ Accounting Officer has taken all the steps that he/ she is obliged to take as a Governor/Accounting Officer in order to make himself/herself aware of any relevant information and to establish that the auditor is aware of that information.

Remuneration and people report

The Remuneration Committee

The Board of the BFI is responsible for determining the remuneration of the Chief Executive and senior staff.

In the year ending 31 March 2025, it discharged this responsibility through the cycle of Board meetings.

In addition, the Board is supported by the Remuneration Committee which meets to review and set senior salaries, authorised within its terms of reference, to obtain independent professional advice if considered necessary. In 2024/25 the Committee met by correspondence. The Remuneration Committee comprises of a Chair, who is also Chair of the BFI Governors, and up to 2 other members of the Board or co-opted members, who are each appointed for a period of up to three years.

The members during the year were:

Jay Hunt, Phil Stokes and Michael Birshan.

Remuneration framework

Governors are not entitled to draw any remuneration for their time spent working as a Trustee of the BFI, although they are entitled to reimbursement of expenses incurred in discharging their duties.

In determining appropriate levels of remuneration for senior staff, the BFI follows the Government's policy to maximise value for money by paying enough to attract and retain suitably qualified senior staff, and salaries are based on the minimum required to recruit, retain and motivate senior staff of appropriate calibre.

All staff including the Chief Executive, are entitled to membership of the BFI staff pension scheme (either Local Government Pension Scheme (LGPS) operated by the London Pension Fund Authority (LPFA), which is a defined benefit scheme, or a defined contribution scheme operated by Legal and General, depending on start date). Further details of the schemes can be found in note 8 to the BFI Group Financial Statements.

The staff pay bill for each year is subject to review by the Finance Committee and the Board of Governors.

Appointments of Board of Governors

The Chair and Governors of the BFI are appointed by the Secretary of State for Culture, Media and Sport in accordance with Cabinet Office's Governance Code on Public Appointments. There is no period of notice required for resignation from the Board.

No members of senior management were employed under fixed term contracts as at 31 March 2025. The period of notice required for termination of contract is no greater than six months.

Audited information

Governors' remuneration

No Governor drew any remuneration in the year. No payments were made in the year for services (2024: £nil). As part of their oversight duties as Trustees, copies of all books and DVD/Blu-Ray releases published by the BFI during the year are made available to all Governors.

Senior staff remuneration

"Total remuneration" reported below comprises salary, bonuses and accrued pension benefits and thus should not be equated to take home pay. Because of the combination of all these factors the annual movement in "total remuneration" is not a simple reflection of any cost of living award (COLA).

"Total salary" is in bandings and, depending on where a staff member is in the bandings, the organisational COLA may tip some roles into a higher band.

Senior staff are members of the same pension schemes and on the same terms as staff, and all staff who are members of the defined benefit Local Government Pension Scheme (LPFA) accrue pension benefits on the same basis.

"Pension benefits accrued during the year" as noted above indicates how an individual's total accrued pension benefit has moved in a year by

taking the increase in benefits relative to that year and assessing the total value assuming they are paid over a typical 20 years of retirement.

In the year to 31 March 2025, not all senior staff were members of the LPFA defined benefit scheme.

The increase in pension benefits for senior staff who are members of the LPFA arise from three sources:

- BFI LPFA pension contributions of 15.5% of salary
- Employee pension contributions of between 5.5% and 11.4%. Higher paid staff contribute at a higher rate although not receiving any additional benefits
- LPFA projected investment returns (dividends, capital appreciation etc.)

The pension benefits accrued during the year are calculated by:

- Calculating the annual pension due on retirement plus lump sum benefit (if any) at the 31 March 2025
- Re-calculating the equivalent figure from 31 March 2024 and applying the Consumer Price Index (CPI) in order to show the "real" movement after inflation; and then
- Multiplying the change in value in pension by 20 (i.e. assuming a 20 year retirement period).

Year on year the main distorting factor is CPI as the impact of changes in CPI is greater the longer the period of service and thus the benefit accrued.

Depending on the underlying LPFA assumptions and the age of the individual on a year by year comparison the pension benefits accrued during the year can be an increase or a reduction compared to that of the prior year.

Remuneration (including pension benefits) for the senior staff for the year:

	Total salary for the year ended 31 March 2025 (2024)	Bonuses Attributable for the year Ended 31 March 2025 (2024)	Benefits in Kind for the year ended 31 March 2025 (2024)	Pension benefits in the year ended 31 March 2025 (2024)	Total remuneration for the year ended 31 March 2025 (2024)
	£'000	£'000	Nearest £100	£'000	£'000
Ben Roberts CEO and Accounting Officer	160-165 (155-160)	– (–)	100 (100)	45-50 (60-65)	210-215 (215-220)
Harriet Finney Deputy CEO and Executive Director of Corporate and Industry Affairs	135-140 (130-135)	– (–)	100 (100)	N/A (N/A)	135-140 (130-135)
Francesca Vinti Executive Director of Fundraising and Enterprise	130-135 (125-130)	– (–)	100 (100)	70-75 (50-55)	200-205 (175-180)
Alyson Hagan Executive Director of Finance, People & Business Operations	130-135 (125-130)	– (–)	100 (100)	N/A (N/A)	130-135 (125-130)
David Hamilton Executive Director of Engagement, Marketing & Communications	115-120 * (N/A)	– (N/A)	100 (N/A)	N/A N/A	115-120 * (N/A)

	Total salary for the year ended 31 March 2025 (2024) £'000	Bonuses Attributable for the year Ended 31 March 2025 (2024) £'000	Benefits in Kind for the year ended 31 March 2025 (2024) Nearest £100	Pension benefits in the year ended 31 March 2025 (2024) £'000	Total remuneration for the year ended 31 March 2025 (2024) £'000
Arike Oke Executive Director of Knowledge, Learning and Collections	130-135 (125-130)	– (–)	100 (100)	N/A (N/A)	130-135 (125-130)
Neil Williams Executive Director of Technology and Digital Transformation	130-135 (125-130)	– (–)	100 (100)	N/A (N/A)	130-135 (125-130)
Jason Wood Executive Director of Public Programme and Audiences	130-135 (125-130)	– (–)	100 (100)	N/A (N/A)	130-135 (125-130)

** Appointed 09 May 2024. The full year equivalent salary is £130-135,000*

Pension contributions during the year were made to defined contribution schemes for:

Contributions paid	2024/25	2023/24
Harriet Finney Deputy CEO and Executive Director of Corporate and Industry Affairs	9,750	9,124
Alyson Hagan Executive Director of Finance, People & Business Operations	9,173	8,820
David Hamilton Executive Director of Engagement, Marketing & Communications	8,209	N/A
Arike Oke Executive Director of Knowledge, Learning and Collections	9,173	8,820
Neil Williams Executive Director of Technology and Digital Transformation	6,552	6,300
Jason Wood Executive Director of Public Programme and Audiences	6,552	6,300

Included in the above is remuneration for senior staff in the year which is attributable to Lottery for the year ending 31 March 2025. This is recharged as part of our Lottery funded operations and thus contained within expenditure in the Lottery Financial Statements for the year ending 31 March 2025.

Benefits in kind

All members of BFI staff are entitled to receive up to £100 contribution towards gym membership per annum; up to 12 free tickets per month at BFI Southbank cinemas; free access to BFI Player; up to £60 contribution towards wellbeing expenses; staff discounts on purchases at BFI Southbank's Film Store and Benugo café and restaurant, BFI London IMAX, and Studio Gauthier Vegan Restaurant at the Stephen Street premises, ranging from 10- 50%; and interest free loans for travel season tickets, bicycle and computer and audio / visual purchases and dental treatment. Staff whose contracts transferred from the UK Film Council may opt to receive a contractual payment of £250 for cinema tickets per annum in place of the BFI Southbank ticket entitlement. Staff on BFI contracts are able to collect a free copy of Sight and Sound magazine at our main sites or access the digital version for free.

Senior staff pension arrangements

The following senior staff were members of the LPFA scheme at 31 March 2025:

	Real increase in accrued pension benefits 2024/25	Attributable pension accrued at 65 at 31 March 2025	Cash Equivalent Transfer Value (CETV) as at 31 March 2024	CETV as at 31 March 2025	Real increase in CETV after adjustment for inflation etc. in 2024/25
	£'000	£'000	£'000	£'000	£'000
Ben Roberts CEO and Accounting Officer	2.5-5 (lump sum; 0-2.5)	35-40 (lump sum; 0-5)	417	493	68
Francesca Vinti Executive Director of Fundraising and Enterprise	2.5-5 (lump sum; 5-7.5)	45-50 (lump sum; 15-20)	745	839	81

These staff cover both National Lottery and Grant-in-Aid and other funded activities.

The accrued pensions are the amounts eligible at retirement if the staff member left service at the relevant date. The transfer values do not represent a sum paid or payable to the individual, but rather a potential liability of the pension scheme. They have been calculated using assumptions certified by a qualified actuary.

Senior staff numbers and costs

The number of senior staff by number and band (core salary plus any bonus) is:

Chief Executive and other executive staff at 31 March 2025:

Salary Banding	2025 (Number)	2024 (Number)
£160,000 – £169,999	1	–
£150,000 – £159,999	–	1
£140,000 – £149,999	–	–
£130,000 – £139,999	6	1
£120,000 – £129,999	–	5
£110,000 – £119,999	1	–

Staff number and costs (including on-costs)

Other senior staff during the year:

Salary Banding	2025 (Number)	2024 (Number)
£110,000 – £119,999	3	1
£100,000 – £109,999	8	4
£90,000 – £99,999	16	15
£80,000 – £89,999	13	12
£70,000 – £79,999	22	24
£60,000 – £69,999	44	23

	2025		2024	
	Number (Full-time equivalent)	£'000	Number (Full-time equivalent)	£'000
Average number of permanent staff during the year	638	40,009	595	36,422
Average number of other staff engaged on objectives of the organisation	7	358	9	584

Termination payments

The termination payments payable to employees were:

Cost of redundancies (as per BFI's agreed redundancy policies)	Number of compulsory redundancies		Number of voluntary redundancies		Total	
	2025	2024	2025	2024	2025	2024
<£10,000	3	1	-	4	3	5
£10,000-£25,000	–	–	–	–	–	–
£25,000-£50,000	2	–	4	7	6	7
£50,000-£100,000	3	–	1	3	5	3
£100,000-£150,000	–	–	–	–	–	–
£150,000-£200,000	–	1	–	–	–	1
No of exit packages	8	2	5	14	14	16
Cost £'000	**340**	**165**	**326**	**486**	**666**	**651**

Hutton Review of Fair Pay

The BFI is required to disclose the relationship between the remuneration of the highest-paid member of the Executive team their organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the Chief Executive Officer (who was also the highest paid member of staff) in the financial year was £160,000–£165,000 (2024: £155,000–£160,000), representing a 4% change from the previous financial year. Performance related pay and bonuses amounted to £Nil (2024: £Nil).

Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

The range of remuneration was £25,000–£165,000 (2023: £25,000–£156,000).

Staff received a pay award of between 4% and 10%, including the Executive team who received 4%. The median pay; upper and lower quartiles changed compared to 2023/24. All employees are paid at the London Living Wage rate or above.

The average salary and allowances for the employees of the entity taken as a whole year were £50,097 (2024: £47,901), an increase of 4.6%.

The average performance pay and bonuses for the employees of the entity taken as a whole year were £Nil (2024: £Nil).

No performance bonuses were awarded in 2024/25 or 2023/24. The figures in the table below are therefore salary and allowances.

Year	25th percentile pay/ratio	Median pay/ratio	75th percentile pay/ratio
2024-25	£32,169 / 5.1	£39,027 / 4.2	£56,781 / 2.9
2023–24	£30,636 / 5.1	£37,167 / 4.2	£49,890 / 3.2
2022–23	£28,323 / 5.2	£34,083 / 4.3	£45,315 / 3.3

Our people – Unaudited information

Diversity and Inclusion

The BFI is committed to supporting and promoting diversity and inclusion through all our people activities and approaches during our employee's life cycle.

Our profile and our action plan

Our range of initiatives are externally published within our gender pay gap action plan on our own website and on the Government's Gender Pay Gap reporting site, as we recognise the intersectionality of our people.

Our reported gender pay gaps (in favour of men) are:

	Mean pay gap	Median pay gap	Female %	Male %
31-03-25	2.5%	0%	56.3%	43.7%
31-03-24	1.1%	0%	55.6%	44.4%
31-03-23	0.2%	3.6%	55.3%	44.7%
31-03-22	2.4%	0%	53.5%	45.5%
31-03-21	3.1%	0%	54.6%	45.4%
31-03-20	1.9%	0%	52.6%	47.4%
31-03-19	-0.02%	3.9%	53%	47%

Our profile as at 31 March 2025

We are working to close our data gaps to ensure that our reporting better reflects who we are and that our initiatives both target support for our current people and help us to improve our representation across the BFI. Our targets in our underrepresented areas are designed to challenge us to find innovative ways to meet them within a low core turnover – unplanned approx. 7% in 2024/25 (11% in 2023/24).

	Self-identified (31-03-25)	Self-identified (31-03-24)	Our data gaps (2025)	Our targets
Disability	12.7%	10.5%	19%	18%
Ethnicity (Black & Global Majority)	20.2%	21.4%	11%	40% in urban areas. 30% outside London
Sex (Women)	55.5%	55.0%	0%	50%
Sexual Orientation (LGBTQIA+)	20.0%	17.1%	25.8%	10%
Working Class	11.3%	n/a	53.7%	39%

Our People and Culture initiatives

We continue to pay the London Living Wage plus a differential as a minimum to all employees across the BFI.

Internal staff networks – BFI Race Equality Network, BFI Queer Network and BFI Disability Network – have been supported through dedicated resources and access to professional development.

The BFI and What If Experiment's anti-racism partnership continued in 2024/25 with training for all new starters whilst much of the anti-racism work came under the leadership of internal senior staff.

A dedicated Anti-Racism Code of Conduct has been signed off by the Executive and will be launched in FY25/26 as part of the Anti-Racism Internal Accountability Framework.

Following the creation of dedicated roles in Organisational and Learning Development, the People & Culture Team have launched new Induction and Onboarding frameworks, BFI-wide core skills learning and development programmes and engaged over 60 line managers in the design of the first in house Leadership and Management Development programme to be launched in 2025/26.

We encourage women returners (and support all working parents), we operate a generous childcare scheme, supported by flexible working practices (for all) and provide shared parental leave on enhanced terms.

We have reviewed our special leave to help employees balance their work with unexpected situations in their personal lives.

We provide an Employee Assistance Programme that is frequently used by employees for advice and support on a wide range of life and work topics. We offer access to more specialist trauma-centred counselling if an employee needs it.

We operate anonymised recruitment at our shortlisting stage to advertise roles. Our person specifications for each role are based on 'minimum requirements' of the competencies needed for the role to avoid creating any unnecessary barriers. We are a Disability Confident employer, accredited by the Department of Work and Pensions and we joined the Business Disability Forum, a leading employers' forum on disability inclusion. In addition to guaranteeing an interview to applicants with a disability who meet our minimum requirements for a role we also operate the same approach for Black & Global Majority candidates.

We are long serving Stonewall Diversity Champions.

We are a members of Affinity Health, a consortium of employers focusing on occupational health, wellbeing and safety.

We are founding members for our sector of the global Employer's Network for Equality and Inclusion.

Health and wellbeing

Our overall sickness absence is low at 1.32% (2024: 1.25%) of time lost to sickness absence or an average of 2.8 days of sickness per person.

We continue to focus on BFI people wellbeing as a priority. A new benefit to allow all staff to reclaim costs of wellbeing expenses was implemented in 2024/25.

We trained a new cohort of mental health first aiders in February. We plan to train more members of staff in how to proactively promote good mental health practices within their teams and departments; in addition to promoting our BFI-wide wellbeing initiatives.

Employee Assistance Programme

Health Assured are our Employee Assistance Programme provider. This provides staff and their immediate families with support on a broad range of work-life issues. Utilisation of the service was 6% compared to 8.9% last year.

A total of 41 calls were logged within the year. 31 (76%) were counselling calls. 10 calls were advice calls. Housing was the top reason for individuals accessing this service.

Off payroll consultancy engagements

During the year ended 31 March 2025 the BFI had 13 off payroll engagements totaling £591,000 (2024: 15 totaling £648,000) for more than £245 per day (2024: £245 per day), that lasted longer than 6 months and amounted to £20,000 or more. These have been subject to a risk-based assessment as to whether assurance is required that individuals are paying their correct tax and, where necessary, that assurance has been sought.

Table 1: Highly paid off-payroll worker engagements as at 31 March 2025, earning £245 per day or greater

Number of existing engagements as of 31 March 2025	13
Of which ...	
Number that have existed for less than one year at time of reporting.	3
Number that have existed for between one and two years at time of reporting.	1
Number that have existed for between two and three years at time of reporting.	3
Number that have existed for between three and four years at time of reporting.	3
Number that have existed for four or more years at time of reporting.	3

Table 2: All highly paid off-payroll workers engaged at any point during the year ended 31 March 2025, earning £245 per day or greater

Number of temporary off-payroll workers engaged during the year ended 31 March 2024	13
Of which ...	
Not subject to off-payroll legislation	8
Subject to off-payroll legislation and determined as in-scope of IR35	0
Subject to off-payroll legislation and determined as out-of-scope of IR35	5
Number of engagements reassessed for compliance or assurance purposes during the year	13
Of which:	
Number of engagements that saw a change to IR35 status following review	0

Table 3: For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2024 and 31 March 2025

Number of off-payroll engagements of board members and/or, senior officials with significant financial responsibility, during the financial year	0
Total number of individuals on payroll and off-payroll that have been deemed “board members and/or senior officials with significant financial responsibility”, during the financial year. This figure includes both on payroll and off- payroll engagements. (8 individuals were members of our Executive senior management team for all of the year and were all on payroll. Our Governors (Trustees) are all unpaid and therefore excluded from this.)	8

Corporate information

British Film Institute

The British Film Institute is incorporated by Royal Charter, company registration number RC000900 and is registered in England and Wales as a charity, number 287780.

Registered office:
21 Stephen Street
London W1T 1LN
www.bfi.org.uk

Auditor

Comptroller and Auditor General
National Audit Office
157-197 Buckingham Palace Road
London SW1W 9SP

Bankers

Lloyds Bank plc
25 Gresham Street
London EC2V 7HN

Internal auditors

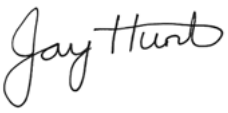
BDO LLP
55 Baker Street
London W1U 7EU

Solicitors

Farrer & Co
66 Lincoln's Inn Fields
London WC2A 3LH

Approval of Annual Report

This annual report includes information that the BFI is required to disclose in accordance with the Government Financial Reporting Manual (FReM) and accounts direction in a Strategic Report for the National Lottery activities. A separate report has therefore not been prepared. The Annual Report, including the Remuneration Report, was approved by the Board of Governors for signature on 5 December 2025.



Jay Hunt OBE,
Chair, Governor

5 December 2025



Ben Roberts,
Chief Executive

5 December 2025

Governance statement

Scope of responsibility

How the BFI is governed is covered on pages 102 to 105. The Board of Governors is aware of the requirements of the HM Treasury Corporate Governance Code and continuously works to ensure compliance.

As Accounting Officer and as Chair of the Board of Governors, we have responsibility for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives set by the Department for Culture, Media and Sport (DCMS), whilst safe-guarding the public funds and the British Film Institute's (BFI) assets for which we are responsible in accordance with the responsibilities assigned to us in Managing Public Money and as Trustees of the Charity. The BFI complies with the HM Treasury Corporate Governance Code to the extent relevant to a Charity and National Lottery distributing body.

We also have responsibility, as defined in the BFI's Funding Agreement with the DCMS and the Management Statement and Financial Memorandum, for leading and managing the work of the BFI to fulfil its policies, aims and objectives, and upholding its values. The Accounting Officer reports to the Board of Governors of the BFI and we formally meet regularly with the DCMS.

The purpose of the system of internal control

The system of internal control is designed to manage to a reasonable level rather than to eliminate the risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of BFI policies, aims and objectives, to evaluate the likelihood of those risks being realised and should they be realised, to manage them efficiently, effectively and economically. The system of internal control includes adequate arrangements for detecting and responding to inefficiency, conflict of interest and fraud, and prioritises those risks associated with the custody of assets and potential loss of Exchequer and National Lottery grants. The system of internal control has been in place for the year ended 31 March 2025 and up to the date of approval of the annual report and financial statements, and accords with Treasury guidance.

Capacity to handle risk

As Accounting Officer and Chair of the Board of Governors we have overall responsibility for the BFI's risk management framework, and are supported in its implementation by the Senior Management Team and staff who are trained and equipped to assess and manage risk in a way appropriate to their authority and duties. Attendance at Board of Governors meetings in 2024/25 is detailed at page 103.

The Audit, Risk and Governance Committee, chaired during the year by Phil Stokes, gives independent advice and guidance to us, in our roles as Accounting Officer and Chair, and to the Board of Governors as a whole, on the adequacy of audit arrangements (both internal and external), on the implications of assurances provided in respect of risk and control at the BFI and oversees the work of the internal auditors, as well as providing guidance as to best practice. Attendance at Audit, Risk and Governance Committee meetings in 2024/25 is detailed at page 104.

The Remuneration Committee provide oversight and approval of remuneration and performance for senior staff members including the Accounting Officer.

Further advice and guidance as to best practice is received from the internal and external auditors (who attend meetings of the Audit, Risk and Governance Committee), the DCMS, and other comparable organisations.

Terms of reference for the Audit, Risk and Governance Committee and the Remuneration Committee are reviewed by the Board of Governors and are held by the Board Secretary.

The risk and control framework

A risk management policy has been established setting out the BFI's attitude to the assessment, limitation and mitigation of risk in the achievement of our objectives.

The BFI has incorporated risk management in planning and decision making and maintains an organisation-wide risk register. Policy and operational risks both in the organisation and from external factors are identified through our business planning cycle and the annual operational planning cycle, and are evaluated by the Executive Team. We also consider the risks associated with holding and safeguarding information for operational or financial reporting purposes.

As at 31 March 2025 the risk register as noted by the Executive Team included 38 top corporate risks; these were considered as either time-sensitive or perennial risks.

The most significant are:

Risk	Mitigation
BFI digital and online business compromised including disruption and/or financial loss and/or loss of personal data and/or intellectual property	A multi-year cyber security programme of work has been developed and is underway. This has also been reviewed and adapted in light of the cyber-attack on the BFI online shop, which was identified in April 2025. The programme of work addresses a gap analysis report, findings from incident response rehearsals, and industry best practice, aiming to holistically address a dynamically evolving cyber threat landscape. Progress is being reported regularly to the Executive Board and BFI Board of Governors. Additional measures in place since the last update: • Head of Cyber Security appointed and commenced role in April 2025. • Counter Fraud policy in place. BFI-wide Business Continuity Plan (BCP) has been reviewed and is being augmented with local continuity plans. BCP desktop exercise undertaken in-year. • Continued close working with DCMS/Cabinet Office.
BFI not meeting its budget targets – due to various evolving market conditions impacting on customer and business to business engagement	Identification and review of key drivers to the overall risk with a number of key mitigating actions identified e.g. energy consumption reviews and introduction of efficiency measures; sharing of risks with DCMS; Inflation and additional income contingencies included within budgets; active financial monitoring by Finance of confirmed and projected impact and identification of as well as facilitating raising need for identification of timely mitigations
Business Rates hereditament and valuation challenge for a BFI property	Check/Challenge/Appeal Process underway. Discussions with the local council held and ongoing to defer any enforcement of liability prior to the conclusion of due processes. See Group Financial Statements, note 28. Contingent Liabilities, for further information.
Fraudulent activity results in a loss of income and/or an increase in costs to BFI – Fraudulent activity in relation to BFI services and activities	Counter Fraud Group established with a Risk Assessment undertaken and an ongoing plan of activity and working with DCMS on the BFI's Counter Fraud Functional Standard activities Monitor adherence to policy and procedures; close monitoring of expenditure trends; internal audit review plan in place; "whistleblowing" policy in place; additional ongoing training planned

Risk	Mitigation
Fraudulent activity in relation to the Creative Sector Tax Relief and Expenditure Credits Schemes resulting in a loss of income to HMRC and reputational risk to BFI who are partly responsible for managing and administering the process	Fraud Risk Assessment undertaken, by Deloitte, in 2024 which details key fraud risk areas; working with DCMS and HMRC on action plan to action the recommendations Counter Fraud Group undertakes continual review and provides advice to Certification Unit in line with the BFI's application of the Counter Fraud Functional Standard Monitor adherence to policy and procedures; close monitoring of expenditure trends; internal audit review plan in place; "whistleblowing" policy in place; additional ongoing training planned
The BFI's response to the Inclusion and Diversity agenda is seen as a) Performative – is the BFI meeting its targets? and/or b) Formative – are the BFI's activities 'moving the dial'?	Inclusion & Diversity Strategy in place; ongoing staff training Continued monitoring of activities and performances and collaboration with other teams to improve processes e.g. evaluation, data reporting
The BFI does not receive the required level of funding through Comprehensive Spending review, resulting in pressure on other resources/activities including demands against Lottery funds	CSR Plan in place with key responsibilities established; working to ensure channel for discussions with DCMS Finance will be considering potential impacts and undertaking scenario planning as timing of outputs from DCMS will mean core settlement will not be confirmed until post start of BFI business and budget planning

Risk management and internal control are embedded in the processes of the organisation and are considered and reviewed on a regular basis by management. For example, the National Lottery Finance Committee (LFC), who ultimately sign off on National Lottery commitments, consisted of representatives of the relevant fund, finance and business affairs and was independently chaired by the Accounting Officer or the Director of Finance and Resources. Any perceived risks arising in making an award were thus discussed at the time the funding decision was made and appropriate mitigating action taken, whilst allowing decision- making, oversight and control to be maintained of the decisions by the respective funds. The committee was updated on the progress of the funded projects to allow timely action to mitigate risks, protect funds and ensure that the ultimate purpose of the award is fulfilled.

For the regularly funded organisations, such as Creative England, Film London and Into Film, alongside regular oversight and monitoring, a series of regular formal governance meetings were held with the recipients throughout the year to discuss progress against key performance and risk indicators incorporated in their business plans and funding agreements.

The work of the BFI's internal audit service, provided by BDO (formerly Moore Stephens), operated to standards set out in the Public Sector Internal Audit Standards was developed from an analysis of BFI's UK exposure.

In 2024/25 internal audit reports covered:

- Grant Maturity Assessment
- Cyber Review
- Assurance Mapping
- Key Financial Controls
- BCP Desktop Exercise
- IMAX follow-up

The analysis of risk and the internal audit plans are endorsed by the BFI's Executive Team, the Audit, Governance and Risk Committee and are approved by the Accounting Officer.

In line with Cabinet Office guidance in relation to information risk, the Finance Director is the Senior Information Risk Owner. Working with the Internal Auditor, all the systems and databases operated by the BFI are kept under review and periodic updates provided to the Audit, Governance and Risk Committee.

In addition, the BFI has in place a wide range of policies, for instance relating to corporate governance, conflicts of interest, financial management (including fraud), health and safety, training and development and information technology. These are periodically reviewed and updated.

The internal communications process ensures that all staff are informed about key decisions on a timely basis through appropriate means. There is also an external communications strategy that ensures stakeholders, Parliament, press, funded organisations and projects, the industry at large, and members of the general public receive appropriate and reliable information.

Progress in achieving objectives set in the strategic plan is monitored by the Board and Senior Management.

The Board receives appropriate regular financial reporting, enabling monitoring against financial targets.

Review of effectiveness

The Board is responsible for considering its performance and reviewing its effectiveness, including assessing the quality of the information it receives on an ongoing basis, and judging that it is of a satisfactory standard. Papers and reports are concise, relevant and timely. The Governors receive appropriate updates on the BFI's financial positions, forecasts, risks and performance against strategic goals at their scheduled meetings.

As Accounting Officer and Chair of the Board of Governors, we have responsibility for reviewing the effectiveness of the system of internal control. Our review is informed by the work of the internal auditors and the Senior Management within the BFI who have responsibility for the development and maintenance of the internal control framework, and comment made by the external auditors in their management letters and other reports. We have been advised on the implications of the results of our review of the effectiveness of the system of internal control by the Board and the Audit, Risk and Governance Committee, and a plan to address any weaknesses and ensure continuous improvement is in place.

In respect of risk management the responsibilities of the Executive Team are to:

- manage risk in their own areas of responsibility through the implementation of risk mitigation processes and by following the BFI's risk policy;
- translate the risk register into day-to-day operational planning within teams; and
- report to the Accounting Officer on the status of risks and controls.

The Board receives reports from the Chair of the Audit, Risk and Governance Committee, and from the Accounting Officer and managers, on the steps taken to manage risks, including progress reports on key activities and projects, as well as on new risks that may arise both internally within the organisation and due to external factors such as the political and economic environment of both the industry and the public sector.

Following the appointment of a new Chair of the Board of Governors, the Board undertook an internal effectiveness review in 2024/25.

The Internal Auditor provides audit reports on the areas of activity within the BFI. The reports include the Internal Auditor's independent opinion on the adequacy and effectiveness of the BFI's system of internal control during the year together with recommendations for improvement.

At the Audit, Risk and Governance Committee meeting on 3rd July 2025, the Internal Auditors gave their annual opinion. They concluded that there was an adequate and effective system of governance, risk management and internal control to address the risk that management's objectives are not fully achieved.

We take assurance from assessment of the risk register, from the business and budget planning cycle, from the decision approval and operational procedures and from the reviews of,

and assurance received from, delegate bodies that appropriate risk management procedures are in place.

Additionality

National Lottery applications and assessment processes are designed to ensure that awards made will be in line with the achievement of policies, aims and objectives set by the DCMS and the mission and values of the BFI, as well as the requirements of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998). The BFI considers that National Lottery funding is distinct from government funding and adds value. Although it does not substitute for Exchequer expenditure, where appropriate it complements government and other programmes, policies and funding.

We can confirm that in our opinion:

- the BFI complies with its current Financial Directions, Funding Agreement, Management Statement and Financial Memorandum and the requirements of a Charity;
- the BFI complies with DCMS guidelines as issued to it, including obtaining relevant approvals and observing the requirements of spending controls;
- adequate audit arrangements, both internal and external, are in place to support us in reviewing the systems of internal control;
- adequate arrangements are in place to detect and respond to inefficiency, conflicts of interest and fraud and to minimise losses of National Lottery and other funds;
- the BFI has drawn up and maintains risk assessment and control procedures and risk registers;
- the BFI has complied with Cabinet Office guidance on information risk but has suffered no protected personal data incidents during 2024-25, and has made no reports to the Information Commissioners Office (none in the prior year); and
- adequate systems of internal control were operational during the year and no significant weaknesses have been uncovered.

The BFI will continue to strive to improve the systems of internal control in place in relation to its management, and processes to maximise our operational efficiency as a National Lottery Distributor.

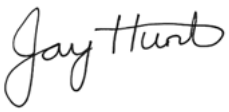
Functional Standards

During the year, the BFI continued to compliance, where applicable, with each of the standards.

In the year, the BFI has:

- a Senior Responsible Officer (SRO) identified for each standard; undertaken a review against the Mandatory elements;
- set out a quarterly review plan for each standard; and

as part of the annual Internal Audit plan, when an activity is part of the plan the Terms of Reference will include an objective that the activity is meeting the relevant Functional Standard; in addition, for those activities not part of the annual internal plan, at least one Functional Standard area will be included as a stand-alone (internal audit) review.



Jay Hunt OBE,
Chair, Governor

5 December 2025



Ben Roberts,
Chief Executive

5 December 2025

Financial Statements

Group Financial Statements

Statement of Governors and Accounting Officer's responsibilities

Under both the Royal Charter and the National Lottery etc Act 1993 (as amended by the National Lottery Act 1998), the BFI is required to prepare a statement of accounts for the financial period in the form and on the basis directed by the Secretary of State for Culture, Media and Sport, with the consent of HM Treasury.

The accounts are to be prepared on an accruals basis and to show a true and fair view of the BFI's state of affairs at the year end and of our incoming resources, resources expended and cash flows for the financial year. The Grant-in-Aid accounts are also prepared so as to comply with the Charities SORP 2019, and the Lottery distribution accounts are prepared in line with the Government Financial Reporting Manual.

Both sets of accounts are also expected to:

- observe the accounts directions issued by the Secretary of State which set out accounting and disclosure requirements, apply suitable accounting policies on a consistent basis, and make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the Charity Statement of Recommended Practice or Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements
- be prepared on a going concern basis, unless it is inappropriate to presume that the BFI will continue in operation

The Principal Accounting Officer of the DCMS has designated the Chief Executive as the BFI's Accounting Officer. The responsibilities of the accounting officers for Grant-in-Aid and Lottery distribution arm's length bodies are set out in chapter three of Managing Public Money. Formally, the Accounting Officer is the person who Parliament calls to account for stewardship of its resources. The Accounting Officer signing off these accounts has gained assurance in the following ways:

- a meeting with the Executive Director of Finance to go through the financial controls
- receiving feedback from the Performance & Finance Committee on review of internal audit reports and other internal control matters
- discussing the annual review and accounts at an Executive Board meeting attended by Executive Board colleagues, including the Executive Director of Finance
- attending Audit, Risk and Governance Committee meetings where matters are scrutinised

The Accounting Officer confirms that, as far as he is aware, there is no relevant audit information of which the entity's auditors are unaware, and the Accounting Officer has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

The Accounting Officer confirms that, as far as he is aware, the annual report and accounts as a whole is fair, balanced and understandable and he takes responsibility for the annual report and accounts and the judgement required for determining that it is fair, balanced and understandable.

In approving these accounts, Governors have complied with their duty under section 11 of the Charities Act 2011 to have due regard to guidance published by the Charity Commission.

A copy of the Grant-in-Aid and National Lottery distribution accounts directions are available from the Accounting Officer, BFI, 21 Stephen Street, London W1T 1LN.

The Governors as the trustees of the Charity are responsible for preparing the Trustees' Annual Report and the group and charity financial statements in accordance with applicable law and United Kingdom Accounting Standards

(United Kingdom Generally Accepted Accounting Practice). The Governors delegate power and responsibility to the Chief Executive for the day to day operation of the organisation. As Accounting Officer for government reporting purposes, the Chief Executive is also responsible for reporting to DCMS, one of our main funders.

The law applicable to charities in England and Wales requires the Governors and Chief Executive to prepare accounts for each financial year which give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, changes in funds, and cash flows for the financial year. In preparing these financial statements, the Governors and Chief Executive are required to:

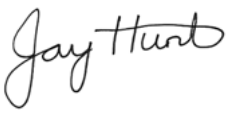
- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- observe the methods and principles in the Charities SORP or HM Treasury's Financial Reporting Manual as applicable;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Charity will continue in operation.

The Governors and Chief Executive are responsible for keeping proper accounting records which are such as to disclose, with reasonable accuracy, the financial position of the Charity at any time, and to enable them as trustees to ensure that the accounts comply with applicable law. The Governors and Chief Executive are also responsible for safeguarding the Charity's assets and ensuring their proper application in accordance with the Charities Act 2011; the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998), the Royal Charter and Managing Public Money issued by HM Treasury, and hence for taking reasonable steps for the prevention and detection of error, fraud and other irregularities.

The Governors and Chief Executive are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Governors and Chief Executive confirm that they have met the responsibilities set out above and complied with the requirements for preparing the accounts. The charity and group financial statements set out on pages 127 to 223, have been compiled from and are in accordance with the financial records maintained by the Governors and Chief Executive.

The Board of Governors has approved a Code of Conduct which reflects the principles laid down in the Code of Best Practice for board members of Public Bodies and maintains a Register of Interests of board members. This Register is available for inspection at the BFI's registered offices at 21 Stephen Street, London W1T 1LN, on request to the Board Secretary.



Jay Hunt OBE,
Chair, Governor

5 December 2025



Ben Roberts,
Chief Executive

5 December 2025

The Audit report of the Comptroller and Auditor General to the Governors of the British Film Institute and the Houses of Parliament

Opinion on financial statements

I have audited the financial statements of the British Film Institute and its Group for the year ended 31 March 2025.

The financial statements comprise: the British Film Institute and its Group's:

- The Balance Sheet as at 31 March 2025;
- Statement of Financial Activities, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and United Kingdom accounting standards including Financial Reporting Standards (FRS) 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion, the financial statements:

- give a true and fair view of the state of the British Film Institute and its Group's affairs as at 31 March 2025 and their net (expenditure)/ income for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the Charities Act 2011.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs (UK)), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2024)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my report.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2024*. I am independent of the British Film Institute and its Group in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the British Film Institute and its Group's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the British Film Institute and its Group'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.

My responsibilities and the responsibilities of the Governors and Accounting Officer with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises information included in the Performance Report and Accountability Report, but does not include the financial statements and my auditor's report thereafter. The Governors and Accounting Officer are responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and People Report to be audited has been properly prepared in accordance with the Secretary of State directions issued under the Royal Charter.

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

- the parts of the Performance Report and Accountability Report subject to audit have been properly prepared in accordance with the Secretary of State directions issued under the Royal Charter; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the British Film Institute and its Group and their environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Accountability Report,

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept by the British Film Institute and its Group or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Performance Report and Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by the specified by the Secretary of State direction under the Royal Charter, and the Charities Act 2011 have not been made or parts of the Remuneration and People Report to be audited are not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Governors and Accounting Officer for the financial statements

As explained more fully in the Statement of Governors and Accounting Officer's Responsibilities, the Governors and the Accounting Officer are responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the British Film Institute and its Group from whom the auditor determines it necessary to obtain audit evidence;

- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error; and
- preparing financial statements which give a true and fair view and are in accordance with the Charities Act 2011;
- preparing the Performance Report and Accountability Report, which includes the Remuneration and People Report, in accordance with HM Treasury's Government Financial Reporting Manual and the Charities Act 2011; and
- assessing the British Film Institute and its Group'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 Governors and the Accounting Officer either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit and express an opinion on the financial statements in accordance with section 151 of the Charities Act 2011.

My 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 a report that includes my 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.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

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

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the British Film Institute and its Group's accounting policies.
- inquired of management, the British Film Institute's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the British Film Institute and its Group's policies and procedures on:
  - identifying, evaluating and complying with laws and regulations;
  - detecting and responding to the risks of fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the British Film Institute and its Group's controls relating to the British Film Institute's compliance with the Charities Act 2011 and Managing Public Money;
- inquired of management, the British Film Institute's head of internal audit and those charged with governance whether:
  - they were aware of any instances of non-compliance with laws and regulations;
  - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team, including relevant component audit teams, and the relevant internal specialists, including those assisting on the valuation of film rights, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the British Film Institute and its Group for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, and bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the British Film Institute and its Group's framework of authority and other legal and regulatory frameworks in which the British Film Institute and its Group operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the British Film Institute and its Group. The key laws and regulations I considered in this context included The Charities Act 2011, Managing Public Money, employment law, pensions legislation, and tax legislation.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit, Risk and Governance Committee and in-house legal counsel concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports; and
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members including internal specialists and relevant component audit teams and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: **www.frc.org.uk/auditorsresponsibilities**. This description forms part of my report.

Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I 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 I identify during my audit.

Gareth Davies **10 December 2025**
Comptroller and
Auditor General

National Audit Office
157–197 Buckingham Palace Road
Victoria
London
SW1W 9SP

Consolidated statement of financial activities

Year ended 31 March 2025

		2025					
		Unrestricted	Non-Lottery Restricted	Total Non-Lottery	Lottery Restricted	2025 Total	2024 Total
	Note	£'000	£'000	£'000	£'000	£'000	£'000
Income							
Income and endowments from charitable activities (earned income)							
Audiences	3	25,756	–	**25,756**	–	**25,756**	26,948
Collections & screen heritage	3	2,640	–	**2,640**	–	**2,640**	2,609
Digital platforms	3	3,488	–	**3,488**	–	**3,488**	2,998
Learning & skills	3	983	–	**983**	–	**983**	981
Economic & cultural impact	3	–	–	**–**	–	**–**	16
Income from donations and legacies							
Voluntary Income							
Lottery proceeds	3 & 15	–	–	**–**	48,488	**48,488**	46,600
Lottery recoupment income	3	–	–	**–**	847	**847**	986
Revenue Grant in Aid funding	2	15,683	16,114	**31,797**	–	**31,797**	27,707
Capital Grant in Aid funding	2	–	2,869	**2,869**	–	**2,869**	2,498
Other grants, legacies and donations	3	3,928	1,247	**5,175**	–	**5,175**	8,697
Donated services and facilities	4	–	2,558	**2,558**	–	**2,558**	2,436
Investment income	5	835	–	**835**	2,636	**3,471**	3,519
Total income		**53,313**	**22,788**	**76,101**	**51,971**	**128,072**	**125,995**
Expenditure on							
Charitable activities							
Audiences	6	(30,490)	(16,101)	**(46,591)**	(4,275)	**(50,866)**	(51,527)
Video games & emerging media	6	(514)	–	**(514)**	(21)	**(535)**	(489)
Collections & screen heritage	6	(8,446)	(1,505)	**(9,951)**	(806)	**(10,757)**	(9,732)
Digital platforms	6	(7,057)	–	**(7,057)**	(342)	**(7,399)**	(6,729)
Learning & skills	6	(2,945)	(173)	**(3,118)**	(3,095)	**(6,213)**	(3,084)
Economic & cultural impact	6	(8,327)	(7,200)	**(15,527)**	(23,636)	**(39,163)**	(35,131)
Total charitable activities		(57,779)	(24,979)	**(82,758)**	(32,175)	**(114,933)**	(106,692)
Costs of raising funds	6	(2,866)	–	**(2,866)**	–	**(2,866)**	(2,119)
Total expenditure		**(60,645)**	**(24,979)**	**(85,624)**	**(32,175)**	**(117,799)**	**(108,811)**
Net (expenditure)/income		**(7,332)**	**(2,191)**	**(9,523)**	**19,796**	**10,273**	**17,184**

		2025					
	Note	Unrestricted £'000	Non-Lottery Restricted £'000	Total Non-Lottery £'000	Lottery Restricted £'000	2025 Total £'000	2024 Total £'000
Gross transfers between funds	25	5,549	(6,093)	**(544)**	544	**–**	–
Net (expenditure)/income and net movement in funds before other recognised gains and losses		**(1,783)**	**(8,284)**	**(10,067)**	**20,340**	**10,273**	**17,184**
Other recognised gains and losses							
Actuarial (losses)/gains on defined benefit pension scheme	8	(5,038)	–	**(5,038)**	(3,459)	**(8,497)**	8,752
Gains on the revaluation of fixed assets	10	1,809	–	**1,809**	–	**1,809**	2,560
Net movement in funds		**(5,012)**	**(8,284)**	**(13,296)**	**16,881**	**3,585**	**28,496**
Reconciliation of funds							
Total funds brought forward	25	113,617	14,188	**127,805**	9,537	**137,342**	108,846
Total funds carried forward	25	**108,605**	**5,904**	**114,509**	**26,418**	**140,927**	**137,342**

All gains and losses recognised in the year are included in this Statement of Financial Activities and all activities are classified as continuing.

The accompanying notes 1 to 34 form part of these Accounts.

Statement of financial activities – charity only

Year ended 31 March 2025

		2025					
		Unrestricted	Non-Lottery Restricted	Total Non-Lottery	Lottery Restricted	2025 Total	2024 Total
	Note	£'000	£'000	£'000	£'000	£'000	£'000
Income							
Income and endowments from charitable activities (earned income)							
Audiences	3	12,210	–	**12,210**	–	**12,210**	11,983
Collections & screen heritage	3	2,640	–	**2,640**	–	**2,640**	2,609
Digital platforms	3	3,488	–	**3,488**	–	**3,488**	2,998
Learning & skills	3	983	–	**983**	–	**983**	981
Economic & cultural impact	3	–	–	**–**	–	**–**	16
Income from donations and legacies							
Voluntary Income							
Lottery proceeds	3 & 15	–	–	**–**	48,488	**48,488**	46,600
Lottery recoupment income	3	–	–	**–**	847	**847**	986
Revenue Grant in Aid funding	2	15,683	16,114	**31,797**	–	**31,797**	27,707
Capital Grant in Aid funding	2	–	2,869	**2,869**	–	**2,869**	2,498
Other grants, legacies and donations	3	8,579	1,247	**9,826**	–	**9,826**	14,215
Donated services and facilities	4	–	2,558	**2,558**	–	**2,558**	2,436
Investment income	5	665	–	**665**	2,636	**3,301**	3,380
Total income		**44,248**	**22,788**	**67,036**	**51,971**	**119,007**	**116,409**
Expenditure on							
Charitable activities							
Audiences	6	(21,425)	(16,101)	**(37,526)**	(4,275)	**(41,801)**	(41,941)
Video games & emerging media	6	(514)	–	**(514)**	(21)	**(535)**	(489)
Collections & screen heritage	6	(8,446)	(1,505)	**(9,951)**	(806)	**(10,757)**	(9,732)
Digital platforms	6	(7,057)	–	**(7,057)**	(342)	**(7,399)**	(6,729)
Learning & skills	6	(2,945)	(173)	**(3,118)**	(3,095)	**(6,213)**	(3,084)
Economic & cultural impact	6	(8,327)	(7,200)	**(15,527)**	(23,636)	**(39,163)**	(35,131)
Total charitable activities		(48,714)	(24,979)	**(73,693)**	(32,175)	**(105,868)**	(97,106)
Costs of raising funds	6	(2,866)	–	**(2,866)**	–	**(2,866)**	(2,119)
Total expenditure		**(51,580)**	**(24,979)**	**(76,559)**	**(32,175)**	**(108,734)**	**(99,225)**
Net (expenditure)/income		**(7,332)**	**(2,191)**	**(9,523)**	**19,796**	**10,273**	**17,184**

		2025					
	Note	Unrestricted £'000	Non-Lottery Restricted £'000	Total Non-Lottery £'000	Lottery Restricted £'000	2025 Total £'000	2024 Total £'000
Gross transfers between funds	25	5,549	(6,093)	**(544)**	544	**–**	–
Net (expenditure)/income and net movement in funds before other recognised gains and losses		**(1,783)**	**(8,284)**	**(10,067)**	**20,340**	**10,273**	**17,184**
Other recognised gains and losses							
Actuarial (losses)/gains on defined benefit pension scheme	8	(5,038)	–	**(5,038)**	(3,459)	**(8,497)**	8,752
Gains on the revaluation of fixed assets	10	1,809	–	**1,809**	–	**1,809**	2,560
Net movement in funds		**(5,012)**	**(8,284)**	**(13,296)**	**16,881**	**3,585**	**28,496**
Reconciliation of funds							
Total funds brought forward	25	113,955	14,188	**128,143**	9,537	**137,680**	109,184
Total funds carried forward	25	**108,943**	**5,904**	**114,847**	**26,418**	**141,265**	**137,680**

All gains and losses recognised in the year are included in this Statement of Financial Activities and all activities are classified as continuing.

The accompanying notes 1 to 34 form part of these Accounts.

Consolidated and charity balance sheet

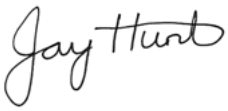
Year ended 31 March 2025

	Note	Group 2025 £'000	Restated Group 2024 £'000	Restated Group 2023 £'000	Charity 2025 £'000	Restated Charity 2024 £'000	Restated Charity 2023 £'000
Fixed assets:							
Intangible fixed assets	9	1,658	1,890	2,109	1,658	1,890	2,109
Tangible fixed assets	10	100,251	99,175	97,907	100,251	99,175	97,907
Investments	12	–	–	–	1,443	1,443	1,443
Total fixed assets		**101,909**	**101,065**	**100,016**	**103,352**	**102,508**	**101,459**
Non-current assets:							
Film rights	14	6,414	7,448	9,833	6,414	7,448	9,833
Defined benefit pension scheme net asset	8	–	7,011	–	–	7,011	–
Total non-current assets		**6,414**	**14,459**	**9,833**	**6,414**	**14,459**	**9,833**
Current assets:							
Stocks & work in progress	16	455	483	638	291	318	433
Debtors	17	14,618	19,833	20,343	17,777	23,146	23,248
Film Rights	14	2,068	2,574	3,038	2,068	2,574	3,038
National Lottery Distribution Fund	15	49,000	49,980	45,260	49,000	49,980	45,260
Cash at bank and in hand	18	25,917	28,277	33,581	20,511	22,516	29,327
Total current assets		**92,058**	**101,147**	**102,860**	**89,647**	**98,534**	**101,306**
Liabilities:							
Creditors: amounts falling due within one year	20	(53,674)	(51,899)	(60,381)	(52,368)	(50,391)	(59,932)
Provisions	23	(4,020)	(4,431)	(3,954)	(4,020)	(4,431)	(3,954)
Net current assets		**34,364**	**44,817**	**38,525**	**33,259**	**43,712**	**37,420**
Total assets less current liabilities		**142,687**	**160,341**	**148,374**	**143,025**	**160,679**	**148,712**
Creditors: amounts falling due after more than one year	21	(425)	(22,999)	(38,296)	(425)	(22,999)	(38,296)
Defined benefit pension scheme net liability	8	(1,335)	–	(1,232)	(1,335)	–	(1,232)
Total non-current liabilities		**(1,760)**	**(22,999)**	**(39,528)**	**(1,760)**	**(22,999)**	**(39,528)**
Total net assets		**140,927**	**137,342**	**108,846**	**141,265**	**137,680**	**109,184**

	Note	Group 2025 £'000	Restated Group 2024 £'000	Restated Group 2023 £'000	Charity 2025 £'000	Restated Charity 2024 £'000	Restated Charity 2023 £'000
The Funds of the Charity:							
Restricted income funds							
Restricted income funds excluding Lottery and pensions asset/ liability	25	5,904	14,188	13,737	5,904	14,188	13,737
Lottery reserve		26,418	6,173	(9,377)	26,418	6,173	(9,377)
Lottery share of pension reserve		–	3,364	2,678	–	3,364	2,678
Total Lottery funds	**25**	**26,418**	**9,537**	**(6,699)**	**26,418**	**9,537**	**(6,699)**
Total restricted funds		**32,322**	**23,725**	**7,038**	**32,322**	**23,725**	**7,038**
Unrestricted income funds							
Unrestricted income funds excluding pensions asset/liability		40,603	40,884	37,801	40,941	41,222	38,139
Designated funds		2,700	–	–	2,700	–	–
Unrestricted fixed asset revaluation reserve		66,637	69,086	67,917	66,637	69,086	67,917
		109,940	**109,970**	**105,718**	**110,278**	**110,308**	**106,056**
Pension reserve		(1,335)	3,647	(3,910)	(1,335)	3,647	(3,910)
Total unrestricted funds	**25**	**108,605**	**113,617**	**101,808**	**108,943**	**113,955**	**102,146**
Total charity funds	25	**140,927**	**137,342**	**108,846**	**141,265**	**137,680**	**109,184**

The accompanying notes 1 to 34 form part of these Accounts. Details of the prior year adjustment can be found in note 31.

The Governors and Chief Executive Officer of the BFI, registered charity number 287780, approved these financial statements and authorised their signature on 5 December 2025.



Jay Hunt OBE,
Chair, Governor



Ben Roberts,
Chief Executive

Consolidated statement of cash flows

Year ended 31 March 2025

	Notes	2025 Unrestricted £'000	2025 Restricted £'000	2025 Total £'000	2024 Restated Unrestricted £'000	2024 Restated Restricted £'000	2024 Restated Total £'000
Net (expenditure)/income		(7,332)	17,605	**10,273**	(1,180)	18,364	**17,184**
Cash flows from operating activities							
Less interest receivable	5	(835)	(2,636)	**(3,471)**	(961)	(2,558)	**(3,519)**
Depreciation	10	7,839	–	**7,839**	3,777	–	**3,777**
Amortisation	9	364	–	**364**	290	–	**290**
(Increase)/decrease in film rights – due after one year	14	–	1,034	**1,034**	–	2,385	**2,385**
(Increase)/decrease in film rights – due within one year	14	–	506	**506**	–	464	**464**
(Increase)/decrease in stocks	16	28	–	**28**	155	–	**155**
(Increase)/decrease in debtors	17	(1,103)	6,318	**5,215**	(640)	1,150	**510**
Increase/(decrease) in creditors due within one year	20	(776)	2,551	**1,775**	1,167	(9,649)	**(8,482)**
Increase/(decrease) in creditors due after one year	21	–	(22,574)	**(22,574)**	–	(15,297)	**(15,297)**
Increase/(decrease) in provisions due within one year	23	–	(411)	**(411)**	–	477	**477**
Non-cash pension movements	8	(27)	(124)	**(151)**	347	162	**509**
Cash flows from operating activities		**(1,842)**	**2,269**	**427**	**2,955**	**(4,502)**	**(1,547)**
Cash flows from investing activities							
National Lottery Distribution Fund income received	15	–	(50,823)	**(50,823)**	–	(48,871)	**(48,871)**
National Lottery Distribution Fund cash drawn down	15	–	51,803	**51,803**	–	44,151	**44,151**
Interest receivable	5	835	2,636	**3,471**	961	2,558	**3,519**
Purchase of intangible fixed assets	9	(132)	–	**(132)**	–	(73)	**(73)**
Purchase of tangible fixed assets	10	(1,586)	(5,520)	**(7,106)**	–	(2,483)	**(2,483)**
Cash flows from investing activities		**(883)**	**(1,904)**	**(2,787)**	**961**	**(4,718)**	**(3,757)**

		2025			2024 Restated		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Notes	£'000	£'000	£'000	£'000	£'000	£'000
Change in cash and cash equivalents in the year		**(2,725)**	**365**	**(2,360)**	**3,916**	**(9,220)**	**(5,304)**
Cash and cash equivalents at the beginning of the year		9,689	18,588	**28,277**	5,773	27,808	**33,581**
Cash and cash equivalents at the end of the year	18 & 25	**6,964**	**18,953**	**25,917**	**9,689**	**18,588**	**28,277**

The accompanying notes 1 to 34 form part of these Accounts. Details of the prior year adjustment can be found in note 31.

Notes to the financial statements

Year ended 31 March 2025

1. Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

Basis of preparation

The financial statements of the BFI are prepared under the historical cost convention, as modified for revaluation of certain categories of fixed assets and in accordance with the Charities Act, Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Accounts Direction issued by the Secretary of State for Culture, Media and Sport effective from April 2023 and applicable accounting standards.

The financial statements have also been prepared in accordance with the Government Financial Reporting Manual (FReM) issued by HM Treasury, to the extent that they clarify or build on the requirements of the Charities SORP (FRS102). The accounting policies contained in the FReM apply International Financial Reporting Standards as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the BFI for the purpose of giving a true and fair view has been selected. The particular policies adopted by the BFI are described below and they have been applied consistently in dealing with items that are considered material to the accounts.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the Charity, including its National Lottery distribution activities, and all its subsidiary undertakings (see note 12 for details of subsidiaries and associates or jointly controlled entities). The results of the subsidiaries are consolidated on a line by line basis within the SOFA. A separate SOFA has also been presented for the Charity. The balance sheet and related notes show the assets and liabilities of the Group as well as the Charity. Separate accounts are also prepared for the BFI's National Lottery distribution activities as required under the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998) and these are attached to the consolidated accounts.

Estimates and judgements

Estimates and judgements have been used in the production of these accounts, notably with regard to the valuation of Fixed Assets, Film Rights and Pensions as at the year end, the allocation of support costs to the charitable activities and the recharge of operating costs to the Lottery activities. Details of the valuation of fixed assets are set out in the accounting policy Tangible fixed assets below and in note 10. Tangible Fixed Assets. Details of the valuation of film rights are set out in the Film Rights accounting policy below and in note 14. Film Rights. Details of the pension schemes are set out in the Pensions accounting policy below and in note 8. Pensions. The allocation of support costs is set out in the accounting policy Expenditure below and detailed in note 6. Expenditure. The recharge of operating costs to the National Lottery activities are as set out in the accounting policy Apportioned costs below.

Most of the London Pension Fund's assets have quoted prices in active markets, but there are unquoted property, infrastructure and private equity assets, with BFI's share of assets other than equities and cash. The property and infrastructure assets are subject to valuation by external valuers.

Going concern

Based on our status as a Royal Charter body, Non-Departmental Public Body and National Lottery Distributor, and in light of the 2025 Spending Review and our forward financial plans and free reserves, we have reasonable expectations of continuing trading within the funding available to the BFI and that there will continue to be sufficient cash to meet the BFI's liabilities for at least 12 months from the date of signing the accounts.

Unrestricted activities show a deficit for the year. This includes significant non-cash expenditure transactions relating to depreciation and FRS102 pension charges. Excluding the impact of these, net free reserves are similar to last year and are close to the level targeted by our reserves policy. Total unrestricted reserves have been impacted by the change in the FRS102 pension position from a net asset to a net liability, part offset by increased fixed asset valuations. The defined benefit pension scheme with the London Pension Fund Authority, based on the latest triennial actuarial valuation as at 31 March 2022, is in surplus and the appropriate level of contributions are factored into our forward plans.

National Lottery activities show a surplus for the year and growing net reserves. This is largely due to multi-year awards, recognised in 2022-23 as non-current liabilities, which are funded from both the reserves and the BFI's ongoing share of National Lottery proceeds for good causes over the coming years. The restricted National Lottery funds continue to hold positive net current assets to meet its liabilities as they fall due.

Charitable activities

The BFI engages in a diverse range of activities in order to meet its objects, which are described in more detail in the Governors' Report and the BFI's strategy Screen Culture 2033. In the financial statements, the BFI categorises its activities across its six strategic priorities to further its charitable aims for the public benefit:

- Audiences – great filmmaking for audiences everywhere.
- Embracing a wider screen culture – to achieve wide appreciation of the cultural, social and economic value of the full breadth of screen storytelling, including video games.
- Reframing the public's relationship with the nation's screen heritage – to establish the BFI National Archive as the most open moving image collection in the world.
- Growing our digital platforms – reform of all BFI services by making them easy to use and widely available online.
- Developing long-term strategies for education and skills – giving everyone the educational opportunity to build a lifelong relationship with film.
- Growing the cultural and economic impact of the UK's screen industries – to lead on public policy and advocacy for the UK film sector and promote a globally competitive UK film industry.

Accruals convention

Income and expenditure is generally accounted for when receivable/payable on an accruals basis except where accounting standards or other requirements apply, as set out in the following accounting policies.

Income and endowments

All income is included in the SOFA when the Charity is legally entitled to the income, entitlement is probable and the amount can be quantified with reasonable accuracy. The following specific policies apply to categories of income:

Income from charitable activities: includes a wide range of chargeable activities including sales of cinema tickets, DVDs, film and footage and sponsorship income and these are accounted for on an accruals basis.

Lottery proceeds are the BFI's share of National Lottery income as notified to the BFI by the National Lottery Distribution Fund (NLDF).

Lottery recoupment income is income from film rights in excess of the original value of the right and is taken to the SOFA as film recoupment income. Income is accounted for on a receivable basis. The exception to this is recoupment income because of the inherent difficulties in relating the income to a specific period in time. Recoupment income is therefore accounted for upon notification of amounts received by the BFI.

Donated services and facilities: including gifts in kind, are included in income and expenditure at the value to the Charity where this can be quantified (see note 4).

Grants and deferred income: whilst grants, including Grant-in-Aid, are typically accounted for in full upon receipt, where related to performance and specific deliverables, grants are accounted for as the Charity earns the right to consideration

by its performance. Where income is received in advance of its recognition, it is deferred and included in creditors: amounts falling due within one year. Where entitlement occurs before income being received, the income is accrued. Capital grants are accounted for as income as soon as they are receivable. Grant-in-Aid refers to direct grants from the Department for Culture, Media and Sport for the general use of the BFI and also ring-fenced funding for other appropriate bodies delivering activities in accordance with the BFI's charitable objects.

Gift Aid is receivable from HM Revenue & Customs on certain donations which meet the relevant requirements and these are recognised on an accruals basis.

Film recoupment income

Income received from film rights is offset against the value of the film rights on the Balance Sheet. Income in excess of the original value of the rights is taken to the SOFA as film recoupment income.

Receivables

Provisions for doubtful debts (provisions for impairment) are raised on outstanding debts and rely on estimation methodologies and techniques to calculate the amount of the provision. Any movement in the provision in the year is taken to the SOFA within charitable expenditure.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category concerned. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources (see note 6). Costs of generating funds are fundraising and publicity costs incurred in seeking voluntary contributions and do not include the cost of disseminating information in support of charitable activities.

Grant Awards

Grant expenditure is charged to the statement of financial activities in the year that the grants are awarded and, if relevant, in which funding for the grant is received from DCMS. In most circumstances this will be the same as the year in which the funded activities take place. However, in some cases grant expenditure is recognised in the accounts where the funded activity is due to take place in future years. Any amounts unpaid from grants at the year end are shown in the balance sheet as creditors. Grant commitments made in the year relating to future years' activity as disclosed in note 28: Contingent Liabilities are not charged to the statement of financial activities, as they are contingent on receipt of Grant-in-Aid income, which is not certain until the year in which it is due.

The basis of reporting Lottery award commitments is laid out in the revised Accounts Direction from DCMS and the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998), and continues to align with the reporting requirements of the Charities SORP. Where the BFI has made a firm offer of a grant and notified successful applicants, the award is accounted for within other creditors as a grant commitment. Where the BFI has agreed to make an award in respect of investing in a film rights project, these are not grants and are accounted for as set out below under financial instruments and film rights.

In line with the National Lottery Act etc. 1993 (as amended by the National Lottery Act 1998) and the BFI National Lottery Accounts Direction, which are consistent with the BFI's basis of preparation of accounts as outlined above, Lottery awards are accounted for in full in the Statement of Financial Activities in the year in which the award is notified to the successful applicant.

Commitments payable within one year of the balance sheet date are recognised in the statement within creditors as current liabilities. Those payable more than one year from the balance sheet date are shown as creditors payable after more than one year.

Awards made under the National Lottery Act Section 27 dispensation

Using the power granted by the Section 27 of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998) the Secretary of State did not object to an award of £Nil (2024: £0.5m) to the BFI in relation to the London Film Festival.

In the prior year a new award of £2.1m was made in the year under these powers to the Heritage 2022 strategy plus a further award of £3.8m in respect of Our Screen Heritage. There were no new Section 27 awards in the current year.

Apportioned costs

The BFI incurred costs which are shared between National Lottery activities and the subsidiaries. The BFI as a charity is required to apportion costs in accordance with the principles of full cost recovery and the government's 'Managing Public Money' guidance. In addition to costs wholly attributable to Lottery activities, an assessment is made of the other costs attributable to National Lottery activities incurred by service and other departments. This is based on a combination of head count, office space occupied, activity levels and additional expenditure incurred. These departments include Finance, People & Business Operations, Corporate & Industry Affairs and the Chief Executive's Office. Direct costs are borne by the active subsidiaries of the BFI and in addition an appropriate share of staff costs and overheads based on BFI staff time spent on those activities.

Charitable expenditure on collections

All expenditure on acquiring, preserving and improving the National Archive collection is included in charitable expenditure in the year incurred. In the main, this expenditure is of a curatorial or restoration nature and the Governors are of the opinion that any value attributable to heritage assets or fixed assets would not be material.

Heritage assets

Much of the BFI's collection is used, or expected to be used in the future, in its charitable activities. To the extent that the collection comprises heritage assets, there is an absence of reliable cost information, a diverse range of assets held, a lack of comparable market values and a complex mixture of intellectual property rights associated with the assets. As a result the Governors are of the opinion that valuation information cannot be obtained at a cost commensurate with the benefits to users of the financial statements and to the charity. Therefore the BFI has adopted a non-recognition approach.

Tangible fixed assets, depreciation and impairment

Expenditure on tangible fixed assets costing £5,000 or more and with a useful economic life of at least 3 years is capitalised and included at cost. Leasehold land and buildings, together with some associated plant and fixtures, are included at fair value in accordance with the FReM. See Note 10. Tangible Fixed Assets.

The BFI's long leasehold properties BFI Southbank and BFI London IMAX are revalued quinquennialy by appropriately qualified valuers. Between valuation years the values are estimated using appropriate indexation. The most recent quinquennial valuations were completed with an effective date of 31 March 2022. The values at 31 March 2025 have been estimated using appropriate indexation from an independent expert body.

The BFI's short leasehold properties in London, Berkhamsted and Warwickshire have been subject to leasehold improvements. The values are estimated using appropriate indexation each year end applied to acquisitions, starting in the year following the acquisition.

Revaluation is not applied to those classes of asset which are made up of low value and/or short useful economic life assets or where the historical cost is considered a reasonable approximation of fair value.

Depreciation is provided on all tangible fixed assets to write off the cost less estimated residual values over their expected useful economic lives. It is calculated on a straight line basis at the following rates from the month after acquisition to the month prior to disposal:

Long leasehold property	1-20% per annum (5-99 years straight line/ over the period of the lease)
Short leasehold property improvements	5-20% per annum (5-20 years straight line)
Computer and other IT equipment	5-25% per annum (4-20 years straight line)
Furniture, fixtures and fittings	4-20% per annum (5-25 years straight line)

Plant and machinery	4-25% per annum (4-25 years straight line)
Assets in the course of construction	Depreciation commences upon completion of construction

The carrying value of fixed assets and their remaining useful economic life is reviewed at least annually. Where the carrying value is considered to be greater than the value of the asset to the activities of the Charity, an impairment charge will be made in the year to reflect the recoverable value.

Intangible fixed assets

Intangible fixed assets are initially measured at cost and subsequently measured at cost, net of amortisation and any impairment losses. Amortisation is provided on all intangible fixed assets to write off the cost less estimated residual values over their expected useful economic lives. It is calculated on a straight line basis at the following rates from the month after acquisition to the month prior to disposal:

Intangible fixed assets 5-25% per annum (4-20 years straight line)

Investments

Investments in subsidiaries, associates or jointly controlled entities are stated at cost less provision for impairment.

Financial instruments

The principal financial instruments are cash and holdings in the NLDF and film rights, under the definitions set out under FRS102.

Other financial instruments include debtors and creditors that arise directly from Lottery and non-Lottery operations. The main risks arising from the financial instruments are interest rate risk, foreign currency risk and other price risk. Short term debtors are measured at transaction price, less any impairment. Foreign currency policy is stated below.

Film rights

Film rights represent investment awards paid and payable to filmmakers which are repayable under certain conditions. All advances to filmmakers are repayable under certain conditions. Where a feature film made with the assistance of the BFI is successfully released, the BFI is entitled to participate in revenues generated by that success. This can lead to repayment of the investment in full, together with a share of the profits generated by the film.

Under FRS102 film rights fall within the definition of Financial Instruments. Within that, they meet the definition of assets measured at fair value with gains and losses being recognised in the SOFA. The fair value is based upon cash flows and models of future income that may be generated by the film right asset. The calculations behind these models are based upon external factors such as sales agents' estimates, actual sales made, and the recoupment order agreed in the financing contract between investors as well as internal factors such as the skills and expertise of management involved in these calculations and a review of the historic performance of the portfolio.

When an advance is made (satisfying the definition of an award liability) it is taken to the Balance Sheet initially at the full value of the award. An assessment is then made of the likely repayment of the award, if any, over the next seven financial years, with the valuation reduced to the extent that the repayment of the award is considered doubtful. The reduction is calculated either as standard percentage suggested by historic recoupment performance of that particular type of award, or based on the value suggested by future estimated receipts.

In subsequent years, the Film Rights valuations are reviewed to ensure that all revenues due are received and the valuation remains appropriate. The valuations are based on the best available information at the balance sheet date and the valuations will change over time. For instance, on production awards, the actual value of sales made to a territory may exceed or fall below the original sales estimate provided by the sales agent or the box office performance may exceed or fall below the initial projections following the release of a film.

Movements in value shown in the Statement of Financial Activity reflect the net effect of increases and decreases in values against film rights in the year. Any reduction may be reversed in part or in full if the valuation understates the fair value of the film rights. Advances for development and short film awards are fully adjusted to £nil in the

year of the award, unless there is a reasonable expectation of repayment in the next seven financial years.

If the valuation of the film rights is in excess of the amount of the award investment based on estimated recoupment over the next seven financial years, this is similarly recognised in the film rights valuation and released to income as the recoupment is received. In the context of the life of a film and its distribution cycle, seven years is felt to be a reasonable period over which a meaningful forecast can be taken, and is consistent with practice across the film industry.

Should the full amount of an award for film rights not be utilised, any unused element of the funding will be decommitted. If such a decommitment exceeds the fair value of the film, then any necessary adjustment will be released back to the SOFA so the remaining fair value reflects the revised investment value.

Stocks & work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value. The former consist of goods held for resale and the latter expenditure on DVD and Blu-Ray development costs carried forward and written off over the expected commercial life of the individual titles.

Rewarding Success Provision

The rewarding success initiative allows for a share of film recoupment income arising from lottery awards to be made available to UK Producers, Writers and Directors for their future film making activity. The funds held on behalf of film-makers ("the locked box") represents the monies held for this initiative at the balance sheet date and not yet drawn down and are included as Provisions on the Balance Sheet.

National Lottery Distribution Fund

Balances held in the National Lottery Distribution Fund (NLDF) remain under the stewardship of the Secretary of State for Culture, Media and Sport. The share of these balances attributable to the BFI is as shown in the financial statements at an estimate of market value and, at the balance sheet date, has been certified by the Secretary of State for Culture, Media and Sport as being available for distribution by the BFI in respect of current and future commitments. With the election to adopt the recognition and measurement criteria of IFRS9 for the standalone BFI Lottery accounts (appended), funds are held as financial instruments held at amortised cost. As the investments are held with the Debt Management Account and the National Loans Fund, these are exempt from recognising stage 1 and stage 2 impairment so no expected credit losses have been calculated on these instruments.

The share of proceeds and investment returns attributed to the BFI has been treated as income within these financial statements.

Pension costs

For defined benefit pension schemes the amounts charged in expenditure are the service costs, gains and losses on settlements and curtailments, administration costs and net interest on the defined liability. The service costs are included as part of staff costs. Actuarial gains and losses are recognised in the SOFA as other recognised gains/(losses).

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the Charity, in separate trustee-administered funds which are part of the London Pension Fund Authority (LPFA). The LPFA is a local government pension scheme and the BFI is an Admitted Body member. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained every three years and are updated at each balance sheet date. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the balance sheet and in note 8: Pensions.

For defined contribution schemes, the amount charged to the SOFA in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Operating and finance lease transactions

Payments made under operating leases are charged to the SOFA on a straight line basis over the lease term. There were no finance leases.

Fund accounting

Unrestricted funds are funds available for use at the discretion of the Governors in the furtherance of the general objectives of the BFI and which are not subject to externally imposed restrictions.

Restricted funds are funds to be used in accordance with specific restrictions imposed by donors. The aim and use of each restricted fund is set out in the notes to the accounts. Where the conditions have been met, for example to acquire fixed assets without ongoing restrictions, the related reserves are transferred to unrestricted reserves on the face of the Statement of Financial Activities.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling on the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date and gains and losses charged/credited to the Statement of Financial Activities.

Tax Status (Group and Charity)

The BFI is a registered charity and as such is potentially exempt from taxation of its income and gains to the extent that they are applied to its charitable objectives.

Its subsidiaries' total taxable profits are either gifted to the Charity or tax losses have been utilised and therefore no tax is payable.

Deferred taxation follows the treatment of the item to which it is attributable and there are no deferred tax assets or liabilities recognised in these accounts.

Irrecoverable VAT is charged to the cost category to which it relates.

Prior Year Restatement

Where a change in accounting policy or a material error has been recognised or identified, the BFI will amend its accounting policies and correct both the current financial year's results and the previous financial year's results to which the change in policy or error relates to. The correction to prior years will be identified with the words "Restated".

2. Other significant transactions

a) Grant-in-Aid – DCMS

DCMS has been the BFI's largest source of funding, excluding Lottery income. They have therefore been included in this category in order to provide supplementary disclosure. During the year, the BFI had the following material transactions with DCMS:

		Note	2025 £'000	2024 £'000
Income				
Revenue Grant-in-Aid funding	Unrestricted		15,683	15,045
Revenue Grant-in-Aid funding	Restricted	25	16,114	12,662
			31,797	**27,707**
Capital Grant-in-Aid funding		25	2,869	2,498

Grant-in-Aid is spent in accordance with the funding agreement between the BFI and DCMS. The common objectives are to:

- extend & improve access to film culture, serving the diverse geographical needs of the UK's nations and regions and recognising the differing needs of rural, suburban and metropolitan locations;
- improve education about the moving image; and
- support & encourage cultural diversity and social inclusiveness; and promote film activity in the nations and regions, and ensure that national and regional bodies work in concert towards common goals.

b) Governors

The Governors neither received nor waived any emoluments during the year (2024: £Nil). Governors' expenses amounted to £957 in the year (2024: £1,710). Three governors claimed expenses during the year (2024: Three). No payments were made in the year for services (2024: £Nil).

There were no material related party transactions involving Governors in their personal or business capacities other than National Lottery and Grant-in-Aid awards disclosed in note 32: Related Parties.

The Charity has purchased insurance to indemnify the Governors against the consequences of any neglect or default on their part. The cost amounted to £13,210 (2024: £13,210), which includes cover for Governors and Officers of the Charity but also covered management liability, crime and employment practices liability for the organisation as a whole.

c) BFI Trust

BFI Trust is an independent registered charity with objectives consistent with those of the BFI. During the year, the BFI had the following material transactions with BFI Trust:

		Note	2025 £'000	2024 £'000
Income from generated funds – Other grants, legacies and donations includes:				
Grants receivable from BFI Trust	Restricted	25	(97)	320
	Unrestricted		1,864	1,864
Resources expended – Charitable activities includes:				
Rental of leasehold premises			(1,864)	(1,864)

3. Income – Group

	Unrestricted 2025 £'000	Non-Lottery Restricted 2025 £'000	Lottery Restricted 2025 £'000	Total 2025 £'000
Income and endowments from charitable activities (earned income)				
Audiences	25,756	–	–	**25,756**
Collections & screen heritage	2,640	–	–	**2,640**
Digital platforms	3,488	–	–	**3,488**
Learning & skills	983	–	–	**983**
Economic & cultural impact	–	–	–	**–**
	32,867	**–**	**–**	**32,867**
Income from Donations and legacies				
Voluntary Income				
Lottery proceeds	–	–	48,488	**48,488**
Lottery recoupment income	–	–	847	**847**
Revenue Grant-in-Aid funding	15,683	16,114	–	**31,797**
Capital Grant-in-Aid funding	–	2,869	–	**2,869**
Other grants, legacies and donations	3,928	1,247	–	**5,175**
Donated services and facilities	–	2,558	–	**2,558**
	19,611	**22,788**	**49,335**	**91,734**
Investment income	835	–	2,636	**3,471**
Total Income	**53,313**	**22,788**	**51,971**	**128,072**

	Unrestricted 2024 £'000	Non-Lottery Restricted 2024 £'000	Lottery Restricted 2024 £'000	Total 2024 £'000
Income and endowments from charitable activities (earned income)				
Audiences	26,948	–	–	**26,948**
Collections & screen heritage	2,609	–	–	**2,609**
Digital platforms	2,998	–	–	**2,998**
Learning & skills	981	–	–	**981**
Economic & cultural impact	16	–	–	**16**
	33,552	**–**	**–**	**33,552**
Income from Donations and legacies				
Voluntary Income				
Lottery proceeds	–	–	46,600	**46,600**
Lottery recoupment income	–	–	986	**986**
Revenue Grant-in-Aid funding	15,045	12,662	–	**27,707**
Capital Grant-in-Aid funding	–	2,498	–	**2,498**
Other grants, legacies and donations	3,467	5,017	213	**8,697**
Donated services and facilities	–	2,436	–	**2,436**
	18,512	**22,613**	**47,799**	**88,924**
Investment income	961	–	2,558	**3,519**
Total Income	**53,025**	**22,613**	**50,357**	**125,995**

	2025 £'000	2024 £'000
Sponsorship and other income included in Income from charitable activities (earned income):		
Sponsorship income, associated with the costs of generating voluntary income	3,099	3,331
	3,099	**3,331**
Costs of generating funds		
Costs of generating voluntary income	(2,866)	(2,119)

Costs of generating voluntary income is the staff and other costs of the in-house teams who source funding from individuals, trusts, foundations and corporations.

In addition to voluntary income, income from charitable activities includes sponsorship income of £3,099,000 (2024: £3,331,000) raised by the Fundraising and Enterprise team. This income primarily relates to the corporate sponsorship of the BFI London Film Festival and BFI Flare Film Festival.

4. Donated services and facilities

	2025	2024
	£'000	£'000
Publicity and advertising	2,167	1,975
Buildings and facilities	375	350
Services and equipment hire	–	98
Food and drink	16	13
	2,558	**2,436**

Donated services and facilities are valued using information provided by the suppliers regarding market value.

5. Investment income – Group

	Unrestricted	Lottery Restricted	2025 Total	Unrestricted	Lottery Restricted	2024 Total
	£'000	£'000	£'000	£'000	£'000	£'000
Bank interest receivable	835	2,636	**3,471**	961	2,558	**3,519**

Bank interest receivable was £3,471,000 (2024: £3,519,000) of which £835,000 was unrestricted bank interest income (2024: £961,000) and £2,636,000 was restricted bank interest income (2024: £2,558,000).

6. Expenditure – Group

	Direct Costs 2025	Allocated Pension charges 2025	Allocated Support costs 2025	Total 2025
	£'000	£'000	£'000	£'000
Audiences	(46,449)	(1,254)	(3,163)	**(50,866)**
Video games & emerging media	(490)	(13)	(32)	**(535)**
Collections & screen heritage	(9,856)	(256)	(645)	**(10,757)**
Digital platforms	(6,789)	(173)	(437)	**(7,399)**
Learning & skills	(5,701)	(145)	(367)	**(6,213)**
Economic & cultural impact	(35,934)	(917)	(2,312)	**(39,163)**
Costs of generating voluntary income	(2,866)	–	–	**(2,866)**
Total resources expended	**(108,085)**	**(2,758)**	**(6,956)**	**(117,799)**

	Direct Costs 2024 £'000	Allocated Pension charges 2024 £'000	Allocated Support costs 2024 £'000	Total 2024 £'000
Audiences	(46,844)	(1,740)	(2,943)	**(51,527)**
Video games & emerging media	(446)	(16)	(27)	**(489)**
Collections & screen heritage	(8,879)	(317)	(536)	**(9,732)**
Digital platforms	(6,142)	(218)	(369)	**(6,729)**
Learning & skills	(2,815)	(100)	(169)	**(3,084)**
Economic & cultural impact	(32,065)	(1,139)	(1,927)	**(35,131)**
Costs of generating voluntary income	(2,119)	–	–	**(2,119)**
Total resources expended	**(99,310)**	**(3,530)**	**(5,971)**	**(108,811)**

Expenditure on charitable activities was £114,933,000 (2024: £106,692,000) of which £57,779,000 was unrestricted (2024: £52,086,000), £24,979,000 was restricted (2024: £25,990,000) and £32,175,000 was Lottery funded restricted expenditure (2024: £28,616,000).

Support services, including staff and other costs which are allocated across the activities of the Charity, are shown in the allocated support costs column. The basis of allocation is as follows:

Nature of cost	Allocation basis	2025 £'000	2024 £'000
IT and finance support	Combination of head count and departmental spend	(3,437)	(2,795)
Human resources	Head count	(980)	(793)
Premises and utilities	Combination of floor area and head count	(484)	(504)
Communication and marketing	Direct spend and percentage of income generated	(749)	(717)
Other overheads	Combination of time and departmental spend	(928)	(839)
Governance costs	Departmental spend	(378)	(323)
Total support		**(6,956)**	**(5,971)**
Pension cost (note 8)	Net revenue account cost	(2,758)	(3,530)
Governance costs:			
Audit fees: Charity (excluding Lottery)		(125)	(107)
Audit fees: Lottery		(63)	(57)
Audit: subsidiaries (British Screen group of companies)		(7)	(7)
Audit: subsidiary (British Film Institute (Big Screen) Limited)		(18)	(14)
Audit: subsidiary (BFI Enterprise Limited)		(14)	(9)
Trustees costs		(1)	(1)
Corporate policy and planning		(150)	(128)
Total governance		**(378)**	**(323)**

Governance costs are allocated across the activities of the Charity and are included in the allocated support and governance costs column above. The basis of allocation is departmental spend on activities.

Net resources expended before transfers are stated after charging:

	2025 £'000	2024 £'000
Auditors' remuneration (analysed above)	(227)	(194)

Auditors' remuneration for the National Audit Office includes £Nil fees for non audit services (2024: £Nil). The National Audit Office provided audit services for the Charity and Lottery, with the subsidiary and other audits performed by Brebners LLP.

	2025 £'000	Restated 2024 £'000
Foreign exchange (losses)/gains	(16)	(37)
Depreciation	(7,839)	(3,777)
Amortisation	(364)	(290)

	2025 £'000	2024 £'000
Charges for operating leases:		
Land and buildings	(1,887)	(1,871)
Plant and machinery	(81)	(48)

	2025 £'000	2024 £'000
Film rights adjustments	(12,507)	(10,243)

The carrying value of the film rights reflects the extent to which full repayment of an advance, through actual receipts and the value of future estimated receipts, is considered doubtful. The valuation is reviewed on a rolling basis to ensure that fair value is maintained.

Details of the prior year adjustment can be found in note 31.

Grant-in-Aid awards

BFI has responsibility on behalf of DCMS for the administration of Grant-in-Aid awards made to third party and partner organisations in the film sector, and received additional funding for this purpose.

Awards in the year (net of fall-ins, where grants have been adjusted within the year) were:

	2025 £'000	2024 £'000
Film London	(1,175)	(375)
Northern Ireland Screen: Irish Language Fund	(3,242)	(3,178)
Northern Ireland Screen: Ulster Scots Fund	(1,080)	(1,059)
Film Academy awards	(709)	(703)
Global Screen Fund	(5,571)	(7,734)
Young Audience Content Fund	326	49
	(11,451)	**(13,000)**

In addition to the above further Grant-in-Aid awards were made to partner organisations on or before 31 March 2025 for funded activity commencing on or after 1 April 2025. These are disclosed in note 28: Contingent Liabilities.

Lottery awards

Full details of all Lottery commitments made in the year are shown in the accompanying Lottery financial statements

	2025 £'000	2024 £'000
Lottery – non-film rights awards included in the SOFA – Expenditure on Charitable activities	(12,391)	(11,645)
Heritage 2022 – award to the BFI – Gross transfers between funds, note 25: Statement of Funds	544	(1,750)
Film Festivals – award to BFI LFF – Gross transfers between funds, note 25: Statement of Funds	–	(4,603)
Lottery – non-film rights awards per Lottery Statement of Comprehensive Net Expenditure	**(11,847)**	**(17,998)**

7. Staff costs

	2025 £'000	2024 £'000
Staff costs consists of:		
Wages & salaries	(33,657)	(30,569)
Social security costs	(3,623)	(3,096)
Pension costs (see note 8)	(3,087)	(3,460)
	(40,367)	**(37,125)**
Agency staff costs included in Wages & salaries above	(358)	(584)
Staff costs capitalised and not included above	(131)	–

The average number of full-time equivalent employees of the BFI during the year was:

	2025 Full Time	2025 Part Time	2025 Total
Costs of generating voluntary income			
Audiences	253	38	**291**
Video games & emerging media	3	–	**3**
Collections & screen heritage	51	8	**59**
Digital platforms	35	5	**40**
Learning & skills	29	4	**33**
Economic & cultural impact	184	28	**212**
	555	**83**	**638**

	2024 Full Time	2024 Part Time	2024 Total
Costs of generating voluntary income			
Audiences	258	35	**293**
Video games & emerging media	3	–	**3**
Collections & screen heritage	47	6	**53**
Digital platforms	33	4	**37**
Learning & skills	15	2	**17**
Economic & cultural impact	169	23	**192**
	525	**70**	**595**

	2025 Number	2024 Number
Average number of full time equivalent Agency staff at the BFI during the year	7	9

Higher paid employees

	2025 £'000	2024 £'000
Chief Executive – pay for the full year		
B. Roberts	163	157

Including bonuses totalling £Nil (2024: £Nil). Employer's pension contributions for the year amounted to £25,000 (2024: £24,000).

Executive Team Members (including the Chief Executive)	2025 Number	2024 Number
£160,000–£169,999	1	–
£150,000–£159,999	–	1
£140,000–£149,999	–	–
£130,000–£139,999	6	1
£120,000–£129,999	–	5
£110,000–£119,999	1	–
Cost	£1,075,000	£917,000
Other senior staff		
£110,000–£119,999	3	1
£100,000–£109,999	8	4
£90,000–£99,999	16	15
£80,000–£89,999	13	12
£70,000–£79,999	22	24
£60,000 –£69,999	44	23
Cost	£8,400,000	£6,223,000
Total Cost	**£9,475,000**	**£7,140,000**

Included in the above are 51 (2024: 43) staff who are ordinary members of the LPFA pension scheme. The amount of employer's pension contributions attributable to these staff amounted to £666,000 (2024: £557,000). There were 63 (2024: 43) staff who were members of defined contribution schemes. The amount of employer's pension contributions attributable to these staff amounted to £291,000 (2024: £197,000).

A number of Executive staff and other employees have interests in award applications which have been fully disclosed in note 32: Related Parties.

8. Pensions

The BFI is an admitted body to the LPFA, which provides a defined benefit pension scheme for the salaried employees of the Charity. It is a funded scheme and the assets are administered by trustees and are independent of the BFI. The related costs are assessed in accordance with the advice of professionally qualified actuaries. From 1 January 2014 the BFI also operates a defined contribution pension scheme which is available for all employees not already in the defined benefit scheme.

The BFI has accounted in full for pension benefits in the year ended 31 March 2025 under the requirements of FRS102. Therefore, as at 31 March 2025, a pension liability of £1,335,000 (2024: asset of £7,011,000) is included in the BFI balance sheet. BFI's agreed schedule of contributions was 15.5% of member employees' salary per year.

In addition to the amounts payable for current members of the pension scheme, within this scheme the BFI has an unfunded liability to pay pensions to 34 (2024: 36) former employees and their spouses or dependents. The total actuarial valuation for this liability at 31 March 2025 is included in the pension provision.

For FRS 102 disclosure, the full valuation at 31 March 2024 has been updated by the actuaries, Barnett Waddingham, to assess the liabilities of the scheme as at 31 March 2025.

In 2024/25 the BFI has adopted an asset ceiling in reporting its net surplus required by FRS102, which only allows an asset to be recognised to the extent that the employer can recover economic benefits from the surplus. Economic benefits can be gained either via a refund or via a reduction in future contributions, however the BFI has no unconditional right to a refund, due to our participation in the LGPS fund. This limit to the net asset is known as the "asset ceiling". The asset ceiling adjustment has been calculated by the actuaries, Barnett Waddingham, to include only the present value of the future service cost.

The most significant actuarial assumptions in the recent valuation are:

		2025 % Per annum	2024 % Per annum
Rate of increase in prices	RPI	3.2	3.3
Rate of increase in prices	CPI	2.9	3.0
Rate of increase in salaries		3.9	4.0
Rate of increase in pensions in payment		2.9	3.0
Discount rate		5.8	4.9

Under the adopted mortality tables, the assumed life expectancy from age 65 are as follows:

	2025 Years	2024 Years
Life expectancy at age 65 of female aged 45	25.4	25.4
Life expectancy at age 65 of female aged 65	24.1	24.0
Life expectancy at age 65 of male aged 45	22.4	22.4
Life expectancy at age 65 of male aged 65	21.1	21.2

BFI share of net pension (liability)/asset as at 31 March:

	2025 £'000	2024 £'000	2023 £'000	2022 £'000	2021 £'000
Fair value of employer assets	151,695	150,020	139,307	139,001	121,020
Present value of scheme liabilities	(124,719)	(141,457)	(138,862)	(210,865)	(213,418)
Net funding/(underfunding) in funded plans	**26,976**	**8,563**	**445**	**(71,864)**	**(92,398)**
Impact of asset ceiling	(26,976)	–	–	–	–
Present value of unfunded liabilities	(1,335)	(1,552)	(1,677)	(2,216)	(2,411)
Net pension (liability)/asset	**(1,335)**	**7,011**	**(1,232)**	**(74,080)**	**(94,809)**

Assets – Split of Investments by Category

Assets whole fund	2025 £'000	Asset Distribution %	2024 £'000	Asset Distribution %
Equities	89,472	59%	90,832	61%
Target return funds	27,549	19%	25,880	17%
Infrastructure	17,302	11%	17,234	11%
Properties	13,825	9%	13,724	9%
Cash	3,547	2%	2,350	2%
Total	**151,695**	**100%**	**150,020**	**100%**

Analysis of the amount chargeable to expenditure under FRS102	2025 £'000	2024 £'000
Current service cost	(1,954)	(1,901)
Past service cost	(460)	(608)
Contributions in respect of defined contribution schemes	(673)	(951)
Sub-total reflected in Staff costs (note 7)	**(3,087)**	**(3,460)**
Administration expenses	(45)	(42)
Net interest on the defined liability	374	(28)
Total expenditure	**(2,758)**	**(3,530)**

Analysis of amount recognised in the SOFA	2025 £'000	2024 £'000
Return on plan assets in excess of interest	(2,654)	6,273
Other actuarial losses on assets	–	–
Change in demographic assumptions	342	1,664
Experience losses arising on the scheme liabilities	383	(420)
Changes in assumptions underlying the present value of the scheme liabilities	(6,568)	1,235
Actuarial gain recognised in SOFA	**(8,497)**	**8,752**

Reconciliation of defined benefit obligation	2025 £'000	2024 £'000
Defined benefit obligation in scheme at beginning of year	(143,009)	(140,539)
Movement in year:		
Current service cost	(1,954)	(1,901)
Interest cost	(6,907)	(6,664)
Contributions by members	(857)	(872)
Unfunded benefits paid	187	176
Past service cost	(460)	(608)
Benefits paid	5,813	4,920
Change in demographic assumptions	342	1,664
Experience losses on defined benefit obligation	383	(420)
Change in financial assumptions	20,408	1,235
Deficit in scheme at end of the year	**(126,054)**	**(143,009)**

Reconciliation of fair value of employer assets	2025 £'000	2024 £'000
Fair value of employer assets in scheme at beginning of year	150,020	139,307
Movement in year:		
Interest on assets	7,281	6,636
Other actuarial losses	–	–
Return on assets less interest	(2,654)	6,273
Contributions by members	857	872
Administration expenses	(45)	(42)
Contributions by the employer, including in respect of unfunded benefits	2,236	2,070
Benefits paid, including unfunded benefits	(6,000)	(5,096)
Impact of asset ceiling	(26,976)	–
Fair value of employer assets in scheme at end of year	**124,719**	**150,020**

History of experience gains and losses	2025 £'000	2024 £'000	2023 £'000	2022 £'000	2021 £'000
Fair value of employer assets	124,719	150,020	139,307	139,001	121,020
Present value of defined benefit obligation	(126,054)	(143,009)	(140,539)	(213,081)	(215,829)
Deficit	**(1,335)**	**7,011**	**(1,232)**	**(74,080)**	**(94,809)**
Experience (losses)/gains on assets	(2,654)	6,273	(1,779)	16,391	14,783
Experience gains/(losses) on liabilities	(383)	420	12,748	(427)	2,142

The sensitivity analysis on the major assumptions in the above is:

		£'000	£'000	£'000
Adjustment to discount rate		**+0.1%**	**0.0%**	**-0.1%**
	Present value of total obligation	124,232	126,054	127,918
	Projected service cost	1,394	1,440	1,487

Adjustment to long term salary increase		**+0.1%**	**0.0%**	**-0.1%**
	Present value of total obligation	126,213	126,054	125,895
	Projected service cost	1,440	1,440	1,440

Adjustment to pension increases and deferred valuation		**+0.1%**	**0.0%**	**-0.1%**
	Present value of total obligation	127,810	126,054	124,338
	Projected service cost	1,489	1,440	1,392

Adjustment to mortality age rating assumption		**+ 1 Year**	**None**	**- 1 Year**
	Present value of total obligation	130,322	126,054	121,946
	Projected service cost	1,494	1,440	1,387

9. Intangible fixed assets (Group and Charity)

	£'000
Cost or valuation	
At 1 April 2024 – as previously reported	–
Restatement	7,510
At 1 April 2024 – as restated	**7,510**
Additions	132
Disposals	(735)
At 31 March 2025	**6,907**
Amortisation	
At 1 April 2024 – as previously reported	–
Restatement	(5,620)
At 1 April 2024 – as restated	**(5,620)**
Amortisation in the year	(364)
Disposals	735
At 31 March 2025	**(5,249)**
Net Book Value	
At 31 March 2025	**1,658**
At 1 April 2024 – as previously reported	**–**
At 1 April 2024 – as restated	**1,890**

Intangible fixed assets represent capitalised software costs. Details of the prior year adjustment can be found in note 31.

10. Tangible fixed assets (Group and Charity)

	Long leasehold property	Short leasehold property improvements	Computer and other IT equipment	Furniture fixtures and fittings	Plant and machinery	Assets in the course of construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation							
At 1 April 2024 – as previously reported	93,795	11,081	10,150	4,840	8,693	390	128,949
Restatement	–	–	(5,514)	(2)	(1,994)	–	(7,510)
At 1 April 2024 – as restated	**93,795**	**11,081**	**4,636**	**4,838**	**6,699**	**390**	**121,439**
Additions	3,058	7	1,826	1,124	1,091	–	7,106
Disposals	(2,038)	(249)	(76)	(22)	(214)	–	(2,599)
Reclassification	23	–	–	367	–	(390)	–
Revaluation	1,828	245	–	–	–	–	2,073
At 31 March 2025	**96,666**	**11,084**	**6,386**	**6,307**	**7,576**	**–**	**128,019**
Depreciation							
At 1 April 2024 – as previously reported	(5,570)	(7,912)	(6,814)	(1,861)	(5,727)	–	(27,884)
Restatement	–	–	4,152	2	1,466	–	5,620
At 1 April 2024 – as restated	**(5,570)**	**(7,912)**	**(2,662)**	**(1,859)**	**(4,261)**	**–**	**(22,264)**
Charge for the year	(6,347)	(310)	(515)	(360)	(307)	–	(7,839)
Disposals	2,038	249	76	22	214	–	2,599
Reclassification	–	–	–	–	–	–	–
Revaluation	(90)	(174)	–	–	–	–	(264)
At 31 March 2025	**(9,969)**	**(8,147)**	**(3,101)**	**(2,197)**	**(4,354)**	**–**	**(27,768)**
Net Book Value							
At 31 March 2025	**86,697**	**2,937**	**3,285**	**4,110**	**3,222**	**–**	**100,251**
At 1 April 2024 – as previously reported	**88,225**	**3,169**	**3,336**	**2,979**	**2,966**	**390**	**101,065**
At 1 April 2024 – as restated	**88,225**	**3,169**	**1,974**	**2,979**	**2,438**	**390**	**99,175**

The BFI's long leasehold properties BFI Southbank and BFI London IMAX, including associated plant and fixtures, were revalued as at 31 March 2022 by appropriately qualified valuers, Deloitte LLP, in accordance with the FReM. The values at 31 March 2025 have been estimated using appropriate indices, resulting in a net increase in value in the year of £1.8m (2024: increase of £2.5m). Short leasehold property improvements have been revalued using appropriate indices, resulting in a net increase in value in the year of £0.3m (2024: increase of £0.3m). Other classes of assets have not been revalued, as they are made up of low value and/or short useful economic life assets or where the historical cost is considered a reasonable approximation of fair value.

Historic Cost Accounting:

	Long leasehold property	Short leasehold property improvements	Computer and other IT equipment	Furniture fixtures and fittings	Plant and machinery	Assets in the course of construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost							
At 1 April 2024 – as previously reported	40,501	8,534	10,150	4,840	8,693	390	73,108
Restatement	–	–	(5,514)	(2)	(1,994)	–	(7,510)
At 1 April 2024 – as restated	**40,501**	**8,534**	**4,636**	**4,838**	**6,699**	**390**	**65,598**
Additions	3,058	7	1,826	1,124	1,091	–	7,106
Disposals	(525)	(197)	(76)	(22)	(214)	–	(1,034)
Reclassification	23	–	–	367	–	(390)	–
At 31 March 2025	**43,057**	**8,344**	**6,386**	**6,307**	**7,576**	**–**	**71,670**
Depreciation							
At 1 April 2024 – as previously reported	(20,816)	(5,911)	(6,814)	(1,861)	(5,727)	–	(41,129)
Restatement	–	–	4,152	2	1,466	–	5,620
At 1 April 2024 – as restated	**(20,816)**	**(5,911)**	**(2,662)**	**(1,859)**	**(4,261)**	**–**	**(35,509)**
Charge for the year	(2,101)	(298)	(515)	(360)	(307)	–	(3,581)
Disposals	525	197	76	22	214	–	1,034
At 31 March 2025	**(22,392)**	**(6,012)**	**(3,101)**	**(2,197)**	**(4,354)**	**–**	**(38,056)**
Net Book Value							
At 31 March 2025	**20,665**	**2,332**	**3,285**	**4,110**	**3,222**	**–**	**33,614**
At 1 April 2024 – as previously reported	**19,685**	**2,623**	**3,336**	**2,979**	**2,966**	**390**	**31,979**
At 1 April 2024 – as restated	**19,685**	**2,623**	**1,974**	**2,979**	**2,438**	**390**	**30,089**

Details of the prior year adjustment can be found in note 31.

11. Heritage assets (Group and Charity)

The BFI has built the National Archive since its establishment in 1933, consisting of film and other related materials dating back to the 19th century. The BFI develops, cares for and interprets a collection that illustrates the art, history and impact of film, to be held in safe custody in perpetuity for the public, for their use and engagement and for use by the BFI in pursuit of its objectives. The collection is one of the largest and most diverse collections in the world. It includes feature films, documentary and factual films, television programmes, artists film, photographic stills, posters, books and other related materials, held primarily for use in the BFI's activities and charitable objectives, as described in more detail in the Annual Report and below. In 2011 BFI adopted its current Collection Policy, which can be found on **www.bfi.org.uk**. It documents our procedures for acquisition and disposal, documentation, care and conservation and access and describes our role in a national network of organisations that collect or provide access to film and television. Key measures taken to safeguard the national collections include major investment in physical infrastructure to preserve master (preservation status) and accessible materials, developing our extensive database of materials and information and in digitising materials for the dual purposes of preservation and improved public access.

In line with the accounting policy, Heritage Assets are not recognised on the balance sheet as there is an absence of reliable cost information and a valuation approach is not practicable at a cost commensurate with the benefit to the users of the accounts and to the charity. Further details can be found in the annual report, under "Reframing the public's relationship with the nation's screen heritage".

12. Investments (Charity)

The investments held by the Charity are summarised as follows:

	£'000
Cost	
At 1 April 2024 and 31 March 2025	2,450
Impairment	
At 1 April 2024 and 31 March 2025	(1,007)
Net Book Value	
At 1 April 2024 and 31 March 2025	**1,443**

The BFI holds 100% of the issued share capital of the following undertakings, which are registered in England and Wales:

	Company Registration Number:
British Screen Finance Limited (BSF)	01910848
BFI (Big Screen) Limited (operates the theatrical and commercial activities of the BFI IMAX)	03088677
BFI Enterprise Limited	02463593
Project Rosebud Limited (e-commerce development – dormant with nil assets and investment value)	03946785

BSF, in addition, holds the following investments:

		Ordinary shares of £1 each	Holding
Subsidiary undertakings			
National Film Finance Consortium Limited (NFFC)	01056412	100	100%
European Co-Production Fund Limited (ECF)	02631250	2	100%
British Screen Rights Limited (BSR)	02908542	2	100%
The Greenlight Fund Limited (GLF)	03191007	2	100%
National Film Development Fund (NFDF)	01268342	–	Not applicable
Associated undertakings			
British Film-Makers Limited (BFM)	00368248	50	50%

NFFC is a dormant company. ECF was a company that made loans to films produced by European co-producers. BSR acquired and sold rights in feature films. GLF managed the investment of some National Lottery proceeds into feature films on behalf of the Arts Council of England and is now dormant. NFDF made loans to producers and writers in the 1990s and is a company limited by guarantee. It is included here because of its control via the directors, who are BFI Executive Directors. BFM collects and

distributes film revenues on behalf of BSF and third parties. Its results are not material to the Group. All group companies are registered in England and Wales.

Trading subsidiaries are involved in activities wholly consistent with the BFI's charitable aims and objectives and remit taxable profits to the BFI under Gift Aid. Their income and expenditure are consolidated into the Group accounts.

	2025			
	BFI Big Screen	British Screen Finance Group	BFI Enterprise	2025 Total
	£'000	£'000	£'000	£'000
Trading Account				
Income	7,936	435	5,173	13,544
Expenditure	(5,782)	(19)	–	(5,801)
Expenditure – BFI recharges	(100)	(32)	(3,131)	(3,263)
Net operating profit	**2,054**	**384**	**2,042**	**4,480**
Interest receivable and similar income	73	62	36	171
Surplus gift aided to the BFI	(2,127)	(446)	(2,078)	(4,651)
Net profit	**–**	**–**	**–**	**–**
Balance Sheet				
Stocks & work in progress	26	–	138	164
Debtors	982	122	518	1,622
Cash at bank and in hand	2,160	1,383	1,861	5,404
Current liabilities	(1,016)	(27)	(263)	(1,306)
Current liabilities – owed to the BFI	(2,152)	(466)	(2,161)	(4,779)
Total (BFI interest)	**–**	**1,012**	**93**	**1,105**

	2024			
	BFI Big Screen	British Screen Finance Group	BFI Enterprise	2024 Total
	£'000	£'000	£'000	£'000
Trading Account				
Income	9,377	427	5,161	14,965
Expenditure	(6,277)	(20)	–	(6,297)
Expenditure – BFI recharges	(114)	(30)	(3,145)	(3,289)
Net operating profit	**2,986**	**377**	**2,016**	**5,379**
Interest receivable and similar income	45	69	25	139
Surplus gift aided to the BFI	(3,031)	(446)	(2,041)	(5,518)
Net profit	**–**	**–**	**–**	**–**
Balance Sheet				
Stock and work in progress	21	–	143	164
Debtors	860	92	456	1,408
Cash at bank and in hand	2,673	1,591	1,488	5,752
Current liabilities	(1,495)	(114)	–	(1,609)
Current liabilities – owed to the BFI	(2,059)	(557)	(1,994)	(4,610)
Total (BFI interest)	**–**	**1,012**	**93**	**1,105**

13. IFRS 16 (leases) – BFI Lottery financial statements

IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions.

IFRS 16 (Leases) does not apply to the Group and Charity accounts under FRS102 but it does apply to the standalone BFI Lottery accounts appended.

Those financial statements include costs of the rental of office space at 21 Stephen Street, London which fall under the definitions of the standard. BFI Lottery accounts reflect the discounted liability of the relevant portion of the lease for its term to 2031 in the Statement of Financial Position, with a matching "right of use" asset. The asset is depreciated over the life of the lease period, whilst the liability is released in line with the lease payments.

See Notes 10 and 14 to the BFI Lottery Financial Statements for further information.

14. Film rights (Group and Charity)

Film rights fall within the definition of Financial Instruments and are held at fair value. The valuation approach to establish the fair value of the film rights portfolio is set out in note 1: Accounting Policies.

The BFI's primary objective in investing in film rights is to support the future success of British film by backing new voices, new stories, new ideas and skills, enriching and diversifying British film production. Thus whilst the potential commercial success of a project is important in our assessment of an application it is not the only funding criterion.

The fair value of film rights at 31 March is as follows:

	2024-25	2023-24	2022-23	2021-22	2020-21
	£'000	£'000	£'000	£'000	£'000
Production Awards	7,710	9,140	11,510	12,095	9,760
Vision Awards	428	428	825	906	1,411
Development Awards	311	295	411	292	227
Distribution Awards	33	159	125	178	161
Film Rights valuation	**8,482**	**10,022**	**12,871**	**13,471**	**11,559**

Film rights are recognised as split between current and non-current assets, on the basis of a review of the characteristics of the loans across the portfolio and the anticipated cash flows from these:

	2024-25	2023-24	2022-23	2021-22	2020-21
	£'000	£'000	£'000	£'000	£'000
Film rights – non-current	6,414	7,448	9,833	10,008	9,228
Film rights – current	2,068	2,574	3,038	3,463	2,331
	8,482	**10,022**	**12,871**	**13,471**	**11,559**

Production Awards are made to producers to co-finance feature film productions and from which we are entitled to recoup our award and take a share of net profits from the film. The value of the productions will be dependent upon many factors which are inherently uncertain; the ability of sales agents to meet sales estimates, how the film will be critically and commercially received (including box office projections and exchange rates) all play a role. Further details are set out below.

Vision Awards are made to production companies to enable them to develop their business and the awards are repayable from any applicable feature film production made by the production company. As we do not expect all recipients to be required to repay the award in full we routinely impair 50% of the recoupable element of the award in the year in which it is committed.

Development Awards are made to producers to support a film development. In the event that the development project progresses into a feature film production, we would be entitled to be repaid our award and take a share of net profits. Accordingly development awards are impaired in full in the year in which the award is made, unless there is a reasonable anticipation of it progressing to production.

Distribution Awards are made to distributors to support the release of film(s) in the UK and repayable dependent upon the performance of the film release.

Other awards include targeted development awards which are awarded to support new talent. These awards are written off in full in the year unless there is a reasonable expectation of recoupment.

Movements in the valuation of film rights

	2024-25	2023-24	2022-23	2021-22	2020-21
	£'000	£'000	£'000	£'000	£'000
Film rights valuation at 1 April	10,022	12,871	13,471	11,559	13,337
New commitments: made in year	14,667	12,527	17,713	21,000	22,275
Decommitments: new film rights in year	(28)	(1)	(241)	(25)	(370)
Decommitments: historical portfolio	(314)	(565)	(217)	(412)	(178)
Repayment of investments: new film rights in year	(1,044)	(899)	(1,099)	(1,186)	(1,528)
Repayment of investments: historical portfolio	(1,780)	(3,668)	(2,546)	(4,085)	(2,547)
Adjustments: new film rights in year	(11,828)	(9,987)	(15,011)	(12,980)	(14,256)
Adjustments: historical portfolio	(1,213)	(256)	801	(400)	(5,174)
Film rights valuation at 31 March	**8,482**	**10,022**	**12,871**	**13,471**	**11,559**

The value of new commitments made in the year will vary due to timing differences arising from the closure of awards.

The valuation of the Film Rights is based on the anticipated cash receipts over the next seven financial years after the balance sheet date. In relation to recent production awards (that is production awards that were recognised as awards payable this financial year and the last three financial years), the valuation is based on the cash receipts anticipated from the first cycle of revenues including revenues from cinema, Video On Demand and television. In relation to older production awards, the valuation is based on the anticipated cash receipts for the next seven years following the balance sheet date calculated from the individual film's historic cash receipts. All such anticipated cash receipts are discounted using the applicable Treasury Rate of 2.15% (2024: 2.05%).

The value of adjustments on new film rights in the year is always governed by the value of awards made and therefore can vary considerably year to year.

As at 31 March 2025, the Film Rights valuation for production awards is £7,710,000 (2024: £9,140,000) and for all other Film Rights is £772,000 (2024: £882,000) totalling £8,482,000 (2024: £10,022,000). For production awards, were the recoupment levels and valuation to vary by +/- 5%, the impact of the valuation of Film Rights at 31 March 2025 would be £400,000 for 100 awards (2024: £500,000 for 177 awards).

In relation to older production awards, the Film Rights valuation is calculated on the assumption that the future anticipated receipts will be based on the historic cash receipts for the two years prior to the balance sheet date, subject to a 120% default reduction every three years, except for films in profit which are calculated on the assumption that the future anticipated receipts will be based on the historic cash receipts for the three years prior to the balance sheet date, subject to a 75% default reduction every three years. The total amount of the Film Rights valuation based on this methodology is £4.6m (2024: £5.7m). Were this default reduction percentage to change by +/- 10% the Film Right valuation would change by :

	£'000 -10%	£'000 0%	£'000 +10%
2024-25	(440)	4,620	420
2023-24	(550)	5,660	520

In relation to recent production awards (that is production awards that were recognised as awards payable this financial year and the previous three financial years), the Film Rights valuation is based on future anticipated receipts. These cash receipts are principally earned in US dollars and converted to pounds sterling before payment is made to the BFI's bank accounts. The default pound sterling to US dollar exchange rate is calculated using the average daily exchange rate for the two years to the balance sheet date, rounded to the nearest 5 US cents. The default rate as at 31 March 2025 for production awards is US $1.25 (2024: US $1.25).

In 2024, the recent production awards were defined as those productions committed in 2024 and the three previous years. Had the recent films definition expanded to include 2024 and the previous four years, in line with the definition of recent productions awards 2025, then the valuation of 2024 would have been £3.3m and not £3.4m, a reduction of £0.1m

Had the pound sterling to US dollar exchange rate been $1.35 for the purposes of the Film Rights valuation, then the valuation of the total of these production awards would be reduced by £0.2m (2024: $1.35 and the awards at March 2024 would reduce by £0.3m). Were the valuation calculated using US $1.15 then these valuations would be increased by £0.3m (2024: $1.15 and the awards at March 2024 would increase by £0.2m).

Further information on the movement on film rights can be found on the BFI website: **http://www.bfi.org.uk/about-bfi/annual-review-management-agreement**.

15. National Lottery Distribution Fund (NLDF) (Group and Charity)

The movement in balances held at the NLDF is:

	2025 £'000	2024 £'000
Balance at 1 April	49,980	45,260
Income received from the Lottery receipts	48,488	46,600
Investment income earned on NLDF balances	2,335	2,271
Available for distribution	**100,803**	**94,131**
Cash drawn down	(51,803)	(44,151)
Balance at 31 March	**49,000**	**49,980**

The funds are invested on behalf of the NLDF by the National Debt Commissioners. The BFI's distribution is in accordance with Sections 22 and 23 of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998). The BFI is required by statute to show on the balance sheet the lower of the market value or the cost of the investment as at the year end. There were no unrealised gains in the year (2024: none).

16. Stocks and work in progress

	Group 2025 £'000	Group 2024 £'000	Charity 2025 £'000	Charity 2024 £'000
Work in progress	44	19	44	19
Finished goods	411	464	247	299
	455	**483**	**291**	**318**

17. Debtors

	Group 2025 £'000	Group 2024 £'000	Charity 2025 £'000	Charity 2024 £'000
Trade debtors	3,495	4,386	2,024	3,155
Amount owed by subsidiary undertakings	–	–	4,779	4,610
Other debtors	2,007	1,536	1,972	1,552
Prepayments and accrued income	9,116	13,911	9,002	13,828
	14,618	**19,833**	**17,777**	**23,145**

18. Cash at bank and in hand

Analysis of cash and cash equivalents		Unrestricted £'000	Restricted £'000	2025 Total £'000	2024 Total £'000
Cash at bank and in hand	Group	6,964	18,953	**25,917**	28,277
Cash at bank and in hand	Charity	1,558	18,953	**20,511**	22,516

All cash at bank is held with UK commercial banks.

£4.0m (2024: £4.6m) of cash held in BFI lottery bank accounts is funds recouped by BFI and held on behalf of producers under the 'Rewarding Success' recoupment corridor – see note 23: Provisions.

19. Financial risks (Group and Charity)

Financial Reporting Standards require disclosure of the role which financial instruments have had during the period, in creating or changing the risks the BFI faces in undertaking its role.

Film rights

Film rights fall within the definition of Financial Instruments. Within that, they meet the definition of assets measured at fair value with gains and losses being recognised in the Statement of Financial Activities (SOFA).

Establishing the fair value of film rights is subjective and therefore contains an element of risk. The fair value is based on a review of external evidence such as the sales agents' estimates as to the likely revenues generated by a project, where it is in the life cycle of the project, and upon actual performance of the film to date. This is matched with the knowledge and experience of the staff and management involved in the process of assessing the projects both at application stage and as they come to fruition. Any reduction in fair value is immediately taken to the SOFA in the year.

The valuation of film rights is subject to on-going review to ensure a fair value is maintained, with any adjustments being charged as expenditure.

	2025 £'000	2024 £'000
Film rights – non-current	6,414	7,448
Film rights – current	2,068	2,574
	8,482	**10,022**

National Lottery Distribution Fund

Funds held at the National Lottery Distribution Fund are held as financial instruments held at amortised cost.

Liquidity risks

Income was derived from:

	2025 £'000	%	2024 £'000	%
DCMS Grant-in-aid	31,797	25%	27,707	22%
DCMS Capital provision	2,869	2%	2,498	2%
Other legacies, grants and donations and investment income	8,646	7%	12,216	10%
Resources generated from charitable activities	32,867	25%	32,555	26%
Donated services and facilities	2,558	2%	2,436	2%
Lottery proceeds and receipts	49,335	39%	47,586	38%
	128,072	**100%**	**124,998**	**100%**

Whilst Lottery distributors are permitted to over-commit in awards against the surety of future lottery income, the BFI awards are over a relatively short term, with a current awards running in some cases up to March 2026. Thus the risk of holding insufficient resources to cover liabilities is held under constant review, to ensure that this risk is minimised, by review of current funds held in cash and at the National Lottery Distribution fund and anticipated future income versus the levels of commitment.

The Governors consider that, as the NLDF balance notified by the Secretary of State for Culture, Media and Sport and the BFI's own Lottery cash holding amount to £57.0m at the balance sheet date (2024: £57.3m), sufficient liquid resources are available to cover all existing commitments and any other payables.

The non-Lottery cash holdings are considered sufficient to cover the non-Lottery other payables.

Interest rate risks

Interest rate risk is deemed low for the BFI as it does not have any exposure to interest payable. With interest rates increasing during the year the BFI has taken advantage of these low risk sources of interest income on its own cash holdings with interest on current accounts and short term deposits.

The BFI's largest financial asset is retained in the NLDF, which invests in a narrow band of low risk assets such as Government bonds and cash. Neither the BFI nor its Governors has any control over these investments. The interest rate risks in respect of these financial assets are disclosed in the financial statements of the NLDF. The market value of the BFI's investment in the NLDF at the year end was £49.0m (2024: £50.0m) and the average investment return for the year was 4.95% (2024: 5.16%).

Cash drawn from the NLDF, DCMS or received from other sources, to pay grant commitments and operating costs are held in variable rate bank accounts and the average interest rate return for the year was 3.90% (2024: 3.95%). The group cash balance at the year end was £25.9m (2024: £28.3m).

Foreign currency risks

The BFI's financial assets are not exposed to material foreign exchange risks as long-term balances are held in sterling, however foreign currency exchange risks are significant in the valuation of the Film Rights as explained in note 14. Film Rights and in the Lottery financial statements note 13: Financial Instruments and note 5: Film Rights.

20. Creditors: Amounts falling due within one year

	Group 2025 £'000	Group 2024 £'000	Charity 2025 £'000	Charity 2024 £'000
Trade creditors	(2,170)	(2,364)	(1,986)	(1,788)
Other taxes and social security costs	(1,006)	(1,442)	(962)	(1,430)
Other creditors	(10,913)	(11,624)	(10,891)	(11,618)
Lottery awards payable (see note 24)	(32,538)	(29,628)	(32,538)	(29,628)
Accruals	(5,321)	(4,524)	(4,693)	(3,916)
Deferred income (see note 22)	(1,726)	(2,317)	(1,298)	(2,011)
	(53,674)	**(51,899)**	**(52,368)**	**(50,391)**

21. Creditors: Amounts falling due after one year

	Group 2025 £'000	Group 2024 £'000	Charity 2025 £'000	Charity 2024 £'000
Lottery awards payable (see note 24)	–	(22,999)	–	(22,999)
Other creditors	(425)	–	(425)	–
	(425)	**(22,999)**	**(425)**	**(22,999)**

22. Deferred income

	Group 2025 £'000	Group 2024 £'000	Charity 2025 £'000	Charity 2024 £'000
At 1 April	(2,317)	(2,943)	(2,011)	(2,831)
Amount released to income	2,317	2,943	2,011	2,831
Amount deferred in year	(1,726)	(2,317)	(1,298)	(2,011)
At 31 March	**(1,726)**	**(2,317)**	**(1,298)**	**(2,011)**

Mainly relates to restricted grants, advance ticket sales and subscriptions to Sight and Sound magazine.

23. Provisions (Group and Charity)

Rewarding success awards

	2025 £'000	2024 £'000
Rewarding success awards		
At 1 April	(4,431)	(3,954)
New provisions in the year	(716)	(1,263)
Amounts paid in year	1,127	786
At 31 March	**(4,020)**	**(4,431)**

Rewarding Success provision

The rewarding success initiative allows for a share of film recoupment income arising from lottery awards to be made available to UK Producers, Writers and Directors for their future film making activity. The funds held on behalf of film-makers ("the locked box") represents the monies held for this initiative at the balance sheet date and not yet drawn down.

24. Lottery awards payable (Group and Charity)

	2025 £'000	2024 £'000
At 1 April	(52,627)	(69,635)
New film rights commitments in year	(16,142)	(13,162)
New non-film rights commitments in year	(9,972)	(11,711)
Decommitments	1,996	1,026
Amounts paid	41,762	40,855
At 31 March	**(34,983)**	**(52,627)**

Decommitments arise when any element of the award is not utilised once contracts are signed and drawdown has commenced.

		2025	2024
		£'000	£'000
Reconciliation to Lottery accounts			
Creditors: amounts falling due within one year	Lottery awards payable	(32,538)	(29,628)
Creditors: amounts falling due after one year	Lottery awards payable	–	(22,999)
Provisions	Lottery awards payable	(4,020)	(4,431)
Other payables – Awards Commitments:	Heritage awards to BFI – eliminated on consolidation	(2,445)	(4,793)
Total Awards Commitments as per Lottery accounts		**(39,003)**	**(61,851)**
Lottery accounts – Awards Commitments represented by:			
Other payables – Awards Commitments falling due within one year		(32,991)	(33,516)
Other payables – Awards Commitments falling due after one year		–	(21,193)
Provision for award commitments	Provisions falling due within one year	(2,997)	(5,336)
Provision for award commitments	Provisions falling due after one year	(3,015)	(1,806)
		(39,003)	**(61,851)**

25. Statement of funds (Group and Charity)

GROUP	At 1 April 2024 £'000	Income £'000	Expenditure £'000	Other recognised gains/(losses) £'000	Transfers £'000	At 31 March 2025 £'000
Unrestricted funds:						
Income funds excluding pensions asset/liability	40,884	53,313	(56,443)	–	2,849	**40,603**
Pension reserve	3,647	–	56	(5,038)	–	**(1,335)**
Fixed asset revaluation reserve	69,086	–	(4,258)	1,809	–	**66,637**
Designated reserve	–	–	–	–	2,700	**2,700**
Total unrestricted funds	**113,617**	**53,313**	**(60,645)**	**(3,229)**	**5,549**	**108,605**
Donated Services and Facilities	–	2,558	(2,558)	–	–	**–**
Arts and Humanities Research Council	1,245	131	(172)	–	–	**1,204**
BFI America (formerly Friends of the BFI)	25	224	(94)	–	–	**155**
BFI Lottery – BFI London Film Festival	29	–	–	–	(29)	**–**
BFI Lottery – Heritage 2022	530	–	14	–	(544)	**–**
BFI Lottery – Screen Heritage fund	3,656	–	(1,312)	–	–	**2,344**
BFI Trust	4,972	(97)	(3,824)	–	(213)	**838**
Bloomberg Philanthropies	125	25	(61)	–	–	**89**
Chaplin Foundation	41	–	–	–	–	**41**
DCMS – BFI London Film Festival	–	1,700	(1,700)	–	–	**–**
DCMS – Capital	346	2,869	–	–	(3,215)	**–**
DCMS – Certification	–	1,012	(1,012)	–	–	**–**
DCMS – Film Academies Awards	–	905	(905)	–	–	**–**
DCMS – GiA Film London SSSD	–	1,175	(1,175)	–	–	**–**
DCMS – Global Screen Fund	751	7,000	(7,316)	–	–	**435**
DCMS – Irish Language Broadcast Fund	–	3,242	(3,242)	–	–	**–**
DCMS – Skills – Creative Skills modules	50	–	(34)	–	–	**16**
DCMS – Ulster Scots Broadcast Fund	–	1,080	(1,080)	–	–	**–**
DCMS – Young Audience Content Fund	180	–	275		–	**455**
Elisabeth De Kergorlay	–	105	(105)		–	**–**
Esmee Fairbairn Foundation	–	90	(46)		–	**44**
National Lottery Heritage Fund	43	202	(143)	–	–	**102**
Philippe and Stephanie Camu	–	150	(150)	–	–	**–**
Salix Finance Limited	–	52	(52)	–	–	**–**
Simon and Harley Hessel	50	50	(59)	–	–	**41**
The David Lean Foundation	–	65	(65)	–	–	**–**
The Secretary of State for Science, Innovation and Technology	2,092	14	(14)	–	(2,092)	**–**
Other up to £50,000	53	235	(148)	–	–	**140**
Total restricted funds excluding lottery	**14,188**	**22,787**	**(24,978)**	**–**	**(6,093)**	**5,904**
Lottery funds:						
Lottery reserve	6,173	51,971	(32,270)	–	544	**26,418**
Donations and other income	–	–	–	–	–	**–**
Lottery share of pension reserve	3,364	–	95	(3,459)	–	**–**
Total Lottery funds	**9,537**	**51,971**	**(32,175)**	**(3,459)**	**544**	**26,418**
Total funds	**137,342**	**128,071**	**(117,798)**	**(6,688)**	**–**	**140,927**

CHARITY	At 1 April 2024 £'000	Income £'000	Expenditure £'000	Other recognised gains/(losses) £'000	Transfers £'000	At 31 March 2025 £'000
Unrestricted funds:						
Income funds excluding pensions asset/liability	41,222	44,248	(47,378)	–	2,849	**40,941**
Pension reserve	3,647	–	56	(5,038)	–	**(1,335)**
Fixed asset revaluation reserve	69,086	–	(4,258)	1,809	–	**66,637**
Designated reserve	–	–	–	–	2,700	**2,700**
Total unrestricted funds	**113,955**	**44,248**	**(51,580)**	**(3,229)**	**5,549**	**108,943**
Donated Services and Facilities	–	2,558	(2,558)	–	–	**–**
Arts and Humanities Research Council	1,245	131	(172)	–	–	**1,204**
BFI America (formerly Friends of the BFI)	25	224	(94)	–	–	**155**
BFI Lottery – BFI London Film Festival	29	–	–	–	(29)	**–**
BFI Lottery – Heritage 2022	530	–	14	–	(544)	**–**
BFI Lottery – Screen Heritage fund	3,656	–	(1,312)	–	–	**2,344**
BFI Trust	4,972	(97)	(3,824)	–	(213)	**838**
Bloomberg Philanthropies	125	25	(61)	–	–	**89**
Chaplin Foundation	41	–	–	–	–	**41**
DCMS – BFI London Film Festival	–	1,700	(1,700)	–	–	**–**
DCMS – Capital	346	2,869	–	–	(3,215)	**–**
DCMS – Certification	–	1,012	(1,012)	–	–	**–**
DCMS – Film Academies Awards	–	905	(905)	–	–	**–**
DCMS – GiA Film London SSSD	–	1,175	(1,175)	–	–	**–**
DCMS – Global Screen Fund	751	7,000	(7,316)	–	–	**435**
DCMS – Irish Language Broadcast Fund	–	3,242	(3,242)	–	–	**–**
DCMS – Skills – Creative Skills modules	50	–	(34)	–	–	**16**
DCMS – Ulster Scots Broadcast Fund	–	1,080	(1,080)	–	–	**–**
DCMS – Young Audience Content Fund	180	–	275	–	–	**455**
Elisabeth De Kergorlay	–	105	(105)	–	–	**–**
Esmee Fairbairn Foundation	–	90	(46)	–	–	**44**
National Lottery Heritage Fund	43	202	(143)	–	–	**102**
Philippe and Stephanie Camu	–	150	(150)	–	–	**–**
Salix Finance Limited	–	52	(52)	–	–	**–**
Simon and Harley Hessel	50	50	(59)	–	–	**41**
The David Lean Foundation	–	65	(65)	–	–	**–**
The Secretary of State for Science, Innovation and Technology	2,092	14	(14)	–	(2,092)	**–**
Other up to £50,000	53	235	(148)	–	–	**140**
Total restricted funds excluding lottery	**14,188**	**22,787**	**(24,978)**	**–**	**(6,093)**	**5,904**
Lottery funds:						
Lottery reserve	6,173	51,971	(32,270)	–	544	**26,418**
Donations and other income	–	–	–	–	–	**–**
Lottery share of pension reserve	3,364	–	95	(3,459)	–	**–**
Total Lottery funds	**9,537**	**51,971**	**(32,175)**	**(3,459)**	**544**	**26,418**
Total funds	**137,680**	**119,006**	**(108,733)**	**(6,688)**	**–**	**141,265**

Restricted funds:	Description:
Donated Services and Facilities	Various services and facilities provided in support of the BFI London Film Festival and BFI Flare film festival, see note 4: Donated Services and Facilities
Arts and Humanities Research Council	Film Conservation, including capital expenditure
BFI America (formerly Friends of the BFI)	Support for the BFI Film on Film Festival and various BFI National Archive restoration projects
BFI Lottery – BFI London Film Festival	Awarded by the Lottery under Section 27 dispensation towards improving public access to the 2024 BFI London Film Festival
BFI Lottery – Heritage 2022	Awarded by the Lottery under Section 27 dispensation towards supporting UK Film Heritage
BFI Lottery – Screen Heritage fund	Awarded by the Lottery under Section 27 dispensation towards supporting *Our Screen Heritage*
BFI Trust	Support for estates related projects and planning, including capital expenditure
Bloomberg Philanthropies	Funds for the Digital Accelerator Program
Chaplin Foundation	Archive restoration and other work
DCMS – BFI London Film Festival	Support for the 2024 BFI London Film Festival
DCMS – Capital	Grant-in-aid funds for capital expenditure
DCMS – Certification	Support to run the Certification Unit for 2024/25
DCMS – Film Academies Awards	Support to Fund the Film Academies programme, funded from DfE
DCMS – GiA Film London SSSD	Ring-fenced grant-in-aid support for Film London
DCMS – Global Screen Fund	Support for UK film distribution overseas
DCMS – Irish Language Broadcast Fund	Support for Northern Ireland Screen Irish language programming
DCMS – Skills – Creative Skills modules	Supporting the development of education programmes for schools
DCMS – Ulster Scots Broadcast Fund	Support for Northern Ireland Screen Ulster Scots language programming
DCMS – Young Audience Content Fund	Funding for new youth television content
Elisabeth De Kergorlay	Grant for BFI National Archive
Esmee Fairbairn Foundation	Grant supporting BFI Replay Engagement Officer
National Lottery Heritage Fund	Heritage Innovation Fund supporting workforce R&D activity and Dynamic Collections fund supporting Collections Audit
Philippe and Stephanie Camu	Funds for the Akerman season and the “Sight and Sound Presents…” publication
Salix Finance Limited	Funds for the Decarbonisation study
Simon and Harley Hessel	Support of the BFI National Archive, including Arrilaser recommissioning and new print
The David Lean Foundation	Grant supporting BFI Paper Conservator
The Secretary of State for Science, Innovation and Technology	BFI Data Research Infrastructure (BFI DRI) [DSIT]
Other up to £50,000	Various grant awards towards education, restoration and programming and other sundry income.
Transfers	Relate to the receipt of s27 Lottery funding (note 32), the transfer to unrestricted reserves of capital grants used to acquire fixed assets in the year, where there is no ongoing restriction attaching to the asset created, and the transfer to designated funds.
Designated funds:	
Designated funds	The Board of Governors have Designated £2.7m of reserves to be set aside to fund business plans to deliver the Screen Culture 2033 Strategy
Lottery funds:	
Donations and other income	Northern Ireland Screen support for Young people’s Filmmaking Programme
Transfers	Relate to the s27 Lottery awards for other BFI activities (note 32)

Fund balances at 31 March 2025 are represented by:

	Group			Charity		
	Unrestricted £'000	Restricted £'000	Total £'000	Unrestricted £'000	Restricted £'000	Total £'000
Fixed assets:						
Intangible fixed assets	1,658	–	**1,658**	1,658	–	**1,658**
Tangible fixed assets	100,251	–	**100,251**	100,251	–	**100,251**
Investments	–	–	**–**	1,443	–	**1,443**
Non-current assets:						
Film rights	–	6,414	**6,414**	–	6,414	**6,414**
Long term pension asset	–	–	**–**	–	–	**–**
Current Assets:						
Film rights	–	2,068	**2,068**	–	2,068	**2,068**
National Lottery Distribution Fund	–	49,000	**49,000**	–	49,000	**49,000**
Stocks and work in progress	455	–	**455**	291	–	**291**
Debtors	11,649	2,969	**14,618**	14,808	2,969	**17,777**
Cash at bank and in hand	6,964	18,953	**25,917**	1,558	18,953	**20,511**
Current assets	**19,068**	**72,990**	**92,058**	**16,657**	**72,990**	**89,647**
Current liabilities	(11,037)	(46,657)	**(57,694)**	(9,731)	(46,657)	**(56,388)**
Income funds excluding pensions net asset	**109,940**	**32,747**	**142,687**	**110,278**	**32,747**	**143,025**
Creditors due after more than one year	–	(425)	**(425)**	–	(425)	**(425)**
Long term pension liability	(1,335)	–	**(1,335)**	(1,335)	–	**(1,335)**
Total net assets	**108,605**	**32,322**	**140,927**	**108,943**	**32,322**	**141,265**

Fund balances at 31 March 2024 are represented by:

	Group – as restated			Charity – as restated		
	Unrestricted £'000	Restricted £'000	Total £'000	Unrestricted £'000	Restricted £'000	Total £'000
Fixed assets:						
Intangible fixed assets	1,890	–	**1,890**	1,890	–	**1,890**
Tangible fixed assets	99,175	–	**99,175**	99,175	–	**99,175**
Investments	–	–	**–**	1,443	–	**1,443**
Non-current assets:						
Film rights	–	7,448	**7,448**	–	7,448	**7,448**
Long term pension asset	3,647	3,364	**7,011**	3,647	3,364	**7,011**
Current Assets:						
Film rights	–	2,574	**2,574**	–	2,574	**2,574**
National Lottery Distribution Fund	–	49,980	**49,980**	–	49,980	**49,980**
Stocks and work in progress	483	–	**483**	318	–	**318**
Debtors	10,546	9,287	**19,833**	13,859	9,287	**23,146**
Cash at bank and in hand	9,689	18,588	**28,277**	3,928	18,588	**22,516**
Current assets	**20,718**	**80,429**	**101,147**	**18,105**	**80,429**	**98,534**
Current liabilities	(11,813)	(44,517)	**(56,330)**	(10,305)	(44,517)	**(54,822)**
Income funds excluding pensions net liability	**113,617**	**46,724**	**160,341**	**113,955**	**46,724**	**160,679**
Creditors due after more than one year	–	(22,999)	**(22,999)**	–	(22,999)	**(22,999)**
Long term pension liability	–	–	**–**	–	–	**–**
Total net assets	**113,617**	**23,725**	**137,342**	**113,955**	**23,725**	**137,680**

Restricted funds are committed as directed by the donors/grantors. Unrestricted funds are available to fund revenue initiatives identified during the year and to provide a reserve against unforeseen costs arising.

Details of the prior year adjustment can be found in note 31.

Net free reserves

	Group		Charity	
	2025 Unrestricted £'000	2024 Unrestricted £'000	2025 Unrestricted £'000	2024 Unrestricted £'000
Current assets				
– Unrestricted	16,368	20,718	13,957	18,104
– Designated	2,700	–	2,700	–
Current liabilities	(11,037)	(11,813)	(9,731)	(10,305)
Net free reserves	**8,031**	**8,905**	**6,926**	**7,799**

Net free reserves at 31 March 2025 include designated funds of £2,700,000 (2024: £Nil). Reserves are managed to ensure that restricted funds are not used to fund other activities. Some of the net free reserves are held within British Screen Finance Limited and other subsidiaries, which are wholly owned by the BFI and have distributable reserves of £1,105,000 (2024: £1,105,000) which are available for donation to the Charity if required (note 12).

26. Lease commitments (Group and Charity)

At 31 March 2025, the Charity had commitments in respect of non-cancellable operating leases as set out below:

	Land and buildings 2025 £'000	Land and buildings 2024 £'000	Other 2025 £'000	Other 2024 £'000
Leases which expire:				
Less than 1 year	(1,867)	(1,867)	(81)	(48)
Within 2 to 5 years	(7,466)	(7,466)	(207)	(185)
Over 5 years	(4,456)	(6,323)	(97)	(141)
	(13,789)	**(15,656)**	**(385)**	**(374)**

27. Capital commitments (Group and Charity)

As at 31 March 2025, the BFI had capital commitments outstanding of £Nil (2024: £5,449,000 relating to the property infrastructure and digital upgrade).

28. Contingent liabilities (Group and Charity)

At 31 March 2025 Grant-in-Aid awards had been made for activity commencing on or after 1 April 2025. As these are contingent upon the receipt of Grant-in-Aid funding from DCMS in 2025-26 these are not taken to the Statement of Financial Activities in the year but are disclosed here.

	2025	2024
	£'000	£'000
Film London	–	(175)
Northern Ireland Screen: Irish Language Fund	(3,307)	–
Northern Ireland Screen: Ulster Scots Fund	(1,102)	–
	(4,409)	**(175)**

Other Contingent Liabilities – Rewarding Success projects in Film Rights

The film rights valuation is based on the value of the initial BFI investment as detailed in the Accounting Policies note above. However on a number of these investments, the BFI Locked Box initiative applies and accordingly there is a contingent liability with regard to the element of the valuation which would be made available to UK filmmakers. The BFI Locked Box initiative enables UK filmmakers supported through the BFI to benefit from their film's success. In short, a share of income from supported film productions is put aside (into a BFI Locked Box) and can be used by the filmmakers for the development and/or production of their future projects or towards staff training and in support of organisational costs.

	2025	2024
	£'000	£'000
Contingent liability – rewarding success projects in film rights	(2,248)	(2,925)

Other Contingent Liabilities – business rates

In March 2024 a third party contractor received a business rates demand in relation to earnings derived from a BFI property, with effect from 1 April 2017. This was a new and unexpected assessment, given that they have been providing the services since 2006 without such a charge. They are in the process of appealing, on the grounds that there is no legal basis for them to be assessed as the appropriate entity responsible for business rates on the property and also that the amount of the assessment is excessive.

Under the contractual arrangements the BFI group is liable for approximately 50% of the cost of business rates, and therefore the charity would be adversely affected by any new costs as a result of the case. Following their initial challenge the amount of the demand has been significantly reduced and payment is in abeyance pending appeal. Should that appeal ultimately be unsuccessful, the loss to the BFI could be as much as £1.7m. However, if their appeal is upheld the cost to the BFI could be limited to the cost of legal and professional advice incurred in the process and not material to its financial statements.

29. Financial and other commitments

At the balance sheet date there were financial commitments representing film rights investments made by the BFI where the investment decisions had been taken by the BFI and notified to the applicants but either the contracts had not been signed and/or the conditions precedent not met. Therefore work had not commenced on the assets in which the BFI is investing, so neither the asset nor the matching liability are represented in the balance sheet at that date.

	2025 £'000	2024 £'000
Prior year Lottery awards		
Production awards	(15)	(450)
Development awards	(38)	(27)
In year Lottery awards		
Production awards	(328)	(47)
Development awards	(151)	(261)
Talent Network awards	(61)	(275)
Financial commitments – notified but not yet recognised in the financial statements	**(593)**	**(1,060)**

Other contractual commitments

The BFI has entered into non-cancellable contracts (which are not leases), for a variety of services, including building maintenance, security and software support costs. The total payments to which the BFI is committed are as follows:

	2025 £'000	2024 £'000
Not later than one year	(2,146)	(1,058)
Later than one year and not later than five years	(3,213)	(653)
Later than five years	–	(199)
Contracts for delivery of services	**(5,359)**	**(1,910)**

30. Contingent assets (Group and Charity)

The National Lottery Distributors are entitled to receive a share of the receipts from the sale of land on Queen Elizabeth Olympic Park in return for their contribution of an additional £675m to the funding of the London 2012 Olympic and Paralympic Games. This was announced in 2007. The arrangements are set out in a legal agreement between the Secretary of State and the Greater London Authority dated 29 March 2012 which sets out the distribution of funds between the GLA and the lottery distributors (via DCMS). The GLA has now advised that the land sales on the Olympic Park are now forecast to return less than £200m with payment beginning in 2026-27.

BFI will be entitled to receive a portion of the receipts from the sale in line with the 2.705% of the funds available to the good causes that the BFI receives as a lottery distributor.

Due to the inherent uncertainties over such a time period it is not possible to yet quantify the value of such land sales.

31. Prior year adjustment (Group and Charity)

During the year a reassessment of fixed assets has been carried out, resulting in a reclassification from tangible fixed assets to intangible fixed assets, and the prior year comparatives have been restated accordingly. Intangible fixed assets represent capitalised software costs.

The restatement is required to be applied to the opening balance for all prior periods for which comparative information is presented to the earliest date for which it is practicable, and therefore a restated balance sheet has been included as at 1 April 2023. The impact on the surplus for the year to 31 March 2024 is £Nil.

	Group and Charity Tangible fixed assets		Group and Charity Intangible fixed assets	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
As previously reported	101,065	100,016	–	–
Adjustment	(1,890)	(2,109)	1,890	2,109
As restated	**99,175**	**97,907**	**1,890**	**2,109**
Impact on Net Assets	–	–	–	–
Impact on Statement of Financial Activities	–	–	–	–

32. Related parties (Group and Charity)

The BFI maintains a publicly available register of Governors' interests. Given their broad experience across the film sector, it is inevitable that Governors had connections with or interests in projects and organisations that may from time to time have come to the BFI for funding. All Governors were therefore required to declare any direct interest in and commercial relationships with award applications made to the BFI and that they had no role in the award making process. Similarly, BFI employees were excluded from decision making around any relevant application involving any organisation or company in which they have a declared interest.

Governors receive no payment for their services and all payments to key management personnel have been disclosed in the Remuneration Report.

During the year the BFI entered into transactions, in the ordinary course of business, with related parties. National Lottery awards are included in film rights at the date of the balance sheet or written off to expenditure within the year.

All awards outstanding are payable upon the meeting of conditions precedent within individual contracts.

The following related party transactions occurred during the period:

Related party	Name	Role with BFI	Relationship to related party	New Awards made year ended 31 March 2025	Sales year ended 31 March 2025	Purchases year ended 31 March 2025	Debtor/ (creditor) balance as at 31 March 2025
				£	£	£	£
Apple Inc. group	Jay Hunt	Governor	Senior Director	–	746,358	–	75,720
British Screen Forum	Andrew Smith	Governor	Member	–	–	12,881	–
BFI America (formerly Friends of the BFI)	Simon Bartlett	Head of Lottery & Grant Accounting	Treasurer	–	280,245	–	(2,435)
BFI America (formerly Friends of the BFI)	Francesca Vinti	Director of Development	Chair	–	280,245	–	(2,435)
Film London – British Film Commission	Andrew Smith	Governor	Advisory Board member	1,735,000	–	–	(735,000)
British Independent Film Awards	Tim Platt	Director of Marketing & Audience Growth	Board Member	–	–	(11,580)	
Independent Cinema Office	Monica Chadha	Governor	Partner is a Trustee/ Director	–	–	–	(1,264,605)
Landmark Theatres Ltd	Harriet Finney	Deputy CEO	Trustee/ Director	–	–	–	(1,600)
Lee & Thompson LLP	Anwen Griffiths	Governor	Partner	–	–	26,085	–
Luscious Delicious Limited	Eleanor Whitley	Governor	Director	–	–	–	(2,500)
Number 9 Films Ltd	Elizabeth Karlsen	Governor	Partner is a director	–	–	–	(16,000)
Revolution Software	Charles Cecil	Non-governor co-opted committee member	CEO	–	–	–	(17,500)
Screen Yorkshire	Charles Cecil	Non-governor co-opted committee member	Board member	–	–	–	(820,000)
South Bank Employers Group	Lisa Rowe	Director of Strategic Projects	Director	–	–	43,518	–
Terrence Higgins Trust	Ben Roberts	CEO	Trustee	–	1,000	–	–
Zip-line Productions Ltd	Eleanor Whitley	Governor	Director	–	–	–	(4,700)

A number of BFI Governors and Staff are members of BAFTA, but with no formal management or governance role therein. BAFTA received lottery and other awards in the year ending 31 March 2025 totalling £30,000 (2024: £30,000) of which £16,140 (2024: £10,140) remained payable at that date. Additionally at the year end an award balance of £92,151 was payable to BAFTA Albert Limited, a subsidiary of BAFTA.

The BFI transacted with BAFTA on an arm's length basis during the year with purchases of £44,420 (2024: £80,380).

Anwen Griffiths, a Governor of the BFI and a member of the Board's Audit, Risk & Governance Committee, is Director of Legal at BBC Film. BFI Film Making Fund awards were made to five projects in the year ending 31 March 2025 that were co-funded by BBC Film. BFI Governors have delegated award decision making on awards to the Chief Executive Officer and take no part in this process.

Governors made unrestricted donations totalling £49,086 (2024: £Nil) and restricted donations totalling £Nil (2024: £Nil).

A number of governors also purchased patron scheme packages during the year totalling £12,336, of which the donation element was £8,771. Executive directors made unrestricted donations totalling £Nil (2024: £Nil).

Lottery Awards

Recipient of funding	Name	Role with BFI	Relationship to recipient of funding	New Awards made Year Ended 31-Mar-25	Balance as at 31-Mar-25
				£	£
BFI – United on Screen	Ben Roberts	CEO	CEO	–	2,444,670
Film London – British Film Commission	Andrew Smith	Governor	Advisory Board member	735,000	735,000
Independent Cinema Office	Monica Chadha	Governor	Partner is a Trustee/ Director	–	1,264,065
Landmark Theatres Ltd	Harriet Finney	Deputy CEO	Trustee/Director	–	1,600
Luscious Delicious Ltd	Eleanor Whitley	Governor	Director	–	2,500
Number 9 Films Ltd	Elizabeth Karlsen	Governor	Director and shareholder		16,000
Revolution Software	Charles Cecil	Non-governor co- opted committee member	CEO	–	17,500
Screen Yorkshire	Charles Cecil	Non-governor co-opted committee member	Board member	–	820,000
Zip-Line Productions Ltd	Eleanor Whitley	Governor	Director	–	4,700

The BFI is a non-departmental public body sponsored by the Department for Culture, Media and Sport (DCMS). DCMS is regarded as a related party and during the year the BFI, as a recipient of Grant-in-Aid funding and as a Lottery distributor, had material transactions with DCMS – see note 2: Other Significant Transactions.

Awards made under the National Lottery Act Section 27 dispensation

Using the power granted by the Section 27 of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998) the Secretary of State did not object to an award of £3.78m in relation to the National Film and TV Archive under the Our Screen Heritage scheme. The award was made in June 2023 and as at 31 March 2025, £2.45m remained undrawn (2024: £3.6m); this is shown as an award commitment in the standalone BFI Lottery financial statements (appended), but eliminated in full on consolidation.

33. Losses and special payments (Group and Charity)

There were no losses or special payments in the year (2024: None).

34. Post balance sheet events (Group and Charity)

At the time of signing the accounts there were no other events after the reporting period, either adjusting or non-adjusting which require recognition or disclosure in the financial statements. The accounts were authorised for issue on the date the Comptroller and Auditor General signed the auditor's report. The Accounting Officer authorised these financial statements for issue on the date of certification.

National Lottery Financial Statements

Statement of Governors and Accounting Officer's responsibilities

The Governors and Chief Executive are responsible for preparing the financial statements for the Lottery distribution activities of the BFI for each financial year under section 35(2) and (3) of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998) in the form and on the basis directed by the Secretary of State for Culture, Media and Sport with the consent of Treasury. The accounts are prepared on an accruals basis and must show a true and fair view of the state of affairs of the BFI Lottery Fund distribution activities and of its income and expenditure, changes in equity and cash flows for the financial year.

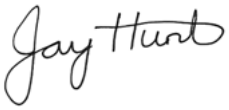
In preparing these financial statements, the Governors and the Chief Executive are required to:

- Observe the accounts directions issued by the Secretary of State, including the relevant accounting and disclosure requirements; and apply suitable accounting policies on a consistent basis
- Make judgements and estimates on a reasonable basis
- State whether applicable accounting standards have been followed, and disclose and explain any material departures in the financial statements.
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the BFI Lottery distribution activities will continue in operation; and
- Confirm that the annual report and accounts as a whole is fair, balanced and understandable and that the Accounting Officer takes personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable.

The Accounting Officer for the DCMS has designated the Chief Executive of the BFI as the Accounting Officer for the BFI. The relevant responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable and for keeping of proper records and for safeguarding the BFI's assets are set out in Managing Public Money published by HM Treasury and in the Financial Directions issued by the Secretary of State for Culture, Media and Sport under section 26(3) of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998).

The Governors and Chief Executive confirm they have met the responsibilities set out above and complied with the requirements for preparing the annual report and accounts on a fair, balanced and understandable basis, and the Chief Executive takes personal responsibility for this. The financial statements for the Lottery distribution activities, have been compiled from and are in accordance with the financial records maintained by the Governors and Chief Executive, and all relevant information has been made available to the auditors.

So far as the Accounting Officer and each person who was a Governor at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow Governors, the Chief Executive/ Accounting Officer and the Group's auditor, each Governor/Accounting Officer has taken all the steps that he/she is obliged to take as a Governor/Accounting Officer in order to make himself/herself aware of any relevant information and to establish that the auditor is aware of that information.



Jay Hunt OBE,
Chair, Governor

5 December 2025



Ben Roberts,
Chief Executive

5 December 2025

The certificate and report of the Comptroller and Auditor General to the Houses of Parliament and the Scottish Parliament

Opinion on financial statements

I certify that I have audited the financial statements of the British Film Institute's Lottery Distribution Activities for the year ended 31 March 2025 under the National Lottery etc Act 1993.

The financial statements comprise the British Film Institute's Lottery Distribution Activities':

- Statement of Financial Position as at 31 March 2025;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.
- The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted international accounting standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the British Film Institute's Lottery Distribution Activities' affairs as at 31 March 2025 and its surplus for the year then ended; and
- have been properly prepared in accordance with the National Lottery etc Act 1993 and Secretary of State directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2024)*.

My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2024*. I am independent of the British Film Institute's Lottery Distribution Activities in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the British Film Institute's Lottery Distribution Activities' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the British Film Institute's Lottery Distribution Activities is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

Other Information

The other information comprises information included in the Annual Report, but does not include the financial statements and my auditor's certificate and report thereon. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and People Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the National Lottery etc Act 1993.

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

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Secretary of State directions made under the National Lottery etc Act 1993; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the British Film Institute's Lottery Distribution Activities and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Accountability Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept by the British Film Institute's Lottery Distribution Activities or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and People Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Governors and Accounting Officer for the financial statements

As explained more fully in the Statement of Governors and Accounting Officer's Responsibilities, the Governors and Accounting Officer are responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;

- providing the C&AG with unrestricted access to persons within the British Film Institute's Lottery Distribution Activities from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view in accordance with Secretary of State directions issued under the National Lottery etc Act 1993;
- preparing the annual report, which includes the Remuneration and People Report, in accordance with Secretary of State directions issued under the National Lottery etc Act 1993; and
- assessing the British Film Institute's Lottery Distribution Activities' 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 Governors and Accounting Officer anticipates that the services provided by the British Film Institute's Lottery Distribution Activities will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the National Lottery etc Act 1993.

My 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 a certificate that includes my 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.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

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

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the British Film Institute's Lottery Distribution Activities' accounting policies.
- inquired of management, the British Film Institute's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the British Film Institute's Lottery Distribution Activities' policies and procedures on:
  - identifying, evaluating and complying with laws and regulations;
  - detecting and responding to the risks of fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the British Film Institute's Lottery Distribution Activities' controls relating to the British Film Institute's Lottery Distribution Activities' compliance with the National Lottery etc Act 1993 and Managing Public Money;
- inquired of management, the British Film Institute's head of internal audit and those charged with governance whether:
  - they were aware of any instances of non-compliance with laws and regulations;

  - they had knowledge of any actual, suspected, or alleged fraud;

- discussed with the engagement team and the relevant internal specialists, including in respect of the valuation of film rights, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the British Film Institute's Lottery Distribution Activities for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, and bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the British Film Institute's Lottery Distribution Activities' framework of authority and other legal and regulatory frameworks in which the British Film Institute's Lottery Distribution Activities operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the British Film Institute's Lottery Distribution Activities. The key laws and regulations I considered in this context included the National Lottery etc Act 1993, Managing Public Money, employment law, pensions legislation and tax legislation.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;

- I enquired of management, the Audit, Risk and Governance Committee and in-house legal counsel concerning actual and potential litigation and claims;

- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports; and

- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members including internal specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I 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 I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies **10 December 2025**
Comptroller and
Auditor General

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

Statement of comprehensive net expenditure

Year ended 31 March 2025

	Notes	2024-25 £'000	2023-24 £'000
Income			
Proceeds from the National Lottery	2	48,488	46,600
National Lottery Distribution Fund investment income	2	2,335	2,271
Recoupment income			
Arts Council England and UK Film Council portfolio	3	354	308
BFI portfolio	3	425	678
Other income		68	213
Total income		**51,670**	**50,070**
Expenditure			
Lottery – non-film rights awards	4	(11,847)	(17,998)
Adjustments against film rights	5	(15,240)	(14,345)
Reversal of adjustments against film rights	5	2,199	3,724
Operating costs	8	(6,521)	(6,256)
Cost of change	9	(223)	(94)
Total expenditure		**(31,632)**	**(34,969)**
Operating profit/(loss)		**20,038**	**15,101**
Bank interest receivable		301	287
Profit/(loss) on ordinary activities before taxation		**20,339**	**15,388**
Tax on surplus on ordinary activities for the year		-	-
Surplus/(deficit) for the year		**20,339**	**15,388**
Other comprehensive income/(expenditure)			
Actuarial (loss)/gain	7	(3,459)	848
Total other comprehensive income/(expenditure)		**(3,459)**	**848**
Total comprehensive income/(expenditure)		**16,880**	**16,236**

All activities were on a continuing basis. The accompanying notes on pages 188 to 214 form part of these accounts.

Statement of financial position

31 March 2025

	Notes	At 31 March 2025 £'000	At 31 March 2024 £'000
Non-current assets			
Right of use asset	10	930	1,085
Film Rights	5	6,414	7,448
Pension asset	7	–	3,364
Total non-current assets		**7,344**	**11,897**
Current assets			
Film rights	5	2,068	2,574
National Lottery Distribution Fund	2	49,000	49,980
Trade and other receivables	11	98	807
Cash and cash equivalents	12	8,079	7,343
Total current assets		**59,245**	**60,704**
Current liabilities – amounts falling due within one year			
Trade and other payables	14	(384)	(272)
Other payables – award commitments	15	(32,991)	(33,516)
Provisions	16	(2,997)	(5,336)
Total current liabilities		**(36,372)**	**(39,124)**
Total net current assets for the year ended 31 March		**22,873**	**21,580**
Non-current liabilities – amounts falling due after one year			
Lease payables	14	(830)	(986)
Other payables – award commitments	15	–	(21,193)
Provisions	16	(3,015)	(1,806)
Total non-current liabilities		**(3,845)**	**(23,985)**
Assets less liabilities		**26,372**	**9,492**
Capital and reserves			
Lottery reserve		26,372	6,128
Pension reserve	7	–	3,364
		26,372	**9,492**

The accompanying notes on pages 188 to 214 form part of these accounts.

The financial statements were approved and authorised for signature by the Governors on 5 December 2025.



Jay Hunt OBE,
Chair, Governor



Ben Roberts,
Chief Executive

Statement of changes in equity

Year ended 31 March 2025

	Notes	Lottery Reserve £'000	Pension Reserve £'000	Total Reserve £'000
Balance at 31 March 2023		**(9,422)**	**2,678**	**(6,744)**
Surplus/(deficit) for the year		15,550	(162)	15,388
Re-measurements in the year	7	–	848	848
Balance at 31 March 2024		**6,128**	**3,364**	**9,492**
Surplus for the year		20,244	95	20,339
Re-measurements in the year	7	–	(3,459)	(3,459)
Balance at 31 March 2025		**26,372**	**–**	**26,372**

The accompanying notes on pages 188 to 214 form part of these accounts.

Statement of cash flows

Year ended 31 March 2025

	Notes	2024-25 £'000	2023-24 £'000
Cashflows from operating activities			
Operating surplus/(deficit) for the year		20,038	15,101
Decrease in film rights falling due in excess of one year	5	1,034	2,385
Decrease in film rights falling due within one year	5	506	464
(Increase)/decrease in trade receivables	2, 10, 11	1,844	(4,664)
(Decrease)/increase in trade payables	14	(44)	(680)
Increase/(decrease) in award payables	15	(21,718)	42,033
(Decrease)/increase in other payables – provisions	16	(1,130)	(54,941)
Non cash pension movements	7	(95)	162
Reclassification of receipts from National Lottery Distribution Fund as cashflows from investing activities	2	(51,803)	(44,151)
Reclassification of rental payments to cashflows from financing activities	10	153	150
Reclassification of interest payable for lease liabilities to cashflows from financing activities	10	23	26
Net cash from operating activities		**(51,192)**	**(44,115)**
Cashflows from investing activities			
Interest received		301	287
Cash receipts from National Lottery Distribution Fund	2	51,803	44,151
Cashflows from investing activities		**52,104**	**44,438**
Cashflows from financing activities			
Interest payable for lease liabilities	10	(23)	(26)
Repayment of lease liabilities		(153)	(150)
Cashflows from financing activities		(176)	(176)
Increase/(decrease) in cash in the year		**736**	**147**
Cash and cash equivalents at 1 April	12	7,343	7,196
Cash and cash equivalents at 31 March		**8,079**	**7,343**

The accompanying notes on pages 188 to 214 form part of these accounts.

Notes to the financial statements

Year ended 31 March 2025

1. Accounting policies

Basis of Accounts

These financial statements are prepared on a going concern basis under the historical cost convention, and in accordance with the Accounts Direction issued by the Secretary of State for Culture, Media and Sport with the consent of Treasury in December 2014. These meet the requirements of section 35(3) of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998) and applicable Accounting Standards, except certain headings have been amended in order to reflect special circumstances of the charity.

The accounts have been prepared on a going concern basis given the on-going Statutory appointment of the BFI as a lottery distributor, bringing a certainty of future revenues, with reserves at 31 March of £26.4m (2024: £9.5m). At March 2023 with the launch of the new three year lottery strategy, multi year awards had been made to partner organisations covering the period to March 2026, using the permission of the National Loterry Act whereby distributors are permitted to make commitments against future years income.

The financial statements have been prepared in accordance with the Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the BFI for the purpose of giving a true and fair view has been selected. The particular policies adopted by the BFI are described below and they have been applied consistently in dealing with items that are considered material to the accounts.

The effect of new accounting standards and interpretations in issue but not yet adopted by the BFI that the directors anticipate will have a material effect on the reported income or net assets is noted below.

In accordance with the Direction issued by the Secretary of State for Culture, Media and Sport, financial statements have also been prepared for the BFI Group activities as a whole.

A copy of the Accounts Direction is available from the Secretary to the Board of Governors, 21 Stephen Street, London W1T 1LN or is available on line from **www.gov.uk**.

Accruals convention

Income and expenditure is accounted for on a receivable basis. The exception to this is recoupment income because of the inherent difficulties in relating the income to the period to which it relates. Recoupment income is therefore accounted for upon notification of amounts received by the BFI. Commitments are reported as per the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998).

As required by the Secretary of State for Culture, Media and Sport in the Accounts Direction, Lottery awards are accounted for on an accruals basis. Where the BFI has made a firm offer of a grant to a film rights or a non-film rights project, which together with the relevant conditions has been accepted by the recipient and the conditions of the grant have been fully met, the award is recognised as a payable. Where the BFI has agreed in principle to fund a scheme or project and made an offer, but the offer has not been accepted nor the associated conditions precedent met, the award is provided for in full at the year end. However, where the BFI has agreed in principle to fund a project in which it will take rights of recoupment ('film rights'), but the offer has not been accepted nor the associated conditions met, as the associated assets of the project can not yet exist, the award is treated as a financial commitment at the year end. These financial commitments are disclosed by way of a note to the financial statements, whereas the liabilities and provision are recognised in the financial statements.

Award commitments payable within one year of the Statement of Financial Position are recognised in the statement as current liabilities. Those payable more than one year from the date of

the statement of financial position are shown as commitments payable over more than one year. Commitments for future years have been entered into which take into account income forecasts provided by the Department for Culture, Media and Sport (DCMS). These forecasts take a conservative view of future income.

Estimates and judgements

Estimates and judgements have been used in the production of these accounts, notably with regard to the valuation of film rights and pensions as at the year end and in the recharge of operating costs. Details on the judgements and estimation involved in the valuation of the film rights are set out in the Film Rights accounting policy below and note 5: Film Rights. The recharge of operating costs are based on an assessment of the relevant direct costs of the lottery departments and an appropriate proportion of the central support functions such as Facilities, Finance and IT. Further information can be found in note 8: Operating Costs and information on the assumptions underlying the pension valuation can be found in note 7: Pensions.

Apportioned costs

The BFI incurred costs which are shared between Lottery and other activities, relating to operating costs for the year, restructuring costs and costs arising from capital spend attributable to Lottery. The BFI is required to apportion costs in accordance with the principles of full cost recovery as outlined in Managing Public Money. In addition to costs wholly attributable to Lottery activities, an assessment is made of the other costs attributable to Lottery activities incurred by service and other departments. This is based on a combination of head count, office space occupied, activity levels and additional expenditure incurred. These areas include the Finance, People and Business Operations Directorate (FPBO), the Corporate and Industry Affairs Directorate and the Chief Executive's Office.

National Lottery Distribution Fund

Balances held in the National Lottery Distribution Fund (NLDF) remain under the stewardship of the Secretary of State for Culture, Media and Sport. The share of these balances attributable to the BFI is as shown in the financial statements at an estimate of market value and, at the date of the statement of financial position, has been certified by the Secretary of State for Culture, Media and Sport as being available for distribution by the BFI in respect of current and future commitments. With the introduction of IFRS 9 funds held at the National Lottery Distribution Fund are held as financial instruments held at amortised cost.

As the investments are held with the Debt Management Account and the National Loans Fund, these are exempt from recognising stage 1 and stage 2 impairment so no expected credit losses have been calculated for these investments.

The share of proceeds and investment returns attributed to the BFI has been treated as income within these financial statements.

Other Financial instruments

Other Lottery financial instruments include trade receivables and payables that arise directly from Lottery operations. The main risks arising from the financial instruments in the Lottery accounts are interest rate risk, foreign currency risk and other price risk. Further detail of this can be found in note 13 below.

Film rights

Film rights represent investment awards paid and payable to filmmakers which are repayable under certain conditions. All advances to filmmakers are repayable under certain conditions. Where a feature film made with the assistance of the BFI is successfully released, the BFI is entitled to participate in revenues generated by that success. This can lead to repayment of the investment in full, together with a share of the profits generated by the film.

Under IFRS 9 film rights fall within the definition of Financial Instruments. Within that, they meet the definition of assets measured at fair value with gains and losses being recognised in the Statement of Comprehensive Net Expenditure (SOCNE). The fair value, in line with definitions of IFRS 9, is based upon cash flows and models of future income that may be generated by the film right asset. The calculations behind these models are based upon external factors such as sales agents' estimates, actual sales made, and the recoupment order agreed in the financing contract between investors as well as internal factors

such as the skills and expertise of management involved in these calculations and a review of the historic performance of the portfolio.

When an advance is made for an award (satisfying the definition of an award liability as above) the award is taken to the Statement of Financial Position initially at the full value of the award. An assessment is then made of the likely repayment of the award, if any, over the next seven financial years, with the valuation adjusted to the extent that the repayment of the award is considered doubtful. The impairment is calculated either as standard percentage suggested by historic recoupment performance of that particular type of award, or based on the value suggested by future estimated receipts.

In subsequent years, the Film Rights valuations are reviewed to ensure that all revenues due are received and the valuation remains appropriate. The valuations are based on the best available information at the Statement of Financial Position date and the valuations will change over time. For instance, on production awards, the actual value of sales made to a territory may exceed or fall below the original sales estimate provided by the sales agent or the box office performance may exceed or fall below the initial projections following the release of a film.

Movements in adjustments shown in the Statement of Comprehensive Net Expenditure reflect the net effect of increases and decreases in adjustments against film rights in the year. Any adjustment may be reversed in part or in full if the valuation understates the fair value of the film rights. Advances for development and short film awards are fully impaired in the year of the award, unless there is a reasonable expectation of repayment in the next seven financial years.

If the valuation of the film rights is in excess of the amount of the award investment based on estimated recoupment over the next seven financial years, this is similarly recognised in the film rights valuation and released to income as the recoupment is received. In the context of the life of a film and its distribution cycle, seven years is felt to be a reasonable period over which a meaningful forecast can be taken, and is consistent with practice across the film industry.

Should the full amount of an award for film rights not be utilised, any unused element of the funding will be decommitted. If such a decommitment exceeds the impaired value of the film, then any necessary impairment will be released back to the Statement of Comprehensive Net Expenditure so the remaining impairment is not greater than the value of the revised investment value.

Film recoupment income

Income received from film rights is offset against the value of the film rights on the Statement of Financial Position.

Income in excess of the original value of the rights is taken to the Statement of Comprehensive Net Expenditure as film recoupment income.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the date of the statement of financial position. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Comprehensive Net Expenditure.

Lease costs and commitments

BFI Lottery pays rental to the BFI for the proportion of desk space occupied in the Stephen Street offices, in line with the terms of the lease on these premises to March 2031.

In accordance with FReM this lease obligation is recognised on Statement of Financial Position matched to a Right of Use asset. The former of these is reduced by the annual payment of lease liabilities including both rental and interest (finance) charge, whilst the latter is depreciated annually.

This differs from the treatment in the BFI Charity and Group accounts where, under the Charities SORP, rentals payable under operating leases are charged in the group statement of financial activity on a straight-line basis over the lease term.

Pensions

The BFI operates a defined benefit pension scheme for employees joining on or before 31 December 2013, and a defined contribution scheme for subsequent joiners, with an

apportionment of the costs and liability being made to Lottery on an assessment of appropriate relative levels of staffing.

A defined benefit pension scheme is a post employment benefit plan. The BFI's net obligation in respect of this is calculated by estimating the amount of future benefits that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine the present value.

The pension liabilities and assets of the scheme are recorded in accordance with IAS 19. This measures the value of pension assets and liabilities at the statement of financial position date, determines the benefits accrued in the year, and the interest on the scheme's assets and liabilities. The valuation is undertaken by a qualified actuary.

The BFI operates a defined contribution scheme for employees joining on or after 1 January 2014. The amount charged to the Statement of Comprehensive Net Expenditure in respect of pension costs and other post-retirement benefits is the contribution payable in the year.

Provisions for award commitments

Provisions for award commitments arise where the BFI has agreed in principle to fund a scheme or project and made an offer, but where at the date of the statement of financial position either contracts have not been signed and/or the conditions precedent not met. Therefore these transactions are recognised as an award commitment but are not included in awards payable at the date of the statement of financial position but as a provision. Provisions are released in the following accounting periods as the offers of funding are contractually agreed and the associated conditions met.

Reserves

The Lottery reserve primarily represents the carrying value of film investments made by the UK Film Council prior to 31 March 2011 and British Film Institute since 1 April 2011, and uncommitted funds held at the National Lottery Distribution Fund, which are offset by all outstanding award liabilities.

At 31 March 2025 the lottery reserve was a net asset of £26.4m (2024: £9.5m). The March 2023 net liability was due to overcommitment at the balance sheet date against future revenues, as permitted under the National Lotteries Act, due to commitment of £58m of funds under the BFI new lottery Strategy, Screen Culture 33. As anticipated that with consequent reduction in new awards being made subsequently, the anticipated proceeds from the National Lottery and recoupment income this situation has now reversed.

The pension reserve represents the asset/liability arising on the valuation of the BFI pension fund at year end, as notified by the actuaries.

Segmental reporting

The BFI is required under the National Lottery Acts to produce statutory accounts which cover its operations as a Lottery distributor to 31 March 2025. These are reported to the Board of Governors and the Chief Executive Officer as a stand-alone entity. Therefore in the context of IFRS8 no additional disclosure of segmental reporting is deemed appropriate.

Analysis of total expenditure between administrative and programme spend

Under the definitions of the Financial Reporting Manual 2024-25 all activities in these accounts are programme spend.

Standards, amendments and interpretations to existing standards not yet effective

The application of any new or amended IFRS is governed by their adoption into the FReM issued by HM Treasury. Usually such changes are not put into effect by the FReM until the effective date of the related IFRS, although occasionally some changes are adopted early or might be delayed. It is not believed that any such standards have been published and are relevant as at 31 March 2025.

2. Lottery income and the national lottery distribution fund

The movement in balances held at the NLDF is as follows:

	2024-25 £'000	2023-24 £'000
Opening balance held at the NLDF	49,980	45,260
Income received from the Lottery	48,488	46,600
Investment income earned	2,335	2,271
Available for distribution	**100,803**	**94,131**
Cash drawn down	(51,803)	(44,151)
Balance as at 31 March	**49,000**	**49,980**

The funds are invested on behalf of the NLDF by the National Debt Commissioners. The BFI's distribution is in accordance with Sections 22 and 23 of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998). The BFI is required by statute to show on the statement of financial position the lower of the market value or the cost of the investment as at the year end. There were £nil unrealised gains in the year (2024: Nil).

Income received from the Lottery

Our share of the income received from the lottery in 2024-25 reflect an increase in a year on year comparison on the prior year. However, the income includes variable factor of receipts of unclaimed prize money and other one off income somewhat disguising the static nature of underlying sales:

Income received from Lottery therefore contains:

	2024-25 £'000	2023-24 £'000
Unclaimed prize money and other one off income	4,765	2,841

3. Film rights receipts and recoupment income

The BFI receives income generated from rights in the portfolio of film projects invested in since 1 April 2011. Additionally under the transfer agreement with UK Film Council, the BFI receives all future income generated from rights in the portfolio of films transferred from the UK Film Council and Arts Council England at that date.

Income received from film rights is offset against the value of the film rights on the statement of financial position. Income in excess of the original value of the rights is taken to the statement of comprehensive net expenditure as film recoupment income through the movement in fair value reserve.

	2024-25 £'000	2023-24 £'000
Total film receipts taken as income	779	986
Total film receipts taken against film rights on the statement of financial position	2,823	4,190
	3,602	**5,176**

Those film receipts where the revenue is taken as income related to:

	2024-25 £'000
The King's Speech	168
4 films generating < £100,000	186
Arts Council England and UK Film Council portfolio	**354**
Boxing Day	128
22 films generating < £100,000	297
BFI portfolio	**425**
	779

Total film receipts taken against film rights on the statement of financial position

	2024-25 £'000
Aminol	100
Boxing Day	280
Extra Geography	100
How to Have Sex	332
I See Buildings Fall Like Lightning	100
Ish	100
Kneecap	108
Kollam	100
Lady	100
Out There	100
Pillion	100
Rose of Nevada	100
Urchin	100
117 films generating < £100,000	1,103
	2,823

4. Non-film rights awards

Non-film rights awards are made across a number of schemes operated by the BFI. In the year to 31 March 2023, initial partner awards were made for new funds in our new Lottery Strategy: Screen Culture 2033, with three year awards covering the period April 23 – March 2026. The remaining awards in year are for single projects which are anticipated to be completed within one year.

The activity support areas itemised below are those areas where it is deemed that activity on behalf of the industry and indeed the public at large, and funded by Lottery monies, are most cost effectively and efficiently carried out by the BFI as the lead body for the film sector.

Analysis of non-film rights awards by strand:

	New awards in the year	Decommit-ments*	2024-25 Awards net of fall ins	2023-24 Awards net of fall ins
	£'000	£'000	£'000	£'000
Funding to cover the future years				
United on Screen	–	–	–	(3,780)
National Lottery Open Cinema Fund	–	–	–	(2,697)
Skills – Skills Network (Clusters)	–	–	–	(900)
Screen Heritage 2022	–	544	544	–
	–	544	544	(7,377)
Project or single year funding to cover the period to March 2025				
Audience Fund awards	(2,358)	106	(2,252)	(2,977)
Film Heritage fund	–	–	–	(2,073)
International awards	(105)	30	(75)	(1,768)
Rewarding Success	(801)	–	(801)	(1,257)
We Are Film awards	(404)	–	(404)	(838)
Film Academy awards	(921)	1	(920)	(815)
BFI NETWORK Fund	(1,231)	19	(1,212)	(577)
London Film Festival	–	–	–	(500)
Our Future Heritage	(309)	–	(309)	(366)
Research and Statistics awards	(547)	2	(545)	(177)
Lottery Education	–	–	–	(100)
Creative Support Challenge Fund	(827)	–	(827)	(84)
Production services award	(665)	–	(665)	–
Film Skills Fund awards	(536)	–	(536)	–
Distribution and Exhibition awards	(54)	–	(54)	–
Film Fund awards (non-film rights)	(37)	368	331	–
Inward Investment	(735)		(735)	–
Innovation Challenge Fund	(703)	–	(703)	–
National Cluster Growth Fund	(300)	–	(300)	–
Development Fund (non-film rights)	(38)	–	(38)	34
Film Audience Network fund	–	–	–	52
Leadership & Business Development	(1,800)	2	(1,798)	242
Education fund awards	–	–	–	1,025
	(12,371)	528	(11,843)	(10,179)
Activity support				
Diversity	–	–	–	–
Research and statistics	(548)	–	(548)	(442)
	(548)	–	(548)	(442)
Total Lottery non-film rights	**(12,919)**	**1,072**	**(11,847)**	**(17,998)**

* A decommitment (or fall in) is when an award is reduced for any reason with the agreement, and usually instigated by, the award recipient. The balance is written back against the relevant award strand in the statement of comprehensive net expenditure.

Rewarding success above represents recoupment received in the year under the producer corridor arrangements and thus held on behalf of film-makers. Further information is provided in note 16.

5. Film rights

Under IFRS 9 the valuation of the films rights assets are determined on the basis of level 3 inputs, with unobservable inputs being used for the asset as there is no market activity for these assets at the balance sheet date. The valuation approach to establish the fair value of the film rights portfolio is set out in note 1: Accounting Policies.

The BFI's primary objective in investing in film rights is to support the future success of British film by backing new voices, new stories, new ideas and skills, enriching and diversifying British film production. Thus whilst the potential commercial success of a project is important in our assessment of an application it is not the only funding criterion.

The fair value of film rights at 31 March is as follows:

	2024-25 £'000	2023-24 £'000	2022-23 £'000	2021-22 £'000	2020-21 £'000
Production Awards	7,710	9,140	11,510	12,095	9,760
Vision Awards	428	428	825	906	1,411
Development Awards	311	295	411	292	227
Distribution Awards	33	159	125	178	161
Film Rights valuation	**8,482**	**10,022**	**12,871**	**13,471**	**11,559**

Film rights are recognised as split between current and non-current assets, on the basis of a review of the characteristics of the loans across the portfolio and the anticipated cash flows from these:

	2024-25 £'000	2023-24 £'000	2022-23 £'000	2021-22 £'000	2020-21 £'000
Film rights – non-current	6,414	7,448	9,833	10,008	9,228
Film rights – current	2,068	2,574	3,038	3,463	2,331
	8,482	**10,022**	**12,871**	**13,471**	**11,559**

Production awards are made to producers to co-finance feature film productions and from which we are entitled to recoup our award and take a share of net profits from the film. The value of the productions will be dependent upon many factors which are inherently uncertain; the ability of sales agents to meet sales estimates, how the film will be critically and commercially received (including box office projections and exchange rates) all play a role. Further details are set out below.

Vision Awards are made to production companies to enable them to develop their business and the awards are repayable from any applicable feature film production made by the production company. As we do not expect all recipients to be required to repay the award in full we routinely impair 50% of the recoupable element of the award in the year in which it is committed.

Development awards are made to producers to support a film development. In the event that the development project progresses into a feature film production, we would be entitled to be repaid our award and take a share of net profits. Accordingly development awards are impaired in full in the year in which the award is made, unless there is a reasonable anticipation of it progressing to production.

Distribution awards are made to distributors to support the release of film(s) in the UK and repayable dependent upon the performance of the film release.

Other awards include targeted development awards which are awarded to support new talent. These awards are written off in full in the year unless there is a reasonable expectation of recoupment.

Movements in the valuation of film rights

	2024-25 £'000	2023-24 £'000	2022-23 £'000	2021-22 £'000	2020-21 £'000
Film rights valuation at 1 April	10,022	12,871	13,471	11,559	13,337
New commitments: made in year	14,667	12,527	17,713	21,000	22,275
Decommitments: new film rights in year	(28)	(1)	(241)	(25)	(370)
Decommitments: historical portfolio	(314)	(565)	(217)	(412)	(178)
Total decommitments	(342)	(566)	(458)	(437)	(548)
Repayment of investments: new film rights in year	(1,044)	(899)	(1,099)	(1,186)	(1,528)
Repayment of investments: historical portfolio	(1,780)	(3,668)	(2,546)	(4,085)	(2,547)
Total repayment of investments	(2,824)	(4,567)	(3,645)	(5,271)	(4,075)
Adjustments: new film rights in year	(11,828)	(9,987)	(15,011)	(12,980)	(14,256)
Adjustments: historical portfolio	(1,213)	(256)	801	(400)	(5,174)
Total adjustments	(13,041)	(10,243)	(14,210)	(13,380)	(19,430)
Film rights valuation at 31 March	**8,482**	**10,022**	**12,871**	**13,471**	**11,559**

Total adjustments to film rights constitutes:

	2024-25 £'000	2023-24 £'000
Adjustments against film rights	(15,240)	(14,345)
Reversal of prior year adjustments against film rights	2,199	3,724
	(13,041)	**(10,621)**

The value of new commitments made in the year will vary due to timing differences arising from the closure of awards.

The valuation of the Film Rights is based on the anticipated cash receipts over the next seven financial years after the Statement of Financial Position date. In relation to recent production awards (that is production awards that were recognised as awards payable this financial year and the last four financial years), the valuation is based on the cash receipts anticipated from the first cycle of revenues including revenues from cinema, Video On Demand and television. In relation to older production awards, the valuation is based on the anticipated cash receipts for the next seven years following the balance sheet date calculated from the individual film's historic cash receipts. All such anticipated cash receipts are discounted using the applicable Treasury Rate of 2.15% (2024: 2.05%).

The value of adjustments on new film rights in the year is always governed by the value of awards made and therefore can vary considerably year to year.

As at 31 March 2025, the Film Rights valuation for production awards is £7.7m (2024: £9.1m) and for all other Film Rights is £0.8m (2024: £0.9m) totalling £8.5m (2024: £10.0m). For production awards, were the recoupment levels and valuation to vary by +/- 5%, the impact of the valuation of Film Rights at 31 March 2025 would be £0.4m for 100 awards (2024: £0.5m for 177 awards).

In relation to older production awards, the Film Rights valuation is calculated on the assumption that the future anticipated receipts will be based on the historic cash receipts for the two years prior to the Statement of Financial Position date, subject to an 120% default reduction every three years, except for films in profit which are calculated on the assumption that the future anticipated receipts will be based on the historic cash receipts for the three years prior to the Statement of Financial Position date, subject to a 75% default reduction every three years. The total amount of the Film Rights valuation based on this methodology is £4.6m (2024: £5.7m). Were this default reduction percentage to change by +/- 10% the Film Right valuation would change by:

	£'000 -10%	£'000 0.00%	£'000 +10%
2024-25	(440)	4,620	420
2023-24	(550)	5,660	520

In relation to recent production awards (that is production awards that were recognised as awards payable this financial year and the previous three financial years), the Film Rights valuation is based on future anticipated receipts. These cash receipts are principally earned in US dollars and converted to pounds sterling before payment is made to the BFI's bank accounts. The default pound sterling to US dollar exchange rate is calculated using the average daily exchange rate for the two years to the Statement of Financial position date rounded to the nearest 5 US cents. The default rate as at 31 March 2025 for production awards is US $1.25 (2024: US $1.25).

In 2024, the recent production awards was defined as those productions committed in 2024 and the three previous years. Had the recent films definition expanded to include 2024 and the previous four years, in line with the definition of recent productions awards 2025, then the valuation of 2024 would have been £3.3m and not £3.4m, a reduction of £0.1m

Had the pound sterling to US dollar exchange rate been $1.35, for the purposes of the Film Rights valuation, then the valuation of the total of these production awards would be reduced by £0.2m (2024: $1.35 and the awards at March 2024 would reduce by £0.3m). Were the valuation calculated using US $1.15, then these valuations would be increased by £0.3m (2024: $1.15 and the awards at March 2024 would increase by £0.2m).

Further information on the movement on film rights can be found on the BFI website: **http://www.bfi.org.uk/about-bfi/annual-review-management-agreement**.

6. Staff costs

No member(s) of the Board of Governors received remuneration during the year (2024: none).

The costs of staff working wholly on Lottery activities comprised:

	2024-25 £'000	2023-24 £'000
Wages and salaries	2,283	2,469
Social Security costs	262	261
Pension service costs and other pension costs	183	183
	2,728	**2,913**

The average number of staff (full-time equivalents) employed during the year was made up as follows:

	2024-25 Number	2023-24 Number
Management and administration:		
Permanent staff	46	45
	46	**45**

Staff costs for the year are contained within the costs apportioned from grant-in-aid on the statement of comprehensive net expenditure.

The remuneration of the Chief Executive Officer and costs attributable to Lottery during the year are as follows:

	2024-25 £	%	Attributable to Lottery £
Ben Roberts			
Salary and benefits	163,260		83,263
Total	**163,260**	51.0%	**83,263**
Pension contribution	25,308		12,907

	2023-24 £	%	Attributable to Lottery £
Ben Roberts			
Salary and benefits	156,975		61,220
Total	**156,975**	39.0%	**61,220**
Pension contribution	24,331		9,489

The percentage of the remuneration of the Chief Executive Officer apportioned to Lottery is reviewed on an annual basis.

7. Pension benefits

The BFI is an admitted body of the LPFA. Although membership of the scheme is open to all employees, only those costs relating to staff employed on Lottery activities are disclosed in these accounts. An apportionment of the pension assets and liabilities is calculated on the basis of the numbers of staff employed on Lottery activities and their pensions contributions in year as a percentage of those of the whole organisation.

The pension scheme is (for joiners on or prior to 31 December 2013) a defined benefit scheme and is funded by employees and employers at actuarially determined rates. Employer contributions charged for members of the defined benefit scheme amounted to £0.1m (2024: £0.1m).

Following the advice of the consulting actuaries to the scheme, the BFI's employer contributions for current service (as a percentage of the pensionable salary) were set at 15.5% throughout the year (2024: 15.5%).

A valuation under IAS19 as at March 2025 was carried out by a qualified independent actuary. The assumptions used by the actuary for the BFI's scheme were:

	2024-25	2023-24
	%	%
Rate of increase in salaries	3.90	3.95
Rate of increase in pension payments	2.95	2.95
Discount rate	5.80	4.9
Inflation assumption (CPI)	2.95	2.95

Average life expectancy at 65:

Under the adopted mortality tables, the assumed life expectancy from age 65, weighted by liability, are as follows:

	2024-25	2023-24
	Years	Years
Life expectancy at age 65 of female aged 45	25.4	25.4
Life expectancy at age 65 of female aged 65	24.1	24
Life expectancy at age 65 of male aged 45	22.4	22.4
Life expectancy at age 65 of male aged 65	21.1	21.2

The estimated asset allocation as at 31 March was:

	2024-25 Long term rate of return expected £'000	2023-24 Long term rate of return expected £'000
Equities	9,440	9,587
Target return portfolio	2,907	2,672
Infrastructure	1,826	1,729
Property	1,458	1,414
Cash	374	314
Total market value of assets	**16,005**	**15,716**

The net pension liability was:

	At 31 March 2025 £'000	At 31 March 2024 £'000	At 31 March 2023 £'000
Present value of funded obligation	(10,971)	(12,354)	(11,611)
Fair value of scheme asset	16,005	15,716	14,289
Impact of asset ceiling	(5,034)	–	–
Net Asset/(Liability)	**(0)**	**3,362**	**2,678**

The amounts recognised in the statement of comprehensive net expenditure are as follows:

	2024-25 £'000	2023-24 £'000
Current service cost	(178)	(204)
Net interest on the defined liability	166	130
Administration expenses	(4)	(5)
Total	**(16)**	**(79)**
Actual return on plan assets	(4,522)	1,324

Amounts recognised in statement of changes in equity:

	2024-25 £'000	2023-24 £'000
Return on plan assets in excess of interest	(5,285)	643
Other actuarial gains/(losses) on assets	–	–
Change in financial assumption	1,793	240
Experience (loss)/gain of defined benefit obligation	33	(35)
Remeasurements recognised in the statement of changes in equity	**(3,459)**	**848**
Cumulative remeasurements in statement of changes in equity	1,398	4,857

Changes in the present value of the defined benefit obligation:

	2024-25 £'000	2023-24 £'000
Opening defined benefit obligation	(12,354)	(11,611)
Current service cost	(178)	(204)
Past service cost	(92)	(506)
Interest cost	(597)	(551)
Contributions by members	(78)	(94)
Change in financial assumptions	1,793	240
Experience (loss)/gain on defined benefit	33	(35)
Benefits paid	502	407
Closing defined benefit obligation	**(10,971)**	**(12,354)**

Changes in the fair value of the scheme assets:

	2024-25 £'000	2023-24 £'000
Opening fair value of employer assets	15,716	14,289
Contributions by members	78	94
Contributions by employer	203	421
Interest on assets	763	681
Return on assets less interest	(249)	643
Other actuarial gains/(losses)	–	–
Admin expenses	(4)	(5)
Benefits paid	(502)	(407)
Impact of asset ceiling	(5,034)	–
Closing fair value of employer assets	**10,971**	**15,716**

The sensitivity analysis on the major assumptions in the above, and based on the whole scheme is:

	£'000	£'000	£'000
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present value of total obligation	10,812	10,971	11,133
Projected service cost	150	155	160
Adjustment to long term salary increase	+0.1%	0.0%	-0.1%
Present value of total obligation	10,985	10,971	10,957
Projected service cost	155	155	155
Adjustment to pension increases and deferred valuation	+0.1%	0.0%	-0.1%
Present value of total obligation	11,124	10,971	10,826
Projected service cost	228	155	228
Adjustment to mortality age rating assumption	+1 year	0.0%	-1 year
Present value of total obligation	11,343	10,971	10,614
Projected service cost	161	155	149

A history of experience gains and losses is shown below:

	2024-25	2023-24
	£'000	£'000
Fair value of employer assets	16,005	15,716
Present value of defined benefit obligation	(10,971)	(12,354)
Impact of asset ceiling	(5,034)	–
Surplus	**–**	**3,362**
Experience gains on assets	(4,522)	1,324

The estimated Macaulay duration of the Employer as at the accounting date, using the assumptions set out above is 16 years.

From 1 January 2014 the BFI also operates a defined contribution pension scheme which is available for all employees not already in the defined benefit scheme.

8. Operating costs and other finance costs

	2024-25 £'000	2023-24 £'000
Direct Lottery costs		
Direct staff costs	2,728	2,913
Other staff costs (including agency staff, training and recruitment)	2	36
Travel and subsistence	129	92
Events and other hospitality	29	34
Professional fees: Audit – National Audit Office	63	59
Professional fees: other	120	46
Depreciation re right of use asset	155	155
Other	29	178
Total direct lottery costs	**3,255**	**3,513**
Recharged costs from BFI non-lottery activities re support functions	3,405	2,842
Total operating costs	**6,660**	**6,355**
Recharged costs from creation of new BFI lottery strategy: Screen Culture 2033	–	–
Finance costs		
Interest re lease on right of use asset	23	26
Net return on pension assets	(162)	(125)
Total financing costs	**(139)**	**(99)**
Total operating and other finance costs	**6,521**	**6,256**

The direct lottery costs are those of the front-line award making departments. These costs are those of the Film Fund (International, Production, Operations, Audience Fund, Deputy CEO Office), Education Directorate, Education Partners, Business Affairs and Production Finance. These costs cover the administration and processing of grants, project development and other costs, the costs of generating recoupment and talent support and development activities.

The remaining costs are those central costs of the BFI attributed to Lottery relating to CEO, External Affairs, and support functionality such as Finance, HR, IT and Digital.

Costs of generating recoupment relate to the costs of generation and management of BFI income from the investments in film rights within Business Affairs, Production Finance and the Film Funds – in 2024-25 these stood at £0.9m (2024: £0.8m).

Other Finance Costs

	2024-25 £'000	2023-24 £'000
Net return of assets re pension	162	125
Interest on rental of right of use assets	(23)	(26)
	139	**99**

9. Costs of change

Costs of change represent the costs associated with restructuring of the award making funds in the light of the new BFI strategy: Screen Culture 33.

10. Right of use assets and lease liabilities

As at 31 March 2025, the BFI had a right of use asset reflecting a non-cancellable operating leases relating to the BFI offices in London running until March 2031. With the introduction of IFRS 16: Lease Accounting, this is now shown in the accounts as a trade receivable split between the amounts falling due within and over one year – these are matched to the lease liability.

	At 31 March 2025 £'000	At 31 March 2024 £'000
Right of use asset at 1 April	1,085	1,240
Depreciation in year	(155)	(155)
Right of use asset at 31 March	**930**	**1,085**

Consequently a lease liability was recognised in year with the finance cost calculated using the HMT discount rate of 1.99%.

	At 31 March 2025 £'000	At 31 March 2024 £'000
Lease liability at 1 April	1,138	1,288
Repayment of lease liabilities	(176)	(176)
Finance cost in year	23	26
Lease liability at 31 March	**985**	**1,138**

11. Trade and other receivables

	At 31 March 2025 £'000	At 31 March 2024 £'000
Trade and other receivables falling due within one year		
Trade debtors	90	374
Other receivables – BFI Exchequer	–	378
Other receivables	8	55
Total trade and other receivables falling due within one year	**98**	**807**

12. Cash and cash equivalents

	2024-25 £'000	2023-24 £'000
Cash and cash equivalents at 1 April	7,343	7,196
Net change in cash and cash equivalent balances	736	147
Cash and cash equivalents at 31 March	**8,079**	**7,343**

£4.0m (2024: £4.5m) of cash held in BFI lottery bank accounts is funds recouped by BFI and held on behalf of producers under the "Rewarding Success" recoupment corridor. See note 16: Provisions.

All Lottery cash balances are held in commercial bank accounts.

13. Financial instruments

IFRS require disclosure of the role which financial instruments have had during the period, in creating or changing the risks the BFI faces in undertaking its role.

Film rights

Under IFRS 9 film rights fall within the definition of Financial Instruments. Within that, they meet the definition of assets measured at fair value with gains and losses being recognised in the profit and loss account (FVTPL).

Establishing the fair value of film rights is subjective and therefore contains an element of risk. The fair value is based on a review of external evidence such as the sales agents' estimates as to the likely revenues generated by a project, where it is in the life cycle of the project, and upon actual performance of the film to date. This is matched with the knowledge and experience of the staff and management involved in the process of assessing the projects both at application stage and as they come to fruition. Any reduction in fair value is immediately taken to the statement of comprehensive net expenditure in the year.

The valuation of film rights is subject to on-going annual review to ensure a fair value is maintained and thus mitigating the risk of a perceived overstatement of the value, with any adjustments being charged as expenditure.

	2024-25 £'000	2023-24 £'000
Film rights falling due in excess of one year	6,414	7,448
Film rights falling due within one year	2,068	2,574
Film rights valuations at 31 March	**8,482**	**10,022**

Liquidity risks

Whilst lottery distributors are permitted to over-commit in awards against the surety of future lottery income, the BFI awards are over a relatively short term, with current awards running in some cases up to March 2026. Thus the risk of holding insufficient resources to cover liabilities is held under constant review, to ensure that this risk is minimised, by review of current funds held in cash and at the National Lottery Distribution Fund and anticipated future income versus the levels of commitment.

Lottery cash inflows can be analysed as:

	2024-25		2023-24	
	£'000	%	£'000	%
Income received from the National Lottery	48,488	88.5%	46,600	85.4%
Investment returns from the balance held at the NLDF	2,335	4.3%	2,271	4.2%
Recoupment income from film rights	3,602	6.6%	5,176	9.5%
Bank interest	301	0.5%	287	0.5%
Other income including legacies, grants and donations	68	0.1%	213	0.4%
	54,794	**100.0%**	**54,547**	**100.0%**

Cash and cash equivalents held by BFI at the NLDF and in our own bank accounts:

	2024-25	2023-24
	£'000	£'000
NLDF balance at 31 March as notified by the Secretary of State for Culture, Media and Sport	49,000	49,980
Lottery funds held in cash and cash equivalents by the BFI at 31 March	8,079	7,343
	57,079	**57,323**

Total lottery award commitments as at 31 March:

	2024-25	2023-24
	£'000	£'000
Lottery awards payable	32,991	54,709
Provision for non-Lottery film rights awards	6,012	7,142
Film rights award allocations noted as contingent liabilities	594	1,060
	39,597	**62,911**
Under/(over) commitment against funds available at 31 March	17,482	(5,588)

National Lottery Distribution Fund

Under IFRS 9 funds held at the National Lottery Distribution Fund are held as financial instruments held at amortised cost. The funds are invested on behalf of the NLDF by the National Debt Commissioners over which the BFI has no control and therefore has no capacity to mitigate any risk herein.

Interest rate risks

Interest rate risk is deemed low for the BFI as it does not have any interest payable. With the restrictions on how public bodies may hold cash, and in the current climate where interest rates showed little movement across the year on instant access bank accounts the BFI similarly has little risk of not ensuring it is maximising interest on its own cash holdings.

The BFI's largest financial asset is retained in the NLDF, which invests in a narrow band of low risk assets such as Government bonds and cash. Neither the BFI nor its Governors has any control over these investments. The interest rate risks in respect of these financial assets are disclosed in the financial statements of the NLDF.

	2024-25 £'000	2023-24 £'000
Market value of BFI investment at NLDF at 31 March	49,000	49,980
Average investment return at NLDF	4.95%	5.16%

Cash drawn from the NLDF, or received from other sources, to pay grant commitments and operating costs are held in variable rate bank accounts:

	2024-25 £'000	2023-24 £'000
Lottery funds held in cash and cash equivalents by the BFI at 31 March	8,079	7,343
Average interest rate on cash held in variable rate bank accounts	3.90%	3.95%

Foreign currency risks

The BFI's financial assets are not exposed to material foreign exchange risks as long-term balances are held in sterling, however foreign currency exchange risks are significant in the valuation of the Film Rights as explained in note 5: Film Rights

14. Trade and other payables

	At 31 March 2025 £'000	At 31 March 2024 £'000
Accruals	60	118
Other payables – BFI Exchequer	167	–
Other payables (including lease liability)	157	154
Other payables due in <1 year	**384**	**272**

	At 31 March 2025 £'000	At 31 March 2024 £'000
Other payables: lease liability	830	986
Lease payables due in >1 year	**830**	**986**

As at 31 March 2025, the BFI had total minimum payments under a non-cancellable operating lease relating to the BFI offices in London running until March 2031. Under IFRS 16: Lease Accounting, this is shown in the accounts as a lease liability matched to a right of use asset.

The proportion of these costs relating to these leases that form part of the costs apportioned to Lottery are:

	At 31 March 2025 £'000	At 31 March 2024 £'000
Amounts payable within one year	156	153
Amounts payable within two to five years	644	644
Amounts payable over five years	186	342
	986	**1,139**

15. Other payables – awards commitments

	At 31 March 2025 £'000	At 31 March 2024 £'000
At 1 April	54,709	12,676
New film rights commitments in year	16,142	13,162
Commitments transferred from prior year provision for non-film rights awards	2,708	57,888
New non-film rights commitments in year	7,982	14,855
Decommitments	(868)	(194)
Amounts paid	(47,682)	(43,678)
At 31 March	**32,991**	**54,709**

Award commitments payable at 31 March relate to:

	At 31 March 2025 £'000	At 31 March 2024 £'000
Audience Development Fund	4,572	6,740
BFI Film Academy	733	1,200
BFI NETWORK	2,131	3,420
Creative Challenge Fund	83	–
Development Fund	1,203	1,170
Education	4,909	9,550
Film Audience Network Fund	3,422	7,600
Film Heritage	892	1,100
Heritage 2022	–	1,148
Innovation and Industry	461	1,280
International Fund	1,138	1,200
National Cluster Growth Fund	3,189	–
Other	24	470
Production Fund	4,787	6,837
Research and Statistics Fund	410	400
Skills	2,592	8,940
United on Screen	2,445	3,644
Vision Awards	–	10
	32,991	**54,709**

Decommitments arise when any element of the award is not utilised once contracts are signed and drawdown has commenced.

Commitments transferred from the provision for non-film rights awards are as follows:

	At 31 March 2025 £'000	At 31 March 2024 £'000
Film Education Awards	–	15,179
Skills Fund	900	11,760
Film Audience Network	–	9,900
Audience Fund	701	6,069
Filmmaking Fund Awards	–	6,000
Talent Network	–	4,146
International Fund	978	2,682
Heritage and Regional Archives	–	1,384
Sustainabilitiy	–	587
Research Fund	–	99
Film Academies	45	83
Creative Challenge Fund	84	–
	2,708	**57,888**

New non-film rights commitments in the year:

	At 31 March 2025 £'000	At 31 March 2024 £'000
United on Screen Awards	–	4,146
Open Cinema Fund	–	2,697
Audience Fund	2,577	2,580
Heritage 2022 Awards	–	2,073
International	450	1,688
Film Academies	761	773
London Film Festival award	–	500
Research Fund	547	298
Film Education Awards	–	100
National Cluster Growth Fund	300	–
Innovation Challenge Fund	703	–
Our Future Screen Heritage Fund	309	–
Skills Fund	2,335	–
New commitments in year	**7,982**	**14,855**

Reconciliation of new awards in year per the statement of comprehensive net expenditure to new commitments, awards payable on the statement of financial position:

	At 31 March 2025	At 31 March 2024
	£'000	£'000
Non-film rights awards taken to SOCNE in the year	11,847	17,998
Less spend on activity support in year	(548)	(442)
Less new awards in year taken to SOCNE but recorded by way of provision at year end	(716)	(3,971)
Add back decommitments of awards from prior years taken as negative spend on SOCNE	(2,601)	1,270
New non-film rights commitments taken as awards payable	**7,982**	**14,855**

Ageing of award commitments, estimated date of payment:

	At 31 March 2025	At 31 March 2024
	£'000	£'000
Award commitments due within one year	32,991	33,516
Award commitments due after one year	–	21,193
Award commitments payable	**32,991**	**54,709**

16. Provisions

			At 31 March 2025	At 31 March 2024
	Non Film Right Awards	Rewarding Success awards	Total	Total
	£'000	£'000	£'000	£'000
At 1 April	2,711	4,431	7,142	62,084
New provisions in the year	9,973	716	10,689	18,827
Provisions written back in year	(1)	–	(1)	(240)
Provisions released in year	–	(1,127)	(1,127)	(786)
Transferred to other payables – award commitments	(10,691)	–	(10,691)	(72,743)
At 31 March	**1,992**	**4,020**	**6,012**	**7,142**

Provisions for award commitments arise where the BFI has agreed in principle to fund a scheme or project and made an offer, but where at the date of the statement of financial position either contracts have not been signed and/or the conditions precedent not met. Therefore these transactions are recognised as liabilities in the statement of financial position as provisions rather than payables. Provisions are released in the following accounting periods as the offers of funding are contractually agreed and the associated conditions met.

The year end provision with regard to non film right awards relates to awards made by the BFI across a number of strands:

	At 31 March 2025 £'000	At 31 March 2024 £'000
Awards under Film Forever 2022 (+1)		
Film Education Awards	3	3
Awards under Screen Culture 33		
International	30	977
Skills Fund – Hubs	–	900
Audience Fund	399	701
Creative Challenge Fund	–	85
Film Academies	160	45
Inward Investment and Production Services	1,400	–
	1,992	**2,711**

A provision written back arises when the conditions of the terms of the award are not met prior to signature of contract.

Rewarding Success provision

The rewarding success initiative allows for a share of film recoupment income arising from lottery awards to be made available to UK Producers, Writers and Directors for their future film making activity. The funds held on behalf of film-makers ("the Locked Box") represents the monies held for this initiative at the balance sheet date and not yet drawn down.

Ageing of provisions, estimated date of payment

	At 31 March 2025 £'000	At 31 March 2024 £'000
Amounts anticipated as payable within one year	2,997	5,336
Amounts anticipated as payable beyond one year	3,015	1,806
	6,012	**7,142**

At the date of the statement of financial position the BFI Lottery activities had £nil further provision(s) (2024: £nil).

17. Capital commitments

As at 31 March 2025, the BFI had no capital commitment(s) outstanding related to Lottery distribution activities. No costs are attributable to Lottery at the date of the statement of financial position (2024: £nil).

18. Other financial commitments and contingent liabilities

Financial Commitments

At the date of the statement of financial position there were financial commitments representing film rights investments made by the BFI where the investment decisions had been taken by the BFI and notified to the applicants but either the contracts had not been signed and/or the conditions precedent not met. Therefore work had not commenced on the assets in which the BFI is investing, so neither the asset nor the matching liability are represented in the statement of financial position at that date.

	At 31 March 2025 £'000	At 31 March 2024 £'000
Prior year awards		
Production awards	15	450
Development awards	38	27
In year awards		
Production awards	329	47
Development awards	151	261
Talent Network awards	61	275
Financial commitments notified but not yet recognised in the financial statements	**594**	**1,060**

Other Contingent Liabilities – Rewarding Success projects in Film Rights

The film rights valuation is based on the value of the initial BFI investment as detailed in the Accounting Policies note above. However on a number of these investments, the BFI Locked Box initiative applies and accordingly there is a potential and contingent liability with regard to the element of the valuation which would be made available to UK-filmmakers. The BFI Locked Box initiative enables UK-filmmakers supported through the BFI to benefit from their film's success. In short, a share of income from supported film productions is put aside (into a BFI Locked Box) and can be used by the filmmakers for the development and/or production of their future projects or towards staff training.

	At 31 March 2025 £'000	At 31 March 2024 £'000
Contingent liability – rewarding success projects in film rights	2,248	2,925

19. Contingent assets

The National Lottery Distributors are entitled to receive a share of the receipts from the sale of land on Queen Elizabeth Olympic Park in return for their contribution of an additional £675 million to the funding of the London 2012 Olympic and Paralympic Games. This was announced in 2007. The arrangements are set out in a legal agreement between the Secretary of State and the Greater London Authority dated 29 March 2012 which sets out the distribution of funds between the GLA and the lottery distributors (via DCMS). The GLA has now advised that the land sales on the Olympic Park are now forecast to return less than £200m with payment beginning no earlier than 2026-27.

BFI will be entitled to receive a portion of the receipts from the sale in line with the 2.705% of the funds available to the good causes that the BFI receives as a lottery distributor.

Due to the inherent uncertainties over such a time period it is not possible to yet quantify the value of such land sales.

20. Related parties

The BFI maintains a publicly available register of Governors' interests. Given their broad experience across the film sector, it is inevitable that Governors have connections with or interests in projects and organisations that may from time to time have come to the BFI for funding. All Governors are therefore required to declare any direct interest in and commercial relationships with award applications made to the BFI and that they had no role in the award-making process. Similarly, BFI employees were excluded from the decision-making around any relevant application involving any organisation or company in which they have a declared interest.

Governors receive no payment for their services and all payments to key management personnel have been disclosed in the Remuneration Report.

During the year the BFI entered into transactions, in the ordinary course of business, with related parties. National Lottery awards are included in film rights at the date of the statement of financial position or written off to expenditure within the year.

All awards outstanding are payable upon the meeting of conditions precedent within individual contracts.

The following related party transactions occurred during the period:

Recipient of funding	Name	Role with BFI	Relationship to recipient of funding	New awards made year ended 31 March 2025	Balance as at 31 March 2025
				£	£
BFI – United on Screen	Ben Roberts	CEO	CEO	–	2,444,670
Film London – British Film Commission	Andrew Smith	Governor	Advisory Board member	735,000	735,000
Independent Cinema Office	Monica Chadha	Governor	Partner is a Trustee/Director	–	1,264,065
Landmark Theatres Ltd	Harriet Finney	Deputy CEO	Trustee/Director	–	1,600
Luscious Delicious Limited	Eleanor Whitley	Governor	Director	–	2,500
Number 9 Films Ltd	Elizabeth Karlsen	Governor	Director and shareholder	–	16,000
Revolution Software	Charles Cecil	Non-governor co-opted committee member	CEO	–	17,500
Screen Yorkshire	Charles Cecil	Non-governor co-opted committee member	Board member	–	820,000
Zip-line Productions Ltd	Eleanor Whitley	Governor	Director	–	4,700

Anwen Griffiths, a Governor of the BFI and a member of the Board's Audit, Risk and Governance Committee, is Director of Legal at BBC FIlm. BFI Filmmaking Fund awards were made to 5 projects in the year ending 31 March 2025 that were co-funded by BBC Film. BFI Governors have delegated award decision making to the Chief Executive Officer and take no part in the process.

A number of BFI Governors and Staff are members of BAFTA, but with no formal management or governance role therein. BAFTA received lottery awards in the year ending 31 March 2025 totalling £30,000 (2024: £30,000) of which £6,000 (2024: £6,000) remained payable at that date.

The BFI is a non-departmental public body sponsored by the Department for Culture, Media and Sport (DCMS). DCMS is regarded as a related party and during the year the BFI, as a Lottery distributor, had material transactions with DCMS.

Awards made under the National Lottery etc. Act Section 27 dispensation

Using the power granted by the Section 27 of the National Lottery etc. Act 1993 the Secretary of State did not object to a award of £3.78m in relation to the National Film and TV Archive under the Our Screen Heritage scheme. The award was made in June 2023 and, as at 31 March 2025, £2.45m remained undrawn (2024: £3.6m) and this is shown as an award commitment in these financial statements.

21. Events after the reporting period

At the time of signing the accounts there were no other events after the reporting period, either adjusting or non-adjusting which require disclosure in the financial statements. The accounts were authorised for issue on the date the Comptroller and Auditor General signed the auditor's certificate and report.

The Accounting Officer authorised these financial statements for issue on the date of certification.

Schedule 1: New Lottery commitments (unaudited information) in the year ended 31 March 2025

All awards and delegations approved by the Lottery Finance Committee in the year to 31 March 2025 are listed below. In the financial statements these are represented as Non film right awards on the Statement of Comprehensive Net Expenditure (£9.9m), £14.7m were taken to the statement of financial position and subsequently impaired, with the remainder (£1.1m) disclosed within Other Financial Commitments in the notes to the accounts.

Producer	Project	£
Altitude Film Distribution Limited	Sister Midnight	78,000
Borderlines Film Festival C.I.C.	Borderlines Film Festival 2025	59,000
Bradford Culture Company Limited	Bradford: A City Of Film	451,560
British Federation of Film Societies (The)	2025 and beyond – Ensuring 100 More Years of UK-wide, Diverse Audiences for Volunteer-led Cinema	92,000
Conic Films Limited	In Camera	46,250
Dartmouth Films Limited	Cinema release of The Stimming Pool	35,000
Dogwoof Ltd	Black Box Diaries	33,469
Dogwoof Ltd	Ernest Cole: Lost And Found	58,000
Edinburgh International Film Festival Limited	Developing and Diversifying Audiences for 'A 77 Year Old Start-Up' Through Partnership Working	70,000
Hong Kong Film Festival UK CIC	Building new audiences and communities	43,680
International Documentary Festival Sheffield	Audience Growth 2025	180,000
London Indian Film Festival Limited	London Indian Film Festival etc 2024	75,000
London Short Film Festival Ltd	LSFF: New Spaces	70,000
Manchester Animation Festival Ltd	Understanding Audiences	20,100
MilkTea Films CIC	Supersize MilkTea	92,200
MINT Chinese Film Festival CIC	Mint: Release of An Unfinished Film	19,016
Modern Films Entertainment Ltd	Green Border	50,000
Modern Films Entertainment Ltd	Girls Will Be Girls	33,500
Modern Films Entertainment Ltd	Memoir of a Snail	60,150
Mubi UK LIMITED	Crossing	50,000
Peccadillo Pictures Ltd	The Summer With Carmen	44,000
Queer East CIC	Queer East Festival 2025 and 2026	200,000
Royal African Society	Film Africa 2024	50,000
Slapstick Festival Ltd	Slapstick Festival 2025	45,500
The Arab British Centre	SAFAR 2024 digital mkting etc	40,656
The Arab British Centre	SAFAR Film Festival 2025	49,850
The Festivals Company Ltd	Iris amplified	50,000
The Glasgow Film Theatre	Glasgow Film Festival 2025	115,000
The London Kurdish Film Festival	London Kurdish Film Festival	23,250
TheSpace C.I.C.	Libraries Digital Network: Building VR Film Touring	190,000

Producer	Project	£
Tyneside Cinema	This Must Be the Place	300,000
UK Jewish Film Ltd	UK Regional Audience Project	115,000
University of the Arts London	Grounded: Fashion's Entanglements with Nature	37,916
Vertigo Releasing Limited	TimeStalker	38,578
Zeppo Arts CIC	Kneecap	60,000
	Audience Fund	**2,976,675**
104 Projects CIC	No Funny Business	84,750
Crossover Labs Ltd	Immersive Fictions Lab	109,515
Film Constellation Ltd.	UK Next Wave Lab	150,000
Screen South	Develop-CreateXR	91,300
Story Compound Limited	The Residency	136,000
The Glasgow Film Theatre	Funny Features	107,890
Trans+ On Screen Ltd	The DarkRoom – a Film Development Lab	147,620
	Creative Challenge Fund	**827,075**
65 Wilding Films Ltd	Pilgrim	18,350
Abka Creative Ltd	P Ward	25,050
Air Street Films	Duppy	39,500
Anti-Worlds Film & Television Ltd	Skin Lane	27,500
Anti-Worlds Film & Television Ltd	The Image of a Drawn Sword	37,500
Archface Films Ltd	Inigo + Sara	25,435
Bluebird Film Production Ltd	Win	28,775
Bona Dea Films Limited	No. 2 Daughter	27,250
Bosena Ltd	Rose of Nevada	100,000
Braintrust Productions Limited	Afrokicks	27,500
Bright Pictures Limited	Strikers in Saris	18,500
Brock Media Limited	Extra Geography	100,000
Caleb Productions Ltd	Fur	20,800
Caspian Films Limited	The Spoils	21,250
Caspian Films Ltd.	If Love Should Die	54,520
Channel X Hopscotch Ltd	Lashers	29,000
Come Into The Fold Ltd	Burma	22,500
Compact Ltd	The Pharmacist	20,750
Custard Productions Ltd	Animol	100,000
Delaval Film Ltd	My cells are trying to kill me	29,500
Devisio Pictures Ltd	Genera	100,000
Elation Pictures ltd	Toad	15,875
Element Pictures UK Lfd	Pillion	100,000
Erebus Pictures Limited	A Hand Rises	100,000

Producer	Project	£
Girl Almighty Ltd	Girl Almighty	2,150
Good Gate Developments Limited	The Clink	10,000
Hillbilly Films Ltd	Tin Man	32,000
Home Team Content Ltd	Carabao	30,500
Hot Property Films Limited	Curiosities of Fools	25,050
Ida Rose Ltd	Finding Samuel	53,200
Inflammable Films Limited	Vamp	19,250
Inflammable Films Limited	The Quiet Men	42,500
Jam Tomorrow Productions Limited	Hyper Hyper	8,000
JOI PRODUCTIONS LIMITED	Loco Parentis (fka Mine)	11,000
Joi Productions Limited	Mother Country (fka The Colony Rooms)	25,500
Lunar Lander Films Limited	Ginger	28,000
Makadam Films Ltd.	Kollam	139,317
Maya Vision International Limited	Our Kind of Love	21,500
Meduza Meduza Limited	Monster in the Lake	30,000
Met Film Production Limited	Edith & Kim	36,500
Montgomery Avenue Productions Ltd	Madelaine	31,665
Moonspun Films Limited	I See Buildings Fall Like Lightening	100,000
Mother Tongues Films LTD	Vapours	19,380
MVG Films Limited	Rest & Be Thankful	39,870
Ossian International Limited	Lady	100,000
Other Productions Limited	An Immaculate Conception	27,000
Other Productions Limited	Dam The Blood	26,860
Parkville Pictures Limited	The Buckler	24,500
Peach House Ltd	Lit	25,500
Pencil Trick Productions CIC	There Will Be Love (fka I Want Love)	20,500
Pop Paper City LTD	Journey to Pop Cloud Island	91,000
Potboiler Productions	At Hawthorn Time	2,500
Primal Pictures Ltd	Ish	100,000
Public Dreams Limited	Wild Card	30,500
Pulse Films Limited	Pig Eyes	16,750
Pulse Films Limited	Embers	1,000
Rapt Pictures Ltd	Not Drowning	33,450
Rapt Pictures Ltd	Sage	25,500
Recurring Dreams Limited	Throwing Stones	22,350
Red Breast Productions Ltd	What The Shed Saw	36,200
Revolution Films Limited	All the World	24,350
Rowdy Entertainment	Little Isis	27,000

Producer	Project	£
Rowdy Entertainment	You Get Me?	6,250
Silver Salt Films Ltd	The Sleeping Woman	16,500
Sixteen Films Limited	Light of the Living	28,000
Steel Made Films Limited	Spring's A Girl	18,500
Steel Made Films Limited	Innocence	49,800
Sungazer Limited	Gumballs	30,000
Sweetdoh Limited	Out There	125,352
Tedium Entertainment Films Ltd	Catch a Butcher	21,250
Tough Crowd Limited	Occupational Hazards	57,300
Tyke Films Ltd	We Are Dancers	20,500
Unleyek Ltd	KINiG (working title)	28,500
Vicarious Productions Limited	Little Arrows	27,500
	Development Fund	**2,859,349**
All Before You Ltd	All Before You	755,000
An Rosen Wynn Ltd	Rose of Nevada	1,275,000
Animate Projects Productions Ltd	Re-Mind	95,500
Artemisia Films Limited	Deliverance	10,699
Brock Media (Geography) Ltd	Extra Geography	980,000
Come Into The Fold Ltd.	Retreat	626,185
Custard Productions Ltd	Animol	378,333
Devisio Pictures Ltd	Genera	650,000
Dream Space Films Ltd	Genera	15,000
Element Pictures PLN Limited	Pillion	916,500
Hamlet Film Production Limited	Hamlet	115,005
House Bird Limited	Bird	13,745
Kollam Film Limited	Kollam	980,000
Luscious Delicious Ltd	Sweet Dreams	15,000
Mainland Lady Limited	Lady	900,000
Moonspun Films Limited	I See Buildings Fall Like Lightning	1,055,000
Primal Pictures Ltd	Ish	1,020,000
Sebastian Film LTD	Sebastian	30,000
Second Home Studios Ltd	Beachcomber	5,000
Starsesh Limited	Out There	1,009,000
Temple Carrington & Brown Ltd	Not on My Watch	115,224
Them Ones Productions Ltd	Leaving Ikorodu In 1999	1,300
Various	Animation Consultant	20,000
	Production Fund	**10,981,491**
Bardena Films Ltd	Smooth The Edges	24,000

Producer	Project	£
Born by a River Ltd	Win	50,460
Bosena Ltd	Pen Mari	20,000
British Academy of Film and Television Arts (The)	BFI Flare x BAFTA Mentoring Prog 2025	30,000
Cardel Entertainment Limited	Daddy's Girl	19,986
Cassandra	Catherine McDermott	11,300
Catriona Marie Kelly	Chokehold	24,000
Centre Seat Ltd	One Year Away	18,000
David Ajayi	Daddy Daze	20,158
Dearly Departed	Behnam Taheri	12,500
Evgenia Golubeva	The Green Man of Winter	12,500
Fieldwork Productions Ltd	Bare Roots	19,062
Film London	Regional Film Hub	18,000
Gee Gee Productions Ltd.	Green Grass	64,332
Grace Okyere-Fosu	The Launch	18,759
Grizzly Squirrel Productions Ltd	The Flower Witch	32,900
Hot Coals Theatre Limited	Birdhouse	37,223
Idle Work Factoy Ltd	Dynamite Dealer	19,500
Iron Box Films Ltd	Alterations	24,473
Ivybridge Productions Ltd	Toad In The Hole (FKA Out For Delivery)	10,000
Lemon Top Pictures Ltd	In His Name	19,945
Little Stitch Productions Limited	Uncool	23,997
Loaffilms Ltd	The Butcher	28,287
Loom Pictures Limited	I Don't Live Here	18,480
Marauder Pictures Limited	Baby	21,050
Mirrorless Limited	For Better	15,000
My Name is Mud	Joseph Walter Inman	12,475
Rockall Films Ltd	Giants	23,500
Rooscreen Ltd	Playground	15,000
Sophia Shek Ltd	Dread	25,000
Sourpuss Productions Ltd	Tumtum (FKA Throat of the Ram)	18,000
Spit It Out Productions Limited	Yellow Bucket	18,000
Tenisha White Films Ltd	Hard food	20,000
The Druid Arms Ltd	Meat Raffle	21,500
Thirteen8 Productions Limited	Starboy	24,000
Various	BFI NETWORK@LFF 2024	35,000
Vengiance Productions Ltd	Shall We Meet Tonight (FKA Life Elsewhere)	25,000
Wabdh Film Ltd	We're All Black Down Here	26,620
Willow Films Ltd	Happy Snaps	10,500

Producer	Project	£
Zoya Films Ltd.	Moderator	25,473
28 awards < £10,000		103,588
	NETWORK Fund	**1,017,568**
DotEcon Limited	Regulatory policy around online AV	60,000
Harlow Consulting Services Ltd	Screen Heritage Skills research	50,000
Informa Telecoms & Media Ltd	RSU data and services purchase 2024-2025	42,452
Nordicity Ltd	Research on training routes: Education to Employment	110,000
Various	RSU data and services purchase 2024-2025	284,152
	Research Fund	**546,604**
Various	Group Attendance – CPH:DOX 2025 – Immersive	9,429
Various	Group Attendance – First Playable Italy – June 2025	11,000
Various	Group Attendance – International Documentary Festival Amsterdam (IDFA) 2024	14,000
Various	Group Attendance – International Film Festival Rotterdam (IFFR) 2025	13,182
Various	Group Attendance – Paris, 2025 – UK-France Co-production Meetings	19,000
Various	Group Attendance – San Sebastian Film Festival 2024	9,272
	International Fund	**75,883**
Good Work Programme for Screen	Counterculture Partnership LLP	1,500,000
The Research Centre	International Horizons: Scripted	300,000
	Skills Fund	**1,800,000**
Bulldozer Films Ltd	Wales – Film Academy Short Course	73,200
Bulldozer Films Ltd	Visual Effects – BFI Film Academy Specialist Course	80,000
Calling the Shots Films Limited	Film Academy Specialist Course	75,840
CTVC Limited	Editing and Post Production – BFI Film Academy Specialist Course	80,000
Day One Trust	Hair, Wigs, Makeup & Prosthetics – BFI Film Academy Specialist Course	49,850
HOME, Greater Manchester Arts Centre	Film Academy Short Course	20,000
Screen Education Edinburgh	Scotland – Film Academy Short Course	73,200
Screen Education Edinburgh	Production Management – Film Academy Specialist Course	80,000
The Nerve Centre Ltd	Film Academy Short Course	73,200
The Sheffield Media and Exhibition Centre Limited	Film Curation and Archiving – Film Academy Specialist Course	80,000
The Sheffield Media and Exhibition Centre Limited	Film Programming and Audience Development for Exhibition – Film Academy Specialist Course	80,000
University of Lincoln	Cinematography – BFI Film Academy Specialist Course	64,000
Watershed Arts Trust Limited (The)	South West of England – Film Academy Short Course	91,500
	Film Academies	**920,790**
Chapter (Cardiff) Limited	Places Fund Pilot – North	100,000

Producer	Project	£
Flatpack Projects	Shropshire Film Campaign	100,000
The Sheffield Media and Exhibition Centre Limited	Places Fund Pilot – North	100,000
	Places (National Cluster Growth) Fund	**300,000**
Code Coven Academy C.I.C.	Project Aurora	100,000
Film London	Access to Market: Games Publishing Toolkit	100,000
Into Games CIC	Games Insights Database	250,000
King's College London	Intelligent Systems for Screen Archives	192,500
UK Video Game Econometrics	OKRE: Opening Knowledge across Research and Entertainment	60,000
	Innovation Challenge Fund	**702,500**
CaribbeanTales UK Ltd	2025 Cross Continental Forum – Decolonising Co-production.	32,000
Film Export UK	Screen UK stand at Toronto International Film Festival 2024 & 2025	160,000
Film London	Production Finance Market	33,000
Film London	The London Screenings	80,000
La Biennale di Venezia	UK Focus at Venice Production Bridge 2025 (Venice International Film Festival)	48,055
UK Screen Association Ltd	UK Animation Pavilion at Annecy 2025	42,000
Untamed Stories Ltd	Write. Produce. Connect.	8,650
	We Are Film Fund	**403,705**
Film London	Undocumented: Black Home Movie Project	80,000
Manchester Metropolitan University	Improving Accessibility	51,262
University of Newcastle upon Tyne	Hong Kong Independent Cinema: Collecting, Archiving and Exhibiting	79,791
Yorkshire Film Archive	A Moving Image Legacy for Bradford	79,900
6 awards < £10,000		17,814
	Our Future Screen Heritage	**308,767**
Bristol City Council	All Set West	245,425
Create Studios Digital Media CIC	Create Traction: Entry and Early Production Career Developmemt in Swindon, Wilts & Glos	164,047
Screen Cornwall Ltd	Production Ready Pathways	126,969
	Skills Places Fund	**536,441**
Creative England Limited	Production Across England	665,000
	Production Services Fund	**665,000**
Film London	British Film Commission (BFC) – Support for Inward Investment	735,000
	Support Inward Investment (BFC)	**735,000**
	Total 2024-5 awards	**25,656,848**

Schedule 2: New Lottery commitments made by delegate bodies (unaudited information) in the year ended 31 March 2025

Under BFI Lottery Strategy 2023-6 the Documentary Society had been delegated £4.6m of new lottery funds for activity in the period, Screen Skills £1.5m, Creative Scotland and Ffilm Cymru Wales £0.63m each, the Northern Ireland Screen Commission £0.48m, and the British Council £0.7m. The awards made to third party organisations by these delegate bodies from this in the year ending 31 March 2025 are listed below.

Award Recipient	Project	£
British Council		
237 awards < £10,000		175,931
	Total British Council delegated awards	**175,931**
Documentary Society (Doc Soc)		
Artache Ltd	Sacred Kinship Anthem	24,000
Ashiogne Ogene	Portrait of Girl/Girlhood	20,000
Bayak Films Ltd	Everything is Fine	100,000
Beyond Omelas Ltd	Don't Say Rabbit	24,000
Blossomest Blossom Ltd	Stepney Western	24,864
Compound Productions Ltd	The Labyrinth	25,000
Deep Sea Documentary Ltd	Untitled Deep Sea Taxonomy Documentary	100,000
Embankment Films Limited	Strike: An Uncivil War (Miners)	115,000
Fee Fie Foe Films Limited	Landfall	25,000
Flotsam Jetsam Ltd	Flotsam	35,000
Fromage à Trois Ltd	S e Nis an t-Àm/Now is the Time	25,000
Half Nelson Film Production Ltd	Undermine (Half Nelson)	40,000
Ladybird Films Lfd	Les Hijabeuses	50,000
Landfall Film Ltd	Landfall	85,000
Legasea Studio Ltd	Other Mother	21,000
Little Ease Films Ltd	School Reel (working title)	25,000
Margot Films Ltd	Harder Than The Rock	30,000
My Accompolice Ltd	One of Us	125,000
My Generation CIC	Life of Kai – Trans boy to man	20,000
Nelly Inc Ltd	RAP BABY	25,000
No Ghost Limited	Daytimers	150,000
Our Land Limited	Our Land	25,000
Power Play Productions CIC	Holloway	62,000
Puca Pictures Ltd	Finding You	20,000
Simin Productions Ltd	Here to Stay	25,000
Somesuch & Co Limited	Being North Korean	35,000
SPP Film Ltd	Still Pushing Pineapples	35,000
Stiwdio Fforest Ltd	tŷ unnôs	24,000

Award Recipient	Project	£
The Electric Shadow Company Ltd	Hearing Voices Group (pka I'm Not Dangerous)	45,000
The Walnut of Knowledge Ltd	The Walnut of Knowledge	21,431
Ufuoma Essi	Right Hand to God, But Their Eyes Were Watching Me	24,000
Wheesht Films Ltd	Can't Get You Out Of My Head	25,000
14 awards < £10,000		60,886
	Total Documentary Society delegated awards	**1,491,181**
Ffilm Cymru Wales		
1314 Family Style	Chan's	22,000
Bosena Ltd/Simon Clode	The Hunter and the Dragon	24,000
Field Day Films	Marriage Test	22,000
On Par Productions/Toby Cameron	If The Scatman Can Do It, So Can You!	23,990
One Wave Films	Juan	22,000
Patrin Films	The Earth Beneath Margaret's Feet (Sqrauks)	21,000
Riot Time Productions Ltd	Scab	22,000
Sara Schiavone	Extinction	22,000
Stoemp Productions	To be Here	22,000
16 awards < £10,000		35,500
	Total Ffilm Cymru Wales delegated awards	**236,490**
Northern Ireland Screen		
Flickerpix Ltd	Life of Riley	20,000
Holomoon Ltd	Ciotóg	20,000
20 awards < £10,000		67,500
	Total Northern Ireland Screen delegated awards	**107,500**
Screen Skills		
425 awards < £10,000		326,905
	Total Screens Skills delegated awards	**326,905**
	Total awards by delegate bodies 2024-25	**2,338,007**

Statutory background

Statement of compliance with the Government's Lottery policy and financial directions

Financial directions

Under the National Lottery etc. Act 1993, the Secretary of State issued financial directions to the British Film Institute (the BFI). These are as follows:

The BFI shall comply with the requirements contained within the Statement of Financial Requirements, which have the status of directions under section 26 of the National Lottery etc. Act 1993, ("the Act") as amended by the National Lottery Act 1998 ("the 1998 Act").

The BFI has implemented procedures to ensure the provisions of the Statement of Financial Requirements are followed and the BFI confirms that, to the best of its knowledge, it complied fully with the financial requirements in 2024/25.

The BFI shall devise and abide by a procedure for handling potential conflicts of interest which may arise in the evaluation of applications by BFI or individual members of the BFI. This procedure together with a statement confirming the arrangements that have been applied, should be provided to the Secretary of State for Culture, Media and Sport before the distribution of any funds under section 25 of the Act, and thereafter at the beginning of each financial year.

The BFI has in place procedures for dealing with conflicts of interest and, to the best of its knowledge, it abided by this procedure in 2024/25.

Policy directions

Under the National Lottery etc. Act 1993, the Secretary of State for Culture, Media and Sport issued policy directions, which the BFI must take into account in distributing National Lottery funds.

A) The need to involve the public and local communities where reasonably practicable, in making policies and setting priorities.

2024/25 was the second year of delivery of the BFI's 10-year National Lottery Strategy (2023–2033).

The Strategy was widely consulted on in both 2021/22 and 2022/23 with key partners, stakeholders and the wider public.

B) The need to increase access and participation for those sections of society who do not currently benefit from opportunities available in the United Kingdom.

The BFI aims to ensure that equality and diversity are central to all activities thus allowing sections of society to have access to or benefit from funding, taking into account differences in values, attitudes, cultural perspectives, beliefs, ethnic background, able or disabled, skills, knowledge, geography, age and life experiences.

In 2024/25 the BFI continued to operate its Diversity Standards across all the BFI's activities as part of the Screen Culture 2033 strategy delivery. These standards have also been adopted by BAFTA, BIFA, BBC Films, Film4, Paramount, NFTS, Screen Scotland, Doc Soc, Meta and AMPAS.

C) The need to inspire children and young people, awakening their interest and involvement in the activities covered by the good cause.

The BFI is fully committed to education and learning and strongly believes that film has the power to transform the way people see and understand the world and as such has committed a significant investment into the delivery of Lottery programmes for young people.

Into Film has continued to support film in education, providing training to 4,388 educators and 147 career leaders, and reaching an estimated 2,604,000 young people with their resources on film in education. Their activity relating to careers in the screen industry supported a further 1,033 careers leaders via

training and reaching an estimated 270,000 young people, while their Young Creatives activity has supported 822 organisations deliver filmmaking activity. Meanwhile, National Saturday delivered 30 film clubs across England with 478 beneficiaries.

Further, the BFI Film Academy, with additional funding from the Department for Education, enabled approximately 1,115 young people, from across the UK and from any background, aged 16-19 years old to take the first step towards being part of the future film industry.

In addition, the BFI managed a number of other programmes, notably the Venue Education Fund and the Film Audience Network, also focused on 16 – 30 year olds. The BFI's Future film programme also supported over 43,000 young people.

D) The need to improve community cohesion and/or social inclusion.

The BFI ensures that the benefits of Lottery funding are spread widely, in both geographical and social terms. Creativity and diversity in the film sector is enriched by encouraging the participation of people from a wide range of communities.

The BFI's Diversity Standards ensure all its funding works to celebrate and engage people from all backgrounds across the UK, including those from different socioeconomic groups.

The BFI works to bring film and the moving image to the widest possible range of communities across the UK through the Film Audience Network. Comprising a network of over 1,900 organisations and led by a group of 'Film Hub Lead Organisations' in each nation and region of the UK, the network funds projects including community and neighbourhood cinemas as well as local film festivals celebrating all aspects of identity and screen culture.

E) The need to encourage new talent, innovation, and excellence and help people to develop new skills.

The BFI provides opportunities for filmmaking talent to flourish. The freshness and relevance of the films produced have been recognised by the international film industry awards they have won. As well as direct support for filmmaking, the BFI invests in training talent, notably the BFI Film Academy, and in partnership with ScreenSkills, the Sector Skills Council for the audio-visual industry.

As part of the BFI's continuing focus on skills, the BFI introduced a range of skills-focused programmes, as part of its new 10-year National Lottery Strategy.

In addition, BFI NETWORK supported 31 short films and 21 early development projects through their England funds, with additional projects supported through delegate partners in Northern Ireland, Wales and Scotland and through documentary partner Doc Society.

F) The need to ensure that money is distributed for projects which promote public value and which are not intended primarily for private gain.

It has always been a primary intention of the National Lottery that it should improve the quality of life for people throughout the UK.

All applicants, including private, voluntary or commercial organisations, have to be able to demonstrate the benefit to the public that would result from their proposed project. The BFI applies a range of criteria in order to ascertain that an appropriate level of public benefit is derived from the project. The criteria include the creative and technical quality of the project and its contribution towards the BFI's strategic objectives.

G) The need to further the objectives of sustainable development.

The BFI provides leadership and practical support for the wider film industry, including leading the UK-wide Sustainability Group. Following the launch of the British Standard (BS 8909), specifically for film, sustainability is an intrinsic element to the new ten year strategy.

Technological development is supported through encouraging the use of digital production techniques and associated processes.

On location filming of any Lottery-funded films, producers are expected to be sensitive to the needs of the environment and the use of natural resources, returning locations back to their original state in environmental terms, after use.

The BFI works with other Lottery distributors and the Department for Culture, Media and Sport in developing proposals for sustainable development.

H) The importance of ensuring equality of opportunity and the desirability of reducing economic and social deprivation and of ensuring that all areas of the United Kingdom have access to the money distributed.

All parts of the country have access to BFI Lottery funding through applications for training, development, production, education, distribution, exhibition and film heritage activity.

I) The desirability of the British Film Institute working jointly with other organisations, including other distributors.

The BFI undertakes partnership working with all the other Lottery distributors, most notably with Arts Council England, National Heritage Lottery Fund and NESTA.

The BFI delegates funding to the Doc Society in relation to documentary filmmaking and ScreenSkills in relation to skills development.

In addition, the BFI works with a number of key partners notably, Creative UK in support of its strategic objectives that can be delivered at a local and/or regional level; the National Screen agencies of Wales – Ffilm Cymru Wales; Northern Ireland – Northern Ireland Screen; and, Scotland – Creative Scotland; and with partners in the English regions, notably the Film Hub Lead organisations (Film Audience network programme).

J) The need to ensure that all those receiving Lottery money acknowledge it using the common Lottery branding.

The BFI ensures that the Lottery is credited on all projects in receipt of Lottery funding through the use of the credits on films and branding on other materials.

K) The need to require an element of partnership funding, or contributions in kind from other sources, to the extent that this is reasonable to achieve for different kinds of applicants in particular areas.

The BFI requires all applications to include an element of partnership funding where appropriate, to demonstrate commitment to the project. The level of partnership funding required depends on each fund and the activity being supported.

L) The need (a) for money distributed to be distributed to projects only where they are for a specific, time-limited, purpose, (b) to ensure that the BFI has the necessary information and expert advice to make decisions on each application and (c) for applicants to demonstrate the financial viability of projects.

Funding is either provided on a specifically time-limited basis or will only benefit individuals while they remain within the definition of a particular programme.

The BFI undertakes an appraisal of each application for funding prior to final decision. The BFI continues to use of the Cabinet Office due diligence tool Spotlight and Enhanced Spotlight as an additional counter-fraud check for its Lottery and Grant in Aid funded activities and will expand the remit across other non-Lottery funded programmes.

The BFI reserves the right to request that applicants provide any additional information that may be required in order to properly assess their application, in addition to the requirements set out in the application guidelines. It also seeks, where necessary, the confidential, independent and objective views of expert advisers. As a publicly accountable body, the BFI has a duty to ensure that National Lottery funds are properly spent and accounted for, that risk is minimised, and that fraud is avoided.

M) Where setting up costs are sought, the need for a clear business plan showing how any running and maintenance costs will be met for a reasonable period.

Financial viability is a key factor in the assessment of BFI Lottery applications and is examined using appropriate criteria for all funded applications in the context of assessing the potential risk of each

Lottery award. Each potential recipient of Lottery funding has to demonstrate that its finances are secure and, in respect of larger projects, sufficient to ensure project exploitation after the funding period.

N) The need to ensure that film is central to the lives of UK citizens, and to improve the quality of British film and raise its profile in the marketplace, by:

i. Expanding education and learning opportunities and boosting audience choice across the UK;

ii. Supporting the future success of British film;

iii. Unlocking film heritage for everyone in the UK to enjoy.

The allocation of National Lottery funds by the BFI is influenced by the need to strengthen the industry's structure and workforce; to improve the quality and commercial viability of British films; and to support the distribution of specialised film in the analogue and digital environments, helping to ensure UK audiences have access to film in all its variety.

O) Where awards are made in relation to feature film production or distribution projects the BFI should take into account:

- A clearly identified target audience for their projects
- The need for recipients of awards for film production to pay the set contribution towards the Skills Investment Fund (SIF)
- The need for recipients of awards to comply with recognised industry best practice and agreements relating to pay and the employment of trainees
- The need to conserve and expand the UK's film heritage by requiring the deposit of Lottery funded productions and other selected material in the collections of the British Film Institute or regional archives
- The need for feature film development and production projects to be capable of qualifying as "British films" in accordance with the procedures set out by the DCMS
- The need to improve public access to film through the use of audio-description and/or subtitling for the hard of hearing.

All relevant projects in receipt of this type of funding are required, contractually, to comply with these conditions.

21 Stephen Street
London W1T 1LN
bfi.org.uk

ISBN 978-1-5286-5922-2
E03414769



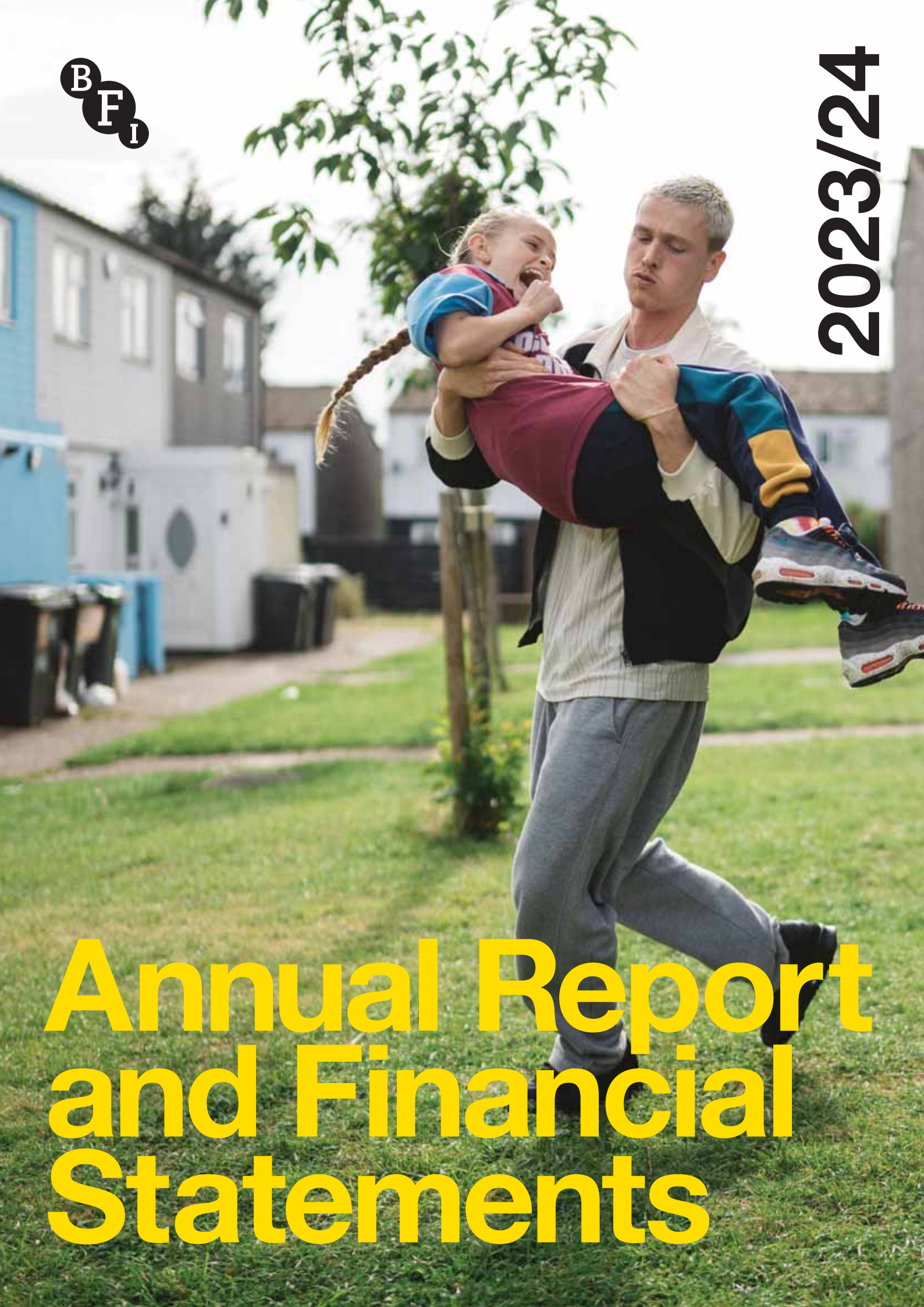
Funded by
UK Government



THE BRITISH FILM INSTITUTE

England & Wales - Charity number 287780

Accounts



2023/24

Annual Report and Financial Statements

Front cover image: Scrapper

BRITISH FILM INSTITUTE
Group and National Lottery Annual Report and Financial Statements for the year ended 31 March 2024

Presented to Parliament pursuant to Section 34(3) and 35(5) of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998 and the National Lottery Act 2006).

Ordered by the House of Commons to be printed on 18 December 2024

Presented to the Scottish Parliament pursuant to the Scotland Act 1998 Section 88

Laid before the Senedd Cymru/Welsh Parliament on 18 December 2024

Laid before the Northern Ireland Assembly on 18 December 2024

Charity Registration no: 287780
Company Registration no: RC000900

HC 452
SG/2024/236



© BRITISH FILM INSTITUTE copyright 2024

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit **nationalarchives-gov-uk/doc/open-government-licence/version/3**.

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

The publication is available at **www.gov.uk/official-documents**.

Any enquiries regarding this publication should be sent to us at **customerfeedback@bfi.org.uk**.

ISBN: 978-1-5286-5099-1
E03170109 12/24

Printed on paper containing 40% recycled fibre content minimum.

Printed in the UK by HH Associates Ltd. on behalf of the Controller of His Majesty's Stationery Office.

Contents

Performance report

06 Purpose, mission and vision

09 Chair and Chief Executive's statements

What we are doing

13 Future audiences

26 Embracing a wider screen culture

30 Reframing the public's relationship with the nation's screen image heritage

43 Growing our digital platforms

50 Future learning and skills

56 Growing the cultural and economic impact of the UK's screen industries

Strategic principles

73 Equity, diversity and inclusion

78 UK-wide

81 Environmental sustainability

88 BFI National Lottery Strategy 2023-2033

94 Funding & Enterprise

How we are doing

101 Key performance measures

103 Financial review

Accountability report

110 How the BFI is governed

114 Remuneration and people report

123 Corporate information

125 Governance statement

126 The risk and control framework

130 Group Financial Statements

131 Statement of Governors and Accounting Officer's responsibilities

176 National Lottery Financial Statements

214 Statutory background

Performance report

Purpose, mission and vision

About the BFI

The BFI was established in 1933 and is a Royal Charter charity. We are also a distributor of National Lottery funds and the Government's lead body for film and the moving image.

We are governed by a Board of up to 15 Governors who bring a range of business and creative insights, and contribute significant expertise from across the screen industries. They include representatives from Wales, Scotland and Northern Ireland.

We currently operate across five sites:

BFI Southbank: Originally opened in 1957 as the UK's National Film Theatre, this is our main public venue. It hosts four cinema screens, the BFI Reuben Library, our Mediatheque, exhibition spaces, bars and restaurants.

BFI IMAX: Our iconic single-screen IMAX cinema contains the biggest screen in the UK at 20 by 26 metres. It is frequently one of the best-performing IMAX sites in the world.

BFI J Paul Getty Jnr Conservation Centre: The BFI National Archive's main 11-acre site, at Berkhamsted, Hertfordshire. It contains interconnected collections storage, laboratories and bespoke collections processing buildings.

BFI Master Film Store: Our 21-acre site near Gaydon in Warwickshire, provides state-of-the-art storage facilities. It holds the national collection of film masters, as well as other key collections from our partners.

BFI Stephen Street: Our headquarters in central London since 1987, home to two viewing theatres and specialist research viewing facilities.

Our purpose

At the BFI we are driven by a collective purpose. We believe society needs stories. Film, television and the moving image help us to connect and understand each other better. We share the stories of yesterday, search for the stories of today, and shape the stories of tomorrow.

This purpose is built on:

Storytelling

The moving image brings stories to life, helping us all see the world through different lenses – so that we can understand each other better.

Choice

We stand for choice and difference. We champion over 100 years of the moving image in all its forms to create the greatest possible choice, access, and opportunity for all.

Opportunity

We work to keep screen culture vibrant. We drive the industry forward, inspire the artistic evolution of future talent, and expand the possibilities of storytelling.

Discovery

We help people get more out of their screen culture. We place it at the heart of our cultural lives for all to discover and delight in, and use it to teach us about the past, present and future.

Connection

We use the transformative power of screen culture for social good. We tell stories and start conversations that bring people and communities together.

Screen Culture 2033

Our mission

We want to create the conditions in which screen culture and the UK's screen industries can thrive – across the UK and around the world.

We do this by:

- Growing and caring for the BFI National Archive, the world's largest film and television archive.
- Offering the widest range of UK and international screen culture to audiences through our online and in-venue programmes and festivals.
- Using our knowledge to educate and deepen public appreciation and understanding of film, TV and the moving image.
- Supporting creativity and actively seeking out the next generation of UK creators.
- Working with the Government and industry to ensure the continued growth of the UK's screen industries.

Our vision

We will transform access to our programmes, screen culture, and jobs across the whole of the UK.

We will do this by focusing on the diversity of our audiences, expanding our work to fully embrace television and video games, reframing the public's relationship with the BFI's collections, investing in the growth of our digital platforms, and working with the industry to deliver long-term strategies for education, skills, and net zero.

Our strategy builds upon this vision through our six ambitions:

a. Transform our relationship with public audiences and be widely known as an open house for the discovery and enjoyment of film and the moving image.

b. Achieve wide appreciation of the cultural, social, and economic value of the full breadth of screen storytelling, including video games.

c. Establish the BFI National Archive as the most open moving image collection in the world.

d. Radically reform all BFI services by making them easy to use and widely available online, reaching more people and delivering more of the cultural programme digitally.

e. Reframe the educational value of screen culture with policymakers, educators and parents, and support a skilled and sustainable workforce that reflects the UK population.

f. Drive growth and international success across the screen sector, and address market failure through our funding schemes, policy, and evidence.

Chair and Chief Executive's statements

I am thrilled to step into the role of Chair of the BFI, taking up this position on 16 February 2024, towards the close of the financial year covered in this report.

As an engine room of British screen creativity, the BFI is uniquely positioned to drive innovation, develop talent, and preserve the heritage of film and the moving image. It's here that bold ideas are nurtured, and creative risks are supported—fuelling a vibrant ecosystem that powers the breadth of the UK's film, television, and interactive industries.

I'd like to thank my predecessor, Tim Richards, former Chair of the Board of Governors, for his dedication in steering the BFI towards new opportunities and growth. Now, as we embark on our Screen Culture 2033 strategy and further our commitment to National Lottery-funded initiatives, I'm excited to build on this momentum to broaden the reach of screen culture and foster an industry that represents the rich diversity of British voices.

My career has been built in the UK creative sector, largely in public service, where I've seen the transformative power of storytelling. I deeply believe that great creative work can shift perspectives, challenge conventions, and open up conversations we might not otherwise have. In my roles with Apple TV+, BBC One, Channel 4, and Channel 5, I've been privileged to support work that resonates on a global scale, and I bring that commitment to championing powerful storytelling here at the BFI.

The BFI's impact extends across every stage of British screen creativity—whether by investing in emerging voices, preserving our cultural heritage, or building pathways for careers across the industry. It's an organisation that offers audiences, both in the UK and around the world, access to the stories that matter and inspire.

Together with our Board of Governors and our executive team, I am confident that we will ensure the BFI continues to thrive as a global leader in screen culture, solidifying its role as the beating heart of British creativity.



Jay Hunt OBE
Chair, Governor

Screen culture and creativity is by nature dynamic, expanding as technology develops to encompass new forms and offer new creative possibilities. At present it includes film, television, digital media and video-sharing, extended reality (XR) and video games. Despite its hugely influential role, universal appeal and the creative enrichment it offers, screen culture is often undervalued in relation to other artforms. At the BFI we're here to advocate for and grow screen culture, to celebrate its positive impact on society, and to widen access to everyone.

This was the first year of our new 10-year strategy, Screen Culture 2033, in which we set out our ambitions for the next decade and the route plan to get us there, responding to the needs of UK audiences and the screen industries. A year in, that work has begun. 2023 was also the first year of our new BFI National Lottery Strategy in which we introduced 19 new BFI National Lottery funded programmes comprising 33 strands.

An important part of the BFI's role is advocacy in supporting industry including filmmakers, which is why we welcomed the introduction of UK's new Independent Film Tax Credit (IFTC) for films made on production budgets up to £15 million, as announced in the Government's 2024 Spring Budget. We believe the IFTC will prove transformational for UK independent filmmaking, in what is an increasingly challenging landscape. Enjoyed by audiences at home and worldwide, UK independent filmmaking and storytelling has been, and is an important part of our cultural lives, and it is also critical to the success of our wider industry ecosystem as an entry point for emerging talent.

Like many filmmakers working today, Christopher Nolan's career began in independent film. In February, in recognition of his remarkable achievements and contribution to the cinematic artform, we presented Nolan with the BFI's highest honour, a BFI Fellowship. Nolan also visited the BFI National Archive; an advocate for film preservation, restoration and archiving, with a passion for the history of the medium, his commitment to film conservation corresponds closely with our ambitions for Screen Culture 2033.

Public audiences filled an 'in conversation' event with the filmmaker at BFI Southbank, and his accompanying Sight & Sound cover and interview, published in the lead-up to his enormous success at the Oscars®, was our highest-selling single issue of the year. BFI IMAX sold out at screenings of *Oppenheimer* on 70mm celluloid following a season of his earlier films in the countdown to the film's release.

BFI Film on Film, which took place at BFI Southbank in June 2023, was the UK's first major film festival dedicated to celluloid. Employing the full gamut of film formats, including 16mm, 35mm, 70mm and Super 8, as well as rare highly flammable nitrate prints and screenings of vintage dual-strip 3D productions, it was curated almost exclusively from films in the BFI National Archive. A generation of young film-goers have grown up without seeing film projected on film and this festival offered them that experience.

The culmination of many years of work in film preservation, rights acquisitions and partnership development, *Cinema Unbound: The Creative Worlds of Powell and Pressburger* celebrated the UK's greatest filmmaking partnership and brought the filmmakers back into the public consciousness. The retrospective included world premieres of brand-new BFI National Archive restorations, and a series of live events headlined by our collaborator, Oscar®-winning film editor, Thelma Schoonmaker. A touring programme in partnership with the BFI Film Audience Network saw more than 600 screenings and events take place across all four nations of the UK. Following this domestic success, the Powell and Pressburger international tour then launched at the Australian Cinematheque in Brisbane in February, with many more venues to follow.

It's one of our Screen Culture 2033 ambitions to widen access so that audiences of all backgrounds, everywhere in the UK, can enjoy exciting and thought-provoking films of every era. In February and March 2024, our partners ElevenFiftyFive launched our National Lottery Escapes screenings – free for anyone to attend in approximately 150 cinemas across the UK – with the new independent drama *The Iron Claw* and British comedy *Seize Them!*. Alongside this programme, working in partnership with the BFI Film Audience Network (FAN), the new National Lottery initiative SPOTLIGHT will focus on eight locations across the UK, each identified as having little or no screening provision, including Newry and Mourne, Sunderland, the Moray Firth area, and rural Conwy.

The UK's largest film event on the calendar, the BFI London Film Festival (LFF), welcomed more than 800 international and UK filmmakers, series creatives, and immersive art and extended reality artists who presented their work to public and industry audiences. In addition to the LFF's world, international and European premieres, LFF on Tour presented screenings with partner cinemas across the UK including at the Broadway Cinema in Nottingham, Chapter in Cardiff, Glasgow Film Theatre, HOME in Manchester, MAC in Birmingham, Queen's Film Theatre in Belfast, Showroom Cinema in Sheffield, Tyneside Cinema in Newcastle and Watershed in Bristol. The festival's Industry Forum welcomed international and UK industry delegates, whilst LFF for Free offered 50 public events including family-focused activities. 54% of ticket-bookers to LFF screenings were new to the festival.

We are also expanding the audiences we can reach across the digital sphere. This year, our streaming platform BFI Player reached its highest-ever level of subscribers, with over 2.4 million views of feature films this year. We committed in Screen Culture 2033

to developing our next generation streaming service, and with investment now in place, including £1 million from the Uggla Family Foundation, we have laid the foundations to deliver this service.

In 2023/24 the UK's largest screen, BFI IMAX exceeded its annual target by a phenomenal 33.65%. It was the highest grossing IMAX site in the Europe, the Middle East and Africa (EMEA) market, and the second highest globally (the highest has a much larger capacity). For *Oppenheimer*, it was the highest grossing IMAX in the world. In total, BFI IMAX screened over 150 titles, showing some of the latest UK films releases including IMAX blockbusters, and co-presenting cultural cinema seasons with BFI Southbank, alongside all-nighters and all-dayers for dedicated film fans.

The screen industries make a significant contribution to the UK economy but it's crucial that there is a skilled workforce that reflects the UK-wide population to meet their demand. This year we launched a range of Screen Culture 2033 National Lottery funded programmes focused on this challenge, including six new Skills Clusters, locally based partner organisations focused on training people and building crew bases at seven key production hubs across the UK. A Careers and Progression Programme with Into Film will help 11–16-year-olds understand the range of career paths that are available to them within the screen industries.

This year, three of our BFI Filmmaking Funds titles, *Rye Lane, The Old Oak* and *The Unlikely Pilgrimage Of Harold Fry* were among the Top 20 highest grossing UK independent films of the year. Raine Allen-Miller's *Rye Lane* reached £1 million at the UK box office and Ken Loach's *The Old Oak*, which received an 8-minute standing ovation in the Grand Théâtre Lumière in Cannes, took £1 million at the UK box office and almost £6 million internationally. Hettie MacDonald's *The Unlikely Pilgrimage Of Harold Fry*, starring Jim Broadbent and Penelope Wilton, had a spectacular theatrical run reaching well over £3 million at the UK box office.

Scrapper, the debut feature film of BFI NETWORK backed filmmaker Charlotte Regan, also struck a chord with audiences, taking £700k at the UK box office and becoming the most popular title for the year on BFI Player, with over 30,000 views to date. Molly Manning Walker's *How to have Sex* won the *Un Certain Regard* prize at the Cannes Film Festival and and Mia McKenna-Bruce's performance in the film won the public vote for BAFTA's EE Rising Star Award.

International sales of UK titles including *Scrapper* and *The Old Oak* were supported by the UK Global Screen Fund (administered by the BFI for the Department for Culture, Media and Sport), which made 102 awards this year to support the UK's independent screen sector in the areas of international development, production, distribution and promotional opportunities.

In this first year of our new 10-year strategy, we have made huge strides towards delivering Screen Culture 2033. We are transforming access, bringing in new audiences from communities across the UK via our cultural programme, festivals and Player, creating opportunities for everyone to build a relationship with the BFI and experience the benefits of the screen culture. Through investing National Lottery funding in programmes to support filmmakers, screen creativity, and learning and skills development we are nurturing the next generation of our creative workforce and filmmakers, supporting job creation and contributing to growth opportunities for the economy. Access to our resources, National Archive and learning opportunities is being transformed though enhanced digital reach, allowing everyone to easily access and benefit from everything the BFI does. Through our partnerships, research and policy work we continue to explore and encourage innovation across the screen sectors, growing the cultural and economic impact of the UK's creative industries.

As we move further ahead, we will build on what we have accomplished this first year. We look forward to continuing this journey with you.



Jay Hunt OBE,
Chair, Governor



Ben Roberts,
Chief Executive

What we are doing

Future audiences

Future audiences



Image: Peter Li

Transform our relationship with public audiences and be widely known as an open house for the discovery and enjoyment of film and the moving image.

By 2033, we will have transformed our relationship with the public, and be widely known as an open house for the discovery and enjoyment of film and the moving image.

We want to welcome new and occasional audiences into a year-round and lifelong relationship with screen culture and the BFI. We want to encourage audiences to experience a thrilling sense of discovery of new and historic voices, technological advancements and different forms of screen storytelling. We will take a more egalitarian approach, making our online and **physical spaces** welcoming and inclusive for all. We will ensure anyone can afford to seek out something different. And we will not be afraid of populism and of embracing work with wider appeal.



Image: Tim Whitby

Programme highlights

Diversifying our audience is about challenging and expanding the traditional 'canon' of film by celebrating the full breadth of cinema, so that all audiences see themselves and their histories on screen. In 2023/24 the BFI's cultural programme was home to fresh UK talent, international auteurs, classic Disney, masterly television dramas and the celebration of a hugely influential 20th century collaboration.

A major retrospective of a great filmmaking partnership, ***Cinema Unbound: The Creative Worlds of Powell and Pressburger*** was a multi-platform programme presented to audiences UK-wide from 16 October to 31 December. The BFI Southbank programme included nitrate screenings, world premieres of new BFI National Archive restorations, and a series of live events headlined by **Thelma Schoonmaker**. Between 10 November 2023 to 7 January 2024, 7,500 visitors also came to see 100 previously unseen hand-illustrated original production and costume designs for *The Red Shoes* (1948), *The Tales of Hoffmann* (1951), and *Peeping Tom* (1960), along with treatments, scripts, behind the scenes photographs and posters, from the BFI's Special Collections in the *The Red Shoes: Beyond the Mirror* exhibition.

Cinema Unbound screenings at BFI IMAX expanded the season's reach to its big-screen audience while a touring programme in partnership with the BFI Film Audience Network (FAN) saw over 600 screenings and events take place across the UK. Highlights included a series of screenings in Orkney, Mull, the Isle of Tiree and Oban, celebrating Powell and Pressburger's island films, which were shot in these locations, *I Know Where I'm Going!* (1945) and *The Edge of the World* (1937); and immersive screenings of *The Red Shoes* (1948) at Exeter Cathedral and *A Matter of Life and Death* (1946) at Nympsfield Airfield Aerodrome.

On BFI Player, there were Powell and Pressburger films available for free, for rental and on subscription, including archive rarities, collectively garnering over 10,000 views. For at home audiences looking to augment their physical film collection, the new BFI restoration of *Bluebeard's Castle* (1964) received a Blu-ray release.

The Powell and Pressburger international tour began at the Australian Cinematheque in Brisbane in February 2024, and will travel to more venues throughout 2024/25. A £10,000 grant from the BFI Film Audience Network enabled digital subtitling and audio description on key titles for the first time, enabling access to this important catalogue for wider audiences.

Powell and Pressburger's enduring influence and relevance was exemplified by BFI Distribution's parallel release of Joanna Hogg's *The Eternal Daughter* into 100-plus cinemas. This was our second collaboration with US producer/distributor A24, alongside *Internal Reflections,* a BFI Southbank retrospective of Hogg and her influences. *The Eternal Daughter* star Tilda Swinton introduced screenings from the *Cinema Unbound* programme and discussed the profound impact of Powell and Pressburger on British cinema today.





Throughout 2023/24, BFI Southbank showcased the best of international and UK cinema, with new releases, film seasons, re-releases of classics and lesser-known titles shown alongside 'in conversation' events with filmmakers and talent. This included a celebration of Disney's centenary, featuring films from the animation studios, live action output, Pixar and Touchstone Pictures, the UK premiere of the new restoration of 1951's ***Cinderella***, silent shorts, and events with academics and animators.

International cinema was also well-represented in the BFI Southbank's cultural programme this year, which included a Dario Argento retrospective (featuring Argento in conversation), a landmark retrospective of Egyptian filmmaker Youssef Chahine, a celebration of the magical work of the Taviani Brothers and partnerships with the UK Asian Film Festival, London Indian Film Festival, Cinecitta, Kinoteka Polish Film Festival, London Korean Film Festival and Focus Hong Kong. In honour of Senegalese auteur Ousmane Sembene's centenary we staged a full retrospective of Sembene's work in partnership with Janus Films, Film Forum, and Film Africa. This included a number of new restorations, a contemporary documentary about his work, and on-stage discussion about his legacy and continued relevance today.

Television continued to form an integral part of our public programme. This included a focus on the work of Tara Prem, who supported stories of underrepresented people in the UK and championed diverse talent over a career spanning three decades; a season celebrating talent from the north of England in partnership with Film Hub North and Home, Manchester; and a selection of television dramas, examining how the once prevalent form of the 'half-hour play' was a training ground for upcoming writers and directors.

Alongside Joanna Hogg's contextualised season, women filmmakers and actors were championed in seasons platforming Greta Gerwig, Dorothy Arzner, Muriel Box and the women who starred in the films of Howard Hawks.

Contemporary talent remained central to the fabric of BFI Southbank, with on-stage appearances by the cast of *Barbie*, new BFI Fellow Christopher Nolan, and career conversations from the likes of Alan Bennett, Michael Mann, Wes Anderson, Brian Cox, Sofia Coppola, Jung Jae-Il, Yorgos Lanthimos, Thelma Schoonmaker and Cartoon Saloon's Nora Twomey.

New voices in UK filmmaking also found strong footholds throughout the public programme. Our *Acting Hard* season explored working class masculinity in cinema, bringing high-profile talent including Danny Dyer, Craig Fairbrass and Shane Meadows together with classic British titles from the 1990s and 2000s.

BFI Doc Society supported documentary ***Name Me Lawand*** *was* released in July 2023 to critical acclaim, reaching a wider audience than initially projected, and the film has since been broadcast on Channel 4. *Name Me Lawand* screenings at BFI Southbank were supported by several Q&As, a local preview at Derby Quad in partnership with The Royal School for the Deaf, and a collaboration with Refugee Week. Sign language interpreters and captioning were available throughout.





BFI London Film Festival

The BFI London Film Festival in partnership with American Express is an opportunity to share the most exciting, highly anticipated films from the UK and around the world with our audiences and to provide filmmakers with international industry visibility. We want to ensure that everyone is welcome, and no one is excluded from discovering, participating in and enjoying the latest cinema and events.

The 67th edition of the festival (4 to 15 October 2023), was the inaugural year for the BFI's new Festival Director and opened with the international premiere of Emerald Fennell's ***Saltburn***. In total, the festival included 29 world premieres, 7 international premieres and 30 European premieres – closing with the world premiere of Kibwe Tavares's and Daniel Kaluuya's ***The Kitchen*** supported by BMW The accompanying Screen Talks programme featured iconic filmmaker Martin Scorsese whose film *Killers of the Flower Moon* also screened.



In 2023, 54% of ticket-bookers were new to the festival, and participation extended far beyond London with a selection of 16 features screening at nine partner cinemas across the UK, including the Chapter Arts Centre, Cardiff in Cardiff, The Glasgow Film Theatre, The Midland Arts Centre in Birmingham, and The Queen's Film Theatre in Belfast.

The festival reached record-breaking audiences with 195,665 in-person attendances and a further 225,577 views online. The festival's total occupancy increased to 90%, up from 87% in 2022 and higher than pre-pandemic levels of 83% in 2019.

Throughout the festival, LFF For Free offered engaging, one of-a-kind events for audiences free of charge, to ensure the festival was accessible to the widest range of audiences possible. The programme presented 50 events including talks, augmented reality walks, film-inspired music nights, and family-focused activities such as *Chicken Run*-inspired model-making with Aardman and Netflix, in celebration of the world premiere of *Chicken Run: Dawn of the Nugget,* robot-making and a Dancing Queen hip-hop dance class. 14 free shorts were also available digitally on BFI Player.

LFF Expanded, the festival's immersive art and extended reality strand, included a three-week showcase of nine works by creators working across interactive virtual reality, screen-based installations and augmented reality; a free to view installation; two free augmented reality walks along the Thames and Trafalgar Square and additional works at Outernet London and the Science Gallery London.

The festival welcomed more than 800 international and UK filmmakers, immersive art and extended reality artists and series creatives to present their work. The programme offered 252 titles (features, shorts, extended reality works and series), from 92 countries and featured 79 languages with 39% of works from female and non-binary filmmakers.

LFF's Industry Forum events were attended by 3,649 delegates. Industry events included the LFF Works-in-Progress showcase, a Buyers and Sellers Day, and Press and Industry screenings. LFF Spotlight conversations included Walt Disney Animation Studios Chief Creative Officer and filmmaker Jennifer Lee; the Chief Executive Officer of leading French sales company Charades Carole Baraton; and Emile Sherman, Iain Canning and Helen Gregory from leading independent film and TV production company, See-Saw Films. The LFF Critics Mentorship Programme supported six aspiring writers from under-represented backgrounds, and an inaugural DDA Accelerator Programme, a partnership with the festival, gave opportunities to crews and social media outlets on the red carpet to gain experience and have their work featured on The British Blacklist.





BFI Flare: London LGBTQIA+ Film Festival

One of the world's most significant LGBTQIA+ film events, the 38th edition of BFI Flare: London LGBTQIA+ Film Festival took place (13 – 24 March 2024) at BFI Southbank, with special events and DJ nights featuring alongside the festival film screenings. The Opening Night Gala was the European premiere of ***Layla*** (right), attended by the film's director Amrou Alkadi and cast. BFI Flare also featured world premieres of *We Forgot to Breakup, What's Safe, What's Gross, What's Selfish and What's Stupid, Join The Club, What a Feeling* and *Unspoken*. The Closing Night Gala was the world premiere of ***Lady Like*** (left), attended by director Luke Willis and the documentary's subject, Lady Camden.

In 2024 BFI Flare saw a continued growth in audiences with 28,125 attendances across screenings, events and on BFI Player. The festival achieved 87% occupancy at BFI Southbank, up from 85% in 2023, with 54% of ticket bookers new to BFI Flare.

The festival programme presented 58 feature and 81 shorts screened from 41 countries with five world premieres, two international premieres, six European premieres and 23 UK premieres. We welcomed 285 filmmakers and their teams attending in person from 24 countries, including an on-stage Screen Talk with Elliot Page.

BFI Flare also saw the tenth year of #FiveFilmsForFreedom in partnership with the British Council, an initiative which presents five films free to audiences globally, inviting them to show solidarity with LGBTQIA+ communities in countries where freedom and equal rights are limited. The film selection spanned the Philippines, India, Spain, USA and the UK and early viewing figures show the films attracted more than 3 million views online.

It also marked the tenth year of the BFI Flare x BAFTA mentorship programme in partnership with BFI NETWORK with a new group of six filmmaker participants, whilst the festival's redesigned industry programme brought together a day of talks and events looking at LGBTQIA+ cinema behind and in-front of the camera.





BFI IMAX

As well as screening some of the biggest and best films on release in the UK – the BFI IMAX co-presents seasons with BFI Southbank, forming a film hub of two iconic cinemas in the vicinity of London's South Bank.

In 2023/24, BFI IMAX had 305,573 admissions. The venue exceeded its revenue target of £4.76 million by reaching £6.37 million, making BFI IMAX the highest grossing IMAX site in the Europe, the Middle East and Africa (EMEA) market, and the second highest worldwide (the highest has a much larger capacity). ***Oppenheimer***, this year's most successful release, has so far grossed £2.24 million – the highest IMAX box office return worldwide.

Other key releases included *Mission Impossible: Dead Reckoning Part 1, The Super Mario Bros Movie, Guardians of the Galaxy Volume 3, Spider-man: Across the Spider Verse, Napoleon, Stop Making Sense*, *Indiana Jones and the Dial of Destiny, Killers of the Flower Moon* and *Dune: Part 2* which opened on 1 March 2024.

BFI IMAX seasons included *Christopher Nolan Countdown to Oppenheimer* and *Sci-fi: Into the Future Now* and this year six new programming strands were created for the venue: sci-fi (featuring *Gravity 10th Anniversary*); IMAX short documentaries (including the phenomenally successful release of new film *Fungi: Way of Life*); anime (through an on-going partnership with Ghibliotheque); music (*Dance Craze*); family and special events (*Samsara, Godland, Anselm,* Abel Gance's *Napoleon*, Eurovision); and all-dayers (such as *The Lord of the Rings, Back to the Future*) and all-nighters (*The Matrix, Mad Max, Batman*). A special all-nighter for *SCALA!!!* coincided with the release of the BFI Doc Society Fund supported film and the season.

The BFI's 'one programme' strategy means BFI IMAX and BFI Southbank programming are integrated; in 2023/24 both venues presented cultural cinema in seasons such as *Sight and Sound Greatest Films of All Time, Cinema Unbound: The Creative Worlds of Powell + Pressburger, Making Magic: 100 years of Disney, A Family Affair: The Films of Yasujiro Ozu,* and *Destination Time Travel,* and additionally co-presented two non-IMAX format releases *The Zone of Interest* and ***The Boy and the Heron***.


Image: Steve Tanner



BFI Distribution

Throughout 2023/24 BFI Distribution titles continued to find success with home audiences across the UK. Following its May 2023 release, ***Enys Men*** proved our most popular new release on physical media, more than doubling its projected unit sales, and all BFI Distribution titles – including *Enys Men, God's Creatures*, *Brainwashed: Sex-Camera-Power* were released exclusively through BFI Player subscription, with each film exceeding 10,000 views respectively. The most popular title for the year on BFI Player was another UK success story: *Scrapper*, the BFI-supported film from BFI NETWORK-backed filmmaker Charlotte Regan, with over 30,000 views to date.

British music films also proved to have ongoing appeal. We released *23 Seconds to Eternity* in October, whilst *Dance Craze* (1981) was our second-highest performing disc release of the year, surpassed only by our latest BBC collaboration release, *Ghost Stories for Christmas: Volume 2*.

This year's restored classic film releases included *Le Mépris,* the centrepiece of the Michel Piccoli season; key BFI catalogue title *Tokyo Story,* marking Yasujirō Ozu's 120th anniversary along with our accompanying retrospective; and *The Red Shoes* and the BFI National Archive restoration of *I Know Where I'm Going!!,* for *Cinema Unbound* and as part of a Powell and Pressburger UK touring package. We also celebrated the life of Trinidadian-born British filmmaker Horace Ové with a BFI National Archive restoration of *Pressure.*

New films released included BFI funded titles *Pretty Red Dress, Name Me Lawand*, for which we partnered with Counterpoints and Refugee Week on fully accessible screenings and Q&As; *SCALA!!!,* with a month-long retrospective of titles shown at the iconic cinema; Kôji Fukada's *Love Life;* and with partners A24, Joanna Hogg's *The Eternal Daughter* with its accompanying film season.

Digital sales (TVOD AND DTO) have also continued to perform well throughout the year, with a growing appetite for classic film. ***La Haine*** (1995) was the stand-out this year, followed closely by *Nil By Mouth* (1997), *Dance Craze* (1981)*,* and *Seven Samurai* (1954).

Internationally, important bookings for our film sales and bookings teams included enabling a large Peter Greenaway season at Ethos – Haifa Art, Culture & Sport, numerous international screenings of *Distant, Voices Still Lives* (1988), *Of Time and the City* (2008) and *The Trilogy* (1983), and loans to international cultural institutions including the National Gallery of Art Washington, MOMA New York, and Il Cinema Ritrovato. In the UK, we secured a significant library agreement with Sky alongside establishing our first partnership in the cruise industry with Cunard, working closely with the BFI's Business Partnerships team.





BFI Player

BFI Player is our video on-demand streaming service, showing a programme of classic, cult and archive films to at-home audiences. In 2023/24 BFI Player achieved its highest number of subscribers and engagement figures to date with over 2.4 million feature film views.

Most-watched titles included *Scrapper* (Charlotte Regan), *Enys Men* (Mark Jenkin), *God's Creatures* (Saela Davis & Anna Rose Holmer), *Scala!!!* (Jane Giles and Ali Catterall) and *Werner Herzog - Radical Dreamer* (Thomas von Steinaecker).

To help us extend our digital reach we have begun making BFI Player easier to watch on major at-home devices, and with our partners Easel TV, we have released new apps on Android TV and Fire TV, with more devices to follow in 2024. We also increased our audience in the US by launching on Comcast channels and on Amazon Fire Tablet through Vimeo.

Images from international films on BFI Player: ***Afire*** (Germany), left, and ***Tótem*** (Mexico), right.

For further information on BFI Player see the section on Growing our Digital Platforms.



Sight and Sound

Sight and Sound's focus continues to be on delivering on our Screen Culture 2033 promise to grow and diversify our audience through engaging, agenda-setting journalism. Our interviewees in 2023/24 included **Martin Scorsese**, who appeared on our October cover, and sent us this note on hearing the news that his film, *Killers of the Flower Moon*, had topped the Sight and Sound Best Films of 2023 poll: "Sight and Sound has been so important to me, for such a long time. I've been subscribing for 60 years. And when I look through the pages of the latest issue, it always lifts my spirits. Why? Because it's made and maintained by people who care. People who love our art form. Please keep it that way."

Other filmmakers interviewed in-depth included Luna Carmoon, Fyzal Boulifa, Shane Meadows, Joanna Hogg, Andrew Haigh, Ken Loach, Pedro Almodóvar, Celine Song, Yorgos Lanthimos, Denis Villeneuve, Victor Erice, David Fincher, Emma Seligman, Sofia Coppola, Spike Lee, Paul Shrader, Shinkai Makoto, and Jerzy Skolimowski, highlighting Sight and Sound's unique editorial proposition.

It was another strong year for print after a record breaking 2022/23, with newsstand sales continuing to perform well. Highlights included **Sight and Sound's Hidden Gems** issue, which kicked off the year by revisiting the hugely successful Greatest Films of All Time poll, but with a twist, as these were films that had received only one vote and were new discoveries for much of our readership. The concept connected with our readers, creating a buzz online that translated into a 20% year-on-year sales increase. Other high performers included Sight and Sound's special Wes Anderson issue, our in-depth interview with **Sofia Coppola** exploring the themes at the heart of *Priscilla*, our *Barbie* cover with which we hugely challenged brand perceptions and which achieved what was at that point our highest single issue sales since our 2021 redesign, and a films of the year special that almost matched the Greatest Films issue sales, delivering UK newsstand revenue of over £15k.

The year closed with a big moment for the BFI, when **Christopher Nolan** was awarded a BFI Fellowship in the lead-up to his huge night at the Oscars; the accompanying Sight and Sound cover became an intrinsic part of that package, helping our readership feel they were part of proceedings via the most candid career interview he has ever given. The issue, which appeared in our toughest slot of the calendar year for magazine sales, outperformed all expectations, beating the *Barbie* issue as our highest selling single issue with a 31% year-on-year uplift.

For further information on Sight and Sound including Digital Highlights see the section on Growing our digital platforms.



BFI National Lottery Audience Projects Fund

Welcoming new audiences into a relationship with screen culture by encouraging the discovery and enjoyment of film and the moving image is central to our new ten-year strategy. We want everyone, everywhere to have the opportunity to experience exciting cinema and the latest forms of storytelling. In 2022 we launched the BFI National Lottery Audiences Projects Fund (APF) with £15 million over three years to help us achieve that ambition, with the first awards announced in April 2023.

With this fund we have two headline aims – to develop audiences that are representative of our population, and to increase access and accessibility to screen culture throughout the UK. Ensuring a greater range of applicants engage with our funding is therefore a key priority. It's designed to be wide in scope, supporting applications from extended reality (XR) and augmented reality (AR) projects as well as film; offering pilot awards to organisations wanting to take creative, operational and economic risks; and to develop audiences from under-represented backgrounds and communities. When we launched the fund our target was for new applicants to make up 20% of the projects we supported, and this year of the 54 unique organisations either supported or under assessment, 20.3% were new to the fund. Of the 18 multi-year awards made, two were supporting organisations previously in receipt of single-year awards.

Three of the successful XR/AR projects from 2023 will provide the BFI with comprehensive data and insights into audience experiences, helping programmers and venues across the UK be better able to consider how to integrate immersive experiences into their core programmes. Two of these projects are testing a touring model while the third is a permanent installation sitting alongside a cinema programme.

- The Virtual Reality Hubs Network project is an expansion of StoryTrails (an immersive experience which explored stories of historical change across 15 locations in 2022.) The Virtual Reality Hubs Network took place in libraries, delivering a dedicated VR programme with five cinemas, supported by the donation of 125 Meta Quest 2 headsets.

- ***In Pursuit of Repetitive Beats*** is a multi-sensory VR experience that takes audiences back to one night in 1989, on the journey to find an Acid House party somewhere in the outskirts of Coventry, bringing to life the stories of teenagers from multicultural, working-class areas of Coventry and Birmingham.

- UNDERSHED in Bristol is a new space within Watershed's estate in which the venue will curate, promote and exhibit XR works across a 12-month period beginning in October 2024.

In its first year of operation, the BFI National Lottery Audience Projects Fund has so far delivered:

- 1,968,168 admissions
- 89% of funded activity took place outside of London and the South East
- 38% of audiences identified as having a disability

We set a 50% target for accessible screenings and have so far delivered 17% – so we will continue to work with industry to make this a priority of the fund in the year ahead.



BFI National Lottery Open Cinemas Fund

Introduced as part of Screen Culture 2033, the aim of the Open Cinemas Fund is to involve people with cinema who currently have low engagement. Events specialists elevenfiftyfive were chosen to run this initiative in September 2023 after an open call for applicants and a competitive selection process. Following a development phase, two proof-of-concept screenings then took place in early 2024, now operating under the name Escapes.

In February, independent drama ***The Iron Claw***, and in March, the British comedy *Seize Them!*, were screened for free to audiences in approximately 150 cinemas across the UK. Statistics collected for the screenings show that 50% of audiences for each film were new to that venue and 60% wouldn't have watched the films otherwise. So far, 66% of Escapes audiences have been from outside of London and the South East. Screenings are free for anyone to attend, and all screenings are played with subtitles to ensure they are as accessible as possible.

BFI Film Audience Network

The BFI Film Audience Network (FAN) continues to be a major UK-wide partnership for the BFI and in 2023/24 the eight Film Hubs who collectively make up the leadership supported initiatives from a variety of applicants through their Open Film Exhibition funds.

Additionally, FAN's participation in *Cinema Unbound: The Creative Worlds of Powell & Pressburger* resulted in 270 film screenings in 40 locations, including *The Red Shoes* (1948) in Exeter Cathedral, Michael Powell's Scottish Home Movies on the Isle of Tiree and *Gone To Earth* (1950) in the setting of Wenlock Priory.

Spotlight is a newly established strand of FAN's work which will take a hyper-local approach to developing screening activity in underserved locations, working in partnership with locally based organisations to increase capacity and bring communities together – aiming to create a lasting legacy of communal film-watching.

The selected locations for the first three years of Spotlight are:

- Film Hub London: Barking and Dagenham, and Newham
- Film Hub Midlands: Stoke on Trent and Stafford, in partnership with Flatpack
- Film Hub Northern Ireland: Newry and Mourne, in partnership with Newcastle Community Cinema
- Film Hub North: Sunderland, in partnership with Sunderland Shorts Film Festival
- Film Hub Scotland: Moray Firth area, in partnership with Eden Court, Inverness
- Film Hub South East: Peterborough, in partnership with the Gateway Film Festival
- Film Hub South West: Swindon, in partnership with Create Studios
- Film Hub Wales: Rural Conwy, in partnership with TAPE, Community Music & Film

International

In partnership with British Underground – an organisation which creates transformational opportunities for UK creatives by connecting them to international creative communities and industry networks – the BFI took a delegation of UK exhibitors to the 2024 SXSW festival in Austin, Texas (more information on page 29.

Embracing a wider screen culture

Embracing a wider screen culture



Achieve wide appreciation of the cultural, social, and economic value of the full breadth of screen storytelling, including video games.

By 2033, we will achieve wide appreciation of the cultural, social and economic value of the full breadth of screen storytelling, including video games.

We want to build on our international reputation as an expert and advocate of film and the moving image, and fuel an entirely new narrative around the cultural significance of video games amongst the public and government. We will use the first three years of our strategy to build a clear case for the role of government and industry support for the video games sector. We will take what we have learnt from this period to build a roadmap for how we will support video games and interactive media over the remainder of the strategy.

Corporate and Industry Affairs

The BFI Policy & Public Affairs team worked with industry and the UK Government on the successful implementation of the new Audio-Visual Expenditure Credit (AVEC) and the Video Games Expenditure Credit system (VGEC) introduced on 1 January 2024. The AVEC and VGEC will eventually fully replace the current film, high-end TV, animation and children's TV and video games tax reliefs.

We also made progress in broadening the scope of our research remit this year, having commissioned two reports. The BFI Research & Statistics Unit (RSU) published a co-commission with the Creative PEC, the feasibility study *How to measure the impact of the overseas mergers and acquisitions on the UK video games industry.* The BFI also published *Skills scoping study for the UK's digital content production sectors*. The study identifies the key skills gaps and shortages across the UK's growing digital content production sectors (animation, post-production, video games, VFX as well as immersive and interactive tech).

In 2023 BFI was confirmed as a key partner in the CoSTAR Foresight Lab, led by Goldsmiths with other partners including the universities of Edinburgh and Loughborough, and work has begun establishing research partnerships exploring possibilities for cutting-edge technology in screen production.

In 2023 the UK Global Screen Fund, which the BFI administers on behalf of the Department for Culture, Media and Sport, supported 15 UK video games companies to participate in a trade mission to Slush, Helsinki (30 November-1 December) in partnership with Games London. As one of the world's leading tech investor events, Slush provides opportunities for international video games businesses to make connections, providing visibility development and valuable opportunities to forge new collaborations with investors.


Image: Tim Whitby

LFF Expanded

The 2023 edition of LFF Expanded, the immersive art and extended reality strand of the BFI London Film Festival, encompassed 14 extended reality projects, including a three-week showcase of nine works by international artists, filmmakers and creators working across interactive virtual reality, screen-based installations and augmented reality projects.

With an emphasis on projects that invited audiences into first person perspectives, the artworks included Iranian visual artist Shirin Neshat's politically charged video installation and VR work, *The Fury*; Darren Emerson's *Letters From Drancy*, following the story of holocaust survivor Marion Deichmann during the Second World War; Tania de Montaigne's augmented reality work, *Colored*, which engaged audiences in the true story of 15-year-old Claudette Colvin, who fought segregation laws in 1950s America; and Karen Palmer's interactive film *Consensus Gentium*, which explored the frightening potential of surveillance and smart technologies.

The LFF Audience Award for *Best Immersive Work/XR* went to *Murals* by artists Alex Topaller, Daniel Shapiro and Artem Ivanenko, an immersive work showing the devastation of war in Ukraine juxtaposed with Banksy's murals.

LFF Expanded also presented Guy Maddin's free-to-view augmented reality installation, ***Haunted Hotel*** at the nearby Gallery@Oxo; *Elsewhere in India* an audiovisual event spectacle at London Science Gallery and two augmented reality commissions *Ghosts of Solid Air* and *Fleeting Figures*, which transformed London's Trafalgar Square and South Bank through interactive art and history walks; and embarked on a new partnership with Outernet Arts to present *My Trip 2023* a unique festival commission by Norwegian artist Bjarne Melgaard.

The LFF Expanded programme featured nine UK premieres, three world premieres and five projects from British creators. The works originated from 13 countries around the world with over one third of the programme produced by female artists and filmmakers and a large number of creators coming from diverse backgrounds.

BFI National Lottery Audience Projects Fund

The BFI National Lottery Audiences Projects Fund aims to increase access and accessibility to screen culture throughout the UK and to increase the participation of audiences representative of our population, supporting applications from extended reality (XR) and augmented reality (AR) projects as well as film.

Three XR/AR BFI National Lottery Audience Projects Fund projects from 2023 - The Virtual Reality Hubs Network project (an expansion of StoryTrails), *In Pursuit of Repetitive Beats* (a VR experience set in1989, on the search for an Acid House party in Coventry), and UNDERSHED (a new immersive gallery space in Bristol's Watershed) will provide the BFI with data and insights to help programmers and venues throughout the UK consider how to incorporate immersive works into their cultural programmes.

For further information on BFI National Lottery Audience Projects Fund see the section on Future Audiences and BFI National Lottery Strategy 2023-2033.



South by Southwest (SXSW)

In March 2024, in partnership with the British Underground, the BFI took a delegation of UK exhibitors (including Wales Millenium Centre, Imperial War Museum, Dundee Contemporary Arts Centre and Liverpool FACT) to South by Southwest (SXSW) festival in March 2024, to help inspire and accelerate regular exhibition of immersive works.

Video games

In Screen Culture 2033 we outlined our ambition to consider how we can support the UK video games sector more broadly, beyond our established core activities of administering the cultural test for UK video games, which enables developers to access the Video Games Tax Relief (VGTR) or the new Video Games Expenditure Credit (VGEC); and supporting video games businesses through the International Business Development strand of the UK Global Screen Fund.

Having helped to build a stakeholder network for the UK video games sector over the last 10 years, we are now considering how we can add further value and support and work in partnership with the UK video games industry in years to come. In February, we hosted a roundtable meeting focused on the UK video games sector, inviting partners in the UK nations and regions, video games trade bodies, video games developers and publishers, museums and festivals, to hear their ideas regarding the needs of the sector and how the BFI may be able to contribute.

In addition, we launched the BFI National Lottery Innovation Challenge Fund, which will support not-for-profits as they develop innovative new solutions which tackle the UK screen sector's most critical challenges**.** The first two rounds of the BFI National Lottery Innovation Challenge Fund specifically target the video games sector.

As advocates for the appreciation of a wider screen culture, we want to foster a new narrative championing the cultural significance of video games to the public and government.

Image: ***Fleeting Figures***, an Augmented Reality exhibition creating a collective experience in public spaces, as part of the BFI London Film Festival Expanded Programme, see page 18.

Reframing the public's relationship with the nation's screen heritage

Reframing the public's relationship with the nation's screen heritage


Image: Michele Lapini Getty Images

Establish the BFI National Archive as the most open moving image collection in the world.

By 2033, we will have established the BFI National Archive as the most open moving image collection in the world.

We want to unlock the value and expertise of one of the world's greatest collections of screen heritage and find new ways to communicate our experts' knowledge, skills and passion for the moving image.

We will transform public access and education through the Screen Archive of the Future; safeguard the future record of our artform and fulfil our global leadership potential; and invest in a digital-ready and diverse UK-wide screen heritage workforce.

We look after one of the largest and most important collections of film and television in the world. Our team of experts ensure that the collection is preserved and developed for future generations and made widely accessible to today's audiences.

The National Archive's newly remastered programme of early films by Michael Powell premiered at Il Cinema Ritrovato, Bologna, accompanied by a thrilling outdoor screening in the Piazza Maggiore of the brand new 35mm print of ***Black Narcissus*** (1947), one of the key titles from our 100 Film Prints project from Heritage 2022.

BFI National Lottery Screen Heritage Fund

2023/24 was the first full year of the BFI National Lottery Screen Heritage Fund providing support to the UK's public screen heritage sector through funding organisations that hold significant screen heritage collections to widen access, support skills development, and build resilience. Organisations can apply for awards to enrich their collections, better represent the UK's diverse communities and make screen heritage available to the public.

The Secretary of State for the DCMS gave dispensation for the BFI National Archive to receive an award for the Our Screen Heritage project which addresses an urgent need to collect for preservation contemporary born-digital moving image works at scale, and aims to place the BFI National Archive collections at the fingertips of communities UK-wide.

Other key awards made include one that is pivotal to the Media Archive for Central England (MACE) to undertake resilience and community engagement activities. Another highlight of the first year of awards is to the National Library of Wales's Screen and Sound Archive for a project which, over the course of 12 months and in collaboration with partner organisations, will improve the archive's inclusion of disabled filmmakers and users, and also increase the representation and accessibility of disabled film work.




Image: Adam Bronkhorst

Collecting

The **BFI National Archive** holds the national collection of film and television, a multi-media library, and paper and moving image format collections - recording, restoring and preserving the evolution of the moving image. Since the Archive was established by the BFI in 1935, it has grown its collections dating back as far as the 19th century. The BFI National Archive holds the national collection of film, TV and the moving image, as well as safeguarding other national public collections, and private collections in its vaults.

The national collection includes feature films, documentary and factual films, television programmes, artists film, photographic stills, **scripts, posters, books and other related materials,** held in trust for the public in perpetuity primarily for uses in the BFI's charitable objectives.

Our current Collection Policy (published on www.bfi.org.uk) documents our procedures for acquisition and disposal, documentation, **care and conservation** and access and describes our role in a national network of organisations that collect or provide access to film and television.

Key measures taken to safeguard the national collections includes securing major investment into physical infrastructure to preserve master (preservation status) and accessible materials, developing our extensive database of materials and information and in digitising materials for the dual purposes of preservation and improved public access.



Features

The BFI National Archive looks after 42,591 fiction films within the national collection including the original camera negatives of some of the most important feature films in British film history and an extensive international collection of films. Known as the world's most important collection of documentary films, the archive also holds 135,157 non-fiction titles including documentaries, newsreels, government films, sponsored films, advertisements and home movies.

This year, the BFI National Archive newly acquired or accessioned 259 feature films, including 32 contemporary works.

Highlights included:

- Full accession into our master film store of pristine prints created for the Heritage 22 Film prints project, which included 35mm of ***My Brilliant Career* (1979**) and *Losing Ground* (1982) both of which premiered at *BFI Film on Film* festival in June 2023.

- Digitally restored material on Michael Powell's *Herzog Blaubarts Burg [Bluebeard's Castle]* (1964)

- Original, near mint 35mm distribution prints of blockbusters *Inception* (2010), *Slumdog Millionaire* (2008), *Harry Potter and the Deathly Hallows (Part 1)* (2010) and *Part 2* (2011) and Guy Ritchie's *Sherlock Holmes* movies (2009, 2011)

- Contemporary features from BFI Filmmaking Fund, including the Cannes Un Certain Regard prize-winning *How to Have Sex* (2023), Ken Loach's *The Old Oak* (2023), the animation feature *Kensuke's Kingdom* (2020) and Carol Morley's *Typist Artist Pirate King* (2022). BFI Doc Society Fund titles included *Fashion Reimagined* (2022), *Is There Anybody Out There?* (2023) and *Your Fat Friend* (2023). A selection of films supported by the UK Global Screen Fund, including Alice Troughton's *The Lesson* (2023).

- Terry Gilliam's original 35mm prints of his own films, including *Brazil* (1985), *The Fisher King* (1991) and *The Imaginarium of Doctor Parnassus* (2013).





Television

In 2023 to 2024, the national collection included 1,931,116 television titles including production and transmission programming as well as material recorded off-air as broadcast. As the national television archive by statute the history of television as broadcast by ITV, Channel 4 and C5 as well as selected BBC programming is contained in the collections including unique live broadcasts, advertising and extensive samples of commercial terrestrial television, with an emphasis on key British productions. It also holds significant collections of transmitted programming donated by broadcasters such as the Associated Rediffusion Collection (the earliest ITV contractor) and material preserved on analogue videotape from the 1960s and 1970s donated by the BBC and ITV. The Archive's collection is expanding with selected programming from online streaming platforms.

Television acquisitions for the BFI National Archive in 2023/24 included more than 500 individual works acquired or accessioned, as well as our complete recordings of 17+ channels off-air as broadcast. As part of our off-air collections, we selected several additional days of news coverage of the Coronation of King Charles III from channels including Sky News.

Our acquisition of high-quality files from our partner public service broadcasters featured Russell T Davies's *It's a Sin* (Channel 4, 2021), the second series of Aisling Bea's *This Way Up* (2021), Dominic Savage's *I Am...* series (2019 -) and *Anne Boleyn* (Channel 5, 2021). Several of the TV documentaries acquired had a presenter-led focus on personal issues, with titles including *Davina McCall: Sex, Myths and the Menopause (2021), Kathy Burke: Money Talks* (2021) and *Jay Blades: No Place Like Home* (2022)

This was the first year of the BFI National Archive's partnership with Netflix and we sought to represent a range of British Netflix productions through 175 curatorially selected episodes which are now preserved in the national collection. In terms of drama titles, this includes the first series of *Bridgerton* (2020), Netflix's revival of ***Top Boy*** (2019), *Heartstopper* (2022), *Sex Education* (2019), *After Life* (2019) and the first four series of *The Crown* (2017-2023). Other genres collected included natural history, with *David Attenborough: A Life on our Planet* (2020), comedy with *Bridget Christie: Stand Up for Her* (2016), and animation with *Robin Robin* (2021).

Our continued collecting of over 200 new children's television programmes backed by the BFI Young Audiences Content Fund, included ***The Sound Collector*** (2023), *Lloyd of the Flies* (2022-) and *Pop Paper City* (2022-).



Online, non-broadcast and shorts

Newly acquired or accessioned digital works and short form content highlights included:

- A unique collection of Gerald Thompson's cinemicrophotography, used to film the behaviour and structure of small animals and plants. *The Alder Wood Wasp and its Insect Enemies* (1960) won several awards and was included in the teaching syllabus of universities and schools. His work is an important bridge between early natural history films and the new television era – in an area of film in which Britain has an unrivalled reputation. Other titles include *Life History of the Cabbage Butterfly* (1968) and *Behaviour of the Three-Spined Stickleback* (1971).
- 100-plus items from the award-winning production company Take 3 Partnership. Acquired titles include *Increasing Diversity in the Judiciary* (2004), *Citizens Day – Southwark* (2005), which includes coverage of Operation Black Vote activities, and *All Work, Low Pay* (2003) a Hindi language film on employers avoiding national minimum wage payments.
- As part of exploring the collecting of online moving images, we acquired a selection of works made during the UK's COVID-19 lockdown period, including *Ogmios School of Zen Motoring* (2020) and *Every Covid Briefing. Ever.* (2020).
- 500-plus video diaries from contributors to the *Video Nation* project (1991-2001), identified and accessioned as part of Heritage 2022 video digitisation project.
- Original audio recordings of BFI Southbank events and interviews c.1980s/1990s.
- 100-plus public information films from the Central Office of Information (COI) collection accessioned.

Special collections

Special Collections is the non-moving image parts of the national collection. It includes the papers of individuals and organisations, stills, **posters**, costume and production designs, animation drawings and promotional material, and many other unpublished items including scripts, storyboards and autographed letters. It holds:

- 22,190 unpublished scripts, from first drafts to release scripts, relating primarily to British film and TV titles.
- 28,028 press books, 20,071 film posters and 2,000 pieces of cinema ephemera such as programmes, autographed letters, promotional material, tickets and personal memorabilia.
- 693 collections of personal and company papers reflecting the history of British film and television production.
- Approximately 1.6 million still film and TV related images, including publicity material, production shots, and portraits.
- 30,000 film and television advertisements.
- Many other unique pieces including 5,787 production and costume designs; 3,000 animation cels including artwork by leading animators; and extensive audio collections including oral history recordings and interviews with many key industry figures.





Image: Matt Rowe

This year, Special Collections provided collections support for the major BFI National Archive-led cultural project, *Cinema Unbound: The Creative Worlds of Powell and Pressburger*. This has included over 2,500 hours of cataloguing, digitisation, **conservation activity**, and collections-based research. Collectively this work has mobilised key collections for our audiences to engage with (Michael Powell, Emeric Pressburger, Ivor Beddoes, Alfred Junge, Hein Heckroth) with works from these collections presented at BFI Southbank in 'The Red Shoes: Beyond the Mirror' exhibition, and UK-wide by the BFI Film Audience Network (FAN) and other creative partners. Examples included:

- '***In Prospero's Room*',** an exhibition at Prospect Cottage, Dungeness (2 - 3 December), which featured Beddoes's designs for Powell's unrealised *The Tempest* (1978), and

- Newly digitised collections items projected as part of an immersive CINECITY event (24 November – 21 December) staged at Leonardslee Lake and Gardens, the original filming location for *Black Narcissus* (1947).

- Legacy outcomes for the collection include improved collections care and accessibility, with the Michael Powell archive now fully rehoused and accessible. Over 200 collections items are also represented in print for the first time in the BFI publication, 'The Cinema of Powell and Pressburger' (London: Bloomsbury, 2023). A major new documentary, *Made in England* (2024), makes extensive use of newly catalogued and digitised items from Powell and Pressburger's archives.

Preservation and cataloguing

The BFI holds one of the largest public collections of film and television stills in the world, and thanks to a major access upgrade, over 1.5 million of these items are now freely searchable and viewable in the BFI Reuben Library. This includes the entirety of our digitised prints collection as well as the growing collection of born digital photographs. The BFI National Archive Image Viewer, created from the Open Source Universal Viewer, lets Library users view digitised and born-digital stills – either standalone as single objects or grouped together by associated film or television work – with the ability to zoom on each image in detail, and to retrieve further information from the catalogue.

The next step is to implement access to the more complex, multi-part digital documents. This will start with the pressbooks that were digitised during the recent Heritage 2022 project.

Photochemical film laboratory

Centred on a newly built Photomec film processor – black and white photochemical printing and developing workflows were successfully reinstated at the Conservation Centre laboratory. The processor was part of the Arts and Humanities Research Council's Capability for Collections (CapCo) grant award, and its full commissioning, along with its accompanying chemical control units, silver recovery units, pumps, and tanks, was the first undertaken at the BFI in nearly 40 years. The first film print to be created on the reintroduced infrastructure was Alfred Hitchcock's *The Lady Vanishes* (1937).



Heritage 2022 programme

Heritage 2022, the BFI's ambitious programme of preservation, digitisation and improving access to some of the nation's most at-risk screen heritage collections, came to a close in December 2023.

Overall, the seven key strands of Heritage 2022 achieved their aims and objectives and was classed as a huge success by both our supporters and the teams involved.

Some of the highlights from the final year of the programme are:

- 100,000-plus videotape items were digitised and preserved in BFI Digital Preservation Infrastructure (DPI).
- BFI Replay, the new archive video streaming service designed for public libraries is now live in over 100 library services across the UK and is available in approximately 2,000 branch libraries with more locations being added each week.
- To date, there are over 10,750 videos available to view on the platform and 117 curated collections of content for visitors to enjoy and learn from.
- The Film Prints strand exceeded the target of a creating 100 new 35mm prints of classic cinema titles, ultimately delivering an additional six unique 35mm prints.

As a result of the Heritage 2022 programme, a significant proportion of vulnerable and culturally important videotape heritage is now conserved and digitally preserved, and we have ensured the preservation of a record of cinematic history by creating new 35mm film prints of groundbreaking films such as *Pressure* (1975), *My Brilliant Career* (1979), and ***Malcolm X*** (1992). In-house capabilities were also created for paper conservation and digitisation, helping us to ensure the long-term preservation of our paper collections for future generations.

As well as these significant outcomes for conserving and preserving the UK's screen heritage, Heritage 2022 also supported the development of a wide range of preservation skills both across our own teams and in the wider screen heritage sector – and helped us to establish collaborative and knowledge-sharing work practices both within the BFI and with our many partners UK-wide.

Each strand also achieved either full or a high degree of additionality. The independent evaluation of the Heritage 2022 programme noted that without it, a significant amount of our nation's screen heritage material would not have been preserved, digitised or made available to the public, which is a testament to its wide-ranging impact and legacy.

Restoring and remastering





The following projects were completed and premiered in 2023/24:

Pressure (1975)

The BFI National Archive embarked on a new restoration with The Film Foundation of the pioneering director Horace Ové's ***Pressure***, the first British feature film directed by a Black filmmaker. The work was funded by the Hobson/Lucas Family Foundation with additional support from the BFI Philanthropy 'Pioneers of Black British Filmmaking consortium' and was carried out with in collaboration with Horace Ové's family and producer Robert Buckler. Fully restored from the 16mm original negative A&B rolls and 16mm magnetic final mix master soundtrack preserved by the BFI National Archive, the new restoration had a dual premiere in October at both the BFI London Film Festival and New York Film Festival.

The films of Lorenza Mazzetti

K (1953), was restored at 4K from 16mm elements preserved by the Cinit-Cineforum Italiano, Italy. The new DCP was screened at the Rome Film Festival in October, alongside *The Country Doctor* (1953) which was remastered at 2K from scans of the only surviving 16mm combined positive element preserved by Wisconsin Centre for Film & Theatre Research, University of Wisconsin-Madison. Completing the Mazzetti triple bill at the festival was a screening of the new 4K DCP of *Together* (1956) the culmination of the BFI National Archive's restoration from the nitrate camera negative and 35mm finegrain positive soundtrack. All titles can be found on the BFI's *Lorenza Mazzetti Collection* available on Blu-ray.

Powell and Pressburger

The BFI National Archive restored and remastered a number of titles to coincide with *Cinema Unbound: The Creative Worlds of Powell and Pressburger*, the three-month UK-wide programme celebrating the groundbreaking filmmaking duo. Some highlights of this work were a new 35mm preservation picture and sound negatives and show print made from the BFI National Archive's combined nitrate fine grain positive of *Contraband* (1940) and a new restoration of *Peeping Tom* (1960) undertaken by The Film Foundation and BFI National Archive in association with StudioCanal, which was shown at the 2023 edition of BFI London Film Festival.

Engagement and international collaboration




Image: Sarah J Duncan BFI

BFI National Archive hosted the FIAF technical committee

The International Federation of Film Archives (FIAF), of which the BFI is a founding member, held the annual meeting of the ***FIAF Technical Commission at the BFI J Paul Getty Jnr Conservation Centre*** in February 2024. The commission includes members from global national film archives, a conservation and heritage science school, and freelance technicians. Amongst the topics discussed were sound preservation; technical advice for creating and developing collections; and future commission projects.

Michael Powell and Emeric Pressburger celebration

Cinema Unbound: The Creative Worlds of Powell and Pressburger, which ran at BFI Southbank 16 October - 31 December, with selected titles screening at cinemas UK-wide, was the most extensive retrospective of the great filmmaking partnership ever mounted. For the majority of titles in the programme, audiences were offered 35mm screenings, in addition to digital showings, with many of the prints drawn from the BFI National Archive. The season included new BFI-created 35mm prints of *Black Narcissus* (1947), *The Life and Death of Colonel Blimp* (1943), *The Tales of Hoffmann* (1951), *Contraband* (1940) and *The Red Shoes* (1948).

To accompany this epic programme of film screenings and events, we also drew back the curtain on our paper archives – with **The Red Shoes: Beyond the Mirror** exhibition that ran at BFI Southbank in November and December. A specially designed space displayed over 150 previously unseen production designs, scripts, photographs and posters from the BFI National Archive for the exhibition, bringing Powell and Pressburger's mesmerising 1948 production to life. We welcomed nearly 10,000 visitors, who also had the chance to see Moira Shearer's beguiling ***red slippers***, on loan from the collection of Martin Scorsese, alongside contemporary works by Lez Brotherston/ Matthew Bourne, Guido Harari/Kate Bush and visual artist Michelle Williams Gamaker.

BFI National Archive prints on tour

In 2023, ahead of *Cinema Unbound: The Creative Worlds of Powell and Pressburger*, the National Archive's newly remastered programme of early films by Michael Powell premiered at Il Cinema Ritrovato, Bologna, accompanied by a thrilling outdoor screening in the Piazza Maggiore of the brand new 35mm print of *Black Narcissus* (1947), one of the key titles from our 100 Film Prints project from Heritage 2022.

Additionally, at the 2023 Giornate del Cinema Muto (Pordenone Silent Film Festival), we showcased a brand new 35mm print of British silent film *Hindle Wakes* (1927) directed by Maurice Elvey, with full orchestral score.





BFI Film on Film Festival

The inaugural *BFI Film on Film* festival took place at BFI Southbank for a long weekend in June 2023. All titles shown were projected film prints including 70mm, 35mm, 16mm, 8mm with almost all prints coming from the collection of the BFI National Archive. Among the highlights were the first nitrate screenings in the UK for a decade; a day of vintage dual-strip 3D productions; an informal pop-up 16mm screening space; and the premiere of a selection of the BFI's newly created 35mm prints funded by the National Lottery.

Research development

We were proud to partner with the UK's Arts and Humanities Research Council (AHRC) on a 12-month research and engagement project celebrating the 75th anniversary of the National Health Service (NHS). The programme, which united the BFI's curatorial, broadcast partnerships and film teams, invited early-career filmmakers to reflect on the BFI's *NHS on Film Collection* and create a short film in response. From over 100 applications, three filmmakers were awarded funding for films which spanned themes of migration, palliative care, and trans healthcare. The films will be added to the BFI's streaming service, BFI Player, and become part of our *NHS on Film* collection.

We also consolidated our research partnership with the University of Oxford, developing collaborations around themes of 'public health' and 'endings'. Funding was secured to hire Research Assistants at Oxford to work with our archivists and curators on creating a joint research programme which would result in a major funding proposal. With the BFI Head of Data and Digital Preservation, we began exploring the themes of AI and machine learning with colleagues from King's College London and the Science Museum.

We were also excited to see the start of two new funded research projects, on film costume (led for us by our Senior Curator for Special Collections, Claire Smith) and silent Italian films (led by our Curator for Film and TV Fiction, Bryony Dixon) with colleagues from the Universities of Leeds, Bristol, and UCL respectively.

Licensing and archive productions

This year, BFI Archive Sales handled an estimated 7,000 inbound inquiries concerning the BFI National Archive's moving image and stills collections, and with the support of the wider Knowledge, Learning and Collections access and technical teams, completed licence sales and bespoke access deals for 69 new productions worldwide, spanning all media including broadcast, streaming, gallery exhibition, web online, and DVD/Blu-ray publishing.

We undertook specialist research for the BBC Studios production of *Charles R - The Making of a Monarch* (2023), which enabled the inclusion of both BFI-owned and private royal family collection footage. Licensed BFI footage was also included in *Wildest Dream: Conquest of Everest* (2010) by Atlantic Productions, a theatrical feature documentary narrated by Liam Neeson. In addition, we completed a significant licensing deal for the HBO Max docu-series, *The Synanon Fix* (2024), which uses substantial quantities of unique footage drawn from the BFI's Associated-Rediffusion collection.

BFI Archive Sales worked alongside BFI Special Collections on in-depth work to facilitate the producers of ***Made in England*** (2024), a Martin Scorsese executive-produced documentary about Powell and Pressburger that premiered at the 2024 Berlinale, with the supply of a substantial number of still image and 4K clips from BFI digitally restored films including Powell and Pressburger family home movies.



Throughout 2023/24 we responded to many requests for rights information and materials from FIAF member colleagues from around the world. This included the loan of original film materials of *Rapt* to the Suisse Cinematheque and *The Ancestors* to the National Film Institute of Hungary, as well as the digitisation of an extant soundtrack to the Cinemateca de Cuba. We also supported Arsenal Institute for Film and Video Art in Berlin, and the filmmaker Nii Kwate Owoo, with the supply of 4K scans of the Sri Lankan title *You Hide Me*.

We contributed bespoke research and supplied rarely seen archive film material for *Dancing Before the Moon (2023)*, the British Pavilion exhibit at the 59th Venice Biennial. This captivating film explores rituals performed by the global diaspora in Britain, celebrating the universal themes of community, identity, and transformation.

Our partnership with Adam Matthew Digital continued with BFI contributions to several new Higher Education products. These included the supply of behind-the-scenes film stills and posters for Hindi Cinema: Histories of Filmmaking, in partnership with collection donor, Nasreen Munni Kabir; and the culmination of an ambitious project to digitise the BFI's entire 20th-century Topical Budget News-Reel collection for publication in the new 2023 digital resource: *British Newsreels, 1911-1930: Culture and Society on Film*, which offers unparalleled insights into British life, culture, and society during a period of profound historical significance.

Photo: Filmmaker Christopher Nolan and producer Emma Thomas at the BFI National Archive in February 2024 (see page 97).

Acquisition of heritage assets

Items may be acquired by donation, purchase, transfer, exchange, copying (including digitisation) and recording. Deposit and loan may be used to enhance the collection breadth and viewer access but are not formal acquisition into the national collection. Acquisition (and loans) will be subject to a written agreement between the donor/owner and the BFI. The Director of Collections, Learning and Engagement is responsible for ensuring that acquisition decisions are made in line with the Collections Policy and the prevailing Collections Development Plan.

All acquisition proposals are assessed by an Acquisitions, Disposals & Loans group, attended by the Director of Collections, Learning and Engagement, the Director of Collections Operations and senior curators, ensuring that documentation and care needs can be met (i.e. the collection impact), justification for acquisition is documented and clearly understood, and that external stakeholders and other BFI staff are informed and involved.

All acquisition decisions are subject to further approval as required by the Collections Development Board, chaired by the Director of Collections, Learning & Engagement, which includes the Executive Director of Knowledge, Learning and Collections, colleagues from the department who can advise on collections management, data and digital preservation, conservation, and occasional external specialist advisors as required.

All loans, and any acquisitions deemed sensitive, complex, or high volume requiring extraordinary resources will be referred to the Collections Development Board for decision.

The Collection Development Board may refer further to the BFI CEO, Executive Board and/or Governing Body if deemed necessary.

Preservation of heritage assets

Our first principle in preservation and conservation is to adopt a preventative approach to collections care, with materials stored in a secure and stable environment with temperature, humidity and light levels that prevent or reduce the rate of deterioration. They shall be handled as little as possible, to prevent mechanical damage. In practice materials are sometimes acquired in damaged or deteriorated condition. They can also suffer accidental damage and wear through use. In such cases, specialised and sympathetic remedial work may be required, including delicate repair and cleaning. Copying, migration and digitisation will generally only be carried out for access purposes, unless deterioration, damage or obsolescence cannot be addressed through remedial work or has advanced to a point that renders the material inaccessible or threatens loss.

Management of heritage assets

Documentation enables accountability for moving image works and physical objects in the collections by recording provenance, ownership and rights. It supports collection management by tracking location, recording technical data and conservation actions. Documentation underpins access by describing the collections and providing associated information, interpretation and meaning. The BFI creates information resources in connection with its overall subject – the art, history and impact of film – which include filmographic and biographical information and knowledge resources created for its cultural programme. Collections documentation, information and knowledge resources are all subject to this common documentation policy. Detailed implementation plans will be drawn up for each collection and dataset, as part of an overall collections management programme

Disposal of heritage assets

The BFI has a long-term purpose and holds permanent collections in relation to its Royal Charter objectives. The collection also offers a curatorial glimpse of film history, reflecting the priorities and decisions made by curatorial staff through time. Therefore there is a strong presumption against deaccession and disposal of works or items from the collection. Any disposal and deaccessioning will be a curatorial-led activity, undertaken for the benefit of the collections and public. The BFI recognises that the principles on which priorities for rationalisation and disposal are determined will be through a formal review process. The outcome of review and any subsequent rationalisation will not reduce the quality or significance of the collection and will result in a more useable, well managed collection. The procedures used will meet professional standards. The process will be documented, open and transparent. There will be clear communication with key stakeholders about the outcomes and the process.



Image: Adam Bronkhorst

Growing our digital platforms

Growing our digital platforms





Radically reform all BFI services by making them easy to use and widely available online, reaching more people and delivering more of the cultural programme digitally.

We want to expand our digital reach and improve access so that everyone can benefit from everything the BFI does – no matter where they live. We also need to future-proof our organisation, embracing technological change and diversifying our income to sustain our charitable activities.

We will develop and launch our next generation streaming service, enabling UK audiences beyond our Southbank catchment to discover, discuss and delve into the best of UK and world screen culture, past and present, with us and each other.

BFI Player

BFI Player has had a record year, growing to our highest level of subscribers and engagement figures to date with over 2.4 million feature film views this year.

As part of Screen Culture 2033 we committed to developing our next generation streaming service, provisionally called BFI+, which would enable us to share the BFI's unique cultural programme more widely. With cornerstone funding through a transformative £1 million partnership with The Uggla Family Foundation, we have laid the foundations to deliver this service including expanding and restructuring the BFI Player team.

We have begun making BFI Player easier to watch on major at-home devices. With new partners Easel TV, we released new apps on Android TV and Fire TV, with more devices to follow in 2024. Mobile and casting coverage is complete following our native Android app release in November. We also increased our audience in the US by launching on Comcast channels and on Amazon Fire Tablet through Vimeo.

Working with UX and design agency Re Worldwide, we also developed new designs for the BFI Player website. The first elements are now live with iterative updates to follow in 2024/25.

Thanks to programming that was well-received by audiences, customer acquisition and engagement for BFI Player remained strong this year with revenue performance exceeding targets. Popular titles included *Scrapper* (Charlotte Regan), *Enys Men* (Mark Jenkin), ***God's Creatures*** (Saela Davis and Anna Rose Holmer), ***Scala!!!*** (Jane Giles and Ali Catterall) and *Werner Herzog - Radical Dreamer* (Thomas von Steinaecker).

Increasing our subscriber base in the US has proven more challenging than expected. In light of shifting market conditions, we are responding with a recalibration of our strategy. We have identified promotional opportunities within our existing platforms to improve engagement and are looking at diversifying into territories beyond the US sooner than originally planned.


Image: GettyImages


Image: Joe Okpako

Editorial

In 2023/24 we published 424 written articles – including features in support of the BFI cultural programme and new and re-releases, viewing recommendations, video game articles, obituaries and film and TV anniversary pieces. Highlights were numerous articles aligned to the Powell and Pressburger blockbuster programme and incorporating items from the BFI National Archive, and an interview with Tim Burton that was reported in more than 20 international outlets. 'Long tail' content continues to drive the most traffic, especially evergreen entries in our '10 great', 'Where to begin' and 'Then and now' locations franchises. Editorial pages received 5 million views over the year.

Live-streaming activity continued this year with the successful in-house streaming of the 2024 Future Film Festival awards ceremony. We now offer in-house live-streaming to third party clients as part of our venue hire package. The refit of BFI IMAX helped us develop our filming operation in the venue.

During 2023/24 we filmed on-stage interviews with filmmakers including **Alfonso Cuarón**, Gaspar Noe, Carey Mulligan and **Bradley Cooper**, all of which performed well on the BFI YouTube channel.

YouTube channel growth remained strong. We added 52,000 subscribers with 34.1 million views and 1.1 million hours of watch time. YouTube Shorts remained a valuable way for us to connect with audiences passionate about film, particularly on the technological processes behind filmmaking and projection. A short of the *Oppenheimer* 70mm film reel running in BFI IMAX was one of our more popular videos – it has 70,000 views to date.

Sight and Sound

The focus for Sight and Sound this year was on identity, content and ensuring that we are delivering on our Screen Culture 2033 promise to grow and diversify our audience through engaging, agenda-setting journalism.

We used the Sight and Sound archive to great effect in 2023/24, inviting Wes Anderson to curate a special summer issue in which he picked out classic features that said something about his approach to filmmaking, making our archive bookazines available to buy digitally for the first time, and launching a nascent business selling high-quality framed reproductions of some of our most iconic covers, with 107 sold in the test period.



Digital highlights

The Weekly Film Bulletin, our weekly newsletter, continued its impressive growth, with subscriber levels hitting just under 40,000 and an average open rate of 47% against an industry standard of 24%, highlighting how engaged Sight and Sound's digital audience is. The newsletter acts not just as a standalone piece of editorial that helps our audience discover and enjoy film and the moving image, but as a gateway into both our website and the wider BFI programme. Our digital-first approach to publishing reviews has helped us grow a bigger, more engaged website audience, with 24 of our top 50 articles of the year being reviews, and our *Barbie* review in the top 5. Lists dominated, with our Hidden Gems and Films of the Year lists driving over 200,000 page views between them.

On social media our audiences continue to grow, with a combined audience of 300,000 followers across our three main platforms of Instagram, Facebook and Twitter. This continues the trend of greater digital engagement with Sight and Sound, driven by a digital-first mindset and more flexible approach to publishing.

For further information on Sight and Sound including print highlights see the section on Future audiences.

UK Global Screen Fund

The consumer brand ScreenUK promotes UK screen content internationally and is supported by the UK Global Screen Fund, which has supported UK productions such as ***Kensuke's Kingdom***.
The ScreenUK digital platform and media campaign showcases and celebrates UK independent-spirited film, TV, animation and games, inspiring global audiences to discover titles and talent from across the UK through a focused editorial strategy, including new releases and the harnessing of key events to capture and promote dynamic and exclusive content.

The UK Global Screen Fund data hub platform was launched in 2023 and provides the UK independent screen sector with international VOD data and insights in relation to the global demand for, and value of, UK content.

Digital service transformation

Reforming BFI services to make them easy to use and widely available online – to reach more people and democratise access to our cultural programme – requires us to have strong internal capability and culture to apply user-centred practices for continuous improvement, as technology and needs change.

Capability. standards and practice

This year the number of staff within the digital team grew from 6 to 15 permanent roles across programme delivery, interaction design, user research, content design and product management. As a result, we can now routinely apply higher standards and user-centred design practices to Cabinet Office standards as we continuously improve our digital products and services.



Platforms

To support our goal of developing a more flexible suite of connected digital platforms, we reorganised our in-house software platform development capability into teams aligned with the BFI's service outputs. This included the integration of BFI Player with Easel TV, the development of a new internal tool which enables BFI staff and our partners to work with digital archive collections, and incremental improvements to our linked data platform to support content re-use and joined-up user journeys across the BFI's digital services.

The scale of change needed across our digital platforms is significant and challenging. Given resources available to us, cohering our underlying digital platforms will take time, however, we have made some progress in the financial year.

We have secured £150k funding from Bloomberg Philanthropy's Digital Accelerator Programme to support one element, which will enable the initial stage of development for single sign-on functionality across our digital services.

Products and services

We continued to improve the bfi.org.uk website, the main point of access for all BFI services with 7.7 million worldwide sessions, 3.9 million UK sessions and 460,000 users a month. This year, improvements to the website included redesign of editorial content and articles and ongoing refinements to its look and feel.

Our YouTube channel hosted our most successful Screen Talk recording to date, with the Martin Scorsese event at the BFI London Film Festival picking up 240,000 views within a fortnight.

We have improved the user experience for people accessing our funds by integrating content design principles earlier into the fund guideline writing process. This helps us to ensure the digital guidelines we publish are accessible and easy to understand, opening up our funds to more people.

In terms of digital access to our archive and collections, we expanded **BFI Replay**, a free-to-access digital archive exclusively available in UK public lending libraries, into 99 library services (servicing 1,998 branch libraries). Users can now explore 117 collections including 87 from Regional National Archives.

We delivered experimental work to move Britain on Film content, which is currently part of the BFI Player service, into the technical framework used for BFI Replay. This is to support our longer-term ambition to rationalise our portfolio of archive products, ensuring they meet user needs and are accessible and sustainable. Discovery work is also underway for the digital acquisitions infrastructure as part of Our Screen Heritage.

We made numerous user-centred improvements to the BFI London Film Festival, BFI Southbank and BFI IMAX websites and the ticket purchase journey. A programme of work is now underway to develop a digital-first service for discovering the BFI's cultural programme.

To ensure a smooth experience for customers buying tickets during the BFI London Film Festival priority booking window, checks and measures were put in place to solve the technical issues experienced by customers in 2022, and extensive quality assurance testing was conducted. 2023 saw one of the most successful years to date for festival ticket sales, breaking all records and without technical incident.





Cinema technology

At BFI Southbank and BFI IMAX, we continued to ensure our in-venue technology keeps pace with change, while sustaining and strengthening our increasingly rare specialist support for analogue film projection.

The full range of formats, including screenings on dual projector interlock 3D, 70mm and 35mm nitrate gauges, were displayed at the BFI Film on Film Festival at BFI Southbank in June 2023. BFI Southbank is the only cinema in the world where audiences can enjoy screenings of all of these formats.

Celluloid was also a big draw at the BFI IMAX this year, with hundreds of sold-out IMAX 70mm screenings of *Oppenheimer* (2023) and *Dune Part Two* (2024). As with 35mm, there is a welcome resurgence of interest in the format from filmmakers and audiences alike.

Maintaining these traditional film projection systems continues to be a challenge. While we have robust plans to ensure the technology remains viable into the future, we must remain vigilant regarding training and spare parts.

We continue rolling out laser projection across BFI screens with the installation of a new laser into the Studio at BFI Southbank and the largest RGB laser on the market as a backup for the IMAX laser. This, coupled with upgrades to BFI cinema audio installations and the planned auditorium refurbishment of two screens, will improve visual and sound quality and comfort for our audiences.

In the field of content remastering, we added to the growing roster of BFI 4K UHD releases with *Gregory's Girl (1981),* ***The Haunting of Julia*** **(1977)** and ***The Wages of Fear*** **(1953)**, as well as multiple well-received Blu-ray releases.

Digital-first

Corporate technology

This was an important year of progress against our goal to adopt modern, cloud-based workplace technologies across the BFI workforce, set out in Screen Culture 2033. We completed our migration to M365, a complex project that has transformed the way we work and collaborate across the BFI.

Alongside this, a new, fully accessible staff intranet was introduced which can be used on any device using a single Microsoft 365 login. A single cloud-based identity for staff means our systems are more secure and access is more efficient. BFI-wide data is now more findable, shareable, and recoverable.

IT infrastructure and security

Numerous enhancements were made to our IT infrastructure and cyber security posture, to ensure our systems and services are reliable, resilient, and secured against the latest threats. This included new PCs and network upgrades at our Master Film Store, Conservation Centre, and Stephen Street sites; improved monitoring, backup, and recovery; and security measures that were enhanced following the British Library cyberattack and independent forensic advice. Maintaining strong security will continue to be a focus in 2024/25.

In response to the rapid rise of generative-AI, we created guidelines for the BFI intranet, to help raise awareness amongst BFI staff of the ethical and legal implications of this emerging technology.

IT service delivery

The IT service team provided technical support to BFI colleagues throughout the year while applying continuous improvements to their processes in terms of quality and efficiency of service. Highlights included the provision for 100 new accounts for the BFI London Film Festival and high customer satisfaction and positive feedback.

A new IT team structure was put in place, which alongside the introduction of M365 provides the foundation to deliver against the Screen Culture 2033 goal of helping teams across the BFI to deliver the most public benefit with the lowest possible overheads. In addition, following a grant from the BFI Trust, further work has begun on five new workstreams to continue to enhance productivity at the BFI through the use of corporate technology.



Embedding digital culture and methods

As they collaborate with BFI colleagues, BFI Digital teams are introducing agile project management methods and user-centred service design practices. Examples include a research project to understand how BFI Replay is being used and to identify important areas of improvement and conducting the BFI's first ever 'design sprint' (*Sprint*, Jake Knapp) with the involvement of colleagues from across the BFI.

Dedicated product management, supported by user-centred design, has enabled iterative improvements to numerous digital products including the BFI London Film Festival and BFI Southbank websites, while more substantial reviews are also taking place.

An OKR (Objectives and Key Results) framework is now applied across the Digital directorate, with quarterly objectives for continuous improvement. The new intranet has enabled teams across the BFI to knowledge-share, and the Digital team regularly post blogs on new ways of working for BFI colleagues.

However, the approach of demonstrating digital practices to limited numbers of colleagues will not be sufficient to achieve the digital-first culture change ambition as stated in Screen Culture 2023. The BFI Digital team is therefore developing guidance content for the intranet and proposals for organisation-wide learning and development to step up this activity as the strategy progresses.

Future learning and skills

Future learning and skills



Reframe the educational value of screen culture with policymakers, educators, and parents, and support a skilled and sustainable workforce that reflects the UK population.

By 2033, we will have reframed the educational value of screen culture with policymakers, educators and parents, and supported a skilled and sustainable workforce that reflects the UK population.

We want to give everyone the opportunity to build a lifelong relationship with the moving image as a form of expression and communication. For their enjoyment and wellbeing, and as a viable career.

We will make the case for screen culture to be taught as an essential part of the curriculum. We will work with the sector to remove barriers to access, improve career paths, and expand training opportunities UK-wide.

Skills and workforce development

A key objective of our Screen Culture 2033 National Lottery strategy is to support the development of a skilled workforce that can meet the economic growth of the sector, one that people from all backgrounds, of all ages, UK-wide can access and develop a career in. Alongside this we are developing work with industry partners focused on improving working practices to help promote a supportive workplace culture across the sector. Collectively, our strategy will break down barriers to opportunity and promote productivity growth across the UK.

In 2023, a new BFI department was formed merging skills with a part of what had previously been a separate Education and Learning department. Bringing this work together has allowed the BFI to take a more holistic approach to our careers and skills strategy and funding programmes, ensuring we are providing a pipeline of support.



This year as part of our **National Lottery Skills Funding Plan 2023-2026** we have:

- Committed £5.95 million to a new Careers and Progression Programme. This UK-wide programme is to support 11–16-year-olds to better understand the range and breadth of screen industry careers that are available, with a view to helping young people make more informed career and training choices post-16 years. The Careers and Progression Programme is being delivered by our partners Into Film.

- Allocated £3 million to Young Creatives, providing opportunities for disadvantaged 13–16-year-olds from a diverse range of backgrounds to engage in filmmaking for the first time. This funding is split equally between National Saturday Club's Film and Screen Clubs and **Into Film's Film Clubs**.

- Established six new flagship Skills Clusters through £8.1 million of National Lottery funding; our locally based partners are delivering support focused on training local talent and building local crew bases across key production hubs in the UK, including Metro London (London, Buckinghamshire, Hertfordshire and Surrey), Berkshire, West Midlands, the North of England, Scotland, and Northern Ireland. From 1 April 2025, we are investing a further £900k in a new Wales Cluster.

- Continued to provide micro-bursaries to those looking to progress their career in the screen industry through the Skills Bursary Fund (£1.5 million), managed by our National Lottery funding delegate ScreenSkills. Demand for bursaries has been high this year as people sought career development support during and after pauses in production due to the US strikes.

- Awarded £2.4 million to our Business Development Support Programme, via our two delivery partners Creative UK and TRC Media, with the latter to start delivery across Scotland, Northern Ireland and Wales from 1 April 2024. We had initially awarded this funding to Creative UK to cover the four nations of the UK, but we have now split the fund and programme activity in response to requests from partners in the devolved administrations for their business development support to come from a nation-specific provider.

- Launched the new Good Work Programme Fund in January 2024, following the Creative Industries Good Work Review. We plan to appoint a delivery partner in spring 2024 for this £1.5 million fund to support improvements in working practices and cultures across the screen sector.

This year the BFI's Chief Executive and Director of Skills and Workforce Development also took on the roles of Chair and Deputy Chair (respectively) for the Creative Industries Council's Good Work Review Task and Finish Group. This has led to the development of a first phase action plan which responds to the Review's recommendations, committing to the exploration of shared Good Work funding conditions for the Creative Industries' National Lottery funders; the development of a new Creative Industries Good Work Accreditation Scheme; a behaviour change campaign to improve contracting practices and a reduction in the use of unpaid workers across the wider sector; as well as an Intellectual Property Education Programme for self-employed creators.



Skills policy work in this financial year also included the development of Portable Apprenticeships for Screen, in close partnership with Department for Education. The aim of this initiative is to make the use of apprenticeships viable in areas of the sector where transient working patterns are commonplace. By working with industry, training providers and government for apprenticeships from autumn 2024 aim to help a wider range of people to gain skills to advance their careers.

In addition, our Research and Statistics Unit (RSU) published a *Skills scoping study for the UK's digital content production sectors* which identified the key skills gaps and shortages across the UK's growing digital content production sectors (animation, post-production, video games, VFX, as well as immersive and interactive tech).

In November 2023, the UK Screen Sector Skills Taskforce published its first report, setting out new ambitions for a re-formed ScreenSkills as the UK's strategic body for skills, alongside commitments for the sector to improve routes into, and connections with, further and higher education, and to embark on early exploration of new industry skills investment models.

A goal we set forth in our new 10-year strategy was to make screen culture a part of the school curriculum and to reframe its perceived educational value. This year, to help children and young people develop and value transferable creative skills from a young age, the DCMS provided funding to the BFI to support the development of new Creative Competency Modules for schools, as part of Cultural Education Plan ambitions. Detailed work on this will continue throughout 2024/25.

BFI Film Academy

In the 2023/24 academic year an estimated 1,242 young people aged 16-19 took part in BFI Film Academy's short courses and specialist courses with a further 50 participants due to take part in the coming months. This was made possible by a £1 million funding partnership with the Department for Education in England, matched by £709,500 of National Lottery funding and additional National Lottery contributions of £62,500 from Screen Scotland and £28,000 from Northern Ireland Screen.

BFI Film Academy Plus was launched with £1.2 million committed over three years. Seven partners delivered BFI Film Academy events across the UK tailoring content to their local area. They delivered a joint programme of skills-based online lab events which ran monthly across the year. To date, BFI Film Academy Labs have garnered over 10,000 views on YouTube. Topics covered in the labs included Career Planning for Screen Industries, Funding your Short Film with BFI NETWORK, Developing Stories for Different Formats, and Going Freelance/Setting Up Your Production Company. BFI Film Academy Plus partners also delivered local UK-wide events such as screenings, a Micro Short Film Fund, networking opportunities, and BFI Future Film Festival events.



BFI Future Film Festival

The 2024 edition of the **BFI Future Film Festival** offered live in-person events at the BFI Southbank as well as free online events for global audiences. This year, for the first time, we also introduced a UK-wide programme of events curated and produced by BFI Film Academy Plus delivery partners, with support from our National Lottery allocation.

The festival received as submissions over 1,200 short films made by young people aged 16-25 from 55 countries. These films were shown at the BFI Southbank and were accessible to a global audience on YouTube, amassing nearly 25,000 online views. Alongside 3,896 tickets sold at the BFI Southbank, there was a twofold increase in the festival's online audience participation in 2023/24.

At BFI Southbank, we saw a 25% influx of new audience members, with 47% of our filmmakers from Global Majority backgrounds and 45% identifying as disabled.

BFI Library and Learning

This year the Library and Education teams came together as the BFI Learning and Library team with a focus on crafting learning opportunities that provide access to the world of film, wider screen culture and the BFI National Archive to a diverse audience.

The library holds some 49,353 books including film, TV and video directories and yearbooks from around the world, all major film and TV festival catalogues, programmes and brochures, and all UK-based festival catalogues. It also includes company and organisation annual reports; official publications such as copyright, arts policy and government reports; biographies and autobiographies of UK film/television personalities.

Its near comprehensive collections of UK trade and academic journals comprises 5,097 titles (233,570 issues), alongside an extensive collection of newspaper cuttings (4 million images of cuttings), publicity and press materials; brochures, leaflets, prospectuses, etc, describing the work of film and television relevant organisations.

Schools

We continue to offer a popular programme of cross-curricular study days for schools at our BFI Southbank and BFI IMAX venues and online**.** This year, we welcomed over 20,000 students from KS2 to A-Level to 66 events. Our study days are an opportunity for children and young people to access the transformative power of film and wide-ranging stories from the UK and around the world. They also give students the opportunity to engage with industry professionals and specialist academics, often for the first time.

We continue to support the Network for Ethnically Diverse Film Educators as they challenge the curriculum to push towards a vision of film education that reflects our ethnically diverse society. The Network's learning activities, which take inspiration from films available on BFI Player, are dedicated to challenging racism through film education. Their latest endeavour is a new series of podcasts aimed at broadening the conversation even further.

Over the year, we have worked alongside BFI colleagues on various BFI-led cultural programmes, including unique events for school audiences focused on *Cinema Unbound: The Creative Worlds of Powell and Pressburger*, supporting an education programme at BFI IMAX and contributing to the learning offer for *BFI Film on Film.*



BFI Reuben Library

In 2023/24 we have seen an increase in the number of universities accessing the BFI Reuben Library through introduction and bespoke library sessions. There has been clear interest from courses not typically associated with the BFI Reuben Library. Highly successful sessions have been held with students of MA Contemporary Art Practice, the Bartlett School of Architecture and BA Arts Management. A partnership has been built with the UK Asian Film Festival, resulting in two library events during the festival and a commitment to induct all members and volunteers involved in the festival to both the BFI and our collections.

The BFI Reuben Library has continued to programme lively and thought-provoking events attracting a wide range of audiences into our reading room. The events have ranged from *The Story of Victorian Film* to a full house for *Working Women on Screen: Paid Labour and Fourth Wave Feminism* in celebration of International Women's Day. Our visitor numbers continue to increase, with over 44,500 people coming through our doors and engaging with our library and learning activities in the past year.

BFI families and children

Our Family Learning Programmes for children and young people under 16 has had a successful year. Our BFI Southbank programmes, as well as our filmmaking clubs in Bromley and online, have all sold out each half term holiday. Due to an increase in demand, we have successfully raised capacity for our BFI Southbank film clubs. This increase in popularity is not only owing to unique education programming that incorporates the BFI Southbank cultural programme – this year we taught children and young people about Powell and Pressburger, Yasujirō Ozu (***Tokyo Story***), and analogue filmmaking as part of the *BFI Film on Film* – but also due to relationships with community organisations such as Coin Street Community Builders.

Into Film

Into Film was supported by BFI National Lottery funds to deliver its Teaching with Film programme, which in 2023/24 had notable successes across its core activities of UK-wide teacher training, online resources for teachers and students, and engaging children across the UK with film and media education. A key success for Into Film has been its increasing presence and influence in teacher training. The organisation was recognised in the Teacher Tapp Brand Tracker Awareness Winners 2023; and the Times Educational Supplement (TES), the leading resources and education website for teachers, gave a highly prized 5-star review for the Into Film resource that introduces teachers and children to film at the crucial point of transition from primary to secondary school.

Growing the cultural and economic impact of the UK's screen industries

Growing the cultural and economic impact of the UK's screen industries



Drive growth and international success across the screen sector, and address market failure through our funding schemes, policy, and evidence.

By 2033, we will have driven growth and international success across the screen sector, and addressed market failures through our funding schemes, policy and evidence.

We want to establish greater interconnectivity and collaboration within the UK's screen sector. We will work with industry and policymakers in our role as the lead body for film and the moving image to advocate for a successful future for the sector. We will particularly focus on how to maximise the opportunities that lie ahead and how we can help minimise the challenges.

BFI Filmmaking Fund

Working in partnership with other film organisations across the UK, the BFI Filmmaking Fund plays a pivotal role in the UK's independent film sector, championing producers, writers and directors as they create bold and impactful short, feature, XR and documentary works, and finding and nurturing emerging talent.

This year, 2023/24, the BFI Filmmaking Fund, BFI NETWORK and BFI Doc Society had their most decorated year ever; with BFI National Lottery supported features, documentaries and short films receiving a record-breaking 68 BIFA nominations, 11 BAFTA nominations, and awards at Venice, Cannes (**How to have Sex**, writer/director Molly Manning Walker) and Sundance. The fund also serves a crucial function working closely with filmmakers and the industry to seize opportunities and provide support through challenging times. The BFI National Lottery Creative Challenge Fund was launched as part of Screen Culture 2033 to support new creative project development programmes, such as labs or workshops, which decentralise development support to grow a wider, healthier ecosystem in which emerging UK filmmakers can develop new projects.



The first area addressed by the Creative Challenge Fund was the paucity of genre-focused feature length, live action, documentary and immersive projects. The first call from the fund was for applications from organisations seeking to run genre-focused development programmes.

Of the 49 eligible applications it received, 20 were based outside of London, in the other English regions or Northern Ireland, Scotland or Wales. Eight programmes from the following organisations were taken forward for support; Crossover Labs, 104 Projects, Sheffield DocFest, Glasgow Film Theatre, Screen South, Story Compound, Film Constellation and Trans+ On Screen.

These programmes will benefit up to 152 participants working on 85 different projects – with all programmes centering their activity outside London and the South East and a number run by and supporting filmmakers identifying as trans+, LGBTQIA+, disabled, Black and Global Majority, working-class and multi-faith. This fund complements our existing fiction and documentary feature development support.

In April 2023, the Filmmaking Fund's production funds were relaunched as the Discovery Fund and the Impact Fund. The Discovery Fund was established for debut features as part of our commitment to support emerging filmmakers as part of Screen Culture 2033. Discovery has three funding rounds annually, with 128 applications received in this financial year. To date, one Discovery Fund feature been delivered and is submitting to festivals, another has completed filming in Nigeria, four are preparing to begin principal photography, and support for four more features has been offered.

The Impact Fund was established to support more seasoned filmmakers or debut directors working on features with budgets over £3.5 million and can be applied for on a rolling basis. With this fund we have supported Dylan Southern's debut *The Thing with Feathers*, adapted from Max Porter's bestselling novel and starring Benedict Cumberbatch. There were just under 50 applications to the Impact fund across the year.

The Development Fund made 14 awards to new projects and 29 supplementary awards were made to provide additional funding to projects already supported for an earlier stage of development. A total of 218 applications were received.

Image: **Sky Peals**, writer/director Moin Hussain.

Equity, diversity and inclusion

The BFI Filmmaking Fund is continually evolving its inclusion targets in line with the Screen Culture 2033 National Lottery strategy principle to engage people from the widest range of backgrounds. This year we increased our disability target from 10% to 18%.

We are continually taking on board best practice to help us to reach our new targets and work towards improvements in areas where we are currently below target (highlighted pink).

Production

CATEGORY	WRITER	DIRECTOR	PRODUCER	TOTAL	TARGET
Gender (balance of those identifying within the gender binary, monitoring trans and non-binary identities)	56%	56%	45%	52%	50%
% excluded from calculations	0%	0%	0%	0%	
Disabled* *Including those with a longstanding physical or mental condition and those identifying as D/deaf or neurodiverse	11%	22%	9%	14%	18%
% excluded from calculations	0%	33%	9%	14%	
Black and Global Majority	33%	44%	9%	28%	40%
% excluded from calculations	0%	0%	0%	0%	
Sexual Identity (people identifying as LGB+)	11%	22%	45%	28%	10%
% excluded from calculations	11%	11%	9%	10%	
Working Class background	33%	44%	9%	28%	39%
% excluded from calculations	33%	22%	27%	28%	
Caring Responsibilities Do you have any caring responsibilities?	56%	44%	64%	55%	
% excluded from calculations	22%	33%	18%	24%	
Returnships Are you returning to work following an extended period (12 months or more) of absence?	0%	0%	0%	0%	
% excluded from calculations	22%	44%	18%	28%	

Development (new awards)

CATEGORY	WRITER	DIRECTOR	PRODUCER	TOTAL	TARGET
Gender (balance of those identifying within the gender binary, monitoring trans and non-binary identities)	50%	60%	57%	59%	50%
% excluded from calculations	9%	4%	2%	5%	
Disabled* *Including those with a longstanding physical or mental condition and those identifying as D/deaf or neurodiverse	23%	20%	9%	16%	18%
% excluded from calculations	11%	40%	19%	21%	
Black and Global Majority	46%	52%	25%	38%	40%
% excluded from calculations	6%	4%	0%	3%	
Sexual Identity (people identifying as LGB+)	26%	28%	23%	25%	10%
% excluded from calculations	31%	28%	19%	25%	
Working Class background	9%	20%	13%	13%	39%
% excluded from calculations	23%	24%	4%	15%	
Caring Responsibilities Do you have any caring responsibilities?	26%	36%	45%	36%	
% excluded from calculations	14%	24%	9%	14%	
Returnships Are you returning to work following an extended period (12 months or more) of absence?	0%	4%	2%	2%	
% excluded from calculations	9%	28%	15%	16%	





Standout film releases

Molly Manning Walker's debut feature *How to have Sex* had its world premiere in May 2023 at Cannes Film Festival, where it won the coveted *Un Certain Regard* prize, and was subsequently screened at the BFI London Film Festival and the Sundance Film Festival to further acclaim. The captivating central performance of Mia McKenna-Bruce won her the public vote for the EE Rising Star Award at the BAFTAs and the film received three further BAFTA nominations for Best Casting, Outstanding British Film and Outstanding Debut, and won three BIFAs for Best Lead Performance, Best Casting and Best Supporting Performance, and a European Film Award for Best Debut. The film's legacy continues as Molly Manning Walker and Mubi have partnered with the Schools Consent Project, with support from the National Lottery, which centres conversations about consent in UK classrooms.

The Cannes Film Festival also saw the premiere of ***The Old Oak*** directed by two-time Palme d'Or winner Ken Loach. Playing In Competition; the film received an 8-minute standing ovation in the Grand Théâtre Lumière and was received very positively by critics. Ken Loach continues to connect with audiences, the film taking in excess of £1 million at the UK box office and almost £6 million worldwide, with prominent theatrical releases in the USA, France, Korea and beyond.

The Old Oak was one of three BFI Filmmaking Fund titles featuring in the top 20 UK independent films at the UK box office in 2023. Raine Allen-Miller's infectious debut *Rye Lane* cleared £1 million at the UK box office, picking up BAFTA nominations for Outstanding British Film and Leading Actress for Vivian Oparah's star turn, and becoming the most nominated film at the 2023 BIFAs with 16 nominations. Hettie MacDonald's ***The Unlikely Pilgrimage of Harold Fry***, based on Rachel Joyce's bestseller and starring Jim Broadbent and Penelope Wilton, had a hugely successful release in UK cinemas taking over £3 million at the box office. Additionally, following its prize-winning launch at Sundance 2023, Charlotte Regan's *Scrapper* achieved £700k at the UK box office and impressive sales worldwide in a phenomenal result for a debut feature film.

Two debut features premiered at Venice Film Festival last year. Luna Carmoon's audacious *Hoard* won two audience awards for the filmmaker, a special mention for lead actress Saura Lightfoot-Leon and was nominated for the Critics' Week Grand Prize. The film subsequently played at BFI London Film Festival, where it was nominated for the Sutherland Award. Moin Hussain's *Sky Peals* was similarly nominated for both the Grand Prize at Venice Critics' Week and the Sutherland Award.

The BFI London Film Festival (LFF) was an outstanding showcase for a record number of Filmmaking Fund supported films with the programme premiering 10 features, nine BFI NETWORK shorts and four BFI Doc Society Fund titles. Daniel Kokotajlo's sophomore feature *Starve Acre*, starring Matt Smith and Morfydd Clark, premiered to acclaim at the festival and will be released later in 2024 through BFI Distribution. *Tuesday,* Daina O Pusi□'s debut, starring Julia Louis-Dreyfus, Arinzé Kene and Lola Petticrew, made its world premiere at Telluride, before also being nominated for the Sutherland Award at the LFF and will be released by A24 later this year. Based on Michael Morpurgo's celebrated book of the same name, animated family feature *Kensuke's Kingdom*, voiced by Cillian Murphy, Sally Hawkins and Ken Watanabe also had a successful LFF. Following critically acclaimed slots at the Karlovy



Vary International Film Festival and Zurich Film Festival, Naqaash Khalid's debut feature *In Camera* had its UK premiere at the LFF, as did Robert Morgan's horror *Stopmotion*, before its US release in February 2024. Adura Onashile's debut feature ***Girl***, following its success at Sundance Film Festival and opening the Glasgow Film Festival, also premiered at the LFF just prior to its UK release via Studio Soho. Finally, Mahalia Belo's debut *The End We Start From*, starring Jodie Comer, Katherine Waterston and Benedict Cumberbatch, had a gala screening at the LFF, subsequently picking up nine BIFA nominations and going on to enjoy a 200+ screen UK release January 2024 via Signature Entertainment.

January 2024 also saw the world premieres of *Kneecap, Layla* and *Sebastian* at the Sundance Film Festival. Rich Peppiatt's debut feature, *Kneecap*, starring the eponymous Irish band, was the first Irish language film to play at Sundance, winning the Audience Award, scored a deal with Sony Pictures Classics for North and Latin America, Eastern European, Turkish and Middle Eastern rights, and has since also gone on to play at the South by Southwest Festival (SXSW). Mikko Mäkelä's debut feature *Sebastian* and Amrou Al-Kadhi's feature *Layla* both premiered to critical acclaim, with *Sebastian* being picked up for North America distribution by Kino Lorber and for UK release by Peccadillo. The films were particularly celebrated for the breakout performances of stars Ruaridh Mollica and Bilal Hasna. *Layla* also opened the BFI Flare: London LGBTQIA+ Film Festival in March 2024 and has been bought by Curzon for theatrical UK release later in 2024.

Three films supported by the Short Form Animation Fund played at the 2023 Cannes Film Festival and Annecy International Animation Film Festival. Films supported by the fund also picked up three BAFTA nominations with *Wild Summon* selected for the Oscar® longlist for Best Animated Short.

BFI NETWORK

Throughout 2023/24 BFI NETWORK continued to support filmmakers at the start of their careers in the production of short films and development of debut features. Its UK-wide partnership model provides localised talent hubs, executives and support, while key national industry partnerships and talent development activity are coordinated by a central team at the BFI.

UK-wide partner model

BFI NETWORK is delivered through a UK-wide partnership with leading cultural venues across England in the five BFI Film Audience Network (FAN) hubs and with national partners Ffilm Cymru Wales, Northern Ireland Screen and Screen Scotland. Support in Scotland (up to June 2024) was delivered by Short Circuit, supported in partnership with Screen Scotland.

We also work with Doc Society to support short documentary films each year through its BFI Doc Society Made of Truth Fund, and with the British Council on the More Films for Freedom short film funding programme exploring LGBTQIA+ stories from the Middle East and Africa, and for this year only, a special additional focus on Brazil.

Our eight core delivery partners continue to build on their talent development practice and connect with around 250 UK-wide organisations to diversify the screen sector, co-develop programmes, run joint activities, and help promote projects we support.

Funding

This year, BFI NETWORK England funds received over 1,100 applications for short film projects and over 900 for early development projects. From these, 36 short films and 25 early development projects were supported.

The equity, diversity and inclusion data for these 57 projects combined gives an overview of the filmmakers being supported through the centrally run BFI NETWORK funds in the most recent rounds. 2023/24 year was the first year that BFI NETWORK tracked awards made to filmmakers from a working-class background, which is currently at 29%, and we are looking at how to meet new targets in this area. Delegate partners in Northern Ireland, Scotland, and Wales supported a further 26 films.

Filmmakers supported by BFI NETWORK England Short Film Fund, our partners in Northern Ireland, Scotland, and Wales, and by the BFI Doc Society Fund, receive training in health and safety, environmental sustainability, and a session on the BFI's principles and guidance to tackle and prevent bullying, harassment and racism in the screen industries.

We aim to build an online library of freely accessible training videos for funded filmmakers to expand our offering and are continuing to refine the Wellbeing Facilitator role to ensure it's as effective as possible. Following the conclusion of the Insight Producer's Programme, we are working with Screen Yorkshire and other partners to release an online toolkit which will provide free access to informative videos of the programme's content.

CATEGORY	WRITER	DIRECTOR	PRODUCER	TOTAL	TARGET
Gender (balance of those identifying within the gender binary, monitoring trans and non-binary identities)	52%	57%	56%	55%	50%
% excluded from calculations	0%	0%	0%	0%	
Disabled* *Including those with a longstanding physical or mental condition and those identifying as D/deaf or neurodiverse	29%	29%	30%	29%	18%
% excluded from calculations	14%	24%	22%	20%	
Black and Global Majority	38%	43%	26%	35%	40%
% excluded from calculations	0%	0%	7%	3%	
Sexual Identity (people identifying as LGB+)	38%	38%	26%	33%	10%
% excluded from calculations	29%	24%	11%	20%	
Working Class background	24%	10%	11%	14%	39%
% excluded from calculations	5%	10%	19%	12%	
Caring Responsibilities Do you have any caring responsibilities?	19%	19%	30%	23%	
% excluded from calculations	14%	14%	7%	12%	
Returnships Are you returning to work following an extended period (12 months or more) of absence?	0%	0%	0%	0%	
% excluded from calculations	8%	5%	7%	7%	





Partners and professional development activity

The flagship BFI NETWORK@LFF ran a four-day programme that welcomed 15 exciting emerging writers, directors, and producers from across the UK. Selected from over 400 applications, this was the second year the group had full UK representation with filmmakers from all five England regions and Scotland, Northern Ireland and Wales taking part. Highlights included post-screening discussions with Molly Manning-Walker, Mahalia Belo, and Moin Hussain, as well as Luna Carmoon, Helen Simmons, Loran Dunn, the team behind ***Hoard***, who themselves came together when Helen and Luna met on BFI NETWORK@LFF in 2018.

From the largest number of applications to date (205), six emerging LGBTQIA+ filmmakers were selected for the 2023 BFI Flare x BAFTA mentoring programme. We received a welcome increase of applications from Northern Ireland this year following dedicated outreach to improve representation.

BFI NETWORK also collaborated with BFI International on an expanded Travel Grant Scheme delivered in partnership with the British Council which now supports early career and more experienced professionals to gain international exposure and develop their networks. Since January 2024, 50 filmmakers have so far been supported to attend festivals or labs through the Travel Grants Scheme run by the British Council.

Future Takes

Future Takes is a new fund in partnership with Film4 bridging the gap between short films and debut features by supporting nine higher budget shorts, selected from over 400 applications. This year six of these films went into production, and the remaining films will shoot in summer 2024. We are working closely with Film4 on exhibition and distribution plans, to ensure these films reach festival, cinema, broadcast and BFI Player audiences.

Festival awards and success

BFI NETWORK-backed short films nominated for the BIFAs this year included ***The Archive: Queer Nigerians*** by Simisolaoluwa Akande (BFI Doc Society Fund) and *Lions* by Beru Tessema and Ama Ampadu (Film London). *Lions* also won the Unifrance 21st Short Film Award. South East-based *Essex Girls* was selected for the Sundance Film Festival and was also longlisted for a BAFTA. Notable success stories this year in terms of previous BFI NETWORK-backed filmmakers releasing or premiering their debut feature films include Charlotte Regan with *Scrapper*, Amrou Al-Kadhi with *Layla*, Luna Carmoon, Helen Simmons and Loran Dunn with *Hoard* and Moin Hussain with *Sky Peals*.





BFI Doc Society Fund

The BFI's support for documentary filmmaking is delivered by Doc Society, which was reappointed following an open call for a delivery partner for the first three years of Screen Culture 2033.

The BFI Doc Society Fund includes awards and talent support programmes. The awards programme has three strands: the BFI Doc Society Features Fund, which supports feature documentary filmmaking projects at any stage, from development to post-production; Made of Truth, a short filmmaking fund, which opens a call for applications once a year; and the RAD (Research and Development) Fund, which supports filmmaking projects in the earliest stages of development. The BFI Doc Society Fund Talent Support Programme supports the development of new and emerging filmmakers UK-wide through events and initiatives designed to share knowledge and skills, by promoting opportunities and helping filmmakers build networks and professional relationships.

In 2023/24, the BFI Doc Society Fund supported shorts and features screened at festivals including Sheffield DocFest, HotDocs, Tribeca Festival, BFI London Film Festival, Edinburgh International Film Festival, Melbourne International Film Festival, and MAMI Mumbai Film Festival. Seven feature documentary titles were released in cinemas: ***Blue Bag Life***, *Name Me Lawand, If the Streets Were on Fire, Tish, Is There Anybody Out There?, Your Fat Friend* and *Phantom Parrot*. Made of Truth shorts, *The Medallion* and *My Blonde GF*, were picked up for online distribution by The New Yorker and The Guardian respectively.

BFI Doc Society Fund supported titles were nominated for awards which included Outstanding Debut for *Blue Bag Life* and *Is There Anybody Out There?* at the BAFTAs. Made of Truth short, *The Archive: Queer Nigerians* won best short at the BFI London Film Festival; *The Taste of Mango* won Best Debut Director Feature Documentary at the BIFAs; and filmmakers **Ella Glendining (*Is There Anybody Out There?*)** and Kathryn Ferguson (*Nothing Compares*) were both selected as 2023 UK BAFTA Breakthroughs.

In 2023/24, 11 short films received awards from the Made of Truth Short Film Fund as part of BFI NETWORK, and 17 feature film projects were awarded by the BFI Doc Society Features Fund, with 13 awards made to existing grantees and four awards for new productions. The RAD Fund opened in December 2023 and will make its first awards in spring 2024.

As part of the BFI Doc Society Fund Talent Support Programme, the team travelled throughout the UK to speak to filmmakers, holding joint events with BFI NETWORK and participating in festivals including the Aesthetica Short Film Festival, Berwick Film and Media Arts Festival, BFI London Film Festival, Bolton Film Festival, Docs Ireland, Encounters Film Festival, Flatpack Film Festival, Glasgow Short Film Festival, Leeds International Film Festival, REAL Documentary Festival, Leicester; and more. Internationally, the BFI Doc Society Fund team organised UK filmmaker delegations to key international festival markets and forums at CPH:DOX and IDFA.



International engagement and industry partnerships

In 2023/24, the BFI's National Lottery International Fund supported a wide range of activity to increase the international reach of UK's screen content and the visibility of UK talent at festivals and other industry events around the world. Additionally, often working with partners in other countries, the fund supported activities that encouraged knowledge exchanges with international peers and collaboration with the UK, including through co-productions.

This included the **UK Pavilion at the Cannes Film Festival and Marché**, and its series of curated industry panels and networking sessions, and a partnership with Cannes Film Marché on the conference programme Celebrating Black Women in International Film. The BFI also supported a UK stand at the Berlinale and the Toronto International Film Festival (TIFF), both delivered by Film Export UK. UK producers were supported to attend the Berlinale and TIFF through the BFI's collaboration with Berlinale Diversity Pathways and Ontario Creates respectively. The Annecy International Animated Film Festival and Market (Mifa) also featured a UK stand organised by Animation UK with support from the BFI National Lottery International Fund.

A number of supported international partnerships helped to promote opportunities for the UK screen sector in other countries. The New Nordic Films film and co-production market organised a UK Focus at the Norwegian International Film Festival in Haugesund and Screen Producers Australia hosted a UK Focus at Australia's major industry event Screen Forever, enabling a group of UK producers and sales agents to participate. The 2023 edition of the Locarno Film Festival featured the First Look on British Cinema which showcased work-in-progress projects from UK filmmakers offering them exposure to international buyers and festival programmers.

The BFI National Lottery International Fund also supported a wide range of in-person delegations to markets and festivals around the world, to provide opportunities for UK producers to progress their co-productions, gain international experience and build networks. Many of the participants were from backgrounds underrepresented in the screen industries. This included delegations to CPH:DOX in Denmark, IDFA in the Netherlands,), the South by Southwest (SXSW) Festival in the US, and the José Ignacio International Film Festival in Uruguay to explore collaboration with Latin America. A partnership with the National Film Development Corporation of India also enabled a group of UK producers to participate in the Goa Film Bazaar to seek co-production opportunities there.

In the UK, Film London organised another edition of the Production Finance Market during the BFI London Film Festival with support from the BFI National Lottery International Fund, along with London Screenings – an export-focused event showcasing new UK films to international buyers. Sheffield DocFest's international industry programme was delivered with backing from the BFI National Lottery International Fund, as was the National Film and Television School's Inside Pictures, an international film business professional training programme.



UK Global Screen Fund

Launched in 2021, the UK Global Screen Fund (UKGSF) is designed to boost international development, production, distribution and promotional opportunities for the UK's independent screen sector. The UKGSF targets support across the sector, including film, TV, documentary, animation and interactive narrative games content. Financed by the UK Government's Department for Culture, Media and Sport (DCMS) and delivered by the BFI, the UKGSF is focused on supporting international co-production, international business development and international distribution.

In 2023/24 the UK Global Screen Fund made 102 awards in the form of non-recoupable grants totalling over £8 million. It has awarded funding to 18 international co-productions, bringing new global partnerships with 18 territories including India, Norway, Spain, Canada, Finland and Greece. It also helped to boost international sales of critically acclaimed UK feature and co-production titles including *Scrapper* (Charlotte Regan), ***Los Colonos (The Settlers)*** (Felipe Gálvez Haberle) and *The Old Oak* (Ken Loach). The fund has also awarded 19 companies with support for business development strategies that drive international growth.

In 2023 the UKGSF also contributed to the European Solidarity Fund for Ukrainian Filmmakers (ESFUF), renewing its support in 2024. Managed by the CNC in France, the ESFUF brings together 16 partners from 13 different countries and offers dedicated support for Ukrainian filmmakers to help them complete their films or develop new projects, while fostering co-productions.

Alongside financial support for UK screen businesses, the UKGSF oversees the consumer brand ScreenUK, which promotes UK screen content internationally, and the UK Global Screen Fund data hub platform, launched in 2023 to provide the UK independent screen sector with international VOD data and insights.

Inward investment

The BFI supports and works in partnership with the British Film Commission (BFC) to deliver economic growth through inward investment to the UK for film and high-end TV production. A key pillar of the BFC's work is the tailored support provided to productions in partnership with screen agencies across the UK which in the calendar year 2023 received almost £1.04 billion of feature film inward investment production and £2.07 billion of high-end television inward investment production. During this year the BFC had to respond to a major challenge when the Writers Guild of America and Screen Actors Guild-American Federation of Television and Radio Artists (SAG-AFTRA) went on strike in the US halting some production starts, which had a significant impact on new production investment in the UK.

The BFC also represents the UK at key markets and festivals such as Toronto International Film Festival, the European Film Market in Berlin, the Sundance Film Festival, and Mifa, as well as delivering events such as the UK Film and TV week in Los Angeles.



International policy

The BFI takes an active part in the work of the European Film Agency Directors association (EFAD), which brings together 35 national film agencies from across Europe, through the EFAD General Assembly meetings held in Cannes, San Sebastian and Berlin, and participating in EFAD working groups. We also continued to engage with matters related to the EU, Council of Europe and international policy, including those relating to European Works, mobility, co-production, and the protection of copyright.

Our bilateral relations with France were in focus during this year, following the UK-France Summit in March 2023, which highlighted the BFI's collaboration with the CNC the French Institute in the UK, and Unifrance to encourage more collaboration between the two countries. The CNC hosted UK producers in Paris for meetings with their French counterparts in April, and then French producers held co-production meetings in London as part of the BFI London Film Festival.

The BFI continued to ensure the interests of the UK's screen sectors were represented and protected in the Government's negotiation of new Free Trade Agreements (FTAs) around the world, including in India and Australia, as well as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), in relation to which the UK signed the Protocol of Accession in July 2023.

International cultural activity

The BFI's major retrospective *Cinema Unbound: The Creative Worlds of Powell and Pressburger* was launched with a preview at Il Cinema Ritrovato, Bologna in June 2023, reaching audiences and peers from around the world. This included a programme of Michael Powell's rarely seen early work, recently remastered by the BFI National Archive, and an open-air screening of the BFI's newly created 35mm print of *Black Narcissus* (1947), introduced by Thelma Schoonmaker and playing to an audience of thousands in the Piazza Maggiore.

Following screenings and events across the UK, an international tour of *Cinema Unbound* is planned to take place throughout 2024, making extensive use of BFI restorations like ***The Ainus of Japan* (1913)**, film and digital, film and digital materials, curation, and marketing. The tour is booked into major venues in USA (Los Angeles, New York, Chicago and Seattle); Canada (Toronto); Mexico (Morelia); China (Shanghai); Australia (Brisbane); Poland (Warsaw); France (Paris) and Netherlands (Amsterdam) with more to follow in 2025.



Other international cultural programme highlights included:

- The BFI National Archive's new restorations of three films made by Italian émigré Lorenza Mazzetti in London in the 1950s at the To Save and Protect festival at the Museum of Modern Art, New York.
- The premiere of the BFI's restoration of ***Pressure*** (Horace Ové, 1976), the first feature film made by a Black British filmmaker, at the New York Film Festival.
- Japanese composer/performer and 'ambient music legend' Midori Takada performance of the Japan on Film cine-concert in London and internationally. The event comprised live music/performance with BFI restorations of films from the late Meiji period.
- Continuing our relationship with the Shanghai International Film Festival, 2023 saw a tribute to Mike Leigh. We also worked with Shanghai Art Film Federation on a Tilda Swinton focus as part of its British Film Masters programme, including the BFI's restoration of *Friendship's Death* (1987).
- BFI's prints and restorations of work by Alexander Korda, the British-Hungarian producer and director, which were exhibited at the Budapest Classics Marathon.

The BFI contributed skills and knowledge to a wide range of international conferences, symposia, festivals and workshops. Of particular note was the contribution of the BFI's Paper Conservator to the Federation of International Film Archive's Biennial Audio-Visual Archival Summer School in New Delhi. This was the first time that paper conservation had been considered at this major international training event.

The BFI National Archive worked extensively with international archives and rightsholders, loaning materials to enable its restoration and new film prints programme. The BFI also contributed to a wide range of international restorations, collaborating with other archives by scanning material or supplying film elements. These included *The Ancestors* (Ghanaian film restored by the Hungarian National Film Archive); *You Hide Me* (Ghanaian film restored by Arsenal, Berlin); *Days and Nights in the Forest* (Indian film restored by the Film Heritage Foundation, Mumbai); *El Negro* (Cuban film restored by Cinemateca de Cuba); and *The Kidnapping* (French/Swiss film restored by La Cinémathèque Suisse).

Our Film Sales and Bookings teams have enabled a large Peter Greenaway season at Ethos – Haifa Art, Culture & Sport, and films made by filmmaker Terence Davies who died in October 2023 – *Distant, Voices Still Lives* (1988)*, Of Time and the City* (2008) and the *Trilogy* (1983) in countries including Switzerland, the Netherlands, Poland, India, Spain, Belgium and Luxembourg. Other titles regularly booked include *Friendship's Death* (1987), *Riddles of the Sphinx* (1977), *Passion of Remembrance* (1986) and *The Great White Silence* (1924); and various catalogue titles have been loaned to institutions including the National Gallery of Art Washington, MOMA New York, Swedish Film Institute, Film Archive Vienna and Il Cinema Ritrovato (31 titles at the 2023 festival). In the UK, the team secured a significant library agreement with Sky alongside establishing our first partnership in the cruise industry with Cunard, working closely with our Business Partnerships team.



Research and Statistics Unit (RSU)

The BFI Research and Statistics Unit (RSU) provides independent public-domain evidence for the UK screen industries through data collection, analysis and research to underpin decisions on the future of the sector – regarding culture, practice, and economic and policy needs. This research is published on www.bfi.org.uk, shared widely with stakeholders and made available through RSU events.

Tax reliefs and expenditure credits

The Research and Statistics Unit (RSU) published quarterly reports tracking key production figures across film, high-end TV, children's programmes, animation programmes and video games. The team also provided data and modelling around proposed changes to the film and VFX tax reliefs/expenditure credits. For the proposed change to tax relief for UK films with budgets under £15 million, this data modelling was extensive, involving the redefinition of many underlying aspects of our typical data analysis, and title by title investigation of hundreds of films. This data was instrumental in supporting the case for uplifts to both tax reliefs.

Research & Statistics Fund

Four key reports were published this year, each guided by a steering group of industry experts. *Measuring the Economic Value of Cinema Venues* (co-commissioned with the Creative PEC) examines previously unmeasured social benefits created by cinemas for cinema users and communities. The RSU also published a second co-commission with the Creative PEC, the feasibility study, *How to Measure the Impact of Overseas Mergers and Acquisitions on the UK Video Games Industry.*

In addition, the RSU published the *Screen New Deal: Transformation Plan for Wales* report, commissioned by the BFI and led by BAFTA albert, Arup Creative Wales, Ffilm Cymru Wales and Media Cymru. The transformation plan provides a routemap for stakeholders in Wales to transform the film and high-end television industry to a zero-carbon, zero-waste sector, and is designed to act as a blueprint for use in the other UK nations and regions. The plan's recommendations were announced at BAFTA albert's production summit in Cardiff in November 2023.

The BFI also published a *Skills Scoping Study for the UK's Digital Content Production Sectors*. The study identifies the key skills gaps and shortages across the UK's growing digital content production sectors (animation, post-production, video games, VFX as well as immersive and interactive tech).

Innovation Challenge Fund and CoSTAR

The CoSTAR programme is a major investment by the Government in creative R&D funded by the UK's research councils, involving a range of industry and academic partnerships (image **Ulster University**). The BFI was confirmed as a key partner in the CoSTAR Foresight Lab in November 2023, and began work creating research partnerships to explore the potential for new technology in screen production.

The RSU also launched a new National Lottery Innovation Challenge Fund which seeks to support innovations which tackle the UK screen sector's most critical challenges. The fund will identify where innovative new thinking could allow not-for-profits to make a step change, while gaining insights that will benefit the whole screen sector.



BFI audience insight and evaluations

In 2023/24 the RSU surveyed more than 10,000 members of BFI audiences, which included those who came to BFI Southbank and BFI IMAX; attendees at the BFI London Film Festival, BFI Film on Film festival, BFI Flare; and BFI player users across the UK. This has given us a better understanding than ever before of these audiences and how to meet their needs.

Evaluations were completed for programmes under the previous BFI2022 strategy, for which the final years of activity had been rolled over into the current financial year, owing to reasons which included the prolonged impact of COVID-19. Evaluations were also completed for additional government programmes, to assess the delivery and impact of funding activities as well as to inform the future developments of Screen Culture 2033. These included evaluations for National Lottery funds and programmes including the **BFI Film Academy**, Heritage 2022, Research and Statistics Fund, as well as government programmes such as the UK Global Screen Fund pilot study. This year also saw the publication of recent BFI commissioned evaluations added to the BFI website to help ensure good governance of public funds.

Policy and advocacy

The BFI played a major role in delivering the UK's new Independent Film Tax Credit announced at the Spring Budget 2024. The IFTC will enable qualifying UK films with a budget up to £15 million to access an increased expenditure credit of 53%. This uplift marks a transformative moment for the sector, as producers and filmmakers have increasingly struggled to finance films at this level and get them into production in the UK. The BFI's Policy, Research and Communications teams worked with a huge range of stakeholders across industry and also collaborated with UK government to refine the initial policy proposal put forward by producers' trade association, Pact. Producers and filmmakers who have created some of the most loved films by audiences and have showcased UK filmmaking talent and creativity, universally welcomed the new level of tax relief for independent UK films. BFI Policy work continues in preparation for the IFTC's implementation later in 2024/25.

The BFI worked closely with industry and UK government on the successful implementation of the new audio-visual expenditure credit (AVEC) and video games expenditure credit system (VGEC) to ensure that the UK tax system remains secure and globally competitive for domestic and international production and games development. The AVEC and VGEC will replace the current film, high-end TV, animation and children's TV, and video games tax reliefs, and were introduced on 1 January 2024. The move to AVEC also saw the introduction of a higher rate of relief for animated film and TV and children's TV in response to the specific needs of those sectors.



Beyond tax relief, the BFI's major policy focus was the House of Commons Culture, Media and Sport Committee's inquiry into UK film and HETV – the first such inquiry for 20 years. The BFI delivered a comprehensive written response to the committee, covering the entire breadth of its policy positions as lead body for UK film and the moving image. BFI Policy continued to engage with the Committee in preparation for a formal evidence session expected towards the end of the inquiry.

BFI Policy also worked with colleagues across the BFI to secure enhanced grant-in-aid support for key activities. The DCMS announced full grant-in-aid funding for the 2024 BFI London Film Festival and additional support for the BFI's Certification Unit at the 2023 Autumn Statement, recognising the Unit's vital work in supporting the sector which has scaled up in recent years in response to rapid industrial growth and an increased number of tax reliefs.

In addition to these major projects, BFI Policy has continued to work with BFI colleagues to progress policy change in various areas from skills and inclusion through to international issues – that work is set out in the respective sections of this report.

Image: independent UK film, ***In Camera***.

BFI Certification Unit

The BFI Certification Unit has an important role for industry as part of the process for enabling UK screen productions and projects to qualify as British, which in turn enables claims that can be made to access the UK's world-leading screen sector tax reliefs.

The Unit has administered the cultural test and co-production treaty qualifications on behalf of the Department for Culture, Media and Sport (DCMS), His Majesty's Revenue and Customs (HMRC) and His Majesty's Treasury (HMT) since the introduction of film tax relief (FTR) in 2007. In the last year, the Certification Unit has worked with government and BFI Policy on the consultation and introduction of the Audio-Visual Expenditure Credit (AVEC) and Video Games Expenditure Credit (VGEC) introduced on 1 January 2024 to replace the existing screen sector tax reliefs.

The Unit has also been working and is continuing to work with HMT following the Spring Budget announcement in March 2024 on the introduction of a higher rate of AVEC for independent films budgeted up to £15m and further consultation on visual effects (VFX) in relation to AVEC for film and high-end television (HETV) productions.

In this financial year, the Unit received 2,296 applications. This comprised 1,082 applications for films, 432 applications for HETV productions, 135 for animation television productions, 139 for children's television productions and 537 for video games projects. The previous year saw higher figures due to a new application system introduced at the end of the last financial quarter and an influx of applications. This year's figures are still significantly higher than expected overall and showing an increase over the last two years of 942 applications.

Strategic principles

Equity, diversity and inclusion

Strategic principles
Equity, diversity and inclusion


Image: Millie Turner

Representation in the UK screen sectors has long been unequal, from the stories told on screen, to the opportunities available to create and work in the sector.

Equity, diversity and inclusion are about everyone being able to develop a meaningful relationship with screen culture, irrespective of their background or circumstance. This includes people of all ages, religions or beliefs, ethnicities, genders, sexual orientations, working class backgrounds, as well as disabled people, those with a long-standing physical or mental condition, and those identifying as d/Deaf or neurodiverse.

This principle is core to the BFI's own organisational structure, our Screen Culture 2033 10-year strategy and how we spend National Lottery funds across our programme and funded partners.

Inclusion team

The financial year 2023/24 has seen some changes within the BFI Inclusion team; the Head of Inclusion was promoted to Director of Inclusion; and the Projects and Partnerships Lead and Disability Equality Lead both took on the newly adapted role of Inclusion Partner. These changes reflect our collaborative and consultative approach regarding inclusion with the Director of Inclusion's elevated role allowing her to work alongside the CEO, Executive Board and Board of Governors on strategy and advocacy.

Early 2024 we launched our new Inclusion strategy to sit alongside Screen Culture 2033. It focuses on the following practices:

1. Community building
2. Access enabling and knowledge sharing
3. Consultancy and advocacy
4. Delivering on our commitments in Screen Culture 2033

By organising events (**Queer Cinema from the Global South**) and community spaces, we aim to build networks of persistently marginalised communities to share common experiences and create together.



Community building and knowledge sharing
BFI Inclusion and BFI International work together to create equitable access to opportunities for filmmaking talent attending film markets, tailoring the experience for specific needs. Film festivals offer a great opportunity to share and build knowledge fostering collaboration with other territories, that can then be fed back into the work of the BFI.

At the BFI Flare LGBTQIA+ festival we created intersectional spaces of community in association with the Queer Muslim Project in 2024 following a successful Queer Nigerian event in 2023.

At the **Cannes Film Festival** we supported a delegation of four Black female producers (Nadine Marsh-Edwards, Yvonne Ibazebo, Kelley Robins-Hicks and Shantelle Rochester) to take part in a curated programme of events 'Celebrating Black Women in International' Film, in association with Diversity in Cannes. BFI Inclusion also hosted panel discussions at the UK Pavilion and in the Marché du Film, along with celebratory events for 120 people in partnership with the British Blacklist and Times Up UK.

In February, for the second year running, BFI Inclusion and International supported the participation of four Black and Global Majority producers (Carol Harding, Lorine Plagnol, Luke Oliveira-Davies and Tolu Stedford) in the Berlin International Film Festival's European Film Market (EFM) and their engagement with the Toolbox Producers and Inclusion Pathways programmes. We helped facilitate meetings for the producers with equity financiers, producer development programmes such as EAVE, the Caribbean producers network, CAFTPro, and representatives from Warner Brothers and the BFI, including a networking event attended by over 50 Black and Global Majority filmmakers and producers. One participant said: "Thank you for including me in this awe-inspiring group. I have never, in my professional life, experienced such a strong feeling of belonging, sharing and learning."

Also at Berlin, we collaborated with Melissa Silverstein from Women in Hollywood/Athena Film Festival and Melanie Iredale from Reclaim the Frame on the second iteration of a roundtable titled 'Beyond the Binary: What Does Allyship Look Like?' which brought together around 30 women, trans and non-binary people to discuss how gender equity organisations can move beyond the 50:50 gender binary and be more expansive in their support of minoritised gender identities. The first iteration had been held during the BFI London Film Festival. This version was more internationally and gender representative, with feedback following the event calling for more conversations and opportunities to learn and collaborate.

This year the Director of Inclusion was asked to join the European Women's Audiovisual Network (EWA) as a Board member, and she attended the first EWA Board meeting in February 2024. This organisation represents 800 women working throughout the audiovisual sector across the globe and this appointment is in part to help them to become more intersectional and inclusive.

Additionally, BFI Inclusion supported the events of several organisations including Black Leaders in TV, Female Film Club, UK Muslim Film, 16 days 16 films, Wonder Women, Hair on Set screening and Milk Tea.



Consultancy and advocacy

BFI Inclusion continues to share knowledge and advocate for inclusion work globally at international film festivals and events.

During this year, the Director of Inclusion spoke about disability representation at the Athena Film Festival in New York; on a panel about gender equity at the Five Films for Freedom Festival in Thessaloniki; to the Filmoteca Espagnol and CIMA in Madrid alongside academics from the University of Southampton; to executives at Disney, AMPAS, Paramount, A24, Monkeypaw, Shondaland and others in Los Angeles and New York; and delivered keynotes at the Danish Film Institute and Danish Film School. Closer to home, she presented a lecture on diversity and inclusion at Northumbria University.

Delivering on our commitments in Screen Culture 2033

We have been working internally towards embedding diversity and inclusion work into the fabric of each directorate's strategic delivery, prioritising EDI as an underlying principle in everything we do – as it is in Screen Culture 2033. This includes an organisation-wide focus on anti-racism and access and helping to shape and embed our inclusion targets.

Disability equality

This year we held and supported three fully accessible events.

An anniversary screening and Q&A of Special People (2007) starring Sasha Hardway with director Justin Edgar and actors Dominic Coleman and David Proud.

BFI Inclusion created accessible AD and DS materials for the screening to improve accessibility for disabled audiences. The event was live captioned and BSL interpreted to ensure the Q&A aspect was fully accessible. Discussions are currently underway to add this title to BFI Player with appropriate access materials so this disabled story can reach a UK-wide audience.

- Relaxed screening of Derek Jarman's *Blue* in partnership with Criptic.

The Blue Description Project (BDP) is an audio description and captioning project, produced by Crip* – Cripistemology and the Arts, in collaboration with Voices in the Gallery. Derek Jarman's *Blue* features creative captions and audio description sourced from numerous contributors.

- Queer Freedom in partnership with Oska Bright.

The **Oska Bright Film Festival** is the world's leading festival for films made by or featuring people with learning disabilities or autism. Its Queer Freedom programme shines a spotlight on the stories of the LGBTQIA+ community, which can often go unheard. Featuring stories of love, loss, and friendship, their stories go a million miles to show what this community can achieve.





Disability Advisory Group

This year was a period of transition for the Disability Advisory Group as a new chair was appointed, the group underwent some changes to its membership and defined a new manifesto – with a rebrand to be announced in 2024.

Diversity Standards

In April 2023 we launched new Diversity Standards criteria for all BFI supported projects. The criteria have been updated to reflect the outcome of the 2021 review and the priorities identified by that work. These changes include the introduction of a new mandatory Diversity Standard E - Accessibility, which relates to approaches to accessibility across the whole lifecycle of a project; in addition to new criteria around duty of care policies; and mandatory elements within each standard. Separate guidance for the new criteria have been created for film, distribution and exhibition, TV, video games and for organisations.

The new Diversity Standards were launched in a 'transition' year regarding awards eligibility, to allow time to introduce the new criteria to the industry. BAFTA/BIFA assessments for the year were completed by November 2023, with 600+ projects assessed for awards eligibility. The American Academy also brought new representation and inclusion standards into force last year which are based on the BFI Diversity Standards. This year, Screen Scotland progressed its adoption of the Diversity Standards whilst Paramount continues to voluntarily submit projects for assessment, at multiple stages during and after production.

Within the BFI, work is being undertaken to embed the updated BFI Diversity Standards system across all relevant BFI funds and internal processes.

Images: **David Proud** and **Sasha Hardway** in the film ***Special People*** about a film-maker who takes five wheelchair-bound teenagers out into the country to make a short film about the struggle they go through every day, and how they are treated differently from other people.

UK-Wide

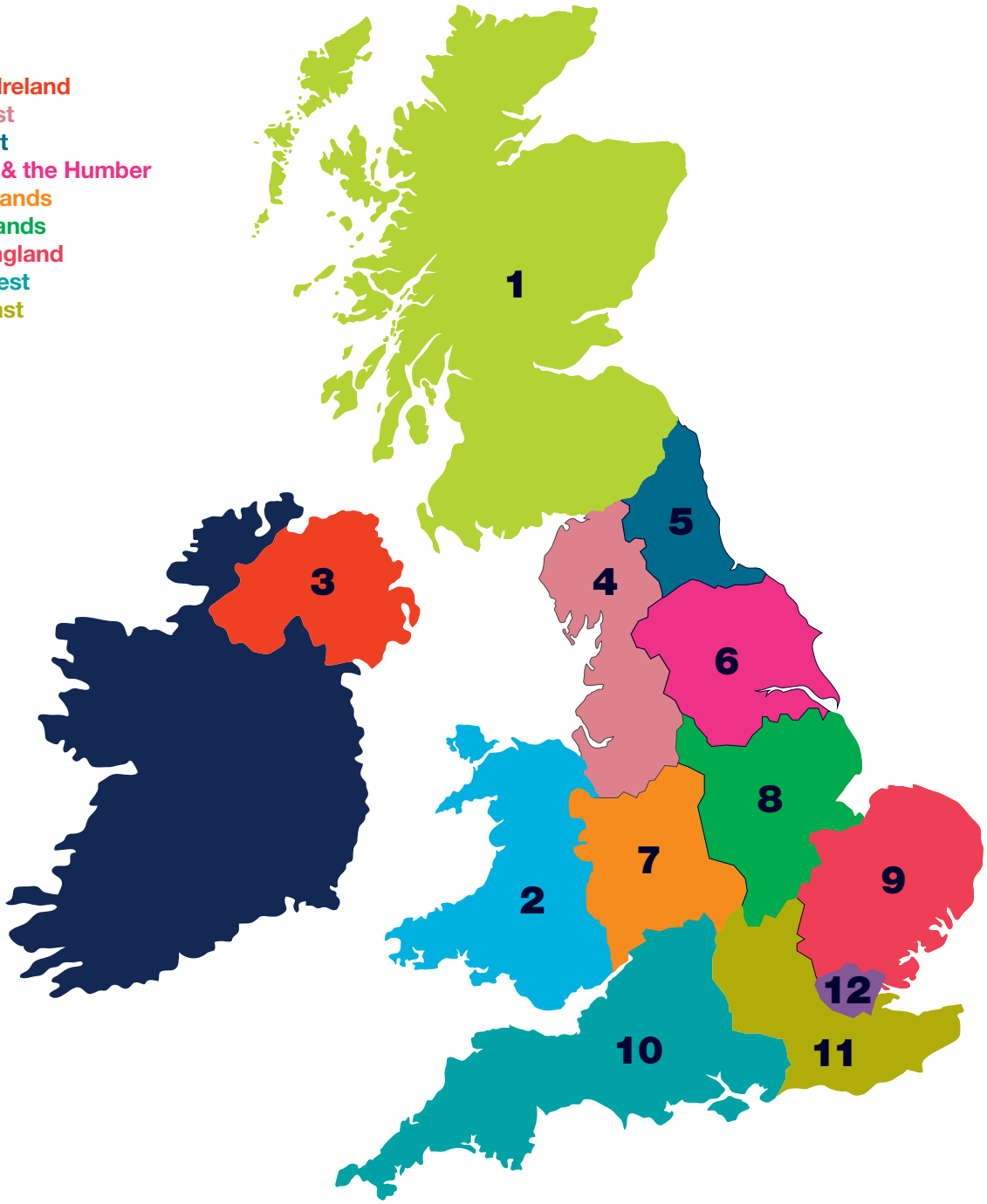
BFI UK-wide funding by nation and region

Everyone across the UK should be able to experience and create the widest range of moving image storytelling. It has a huge role to play in helping us explore the rich diversity of UK life across every national and region. Economic opportunities and access to jobs should be developed UK-wide. All funded activity has to demonstrate how it supports these ambitions.

2023/2024 was the first year of our 10-year Screen Culture 2033 strategy and our National Lottery Funding Plan. Over the course of these strategies we are committed to looking at how we can best to grow the role of local decision-makers in deciding how to deliver strategic outcomes. Our audience, filmmaking and education and skills development activities benefit people and businesses across the UK. Here we detail funded initiatives and partnerships which work to deliver this work UK-wide.

Awards supporting activity UK-wide from our National Lottery, Grant-in-aid and Department for Education funding supports partners in delivering programmes and activity UK-wide.

1 Scotland
2 Wales
3 Northern Ireland
4 North West
5 North East
6 Yorkshire & the Humber
7 West Midlands
8 East Midlands
9 East of England
10 South West
11 South East
12 London



1 Scotland
BFI NETWORK delivery partner (1) BFI Film Academy delivery partners (6) BFI Audience Projects Fund (4) BFI Film Audience Network partners (1) BFI Filmmaking Fund – Development, Production (6*) BFI Skills Clusters (1) UK Global Screen Fund (6) BFI Replay branches (163) Into Film account holders (7,274)

2 Wales
BFI Film Academy delivery partners (4) BFI NETWORK delivery partner (1) BFI Audience Projects (2) BFI Film Audience Network partners (1) BFI Filmmaking Fund – Development, Production (4) BFI Skills Clusters (1) BFI Screen Heritage Fund (1) UK Global Screen Fund (2) BFI Replay branches (99) Into Film account holders (4,332)

3 Northern Ireland
BFI NETWORK delivery partner (1) BFI Film Academy delivery partners (5) BFI Audience Projects Fund (1) BFI Film Audience Network partners (1) BFI Filmmaking Fund – Development, Production (1) BFI Skills Clusters (1) BFI Screen Heritage Fund (1) Irish Language/ Ulster Scots Broadcast Funds (4) UK Global Screen Fund (3) BFI Replay branches (97) Into Film account holders (2,653)

4 North West
BFI Film Academy delivery partners (3) BFI Audience Projects Fund (3) BFI Filmmaking Fund – Development, Production (4*) BFI NETWORK - England short film funding (4) Screen Heritage Fund (2) UK Global Screen Fund (1) BFI Replay branches (146) Into Film account holders (7,159)

5 North East
BFI Film Academy delivery partner (4) BFI Audience Projects Fund (2) BFI Replay branches (27) Into Film account holders (2,679)

6 Yorkshire & the Humber
BFI Film Academy delivery partners (3) BFI Audience Projects Fund (6) BFI Filmmaking Fund – Development, Production (5) BFI NETWORK - England Short Film Funding (1) BFI National Lottery Creative Challenge Fund (1) BFI Skills Clusters (1) BFI UK Focus Fund (1) BFI Screen Heritage Fund (1) UK Global Screen Fund (1) BFI Replay branches (133) Into Film account holders (4,486)

7 West Midlands
BFI Film Academy delivery partners (2) BFI Audience Projects Fund (5) BFI Filmmaking Fund – Development, Production (1*) Skills Clusters (1) UK Global Screen Fund (2) BFI Replay branches (147) Into Film account holders (5,089)

8 East Midlands
BFI Film Academy delivery partner (7) BFI NETWORK delivery partner/short film funding (3) BFI Audience Projects Fund (6) BFI Film Audience Network delivery partner (2) BFI Filmmaking Fund – Development, Production (3*) BFI Screen Heritage Fund (2) BFI Replay branches (182) Into Film account holders (4,576)

9 East of England
BFI Film Academy delivery partner (7) BFI NETWORK delivery partner (1) BFI Filmmaking Fund – Development, Production (7*) BFI Screen Heritage Fund (1) UK Global Screen Fund (2) BFI Replay branches (299) Film account holders (5,268)

10 South West
BFI Film Academy delivery partners (8) Audience Projects Fund (7) BFI Film Audience Network delivery partner (1) BFI Filmmaking Fund – Development, Production (6*) BFI NETWORK partners/short film funding (3) BFI Screen Heritage Fund (1) UK Global Screen Fund (3) BFI Replay branches (140) Into Film account holders (4,858)

11 South East
BFI Film Academy delivery partners (5) BFI Audience Projects Fund (5) BFI Filmmaking Fund – Development, Production (8*) BFI NETWORK - England short film funding (4) BFI Skills Clusters (1) BFI Screen Heritage Fund (2) BFI UK Focus Fund (1) UK Global Screen Fund (9) BFI Replay branches (374) Into Film account holders (7,217)

12 London
BFI Film Academy partner (14) BFI Audience Projects Fund (21) BFI Film Audience Network delivery partner (2) BFI NETWORK - England short film funding (8) BFI Skills Clusters (1) BFI Filmmaking Fund – Development, Production (67*) BFI Screen Heritage Fund (2) International, innovation, service support (5) Grant-in-aid partner projects (1) UK Global Screen Fund (48) BFI UK Focus Fund (5) Film London Grant-in-Aid 2024-25 (1) BFI Replay branches (191) Into Film account holders (8,498)

UK-wide delivery by London-based organisations
Research & Statistics Fund (4) Sustainability Support (2) BFI Documentary Delegation (2) BFI Audience Project Fund Specialised Film Support (1) BFI NETWORK Delivery Programmes (2) BFI Skills Fund - Skills Bursary Fund partner (1) BFI Teaching with Film/Young Creatives/Careers & Progression (4) BFI National Lottery Open Cinemas (1) BFI National Lottery Screen Heritage – Project/Heritage 22 (2)

England-wide delivery by North West-based organisations
BFI Skills Fund - Business Development (1) Production across England (1)

International activity and inward investment
International Connections Awards (11) British Film Commission (3) International Travel Grants delivery (1) ScreenUK Digital Strategy 2024-2026 (1)

Notes:

Some awards cover multiple years

BFI Film Audience Network partners are hubs around the UK which work with a wider range of film organisations in their areas

BFI Filmmaking Fund awards include film development, production, Future Takes productions and Locked Box awards

Into Film account holders include educators, career advisors, youth workers and parents

Three BFI Film Audience Network partners cover more than one region on the map:

BFI FAN hub for the Midlands covers East and West Midlands

BFI FAN hub North covers the North East, North West and Yorkshire & Humberside

BFI FAN hub South East covers East of England and South East

Environmental sustainability

Strategic principles
Environmental sustainability



Environmental sustainability is one of the three principles that underpin all our work. In recognition of this societal challenge, we must make systematic changes to reduce our own environmental impact and move towards net zero – this includes changes across all our activities, our buildings, behaviour, as well as funding decisions across our National Lottery portfolio, and programming decisions.

We aim to reduce impact, provide advocacy, and use our status as the lead body for film and the moving image to support and enable industry to achieve a fair green transition. This is a newer area of work for the organisation and in 2023/24 our focus has been on widening awareness and the early embedding of this work both within the BFI and across the screen industries.

Screen Culture 2033 and corporate commitments

At the BFI, we recognise the importance of committing to a step change in how we work as an organisation. In April 2023, we appointed two new key roles: a Head of Environmental Sustainability, working across corporate, cultural charity, and industry lead body work, as well as leading the BFI National Lottery Sustainable Screen Fund; and an Energy & Carbon Manager working across our estates and operations to maximise opportunities for energy efficiency, to reduce our carbon footprint, and to deliver initiatives to enhance our sites.

This year we have worked to develop an Environmental Sustainability Strategy (2024-2027) that will inform all our work and gives more detail against our strategy commitments. It has been aligned with the Inclusion Strategy for maximum effectiveness and joint delivery opportunities. We have begun workshops with colleagues across all BFI directorates and are in the process of drafting team action plans that provide structure to localised initiatives and decision-making, as well as enabling corporate reporting and progress monitoring.

Key areas of work this year included commissioning an Estates Strategy Sustainability Framework and working with BFI Knowledge, Learning and Collections on early planning for Screen Archive of the Future. BFI Fundraising & Enterprise has been identified as a growth area for self-generated income to fund the expansion of BFI's environmental sustainability activity and work was undertaken in this area. 2023/24 has also seen increased reporting requirements to government through the phased introduction of Taskforce for Nature-related Climate Disclosures. BFI Environmental Sustainability leads have been working to ensure we are compliant with enhanced reporting.

Over the next year our focus will be on decarbonisation initiatives at our sites and working closely with our lead suppliers to reduce their environmental impact.



BFI National Lottery Sustainable Screen Fund

The new BFI National Lottery Sustainable Screen Fund supports all BFI National Lottery awardees and the wider screen sector to measure and minimise their environmental impact and work towards becoming a net zero sector. In the BFI's National Lottery Funding Plan 2023-2026, £600,000 was allocated for the programme. This year, we appointed Julie's Bicycle and BAFTA albert as our delivery partners, which will include providing training, resources, guidance, advocacy, and support free-of-charge across the UK.

In this first year, consultation with current awardees and a cross-section of industry stakeholders has helped shape the programme to ensure its support is meaningful and impactful. Every National Lottery funding application is assessed on its ability to support the wider screen sector to become a net positive contributor to the environment. The quality and content of responses to this application prompt varies across our funding strands and both Julie's Bicycle and BAFTA albert will work to support greater levels of realistic ambition in these areas going forward. In addition, BFI staff are being supported to assess submissions and provide meaningful guidance to applicants where feedback is required on their engagement with environmental sustainability.

This coming year, Julie's Bicycle will launch a new self-service online resource hub to provide thematic information and signposting to further resources. From April 2024, BAFTA albert will launch four new training courses for sustainable production across independent features, short films, documentaries, and editorial.

Our long-term ambition is to see a structural shift in how the sector operates. In 2024/25, we will begin to see the fruits of our wider work on industry-leading initiatives that the BFI has been developing in partnership with key stakeholders across the full screen value chain.

Taskforce on Climate-Related Financial Disclosures (TCFD): Compliance Statement

The BFI has reported on climate-related financial disclosures consistent with HM Treasury's TCFD-aligned disclosure application guidance, which interprets and adapts the framework for the UK public sector. The BFI considers climate to be a principal risk, and has therefore complied with the Taskforce on Climate-related Financial Disclosures recommendations and recommended disclosures around:

- Governance - recommended disclosures (a) Board oversight and (b) Management's role
- Metrics and targets - recommended disclosures (b) emissions

This is in line with the central government's TCFD-aligned disclosure implementation timetable for Phase 1. The BFI plans to provide recommended disclosures for strategy in future reporting periods in line with the central government implementation timetable.

Taskforce on climate-related financial disclosures: governance

In 2023/24 BFI Sustainability leads and BFI Executive have been developing an Environmental Sustainability strategy (2024-27) that informs all our work and gives more detail to our strategy commitments. The Board receives annual updates on environmental sustainability progress, but in 2024/25 the content and frequency will be reviewed considering the strategy and incoming reporting and legislative requirements. In the coming year, the Executive will receive detailed briefings on reporting and legislative requirements linked to the BFI Screen Culture 2033 strategy and focus areas. Following sign-off of the new Environmental Sustainability strategy, the Executive will review and revise governance for this agenda area to ensure effective oversight for the coming strategy period.

Greenhouse gas emissions

We have seen a slight increase in emissions within the BFI in this reporting year which can be attributed to Scope 2 (Electricity) emissions and Scope 3 (International Travel). Owing to the carbon intensity of the grid changing from a Co_2e factor of 0.2111 in 2022/23 to 0.2250 in 2023/24 this has resulted in an overall increase, whilst our actual consumption has reduced. This carbon intensity increase is the result of an unexpected reduction in energy generated from wind farms in 2021 which increased the use of natural gas power stations.

Our organisational international travel emissions have also increased as more guests and filmmakers travelled to our BFI London Film Festival and BFI Flare: London LGBTQIA+ Film Festival this year, after a reluctance to travel post pandemic.

We are working to meet the Greening Government Commitments (GGC) target of 33% reduction in direct emissions by March 2025 compared to the benchmark year of 2017/18 - a 27% reduction was achieved in 2023/24 compared to 2017/18. For overall emissions, we have seen a decrease of 24% compared to the benchmark year.

		23/24	**22/23**	**21/22**	**20/21**	**17/18 GGC Benchmark**
Non-financial indicators (tonnes Co_2e)	Scope 1 Gas	506	609	742	552	688
	Scope 1 Fuel LPG	16	33	34	44	27
	Scope 2 Electricity	1,231	1,189	1,153	1,218	2,683
	Scope 3 Domestic Travel	135	46	45	5	23
	Scope 3 International Travel	279	128	-	-	-
	Total	**2,167**	**2,005**	**1,974**	**1,819**	**2,807**



Energy usage

This year saw the introduction of the first BFI self-generation project with the installation of photovoltaic panels around the Master Film Store in Gaydon, Warwickshire. The system has a capacity of 156kWp and will reduce grid consumption by up to 15%, with an estimated pay back in less than seven years. The system was commissioned in June 2023, and we look forward to gathering the generation data over the coming year.

Overall, we continue a downward trend on consumption, with our absolute consumption across all sites down against our benchmark year of 2017/18 (22% for electricity, 31% for gas and LPG).

This year we made our first step towards decarbonisation with the removal of the gas supply to the main air handling unit (AHU) for Vault 2 at Berkhamsted. Previously, natural gas has been used to regenerate the desiccant wheel for humidity control but to provide a full upgrade of the AHU we have replaced the gas connection with air source heat pumps.

This was completed in March 2024, and we hope to see the full effect of the reduction in gas consumption during 2024/25.

To help reduce the amount of energy consumed at **BFI IMAX**, we are in the process of installing energy saving motors which will cut energy levels by up to 30% in the auditorium and have an estimated 1.7-year payback. We will be installing occupancy detection to provide the correct internal air/temperature conditions depending on occupancy in the auditorium.

We continue to replace all fluorescent fittings across the BFI with LED, which included a large project to replace the lighting in Vault 2 at Berkhamsted. 254 luminaires have been installed at 18.3W which will generate energy savings of 20,167KWh/year.

We have also started to improve the metering of our sites to help us understand where and when we are using the most energy – to help target interventions and draw attention to abnormal use.

		23/24	22/23	21/22	20/21	17/18 GGC Benchmark
Energy consumption (MWh)	Scope 1 Gas LPG	2,764	3,103	3,695	3,013	3,714
	Scope 2 Electricity	5,944	6,149	6,371	5,223	7,632
	Total	**8,708**	9,252	10,066	8,237	**11,364**
Energy generation (MWh)	Total	98	-	-	-	-
Financial indicators (£m)	Energy Costs	**1.41**	1.32	1.01	0.8	0.9

Waste

We are coming to the end of our current waste management contract and are in the process of tendering the service – as part of the process we will continue to look for ways to reduce our waste and ensure what we do generate is correctly managed.

The BFI IMAX is a focus for the next 12 months, as a busy year at that site in 2023/24 has meant our overall waste generation has increased. We have identified work that can be done at this site to reduce the amount of single use items and increase the amount of food waste which is being captured and treated.

We continue to work with our public-facing caterers at BFI Southbank and BFI IMAX to reduce the number of single use plastics used, including introducing coffee grounds recycling.

		23/24	22/23	21/22	20/21	17/18 GGC Benchmark
Non-financial indicators (tonnes)	Landfill	0	0	0	0	0
	Recycled	296	404	155	63	509
	Composted	13	7	2	0	0
	Incinerated (EfW)	244	258	30	21	171
	Total	**553**	669	187	84	**680**
Financial indicators (£)	Costs	100,446	77,888	23,203	26,921	52,147

Water

Water consumption has decreased by 10% over 2023/24 due to the identification of a leak at our Berkhamsted site on the underground meter, this fell within the responsibility of the network supplier but was still appearing as BFI consumption. The leak has now been fixed and consumption has dropped from an average of 20m3 per day to 5m3. A further leak has been identified at our Gaydon site, which we are in the process of identifying and repairing which will further reduce consumption.

We are planning to install meter loggers on our water meters to understand usage over the course of a day or week to understand usage and help target improvements and understand results of changes and trials.

		23/24	22/23	21/22	20/21	17/18 GGC Benchmark
Non-financial indicators (M^3)	Estate usage	15,399	17,462	17,844	9,372	18,318
Financial indicators (£)	Water costs	57,703	38,770	27,000	38,647	54,222

Paper

We have seen an increase in paper use across the BFI this year, the majority of this has been attributed to the expanded education programme at BFI Southbank and the production of handouts for students. We are working with the Education department to investigate how we can reduce the use of paper by introducing other ways of presenting information. Despite this increase, we are still nearly 50% down on our benchmark year of 2018/19.

		23/24	22/23	21/22	20/21	17/18 GGC Benchmark
Non-financial indicators	A4 (reams)	1,518	951	837	51	2,856
	A3 (reams)	75	25	0	0	101
Financial indicators (£)	Paper costs	6,359	4,986	2,234	136	10,454

Nature recovery and biodiversity

We continued to further biodiversity improvements of the last few years at our BFI Master Film Store in Gaydon and the main BFI National Archive site in Berkhamsted, where we enhanced the wilding of several areas and made improvements to the habitat for native species.

We are looking at how we can improve the biodiversity opportunities at our central London sites, in particular at our BFI Southbank site, working in collaboration with our cultural neighbours and local stakeholders.

Sustainable procurement and construction

Sustainability is an integral element of our procurement process. Applications are scored accordingly and include sustainability criteria, and for procurement exercises with a greater scope to positively impact our sustainability performance, the tender is drawn up in conjunction with our Sustainability Lead. We have also ensured that high environmental standards are expected within our Supplier Code of Conduct, including within the supply chain.

All works in 2023/24 were focused on refurbishment of spaces or building systems and a key focus of the design process was ensuring we deliver an efficient and sustainable design. There are mandatory sections within our procurement process for contractors concerning sustainability. As part of the evaluation, we work closely with the appointed contractor to utilise their experience and knowledge, with the aim to enhance the design further and improve delivery on-site.

BFI National Lottery Strategy 2023-2033

BFI National Lottery Strategy 2023-2033


Image: Rob Baker Ashton

2023 was the first year of the BFI's new 10-year National Lottery Strategy. The strategy sets out the objectives that will govern our National Lottery funding over the next decade, alongside the BFI's commitment to the principles of Equity, Diversity and Inclusion; Environmental Sustainability; and UK-wide delivery.

The BFI has broken the 10-year strategy period into three smaller 'cycles', with each governed by a specific National Lottery Funding Plan comprising the specific funds and programmes we will use to deliver against the strategy. 2023/24 was our first year operating under the National Lottery Funding Plan 2023-2026. Our available BFI National Lottery funding is £45m a year.

In the financial year 2023/24 we have launched 19 new programmes, with 33 individual strands. Through these we have supported a wide array of work and established relationships with new and continuing delivery partners – all with the aim of delivering against the strategy's four key objectives.

Objective 1: Everyone can experience a great range of screen culture

This year we've invested National Lottery funding to support audiences to connect with a variety of work in a number of ways.

BFI National Lottery Audience Projects Fund

We launched the National Lottery Audience Projects Fund, which works to increase access to screen culture and develop audiences that reflect the UK population for film and XR. It has so far delivered nearly 2 million admissions, with nearly 90% of funded activity taking place outside of London and the South East. 20% of applicants that were either successful or are under assessment are new to our funding, while 40% of audiences for funded activity identified as having a disability. The Culture Secretary also gave dispensation for the Fund to support the BFI London Film Festival to engage audiences across the UK and via the Festival's XR programme and online offering.

BFI National Lottery Open Cinemas

Events specialists elevenfiftyfive were chosen to run Open Cinemas – a new programme to involve people with cinema who currently have low engagement. Now named Escapes, screenings are free for anyone to attend, and are played with subtitles to ensure they are as accessible as possible. 50% of audiences to date were new to their venue and 60% would not have watched the films watched the films, such as ***Seize Them!***, otherwise.



Image: Erika Stevenson

BFI Film Audience Network

The BFI Film Audience Network (FAN) continues to be a major UK-wide partnership for the BFI and in 2023/24 the eight Film Hubs who collectively make up the leadership, supported regional projects through their **Open Film Exhibition funds**. The Film Hub Network also identified 11 underserved areas in which to build screening activity, working in partnership with local exhibitors.

Heritage 2022 programme

The BFI's major heritage programme came to a close this year. At conclusion, the project had digitised and preserved more than 100,000 video tapes. We also launched our new archive video streaming service for public library services, BFI Replay, available in more than 100 library services (and c. 2,000 branches) across the UK. Heritage 2022 delivered more than 100 35mm prints of classic cinema titles, some of which were exhibited as part of the BFI's inaugural *Film on Film Festival.* In-house capabilities were also created for paper conservation and digitisation.

BFI National Lottery Screen Heritage Fund

2023/24 was the first full year of the BFI National Lottery Screen Heritage Fund, providing support to the UK's public screen heritage sector. Awards have been made to major archives and collections, including to build resilience, engage local communities, and diversity collections. The Culture Secretary gave dispensation for the BFI National Archive to receive an award for the Our Screen Heritage project to collect and preserve contemporary born-digital moving image works and build community access UK-wide.

Objective 2: Anyone can create original screen work, from first-time creators to world-class professionals

This year we've invested National Lottery funding to support filmmakers from first-time creators to those well established in feature production.

BFI NETWORK

BFI NETWORK continued to support early-career filmmakers in shorts production and feature development. We deliver this in partnership with leading cultural venues across England and with national partners Ffilm Cymru Wales, Northern Ireland Screen and Screen Scotland (via Short Circuit to June 2024).

This year, BFI NETWORK England funds received over 1,100 applications for short film projects and over 900 for early development projects; 36 short films and 25 early development projects were supported. Delegate partners in Northern Ireland, Scotland, and Wales supported a further 26 films. BFI NETWORK also continued to work with other partners, including Doc Society to support documentary shorts; BFI Flare and BAFTA to offer mentorships to six emerging LGBTQIA+ filmmakers; and the British Council and BFI International to deliver the *More Films For Freedom* programme, and offer international travel grants to 50 filmmakers.

Future Takes

Future Takes is a new fund in partnership with Film4 bridging the gap between short films and debut features. It supported nine higher budget shorts, selected from over 400 applications. This year six of these films went into production, and the remaining films will shoot in summer 2024.


Image: Sam Friedrich acumenimages.com

BFI Filmmaking Fund and BFI Doc Society Fund

The BFI Filmmaking Fund has worked to nurture producers, writers and directors as they create short, feature and XR works. Its production funds were relaunched as the Discovery Fund (supporting debut feature filmmakers) and the Impact Fund (supporting more established talent). Discovery received just over 150 applications this year, while the Impact Fund had just under 50. To date, one Discovery Fund feature has been delivered and is submitting to festivals, another has completed filming in Nigeria, four are preparing to begin principal photography, and support for four more features has been offered. The Filmmaking Fund has also supported titles including Dylan Southern's debut *The Thing with Feathers*.

Doc Society was reappointed to deliver support for documentary filmmaking, including through events, skills development work, and funding. Supported work screened at festivals from Sheffield DocFest to the Tribeca Festival and MAMI Mumbai Film Festival. Seven feature documentary titles were released in cinemas.

The BFI Filmmaking Fund, BFI NETWORK and BFI Doc Society had their most decorated year ever; with BFI National Lottery supported features, documentaries and short films receiving a record-breaking 68 BIFA nominations, 11 BAFTA nominations, and awards at Venice, Cannes and Sundance. Three BFI Filmmaking Fund titles featured in the top 20 UK independent films at the UK box office.

Creative Challenge Fund

We launched a new BFI National Lottery Creative Challenge Fund to support new creative project development programmes. Eight programmes were taken forward and will benefit 85 different projects and their creative teams. All programmes centre activity outside London and the South East and a number are run by and support filmmakers from underrepresented backgrounds.

Objective 3: The UK screen sector workforce is skilled and reflects the population

This year we invested National Lottery funding to support skills development from school age through to continuing professional development.

Programmes for school-aged children

We awarded c£5.95m to Into Film to deliver a new Careers and Progression programme, supporting 11–16 year-olds to understand the breadth of screen industry careers. **Into Film** has also begun to deliver the Teaching with Film programme, providing UK-wide teacher training, online resources, and support to engage children with film and media education.
In addition to these programmes, the £3m Young Creatives programme was launched to provide opportunities for disadvantaged 13–16-year-olds from a diverse range of backgrounds to engage in filmmaking for the first time. This funding is split equally between National Saturday Club's Film and Screen Clubs and Into Film's Film Clubs.



BFI Film Academy

We estimate that more than 1,200 young people aged 16-19 took part in BFI Film Academy courses this year. This was made possible by a £1 million funding partnership with the Department for Education in England, matched by BFI National Lottery funding as well as National Lottery contributions from Screen Scotland and Northern Ireland Screen. Seven partners were appointed to deliver BFI Film Academy Plus across the UK, tailoring content to their local area. They also ran a joint online BFI Film Academy Labs series, covering topics from career planning to story development each month. Partners delivered events such as screenings, a Micro Short Film Fund, networking opportunities, and BFI Future Film Festival events.

Skills Clusters and supporting funds

The BFI established six new Skills Clusters, locally-based partners which deliver training and support to develop talent and build local crew bases across key production hubs in the UK. This includes in Metro London, Berkshire, West Midlands, the North of England, Scotland, and Northern Ireland. From 1 April 2025, we are investing in an additional Wales cluster. We continued to provide micro-bursaries to those looking to progress their career in the screen industry through the Skills Bursary Fund, delegated to ScreenSkills.

A £2.4 million Business Development Support Programme was awarded across two delivery partners – Creative UK for England and TRC Media for Scotland, Northern Ireland, and Wales. We also launched the new Good Work Programme Fund, following the Creative Industries Good Work Review. We plan to appoint a delivery partner for this programme in spring 2025.

Wider skills development work

The BFI's Research and Statistics Unit (RSU) published a *Skills scoping study for the UK's digital content production sectors* which identified the key skills gaps and shortages across the UK's growing digital content production sectors. The Heritage 2022 programme has also supported the development preservation skills across the BFI and the wider sector.

Objective 4: Independents and cultural organisations can adapt and thrive in a changing landscape

This year we awarded National Lottery funding to support the sector to understand and navigate an evolving business environment.

International funds

This year National Lottery funding supported activity including the UK Pavilion at the Cannes Film Festival and Marché. We also worked in partnership to support a **UK stand** and participation at the Berlinale and the Toronto International Film Festival (TIFF). Animation UK was funded to organise a UK stand at the Annecy International Animated Film Festival and Market (Mifa).

The BFI National Lottery International Connections Fund partnered with markets and festivals around the world to support UK delegations, including to the International Documentary Film Amsterdam; South by Southwest in the US; and the Goa Film Bazaar in India.

International partnerships also helped to promote opportunities for the UK screen sector via events in other countries. The includes at the New Nordic Films film and co-production market at the Norwegian International Film Festival; Australia's Screen Forever; and the Locarno Film Festival.



Research and innovation

The BFI Research and Statistics Unit (RSU) continued to provide public-domain evidence for the UK screen industries, including publication of four key reports. We worked with the Creative PEC to deliver *Measuring the economic value of cinema venues,* as well as *How to measure the impact of the overseas mergers and acquisitions on the UK video games industry.*

The Screen New Deal: Transformation Plan for Wales report (led by BAFTA albert, Arup Creative Wales, Ffilm Cymru Wales and Media Cymru) provided a blueprint for how to create a zero-carbon, zero-waste sector. The BFI also published a *Skills scoping study for the UK's digital content production sector*.

In March 2024 the RSU launched a new National Lottery Innovation Challenge Fund which seeks to support innovations which tackle the UK screen sector's most critical challenges and deliver benefit to the whole sector.

Environmental sustainability

We launched the BFI National Lottery Sustainable Screen Fund, which supports all BFI National Lottery awardees and the wider sector to measure and minimise their environmental impact. Our appointed delivery partners, Julie's Bicycle and BAFTA albert, are also being supported on how to assess submissions and provide meaningful guidance to applicants where feedback is required on their engagement with environmental sustainability.

Production support services

The British Film Commission was awarded National Lottery funding to support incoming international productions shooting in the UK, while Creative UK was appointed to deliver production services across the regions of England – with a particular focus on those areas without existing provision. In the coming year the BFI will be working with independent consultants to review the impact and continuing role of National Lottery funding in this area.

Image: ***Kneecap***, filmed in Northern Ireland.

Funding & Enterprise

Fundraising & Enterprise



Image: Getty Images

2023/24 was a successful year for BFI Fundraising & Enterprise, thanks to the generosity demonstrated by so many individuals, organisations and partners who have either newly come on board or have come back to renew their support, and who believe as passionately as we do in the BFI's mission and interventions. With all of their help, we exceeded our target of £6.9 million, raising a total of £9.2 million.

The Uggla Family Foundation

One of the year's highlights was beginning a transformative £1 million partnership with The Uggla Family Foundation. This cornerstone funding will support the evolution of BFI Player into a next generation streaming service, helping the BFI to reach its objective of becoming digital-first and expanding the public's access to our collections and cultural programme. This partnership also establishes an innovative model for philanthropy, which will see the commercial profits from the relaunched BFI Player re-invested into the charitable activities of the BFI, to benefit young people from under-supported or under-represented communities in the area of skills and workforce development. In addition, thanks to the partnership with The Uggla Family Foundation, BFI Player is now accessible to students and staff in more than 40 Higher Education institutions. Our digital reach was also generously supported by the Esmee Fairbairn Foundation, which renewed a vital multi-year grant for our new digital screen heritage service, BFI Replay.

Beyond the partnership with the Uggla Family Foundation, we developed a raft of other Fundraising & Enterprise initiatives focused on education and skills development. We partnered with the University of Westminster to launch an MA in the Business of Film, designed to address business and entrepreneurial needs across the UK film industry. We established direct partnerships with 15 UK higher education institutions, delivered more than 80 events and courses, and our partnership with the British Council continued into its second year – with a two-day lab led by two BFI-supported producers held in San Sebastian for emerging Spanish filmmakers. We also welcomed the Old Possum's Practical Trust fantastic new three-year pledge towards BFI Film Academy.

BMW Filmmaking Challenge

The BFI was also delighted to partner with BMW, which supported the BFI London Film Festival in partnership with American Express, while also providing an invaluable opportunity for emerging filmmakers to finesse their craft through the **BMW Filmmaking Challenge**. For the Challenge, a BFI shortlisting panel selected five teams which each received £10,000 in budget from BMW, along with access to 8k film technology, support from a BFI Executive Producer and on-going mentorship from producer/writer/actor Michaela Coel. Over the summer, the teams busily filmed, edited and completed their work which was then presented to the final judging panel of industry figureheads: Ncuti Gatwa, Terri White and Asif Kapadia. The judges selected the film *We Collide* by Jason Bradbury (director and writer) and Cheri Darbon (producer) which was screened at Closing Night of the BFI London Film Festival. The Challenge has already proven to have continued legacy for the filmmakers, with a number entering film festivals and the winning team currently working on turning their short into a feature length film.


Image: Oliver Holms

BFI & Chanel Filmmaker Awards

This year also saw the second edition of the **BFI & Chanel Filmmaker Awards**. The awards celebrate creative audacity and provide winning filmmakers with £20,000 in financial support, to allow them to expand their creative practice and explore new ideas, and to cultivate co-creation and knowledge exchange, and widen the representation of voices in today's cultural community. The winners were writer/director **Ella Glendining (*Is There Anybody Out there?*)**, writer/director/producer Savannah Leaf (*Earth Mama*) and producer Nadira Murray (*Winners*). They were selected by this year's jury members Tilda Swinton, Edward Enninful OBE, Marie-Louise Khondji and the BFI's Ben Roberts, and have since gone on to experience success across the awards season.

BFI Future Film Festival

The BFI Future Film Festival continued the work of supporting young filmmakers and helping develop an inclusive and accessible industry, open to everyone regardless of background or circumstance. For this year's edition we renewed five industry sponsors, including Action Xtreme, Dalston's Soda, Netflix, Triple Exposure and Warner Bros. Discovery; and secured two new partnerships with MPB and Picture Shop. The Chapman Charitable Trust and the London School of English also continued their generous support by sponsoring awards at the Festival.

Festivals and cultural programme

Fundraising & Enterprise is closely aligned to the BFI's Screen Culture 2033 ambition to reach wider audiences through our festivals and cultural programme. In 2023 we welcomed both old and new partners to the 67th edition of the BFI London Film Festival: American Express, American Airlines, Bloomberg Philanthropies, Birra Moretti, BMW, Christie, Cunard, Dalston's, Sea Containers London, Sunbelt Rentals and Reddit; and launched our new Industry Supporters programme, with contributions from Apple TV+, Prime Video, NBC Universal Sky, Netflix, Paramount, The Walt Disney Company and Warner Brothers. The American Express principal partnership marked its 14th consecutive year and culminated in a large-scale activation: The Festival Café presented by American Express. The café served the dual purpose of a friendly and relaxing space for all festivalgoers to enjoy and watch a series of daily LFF For Free talks, and an intimate and exclusive location for Amex Cardmembers' evening drinks receptions.

Philippe and Stephanie Camu continued their long-standing commitment with substantial unrestricted support to underpin the BFI cultural programme. We are sincerely grateful to them and to the BFI Patrons who complemented their annual giving as part of a consortium of donors supporting our Powell & Pressburger season, along with the Gladys Krieble Delmas Foundation, Thriplow Charitable Trust and Old Possum's Practical Trust. Our thanks as well to all the people who purchased special tickets to attend the BFI London Film Festival Opening Night, making a significant charitable donation to the BFI.


Image: Dave Benett

BFI National Archive

The importance of the BFI National Archive to our ambitions within Screen Culture 2033 is mirrored by the generosity demonstrated by so many towards this area of our work. We are grateful to the National Lottery Heritage Fund for its support of new traineeship roles in film conservation and skills accreditation for existing staff and of our work to open up access to the collection.

We also received generous philanthropic support from Elisabeth de Kergorlay, Adam Rubinson, and Gilberto and Daniela Pozzi. We welcomed new support from the Cockayne Foundation towards the BFI National Archive's work in reframing the public's relationship with the nation's screen heritage and we are grateful for renewed support from The Thompson Family Charitable Trust. Simon and Harley Hessel continued their long-standing support, most recently helping the BFI National Archive become the first in the world to bring into the collection the work of subscription-based streaming services.

We are also grateful for continued support of the BFI's Heritage 2022 preservation and digitalisation project with support from the David Lean Foundation of a new Paper Conservator role and The Polonsky Foundation supporting new 35mm prints of Roberto Rossellini's *Voyage to Italy (Viaggio in Italia,* 1954*)* and Jean-Luc *Godard's Breathless (A Bout de Souffle,* 1960*)*.

This year our commitment to the BFI National Archive was brought to the attention of new and existing networks in the US through the Friends of the BFI, a California-based US 501(c)(3) non-profit organisation. The Friends of the BFI subsequently received major support from The Film Foundation towards the digital restoration of Horace Ove's *Pressure*, the first British feature film made by a Black director, and Pioneers of Natural History Film, a project to restore a selection of British natural history short films from 1903-1927.

Alongside these significant contributions, our thanks go to all the people who donated to our public fundraising campaigns in support of the BFI National Archive's work to create and project new 35mm prints of landmark British and international titles.

BFI Fellowship

In February 2024, filmmaker **Christopher Nolan** pictured with his producer **Emma Thomas**, was presented was presented with the BFI's highest honour, a **BFI Fellowship**, in recognition of his extraordinary achievements and enormous contribution to cinema. The Fellowship was presented at the BFI Chair's Dinner in London, hosted by outgoing BFI Chair Tim Richards and attended by key industry and Government figures as well as the BFI's closest supporters. The BFI Chair's Dinner was followed by a public In Conversation event with Nolan at BFI Southbank and a visit by the filmmaker to the BFI National Archive, an expression of his commitment to and passion for film conservation chiming closely with Screen Culture 2033.

As the ambitions highlighted in the BFI's Screen Culture 2033 have taken shape and developed over the year, we have been inspired by the generosity of our many partners and supporters, those who have made gifts to the BFI in their wills, and our ever growing community of BFI Patrons and Auteurs Circle, who have embraced our renewed ambition and continue to enable our vision and mission. We thank every single one of you.

List of sponsors, funders, donors & patrons for the year 1 April 2023 - 31 March 2024

Individual Donors

MAJOR DONORS
Philippe & Stephanie Camu
Greg Dyke & Sue Howes
Friends of the British Film Institute*
Simon & Harley Hessel
Elisabeth de Kergorlay
Gilberto & Daniela Pozzi
The Adam S Rubinson Charitable Fund**
Jane Stanton
The Uggla Family Foundation

ANNUAL DONORS
Colin Walsh & Dave Ederick**

AUTEURS CIRCLE
Sawsan Asfari
The Miel de Botton Family
Donald & Corrine Brydon
Philippe & Stephanie Camu
Caroline & Nick Clarry
Peter Conroy
Jeremy Coller
The Fox Family
Amy Gardner
Keith Haviland
Ian & Beth Mill
Col & Karen Needham
Kate & Beth Needham
Sabina & Phillip Reeves
Stephen van Rooyen
Robert Senior & Sarah Hunter
Sir Howard & Lady Stringer

DIRECTORS CUT PATRONS
Eric Abraham
Simon Cachera
Kieran Chalker
Isabelle Georgeaux
Francis Hellyer
The Locker Foundation
Laura & Donald Miele**
Ocean Outdoor
Julia & Hans Rausing
Lisbet Rausing & Peter Baldwin
Tim & Sylvie Richards
Simona Sorakaite
Kathryn Uhde
Dr & Mrs Alexander Gerko

EPIC PATRONS
Michael & Sophie Birshan
Julie Dickson
Eric Fellner, CBE
Daniel Friel
Kevin Kane
Adrian Kemp
Lynn M. Lewis
Michelle X. Lu**
Reece & Hannah Hanlon
Peter & Maggie Murray-Smith
Agathe Pastorino
Yana & Stephen Peel
John Reiss
Dr. Christopher R. Reynolds
Michael & Gail Sandler
Anita Siassios
Adam Griffin & Robert Davies
Robin Saunders
The Marshall Foundation
Mickey Cornwell
The Reuben Foundation

CLASSIC PATRONS
Greg & Cathy Abbott
Richard Abela
Paul Adams
Benjamin Ah-Time
Adeem Altaf
Rabbi James Baaden
Miss E Barnett
Francis Bennett
C. Allegra Berman & Kate Richardson
Nick Blackburn
Seif Borin
Toby Botha
Paul Bowen
Lizzie Broadbent
Felicia Brocklebank
R L Brock
The Broughton Family Charitable Trust
Simeon Brown
Professor Barry Buzan
Enrico & Cristiana Cavallo
Charles Cecil
Chris Coen
Ed Cooke
Sammy Cooper-Smith
Stefan Cross KC
Cley Crouch
Mike Cunningham & Leah Harris
Carl Dalby
Tabitha Dale
Hai Duc Dao
Simon & Jane Davis
Matthew Dean
Jon Dear
Robert Devine
Stephan Dilley
Bruce & Lindis Dockeray
Sarah Dorman
Anastasia Evko
Jeff & Emily Fergus
Daniele Fiandaca
Joachim Fleury
Patrick & Anne Foster
Stephen Garrett
Lizie Gower
Deo Gratias
Anne Gray
Claude Green
Kathryn Greig
Michael Hamlyn
Drew Hess & Emily Quesada
Melanie Howard
Nick Howsley
Jay Hunt
Raymond Joabar
Elizabeth Karlsen & Stephen Woolley
Susie Kelsall
Nicola Kerr
Daan & Maggie Knottenbelt
Kim J. Koch
Apostolos Kostoulas
Steven Larcombe
Alberto Leoni Sceti
Christopher Thomas Ley
Ian & Natalie Livingstone
Laura Lonsdale
Sally Lykiardopulo
Charlotte & Alan Lyne
Alice MacNair
Daniel Madridejos Varela
Anne Mallaband
Michael Marden
Rose Marquez Bladh
Assad Moghul
Jackie Mountain
Dr Danny Morrison
Bill Mumford
Richard Murphy

David Neale
Alexandra Oliveira-Jones
Ligia Osepciu & Olivier Ward
E Ozen
Stephen & Claire Paine
Andrew J A Parsons
Andrew Pope
Dawn Postans
Anthony Pozner
Lesley Purcell
Alex Rahim
Lisa Reuben Valk
Simon & Louise Robson
Julien Romano
Sue & Tony Rosner
Tom & Vanessa Rowlands
Firdaus Ruttonshaw
Ruth Saleh
Lisbeth Savill
Joana Schliemann
Nick Scudamore
Angela Seay
Ms Anushka Shah
Andrew M Smith OBE DL
Peter & Giuseppina Smith
Phil & Sarah Stokes
Gregory Stone & Annabel Scarfe
Wayne Spencer
Jan Taylor-Strong
David & Jan Thomas
Barnaby Thompson
Andrew Tseng
Makar Tsurkan
Vikas Uppal
Christiaan Weiland
Louise L Whitewright
Anna Yang & Joseph Schull

Trust, Foundation & Statutory Funders

MAJOR DONORS
Arts and Humanities Research Council
The David Lean Foundation
Department for Science, Innovation and Technology
The Esmée Fairbairn Foundation
The Film Foundation**
The National Lottery Heritage Fund
Old Possum's Practical Trust
The Thompson Family Charitable Trust

PROJECT DONORS
Chapman Charitable Trust
The Charles Skey Charitable Trust
Cockayne - Grants for the Arts
The John S. Cohen Foundation
The London Community Foundation
The London School of English

Business Partnerships & Enterprise

PRINCIPAL PARTNER BFI LONDON FILM FESTIVAL
American Express

CORPORATE PARTNERS
Action Xtreme
Adobe
American Airlines
Apple TV +
Black Dog
Blinkink
Bloomberg Philanthropies
BMW
Campari
CHANEL
Cunard
Disney +
FactSet
Interbank LGBT+ Forum
LAIKA
Lloyds Bank
Mishcon de Reya
MPB
NBC Universal
Netflix
Paramount
PGIM
Picture Shop
Prime Video
Reddit
Rolex
Sea Containers
Sony UK
Sunbelt Rentals
Triple Exposure
Warner Bros Discovery

IN-KIND SUPPORTERS
Birra Morretti
Christie Digital
Dalston's Soda
Konditor
Noughty

CORPORATE MEMBERS
Sea Containers

* Friends of the British Film Institute is a California-based US 501(c)(3) non-profit organisation that supports the work of the BFI in the UK and the US. EIN 95-4334449.

** Donations marked with double asterisk were made to Friends of the British Film Institute.

How we are doing

Key performance measures

How we are doing

Key performance measures 2023/24 (Screen Culture 2033)

An important element of the proposed approach to monitoring and evaluation of the Screen Culture 2033 strategy is to agree a set of Key Performance Indicators (KPIs).

This work continued through the year, and was supplemented by the BFI's involvement in the DCMS's Public Body KPI Pilot Project (DCMS Impact Framework)

For the first year of the new BFI Corporate Strategy, Screen Culture 2033, a small set of draft KPIs were established.

Going forward, these will be supplemented with additional indicators and metrics focusing on the BFI's vision, strategic objective, and strategic principles and through delivery (How we will do it).

In 2023/24 our performance was as follows:

Measure of success	2023/24 target	2023/24 performance
Self-generated income	£39.9m	£48.1m
Increased the diversity of talent supported through National Lottery programmes	Female 50% Global Majority 30% With a disability 18% LGBTQIA+ 10%	**Development:** Female 58% Global Majority 39% With a disability 18% LGBTQIA+ 27% **Production:** Female 57% Global Majority 26% With a disability 9% LGBTQIA+ 30% **NETWORK:** Female 58% Global Majority 39% With a disability 18% LGBTQIA+ 27% **Future Takes Programme:** Female 57% Global Majority 26% With a disability 9% LGBTQIA+ 30%
Increased the diversity of audiences across all BFI activities	Female 50% Global majority 20% With a disability 13% LGBTQIA+ 15%	See table below
Increased engagement with BFI activities across the UK and increased the quality and cultural depth of their experience	11.6m interactions	9.04m interactions

Conserve and digitise titles on behalf of the nation		Number of titles conserved – 26,144 Number of titles digitised – 108,521
Supported British films and British talent which have received recognition domestically and internationally		The 2023/24 awards season/financial year saw a record number of nominations for National Lottery funded films – 125 up from the previous best of 118 set in 2022/23 This was largely due to a record number of BIFA nominations – 68 up from 56 in 2022/23 There were 24 award wins in total, the joint fourth highest number of the last ten years.

Financial review (including Public Benefit)

Review of the year

2023/24 was a challenging year for the BFI due to external factors such as high inflation, continued post COVID-19 impact on UK cinema attendances and industrial action affecting the film sector. During the year the BFI has been focused on the implementation of the new Screen Culture 2033 plan, while adapting our teams and infrastructure to support delivery of the new strategy.

Despite the challenges faced by the sector we saw strong cinema performances across our Southbank and IMAX venues, as well as securing new funding streams and delivering favourable returns on cash deposits, driven by active treasury management and high interest rates, all of which have contributed to a substantial improvement in earned income levels.

This increase in earned income was offset in part by a reduction in DCMS grant-in-aid revenue, following some non-recurring additional funding secured in the previous year.

National Lottery activities generated higher net income with a reduction in award spend within the year across nearly all the schemes, largely due to the multi-year awards made in spring 2023 front loading some £57m of expenditure into last year. Other reductions were driven by the timings of the launch of some of the new strands of funding in the year and the end of additional awards, funded from reserves in recent years.

Throughout the year, the Executive Board, with the guidance of the Finance Committee and the Board of Governors, and the continuing support of the DCMS, kept under constant review the finances of the charity, with a focus on organisational and financial resilience, and accordingly the net free reserves position has improved substantially as at the year-end.

Total income for the year to 31 March 2024 was £126.0m, a decrease of £1.8m from the £127.8m of 2022/23. This decrease reflects the expected reduction in some grant-in-aid and other one-off grant funding secured last year. These reductions were largely offset by growth in earned income, alongside some new areas of grant income.

Total expenditure for the year of £108.8m (2023: £167.0m) decreased compared with last year, mainly driven by the timings of National Lottery award expenditure. The inclusion of Lottery multi-year awards in the prior year spend of £57.4m led to a total Lottery spend in 2022/23 of £88.7m which reduced to £28.6m in the current year, with net Lottery income of £21.7m (2023: net expenditure of £37.1m).

Net Group income of £17.2m (2023: net expenditure of £39.2m) included non-cash costs of depreciation of £4.1m (2023: £4.6m) and pension of £0.5m (2023: £4.8m). Debtors are only slightly lower, at £19.8m (2023: £20.3m), while creditors have decreased significantly to £74.9m (2023: £98.8m) driven by the timing of awards payments for Lottery and other funds.

With other working capital movements our cash holdings decreased by £5.3m (2023: £5.9m) to £28.3m (2023: £33.6m). Much of the cash is restricted, held in respect of grant award commitments relating to the Lottery, UK Global Screen Fund and the Young Audiences Content Fund. Lottery award commitments are covered by a combination of the funds held at the National Lottery Distribution Fund and restricted cash.

Other recognised gains and losses were actuarial gains on the pension scheme of £8.8m (2023: £77.7m) and gains on the fixed asset revaluation of £2.6m (2023: £6.9m).

These factors combined to increase Total Reserves to £137.3m (2023: £108.8m), including total unrestricted reserves increased to £113.6m (2023: £101.8m).

Reduced National Lottery expenditure in the year compared to prior years, has resulted in an increase in net Lottery reserves of £16.2m to a surplus of £9.5m (2023: deficit of £6.7m). The deficit in the prior year was due to pre-commitments of awards to partner organisations for the period 2023-2026. In line with our accounting policies these were recorded as expenditure in full at the point of award decision, whilst being covered by future years' revenue. With these awards already made the level of new awards in 2023/24 is consequently considerably lower at £18.0m (2023: £71.6m).

Other restricted reserves increased by £0.4m to £14.2m as we utilised previous funding from the BFI Trust while securing new funding, including £2.1m from the Department for Science, Innovation and Technology to invest in our archive technology.

Net unrestricted expenditure was £1.2m (2023: net expenditure of £5.5m) before transfers of £2.5m, actuarial gains on the pension scheme of £7.9m and fixed asset revaluation of £2.6m. As a result, total unrestricted reserves increased by £11.8m to £113.6m (2023: £101.8m).

In order to fund the delivery of its charitable objectives the BFI's financial strategy continues to aim to maximise income and margin growth through optimising existing as well as seeking out new income

streams. This is alongside seeking improvements to operational effectiveness and operational efficiencies to further drive down costs. Increased Group free reserves of £8.9m (2023: £5.7m) will help us to weather challenging economic circumstances and support seizing new opportunities.

Non-National Lottery activities

Incoming resources

Incoming resources from non-National Lottery activities decreased a little in the year by a net £0.7m to £75.6m (2023: £76.3m), as outlined below.

The main driver of this year's income was earned income, continuing to recover to pre-pandemic levels, at £33.6m (2023: £26.2m). Revenue grant-in-aid was down at £27.7m (2023: £33.2m) after last year was boosted by some one-off funding, while capital grant-in-aid was up at £2.5m (2023: £1.3m).

Fundraising decreased to £10.9m, of which £8.5m (78%) were cash contributions and £2.4m (22%) gifts in kind (2023: £15.3m of which cash contributions £12.9m (84%) and gifts in-kind £2.4m (16%). Last year was significantly boosted by BFI Trust funding for activities in 2023/24 and 2024/25. Sponsorship (within earned income) increased considerably to £3.3m (2023: £1.5m), particularly due to new support from the film industry.

Fundraising costs of £2.1m were broadly in line with the prior year and represent the costs of running the BFI Fundraising & Enterprise division in order to raise funds for the BFI (2023: £2.0m).

Resources expended

Total non-National Lottery expenditure increased by £1.8m to £80.2m (2023: £78.4m) due to cost increases from income generation.

Gross transfers between funds

The non-National Lottery activities received awards of £0.5m (2023: £1.4m) from BFI Lottery in the year to support the London Film Festival, £2.1m (2023: £3.5m) to support the extended Heritage 2022 programme and £3.8m (2023: £Nil) for the new initiative 'Our Screen Heritage'.

Actuarial gains/losses on defined pension scheme

On the FRS 102 basis the total net pension scheme deficit of £1.2m decreased by £8.2m to an asset position of £7.0m (2023: a £72.9m decrease to a liability of £1.2m). The reduction in the deficit is mainly due to an 8% increase in the fair value of employer assets and the assumptions underlying the valuation. See Note 8 to the Group Financial Statements for further details.

The result of the triennial valuation by the London Pension Fund Authority Trustees as at March 2022, upon which current and future contributions are based, is a surplus of £18.2m (2019: deficit of £2.3m) for the whole pension scheme including National Lottery.

Movement in asset revaluation reserve

The value of the leasehold land and buildings and associated plant and fixtures increased by £2.6m, following revaluation using publicly available indices (2023: £6.9m increase). See Note 10 to the Group Financial Statements for further details.

National Lottery activities

Incoming resources

BFI's share of the incoming resources of the National Lottery Distribution Fund (NLDF) was 2.7% (2023: 2.7%), which generated £46.6m (2023: £47.8m) in the year, continuing a slight downward trend compared with the previous years. The transition from Camelot as licence holder for the Lottery, to Allwyn in February 2024 did not cause any disruption to this income.

In addition to the Lottery revenues the BFI received £5.2m of recoupment from its investments in the year (2023: £6.1m). Of this £1.0m (2023: £2.4m) was surplus recoupment over the original investment and was taken to income.

The higher interest rates that continued across the year resulted in much higher investment income from our NLDF balance at £2.3m (2023: £1.0m), as did the interest from our cash holdings at £0.3m (2023: £0.1m)

Resources expended – National Lottery awards

2023/24 was the first year of BFI's new 10-year strategy, Screen Culture 2033, as detailed above in the Annual Report, which launched in the autumn of 2022 with initial partner awards made for new funds as part of the BFI National Lottery Strategy.

Under the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998), Lottery distributors are permitted to commit funds against future years' revenues. Under the new strategy in March 2023, BFI committed £57.4m of funds for partnership activity in the period April 2023-2026, which were reflected as expenditure at the point of decision in the prior year accounts, with the liabilities reflected in Provisions in the standalone accounts and in Creditors in the Group accounts, which have started to be released in 2023/24.

This pre-commitment meant that predominantly only awards for project funding were made in the year. Thus, as anticipated, new non-film rights awards in the year were considerably reduced at £18m (2023: £71.6m).

As a result, the net liabilities position at the prior year-end of £6.7m has improved accordingly to a net asset position of £9.5m at 31 March 2024.

In addition, £12.5m (2023: £17.7m) of awards were taken to Film Rights in the Statement of Financial Position (Balance Sheet).

Adjustments of £10.2m (2023: £14.2m) against the Film Rights valuation were charged to expenditure for the year.

Operating and Administrative Costs were £6.3m (2023: £7.1m) in the year to March 2024.

Net incoming resources on a three-year rolling average (2021-24) and after offsetting costs of generating recoupment, were £51.5m (2023: £50.3m).

The DCMS has set the BFI a gross target for award processing and other administrative costs of 8% (a temporary uplift from 7.75%) of incoming resources. In 2023/24 the gross award processing and other administrative costs stood at 7.9% of net incoming resources (£4.0m) (2023: 8.1%, £4.2m), and work is ongoing to reduce administrative costs further if possible.

Actuarial gains/losses on defined pension scheme

On the IAS 19 basis the net pension scheme asset attributed to Lottery activities increased by 27% to a net asset of £3.4m (2023: a £5.8m reduction from £3.1m liability to net asset of £2.7m). See Note 8 to the Group Financial Statements for further details.

Reserves policy

The Governors are committed to the management of activities within the available funds. A significant element of income is subject to market conditions and the risks are incorporated into the budgets, with ongoing financial planning and management of expenditure used to meet any unforeseen expenditure or fall in income.

The BFI's policy is to hold free reserves of three months' unrestricted expenditure in order to ensure financial stability by acting as a safeguard against volatile and unpredictable income streams, unforeseen expenditure or liabilities, management of working capital and to allow the BFI to take advantage of new opportunities.

The Group Free Reserves were £8.9m at the end of the year (2023: £5.7m) with Charity Free Reserves of £7.8m (2023: £4.6m). The BFI's main financial objective continues to be to balance opportunities to build reserves with the requirement to undertake essential investment whilst continuing to deliver its charitable objectives.

Non-National Lottery restricted reserves are held in accordance with the requirements of grant givers as funding for specific future activities and to ensure that they are not used for general BFI purposes.

Lottery reserves have been reduced in recent years under the BFI 2022 strategy, extended to 2023, and during the prior year decreased to a temporary deficit of £6.7m due to the long-term awards referenced above. However, the position had improved under the current period of the BFI's new Screen Culture 2033 strategy to a reserves net asset of £9.5m.

Going concern

The accounts have been prepared on a going concern basis.

The BFI is a Royal Charter body and the government's lead body for film, a sector which is a successful contributor to the UK economy. As a National Lottery distributor, the BFI has a statutory right to receive a share of the National Lottery Distribution Fund (NLDF), is considered by government to be a "Non-Departmental Public Body" and is responsible for the National Film and Television Archive within its extensive collection. We receive Grant-in-Aid (GiA) funding each year from the DCMS to help fund our wide ranging activities and providing financial security. The DCMS have confirmed our funding settlement through to 31 March 2025 with core funding maintained plus a 2% annual uplift for inflation. Lottery proceeds and GiA accounted for nearly two thirds of BFI group income in 2023–24 and it is clear that the BFI will continue to fulfil its valuable public services into the future.

Since our origins in 1933, the BFI has a long history of successful operation through challenging times, with its activities continuing to deliver public benefit.

We continue to operate in a challenging economic environment with inflation and post-pandemic working arrangements impacting our financial performance and cash flows.

As part of the work following the publication of our Screen Culture 2033 strategy the BFI has been developing and implementing detailed plans to support the delivery of an organisationally and financially resilient, forward-looking organisation over the next 2-4 years. Although challenging, we are currently in the process of delivering against a balanced budget for 2024/25 with consistent projections into future years.

Taking all these factors into consideration, the Board considers that the BFI will maintain a positive cash position in the foreseeable future. The capacity to control expenditure, generate additional income and to raise additional funds from supporters and philanthropists along with the opportunity to make a case for support to the DCMS provides the Board of Governors with confidence that the BFI has sufficient resources to continue for at least the next 12 months following signature of the accounts. Accordingly, the financial statements for the charity, group and National Lottery activities have been prepared on a going concern basis.

Public benefit

The Board of Governors continued to operate in line with the Charity Commission's guidance on public benefit, the guidance on public benefit and fee charging being particularly borne in mind while shaping our objectives for the year and planning activities. The Board also continues to be conscious of its responsibilities as the custodian of a National Collection which it holds in trust for the nation.

The BFI's Charter includes a requirement to 'promote access to and appreciation of the widest possible range of British and World cinema'. The BFI, as a National Lottery distributor for film, invests National Lottery money and Grant-in-Aid to help ensure that audiences across the UK have access to a wide range of cinema.

The BFI also uses National Lottery and Grant-in-Aid to support activities including education and lifelong learning and the preservation of the UK's screen heritage. All these interventions deliver significant public benefit.

The BFI delivers public benefit and covers its operating costs utilising a mix of income drawn from the National Lottery, Grant-in-Aid from the Government, philanthropic activity and income from ticket and other sales, fees and charges. In setting both the overall strategy for the organisation as the lead body for film and the level of prices, fees and charges. In setting both the overall strategy for the organisation as the lead body for film and the level of prices, fees and charges, the Governors have given careful consideration to accessibility to the activities funded by the BFI for those on low incomes.

A key part of our longer-term development strategy has involved providing free access to a wide range of the services we fund and those we run for example, through the BFI Player, our Mediatheque and our websites, to free public screenings and broadcast partnerships. In addition to meeting our social responsibilities, the BFI also considers its impact on local communities, a diverse range of audiences, provides work experience and employment opportunities and works with schools, local authorities and many other organisations.

The BFI directly supports the distribution and exhibition of film through National Lottery funding and is also the UK's biggest distributor of world cinema non-commercial film culture from all parts of the world, both these interventions give the public access to a diversity of film culture which would not otherwise be available.

The diversity of Britain's cultural life would be dramatically reduced without the BFI's interventions. We also support and directly make available a wide range of titles on all other platforms.

There are many ways in which the public accesses the BFI's work, and this range ensures we deliver the maximum public benefit for our charitable resources. The BFI activities which deliver public benefit are described in more detail in the pages of this report.

Complaints

The BFI has in place a procedure for handling complaints and welcomes feedback from members of the public and representatives of other organisations.

During the year, the BFI received 345 complaints via its customer enquiry service (254 in 2022/23).

No complaints were accepted for investigation by the Parliamentary Ombudsman (0 in 2022/23).

In terms of summary:

	2023/24	2022/23
Number of complaints accepted for investigation by the Parliamentary Ombudsman in the year	0	0
Number of investigations reported on by the Parliamentary Ombudsman in the year and the percentage of those reports where the complaint was upheld in full, in part; or not upheld	In full – 0 In part – 0 Not Upheld – 0	In full – 0 In part – 0 Not Upheld – 0
Number of Ombudsman recommendations complied with and not complied with	N/A	N/A

Complaints and feedback help the BFI identify opportunities to make better use of its resources and deliver services in a more effective way. If any customer is dissatisfied with a service that the BFI has provided, or feel they have been treated unfairly; they may wish to make a complaint. The Complaints Procedure explains how to provide feedback or to make a complaint and tells customers what they can expect from us if they do.

Depending on the area of activity, feedback and complaints will be handled slightly differently; however, the BFI works to a set of standard guiding principles:

1. Feedback and complaints are an important way for the BFI to be accountable to the public, as well as providing valuable prompts to review organisational performance and the conduct of people that work within and for it.
2. If the BFI has got something wrong, it will apologise and take prompt action to put the matter right. If it can resolve your complaint by clarifying its position, or explaining its decision making process it will do so.
3. Will be open and honest and ensure that customers are not disadvantaged in their future dealings as a result of the complaint.
4. Will respect privacy and ensure that complaints are treated confidentially.

The Complaints Procedure was again reviewed in 2023/24, taking on board previous customer feedback, case analysis and considering best practice. In addition, an Equality Impact Assessment (EIA) was undertaken on the Complaints Procedure to ensure that the policy and procedure, are fair and do not present barriers to participation or disadvantage any protected groups.



Jay Hunt OBE,
Chair, Governor



Ben Roberts,
Chief Executive

Accountability Report

How the BFI is governed

The BFI is governed by a Board of up to 15 Governors subject to the BFI's Royal Charter. The Governors, who are also the trustees of the Charity, now submit their annual report and the audited financial statements for the year ended 31 March 2024. In preparing the annual report and financial statements of the Charity, the Governors have adopted the Statement of Recommended Practice, (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Governors

Governors who were in post for at least part of the financial year 2023/24 or at the date of signing these accounts:

Jay Hunt OBE (Chair)[1]

Tim Richards (Chair) [2]

Michael Birshan[3]

Monica Chadha

Anwen Griffiths

Elizabeth Karlsen

Declan Keeney[4]

Laura Miele

Romana Ramzan

Robin Saunders

Andrew M Smith OBE DL

Phil Stokes

Scott Stuber

Eleanor Whitley[5]

Edgar Wright

Methods of appointment

The Chair and Governors of the BFI are appointed by the Secretary of State for Culture, Media and Sport, pursuant to a process regulated by the Office of the Commissioner for Public Appointments. Governors are required to comply with the Principles of Public Life as described in the Cabinet Office Code of Conduct for Board Members of Public Bodies.

A Governor's term of office is normally four years. Pursuant to the BFI's Royal Charter, a Governor may only serve two terms in office. Newly appointed Governors receive a letter of appointment and induction documents which together address, amongst other things, duties, period of appointment, time commitment, remuneration, performance and their responsibilities and duties as Charitable Trustees.

Governors have broad experience and expertise in the areas of film, television, the moving image generally, business and strategy and education. All Governors are part-time, unremunerated non-executives. The Board of Governors has corporate responsibility for:

- delivering the mission set out in the Royal Charter; delivering the BFI's charitable objectives; and developing the overall strategic direction of the BFI;
- ensuring that the BFI as a Non-Departmental Public Body complies with any statutory or administrative requirements for the use of public funds and to maximise value for money;
- ensuring that the BFI acts reasonably and prudently in all matters relating to its charitable status;
- the appointment of the Chief Executive;
- ensuring that all BFI properties and assets are protected and effectively utilised in the pursuit of the BFI's overall mission;
- ensuring commercial activities are self-financing and aligned to the BFI core purpose and that these activities uphold fair trading standard requirements;
- ensuring that any fund-raising activity carried out on behalf of the BFI is properly undertaken and that all funds collected are properly accounted for;

1 Appointed Chair on 16 February 2024
2 Term expired 16 February 2024
3 Reappointed on 17 February 2024
4 Appointed on 27 June 2023
5 Reappointed on 17 February 2024

- overseeing the delivery of planned results by monitoring performance against agreed strategic objectives and targets;
- ensuring that the BFI's rules for the recruitment and management of staff provide for appointment and advancement on merit on the basis of equal opportunity for all applicants and staff; and
- ensuring the board operates sound environmental policies and practices in accordance with the approach set out in the 1990 White Paper This Common Inheritance, the Government's green initiatives and other relevant guidance.

Board assessment
The Board undertakes a formal and rigorous evaluation of its own performance and that of its committees and individual Governors on a bi-annual basis.

Organisational structure
The Board of Governors delegates specific responsibilities to its Committees. Recommendations made by Committees are presented to the Board as a whole for approval.

A brief description of each Committee and its function is given below:

Audit, risk and governance
This committee reviews the effectiveness of the processes, structures, and controls used to direct, manage and account for the financial and business affairs of the BFI. The Audit, Risk and Governance Committee considers all internal and external audit reports and recommendations.

Finance
This Committee is responsible for overseeing the budgetary, assurance and value for money processes within the BFI.

Remuneration
This Committee determines and keeps under review the levels of pay, and the terms and conditions of service, for the Chief Executive and other senior managers.

Composition of the Committee during the year was:

Audit, risk and governance
Phil Stokes (Chair)
Andrew M Smith OBE DL
Charles Cecil MBE (co-opted)
Sukie Kooner (co-opted)

Finance
Michael Birshan (Chair)
Robin Saunders
Phil Stokes
Andrew Coates (co-opted)

Remuneration
Jay Hunt OBE (Chair)[1]
Tim Richards (Chair)[2]
Michael Birshan
Phil Stokes

The Secretary to the Board of Governors and its committees is James Morgan.

Board of Governors attendance 2023/24

The number of BFI Board meetings held in the 2023/24 financial year was four and the Governors' attendance records were as follows:

		%
Tim Richards (Chair)	3 of 3	100
Jay Hunt OBE (Chair)	2 of 4	50
Michael Birshan	4 of 4	100
Monica Chadha	3 of 4	75
Anwen Griffiths	4 of 4	100
Elizabeth Karlsen	4 of 4	100
Declan Keeney	3 of 4	75
Laura Miele	3 of 4	75
Romana Ramzan	3 of 4	75
Robin Saunders	3 of 4	75
Andrew M Smith OBE DL	3 of 4	75
Phil Stokes	4 of 4	100
Scott Stuber	3 of 4	75
Eleanor Whitley	4 of 4	100
Edgar Wright	4 of 4	100

All Governors are required to complete a declaration of any potential related party interests – and details of any transactions with these related parties is reported in note 31 of the Charity and Group financial statements.

1 Appointed Chair on 16 February 2024
2 Term expired 16 February 2024

Audit, Risk and Governance Committee attendance 2023/24

The number of Audit, Risk and Governance Committee meetings held in the 2023/24 financial year was five and the members' attendance records were as follows:

Phil Stokes (Chair)	5 of 5
Andrew M Smith OBE DL	3 of 5
Sukie Kooner (Non-Governor member)	5 of 5
Charles Cecil MBE (Non-Governor member)	5 of 5

Finance Committee attendance 2023/24

The number of Finance Committee meetings held in the 2023/24 financial year was four and the members' attendance records were as follows:

Michael Birshan (Chair)	4 of 4
Robin Saunders	3 of 4
Phil Stokes	4 of 4
Andrew Coates (Non-Governor member)	2 of 4

Remuneration Committee attendance 2023/24

There was one Remuneration Committee meeting held in the 2023/24 financial year and the members' attendance records were as follows:

Tim Richards (Chair)	1 of 1
Michael Birshan	1 of 1
Phil Stokes	1 of 1

Executive

The Board of Governors employs a Chief Executive, Ben Roberts, who was appointed in December 2019. Ben leads an executive team that during the year consisted of:

Ben Roberts	Chief Executive
Harriet Finney	Deputy Chief Executive and Executive Director of Corporate and Industry Affairs
Alyson Hagan	Executive Director of Finance, People and Business Operations
Arike Oke	Executive Director of Knowledge, Learning and Collections
Neil Williams	Executive Director of Technology and Digital Transformation
Jason Wood	Executive Director of Programmes and Audiences
Francesca Vinti	Executive Director of Fundraising and Enterprise

The Executive makes day-to-day management decisions on behalf of the Board of Governors under the Financial Procedures approved by the Board.

Better Payment Practice Code

The BFI attempts to abide by the Better Payment Practice Code and in particular to settle bills in accordance with contract. Invoices are normally settled within our suppliers' standard terms, which are typically in line with our standard 30 day terms. The average payment terms taken were 19 days (2023: 19).

Data protection

In the year, the BFI was committed to ensuring the security and protection of the personal information that it processes and also to ensure that it was compliant and provided a consistent approach to data protection. In so doing, the BFI received and managed 157 Data Protection (DP) related requests (2023: 154).

The Information Commissioner's Office (ICO) contacted the BFI in relation to four cases regarding data protection. In one case, the ICO found that the BFI had infringed its DP obligations and, although no fine was imposed, a record of the case has been placed on the ICO website. The ICO accepted the BFI responses to the other three cases and no further action was taken.

- **Speaking Up policy and procedure**
  Included within the Financial Procedures Manual is a Speaking Up (Whistleblowing) Policy & Procedure – the BFI is committed to the highest possible standards of openness, probity and accountability. The purpose of this policy is to encourage reporting of suspected wrongdoing and provide clear guidance on:

i. the steps staff should take if they have concerns;

ii. how staff raising concerns will be supported; and

iii. what will happen after such concerns are raised.

This policy also seeks to reassure staff that they should be able to raise genuine concerns without fear of reprisals, even if they turn out to be mistaken.

This policy was consulted upon with our recognised trade unions and is in line with the BFI's legal obligations. It covers all BFI staff plus other workers such as consultants, contractors, and agency workers.

Disclosure of information to the auditors

So far as the Accounting Officer and each person who was a Governor at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow Governors, the Chief Executive and the Group's auditor, each Governor/Accounting Officer has taken all the steps that he/she is obliged to take as a Governor/Accounting Officer in order to make himself/herself aware of any relevant information and to establish that the auditor is aware of that information.

Remuneration and people report

The Remuneration Committee

The Board of the BFI is responsible for determining the remuneration of the Chief Executive and senior staff.

In the year ending 31 March 2024, it discharged this responsibility through the cycle of Board meetings.

In addition, the Board is supported by the Remuneration Committee which meets annually (or further if required) to review and set senior salaries, authorised within its terms of reference, to obtain independent professional advice if considered necessary. The meeting for 2023/24 was held on 13 July 2023. The Remuneration Committee comprises of a Chair, who is also Chair of the BFI Governors, and up to 2 other members of the Board or co-opted members, who are each appointed for a period of up to three years.

The members during the year were:

Tim Richards, Jay Hunt OBE, Phil Stokes and Michael Birshan.

Remuneration framework

Governors are not entitled to draw any remuneration for their time spent working as a Trustee of the

BFI, although they are entitled to reimbursement of expenses incurred in discharging their duties.

In determining appropriate levels of remuneration for senior staff, the BFI follows the Government's policy to maximise value for money by paying enough to attract and retain suitably qualified senior staff, and salaries are based on the minimum required to recruit, retain and motivate senior staff of appropriate calibre.

All staff including the Chief Executive, are entitled to membership of the BFI staff pension scheme (either Local Government Pension Scheme (LGPS) operated by the London Pension Fund Authority (LPFA), which is a defined benefit scheme, or a defined contribution scheme operated by Legal and General, depending on start date). Further details of the schemes can be found in note 8 to the BFI Group Financial Statements.

The staff pay bill for each year is subject to review by the Finance Committee and the Board of Governors.

Appointments of Board of Governors

The Chair and Governors of the BFI are appointed by the Secretary of State for Culture, Media and Sport in accordance with Cabinet Office's Governance Code on Public Appointments. Governors are appointed for a term of not more than four years, with one Governor being elected by the membership of the BFI. Governors may stand for two successive terms of office. There is no period of notice required for resignation from the Board.

No members of senior management were employed under fixed term contracts as at 31 March 2024. The period of notice required for termination of contract is no greater than six months.

Audited information

Governors' remuneration

No Governor drew any remuneration in the year. No payments were made in the year for services (2023: £nil). As part of their oversight duties as Trustees, copies of all books and DVD/Blu-Ray releases published by the BFI during the year are made available to all Governors.

Senior staff remuneration

"Total remuneration" reported below comprises salary, bonuses and accrued pension benefits and thus should not be equated to take home pay. Because of the combination of all these factors the annual movement in "total remuneration" is not a simple reflection of any cost of living award (COLA).

"Total salary" is in bandings, and depending on where a staff member is in the bandings, the organisational COLA may tip some roles into a higher band.

Senior staff are members of the same pension schemes and on the same terms as staff, and all staff who are members of the defined benefit Local Government Pension Scheme (LPFA) accrue pension benefits on the same basis.

"Pension benefits accrued during the year" as noted above indicates how an individual's total accrued pension benefit has moved in a year by taking

the increase in benefits relative to that year and assessing the total value assuming they are paid over a typical 20 years of retirement.

In the year to 31 March 2024, not all senior staff were members of the LPFA defined benefit scheme.

The increase in pension benefits for senior staff who are members of the LPFA arise from three sources:

- BFI LPFA pension contributions of 15.5% of salary
- Employee pension contributions of between 5.5% and 11.4%. Higher paid staff contribute at a higher rate although not receiving any additional benefits
- LPFA projected investment returns (dividends, capital appreciation etc.)

The pension benefits accrued during the year are calculated by:

- Calculating the annual pension due on retirement plus lump sum benefit (if any) at the 31 March 2024
- Re-calculating the equivalent figure from 31 March 2023 and applying the Consumer Price Index (CPI) in order to show the “real” movement after inflation; and then
- Multiplying the change in value in pension by 20 (i.e. assuming a 20 year retirement period).

Year on year the main distorting factor is CPI as the impact of changes in CPI is greater the longer the period of service and thus the benefit accrued.

Depending on the underlying LPFA assumptions and the age of the individual on a year by year comparison the pension benefits accrued during the year can be an increase or a reduction compared to that of the prior year.

Remuneration (including pension benefits) for the senior staff for the year:

Senior staff remuneration (continued)

	Total salary for the year ended 31 March 2024 (2023)	Bonuses for the year Ended 31 March 2024 (2023)	Benefits in Kind for the year ended 31 March 2024 (2023)	Pension benefits in the year ended 31March 2024 (2023)	Total remuneration for the year ended 31 March 2024 (2023)
	£'000	£'000	**Nearest** £100	£'000	£'000
Ben Roberts CEO and Accounting Officer	155-160 (145-150)	- (-)	100 (100)	60-65 (50-55)	215-220 (205-210)
Harriet Finney Deputy CEO and Executive Director of Corporate and Industry Affairs	130-135 (125-130)	- (-)	100 (100)	N/A (N/A)	130-135 (125-130)
Francesca Vinti Executive Director of Fundraising and Enterprise	125-130 (115-120)	- (-)	100 (100)	50-55 (40-45)	175-180 (165-170)
Alyson Hagan Executive Director of Finance, People & Business Operations	125-130 (115-120)	- (-)	100 (100)	N/A (N/A)	125-130 (115-120)
Arike Oke Executive Director of Knowledge, Learning and Collections	125-130 (115-120)	- (-)	100 (100)	N/A (N/A)	125-130 (115-120)
Neil Williams Executive Director of Technology and Digital Transformation	125-130 (115-120)	- (-)	100 (100)	N/A (N/A)	125-130 (115-120)
Jason Wood Executive Director of Public Programme and Audiences	125-130 (115-120)	- (-)	100 (100)	N/A (N/A)	125-130 (115-120)

Senior staff remuneration (continued)

Pension contributions during the year were made to defined contribution schemes for:

Contributions paid		
	2023/24	2022/23
Harriet Finney Deputy CEO and Executive Director of Corporate and Industry Affairs	9,124	9,100
Alyson Hagan Executive Director of Finance, People & Business Operations	8,820	6,600
Arike Oke Executive Director of Knowledge, Learning and Collections	8,820	8,400
Neil Williams Executive Director of Technology and Digital Transformation	6,300	5,500
Jason Wood Executive Director of Public Programme and Audiences	6,300	5,500

Included in the above is remuneration for senior staff in the year which is attributable to Lottery for the year ending 31 March 2024. This is recharged as part of our Lottery funded operations and thus contained within expenditure in the Lottery Financial Statements for the year ending 31 March 2024.

39% of the remuneration for Ben Roberts and Alyson Hagan has been attributed to Lottery for the year (2023: 50%) with the proportion of total income attributed to Lottery being used as the baseline.

Benefits in kind

All members of BFI staff are entitled to receive up to £100 contribution towards gym membership per annum; up to 12 free tickets per month at BFI Southbank cinemas; staff discounts on purchases at BFI Southbank's Film Store and Benugo café and restaurant, BFI London IMAX, and Studio Gauthier Vegan Restaurant at the Stephen Street premises, ranging from 10- 50%; and interest free loans for travel season tickets, bicycle and computer purchases and dental treatment. Staff whose contracts transferred from the UK Film Council may opt to receive a contractual payment of £250 for cinema tickets per annum in place of the BFI Southbank ticket entitlement. Staff on BFI contracts are able to collect a free copy of Sight and Sound magazine at our main sites.

Senior staff pension arrangements

The following senior staff were members of the LPFA scheme at 31 March 2024:

	Real increase in accrued pension benefits 2023/24	Attributable pension accrued at 65 at 31 March 2024	Cash Equivalent Transfer Value (CETV) as at 31 March 2023	CETV as at 31 March 2024	Real increase in CETV after adjustment for inflation etc. in 2023/24
	£'000	£'000	£'000	£'000	£'000
Ben Roberts CEO and Accounting Officer	2.5-5 (lump sum; 0-2.5)	30-35 (lump sum; 0-5)	328	417	67
Francesca Vinti Executive Director of Fundraising and Enterprise	2.5-5 (lump sum; reduction 0-2.5)	40-45 (lump sum; 15-20)	641	745	62

These staff cover both National Lottery and Grant-in-Aid and other funded activities.

The accrued pensions are the amounts eligible at retirement if the staff member left service at the relevant date. The transfer values do not represent a sum paid or payable to the individual, but rather a potential liability of the pension scheme. They have been calculated using assumptions certified by a qualified actuary.

Senior staff numbers and costs

The number of senior staff by number and band (core salary plus any bonus) is:

Chief Executive and other executive staff at 31 March 2024:

Salary Banding	2024 (Number)	2023 (Number)
£150,000 – £159,999	1	-
£140,000 – £149,999	-	1
£130,000 – £139,999	1	1
£120,000 – £129,999	5	5

Staff number and costs (including on-costs)

Other senior staff during the year:

Salary Banding	2024 (Number)	2023 (Number)
£110,000 – £119,999	1	-
£100,000 – £109,999	4	4
£90,000 – £99,999	15	5
£80,000 – £89,999	12	20
£70,000 – £79,999	24	15
£60,000 – £69,999	23	23

	2024		2023	
	Number (Full-time equivalent)	£'000	Number (Full-time equivalent)	£'000
Average number of permanent staff during the year	595	36,422	599	35,533
Average number of other staff engaged on objectives of the organisation	9	584	11	638

Termination payments

The termination payments payable to employees were:

Cost of redundancies Total (as per BFI's agreed redundancy policies)	Number of compulsory redundancies		Number of voluntary redundancies		Total	
	2024	2023	2024	2023	2024	2023
<£10,000	1	3	4	1	5	4
£10,000-£25,000	–	3	–	5	–	8
£25,000-£50,000	–	1	7	3	7	4
£50,000-£100,000	–	–	3	2	3	2
£100,000-£150,000	–	–	–	1	–	1
£150,000-£200,000	1	–	–	–	1	–
No of exit packages	2	7	14	12	16	19
Cost £'000	**165**	**83**	**486**	**473**	**651**	**556**

Hutton Review of Fair Pay

The BFI is required to disclose the relationship between the remuneration of the highest-paid member of the Executive team their organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the Chief Executive Officer (who was also the highest paid member of staff) in the financial year was £155,000–£160,000 (2023: £145,000–£150,000), representing a 5% change from the previous financial year. Performance related pay and bonuses amounted to £Nil (2023: £Nil).

Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

The range of remuneration was £25,000–£156,000 (2023: £21,000–£150,000).

The median pay; upper and lower quartiles changed compared to 2022/23, as the majority of staff received a pay award of between 5% and 10%, including the Executive team who received a 5% increase. All employees are paid at the London Living Wage rate or above.

The average salary and allowances for the employees of the entity taken as a whole year were £47,901 (2023: £44,494), an increase of 7.7%.

The average performance pay and bonuses for the employees of the entity taken as a whole year were £Nil (2023: £Nil).

No performance bonuses were awarded in 2023/24 or 2022/23. The figures in the table below are therefore salary and allowances.

Year	25th percentile pay/ ratio	Median pay/ratio	75th percentile pay/ ratio
2023–24	£30,636 / 5.1	£37,167 / 4.2	£49,890 / 3.2
2022–23	£28,323 / 5.2	£34,083 / 4.3	£45,315 / 3.3

Our people – Unaudited information

Diversity and Inclusion

The BFI is committed to supporting and promoting diversity and inclusion through all our people activities and approaches during our employee's life cycle.

Our profile and our action plan

Our range of initiatives are externally published within our gender pay gap action plan on our own website and on the Government's Gender Pay Gap reporting site, as we recognise the intersectionality of our people.

Our reported gender pay gaps (in favour of men) are:

	Mean pay gap	Median pay gap	Female %	Male %
31-03-24	1.1%	0%	55.6%	44.4%
31-03-23	0.2%	3.6%	55.3%	44.7%
31-03-22	2.4%	0%	53.5%	45.5%
31-03-21	3.1%	0%	54.6%	45.4%
31-03-20	1.9%	0%	52.6%	47.4%
31-03-19	-0.02%	3.9%	53%	47%

Our profile as at 31 March 2024

We are working to close our data gaps to ensure that our reporting better reflects who we are and that our initiatives both target support for our current people and help us to improve our representation across the BFI. Our targets in our underrepresented areas are designed to challenge us to find innovative ways to meet them within a low core turnover (unplanned approx. 11% in 2023/24).

	Self-identified (31-03-24)	Self-identified (31-03-23)	Our data gaps (2024)	Our targets
Disability	10.5%	10.3%	18.6%	18%
Ethnicity (Black & Global Majority)	21.4%	18.7%	8.9%	40% in urban areas; 37% overall
Sex (Women)	55.0%	55.3%	0%	50%
Sexual Orientation (LGBTQIA+)	17.1%	16.3%	26.9%	10%

Our people initiatives

We continue to pay the London Living Wage plus a differential as a minimum to all employees across the BFI.

Internal staff networks have been established BFI Race Equality Network, BFI Queer Network and BFI Disability Network.

We have a target of 15% for ethnically diverse senior management, and currently 17.9% of our senior management team have told us they are ethnically diverse. We work with the following recruitment sites to encourage ethnically diverse candidates: We Are POCC; and SocialFixt.

The exclusive BFI and What If Experiment partnership completed at the end of the financial year 2023/24. 73% of BFI staff have completed the Culture of Accountability asynchronous training (online module) and 63% of staff in total completed both parts of the programme (asynchronous and in person workshop). We are working to ensure that completion moves to 100%. We will be licensing the training for at least one more year to capture all new joiners.

A total of 108 senior managers and leaders took part in the Zesting cohorts (7 days' anti-racism education programme) that explored multiple facets of racism and white supremacy as it shows up in the workplace and wider society.

Both the anti-racism internal and external accountability frameworks are currently being reviewed by the Executive and Senior Leadership team, for implementation in FY24/25.

We encourage women returners (and support all working parents) we operate a generous childcare scheme, supported by flexible working practices (for all) and provide shared parental leave on enhanced terms.

We provide an Employee Assistance Programme that is frequently used by employees for advice and support on a wide range of life and work topics.

We operate 'blind' recruitment at our shortlisting stage to advertise roles. Our person specifications for each role are based on 'minimum requirements' of the competencies needed for the role to avoid creating any unnecessary barriers. We are a Disability Confident employer, accredited by Jobcentre Plus. In addition to guaranteeing an interview to applicants with a disability who meet our minimum requirements for a role we also operate the same approach for ethnically diverse candidates.

We are long serving Stonewall Champions.

We are founding members for our sector of the global Employer's Network for Equality and Inclusion.

Health and wellbeing

Our overall sickness absence is low at 1.25% time lost to sickness absence.

We continue to focus on BFI people wellbeing as a priority. We have agreed a new benefit to allow all staff to reclaim costs of wellbeing expenses which will be implementation in 2024/25.

We are currently reviewing our Mental Health First Aider programme to ensure we are offering the right level of support to staff.

Occupational health usage

There were 57 people referred to Occupational Health by management in 2023/24 which is a slight increase compared to last year (2023: 48). When looking at the primary diagnosis recorded, 13 cases were categorised as being anxiety, stress, depression or psychological. The top three recorded reasons for a referral in 2023/24 were Musculoskeletal; Stress and Autism.

Employee Assistance Programme

Health Assured are our Employee Assistance Programme provider. This provides staff and their immediate families with support on a broad range of work-life issues. Utilisation of the service was 8.9% compared to 13.2% last year.

A total of 72 calls were logged within the year. 58 (81%) were counselling calls. The service also offers formal counselling engagement (including face-to-face, telephone and online plus computerised CBT) which three people took up in 2023/24 across 29 support sessions for these individuals.

14 calls were advice calls. House, Wills & Probate and Civil were the top three reasons for individuals accessing this service.

Off payroll consultancy engagements

During the year ended 31 March 2024 the BFI had 15 off payroll engagements totalling £648,000 (2023: 14 totalling £598,000) for more than £245 per day (2023: £245 per day), that lasted longer than 6 months and amounted to £20,000 or more. These have been subject to a risk-based assessment as to whether assurance is required that individuals are paying their correct tax and, where necessary, that assurance has been sought.

Table 1: Highly paid off-payroll worker engagements as at 31 March 2024, earning £245 per day or greater

Number of existing engagements as of 31 March 2024 of which ...	13
Number that have existed for less than one year at time of reporting.	3
Number that have existed for between one and two years at time of reporting.	3
Number that have existed for between two and three years at time of reporting.	3
Number that have existed for between three and four years at time of reporting.	0
Number that have existed for four or more years at time of reporting.	4

Table 2: All highly paid off-payroll workers engaged at any point during the year ended 31 March 2024, earning £245 per day or greater

Number of temporary off-payroll workers engaged during the year ended 31 March 2024	15
Of which ...	
Not subject to off-payroll legislation	10
Subject to off-payroll legislation and determined as in-scope of IR35	0
Subject to off-payroll legislation and determined as out-of-scope of IR35	5
Number of engagements reassessed for compliance or assurance purposes during the year	15
Of which:	
Number of engagements that saw a change to IR35 status following review	0

Table 3: For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2023 and 31 March 2024

Number of off-payroll engagements of board members and/or, senior officials with significant financial responsibility, during the financial year	0
Total number of individuals on payroll and off-payroll that have been deemed “board members and/or senior officials with significant financial responsibility”, during the financial year. This figure includes both on payroll and off- payroll engagements.	7
(7 individuals were members of our Executive senior management team for all of the year and were all on payroll. Our Governors (Trustees) are all unpaid and therefore excluded from this.)	

Corporate information

Corporate information

British Film Institute

The British Film Institute is incorporated by Royal Charter, company registration number RC000900 and is registered in England and Wales as a charity, number 287780.

Registered office:
21 Stephen Street
London W1T 1LN
www.bfi.org.uk

Auditor

Comptroller and Auditor General
National Audit Office
157-197 Buckingham Palace Road
London SW1W 9SP

Bankers

Lloyds Bank plc
25 Gresham Street
London EC2V 7HN

Internal auditors

BDO LLP
55 Baker Street
London W1U 7EU

Solicitors

Farrer & Co
66 Lincoln's Inn Fields
London WC2A 3LH

Approval of Annual Report

This annual report includes information that the BFI is required to disclose in accordance with the Government Financial Reporting Manual (FReM) and accounts direction in a Strategic Report for the National Lottery activities. A separate report has therefore not been prepared. The Annual Report, including the Remuneration Report, was approved by the Board of Governors for signature on 16 December 2024.



Jay Hunt OBE,
Chair, Governor



Ben Roberts,
Chief Executive

Governance statement

Governance statement

Scope of responsibility

How the BFI is governed is covered on pages 110 to 113. The Board of Governors is aware of the requirements of the *HM Treasury Corporate Governance Code* and work is continuing to ensure compliance.

As Accounting Officer and as Chair of the Board of Governors, we have responsibility for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives set by the Department for Culture, Media and Sport (DCMS), whilst safe-guarding the public funds and the British Film Institute's (BFI) assets for which we are responsible in accordance with the responsibilities assigned to us in Managing Public Money and as Trustees of the Charity. The BFI complies with the *HM Treasury Corporate Governance Code* to the extent relevant to a Charity and National Lottery distributing body.

We also have responsibility, as defined in the BFI's Funding Agreement with the DCMS and the Management Statement and Financial Memorandum, for leading and managing the work of the BFI to fulfil its policies, aims and objectives, and upholding its values. The Accounting Officer reports to the Board of Governors of the BFI and we formally meet regularly with DCMS.

The purpose of the system of internal control

The system of internal control is designed to manage to a reasonable level rather than to eliminate the risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of BFI policies, aims and objectives, to evaluate the likelihood of those risks being realised and should they be realised, to manage them efficiently, effectively and economically. The system of internal control includes adequate arrangements for detecting and responding to inefficiency, conflict of interest and fraud, and prioritises those risks associated with the custody of assets and potential loss of Exchequer and National Lottery grants. The system of internal control has been in place for the year ended 31 March 2024 and up to the date of approval of the annual report and financial statements, and accords with Treasury guidance.

Capacity to handle risk

As Accounting Officer and Chair of the Board of Governors we have overall responsibility for the BFI's risk management framework, and are supported in its implementation by the Senior Management Team and staff who are trained and equipped to assess and manage risk in a way appropriate to their authority and duties. Attendance at Board of Governors meetings in 2023/24 is detailed at page 111.

The Audit, Risk and Governance Committee, chaired during the year by Phil Stokes, gives independent advice and guidance to us, in our roles as Accounting Officer and Chair, and to the Board of Governors as a whole, on the adequacy of audit arrangements (both internal and external), on the implications of assurances provided in respect of risk and control at the BFI and oversees the work of the internal auditors, as well as providing guidance as to best practice. Attendance at Audit, Risk and Governance Committee meetings in 2023/24 is detailed at page 112.

The Remuneration Committee provide oversight and approval of remuneration and performance for senior staff members including the Accounting Officer.

Further advice and guidance as to best practice is received from the internal and external auditors (who attend meetings of the Audit, Risk and Governance Committee), the DCMS, and other comparable organisations.

Terms of reference for the Audit, Risk and Governance Committee and the Remuneration Committee are reviewed by the Board of Governors and are held by the Board Secretary.

The risk and control framework

A risk management policy has been established setting out the BFI's attitude to the assessment, limitation and mitigation of risk in the achievement of our objectives.

The BFI has incorporated risk management in planning and decision making and maintains an organisation-wide risk register. Policy and operational risks both in the organisation and from external factors are identified through our business planning cycle and the annual operational planning cycle, and are evaluated by the Executive Team. We also consider the risks associated with holding and safeguarding information for operational or financial reporting purposes.

As at 31 March 2024 the risk register as noted by the Executive Team included 33 top corporate risks; these were considered as either time-sensitive or perennial risks.

The most significant are:

Risk	Mitigation
BFI operations compromised, therefore risks to income and expenditure, due to various market conditions	Inflation and additional contingencies included within budget
BFI does not secure a sustainable funding model for the Certification Unit	Options continue to be developed; ongoing discussions with Government and industry
BFI response to the inclusion and diversity agenda is seen as performative/formative	Inclusion & Diversity Strategy in place; delivery plans at draft stage
Risks arising from technology not delivering the expected services	Increased budget; business plan in place
BFI digital and online business compromised including disruption and/or financial loss and/or loss of personal data and/or intellectual property	BCP in place; Counter Fraud Policy and Procedures in place; close working with Cabinet Office and DCMS on counter fraud activities; working with DCMS on the BFI's Counter Fraud Functional Standard activities; Cyber Essentials membership gained; Data Security protocol established; implement encrypted USB's for key users; run staff awareness workshop(s) to advise of issues
Loss of key staff results in key areas of knowledge and expertise	Succession planning in place but to be updated and reviewed as part of Budget Review process

Risk management and internal control are embedded in the processes of the organisation and are considered and reviewed on a regular basis by management. For example, the National Lottery Finance Committee (LFC), who ultimately sign off on National Lottery commitments, consisted of representatives of the relevant fund, finance and business affairs and was independently chaired by the Accounting Officer or the Executive Director of Finance, People and Business Operations. Any perceived risks arising in making an award were thus discussed at the time the funding decision was made and appropriate mitigating action taken, whilst allowing decision-making, oversight and control to be maintained of the decisions by the respective funds. The committee was updated on the progress of the funded projects to allow timely action to mitigate risks, protect funds and ensure that the ultimate purpose of the award is fulfilled.

For the regularly funded organisations, such as Creative England, Film London and Into Film, alongside regular oversight and monitoring, a series of regular formal governance meetings were held with the recipients throughout the year to discuss progress against key performance and risk indicators incorporated in their business plans and funding agreements.

The work of the BFI's internal audit service, provided by BDO (formerly Moore Stephens), operated to standards set out in the Public Sector Internal Audit Standards was developed from an analysis of BFI's UK exposure.

In 2023/24 internal audit reports covered:

- Key financial controls
- National Lottery Delegate Partners reviews * 2 (Doc Society and Screen Skills)
- BFI IMAX
- Functional Standard compliance
- Complaints process
- Financial planning
- Section 25 and 27 reviews

The analysis of risk and the internal audit plans are endorsed by the BFI's Executive Team, the Audit, Governance and Risk Committee and are approved by the Accounting Officer.

In line with Cabinet Office guidance in relation to information risk, the Finance Director is the Senior Information Risk Owner. Working with the Internal Auditor, all the systems and databases operated by the BFI are kept under review and periodic updates provided to the Audit, Governance and Risk Committee.

In addition, the BFI has in place a wide range of policies, for instance relating to corporate governance, conflicts of interest, financial management (including fraud), health and safety, training and development and information technology. These are periodically reviewed and updated.

The internal communications process ensures that all staff are informed about key decisions on a timely basis through appropriate means. There is also an external communications strategy that ensures stakeholders, Parliament, press, funded organisations and projects, the industry at large, and members of the general public receive appropriate and reliable information.

Progress in achieving objectives set in the strategic plan is monitored by the Board and Senior Management.

The Board receives appropriate regular financial reporting, enabling monitoring against financial targets.

Review of effectiveness

The Board is responsible for considering its performance and reviewing its effectiveness, including assessing the quality of the information it receives on an ongoing basis, and judging that it is of a satisfactory standard. Papers and reports are concise, relevant and timely. The Governors receive appropriate updates on the BFI's financial positions, forecasts, risks and performance against strategic goals at their scheduled meetings.

As Accounting Officer and Chair of the Board of Governors, we have responsibility for reviewing the effectiveness of the system of internal control. Our review is informed by the work of the internal auditors and the Senior Management within the BFI who have responsibility for the development and maintenance of the internal control framework, and comment made by the external auditors in their management letters and other reports. We have been advised on the implications of the results of our review of the effectiveness of the system of internal control by the Board and the Audit, Risk and Governance Committee, and a plan to address any weaknesses and ensure continuous improvement is in place.

In respect of risk management the responsibilities of the Executive Team are to:

- manage risk in their own areas of responsibility through the implementation of risk mitigation processes and by following the BFI's risk policy;
- translate the risk register into day-to-day operational planning within teams; and
- report to the Accounting Officer on the status of risks and controls.

The Board receives reports from the Chair of the Audit, Risk and Governance Committee, and from the Accounting Officer and managers, on the steps taken to manage risks, including progress reports on key

activities and projects, as well as on new risks that may arise both internally within the organisation and due

to external factors such as the political and economic environment of both the industry and the public sector.

Following the appointment of a new Chair of the Board of Governors, a Board effectiveness review is planned for early 2024/25.

The Internal Auditor provides audit reports on the areas of activity within the BFI. The reports include the Internal Auditor's independent opinion on the adequacy and effectiveness of the BFI's system of internal control during the year together with recommendations for improvement.

At the Audit, Risk and Governance Committee meeting on 20 June 2024, the Internal Auditors gave their annual opinion. They concluded that there was an adequate and effective system of governance, risk management and internal control to address the risk that management's objectives are not fully achieved.

We take assurance from assessment of the risk register, from the business and budget planning cycle, from the decision approval and operational procedures and from the reviews of, and assurance received from, delegate bodies that appropriate risk management procedures are in place.

Additionality

National Lottery applications and assessment processes are designed to ensure that awards made will be in line with the achievement of policies, aims and objectives set by the DCMS and the mission and values of the BFI, as well as the requirements of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998). The BFI considers that National Lottery funding is distinct from government funding and adds value. Although it does not substitute for Exchequer expenditure, where appropriate it complements government and other programmes, policies and funding.

We can confirm that in our opinion:

- the BFI complies with its current Financial Directions, Funding Agreement, Management Statement and Financial Memorandum and the requirements of a Charity;
- the BFI complies with DCMS guidelines as issued to it, including obtaining relevant approvals and observing the requirements of spending controls;
- adequate audit arrangements, both internal and external, are in place to support us in reviewing the systems of internal control;
- adequate arrangements are in place to detect and respond to inefficiency, conflicts of interest and fraud and to minimise losses of National Lottery and other funds;
- the BFI has drawn up and maintains risk assessment and control procedures and risk registers;
- the BFI has complied with Cabinet Office guidance on information risk and has suffered no protected personal data incidents during 2023/24 or during previous years, and has made no reports to the Information Commissioners Office; and
- adequate systems of internal control were operational during the year and no significant weaknesses have been uncovered.

The BFI will continue to strive to improve the systems of internal control in place in relation to its management, and processes to maximise our operational efficiency as a National Lottery Distributor.

Functional Standards

During the year, the BFI continued to compliance, where applicable, with each of the standards.

In the year, the BFI has:

- a Senior Responsible Officer (SRO) identified for each standard; undertaken a review against the Mandatory elements;
- set out a quarterly review plan for each standard; and
- as part of the annual Internal Audit plan, when an activity is part of the plan the Terms of Reference will include an objective that the activity is meeting the relevant Functional Standard; in addition, for those activities not part of the annual internal plan, at least one Functional Standard area will be included as a stand-alone (internal audit) review.



Jay Hunt OBE,
Chair, Governor



Ben Roberts,
Chief Executive

Group Financial Statements

Group Financial Statements

Statement of Governors and Accounting Officer's responsibilities

Under both the Royal Charter and the National Lottery etc Act 1993 (as amended by the National Lottery Act 1998), the BFI is required to prepare a statement of accounts for the financial period in the form and on the basis directed by the Secretary of State for Culture, Media and Sport, with the consent of HM Treasury.

The accounts are to be prepared on an accruals basis and to show a true and fair view of the BFI's state of affairs at the year end and of our incoming resources, resources expended and cash flows for the financial year. The Grant-in-Aid accounts are also prepared so as to comply with the Charities SORP 2019, and the Lottery distribution accounts are prepared in line with the Government Financial Reporting Manual.

Both sets of accounts are also expected to:

- observe the accounts directions issued by the Secretary of State which set out accounting and disclosure requirements, apply suitable accounting policies on a consistent basis, and make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the Charity Statement of Recommended Practice or Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements
- be prepared on a going concern basis, unless it is inappropriate to presume that the BFI will continue in operation

The Principal Accounting Officer of the DCMS has designated the Chief Executive as the BFI's Accounting Officer. The responsibilities of the accounting officers for Grant-in-Aid and Lottery distribution arm's length bodies are set out in chapter three of Managing Public Money. Formally, the Accounting Officer is the person who Parliament calls to account for stewardship of its resources. The Accounting Officer signing off these accounts has gained assurance in the following ways:

- a meeting with the Executive Director of Finance to go through the financial controls
- receiving feedback from Business Planning and Performance Committee on review of internal audit reports and other internal control matters
- discussing the annual review and accounts at an Executive Board meeting attended by Executive Board colleagues, including the Executive Director of Finance
- attending Audit, Risk and Governance Committee meetings where matters are scrutinised

The Accounting Officer confirms that, as far as he is aware, there is no relevant audit information of which the entity's auditors are unaware, and the Accounting Officer has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

The Accounting Officer confirms that, as far as he is aware, the annual report and accounts as a whole is fair, balanced and understandable and he takes responsibility for the annual report and accounts and the judgement required for determining that it is fair, balanced and understandable.

In approving these accounts, Governors have complied with their duty under section 11 of the Charities Act 2011 to have due regard to guidance published by the Charity Commission.

A copy of the Grant-in-Aid and National Lottery distribution accounts directions are available from the Accounting Officer, BFI, 21 Stephen Street, London W1T 1LN.

The Governors as the trustees of the Charity are responsible for preparing the Trustees' Annual Report and the group and charity financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The Governors delegate power and responsibility to the Chief Executive for the day to day operation of the organisation. As Accounting Officer for government reporting purposes, the Chief Executive is also responsible for reporting to DCMS, one of our main funders.

The law applicable to charities in England and Wales requires the Governors and Chief Executive to prepare accounts for each financial year which give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, changes in funds, and cash flows for the financial year. In preparing these financial statements, the Governors and Chief Executive are required to:

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- observe the methods and principles in the Charities SORP or HM Treasury's Financial Reporting Manual as applicable;
- state whether applicable accounting standards have been followed; and

Statement of Governors and Accounting Officer's responsibilties (continued)

- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Charity will continue in operation.

The Governors and Chief Executive are responsible for keeping proper accounting records which are such as to disclose, with reasonable accuracy, the financial position of the Charity at any time, and to enable them as trustees to ensure that the accounts comply with applicable law. The Governors and Chief Executive are also responsible for safeguarding the Charity's assets and ensuring their proper application in accordance with the Charities Act 2011; the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998), the Royal Charter and Managing Public Money issued by HM Treasury, and hence for taking reasonable steps for the prevention and detection of error, fraud and other irregularities.

The Governors and Chief Executive are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Governors and Chief Executive confirm that they have met the responsibilities set out above and complied with the requirements for preparing the accounts. The charity and group financial statements set out on pages pages 137 to 175, have been compiled from and are in accordance with the financial records maintained by the Governors and Chief Executive.

The Board of Governors has approved a Code of Conduct which reflects the principles laid down in the Code of Best Practice for board members of Public Bodies and maintains a Register of Interests of board members. This Register is available for inspection at the BFI's registered offices at 21 Stephen Street, London W1T 1LN, on request to the Board Secretary.



Jay Hunt OBE
Chair, Governor



Ben Roberts,
Chief Executive

The Audit report of the Comptroller and Auditor General to the Governors of the British Film institute and the Houses of Parliament

Opinion on financial statements

I have audited the financial statements of the British Film Institute and its Group for the year ended 31 March 2024. The financial statements comprise: the British Film Institute and its Group's:

- Balance Sheets as at 31 March 2024;
- Statements of Financial Activities, Statements of Cash Flows and Statements of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and United Kingdom accounting standards including Financial Reporting Standards (FRS) 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion, the financial statements:

- give a true and fair view of the state of the British Film Institute and its Group's affairs as at 31 March 2024 and their net expenditure before other recognised gains and losses for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the Charities Act 2011.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs (UK)), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom* (2022). My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements section* of my report.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2019*. I am independent of the British Film Institute and its Group in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the British Film Institute and its Group's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the British Film Institute and its Group'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.

My responsibilities and the responsibilities of the Governors and Accounting Officer 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 Performance Report and Accountability Report, but does not include either the Group or Lottery Distribution financial statements nor my auditor's certificate and reports. The Governors and Accounting Officer are responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

The Audit report of the Comptroller and Auditor General to the Governors of the British Film institute and the Houses of Parliament (continued)

Opinion on other matters

In my opinion the section of the Annual Report titled How the BFI is Governed and labelled to be audited has been properly prepared in accordance with Secretary of State directions issued under the Royal Charter.

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

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Secretary of State directions issued under the Royal Charter; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the British Film Institute and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Reports.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept by the British Film Institute and its Group or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report, subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by the Secretary of State direction under the Royal Charter, and the Charities Act 2011 have not been made or parts of the Remuneration and People Report to be audited are not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Governors and Accounting Officer for the financial statements

As explained more fully in the Statement of Governors and Accounting Officer's Responsibilities, the Governors and the Accounting Officer are responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the British Film Institute and its Group from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error; and
- ensuring that the financial statements give a true and fair view and are prepared in accordance with UK Generally Accepted Accounting Practice and the Charities Act 2011;
- ensuring that the Performance Report and Accountability Report, which includes the Remuneration and People Report labelled Audited Information, is prepared in accordance with HM Treasury's Government Financial Reporting Manual; and
- assessing the British Film Institute and its Group'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 Governors and the Accounting Officer either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit and express an opinion on the financial statements in accordance with section 151 of the Charities Act 2011 and International Standards on Auditing (ISAs) (UK).

My 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 a report that includes my 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.

The Audit report of the Comptroller and Auditor General to the Governors of the British Film institute and the Houses of Parliament (continued)

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

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

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the British Film Institute and its Group's accounting policies.
- inquired of management, the British Film Institute's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the British Film Institute and its Group's policies and procedures on:
  - identifying, evaluating and complying with laws and regulations;
  - detecting and responding to the risks of fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the British Film Institute and its Group's controls relating to the British Film Institute's compliance with the Royal Charter, the Charities Act 2011, and Managing Public Money;
- inquired of management, the British Film Institute's head of internal audit and those charged with governance whether:
  - they were aware of any instances of non-compliance with laws and regulations;
  - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team including significant component audit teams and the relevant internal specialists, including those assisting on the valuation of film rights, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the British Film Institute and its Group for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under ISAs (UK),

I am also required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the British Film Institute and Group's framework of authority and other legal and regulatory frameworks in which the British Film Institute and Group operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the British Film Institute and its Group. The key laws and regulations I considered in this context included The Charities Act 2011, the Royal Charter, Managing Public Money, employment law, pensions legislation and tax legislation.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit Risk and Governance Committee and in-house legal counsel concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports; and
- in addressing the risk of fraud through management override of controls, I tested the appropriateness of journal entries and other adjustments; assessed whether the judgements on estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members including internal specialists and significant component audit teams and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditors responsibilities. This description forms part of my report.

The Audit report of the Comptroller and Auditor General to the Governors of the British Film institute and the Houses of Parliament (continued)

Other auditor's responsibilities

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I 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 I identify during my audit.

Gareth Davies
Comptroller and Auditor General
17 December 2024

National Audit Office
157–197 Buckingham Palace Road
Victoria
London SW1W 9SP

Consolidated statement of financial activities
Year ended 31 March 2024

	Note	2024 Unrestricted £'000	2024 Non-Lottery Restricted £'000	2024 Total Non-Lottery £'000	2024 Lottery Restricted £'000	2024 Total £'000	2023 Total £'000
Income							
Income and endowments from charitable activities (earned income)							
Audiences	3	26,948	-	26,948	-	26,948	20,352
Video games & emerging media	3	-	-	-	-	-	-
Collections & screen heritage	3	2,609	-	2,609	-	2,609	2,449
Digital platforms	3	2,998	-	2,998	-	2,998	2,818
Learning & skills	3	981	-	981	-	981	545
Economic & cultural impact	3	16	-	16	-	16	64
Income from donations and legacies							
Voluntary Income							
Lottery proceeds	3 & 15	-	-	-	46,600	46,600	47,809
Lottery recoupment income	3	-	-	-	986	986	2,441
Revenue Grant in Aid funding	2	15,045	12,662	27,707	-	27,707	33,188
Capital Grant in Aid funding	2	-	2,498	2,498	-	2,498	1,327
Other grants, legacies and donations	3	3,467	5,017	8,484	213	8,697	13,122
Donated services and facilities	4	-	2,436	2,436	-	2,436	2,401
Investment income	5	961	-	961	2,558	3,519	1,311
Total income		53,025	22,613	75,638	50,357	125,995	127,827
Expenditure on							
Charitable activities							
Audiences	6	(29,575)	(14,555)	(44,130)	(7,397)	(51,527)	(57,690)
Video games & emerging media	6	(473)	-	(473)	(16)	(489)	(666)
Collections & screen heritage	6	(6,454)	(2,450)	(8,904)	(828)	(9,732)	(11,387)
Digital platforms	6	(6,399)	-	(6,399)	(330)	(6,729)	(4,718)
Learning & skills	6	(2,487)	(48)	(2,535)	(549)	(3,084)	(29,669)
Economic & cultural impact	6	(6,698)	(8,937)	(15,635)	(19,496)	(35,131)	(60,876)
Total charitable activities		(52,086)	(25,990)	(78,076)	(28,616)	(106,692)	(165,006)
Costs of raising funds	6	(2,119)	-	(2,119)	-	(2,119)	(1,975)
		(2,119)	-	(2,119)	-	(2,119)	(1,975)
Total expenditure		(54,205)	(25,990)	(80,195)	(28,616)	(108,811)	(166,981)
Net (expenditure) / income		(1,180)	(3,377)	(4,557)	21,741	17,184	(39,154)
Gross transfers between funds	25	2,525	3,828	6,353	(6,353)	-	-
Net income / (expenditure) and net movement in funds before other recognised gains and losses		1,345	451	1,796	15,388	17,184	(39,154)
Other recognised gains							
Actuarial gains on defined benefit pension scheme	8	7,904	-	7,904	848	8,752	77,669
Gains on the revaluation of fixed assets	10	2,560	-	2,560	-	2,560	6,949
Net movement in funds		11,809	451	12,260	16,236	28,496	45,464
Reconciliation of funds							
Total funds brought forward	25	101,808	13,737	115,545	(6,699)	108,846	63,382
Total funds carried forward	25	113,617	14,188	127,805	9,537	137,342	108,846

All gains and losses recognised in the year are included in this Statement of Financial Activities and all activities are classified as continuing.
The accompanying notes 1 to 33 form part of these Accounts.

Statement of financial activities - Charity only
Year ended 31 March 2024

	Note	2024 Unrestricted £'000	2024 Non-Lottery Restricted £'000	2024 Total Non-Lottery £'000	2024 Lottery Restricted £'000	2024 Total £'000	2023 Total £'000
Income							
Income and endowments from charitable activities (earned income)							
Audiences	3	11,983	-	11,983	-	11,983	10,711
Video games & emerging media	3	-	-	-	-	-	-
Collections & screen heritage	3	2,609	-	2,609	-	2,609	2,449
Digital platforms	3	2,998	-	2,998	-	2,998	2,818
Learning & skills	3	981	-	981	-	981	545
Economic & cultural impact	3	16	-	16	-	16	64
Income from donations and legacies							
Voluntary Income							
Lottery proceeds	3 & 15	-	-	-	46,600	46,600	47,809
Lottery recoupment income	3	-	-	-	986	986	2,441
Revenue Grant in Aid funding	2	15,045	12,662	27,707	-	27,707	33,188
Capital Grant in Aid funding	2	-	2,498	2,498	-	2,498	1,327
Other grants, legacies and donations	3	8,985	5,017	14,002	213	14,215	17,094
Donated services and facilities	4	-	2,436	2,436	-	2,436	2,401
Investment income	5	822	-	822	2,558	3,380	1,281
Total income		43,439	22,613	66,052	50,357	116,409	122,128
Expenditure on							
Charitable activities							
Audiences	6	(19,989)	(14,555)	(34,544)	(7,397)	(41,941)	(51,992)
Video games & emerging media	6	(473)	-	(473)	(16)	(489)	(666)
Collections & screen heritage	6	(6,454)	(2,450)	(8,904)	(828)	(9,732)	(11,387)
Digital platforms	6	(6,399)	-	(6,399)	(330)	(6,729)	(4,718)
Learning & skills	6	(2,487)	(48)	(2,535)	(549)	(3,084)	(29,669)
Economic & cultural impact	6	(6,698)	(8,937)	(15,635)	(19,496)	(35,131)	(60,876)
Total charitable activities		(42,500)	(25,990)	(68,490)	(28,616)	(97,106)	(159,308)
Costs of raising funds	6	(2,119)	-	(2,119)	-	(2,119)	(1,975)
		(2,119)	-	(2,119)	-	(2,119)	(1,975)
Total expenditure		(44,619)	(25,990)	(70,609)	(28,616)	(99,225)	(161,283)
Net (expenditure) / income		(1,180)	(3,377)	(4,557)	21,741	17,184	(39,155)
Gross transfers between funds	25	2,525	3,828	6,353	(6,353)	-	-
Net income / (expenditure) and net movement in funds before other recognised gains and losses		1,345	451	1,796	15,388	17,184	(39,155)
Other recognised gains							
Actuarial gains on defined benefit pension scheme	8	7,904	-	7,904	848	8,752	77,669
Gains on the revaluation of fixed assets	10	2,560	-	2,560	-	2,560	6,949
Net movement in funds		11,809	451	12,260	16,236	28,496	45,463
Reconciliation of funds							
Total funds brought forward	25	102,146	13,737	115,883	(6,699)	109,184	63,721
Total funds carried forward		113,955	14,188	128,143	9,537	137,680	109,184

All gains and losses recognised in the year are included in this Statement of Financial Activities and all activities are classified as continuing.
The accompanying notes 1 to 33 form part of these Accounts.

Consolidated and charity balance sheet as at 31 March 2024

	Note	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Fixed assets:					
Intangible fixed assets	9	-	-	-	-
Tangible fixed assets	10	101,065	100,016	101,065	100,016
Investments	12	-	-	1,443	1,443
Total fixed assets		101,065	100,016	102,508	101,459
Non-current assets:					
Film rights	14	7,448	9,833	7,448	9,833
Defined benefit pension scheme net asset	8	7,011	-	7,011	-
Total non-current assets		14,459	9,833	14,459	9,833
Current assets:					
Stocks & work in progress	16	483	638	318	433
Debtors	17	19,833	20,343	23,146	23,248
Film Rights	14	2,574	3,038	2,574	3,038
National Lottery Distribution Fund	15	49,980	45,260	49,980	45,260
Cash at bank and in hand	18	28,277	33,581	22,516	29,327
Total current assets		101,147	102,860	98,534	101,306
Liabilities:					
Creditors: amounts falling due within one year	20	(51,899)	(60,381)	(50,391)	(59,932)
Provisions	23	(4,431)	(3,954)	(4,431)	(3,954)
Net current assets		44,817	38,525	43,712	37,420
Total assets less current liabilities		160,341	148,374	160,679	148,712
Creditors: amounts falling due after more than one year	21	(22,999)	(38,296)	(22,999)	(38,296)
Defined benefit pension scheme net liability	8	-	(1,232)	-	(1,232)
Total non-current liabilities		(22,999)	(39,528)	(22,999)	(39,528)
Total net assets		137,342	108,846	137,680	109,184
The Funds of the Charity:					
Restricted income funds					
Restricted income funds excluding Lottery and pensions asset/ liability	25	14,188	13,737	14,188	13,737
Lottery reserve		6,173	(9,377)	6,173	(9,377)
Lottery share of pension reserve		3,364	2,678	3,364	2,678
	25	9,537	(6,699)	9,537	(6,699)
Total restricted funds		23,725	7,038	23,725	7,038
Unrestricted income funds					
Unrestricted income funds excluding pensions asset/liability		40,884	37,801	41,222	38,139
Unrestricted fixed asset revaluation reserve		69,086	67,917	69,086	67,917
		109,970	105,718	110,308	106,056
Pension reserve		3,647	(3,910)	3,647	(3,910)
Total unrestricted funds	25	113,617	101,808	113,955	102,146
Total charity funds	25	137,342	108,846	137,680	109,184

The accompanying notes 1 to 33 form part of these Accounts.

The Governors and Chief Executive Officer of the BFI, registered charity number 287780, approved these financial statements and authorised their signature on 16 December 2024.





Jay Hunt OBE,
Chair, Governor

Ben Roberts,
Chief Executive

Consolidated statement of cash flows
Year ended 31 March 2024

	Notes	2024 Unrestricted £'000	2024 Restricted £'000	2024 Total £'000	2023 Unrestricted £'000	2023 Restricted £'000	2023 Total £'000
Net (expenditure) / income		(1,180)	18,364	17,184	(5,461)	(33,693)	(39,154)
Less interest receivable	5	(961)	(2,558)	(3,519)	(264)	(1,047)	(1,311)
Loss on disposal of tangible fixed assets		-	-	-	197	-	197
Depreciation	10	4,067	-	4,067	4,558	-	4,558
Amortisation of goodwill	9	-	-	-	-	-	-
(Increase) / decrease in film rights - due after one year	14	-	2,385	2,385	-	175	175
(Increase) / decrease in film rights - due within one year	14	-	464	464	-	425	425
(Increase) / decrease in stocks	16	155	-	155	(44)	-	(44)
(Increase) / decrease in debtors	17	(640)	1,150	510	(129)	(5,980)	(6,109)
Increase / (decrease) in creditors due within one year	20	1,167	(9,649)	(8,482)	1,697	(13,650)	(11,953)
Increase / (decrease) in creditors due after one year	21	-	(15,297)	(15,297)	-	38,296	38,296
Increase / (decrease) in provisions due within one year	23	-	477	477	-	(374)	(374)
Non-cash pension movements	8	347	162	509	4,355	466	4,821
Cash flows from operating activities		2,955	(4,502)	(1,547)	4,909	(15,382)	(10,473)
Cash flows from investing activities							
National Lottery Distribution Fund income received	15	-	(48,871)	(48,871)	-	(48,768)	(48,768)
National Lottery Distribution Fund cash drawn down	15	-	44,151	44,151	-	54,449	54,449
Interest receivable	5	961	2,558	3,519	264	1,047	1,311
Purchase of tangible fixed assets	10	-	(2,556)	(2,556)	-	(2,445)	(2,445)
Cash flows from investing activities		961	(4,718)	(3,757)	264	4,283	4,547
Change in cash and cash equivalents in the year		3,916	(9,220)	(5,304)	5,173	(11,099)	(5,926)
Cash and cash equivalents at the beginning of the year		5,773	27,808	33,581	600	38,907	39,507
Cash and cash equivalents at the end of the year	18 & 25	9,689	18,588	28,277	5,773	27,808	33,581

The accompanying notes 1 to 33 form part of these Accounts.

Notes to the financial statements year ended 31 March 2024

1. Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

Basis of preparation

The financial statements of the BFI are prepared under the historical cost convention, as modified for revaluation of certain categories of fixed assets and in accordance with the Charities Act, Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Accounts Direction issued by the Secretary of State for Culture, Media and Sport effective from April 2023 and applicable accounting standards.

The financial statements have also been prepared in accordance with the Government Financial Reporting Manual (FReM) issued by HM Treasury, to the extent that they clarify or build on the requirements of the Charities SORP (FRS102). The accounting policies contained in the FReM apply International Financial Reporting Standards as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the BFI for the purpose of giving a true and fair view has been selected. The particular policies adopted by the BFI are described below and they have been applied consistently in dealing with items that are considered material to the accounts.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the Charity, including its National Lottery distribution activities, and all its subsidiary undertakings (see note 12 for details of subsidiaries and associates or jointly controlled entities). The results of the subsidiaries are consolidated on a line by line basis within the SOFA. A separate SOFA has also been presented for the Charity. The balance sheet and related notes show the assets and liabilities of the Group as well as the Charity. Separate accounts are also prepared for the BFI's National Lottery distribution activities as required under the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998) and these are attached to the consolidated accounts.

Estimates and judgements

Estimates and judgements have been used in the production of these accounts, notably with regard to the valuation of Fixed Assets, Film Rights and Pensions as at the year end, the allocation of support costs to the charitable activities and the recharge of operating costs to the Lottery activities. Details of the valuation of fixed assets are set out in the accounting policy Tangible fixed assets below and in note 10. Tangible Fixed Assets. Details of the valuation of film rights are set out in the Film Rights accounting policy below and in note 14. Film Rights. Details of the pension schemes are set out in the Pensions accounting policy below and in note 8. Pensions. The allocation of support costs is set out in the accounting policy Expenditure below and detailed in note 6. Expenditure. The recharge of operating costs to the National Lottery activities are as set out in the accounting policy Apportioned costs below.

Most of the London Pension Fund's assets have quoted prices in active markets, but there are unquoted property, infrastructure and private equity assets, with the BFI's share of assets other than equities and cash amounting to an estimated £56.8m (2023: £57.2m). The property and infrastructure assets are subject to valuation by external valuers.

Going concern

Based on our status as a Royal Charter body, Non-Departmental Public Body and National Lottery Distributor, and in light of the 2024 Spending Review and our forward financial plans and free reserves, we have reasonable expectations of continuing trading within the funding available to the BFI and that there will continue to be sufficient cash to meet the BFI's liabilities for at least 12 months from the date of signing the accounts.

Unrestricted activities show a surplus for the year. This includes significant non-cash expenditure transactions relating to depreciation and FRS102 pension charges. Excluding the impact of these, net free reserves have further increased, and are now close to the level targeted by our reserves policy. Total unrestricted reserves have further benefitted from the decrease in the FRS102 pension liability to a net asset position, and increased fixed asset valuations. The defined benefit pension scheme with the London Pension Fund Authority, based on the latest triennial actuarial valuation as at 31 March 2022, is now in surplus and the appropriate level of contributions are factored into our forward plans.

National Lottery activities also show a surplus for the year and a return to positive net reserves. This is largely due to multi-year awards, recognised last year as non-current liabilities, which will be funded from both the reserves and the BFI's ongoing share of National Lottery proceeds for good causes over the coming years. The restricted National Lottery funds continue to hold positive net current assets to meet its liabilities as they fall due.

Charitable activities

The BFI engages in a diverse range of activities in order to meet its objects, which are described in more detail in the Governors' Report and the BFI's strategy Screen Culture 2033. In the financial statements, the BFI categorises its activities across its six strategic priorities to further its charitable aims for the public benefit:

- Audiences - great filmmaking for audiences everywhere.
- Embracing a wider screen culture - to achieve wide appreciation of the cultural, social and economic value of the full breadth of screen storytelling, including video games.
- Reframing the public's relationship with the nation's

Notes to the financial statements year ended 31 March 2024

1. Accounting policies (continued)

screen heritage - to establish the BFI National Archive as the most open moving image collection in the world.
- Growing our digital platforms - reform of all BFI services by making them easy to use and widely available online.
- Developing long-term strategies for education and skills - giving everyone the educational opportunity to build a lifelong relationship with film.
- Growing the cultural and economic impact of the UK's screen industries - to lead on public policy and advocacy for the UK film sector and promote a globally competitive UK film industry.

Accruals convention
Income and expenditure is generally accounted for when receivable/payable on an accruals basis except where accounting standards or other requirements apply, as set out in the following accounting policies.

Income and endowments
All income is included in the SOFA when the Charity is legally entitled to the income, entitlement is probable and the amount can be quantified with reasonable accuracy. The following specific policies apply to categories of income.

Income from charitable activities: includes a wide range of chargeable activities including sales of cinema tickets, DVDs, film and footage and sponsorship income and these are accounted for on an accruals basis.

Lottery proceeds are the BFI's share of National Lottery income as notified to the BFI by the National Lottery Distribution Fund (NLDF).

Lottery recoupment income is income from film rights in excess of the original value of the right and is taken to the SOFA as film recoupment income. Income is accounted for on a receivable basis. The exception to this is recoupment income because of the inherent difficulties in relating the income to a specific period in time. Recoupment income is therefore accounted for upon notification of amounts received by the BFI.

Donated services and facilities: including gifts in kind, are included in income and expenditure at the value to the Charity where this can be quantified (see note 4).

Grants and deferred income: whilst grants, including Grant-in-Aid, are typically accounted for in full upon receipt, where related to performance and specific deliverables, grants are accounted for as the Charity earns the right to consideration by its performance. Where income is received in advance of its recognition, it is deferred and included in creditors: amounts falling due within one year. Where entitlement occurs before income being received, the income is accrued. Capital grants are accounted for as income as soon as they are receivable. Grant-in-Aid refers to direct grants from the Department for Culture, Media and Sport for the general use of the BFI and also ring-fenced funding for other appropriate bodies delivering activities in accordance with the BFI's charitable objects.

Gift Aid is receivable from HM Revenue & Customs on certain donations which meet the relevant requirements and these are recognised on an accruals basis.

Film recoupment income
Income received from film rights is offset against the value of the film rights on the Balance Sheet.

Income in excess of the original value of the rights is taken to the SOFA as film recoupment income.

Receivables
Provisions for doubtful debts (provisions for impairment) are raised on outstanding debts and rely on estimation methodologies and techniques to calculate the amount of the provision. Any movement in the provision in the year is taken to the SOFA within charitable expenditure.

Expenditure
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category concerned. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources (see note 6). Costs of generating funds are fundraising and publicity costs incurred in seeking voluntary contributions and do not include the cost of disseminating information in support of charitable activities.

Grant awards
Grant expenditure is charged to the statement of financial activities in the year that the grants are awarded and, if relevant, in which funding for the grant is received from DCMS. In most circumstances this will be the same as the year in which the funded activities take place. However, in some cases grant expenditure is recognised in the accounts where the funded activity is due to take place in future years. Any amounts unpaid from grants at the year end are shown in the balance sheet as creditors. Grant commitments made in the year relating to future years' activity as disclosed in note 28: Contingent Liabilities are not charged to the statement of financial activities, as they are contingent on receipt of Grant-in-Aid income, which is not certain until the year in which it is due.

The basis of reporting Lottery award commitments is laid out in the revised Accounts Direction from DCMS and the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998), and continues to align with the reporting requirements of the Charities SORP. Where the BFI has made a firm offer of a grant and notified successful applicants, the award is accounted for within other creditors as a grant commitment. Where the BFI has agreed to make an award in respect of investing in a film rights project, these are not grants and are accounted for as set out below under financial instruments and film rights.

Notes to the financial statements year ended 31 March 2024

1. Accounting policies (continued)

In line with the National Lottery Act etc. 1993 (as amended by the National Lottery Act 1998) and the BFI National Lottery Accounts Direction, which are consistent with the BFI's basis of preparation of accounts as outlined above, Lottery awards are accounted for in full in the Statement of Financial Activities in the year in which the award is notified to the successful applicant.

Commitments payable within one year of the balance sheet date are recognised in the statement within creditors as current liabilities. Those payable more than one year from the balance sheet date are shown as creditors payable after more than one year.

Awards made under the National Lottery Act Section 27 dispensation

Using the power granted by the Section 27 of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998) the Secretary of State did not object to an award of £0.5m to the BFI in relation to the London Film Festival (2023: £1.4m).

A new award of £2.1m was made in the year under these powers to the Heritage 2022 strategy (2023: £3.5m) plus a further award of £3.8m was made in respect of Our Screen Heritage (2023: £Nil).

Apportioned costs

The BFI incurred costs which are shared between National Lottery activities and the subsidiaries. The BFI as a charity is required to apportion costs in accordance with the principles of full cost recovery and the government's 'Managing Public Money' guidance. In addition to costs wholly attributable to Lottery activities, an assessment is made of the other costs attributable to National Lottery activities incurred by service and other departments. This is based on a combination of head count, office space occupied, activity levels and additional expenditure incurred. These departments include Finance, People & Business Operations, Corporate & Industry Affairs and the Chief Executive's Office. Direct costs are borne by the active subsidiaries of the BFI and in addition an appropriate share of staff costs and overheads based on BFI staff time spent on those activities.

Charitable expenditure on collections

All expenditure on acquiring, preserving and improving the National Archive collection is included in charitable expenditure in the year incurred. In the main, this expenditure is of a curatorial or restoration nature and the Governors are of the opinion that any value attributable to heritage assets or fixed assets would not be material.

Heritage assets

Much of the BFI's collection is used, or expected to be used in the future, in its charitable activities. To the extent that the collection comprises heritage assets, there is an absence of reliable cost information, a diverse range of assets held, a lack of comparable market values and a complex mixture of intellectual property rights associated with the assets. As a result the Governors are of the opinion that valuation information cannot be obtained at a cost commensurate with the benefits to users of the financial statements and to the charity. Therefore the BFI has adopted a non-recognition approach.

Tangible fixed assets, depreciation and impairment

Expenditure on tangible fixed assets costing £5,000 or more and with a useful economic life of at least 3 years is capitalised and included at cost. Leasehold land and buildings, together with some associated plant and fixtures, are included at fair value in accordance with the FReM. See Note 10, Tangible fixed assets.

The BFI's long leasehold properties BFI Southbank and BFI London IMAX are revalued quinquennialy by appropriately qualified valuers. Between valuation years the values are estimated using appropriate indexation. The most recent quinquennial valuations were completed with an effective date of 31 March 2022. The values at 31 March 2024 have been estimated using appropriate indexation from an independent expert body.

The BFI's short leasehold properties in London, Berkhamsted and Warwickshire have been subject to leasehold improvements. The values are estimated using appropriate indexation each year end applied to acquisitions, starting in the year following the acquisition.

Revaluation is not applied to those classes of asset which are made up of low value and/or short useful economic life assets or where the historical cost is considered a reasonable approximation of fair value.

Depreciation is provided on all tangible fixed assets to write off the cost less estimated residual values over their expected useful economic lives. It is calculated on a straight line basis at the following rates from the month after acquisition to the month prior to disposal:

Long leasehold property	1-20% per annum (5-99 years straight line/over the period of the lease)
Short leasehold property improvements	5-20% per annum (5-20 years straight line)
Computer and other IT equipment	5-25% per annum (4-20 years straight line)
Furniture, fixtures and fittings	4-20% per annum (5-25 years straight line)
Plant and machinery	4-25% per annum (4-25 years straight line)
Assets in the course of construction	Depreciation commences upon completion of construction

Notes to the financial statements year ended 31 March 2024

1. Accounting policies (continued)

The carrying value of fixed assets and their remaining useful economic life is reviewed at least annually. Where the carrying value is considered to be greater than the value of the asset to the activities of the Charity, an impairment charge will be made in the year to reflect the recoverable value.

Intangible fixed assets

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the carrying value/fair value of the identifiable assets and liabilities of a subsidiary, associate or jointly controlled entity at the date of acquisition. Goodwill on acquisition of subsidiaries is separately disclosed. Goodwill is recognised as an asset and reviewed for impairment annually or on such other occasions that events or changes in circumstances indicate that it might be impaired. Any impairment is recognised immediately in the income statement and is not subsequently reversed. Goodwill is allocated to cash generating units for the purpose of impairment testing. Purchased goodwill arising on consolidation is amortised over the period of its expected useful economic life. This is considered to be a period of ten years from the date of acquisition. Goodwill was fully amortised as at 31 March 2022.

Investments

Investments in subsidiaries, associates or jointly controlled entities are stated at cost less provision for impairment.

Financial instruments

The principal financial instruments are cash and holdings in the NLDF and film rights, under the definitions set out under FRS102.

Other financial instruments include debtors and creditors that arise directly from Lottery and non-Lottery operations. The main risks arising from the financial instruments are interest rate risk, foreign currency risk and other price risk. Short term debtors are measured at transaction price, less any impairment. Foreign currency policy is stated below.

Film rights

Film rights represent investment awards paid and payable to filmmakers which are repayable under certain conditions. All advances to filmmakers are repayable under certain conditions. Where a feature film made with the assistance of the BFI is successfully released, the BFI is entitled to participate in revenues generated by that success. This can lead to repayment of the investment in full, together with a share of the profits generated by the film.

Under FRS102 film rights fall within the definition of Financial Instruments. Within that, they meet the definition of assets measured at fair value with gains and losses being recognised in the SOFA. The fair value is based upon cash flows and models of future income that may be generated by the film right asset. The calculations behind these models are based upon external factors such as sales agents' estimates, actual sales made, and the recoupment order agreed in the financing contract between investors as well as internal factors such as the skills and expertise of management involved in these calculations and a review of the historic performance of the portfolio.

When an advance is made (satisfying the definition of an award liability) it is taken to the Balance Sheet initially at the full value of the award. An assessment is then made of the likely repayment of the award, if any, over the next seven financial years, with the valuation reduced to the extent that the repayment of the award is considered doubtful. The reduction is calculated either as standard percentage suggested by historic recoupment performance of that particular type of award, or based on the value suggested by future estimated receipts.

In subsequent years, the Film Rights valuations are reviewed to ensure that all revenues due are received and the valuation remains appropriate. The valuations are based on the best available information at the balance sheet date and the valuations will change over time. For instance, on production awards, the actual value of sales made to a territory may exceed or fall below the original sales estimate provided by the sales agent or the box office performance may exceed or fall below the initial projections following the release of a film.

Movements in value shown in the Statement of Financial Activity reflect the net effect of increases and decreases in values against film rights in the year. Any reduction may be reversed in part or in full if the valuation understates the fair value of the film rights. Advances for development and short film awards are fully adjusted to £nil in the year of the award, unless there is a reasonable expectation of repayment in the next seven financial years.

If the valuation of the film rights is in excess of the amount of the award investment based on estimated recoupment over the next seven financial years, this is similarly recognised in the film rights valuation and released to income as the recoupment is received. In the context of the life of a film and its distribution cycle, seven years is felt to be a reasonable period over which a meaningful forecast can be taken, and is consistent with practice across the film industry.

Should the full amount of an award for film rights not be utilised, any unused element of the funding will be decommitted. If such a decommitment exceeds the fair value of the film, then any necessary adjustment will be released back to the SOFA so the remaining fair value reflects the revised investment value.

Notes to the financial statements year ended 31 March 2024

1. Accounting policies (continued)

Stocks and work in progress
Stocks and work in progress are valued at the lower of cost and net realisable value. The former consist of goods held for resale and the latter expenditure on DVD and Blu-ray development costs carried forward and written off over the expected commercial life of the individual titles.

Rewarding success provision
The rewarding success initiative allows for a share of film recoupment income arising from lottery awards to be made available to UK producers, writers and directors for their future film making activity. The funds held on behalf of film-makers ("the locked box") represents the monies held for this initiative at the balance sheet date and not yet drawn down and are included as Provisions on the Balance Sheet.

National Lottery Distribution Fund
Balances held in the National Lottery Distribution Fund (NLDF) remain under the stewardship of the Secretary of State for Culture, Media and Sport. The share of these balances attributable to the BFI is as shown in the financial statements at an estimate of market value and, at the balance sheet date, has been certified by the Secretary of State for Culture, Media and Sport as being available for distribution by the BFI in respect of current and future commitments. With the election to adopt the recognition and measurement criteria of IFRS9 for the standalone BFI Lottery accounts (appended), funds are held as financial instruments held at amortised cost. As the investments are held with the Debt Management Account and the National Loans Fund, these are exempt from recognising stage 1 and stage 2 impairment so no expected credit losses have been calculated on these instruments.

The share of proceeds and investment returns attributed to the BFI has been treated as income within these financial statements.

Pension costs
For defined benefit pension schemes the amounts charged in expenditure are the service costs, gains and losses on settlements and curtailments, administration costs and net interest on the defined liability. The service costs are included as part of staff costs. Actuarial gains and losses are recognised in the SOFA as other recognised gains / (losses).

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the Charity, in separate trustee-administered funds which are part of the London Pension Fund Authority (LPFA). The LPFA is a local government pension scheme and the BFI is an Admitted Body member. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained every three years and are updated at each balance sheet date. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the balance sheet and in note 8: Pensions.

For defined contribution schemes, the amount charged to the SOFA in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Operating and finance lease transactions
Payments made under operating leases are charged to the SOFA on a straight line basis over the lease term. There were no finance leases.

Fund accounting
Unrestricted funds are funds available for use at the discretion of the Governors in the furtherance of the general objectives of the BFI and which are not subject to externally imposed restrictions.

Restricted funds are funds to be used in accordance with specific restrictions imposed by donors. The aim and use of each restricted fund is set out in the notes to the accounts. Where the conditions have been met, for example to acquire fixed assets without ongoing restrictions, the related reserves are transferred to unrestricted reserves on the face of the Statement of Financial Activities.

Foreign currencies
Transactions in foreign currencies are recorded at the rate ruling on the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date and gains and losses charged/credited to the Statement of Financial Activities.

Tax status (Group and Charity)
The BFI is a registered charity and as such is potentially exempt from taxation of its income and gains to the extent that they are applied to its charitable objectives.

Its subsidiaries' total taxable profits are either gifted to the Charity or tax losses have been utilised and therefore no tax is payable.

Deferred taxation follows the treatment of the item to which it is attributable and there are no deferred tax assets or liabilities recognised in these accounts.

Irrecoverable VAT is charged to the cost category to which it relates.

Notes to the financial statements year ended 31 March 2024

1. Accounting policies (continued)

Prior year reclassification

As a result of the changes arising from the new BFI strategy Screen Culture 2033 , the allocation to charitable activities of the prior year income and expenditure has been re-presented. The total prior year results are unchanged but the allocation between categories has been amended.

2. Other significant transactions

a) Grant-in-Aid - DCMS

The DCMS has been the BFI's largest source of funding, excluding Lottery income. They have therefore been included in this category in order to provide supplementary disclosure. During the year, the BFI had the following material transactions with DCMS:

		Note	2024 £'000	2023 £'000
Income				
Revenue Grant-in-Aid funding	Unrestricted		15,045	18,808
Revenue Grant-in-Aid funding	Restricted	25	12,662	14,380
			27,707	33,188
Capital Grant-in-Aid funding		25	2,498	1,327
Expenditure				
Funding repayable to DCMS	Restricted		-	(5,062)

Grant-in-Aid is spent in accordance with the funding agreement between the BFI and DCMS. The common objectives are to:

- extend & improve access to film culture, serving the diverse geographical needs of the UK's nations and regions and recognising the differing needs of rural, suburban and metropolitan locations
- improve education about the moving image; and
- support & encourage cultural diversity and social inclusiveness; and promote film activity in the nations and regions, and ensure that national and regional bodies work in concert towards common goals.

b) Governors

The Governors neither received nor waived any emoluments during the year (2023: £Nil). Governors' expenses amounted to £1,710 in the year (2023: £540). Three governors claimed expenses during the year (2023: two). No payments were made in the year for services (2023: £Nil).

There were no material related party transactions involving Governors in their personal or business capacities other than National Lottery and Grant-in-Aid awards disclosed in note 31: Related Parties.

The Charity has purchased insurance to indemnify the Governors against the consequences of any neglect or default on their part. The cost amounted to £13,210 (2023: £13,210), which includes cover for Governors and Officers of the Charity but also covered management liability, crime and employment practices liability for the organisation as a whole.

Notes to the financial statements year ended 31 March 2024

2. Other significant transactions (continued)

c) BFI Trust

BFI Trust is an independent registered charity with objectives consistent with those of the BFI. During the year, the BFI had the following material transactions with BFI Trust:

		Note	2024 £'000	2023 £'000
Income from generated funds - Other grants, legacies and donations includes:				
Grants receivable from BFI Trust	Restricted	25	320	8,893
	Unrestricted		1,864	1,602
Resources expended - Charitable activities includes:				
Rental of leasehold premises			(1,864)	(1,868)

3. Income – Group

	Unrestricted 2024 £'000	Non-Lottery Restricted 2024 £'000	Lottery Restricted 2024 £'000	Total 2024 £'000
Income and endowments from charitable activities (earned income)				
Audiences	26,948	-	-	26,948
Video games & emerging media	-	-	-	-
Collections & screen heritage	2,609	-	-	2,609
Digital platforms	2,998	-	-	2,998
Learning & skills	981	-	-	981
Economic & cultural impact	16	-	-	16
	33,552	-	-	33,552
Income from Donations and legacies				
Voluntary Income				
Lottery proceeds	-	-	46,600	46,600
Lottery recoupment income	-	-	986	986
Revenue Grant-in-Aid funding	15,045	12,662	-	27,707
Capital Grant-in-Aid funding	-	2,498	-	2,498
Other grants, legacies and donations	3,467	5,017	213	8,697
Donated services and facilities	-	2,436	-	2,436
	18,512	22,613	47,799	88,924
Investment income	961	-	2,558	3,519
Total Income	53,025	22,613	50,357	125,995

	Unrestricted 2023 £'000	Non-Lottery Restricted 2023 £'000	Lottery Restricted 2023 £'000	Total 2023 £'000
Income and endowments from charitable activities (earned income)				
Audiences	20,352	-	-	20,352
Video games & emerging media	-	-	-	-
Collections & screen heritage	2,449	-	-	2,449
Digital platforms	2,818	-	-	2,818
Learning & skills	545	-	-	545
Economic & cultural impact	64	-	-	64
	26,228	-	-	26,228
Income from Donations and legacies				
Voluntary Income				
Lottery proceeds	-	-	47,809	47,809
Lottery recoupment income	-	-	2,441	2,441
Revenue Grant-in-Aid funding	18,808	14,380	-	33,188
Capital Grant-in-Aid funding	-	1,327	-	1,327
Other grants, legacies and donations	2,713	10,162	247	13,122
Donated services and facilities	-	2,401	-	2,401
	21,521	28,270	50,497	100,288
Investment income	264	-	1,047	1,311
Total Income	48,013	28,270	51,544	127,827

As a result of the changes arising from the new BFI strategy *Screen Culture 2033* , the allocation to charitable activities of the prior year income and expenditure has been re-presented. The total prior year results are unchanged but the allocation between categories has been amended.

Notes to the financial statements year ended 31 March 2024

3. Income (continued)

	2024 £'000	2023 £'000
Sponsorship and other income included in Income from charitable activities (earned income):		
Sponsorship income, associated with the costs of generating voluntary income	3,331	1,502
	3,331	1,502
Costs of generating funds		
Costs of generating voluntary income	(2,119)	(1,975)

Costs of generating voluntary income is the staff and other costs of the in-house teams who source funding from individuals, trusts, foundations and corporations.

In addition to voluntary income, income from charitable activities includes sponsorship income of £3,331,000 (2023: £1,502,000) raised by the teams. This income primarily relates to the corporate sponsorship of the BFI London Film Festival and BFI Flare Film Festival.

4. Donated services and facilities

	2024 £'000	2023 £'000
Publicity and advertising	1,975	1,725
Buildings and facilities	350	458
Services and equipment hire	98	171
Food and drink	13	47
	2,436	2,401

Donated services and facilities are valued using information provided by the suppliers regarding market value.

5. Investment income – Group

	Unrestricted £'000	Lottery Restricted £'000	2024 Total £'000	Unrestricted £'000	Lottery Restricted £'000	2023 Total £'000
Bank interest receivable	961	2,558	3,519	264	1,047	1,311

Bank interest receivable was £3,519,000 (2023: £1,311,000) of which £961,000 was unrestricted bank interest income (2023: £264,000) and £2,558,000 was restricted bank interest income (2023: £1,047,000).

Notes to the financial statements year ended 31 March 2024

6. Expenditure – Group

	Direct Costs 2024 £'000	Allocated Pension charges 2024 £'000	Allocated Support costs 2024 £'000	Total 2024 £'000
Audiences	(46,844)	(1,740)	(2,943)	(51,527)
Video games & emerging media	(446)	(16)	(27)	(489)
Collections & screen heritage	(8,879)	(317)	(536)	(9,732)
Digital platforms	(6,142)	(218)	(369)	(6,729)
Learning & skills	(2,815)	(100)	(169)	(3,084)
Economic & cultural impact	(32,065)	(1,139)	(1,927)	(35,131)
Costs of generating voluntary income	(2,119)	-	-	(2,119)
Total resources expended	(99,310)	(3,530)	(5,971)	(108,811)

	Direct Costs 2023 £'000	Allocated Pension charges 2023 £'000	Allocated Support costs 2023 £'000	Total 2023 £'000
Audiences	(53,073)	(2,635)	(1,983)	(57,691)
Video games & emerging media	(614)	(30)	(22)	(666)
Collections & screen heritage	(10,501)	(506)	(380)	(11,387)
Digital platforms	(4,352)	(209)	(157)	(4,718)
Learning & skills	(27,371)	(1,312)	(986)	(29,669)
Economic & cultural impact	(56,162)	(2,690)	(2,023)	(60,875)
Costs of generating voluntary income	(1,975)	-	-	(1,975)
Total resources expended	(154,048)	(7,382)	(5,551)	(166,981)

Expenditure on charitable activities was £106,692,000 (2023: £165,006,000) of which £52,086,000 was unrestricted (2023: £51,499,000), £25,990,000 was restricted (2023: £24,855,000) and £28,616,000 was Lottery funded restricted expenditure (2023: £88,652,000).

Support services, including staff and other costs which are allocated across the activities of the Charity, are shown in the allocated support costs column. The basis of allocation is as follows:

Nature of cost	Allocation basis	£'000	£'000
IT and finance support	Combination of head count and departmental spend	(2,795)	(2,639)
Human resources	Head count	(793)	(559)
Premises and utilities	Combination of floor area and head count	(504)	(796)
Communication and marketing	Direct spend and percentage of income generated	(717)	(577)
Other overheads	Combination of time and departmental spend	(839)	(666)
Governance costs	Departmental spend	(323)	(284)
Total support		(5,971)	(5,521)
Pension cost (note 8)	Net revenue account cost	(3,530)	(7,382)

Governance costs:		
Audit fees: Charity (excluding Lottery)	(107)	(101)
Audit fees: Lottery	(57)	(55)
Audit: subsidiaries (British Screen group of companies)	(7)	(6)
Audit: subsidiary (British Film Institute (Big Screen) Limited)	(14)	(12)
Audit: subsidiary (BFI Enterprise Limited)	(9)	(9)
Trustees costs	(1)	(1)
Corporate policy and planning	(128)	(120)
Total governance	(323)	(304)

Governance costs are allocated across the activities of the Charity and are included in the allocated support and governance costs column above. The basis of allocation is departmental spend on activities.

Notes to the financial statements year ended 31 March 2024

6. Expenditure (continued)

Net resources expended before transfers are stated after charging:	2024 £'000	2023 £'000
Auditors' remuneration (analysed above)	(194)	(183)

Auditors' remuneration for the National Audit Office includes £Nil fees for non audit services (2023: £Nil). The National Audit Office provided audit services for the Charity and Lottery, with the subsidiary and other audits performed by Brebners LLP.

	2024 £'000	2023 £'000
Foreign exchange (losses) / gains	(37)	4
Depreciation	(4,067)	(4,558)

	2024 £'000	2023 £'000
Charges for operating leases:		
Land and buildings	(1,871)	(1,882)
Plant and machinery	(48)	(48)

	2024 £'000	2023 £'000
Film rights adjustments	(10,243)	(14,210)

The carrying value of the film rights reflects the extent to which full repayment of an advance, through actual receipts and the value of future estimated receipts, is considered doubtful. The valuation is reviewed on a rolling basis to ensure that fair value is maintained.

Grant-in-Aid awards

BFI has responsibility on behalf of DCMS for the administration of Grant-in-Aid awards made to third party and partner organisations in the film sector, and received additional funding for this purpose.

Awards in the year (net of fall-ins, where grants have been adjusted within the year) were:	2024 £'000	2023 £'000
Film London	(375)	(1,174)
Northern Ireland Screen: Irish Language Fund	(3,178)	(3,116)
Northern Ireland Screen: Ulster Scots Fund	(1,059)	(1,038)
Film Academy awards	(703)	(718)
Global Screen Fund	(7,734)	(2,923)
Culture Recovery Fund	-	2,164
Young Audience Content Fund	49	(902)
	(13,000)	(7,707)

In addition to the above further Grant-in-Aid awards were made to partner organisations on or before 31 March 2024 for funded activity commencing on or after 1 April 2024. These are disclosed in note 28: Contingent Liabilities.

Notes to the financial statements year ended 31 March 2024

6. Expenditure (continued)

	2024 £'000	2023 £'000
Lottery awards		
Full details of all Lottery commitments made in the year are shown in the accompanying Lottery financial statements.		
Lottery - non-film rights awards included in the SOFA - Expenditure on Charitable activities	(11,645)	(66,721)
Heritage 2022 - award to the BFI - Gross transfers between funds, note 25: Statement of Funds	(1,750)	(3,465)
Film Festivals - award to BFI LFF - Gross transfers between funds, note 25: Statement of Funds	(4,603)	(1,400)
Lottery - non-film rights awards per Lottery Statement of Comprehensive Net Expenditure	(17,998)	(71,586)

7. Staff costs

	2024 £'000	2023 £'000
Staff costs consists of:		
Wages & salaries	(30,569)	(27,781)
Social security costs	(3,096)	(2,954)
Pension costs (see note 8)	(3,460)	(5,437)
	(37,125)	(36,172)
Agency staff costs included in Wages & salaries above	(584)	(638)
Staff costs capitalised and not included above	-	(26)

The average number of full-time equivalent employees of the BFI during the year was:

	2024 Full Time	2024 Part Time	2024 Total
Costs of generating voluntary income			
Audiences	258	35	293
Video games & emerging media	3	-	3
Collections & screen heritage	47	6	53
Digital platforms	33	4	37
Learning & skills	15	2	17
Economic & cultural impact	169	23	192
	525	70	595

	2023 Full Time	2023 Part Time	2023 Total
Costs of generating voluntary income			
Audiences	189	26	215
Video games & emerging media	2	0	2
Collections & screen heritage	36	5	41
Digital platforms	15	2	17
Learning & skills	93	13	106
Economic & cultural impact	192	26	218
	527	72	599

Notes to the financial statements year ended 31 March 2024

7. Staff costs (continued)

	2024 Number	2023 Number
Average number of full time equivalent Agency staff at the BFI during the year	9	11

Higher paid employees

	2024 £'000	2023 £'000
Chief Executive - pay for the full year		
B. Roberts	157	149

Including bonuses totalling £Nil (2023: £Nil). Employer's pension contributions for the year amounted to £24,000 (2023: £23,000).

Executive Team Members (including the Chief Executive)	2024 Number	2023 Number
£150,000 - £159,999	1	-
£140,000 - £149,999	-	1
£130,000 - £139,999	1	1
£120,000 - £129,999	5	5
Cost	£917,000	£879,000
Other senior staff		
£110,000 - £119,999	1	-
£100,000 - £109,999	4	4
£90,000 - £99,999	15	5
£80,000 - £89,999	12	20
£70,000 - £79,999	24	15
£60,000 - £69,999	23	23
Cost	£6,223,000	£5,286,000
Total Cost	£7,140,000	£6,165,000

Included in the above are 43 (2023: 43) staff who are ordinary members of the LPFA pension scheme. The amount of employer's pension contributions attributable to these staff amounted to £557,000 (2023: £551,000). There were 43 (2023: 30) staff who were members of defined contribution schemes. The amount of employer's pension contributions attributable to these staff amounted to £197,000 (2023: £138,000).

A number of Executive staff and other employees have interests in award applications which have been fully disclosed in note 31: Related Parties.

Notes to the financial statements year ended 31 March 2024

8. Pensions

The BFI is an admitted body to the LPFA, which provides a defined benefit pension scheme for the salaried employees of the Charity. It is a funded scheme and the assets are administered by trustees and are independent of the BFI. The related costs are assessed in accordance with the advice of professionally qualified actuaries. From 1 January 2014 the BFI also operates a defined contribution pension scheme which is available for all employees not already in the defined benefit scheme.

The BFI has accounted in full for pension benefits in the year ended 31 March 2024 under the requirements of FRS102. Therefore, as at 31 March 2024, a pension asset of £7,011,000 (2023: liability of £1,232,000) is included in the BFI balance sheet. BFI's agreed schedule of contributions was 15.5% of member employees' salary per year.

In addition to the amounts payable for current members of the pension scheme, within this scheme the BFI has an unfunded liability to pay pensions to 36 (2023: 36) former employees and their spouses or dependents. The total actuarial valuation for this liability at 31 March 2024 is included in the pension provision.

For FRS 102 disclosure, the full valuation at 31 March 2023 has been updated by the actuaries, Barnett Waddingham, to assess the liabilities of the scheme as at 31 March 2024.

The most significant actuarial assumptions in this recent valuation are:		2024 % Per annum	2023 % Per annum
Rate of increase in prices	RPI	3.3	3.3
Rate of increase in prices	CPI	3.0	2.9
Rate of increase in salaries		4.0	3.9
Rate of increase in pensions in payment		3.0	2.9
Discount rate		4.9	4.8

Under the adopted mortality tables, the assumed life expectancy from age 65 are as follows:	2024 Years	2023 Years
Life expectancy at age 65 of female aged 45	25.4	25.6
Life expectancy at age 65 of female aged 65	24.0	24.2
Life expectancy at age 65 of male aged 45	22.4	22.7
Life expectancy at age 65 of male aged 65	21.2	21.4

BFI share of net pension asset/(liability) as at 31 March:	2024 £'000	2023 £'000	2022 £'000	2021 £'000	2020 £'000
Fair value of employer assets	150,020	139,307	139,001	121,020	104,704
Present value of scheme liabilities	(141,457)	(138,862)	(210,865)	(213,418)	(164,675)
Net funding / (underfunding) in funded plans	8,563	445	(71,864)	(92,398)	(59,971)
Present value of unfunded liabilities	(1,552)	(1,677)	(2,216)	(2,411)	(2,072)
Net pension asset/(liability)	7,011	(1,232)	(74,080)	(94,809)	(62,043)

Assets - Split of Investments by Category Assets whole fund	2024 £'000	Asset Distribution %	2023 £'000	Asset Distribution %
Equities	90,832	61%	81,920	59%
Target return funds	25,880	17%	25,902	18%
Infrastructure	17,234	11%	17,627	13%
Properties	13,724	9%	13,680	10%
Cash	2,350	2%	178	0%
Total	150,020	100%	139,307	100%

Analysis of the amount chargeable to expenditure under FRS102	2024 £'000	2023 £'000
Current service cost	(1,901)	(4,662)
Past service cost	(608)	-
Contributions in respect of defined contribution schemes	(951)	(775)
Sub-total reflected in Staff costs (note 7)	(3,460)	(5,437)
Administration expenses	(42)	(42)
Net interest on the defined liability	(28)	(1,903)
Total expenditure	(3,530)	(7,382)

Notes to the financial statements year ended 31 March 2024

8. Pensions (continued)

Analysis of amount recognised in the SOFA	2024 £'000	2023 £'000
Return on plan assets in excess of interest	6,273	(1,779)
Other actuarial losses on assets	-	(226)
Change in demographic assumptions	1,664	5,829
Experience losses arising on the scheme liabilities	(420)	(12,748)
Changes in assumptions underlying the present value of the scheme liabilities	1,235	86,593
Actuarial gain recognised in SOFA	8,752	77,669

Reconciliation of defined benefit obligation	2024 £'000	2023 £'000
Defined benefit obligation in scheme at beginning of year	(140,539)	(213,081)
Movement in year:		
Current service cost	(1,901)	(4,662)
Interest cost	(6,664)	(5,501)
Contributions by members	(872)	(857)
Unfunded benefits paid	176	160
Past service cost	(608)	-
Benefits paid	4,920	3,728
Change in demographic assumptions	1,664	5,829
Experience losses on defined benefit obligation	(420)	(12,748)
Change in financial assumptions	1,235	86,593
Deficit in scheme at end of the year	(143,009)	(140,539)

Reconciliation of fair value of employer assets	2024 £'000	2023 £'000
Fair value of employer assets in scheme at beginning of year	139,307	139,001
Movement in year:		
Interest on assets	6,636	3,598
Other actuarial losses	-	(226)
Return on assets less interest	6,273	(1,779)
Contributions by members	872	857
Administration expenses	(42)	(42)
Contributions by the employer, including in respect of unfunded benefits	2,070	1,786
Benefits paid, including unfunded benefits	(5,096)	(3,888)
Fair value of employer assets in scheme at end of year	150,020	139,307

Notes to the financial statements year ended 31 March 2024

8. Pensions (continued)

History of experience gains and losses	2024 £'000	2023 £'000	2022 £'000	2021 £'000	2020 £'000
Fair value of employer assets	150,020	139,307	139,001	121,020	104,704
Present value of defined benefit obligation	(143,009)	(140,539)	(213,081)	(215,829)	(166,747)
Deficit	7,011	(1,232)	(74,080)	(94,809)	(62,043)
Experience (losses) / gains on assets	6,273	(1,779)	16,391	14,783	(3,039)
Experience gains / (losses) on liabilities	420	12,748	(427)	2,142	(1,094)

The sensitivity analysis on the major assumptions in the above is:

		£'000	£'000	£'000
Adjustment to discount rate		+0.1%	0.0%	-0.1%
	Present value of total obligation	140,764	143,009	145,311
	Projected service cost	1,790	1,847	1,905
Adjustment to long term salary increase		+0.1%	0.0%	-0.1%
	Present value of total obligation	143,200	143,009	142,820
	Projected service cost	1,848	1,847	1,845
Adjustment to pension increases and deferred valuation		+0.1%	0.0%	-0.1%
	Present value of total obligation	145,162	143,009	140,910
	Projected service cost	1,906	1,847	1,789
Adjustment to mortality age rating assumption		+ 1 Year	None	- 1 Year
	Present value of total obligation	148,394	143,009	137,845
	Projected service cost	1,918	1,847	1,777

9. Intangible fixed assets (Group)

Goodwill	Group £'000
Goodwill on Acquisition	
At 1 April 2023 and 31 March 2024	1,574
Goodwill Amortisation	
At 1 April 2023 and 31 March 2024	(1,574)
Net Book Value	
At 1 April 2023 and 31 March 2024	-

Goodwill arose on consolidation of British Screen Finance Limited (BSF) and its subsidiary companies, which were acquired on 29 June 2011, and has been amortised over ten years on a straight line basis. This was charged against Audiences. Goodwill was fully amortised as at 31 March 2022.

Notes to the financial statements year ended 31 March 2024

10. Tangible fixed assets (Group and Charity)

	Long leasehold property £'000	Short leasehold property improvements £'000	Computer and other IT equipment £'000	Furniture fixtures and fittings £'000	Plant and machinery £'000	Assets in the course of construction £'000	Total £'000
Cost or valuation							
At 1 April 2023	91,377	10,758	9,540	3,969	8,172	274	124,090
Additions	-	-	730	716	720	390	2,556
Disposals	(113)	-	(230)	(9)	(199)	-	(551)
Reclassification	-	-	110	164	-	(274)	-
Revaluation	2,531	323	-	-	-	-	2,854
At 31 March 2024	93,795	11,081	10,150	4,840	8,693	390	128,949
Depreciation							
At 1 April 2023	(3,110)	(7,256)	(6,482)	(1,596)	(5,630)	-	(24,074)
Charge for the year	(2,497)	(438)	(562)	(274)	(296)	-	(4,067)
Disposals	113	-	230	9	199	-	551
Reclassification					-		
Revaluation	(76)	(218)	-	-	-	-	(294)
At 31 March 2024	(5,570)	(7,912)	(6,814)	(1,861)	(5,727)	-	(27,884)
Net Book Value							
At 31 March 2024	88,225	3,169	3,336	2,979	2,966	390	101,065
At 1 April 2023	88,267	3,502	3,058	2,373	2,542	274	100,016

The BFI's long leasehold properties BFI Southbank and BFI London IMAX, including associated plant and fixtures, were revalued as at 31 March 2022 by appropriately qualified valuers, Deloitte LLP, in accordance with the FReM. The values at 31 March 2024 have been estimated using appropriate indices, resulting in a net increase in value in the year of £2.5m (2023: £6.6m increase from external valuation). Short leasehold property improvements have been revalued using appropriate indices, resulting in a net increase in value in the year of £0.3m (2023: increase of £0.3m). Other classes of assets have not been revalued, as they are made up of low value and/or short useful economic life assets or where the historical cost is considered a reasonable approximation of fair value.

Historic Cost Accounting:

	Long leasehold property £'000	Short leasehold property improvements £'000	Computer and other IT equipment £'000	Furniture fixtures and fittings £'000	Plant and machinery £'000	Assets in the course of construction £'000	Total £'000
Cost							
At 1 April 2023	42,136	8,534	9,540	3,969	8,172	274	72,625
Additions	-	-	730	716	720	390	2,556
Disposals	(1,635)	-	(230)	(9)	(199)	-	(2,073)
Reclassification	-	-	110	164	-	(274)	-
At 31 March 2024	40,501	8,534	10,150	4,840	8,693	390	73,108
Depreciation							
At 1 April 2023	(20,851)	(5,547)	(6,482)	(1,596)	(5,630)	-	(40,106)
Charge for the year	(1,263)	(380)	(562)	(274)	(296)	-	(2,775)
Disposals	1,298	16	230	9	199	-	1,752
At 31 March 2024	(20,816)	(5,911)	(6,814)	(1,861)	(5,727)	-	(41,129)
Net Book Value							
At 31 March 2024	19,685	2,623	3,336	2,979	2,966	390	31,979
At 1 April 2023	21,285	2,987	3,058	2,373	2,542	274	32,519

Notes to the financial statements year ended 31 March 2024

11. Heritage assets (Group and Charity)

The BFI has built the National Archive since its establishment in 1933, consisting of film and other related materials dating back to the 19th century. The BFI develops, cares for and interprets a collection that illustrates the art, history and impact of film, to be held in safe custody in perpetuity for the public, for their use and engagement and for use by the BFI in pursuit of its objectives. The collection is one of the largest and most diverse collections in the world. It includes feature films, documentary and factual films, television programmes, artists film, photographic stills, posters, books and other related materials, held primarily for use in the BFI's activities and charitable objectives, as described in more detail in the Annual Report and below. In 2011 BFI adopted its current Collection Policy, which can be found on www.bfi.org.uk. It documents our procedures for acquisition and disposal, documentation, care and conservation and access and describes our role in a national network of organisations that collect or provide access to film and television. Key measures taken to safeguard the national collections include major investment in physical infrastructure to preserve master (preservation status) and accessible materials, developing our extensive database of materials and information and in digitising materials for the dual purposes of preservation and improved public access.

In line with the accounting policy, Heritage Assets are not recognised on the balance sheet as there is an absence of reliable cost information and a valuation approach is not practicable at a cost commensurate with the benefit to the users of the accounts and to the charity. Further details can be found in the annual report, under "Reframing the public's relationship with moving image heritage".

12. Investments (Charity)

Trading subsidiaries are involved in activities wholly consistent with the BFI's charitable aims and objectives and remit taxable profits to the BFI under Gift Aid. Their income and expenditure are consolidated into the Group accounts.

The investments held by the Charity are summarised as follows:	£'000
Cost	
At 1 April 2023 and 31 March 2024	2,450
Impairment	
At 1 April 2023 and 31 March 2024	(1,007)
Net Book Value	
At 1 April 2023 and 31 March 2024	1,443

The BFI holds 100% of the issued share capital of the following undertakings, which are registered in England and Wales:

	Company Registration Number:
British Screen Finance Limited (BSF)	01910848
BFI (Big Screen) Limited (operates the theatrical and commercial activities of the BFI IMAX)	03088677
BFI Enterprise Limited	02463593
Project Rosebud Limited (e-commerce development - dormant with nil assets and investment value)	03946785

BSF, in addition, holds the following investments:		Ordinary shares of £1 each	Holding
Subsidiary undertakings			
National Film Finance Consortium Limited (NFFC)	01056412	100	100%
European Co-Production Fund Limited (ECF)	02631250	2	100%
British Screen Rights Limited (BSR)	02908542	2	100%
The Greenlight Fund Limited (GLF)	03191007	2	100%
National Film Development Fund (NFDF)	01268342	-	Not applicable
Associated undertakings			
British Film-Makers Limited (BFM)	00368248	50	50%

NFFC is a dormant company. ECF was a company that made loans to films produced by European co-producers. BSR acquired and sold rights in feature films. GLF managed the investment of some National Lottery proceeds into feature films on behalf of the Arts Council of England and is now dormant. NFDF made loans to producers and writers in the 1990s and is a company limited by guarantee. It is included here because of the its control via the directors. BFM collects and distributes film revenues on behalf of BSF and third parties. Its results are not material to the Group. All group companies are registered in England and Wales.

Notes to the financial statements year ended 31 March 2024

12. Investments (Charity) (continued)

Trading subsidiaries are involved in activities wholly consistent with the BFI's charitable aims and objectives and remit taxable profits to the BFI under Gift Aid. Their income and expenditure are consolidated into the Group accounts.

	2024			
	BFI Big Screen £'000	British Screen Finance Group £'000	BFI Enterprise £'000	2024 Total £'000
Trading Account				
Income	9,377	427	5,161	14,965
Expenditure	(6,277)	(20)	-	(6,297)
Expenditure - BFI recharges	(114)	(30)	(3,145)	(3,289)
Net operating profit	2,986	377	2,016	5,379
Interest receivable and similar income	45	69	25	139
Surplus gift aided to the BFI	(3,031)	(446)	(2,041)	(5,518)
Net profit	-	-	-	-
Balance Sheet				
Stocks & work in progress	21	-	143	164
Debtors	860	92	456	1,408
Cash at bank and in hand	2,673	1,591	1,488	5,752
Current liabilities	(1,495)	(114)	-	(1,609)
Current liabilities - owed to the BFI	(2,059)	(557)	(1,994)	(4,610)
Total (BFI interest)	-	1,012	93	1,105

	2023			
	BFI Big Screen £'000	British Screen Finance Group £'000	BFI Enterprise £'000	2023 Total £'000
Trading Account				
Income	5,065	381	4,194	9,640
Expenditure	(3,097)	(15)	-	(3,112)
Expenditure - BFI recharges	(37)	(28)	(2,521)	(2,586)
Net operating profit	1,931	338	1,673	3,942
Interest receivable and similar income	7	22	1	30
Surplus gift aided to the BFI	(1,938)	(360)	(1,674)	(3,972)
Net profit	-	-	-	-
Balance Sheet				
Stock and work in progress	25	-	181	206
Debtors	802	96	328	1,226
Cash at bank and in hand	2,060	1,417	775	4,252
Current liabilities	(448)	(6)	-	(454)
Current liabilities - owed to the BFI	(2,439)	(495)	(1,191)	(4,125)
Total (BFI interest)	-	1,012	93	1,105

Notes to the financial statements year ended 31 March 2024

13. IFRS 16 (leases) – BFI Lottery Financial Statements

IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions.

IFRS 16 (Leases) does not apply to the Group and Charity accounts under FRS102 but it does apply to the standalone BFI Lottery accounts appended.

Those financial statements include costs of the rental of office space at 21 Stephen Street, London which fall under the definitions of the standard. BFI Lottery accounts reflect the discounted liability of the relevant portion of the lease for its term to 2031 in the Statement of Financial Position, with a matching "right of use" asset. The asset is depreciated over the life of the lease period, whilst the liability is released in line with the lease payments.

See Notes 10 and 14 to the BFI Lottery Financial Statements for further information.

14. Film rights (Group and Charity)

Film rights fall within the definition of Financial Instruments and are held at fair value. The valuation approach to establish the fair value of the film rights portfolio is set out in note 1: Accounting Policies.

The BFI's primary objective in investing in film rights is to support the future success of British film by backing new voices, new stories, new ideas and skills, enriching and diversifying British film production. Thus whilst the potential commercial success of a project is important in our assessment of an application it is not the only funding criterion.

The fair value of film rights at 31 March is as follows:

	2023-24 £'000	2022-23 £'000	2021-22 £'000	2020-21 £'000	2019-20 £'000
Production Awards	9,140	11,510	12,095	9,760	11,330
Vision Awards	428	825	906	1,411	1,238
Development Awards	295	411	292	227	534
Distribution Awards	159	125	178	161	235
Film Rights valuation	**10,022**	**12,871**	**13,471**	**11,559**	**13,337**

Film rights are recognised as split between current and non-current assets, on the basis of a review of the characteristics of the loans across the portfolio and the anticipated cash flows from these:

	2023-24 £'000	2022-23 £'000	2021-22 £'000	2020-21 £'000	2019-20 £'000
Film rights - non-current	7,448	9,833	10,008	9,228	10,532
Film rights - current	2,574	3,038	3,463	2,331	2,805
	10,022	**12,871**	**13,471**	**11,559**	**13,337**

Notes to the financial statements year ended 31 March 2024

14. Film rights (Group and Charity) (continued)

Production awards are made to producers to co-finance feature film productions and from which we are entitled to recoup our award and take a share of net profits from the film. The value of the productions will be dependent upon many factors which are inherently uncertain; the ability of sales agents to meet sales estimates, how the film will be critically and commercially received (including box office projections and exchange rates) all play a role. Further details are set out below.

Vision Awards are made to production companies to enable them to develop their business and the awards are repayable from any applicable feature film production made by the production company. As we do not expect all recipients to be required to repay the award in full we routinely impair 50% of the recoupable element of the award in the year in which it is committed.

Development awards are made to producers to support a film development. In the event that the development project progresses into a feature film production, we would be entitled to be repaid our award and take a share of net profits. Accordingly, development awards are impaired in full in the year in which the award is made, unless there is a reasonable anticipation of it progressing to production.

Distribution awards are made to distributors to support the release of film(s) in the UK and repayable dependent upon the performance of the film release.

Other awards include targeted development awards which are awarded to support new talent. These awards are written off in full in the year unless there is a reasonable expectation of recoupment.

Movements in the valuation of film rights

	2023-24 £'000	2022-23 £'000	2021-22 £'000	2020-21 £'000	2019-20 £'000
Film rights valuation at 1 April	12,871	13,471	11,559	13,337	14,008
New commitments: made in year	12,527	17,713	21,000	22,275	17,002
Decommitments: new film rights in year	(1)	(241)	(25)	(370)	-
Decommitments: historical portfolio	(565)	(217)	(412)	(178)	(461)
Repayment of investments: new film rights in year	(899)	(1,099)	(1,186)	(1,528)	(285)
Repayment of investments: historical portfolio	(3,668)	(2,546)	(4,085)	(2,547)	(4,191)
Adjustments: new film rights in year	(9,987)	(15,011)	(12,980)	(14,256)	(8,863)
Adjustments: historical portfolio	(256)	801	(400)	(5,174)	(3,873)
Film rights valuation at 31 March	**10,022**	**12,871**	**13,471**	**11,559**	**13,337**

The value of new commitments made in the year will vary due to timing differences arising from the closure of awards.

Notes to the financial statements year ended 31 March 2024

14. Film rights (Group and Charity) (continued)

The valuation of the Film Rights is based on the anticipated cash receipts over the next seven financial years after the balance sheet date. In relation to recent production awards (that is production awards that were recognised as awards payable this financial year and the last three financial years), the valuation is based on the cash receipts anticipated from the first cycle of revenues including revenues from cinema, DVD, Video on Demand and television. In relation to older production awards, the valuation is based on the anticipated cash receipts for the next seven years following the balance sheet date calculated from the individual film's historic cash receipts. All such anticipated cash receipts are discounted using the applicable Treasury Rate of 2.05% (2023: 1.9%).

The value of adjustments on new film rights in the year is always governed by the value of awards made and therefore can vary considerably year to year.

As at 31 March 2024, the Film Rights valuation for production awards is £9.1m (2023: £11.5m) and for all other Film Rights is £0.9m (2023: £1.4m) totalling £10.0m (2023: £12.9m). For production awards, were the recoupment levels and valuation to vary by +/-5%, the impact of the valuation of Film Rights at 31 March 2024 would be £0.5m for 177 awards (2023: £0.5m for 177 awards).

In relation to older production awards, the Film Rights valuation is calculated on the assumption that the future anticipated receipts will be based on the historic cash receipts for the two years prior to the balance sheet date, subject to an 120% default reduction every three years, except for films in profit which are calculated on the assumption that the future anticipated receipts will be based on the historic cash receipts for the three years prior to the balance sheet date, subject to a 75% default reduction every three years. The total amount of the Film Rights valuation based on this methodology is £5.7m (2023: £7.0m). Were this default reduction percentage to change by +/- 10% the Film Right valuation would change by:

	£'000 -10%	£'000 0%	£'000 +10%
2023-24	(550)	5,660	520
2022-23	(770)	7,120	640

In relation to recent production awards (that is production awards that were recognised as awards payable this financial year and the previous three financial years), the Film Rights valuation is based on future anticipated receipts. These cash receipts are principally earned in US dollars and converted to pounds sterling before payment is made to the BFI's bank accounts. The default pound sterling to US dollar exchange rate is calculated using the average daily exchange rate for the two years to the balance sheet date, rounded to the nearest 5 US cents. The default rate as at 31 March 2024 for production awards is US $1.25 (2023: US $1.30).

Had the pound sterling to US dollar exchange rate been $1.35 for the purposes of the Film Rights valuation, then the valuation of the total of these production awards would be reduced by £0.3m (2023: $1.40 and the awards at March 2023 would reduce by £0.3m). Were the valuation calculated using US $1.15 then these valuations would be increased by £0.2m (2023: $1.05 and the awards at March 2023 would increase by £0.3m).

Further information on the movement on film rights can be found on the BFI website: http://www.bfi.org.uk/about-bfi/annual-review-management-agreement.

Notes to the financial statements year ended 31 March 2024

15. National Lottery Distribution Fund (NLDF) (Group and Charity)

The movement in balances held at the NLDF is:	2024 £'000	2023 £'000
Balance at 1 April	45,260	50,941
Income received from the Lottery receipts	46,600	47,809
Investment income earned on NLDF balances	2,271	959
Available for distribution	94,131	99,709
Cash drawn down	(44,151)	(54,449)
Balance at 31 March	49,980	45,260

The funds are invested on behalf of the NLDF by the National Debt Commissioners. The BFI's distribution is in accordance with Sections 22 and 23 of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998). The BFI is required by statute to show on the balance sheet the lower of the market value or the cost of the investment as at the year end. There were no unrealised gains in the year (2023: none).

16. Stocks and work in progress

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Work in progress	19	25	19	25
Finished goods	464	613	299	408
	483	638	318	433

17. Debtors

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Trade debtors	4,386	5,667	3,155	4,567
Amount owed by subsidiary undertakings	-	-	4,610	4,126
Other debtors	1,536	1,769	1,552	1,769
Prepayments and accrued income	13,911	12,907	13,828	12,786
	19,833	20,343	23,145	23,248

18. Cash at bank and in hand

Analysis of cash and cash equivalents		Unrestricted £'000	Restricted £'000	2024 Total £'000	2023 Total £'000
Cash at bank and in hand	Group	9,689	18,588	28,277	33,581
Cash at bank and in hand	Charity	3,928	18,588	22,516	29,327

All cash at bank is held with UK commercial banks.

£4.6m (2023: £4.3m) of cash held in BFI lottery bank accounts is funds recouped by BFI and held on behalf of producers under the 'Rewarding Success' recoupment corridor - see note 23: Provisions.

Notes to the financial statements year ended 31 March 2024

19. Financial risks (Group and Charity)

Financial Reporting Standards require disclosure of the role which financial instruments have had during the period, in creating or changing the risks the BFI faces in undertaking its role.

Film rights

Film rights fall within the definition of Financial Instruments. Within that, they meet the definition of assets measured at fair value with gains and losses being recognised in the Statement of Financial Activities (SOFA).

Establishing the fair value of film rights is subjective and therefore contains an element of risk. The fair value is based on a review of external evidence such as the sales agents' estimates as to the likely revenues generated by a project, where it is in the life cycle of the project, and upon actual performance of the film to date. This is matched with the knowledge and experience of the staff and management involved in the process of assessing the projects both at application stage and as they come to fruition. Any reduction in fair value is immediately taken to the SOFA in the year.

The valuation of film rights is subject to on-going review to ensure a fair value is maintained, with any adjustments being charged as expenditure.

	2024 £'000	2023 £'000
Film rights - non-current	7,448	9,833
Film rights - current	2,574	3,038
	10,022	12,871

National Lottery Distribution Fund

Funds held at the National Lottery Distribution Fund are held as financial instruments held at amortised cost.

Liquidity risks

Income was derived from:	2024 £'000	%	2023 £'000	%
DCMS Grant-in-aid	27,707	22%	33,188	26%
DCMS Capital provision	2,498	2%	1,327	1%
Other legacies, grants and donations and investment income	12,216	10%	14,433	11%
Resources generated from charitable activities	32,555	26%	26,228	21%
Donated services and facilities	2,436	2%	2,401	2%
Lottery proceeds and receipts	47,586	38%	50,250	39%
	124,998	100%	127,827	100%

Notes to the financial statements year ended 31 March 2024

19. Financial risks (Group and Charity) (continued)

Whilst Lottery distributors are permitted to over-commit in awards against the surety of future Lottery income, the BFI awards are over a relatively short term, with a current awards running in some cases up to March 2026. Thus the risk of holding insufficient resources to cover liabilities is held under constant review, to ensure that this risk is minimised, by review of current funds held in cash and at the National Lottery Distribution fund and anticipated future income versus the levels of commitment.

The Governors consider that, as the NLDF balance notified by the Secretary of State for Culture, Media and Sport and the BFI's own Lottery cash holding amount to £57.3m at the balance sheet date (2023: £52.5m), sufficient liquid resources are available to cover all existing commitments and any other payables.

The non-Lottery cash holdings are considered sufficient to cover the non-Lottery other payables.

Interest rate risks

Interest rate risk is deemed low for the BFI as it does not have any exposure to interest payable. With interest rates increasing during the year the BFI has taken advantage of these low risk sources of interest income on its own cash holdings with interest on current accounts and short term deposits.

The BFI's largest financial asset is retained in the NLDF, which invests in a narrow band of low risk assets such as Government bonds and cash. Neither the BFI nor its Governors has any control over these investments. The interest rate risks in respect of these financial assets are disclosed in the financial statements of the NLDF. The market value of the BFI's investment in the NLDF at the year end was £50.0m (2023: £45.3m) and the average investment return for the year was 0.5% (2023: 0.2%).

Cash drawn from the NLDF, DCMS or received from other sources, to pay grant commitments and operating costs are held in variable rate bank accounts and the average interest rate return for the year was 3.95% (2023: 1.13%). The group cash balance at the year end was £28.3m (2023: £33.6m).

Foreign currency risks

The BFI's financial assets are not exposed to material foreign exchange risks as long-term balances are held in sterling, however foreign currency exchange risks are significant in the valuation of the Film Rights as explained in note 14. Film Rights and in the Lottery financial statements note 13: Financial Instruments and note 5: Film Rights.

Notes to the financial statements year ended 31 March 2024

20. Creditors: amounts falling due within one year

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Trade creditors	(2,364)	(2,013)	(1,788)	(1,939)
Other taxes and social security costs	(1,442)	(1,144)	(1,430)	(1,138)
Other creditors	(11,624)	(17,826)	(11,618)	(17,826)
Lottery awards payable (see note 24)	(29,628)	(31,339)	(29,628)	(31,339)
Accruals	(4,524)	(5,116)	(3,916)	(4,859)
Deferred income (see note 22)	(2,317)	(2,943)	(2,011)	(2,831)
	(51,899)	(60,381)	(50,391)	(59,932)

21. Creditors: amounts falling due after one year

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Lottery awards payable (see note 24)	(22,999)	(38,296)	(22,999)	(38,296)
	(22,999)	(38,296)	(22,999)	(38,296)

22. Deferred income

	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
At 1 April	(2,943)	(2,651)	(2,831)	(2,593)
Amount released to income	2,943	2,651	2,831	2,593
Amount deferred in year	(2,317)	(2,943)	(2,011)	(2,831)
At 31 March	(2,317)	(2,943)	(2,011)	(2,831)

Mainly relates to restricted grants, advance ticket sales and subscriptions to Sight and Sound magazine.

Notes to the financial statements year ended 31 March 2024

23. Provisions (Group and Charity)

Rewarding success awards

	2024 £'000	2023 £'000
Rewarding success awards		
At 1 April	(3,954)	(4,328)
New provisions in the year	(1,263)	-
Amounts paid in year	786	374
At 31 March	(4,431)	(3,954)

Rewarding success provision

The rewarding success initiative allows for a share of film recoupment income arising from National Lottery awards to be made available to UK producers, writers and directors for their future film making activity. The funds held on behalf of film-makers ("the locked box") represents the monies held for this initiative at the balance sheet date and not yet drawn down.

24. Lottery awards payable (Group and Charity)

	2024 £'000	2023 £'000
At 1 April	(69,635)	(35,470)
New film rights commitments in year	(13,162)	(18,993)
New non-film rights commitments in year	(11,711)	(69,411)
Decommitments	1,026	745
Amounts paid	40,855	53,494
At 31 March	(52,627)	(69,635)

Decommitments arise when any element of the award is not utilised once contracts are signed and drawdown has commenced.

		2024 £'000	2023 £'000
Reconciliation to Lottery accounts			
Creditors: amounts falling due within one year	Lottery awards payable	(29,628)	(31,339)
Creditors: amounts falling due after one year	Lottery awards payable	(22,999)	(38,296)
Provisions	Lottery awards payable	(4,431)	(3,954)
Other payables - Awards Commitments:	Heritage awards to BFI - eliminated on consolidation	(4,793)	(1,171)
Total Awards Commitments as per Lottery accounts		(61,851)	(74,760)
Lottery accounts - Awards Commitments represented by:			
Other payables - Awards Commitments falling due within one year		(33,516)	(12,676)
Other payables - Awards Commitments falling due after one year		(21,193)	-
Provision for award commitments	Provisions falling due within one year	(5,336)	(23,788)
Provision for award commitments	Provisions falling due after one year	(1,806)	(38,296)
		(61,851)	(74,760)

Notes to the financial statements year ended 31 March 2024

25. Statement of funds (Group and Charity)

GROUP	At 1 April 2023 £'000	Income £'000	Expenditure £'000	Other recognised gains/(losses) £'000	Transfers £'000	At 31 March 2024 £'000
Unrestricted funds:						
Income funds excluding pensions asset/liability	37,801	53,025	(52,467)	-	2,525	40,884
Pension reserve	(3,910)	-	(347)	7,904	-	3,647
Fixed asset revaluation reserve	67,917	-	(1,391)	2,560	-	69,086
Total unrestricted funds	101,808	53,025	(54,205)	10,464	2,525	113,617
Donated Services and Facilities	-	2,437	(2,437)	-	-	-
Arts and Humanities Research Council	10	1,258	(23)	-	-	1,245
BFI Lottery - BFI London Film Festival	-	-	(471)	-	500	29
BFI Lottery - Heritage 2022	1,020	-	(2,240)	-	1,750	530
BFI Lottery - Screen Heritage fund	-	-	(124)	-	3,780	3,656
BFI Trust	8,534	320	(3,832)	-	(50)	4,972
Bloomberg	-	125	-	-	-	125
BMW (Uk) Ltd	-	50	(50)	-	-	-
Channel Four Television Corporation	-	70	(42)	-	-	28
Chaplin Foundation	41	-	-	-	-	41
DCMS - BFI London Film Festival	880	-	(880)	-	-	-
DCMS - Capital	-	2,498	-	-	(2,152)	346
DCMS - GiA Film London SSSD	200	375	(575)	-	-	-
DCMS - Global Screen Fund	2,657	7,000	(8,906)	-	-	751
DCMS - Irish Language Broadcast Fund	-	3,178	(3,178)	-	-	-
DCMS - Skills - Creative Skills modules	-	50	-	-	-	50
DCMS - Ulster Scots Broadcast Fund	-	1,059	(1,059)	-	-	-
DCMS - Young Audience Content Fund	158	-	22	-	-	180
DoE - Film Academies	-	1,000	(1,000)	-	-	-
Film London	-	78	(78)	-	-	-
Friends of the BFI	41	121	(137)	-	-	25
National Lottery Heritage Fund	-	91	(48)	-	-	43
Simon and Harley Hessel	30	50	(30)	-	-	50
The David Lean Foundation	-	77	(77)	-	-	-
The Secretary of State for Science, Innovation and Technology	-	2,092	-	-	-	2,092
The Thompson Family Charitable Trust	60	-	(60)	-	-	-
The Uggla Family Foundation	-	500	(500)	-	-	-
Other up to £50,000	106	184	(265)	-	-	25
Total restricted funds excluding lottery	13,737	22,613	(25,990)	-	3,828	14,188
Lottery funds:						
Lottery reserve	(9,377)	50,214	(28,311)	-	(6,353)	6,173
Donations and other income	-	143	(143)	-	-	-
Lottery share of pension reserve	2,678	-	(162)	848	-	3,364
Total Lottery funds	(6,699)	50,357	(28,616)	848	(6,353)	9,537
Total funds	108,846	125,995	(108,811)	11,312	-	137,342

Notes to the financial statements year ended 31 March 2024

25. Statement of funds (Group and Charity) (continued)

CHARITY	At 1 April 2023 £'000	Income £'000	Expenditure £'000	Other recognised gains/(losses) £'000	Transfers £'000	At 31 March 2024 £'000
Unrestricted funds:						
Income funds excluding pensions asset/liability	40,821	43,439	(42,881)	-	(157)	41,222
Pension reserve	(6,592)	-	(347)	7,904	2,682	3,647
Fixed asset revaluation reserve	67,917	-	(1,391)	2,560	-	69,086
Total unrestricted funds	102,146	43,439	(44,619)	10,464	2,525	113,955
Donated Services and Facilities	-	2,436	(2,436)	-	-	-
Arts and Humanities Research Council	10	1,258	(23)	-	-	1,245
BFI Lottery - BFI London Film Festival	-	-	(471)	-	500	29
BFI Lottery - Heritage 2022	1,020	-	(2,240)	-	1,750	530
BFI Lottery - Screen Heritage fund	-	-	(124)	-	3,780	3,656
BFI Trust	8,534	320	(3,832)	-	(50)	4,972
Bloomberg	-	125	-	-	-	125
BMW (Uk) Ltd	-	50	(50)	-	-	-
Channel Four Television Corporation	-	70	(42)	-	-	28
Chaplin Foundation	41	-	-	-	-	41
DCMS - BFI London Film Festival	880	-	(880)	-	-	-
DCMS - Capital	-	2,498	-	-	(2,152)	346
DCMS - GiA Film London SSSD	200	375	(575)	-	-	-
DCMS - Global Screen Fund	2,657	7,000	(8,906)	-	-	751
DCMS - Irish Language Broadcast Fund	-	3,178	(3,178)	-	-	-
DCMS - Skills - Creative Skills modules	-	50	-	-	-	50
DCMS - Ulster Scots Broadcast Fund	-	1,059	(1,059)	-	-	-
DCMS - Young Audience Content Fund	158	-	22	-	-	180
DoE - Film Academies	-	1,000	(1,000)	-	-	-
Film London	-	78	(78)	-	-	-
Friends of the BFI	41	121	(137)	-	-	25
National Lottery Heritage Fund	-	91	(48)	-	-	43
Simon and Harley Hessel	30	50	(30)	-	-	50
The David Lean Foundation	-	77	(77)	-	-	-
The Secretary of State for Science, Innovation and Technology	-	2,092	-	-	-	2,092
The Thompson Family Charitable Foundation	60	-	(60)	-	-	-
The Uggla Family Foundation	-	500	(500)	-	-	-
Other up to £50,000	106	185	(266)	-	-	25
Total restricted funds excluding lottery	13,737	22,613	(25,990)	-	3,828	14,188
Lottery funds:						
Lottery reserve	(9,377)	50,214	(28,311)	-	(6,353)	6,173
Donations and other income	-	143	(143)	-	-	-
Lottery share of pension reserve	2,678	-	(162)	848	-	3,364
Total Lottery funds	(6,699)	50,357	(28,616)	848	(6,353)	9,537
Total funds	109,184	116,409	(99,225)	11,312	-	137,680

Notes to the financial statements year ended 31 March 2024

25. Statement of funds (Group and Charity) (continued)

Restricted funds:	**Description:**
Donated Services and Facilities	Various services and facilities provided in support of the BFI London Film Festival and BFI Flare film festival, see note 4: Donated Services and Facilities
Arts and Humanities Research Council	Film Conservation, including capital expenditure
BFI Lottery - BFI London Film Festival	Awarded by the Lottery under Section 27 dispensation towards improving public access to the 2022 BFI London Film Festival
BFI Lottery - Heritage 2022	Awarded by the Lottery under Section 27 dispensation towards supporting UK Film Heritage
BFI Lottery - Screen Heritage fund	Awarded by the Lottery under Section 27 dispensation towards supporting *Our Screen Heritage*
BFI Trust	Support for estates related projects and planning, including capital expenditure
Bloomberg	Funds for the Digital Accelerator Program
BMW(UK) Ltd	BMW film making challenge
Channel Four Television Corporation	Funding for Future Takes scheme
Chaplin Foundation	Archive restoration and other work
DCMS - BFI London Film Festival	Support for the 2023 BFI London Film Festival
DCMS - Capital	Grant-in-aid funds for capital expenditure
DCMS - GiA Film London SSSD	Ring-fenced grant-in-aid support for Film London
DCMS - Global Screen Fund	Support for UK film distribution overseas
DCMS - Irish Language Broadcast Fund	Support for Northern Ireland Screen Irish language programming
DCMS - Skills - Creative Skills modules	Supporting the development of education programmes for schools.
DCMS - Ulster Scots Broadcast Fund	Support for Northern Ireland Screen Ulster Scots language programming
DCMS - Young Audience Content Fund	Funding for new youth television content
DoE - Film Academies	Funds ring-fenced for education projects supported by the Department for Education
Film London	LFF 2023 - Industry Programme
Friends of the BFI	Various projects including funding for the Pioneers of Natural History and Horace Ove's Pressure.
National Lottery Heritage Fund	Heritage Innovation Fund supporting workforce R&D activity
Simon and Harley Hessel	Support of the BFI National Archive, including restorations of The Small Back Room and Contraband
The David Lean Foundation	Heritage 22 Paper Conservation
The Secretary of State for Science, Innovation and Technology	BFI Data Research Infrastructure (BFI DRI) [DSIT]
The Thompson Family Charitable Foundation	Supporting the Film on Film Festival 2023/24
Uggla Family Foundation	Funding for BFI Player VOD streaming platform redevelopment.
Other up to £50,000	Various grant awards towards education, restoration and programming and other sundry income.
Transfers	Relate to the receipt of s27 Lottery funding (note 31) and the transfer to unrestricted reserves of capital grants used to acquire fixed assets in the year, where there is no ongoing restriction attaching to the asset created.
Lottery funds:	
Donations and other income	Northern Ireland Screen support for Young people's Filmmaking Programme
Transfers	Relate to the s27 Lottery awards for other BFI activities (note 31)

Notes to the financial statements year ended 31 March 2024

25. Statement of funds (Group and Charity) (continued)

Fund balances at 31 March 2024 are represented by:

	Group			Charity		
	Unrestricted £'000	Restricted £'000	Total £'000	Unrestricted £'000	Restricted £'000	Total £'000
Fixed assets:						
Intangible fixed assets	-	-	-	-	-	-
Tangible fixed assets	101,065	-	101,065	101,065	-	101,065
Investments	-	-	-	1,443	-	1,443
Non-current assets:						
Film rights	-	7,448	7,448	-	7,448	7,448
Long term pension asset	3,647	3,364	7,011	3,647	3,364	7,011
Current Assets:						
Film rights	-	2,574	2,574	-	2,574	2,574
National Lottery Distribution Fund	-	49,980	49,980	-	49,980	49,980
Stocks and work in progress	483	-	483	318	-	318
Debtors	10,546	9,287	19,833	13,859	9,287	23,146
Cash at bank and in hand	9,689	18,588	28,277	3,928	18,588	22,516
Current assets	20,718	80,429	101,147	18,105	80,429	98,534
Current liabilities	(11,813)	(44,517)	(56,330)	(10,305)	(44,517)	(54,822)
Income funds excluding pensions net asset	113,617	46,724	160,341	113,955	46,724	160,679
Creditors due after more than one year	-	(22,999)	(22,999)	-	(22,999)	(22,999)
Total net assets	113,617	23,725	137,342	113,955	23,725	137,680

Fund balances at 31 March 2023 are represented by:

	Group			Charity		
	Unrestricted £'000	Restricted £'000	Total £'000	Unrestricted £'000	Restricted £'000	Total £'000
Fixed assets:						
Intangible fixed assets	-	-	-	-	-	-
Tangible fixed assets	100,016	-	100,016	100,016	-	100,016
Investments	-	-	-	1,443	-	1,443
Non-current assets:						
Film rights	-	9,833	9,833	-	9,833	9,833
Current Assets:						
Film rights	-	3,038	3,038	-	3,038	3,038
National Lottery Distribution Fund	-	45,260	45,260	-	45,260	45,260
Stocks and work in progress	638	-	638	433	-	433
Debtors	9,936	10,407	20,343	12,841	10,407	23,248
Cash at bank and in hand	5,773	27,808	33,581	1,519	27,808	29,327
Current assets	16,347	86,513	102,860	14,793	86,513	101,306
Current liabilities	(10,645)	(53,690)	(64,335)	(10,196)	(53,690)	(63,886)
Income funds excluding pensions net liability	105,718	42,656	148,374	106,056	42,656	148,712
Creditors due after more than one year	-	(38,296)	(38,296)	-	(38,296)	(38,296)
Long term pension liability	(3,910)	2,678	(1,232)	(3,910)	2,678	(1,232)
Total net assets	101,808	7,038	108,846	102,146	7,038	109,184

Restricted funds are committed as directed by the donors/grantors. Unrestricted funds are available to fund revenue initiatives identified during the year and to provide a reserve against unforeseen costs arising.

Notes to the financial statements year ended 31 March 2024

25. Statement of funds (Group and Charity) (continued)

Net free reserves	Group		Charity	
	2024 Unrestricted £'000	2023 Unrestricted £'000	2024 Unrestricted £'000	2023 Unrestricted £'000
Current assets	20,718	16,347	18,104	14,793
Current liabilities	(11,813)	(10,645)	(10,305)	(10,196)
Net free reserves	8,905	5,702	7,799	4,597

Reserves are managed to ensure that restricted funds are not used to fund other activities. Some of the net free reserves are held within British Screen Finance Limited and other subsidiaries, which are wholly owned by the BFI and have distributable reserves of £1,105,000 (2023: £1,105,000) which are available for donation to the Charity if required (note 12).

26. Lease commitments (Group and Charity)

At 31 March 2024, the Charity had commitments in respect of non-cancelleable operating leases as set out below:

	Land and buildings 2024 £'000	Land and buildings 2023 £'000	Other 2024 £'000	Other 2023 £'000
Leases which expire:				
Less than 1 year	(1,867)	(1,867)	(48)	(48)
Within 2 to 5 years	(7,466)	(7,466)	(185)	(186)
Over 5 years	(6,323)	(8,189)	(141)	(188)
	(15,656)	(17,522)	(374)	(422)

27. Capital commitment (Group and Charity)

As at 31 March 2024, the BFI had capital commitments outstanding of £5,449,000 (2023: £327,000) relating to the property infrastructure and digital upgrade.

Notes to the financial statements year ended 31 March 2024

28. Contingent liabilities (Group and Charity)

At 31 March 2024 Grant-in-Aid awards had been made for activity commencing on or after 1 April 2024. As these are contingent upon the receipt of Grant-in-Aid funding from DCMS in 2024/25 these are not taken to the Statement of Financial Activities in the year but are disclosed here.

	2024 £'000	2023 £'000
Film London	(175)	(375)
	(175)	(375)

Other contingent liabilities - rewarding success projects in film rights

The film rights valuation is based on the value of the initial BFI investment as detailed in the Accounting Policies note above. However, on a number of these investments, the BFI Locked Box initiative applies and accordingly there is a contingent liability with regard to the element of the valuation which would be made available to UK filmmakers. The BFI Locked Box initiative enables UK filmmakers supported through the BFI to benefit from their film's success. In short, a share of income from supported film productions is put aside (into a BFI Locked Box) and can be used by the filmmakers for the development and/or production of their future projects or towards staff training and in support of organisational costs.

	2024 £'000	2023 £'000
Contingent liability - rewarding success projects in film rights	(2,925)	(2,881)

Other contingent liabilities - business rates

In March 2024 a third party contractor received a business rates demand in relation to earnings derived from a BFI property, with effect from 1 April 2017. This was a new and unexpected assessment, given that they have been providing the services since 2006 without such a charge. They are in the process of appealing, on the grounds that there is no legal basis for them to be assessed as the appropriate entity responsible for business rates on the property and also that the amount of the assessment is excessive. Under the contractual arrangements the BFI group is liable for approximately 50% of the cost of business rates, and therefore the charity would be adversely affected by any new costs as a result of the case. Following their initial challenge the amount of the demand has been significantly reduced and payment is in abeyance pending appeal. Should that appeal ultimately be unsuccessful, the loss to the BFI could be as much as £1.7m. However, if their appeal is upheld the cost to the BFI could be limited to the cost of legal and professional advice incurred in the process and not material to its financial statements.

Notes to the financial statements year ended 31 March 2024

29. Financial and other commitments

At the balance sheet date there were financial commitments representing film rights investments made by the BFI where the investment decisions had been taken by the BFI and notified to the applicants but either the contracts had not been signed and/or the conditions precedent not met. Therefore work had not commenced on the assets in which the BFI is investing, so neither the asset nor the matching liability are represented in the balance sheet at that date.

	2024 £'000	2023 £'000
Prior year Lottery awards		
Talent Network awards	-	(5)
Production awards	(450)	(779)
Development awards	(27)	(2)
In year Lottery awards		
Production awards	(47)	(839)
Development awards	(261)	(290)
Talent Network awards	(275)	(2)
Distribution awards	-	(9)
Financial commitments - notified but not yet recognised in the financial statements	(1,060)	(1,926)

Other contractual commitments

The BFI has entered into non-cancellable contracts (which are not leases), for a variety of services, including building maintenance, security and software support costs. The total payments to which the BFI is committed are as follows:

	2024 £'000	2023 £'000
Not later than one year	(1,058)	(1,082)
Later than one year and not later than five years	(653)	(653)
Later than five years	(199)	(199)
Contracts for delivery of services	(1,910)	(1,934)

30. Contingent assets (Group and Charity)

The National Lottery Distributors are entitled to receive a share of the receipts from the sale of land on Queen Elizabeth Olympic Park in return for their contribution of an additional £675m to the funding of the London 2012 Olympic and Paralympic Games. This was announced in 2007. The arrangements are set out in a legal agreement between the Secretary of State and the Greater London Authority dated 29 March 2012 which sets out the distribution of funds between the GLA and the Lottery distributors (via DCMS). The GLA has now advised that the land sales on the Olympic Park are now forecast to return less than £200m with payment beginning in 2026/27.

The BFI will be entitled to receive a portion of the receipts from the sale in line with the 2.705% of the funds available to the good causes that the BFI receives as National Lottery distributor.

Due to the inherent uncertainties over such a time period it is not possible to yet quantify the value of such land sales.

31. Related parties (Group and Charity)

The BFI maintains a publicly available register of Governors' interests. Given their broad experience across the film sector, it is inevitable that Governors had connections with or interests in projects and organisations that may from time to time have come to the BFI for funding. All Governors were therefore required to declare any direct interest in and commercial relationships with award applications made to the BFI and that they had no role in the award making process. Similarly, BFI employees were excluded from decision making around any relevant application involving any organisation or company in which they have a declared interest.

Governors receive no payment for their services and all payments to key management personnel have been disclosed in the Remuneration Report.

During the year the BFI entered into transactions, in the ordinary course of business, with related parties. National Lottery awards are included in film rights at the date of the balance sheet or written off to expenditure within the year.

Notes to the financial statements year ended 31 March 2024

31. Related parties (Group and Charity) (continued)

All awards outstanding are payable upon the meeting of conditions precedent within individual contracts.

The following related party transactions occurred during the period:

Related party	Name	Role with BFI	Relationship to related party	New Awards made year ended 31 March 2024 £	Sales year ended 31 March 2024 £	Purchases year ended 31 March 2024 £	Debtor/ (creditor) balance as at 31 March 2024 £
Apple inc and subsidiaries	Jay Hunt	Governor	Senior Director	-	445,398	-	-
British Screen Forum	Andrew Smith	Governor	Member	-	-	(11,260)	-
Friends of the BFI	Simon Bartlett	Head of Lottery & Grant Accounting	Treasurer	-	148,083	-	-
Friends of the BFI	Francesca Vinti	Director of Development	Chair	-	148,083	-	-
Independent Cinema Office	Monica Chadha	Governor	Partner is a Trustee/ Director	-	-	-	(1,320,432)
Lee & Thompson LLP	Anwen Griffiths	Governor	Partner	-	-	(930)	-
Number 9 Films Ltd	Elizabeth Karlsen	Governor	Partner is a director	-	-	-	(16,000)
Pinewood Studios	Andrew Smith	Governor	Director	-	-	-	(2,200)
Revolution Software	Charles Cecil	Non-governor co-opted committee member	CEO	-	-	-	(17,500)
Screen Yorkshire	Charles Cecil	Non-governor co-opted committee member	Board member	-	-	-	(1,925,000)
South Bank Employers Group	Lisa Rowe	Director of Strategic Projects	Director	-	-	(23,740)	-
Vue Cinemas	J. Timothy Richards	Governor	Director	-	17,478	(44,890)	9,941

A number of BFI Governors and Staff are members of BAFTA, but with no formal management or governance role therein. BAFTA received Lottery and other awards in the year ending 31 March 2024 totalling £30,000 (2023: £34,700) of which £10,140 (2023: £6,140) remained payable at that date. Additionally at the year end an award balance of £138,227 was payable to BAFTA Albert Limited, a subsidiary of BAFTA.

The BFI transacted with BAFTA on an arm's length basis during the year with sales of £Nil (2023: £2,188) and purchases of £80,380 (2023: £3,910) and a debtor balance of £Nil (2023: £2,400) was receivable at the year end.

Governors made unrestricted donations totalling £Nil (2023: £11,665) and restricted donations totalling £Nil (2023: £10,000).

A number of governors also purchased patron scheme packages during the year totalling £47,500, of which the donation element was £36,190.

Executive directors made unrestricted donations totalling £Nil (2023: £Nil).

Notes to the financial statements year ended 31 March 2024

31. Related parties (Group and Charity) (continued)

National Lottery awards

Recipient of funding	Name		Role with BFI	Relationship to recipient of funding	New Awards made Year Ended 31-Mar-24 £	Balance as at 31-Mar-24 £
BFI - London Film Festival	Ben Roberts		CEO	CEO	500,000	-
BFI - Heritage 2022	Ben Roberts		CEO	CEO	2,073,273	1,148,205
BFI - United on Screen	Ben Roberts		CEO	CEO	3,780,000	3,644,681
Film London - British Film Commission	Andrew Smith		Governor	Advisory Board member	-	575,000
Jingo Juice Ltd and subsidiaries	Eleanor Whitley		Governor	Director	-	435,000
Landmark Theatres Ltd	Harriet Finney		Deputy CEO	Trustee / Director	20,000	6,000
Luscious Delicious Ltd	Eleanor Whitley		Governor	Director	7,500	7,500
Zip-Line Productions Ltd	Eleanor Whitley		Governor	Director	20,050	15,450

The BFI is a non-departmental public body sponsored by the Department for Culture, Media and Sport (DCMS). DCMS is regarded as a related party and during the year the BFI, as a recipient of Grant-in-Aid funding and as a Lottery distributor, had material transactions with DCMS - see note 2: Other significant transactions.

Awards made under the National Lottery Act Section 27 dispensation

Using the power granted by the Section 27 of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998) the Secretary of State did not object to an award to the BFI in relation to the London Film Festival. The award of £500,000 was made in July 2023 and was fully drawn down within the year.

Under the same power the Secretary of State did not object to an award of £2,073,000 in relation to the National Film and TV Archive under the Heritage 22 scheme. The award was made in April 2023 and by the end of the year £1,148,000 remained undrawn; this is shown as an award commitment in the standalone BFI National Lottery financial statements (appended), but eliminated in full on consolidation.

32. Losses and special payments (Group and Charity)

There were no losses or special payments in the year (2023: none).

33. Post Balance Sheet events (Group and Charity)

At the time of signing the accounts there were no other events after the reporting period, either adjusting or non-adjusting which require recognition or disclosure in the financial statements. The accounts were authorised for issue on the date the Comptroller and Auditor General signed the auditor's report. The Accounting Officer authorised these financial statements for issue on the date of certification.

National Lottery Financial Statements

Statement of Governors and Accounting Officer's responsibilities

The Governors and Chief Executive are responsible for preparing the financial statements for the Lottery distribution activities of the BFI for each financial year under section 35(2) and (3) of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998) in the form and on the basis directed by the Secretary of State for Culture, Media and Sport with the consent of Treasury. The accounts are prepared on an accruals basis and must show a true and fair view of the state of affairs of the BFI Lottery Fund distribution activities and of its income and expenditure, changes in equity and cash flows for the financial year.

In preparing these financial statements, the Governors and the Chief Executive are required to:

- Observe the accounts directions issued by the Secretary of State, including the relevant accounting and disclosure requirements; and apply suitable accounting policies on a consistent basis
- Make judgements and estimates on a reasonable basis
- State whether applicable accounting standards have been followed, and disclose and explain any material departures in the financial statements.
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the BFI Lottery distribution activities will continue in operation; and
- Confirm that the annual report and accounts as a whole is fair, balanced and understandable and that the Accounting Officer takes personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable.

The Accounting Officer for the DCMS has designated the Chief Executive of the BFI as the Accounting Officer for the BFI. The relevant responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable and for keeping of proper records and for safeguarding the BFI's assets are set out in Managing Public Money published by HM Treasury and in the Financial Directions issued by the Secretary of State for Culture, Media and Sport under section 26(3) of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998).

The Governors and Chief Executive confirm they have met the responsibilities set out above and complied with the requirements for preparing the annual report and accounts on a fair, balanced and understandable basis, and the Chief Executive takes personal responsibility for this. The financial statements for the Lottery distribution activities, have been compiled from and are in accordance with the financial records maintained by the Governors and Chief Executive, and all relevant information has been made available to the auditors.

So far as the Accounting Officer and each person who was a Governor at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow Governors, the Chief Executive/Accounting Officer and the Group's auditor, each Governor/Accounting Officer has taken all the steps that he/she is obliged to take as a Governor/ Accounting Officer in order to make himself/herself aware of any relevant information and to establish that the auditor is aware of that information.



Jay Hunt OBE,
Chair, Governor



Ben Roberts,
Chief Executive

The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament and the Scottish Parliament

Opinion on financial statements

I certify that I have audited the financial statements of the British Film Institute's Lottery Distribution Activities for the year ended 31 March 2024 under the National Lottery etc Act 1993.

The financial statements comprise the British Film Institute's Lottery Distribution Activities'

- Statement of Financial Position as at 31 March 2024;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted International Accounting Standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the British Film Institute's Lottery Distribution Activities' affairs as at 31 March 2024 and its surplus for the year then ended; and
- have been properly prepared in accordance with the National Lottery etc Act 1993 and Secretary of State directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2022). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I am independent of the British Film Institute in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the British Film Institute's use of the going concern basis of accounting in the preparation of the fi statements is appropriate.

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

My responsibilities and the responsibilities of the Governors and the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the British Film Institute's Lottery Distribution Activities is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

Other information

The other information comprises the information included in the Annual Report but does not include either the Group or Lottery Distribution financial statements nor my certificate and reports. The Governors and Accounting Officer are responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and People Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the National Lottery etc Act 1993.

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

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Secretary of State directions made under the National Lottery etc Act 1993; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements

Matters on which I report by exception

In the light of the knowledge and understanding of the British Film Institute's Lottery Distribution Activities and its environment obtained in the course of the audit,

I have not identified material misstatements in the Performance Report and Accountability Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- Adequate accounting records have not been kept by the British Film Institute or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited are not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Governors and Accounting Officer for the financial statements

As explained more fully in the Statement of Governors' and Accounting Officer's Responsibilities, the Board and Accounting Officer are responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the British Film Institute from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error;
- ensuring that the financial statements give a true and fair view and are prepared in accordance with Secretary of State directions made under the National Lottery etc Act 1993;
- ensuring that the annual report, which includes the Remuneration and People Report, is prepared in accordance with Secretary of State directions made under the National Lottery etc Act 1993; and
- assessing the British Film Institute's Lottery Distribution Activities' 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 Governors and Accounting Officer anticipates that the services provided by the British Film Institute's Lottery Distribution Activities will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the National Lottery etc Act 1993.

My 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 a certificate that includes my 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.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

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

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the British Film Institute Lottery Distribution Activities' accounting policies, and key performance indicators.
- inquired of management, the British Film Institute's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the British Film Institute's Lottery Distribution Activities' policies and procedures on:
  - identifying, evaluating and complying with laws and regulations;
  - detecting and responding to the risks of fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the British Film Institute's controls relating to the British Film Institute's compliance with the National Lottery etc Act 1993, Managing Public Money;
- inquired of management, the British Film Institute's head of internal audit and those charged with governance whether:
  - they were aware of any instances of non-compliance with laws and regulations;
  - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team and the relevant internal specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the British Film Institute's Lottery Distribution Activities for fraud and identified the greatest potential for fraud in the following areas: posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the British Film Institute's Lottery Distribution Activities' framework of authority and other legal and regulatory frameworks in which the British Film Institute operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the British Film Institute's LotteryDistribution Activities. The key laws and regulations I considered in this context included the National Lottery etc Act 1993, Managing Public Money, employment law and pensions legislation and tax legislation.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit Risk and Governance Committee and in-house legal counsel concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports; and
- in addressing the risk of fraud through management override of controls, I tested the appropriateness of journal entries and other adjustments; assessed whether the judgements on estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members including internal specialists in respect of the valuation of film rights, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I 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 I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies
Comptroller and Auditor General

17 December 2024

National Audit Office
157–197 Buckingham Palace Road
Victoria
London SW1W 9SP

Statement of comprehensive net expenditure
Year ended 31 March 2024

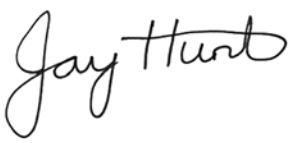
	Notes	2023-24	2022-23
		£'000	£'000
Income			
Proceeds from the National Lottery	2	46,600	47,809
National Lottery Distribution Fund investment income	2	2,271	959
Recoupment income			
Arts Council England and UK Film Council portfolio	3	308	514
BFI portfolio	3	678	1,927
Other income		213	247
Total income		**50,070**	**51,456**
Expenditure			
Lottery - non-film rights awards	4	(17,998)	(71,586)
Adjustments against film rights	5	(14,345)	(18,181)
Reversal of adjustments against film rights	5	3,724	3,971
Operating costs	8	(6,256)	(7,078)
Cost of change	9	(94)	(645)
Total expenditure		**(34,969)**	**(93,519)**
Operating profit/(loss)		**15,101**	**(42,063)**
Bank interest receivable		287	88
Profit/(loss) on ordinary activities before taxation		**15,388**	**(41,975)**
Tax on surplus on ordinary activities for the year		-	-
Surplus/(deficit) for the year		**15,388**	**(41,975)**
Other comprehensive income			
Actuarial gain	7	848	6,232
Total other comprehensive income		**848**	**6,232**
Total comprehensive income/(expenditure)		**16,236**	**(35,743)**

All activities were on a continuing basis. The accompanying notes on pages 186 to 208 form part of these accounts.

Statement of financial position
31 March 2024

	Notes	At 31 March 2024	At 31 March 2023
		£'000	£'000
Non-current assets			
Right of use asset	10	1,085	1,240
Film Rights	5	7,448	9,833
Pension asset	7	3,364	2,678
Total non-current assets		**11,897**	**13,751**
Current assets			
Film rights	5	2,574	3,038
National Lottery Distribution Fund	2	49,980	45,260
Trade and other receivables	11	807	708
Cash and cash equivalents	12	7,343	7,196
Total current assets		**60,704**	**56,202**
Current liabilities - amounts falling due within one year			
Trade and other payables	14	(272)	(798)
Other payables - award commitments	15	(33,516)	(12,676)
Provisions	16	(5,336)	(23,788)
Total current liabilities		**(39,124)**	**(37,262)**
Total net current assets for the year ended 31 March		**21,580**	**18,940**
Non-current liabilities - amounts falling due after one year			
Lease payables	14	(986)	(1,139)
Other payables - award commitments	15	(21,193)	-
Provisions	16	(1,806)	(38,296)
Total non-current liabilities		**(23,985)**	**(39,435)**
Assets less liabilities		**9,492**	**(6,744)**
Capital and reserves			
Lottery reserve		6,128	(9,422)
Pension reserve	7	3,364	2,678
		9,492	**(6,744)**

The accompanying notes on pages 186 to 208 form part of these accounts. The financial statements were approved and authorised for signature by the Governors on 16 December 2024.



Jay Hunt OBE,
Chair, Governor



Ben Roberts,
Chief Executive

Statement of cash flows
Year ended 31 March 2024

	Notes	2023-24	2022-23
		£'000	£'000
Cashflows from operating activities			
Operating surplus / (deficit) for the year		15,101	(42,063)
Decrease in film rights falling due in excess of one year	5	2,385	175
Decrease in film rights falling due within one year	5	464	425
(Increase)/decrease in trade receivables	2, 10, 11	(4,664)	6,291
(Decrease)/increase in trade payables	14	(680)	423
Increase/(decrease) in award payables	15	42,033	(5,560)
(Decrease)/increase in other payables - provisions	16	(54,941)	38,611
Non cash pension movements	7	162	466
Reclassification of receipts from National Lottery Distribution Fund as cashflows from investing activities	2	(44,151)	(54,449)
Reclassification of rental payments to cashflows from financing activities	10	150	147
Reclassification of interest payable for lease liabilities to cashflows from financing activities	10	26	29
Net cash from operating activities		(44,115)	(55,505)
Cashflows from investing activities			
Interest received		287	88
Cash receipts from National Lottery Distribution Fund	2	44,151	54,449
Cashflows from investing activities		44,438	54,537
Cashflows from financing activities			
Interest payable for lease liabilities	10	(26)	(29)
Repayment of lease liabilities	10	(150)	(147)
Cashflows from financing activities		(176)	(176)
Increase/(decrease) in cash in the year		**147**	**(1,144)**
Cash and cash equivalents at 1 April	12	7,196	8,340
Cash and cash equivalents at 31 March		**7,343**	**7,196**

The accompanying notes on pages 186 to 208 form part of these accounts.

Statement of changes in equity
Year ended 31 March 2024

	Notes	Lottery Reserve £'000	Pension Reserve £'000	Total Reserve £'000
Balance at 31 March 2022		**32,087**	**(3,088)**	**28,999**
Deficit for the year		(41,509)	(466)	**(41,975)**
Re-measurements in the year	7	-	6,232	**6,232**
Balance at 31 March 2023		(9,422)	2,678	(6,744)
Surplus/(deficit) for the year		15,550	(162)	15,388
Re-measurements in the year	7	-	848	848
Balance at 31 March 2024		**6,128**	**3,364**	**9,492**

The accompanying notes on pages 186 to 208 form part of these accounts.

Notes to the Lottery financial statements year ended 31 March 2024

1. Accounting polices

Basis of accounts

These financial statements are prepared on a going concern basis under the historical cost convention, and in accordance with the Accounts Direction issued by the Secretary of State for Culture, Media and Sport with the consent of Treasury in December 2014. These meet the requirements of section 35(3) of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998) and applicable Accounting Standards, except certain headings have been amended in order to reflect special circumstances of the charity.

The accounts have been prepared on a going concern basis given the on-going Statutory appointment of the BFI as a National Lottery distributor, bringing a certainty of future revenues, with reserves at 31 March of £9.5m (2023: £6.7m net liabilities). At March 2023 with the launch of the new three year Lottery strategy, multi year awards had been made to partner organisations covering the period to March 2025, using the permission of the National Lottery Act whereby distributors are permitted to make commitments against future years income.

The financial statements have been prepared in accordance with the Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the BFI for the purpose of giving a true and fair view has been selected. The particular policies adopted by the BFI are described below and they have been applied consistently in dealing with items that are considered material to the accounts.

The effect of new accounting standards and interpretations in issue but not yet adopted by the BFI that the directors anticipate will have a material effect on the reported income or net assets is noted below.

In accordance with the Direction issued by the Secretary of State for Culture, Media and Sport, financial statements have also been prepared for the BFI Group activities as a whole.

A copy of the Accounts Direction is available from the Secretary to the Board of Governors, 21 Stephen Street, London W1T 1LN or is available on line from www.gov.uk.

Accruals convention

Income and expenditure is accounted for on a receivable basis. The exception to this is recoupment income because of the inherent difficulties in relating the income to the period to which it relates. Recoupment income is therefore accounted for upon notification of amounts received by the BFI. Commitments are reported as per the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998).

As required by the Secretary of State for Culture, Media and Sport in the Accounts Direction, Lottery awards are accounted for on an accruals basis. Where the BFI has made a firm offer of a grant to a film rights or a non-film rights project, which together with the relevant conditions has been accepted by the recipient and the conditions of the grant have been fully met, the award is recognised as a payable. Where the BFI has agreed in principle to fund a scheme or project and made an offer, but the offer has not been accepted nor the associated conditions precedent met, the award is provided for in full at the year end. However, where the BFI has agreed in principle to fund a project in which it will take rights of recoupment ('film rights'), but the offer has not been accepted nor the associated conditions met, as the associated assets of the project can not yet exist, the award is treated as a financial commitment at the year end. These financial commitments are disclosed by way of a note to the financial statements, whereas the liabilities and provision are recognised in the financial statements.

Award commitments payable within one year of the Statement of Financial Position are recognised in the statement as current liabilities. Those payable more than one year from the date of the statement of financial position are shown as commitments payable over more than one year. Commitments for future years have been entered into which take into account income forecasts provided by the Department for Culture, Media and Sport (DCMS). These forecasts take a conservative view of future income.

Notes to the Lottery financial statements year ended 31 March 2024

1. Accounting policies (continued)

Estimates and judgements

Estimates and judgements have been used in the production of these accounts, notably with regard to the valuation of film rights and pensions as at the year end and in the recharge of operating costs. Details on the judgements and estimation involved in the valuation of the film rights are set out in the Film Rights accounting policy below and note 5: Film Rights. The recharge of operating costs are based on an assessment of the relevant direct costs of the Lottery departments and an appropriate proportion of the central support functions such as Facilities, Finance and IT. Further information can be found in note 8: Operating Costs and information on the assumptions underlying the pension valuation can be found in note 7: Pensions.

Apportioned costs

The BFI incurred costs which are shared between Lottery and other activities, relating to operating costs for the year, restructuring costs and costs arising from capital spend attributable to Lottery. The BFI is required to apportion costs in accordance with the principles of full cost recovery as outlined in Managing Public Money. In addition to costs wholly attributable to Lottery activities, an assessment is made of the other costs attributable to Lottery activities incurred by service and other departments. This is based on a combination of head count, office space occupied, activity levels and additional expenditure incurred. These areas include the Finance, People and Buiness Operations Directorate (FPBO), the Corporate and Industry Affairs Directorate and the Chief Executive's Office.

National Lottery Distribution Fund

Balances held in the National Lottery Distribution Fund (NLDF) remain under the stewardship of the Secretary of State for Culture, Media and Sport. The share of these balances attributable to the BFI is as shown in the financial statements at an estimate of market value and, at the date of the statement of financial position, has been certified by the Secretary of State for Culture, Media and Sport as being available for distribution by the BFI in respect of current and future commitments. With the introduction of IFRS 9 funds held at the National Lottery Distribution Fund are held as financial instruments held at amortised cost.

As the investments are held with the Debt Management Account and the National Loans Fund, these are exempt from recognising stage 1 and stage 2 impairment so no expected credit losses have been calculated for these investments.

The share of proceeds and investment returns attributed to the BFI has been treated as income within these financial statements.

Other financial instruments

Other Lottery financial instruments include trade receivables and payables that arise directly from Lottery operations. The main risks arising from the financial instruments in the Lottery accounts are interest rate risk, foreign currency risk and other price risk. Further detail of this can be found in note 13 below.

Film rights

Film rights represent investment awards paid and payable to filmmakers which are repayable under certain conditions. Where a feature film made with the assistance of the BFI is successfully released, the BFI is entitled to participate in revenues generated by that success. This can lead to repayment of the investment in full, together with a share of the profits generated by the film.

Under International Financial Reporting Standards (IFRS 9) film rights fall within the definition of Financial Instruments. Within that, they meet the definition of assets measured at fair value with gains and losses being recognised in the Statement of Comprehensie Net Expenditure (SOCNE). The fair value, in line with definitions of IFRS 9, is based upon cash flows and models of future income that may be generated by the film right asset. The calculations behind these models are based upon external factors such as sales agents' estimates, actual sales made, and the recoupment order agreed in the financing contract between investors as well as internal factors such as the skills and expertise of management involved in these calculations and a review of the historic performance of the portfolio.

When an advance is made for an award (satisfying the definition of an award liability as above) the award is taken to the Statement of Financial Position initially at the full value of the award. An assessment is then made of the likely repayment of the award, if any, over the next seven financial years, with the valuation adjusted to the extent that the repayment of the award is considered doubtful. The impairment is calculated either as standard percentage suggested by historic recoupment performance of that particular type of award, or based on the value suggested by future estimated receipts.

In subsequent years, the Film Rights valuations are reviewed to ensure that all revenues due are received and the valuation remains appropriate. The valuations are based on the best available information

Notes to the Lottery financial statements year ended 31 March 2024

1. Accounting policies (continued)

at the Statement of Financial Position date and the valuations will change over time. For instance, on production awards, the actual value of sales made to a territory may exceed or fall below the original sales estimate provided by the sales agent or the box office performance may exceed or fall below the initial projections following the release of a film.

Movements in adjustments shown in the Statement of Comprehensive Net Expenditure reflect the net effect of increases and decreases in adjustments against film rights in the year. Any adjustment may be reversed in part or in full if the valuation understates the fair value of the film rights. Advances for development and short film awards are fully impaired in the year of the award, unless there is a reasonable expectation of repayment in the next seven financial years.

Movements in Film Rights valuations shown in the Statement of Comprehensive Net Expenditure reflect the net effect of increases and decreases in valuations against Film Rights in the year. Awards are fully impaired unless there is a reasonable expectation of repayment in the next seven financial years.

If the valuation of the film rights is in excess of the amount of the award investment based on estimated recoupment over the next seven financial years, this is similarly recognised in the film rights valuation and released to income as the recoupment is received. In the context of the life of a film and its distribution cycle, seven years is felt to be a reasonable period over which a meaningful forecast can be taken, and is consistent with practice across the film industry.

Should the full amount of an award for film rights not be utilised, any unused element of the funding will be decommitted. If such a decommitment exceeds the impaired value of the film, then any necessary impairment will be released back to the Statement of Comprehensive Net Expenditure so the remaining impairment is not greater than the value of the revised investment value.

Film recoupment income

Income received from film rights is offset against the value of the film rights on the Statement of Financial Position.

Income in excess of the original value of the rights is taken to the Statement of Comprehensive Net Expenditure as film recoupment income.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the date of the statement of financial position. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Comprehensive Net Expenditure.

Lease costs and commitments

BFI Lottery pays rental to the BFI for the proportion of desk space occupied in the Stephen Street offices, in line with the terms of the lease on these premises to March 2031.

In accordance with FReM this lease obligation is recognised on Statement of Financial Position matched to a Right of Use asset. The former of these is reduced by the annual payment of lease liabilities including both rental and interest (finance) charge, whilst the latter is depreciated annually.

This differs from the treatment in the BFI Charity and Group accounts where, under the Charities SORP, rentals payable under operating leases are charged in the group statement of financial activity on a straight-line basis over the lease term.

Pensions

The BFI operates a defined benefit pension scheme for employees joining on or before 31 December 2013, and a defined contribution scheme for subsequent joiners, with an apportionment of the costs and liability being made to Lottery on an assessment of appropriate relative levels of staffing.

A defined benefit pension scheme is a post employment benefit plan. The BFI's net obligation in respect of this is calculated by estimating the amount of future benefits that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine the present value.

The pension liabilities and assets of the scheme are recorded in accordance with IAS 19. This measures the value of pension assets and liabilities at the statement of financial position date, determines the benefits

Notes to the Lottery financial statements year ended 31 March 2024

1. Accounting policies (continued)

accrued in the year, and the interest on the scheme's assets and liabilities. The valuation is undertaken by a qualified actuary.

The BFI operates a defined contribution scheme for employees joining on or after 1 January 2014. The amount charged to the Statement of Comprehensive Net Expenditure in respect of pension costs and other post-retirement benefits is the contribution payable in the year.

Provisions for award commitments

Provisions for award commitments arise where the BFI has agreed in principle to fund a scheme or project and made an offer, but where at the date of the statement of financial position either contracts have not been signed and/or the conditions precedent not met. Therefore these transactions are recognised as an award commitment but are not included in awards payable at the date of the statement of financial position but as a provision. Provisions are released in the following accounting periods as the offers of funding are contractually agreed and the associated conditions met.

Reserves

The Lottery reserve primarily represents the carrying value of film investments made by the UK Film Council prior to 31 March 2011 and British Film Institute since 1 April 2011, and uncommitted funds held at the National Lottery Distribution Fund, which are offset by all outstanding award liabilities.

At 31 March 2024 the Lottery reserve was a net asset of £9.5m (2023: £6.7m net liability). The March 2023 net liability was due to overcommitment at the balance sheet date against future revenues, as permitted under the National Lotteries Act, due to commitment of £58m of funds under the BFI new Lottery Strategy, Screen Culture 33. As anticipated with consequent reduction in new awards being made in 2023/24, the anticipated proceeds from the National Lottery and recoupment income this situation had reversed at 31 March 2024.

The pension reserve represents the asset/liability arising on the valuation of the BFI pension fund at year end, as notified by the actuaries.

Segmental reporting

The BFI is required under the National Lottery Acts to produce statutory accounts which cover its operations as a Lottery distributor to 31 March 2024. These are reported to the Board of Governors and the Chief Executive Officer as a stand-alone entity. Therefore in the context of IFRS8 no additional disclosure of segmental reporting is deemed appropriate.

Analysis of total expenditure between administrative and programme spend

Under the definitions of the Financial Reporting Manual 2023/24 all activities in these accounts are programme spend.

Standards, amendments and interpretations to existing standards not yet effective

The application of any new or amended International Financial Reporting Standards is governed by their adoption into the FReM issued by HM Treasury. Usually such changes are not put into effect by the FReM until the effective date of the related IFRS, although occasionally some changes are adopted early or might be delayed. It is not believed that any such standards have been published and are relevant as at 31 March 2024.

2. Lottery income and the National Lottery Distribution Fund

The movement in balances held at the NLDF is as follows:

	2023-24 £'000	2022-23 £'000
Opening balance held at the NLDF	45,260	50,941
Income received from the Lottery	46,600	47,809
Investment income earned	2,271	959
Available for distribution	94,131	99,709
Cash drawn down	(44,151)	(54,449)
Balance as at 31 March	**49,980**	**45,260**

Notes to the Lottery financial statements year ended 31 March 2024

2. Lottery income and the National Lottery Distribution Fund (continued)

The funds are invested on behalf of the NLDF by the National Debt Commissioners. The BFI's distribution is in accordance with Sections 22 and 23 of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998). The BFI is required by statute to show on the statement of financial position the lower of the market value or the cost of the investment as at the year end. There were Nil unrealised gains in the year (2023: Nil).

Income received from the National Lottery

Our share of the income received from the Lottery in 2023/24 appear to continue to reflect a slight downward trend of £1.2m in a year on year comparison. However, the income includes the variable factor of receipts of unclaimed prize money which increased by £0.95m in the year, and thus further hides the reduction in underlying sales:

Income received from Lottery therefore contains:	2023-24 £'000	2022-23 £'000
Unclaimed prize money	2,841	1,901

3. Film rights receipts and recoupment income

The BFI receives income generated from rights in the portfolio of film projects invested in since 1 April 2011. Additionally under the transfer agreement with UK Film Council, the BFI receives all future income generated from rights in the portfolio of films transferred from the UK Film Council and Arts Council England at that date.

Income received from film rights is offset against the value of the film rights on the statement of financial position. Income in excess of the original value of the rights is taken to the statement of comprehensive net expenditure as film recoupment income through the movement in fair value reserve.

	2023-24 £'000	2022-23 £'000
Total film receipts taken as income	986	2,441
Total film receipts taken against film rights on the statement of financial position	4,190	3,644
	5,176	**6,085**

Those film receipts where the revenue is taken as income related to:

	2023-24 £'000
The King's Speech	101
4 films generating < £100,000	207
Arts Council England and UK Film Council portfolio	308
Boxing Day	256
22 films generating < £100,000	422
BFI portfolio	678
	986

Total film receipts taken against film rights on the statement of financial position

	2023-24 £'000
Aftersun	587
Bird	100
Blue John	197
Boxing Day	561
Brides	174
Low Rider	100
Medusa Deluxe	111
My Father's Shadow	100
On Falling	124
Santosh	100
Scrapper (aka Yet To Be)	185
Surviving Earth	159
The End We Start From	140
The Fall of Sir Douglas Weatherford	100
The Thing with Feathers	100
87 films generating < £100,000	1,352
	4,190

Notes to the Lottery financial statements year ended 31 March 2024

4.Non-film rights awards

Non-film rights awards are made across a number of schemes operated by the BFI. In the year to 31 March 2024, initial partner awards were made for new funds in our new Lottery Strategy: Screen Culture 2033, with three year awards covering the period April 23 - March 2026. The remaining awards in year are for single projects which are anticipated to be completed within one year.

The activity support areas itemised below are those areas where it is deemed that activity on behalf of the industry and indeed the public at large, and funded by Lottery monies, are most cost effectively and efficiently carried out by the BFI as the lead body for the film sector.

Analysis of non-film rights awards by strand:

	2023-24			2022-23
	New awards in the year £'000	Decommit-ments* £'000	Awards net of fall ins £'000	Awards net of fall ins £'000
Funding to cover the future years				
Audience - FAN Lead Organisations	-		-	(9,900)
Skills - Skills Network (Clusters)	(900)	-	(900)	(8,100)
Audience Projects Fund	-		-	(6,047)
Filmmakers	-		-	(6,000)
Education - Careers and Progression	-		-	(5,950)
Education - Teaching with Film	-		-	(4,950)
Filmmakers - Network	-		-	(4,146)
Education - Young Creatives	-		-	(3,000)
Skills - Business Development	-		-	(2,400)
International - Production Support Services	-		-	(2,280)
Skills - Bursary Fund	-		-	(1,500)
Screen Heritage: Resiliance Fund	-		-	(1,384)
Education - Film Academy Plus	-		-	(1,199)
Sustainable Screen	-		-	(587)
National Lottery Open Cinema Fund	(2,697)		(2,697)	-
United on Screen	(3,780)		(3,780)	-
	(7,377)	-	(7,377)	(57,443)
Project or single year funding to cover the period to March 2024				
Film Heritage fund	(2,073)	-	(2,073)	(3,465)
BFI NETWORK Fund	(625)	48	(577)	(1,658)
International awards	(1,828)	60	(1,768)	(1,423)
London Film Festival	(500)		(500)	(1,400)
Leadership & Business Development	-	242	242	(1,344)
Audience Fund awards	(3,281)	304	(2,977)	(1,093)
Rewarding Success	(1,257)	-	(1,257)	(1,052)
Education fund awards	-	1,025	1,025	(659)
Production services award	-	-	-	(625)
Film Academy awards	(818)	3	(815)	(491)
Research and Statistics awards	(298)	121	(177)	(455)
Film Skills Fund awards	-	-	-	(185)
Distribution and Exhibition awards	-	-	-	(19)
Development Fund	-	-	-	(11)
Film Fund awards (non-film rights)	-	-	-	(7)
We Are Film awards	(838)	-	(838)	-
Our Future Heritage	(366)		(366)	-
Lottery Education	(100)		(100)	
Creative Support Challenge Fund	(84)	-	(84)	-
Development Fund (non-film rights)	-	34	34	60
Film Audience Network fund	-	52	52	58
	(12,068)	1,889	(10,179)	(13,769)
Activity support				
Diversity			-	-
Research and statistics	(442)	-	(442)	(374)
	(442)	-	(442)	(374)
Total Lottery non-film rights	**(19,887)**	**1,889**	**(17,998)**	**(71,586)**

*A decommitment (or fall in) is when an award is reduced for any reason with the agreement, and usually instigated by, the award recipient. The balance is written back against the relevant award strand in the statement of comprehensive net expenditure.

Rewarding success above represents recoupment received in the year under the producer corridor arrangements and thus held on behalf of filmmakers. Further information is provided in note 16.

Notes to the Lottery financial statements year ended 31 March 2024

5. Film rights

Under IFRS 9 the valuation of the films rights assets are determined on the basis of level 3 inputs, with unobservable inputs being used for the asset as there is no market activity for these assets at the balance sheet date. The valuation approach to establish the fair value of the film rights portfolio is set out in Note 1 : Accounting Policies.

The BFI's primary objective in investing in film rights is to support the future success of British film by backing new voices, new stories, new ideas and skills, enriching and diversifying British film production. Thus whilst the potential commercial success of a project is important in our assessment of an application it is not the only funding criteria.

The fair value of film rights at 31 March is as follows:

	2023-24 £'000	2022-23 £'000	2021-22 £'000	2020-21 £'000	2019-20 £'000
Production Awards	9,140	11,510	12,095	9,760	11,330
Vision Awards	428	825	906	1,411	1,238
Development Awards	295	411	292	227	534
Distribution Awards	159	125	178	161	235
Other Awards	-	-	-	-	-
Film Rights valuation	**10,022**	**12,871**	**13,471**	**11,559**	**13,337**

Film rights are recognised as split between current and non-current assets, on the basis of a review of the characteristics of the loans across the portfolio and the anticipated cash flows from these:

	2023-24 £'000	2022-23 £'000	2021-22 £'000	2020-21 £'000	2019-20 £'000
Film rights - non-current	7,448	9,833	10,008	9,228	10,532
Film rights - current	2,574	3,038	3,463	2,331	2,805
	10,022	**12,871**	**13,471**	**11,559**	**13,337**

Production awards are made to producers to co-finance feature film productions and from which we are entitled to recoup our award and take a share of net profits from the film. The value of the productions will be dependent upon many factors which are inherently uncertain; the ability of sales agents to meet sales estimates, how the film will be critically and commercially received (including box office projections and exchange rates) all play a role. Further details are set out below.

Vision Awards are made to production companies to enable them to develop their business and the awards are repayable from any applicable feature film production made by the production company. As we do not expect all recipients to be required to repay the award in full we routinely impair 50% of the recoupable element of the award in the year in which it is committed.

Development awards are made to producers to support a film development. In the event that the development project progresses into a feature film production, we would be entitled to be repaid our award and take a share of net profits. Accordingly development awards are impaired in full in the year in which the award is made, unless there is a reasonable anticipation of it progressing to production.

Distribution awards are made to distributors to support the release of film(s) in the UK and repayable dependent upon the performance of the film release.

Other awards include targeted development awards which are awarded to support new talent. These awards are written off in full in the year unless there is a reasonable expectation of recoupment.

Movements in the valuation of film rights

	2023-24 £'000	2022-23 £'000	2021-22 £'000	2020-21 £'000	2019-20 £'000
Film rights valuation at 1 April	12,871	13,471	11,559	13,337	14,008
New commitments: made in year	12,527	17,713	21,000	22,275	17,002
Decommitments: new film rights in year	(1)	(241)	(25)	(370)	-
Decommitments: historical portfolio	(565)	(217)	(412)	(178)	(461)
Repayment of investments: new film rights in year	(899)	(1,099)	(1,186)	(1,528)	(285)
Repayment of investments: historical portfolio	(3,668)	(2,546)	(4,085)	(2,547)	(4,191)
Adjustments: new film rights in year	(9,987)	(15,011)	(12,980)	(14,256)	(8,863)
Adjustments: historical portfolio	(256)	801	(400)	(5,174)	(3,873)
Film rights valuation at 31 March	**10,022**	**12,871**	**13,471**	**11,559**	**13,337**

Notes to the Lottery financial statements year ended 31 March 2024

5. Film rights (continued)

The value of new commitments made in the year will vary due to timing differences arising from the closure of awards.

The valuation of the Film Rights is based on the anticipated cash receipts over the next seven financial years after the Statement of Financial Position date. In relation to recent production awards (that is production awards that were recognised as awards payable this financial year and the last three financial years), the valuation is based on the cash receipts anticipated from the first cycle of revenues including revenues from cinema, DVD, Video on Demand and television. In relation to older production awards, the valuation is based on the anticipated cash receipts for the next seven years following the balance sheet date calculated from the individual film's historic cash receipts. All such anticipated cash receipts are discounted using the applicable Treasury Rate of 2.05% (2023: 1.9%).

The value of adjustments on new film rights in the year is always governed by the value of awards made and therefore can vary considerably year to year.

As at 31 March 2024, the Film Rights valuation for production awards is £9.1m (2023: £11.4m) and for all other Film Rights is £0.9m (2023: £1.5m) totalling £10.0m (2023: £12.9m). For production awards, were the recoupment levels and valuation to vary by +/- 5%, the impact of the valuation of Film Rights at 31 March 2024 would be £0.5m for 177 awards (2023: £0.6m for 177 awards).

In relation to older production awards, the Film Rights valuation is calculated on the assumption that the future anticipated receipts will be based on the historic cash receipts for the two years prior to the Statement of Financial Position date, subject to an 120% default reduction every three years, except for films in profit which are calculated on the assumption that the future anticipated receipts will be based on the historic cash receipts for the three years prior to the Statement of Financial Position date, subject to a 75% default reduction every three years. The total amount of the Film Rights valuation based on this methodology is £5.7m (2023: £7.m). Were this default reduction percentage to change by +/- 10% the Film Right valuation would change by:

	£'000 -10%	£'000 0.00%	£'000 +10%
2023-24	(550)	5,660	520
2022-23	(770)	7,120	640

In relation to recent production awards (that is production awards that were recognised as awards payable this financial year and the previous three financial years), the Film Rights valuation is based on future anticipated receipts. These cash receipts are principally earned in US dollars and converted to pounds sterling before payment is made to the BFI's bank accounts. The default pound sterling to US dollar exchange rate is calculated using the average daily exchange rate for the two years to the Statement of Financial position date rounded to the nearest 5 US cents. The default rate as at 31 March 2024 for production awards is US $1.25 (2023: US $1.30).

Had the pound sterling to US dollar exchange rate been $1.35, for the purposes of the Film Rights valuation, then the valuation of the total of these production awards would be reduced by £0.3m (2023: $1.40 and the awards at March 2023 would reduce by £0.3m). Were the valuation calculated using US $1.15, then these valuations would be increased by £0.2m (2023: $1.20 and the awards at March 2023 would increase by £0.3m).

Further information on the movement on film rights can be found on the BFI website: http://www.bfi.org.uk/about-bfi/annual-review-managementagreement.

Notes to the Lottery financial statements year ended 31 March 2024

6. Staff costs

Nil member(s) of the Board of Governors received remuneration during the year (2023: none).

The costs of staff working wholly on Lottery activities comprised:	2023-24 £'000	2022-23 £'000
Wages and salaries	2,469	2,161
Social Security costs	261	250
Pension service costs and other pension costs	183	436
	2,913	**2,847**

The average number of staff (full-time equivalents) employed during the year was made up as follows:

	2023-24 Number	2022-23 Number
Management and administration:		
Permanent staff	45	39
	45	**39**

Staff costs for the year are contained within the costs apportioned from grant-in-aid on the statement of comprehensive net expenditure.

The remuneration of the Chief Executive Officer and costs attributable to Lottery during the year are as follows:

	2023-24 £	%	Attributable to Lottery £
Ben Roberts			
Salary and benefits	156,975		61,220
Total	**156,975**	39.0%	**61,220**
Pension contribution	**24,331**		**9,489**

	2022-23 £	%	Attributable to Lottery £
Ben Roberts			
Salary and benefits	150,000		75,000
Total	**150,000**	50.0%	**75,000**
Pension contribution	**23,028**		**11,514**

The percentage of the remuneration of the Chief Executive Officer apportioned to Lottery is reviewed on an annual basis.

Notes to the Lottery financial statements year ended 31 March 2024

7. Pension benefits

The BFI is an admitted body of the LPFA. Although membership of the scheme is open to all employees, only those costs relating to staff employed on Lottery activities are disclosed in these accounts. An apportionment of the pension assets and liabilities is calculated on the basis of the numbers of staff employed on Lottery activities and their pensions contributions in year as a percentage of those of the whole organisation.

The pension scheme is (for joiners on or prior to 31 December 2013) a defined benefit scheme and is funded by employees and employers at actuarially determined rates. Employer contributions charged for members of the defined benefit scheme amounted to £0.1m (2023: £0.1m).

Following the advice of the consulting actuaries to the scheme, the BFI's employer contributions for current service (as a percentage of the pensionable salary) were set at 15.5% throughout the year (2023: 15.4%).

A valuation under IAS19 as at March 2024 was carried out by a qualified independent actuary. The assumptions used by the actuary for the BFI's scheme were:

	2023-24 %	2022-23 %
Rate of increase in salaries	3.95	3.9
Rate of increase in pension payments	2.95	2.9
Discount rate	4.9	4.8
Inflation assumption (CPI)	2.95	2.9

Average life expectancy at 65:
Under the adopted mortality tables, the assumed life expectancy from age 65, weighted by liability, are as follows:

	2023-24 Years	2022-23 Years
Life expectancy at age 65 of female aged 45	25.4	25.6
Life expectancy at age 65 of female aged 65	24	24.2
Life expectancy at age 65 of male aged 45	22.4	22.7
Life expectancy at age 65 of male aged 65	21.2	21.4

Notes to the Lottery financial statements year ended 31 March 2024

7. Pension benefits (continued)

The estimated asset allocation as at 31 March was:	2023-24 Long term rate of return expected £'000	2022-23 Long term rate of return expected £'000
Equities	9,587	8,287
Target return portfolio	2,672	2,715
Infrastructure	1,729	1,858
Property	1,414	1,429
Cash	314	-
Total market value of assets	**15,716**	**14,289**

The net pension asset / (liability) was:	At 31 March 2024 £'000	At 31 March 2023 £'000	At 31 March 2022 £'000
Present value of funded obligation	(12,354)	(11,611)	(17,211)
Fair value of scheme asset	15,716	14,289	14,123
Net Asset / (Liability)	**3,362**	**2,678**	**(3,088)**

The amounts recognised in the statement of comprehensive net expenditure are as follows:

	2023-24 £'000	2022-23 £'000
Current service cost	(204)	(584)
Net interest on the defined liability	130	(79)
Administration expenses	(5)	(5)
Total	**(79)**	**(668)**
Actual return on plan assets	1,324	185

Amounts recognised in statement of changes in equity:	2023-24 £'000	2022-23 £'000
Return on plan assets in excess of interest	643	(181)
Other actuarial gains/(losses) on assets	-	(22)
Change in financial assumption	240	7,465
Experience (loss)/gain of defined benefit obligation	(35)	(1,030)
Remeasurements recognised in the statement of changes in equity	**848**	**6,232**
Cumulative remeasurements in statement of changes in equity	4,857	4,009

Changes in the present value of the defined benefit obligation:	2023-24 £'000	2022-23 £'000
Opening defined benefit obligation	(11,611)	(17,211)
Current service cost	(204)	(584)
Past service cost	(506)	-
Interest cost	(551)	(445)
Contributions by members	(94)	(107)
Change in financial assumptions	240	7,465
Experience (loss)/gain on defined benefit	(35)	(1,030)
Benefits paid	407	301
Closing defined benefit obligation	**(12,354)**	**(11,611)**

Notes to the Lottery financial statements year ended 31 March 2024

7. Pension benefits (continued)

Changes in the fair value of the scheme assets:	2023-24 £'000	2022-23 £'000
Opening fair value of employer assets	14,289	14,123
Contributions by members	94	107
Contributions by employer	421	204
Interest on assets	681	364
Return on assets less interest	643	(181)
Other actuarial gains/(losses)	-	(22)
Admin expenses	(5)	(5)
Benefits paid	(407)	(301)
Closing fair value of employer assets	**15,716**	**14,289**

The sensitivity analysis on the major assumptions in the above, and based on the whole scheme is:

		£'000	£'000	£'000
Adjustment to discount rate		+0.1%	0.0%	+0.1%
	Present value of total obligation	(11,949)	12,354	5,916
	Projected service cost	211	198	246
Adjustment to long term salary increase		+0.1%	0.0%	+0.1%
	Present value of total obligation	(12,157)	12,354	6,019
	Projected service cost	221	198	258
Adjustment to pension increases and deferred valuation		+0.1%	0.0%	+0.1%
	Present value of total obligation	(12,324)	12,354	6,102
	Projected service cost	228	198	266
Adjustment to mortality age rating assumption		+ 1 year	0.0%	+ 1 year
	Present value of total obligation	(12,602)	12,354	6,239
	Projected service cost	230	198	268

A history of experience gains and losses is shown below:	2023-24 £'000	2022-23 £'000
Fair value of employer assets	15,716	14,289
Present value of defined benefit obligation	(12,354)	(11,611)
Surplus	3,362	2,678
Experience gains on assets	1,324	185

The estimated Macaulay duration of the Employer as at the accounting date, using the assumptions set out above is 17 years.

From 1 January 2014 the BFI also operates a defined contribution pension scheme which is available for all employees not already in the defined benefit scheme.

Notes to the Lottery financial statements year ended 31 March 2024

8. Operating costs and other finance costs

	2023-24 £'000	2022-23 £'000
Direct Lottery costs		
Direct staff costs	2,913	2,847
Other staff costs (including agency staff, training and recruitment)	36	100
Travel and subsistence	92	33
Events and other hospitality	34	12
Professional fees: Audit - National Audit Office	59	52
Professional fees: other	46	86
Depreciation re right of use asset	155	155
Other	178	64
	3,513	3,349
Recharged costs from BFI non-lottery activities re support functions	2,842	3,388
Total operating costs	6,355	6,737
Recharged costs from creation of new BFI lottery strategy : Screen Culture 2033	-	227
Finance costs		
Interest re lease on right of use asset	26	29
Net return on pension assets	(125)	85
Total financing costs	(99)	114
Total operating and other finance costs	**6,256**	**7,078**

The direct National Lottery costs are those of the front-line award making departments. These costs are those of the Film Fund (International, Production, Operations, Audience Fund, Deputy CEO Office), Education Directorate, Education Partners, Business Affairs and Production Finance. These costs cover the administration and processing of grants, project development and other costs, the costs of generating recoupment and talent support and development activities.

The remaining costs are those central costs of the BFI attributed to Lottery relating to CEO, External Affairs, and support functionality such as Finance, HR, IT and Digital.

Costs of generating recoupment relate to the costs of generation and management of BFI income from the investments in film rights within Business Affairs, Production Finance and the Film Funds - in 2023/24 these stood at £0.8m (2023: £0.8m).

Other Finance Costs

	2023-24 £'000	2022-23 £'000
Net return of assets re pension	125	(85)
Interest on rental of right of use assets	(26)	(29)
	99	**(114)**

Notes to the Lottery financial statements year ended 31 March 2024

9. Costs of change

Costs of change represent the costs associated with restructuring of the filmmaking and education funds in the light of the new BFI strategy: Screen Culture 33.

10. Right of use assets and lease liabilities

As at 31 March 2024, the BFI had a right of use asset reflecting a non-cancellable operating leases relating to the BFI offices in London running until March 2031. With the introduction of IFRS 16: Lease Accounting, this is now shown in the accounts as a trade receivable split between the amounts falling due within and over one year - these are matched to the lease liability.

	At 31 March 2024 £'000	At 31 March 2023 £'000
Right of use asset at 1 April	1,240	1,395
Depreciation in year	(155)	(155)
Right of use asset at 31 March	**1,085**	**1,240**

Consequently a lease liability was recognised in year with the finance cost calculated using the HMT discount rate of 1.99%

	At 31 March 2024 £'000	At 31 March 2023 £'000
Lease liability at 1 April	1,288	1,435
Repayment of lease liabilities	(176)	(176)
Finance cost in year	26	29
Lease liability at 31 March	**1,138**	**1,288**

11. Trade and other receivables

	At 31 March 2024 £'000	At 31 March 2023 £'000
Trade and other receivables falling due within one year		
Trade debtors	374	470
Other receivables - BFI Exchequer	378	109
Other receivables	55	129
Total trade and other receivables falling due within one year	**807**	**708**

12. Cash and cash equivalents

	2023-24 £'000	2022-23 £'000
Cash and cash equivalents at 1 April	7,196	8,340
Net change in cash and cash equivalent balances	147	(1,144)
Cash and cash equivalents at 31 March	**7,343**	**7,196**

£4.5m (2023: £4.0m) of cash held in BFI lottery bank accounts is funds recouped by BFI and held on behalf of producers under the "Rewarding Success" recoupment corridor. See note 16: Provisions.

All Lottery cash balances are held in commercial bank accounts.

Notes to the Lottery financial statements year ended 31 March 2024

13. Financial instruments

International Financial Reporting Standards require disclosure of the role which financial instruments have had during the period, in creating or changing the risks the BFI faces in undertaking its role.

Film rights

Under International Financial Reporting Standards (IFRS 9) film rights fall within the definition of Financial Instruments. Within that, they meet the definition of assets measured at fair value with gains and losses being recognised in the profit and loss account (FVTPL).

Establishing the fair value of film rights is subjective and therefore contains an element of risk. The fair value is based on a review of external evidence such as the sales agents' estimates as to the likely revenues generated by a project, where it is in the life cycle of the project, and upon actual performance of the film to date. This is matched with the knowledge and experience of the staff and management involved in the process of assessing the projects both at application stage and as they come to fruition. Any reduction in fair value is immediately taken to the statement of comprehensive net expenditure in the year.

The valuation of film rights is subject to on-going annual review to ensure a fair value is maintained and thus mitigating the risk of a perceived overstatement of the value, with any adjustments being charged as expenditure.

	2023-24 £'000	2022-23 £'000
Film rights falling due in excess of one year	7,448	9,833
Film rights falling due within one year	2,574	3,038
Film rights valuations at 31 March	**10,022**	**12,871**

Notes to the Lottery financial statements year ended 31 March 2024

Liquidity risks

Whilst National Lottery distributors are permitted to over-commit in awards against the surety of future Lottery income, the BFI awards are over a relatively short term, with current awards running in some cases up to March 2026. Thus the risk of holding insufficient resources to cover liabilities is held under constant review, to ensure that this risk is minimised, by review of current funds held in cash and at the National Lottery Distribution fund and anticipated future income versus the levels of commitment.

Lottery cash inflows can be analysed as:	2023-24 £'000	%	2022-23 £'000	%
Income received from the National Lottery	46,600	85.4%	47,809	86.6%
Investment returns from the balance held at the NLDF	2,271	4.2%	959	1.7%
Recoupment income from film rights	5,176	9.5%	6,085	11.0%
Bank interest	287	0.5%	88	0.2%
Other income including legacies, grants and donations	213	0.4%	247	0.4%
	54,547	**100.0%**	**55,188**	**100.0%**

Cash and cash equivalents held by BFI at the NLDF and in our own bank accounts:

	2023-24 £'000	2022-23 £'000
NLDF balance at 31 March as notified by the Secretary of State for Culture, Media and Sport	49,980	45,260
Lottery funds held in cash and cash equivalents by the BFI at 31 March	7,343	7,196
	57,323	**52,456**

Total lottery award commitments as at 31 March:

	2023-24 £'000	2022-23 £'000
Lottery awards payable	54,709	12,676
Provision for non-Lottery film rights awards	7,142	62,084
Film rights award allocations noted as contingent liabilities	1,060	1,926
	62,911	**76,686**
(Over)/under commitment against funds available at 31 March	**(5,588)**	**(24,230)**

At 31 March 2023 £57.4m of the provisions relates to awards made under the our new strategy Screen Culture 2024, and in many cases were three year awards covering the period to March 2026. Taking this into account, alongside the levels of anticipated lower level of project awards in 2023-4, and anticipated in future years, set against our ongoing expectation of at least constant levels of Lottery income, the over-commitment against funds at March 2023 has reduced significantly by March 2024 and will be in at least net zero position thereafter - thereby mitigating the apparent year end risk.

Notes to the Lottery financial statements year ended 31 March 2024

National Lottery Distribution Fund

Under IFRS 9 funds held at the National Lottery Distribution Fund are held as financial instruments held at amortised cost. The funds are invested on behalf of the NLDF by the National Debt Commissioners over which the BFI has no control and therefore has no capacity to mitigate any risk herein.

Interest rate risks

Interest rate risk is deemed low for the BFI as it does not have any interest payable. With the restrictions on how public bodies may hold cash, and in the current climate where interest rates showed little movement across the year on instant access bank accounts the BFI similarly has little risk of not ensuring it is maximising interest on its own cash holdings.

The BFI's largest financial asset is retained in the NLDF, which invests in a narrow band of low risk assets such as Government bonds and cash. Neither the BFI nor its Governors has any control over these investments. The interest rate risks in respect of these financial assets are disclosed in the financial statements of the NLDF.

	2023-24 £'000	2022-23 £'000
Market value of BFI investment at NLDF at 31 March	49,980	45,260
Average investment return at NLDF	5.16%	2.32%

Cash drawn from the NLDF, or received from other sources, to pay grant commitments and operating costs are held in variable rate bank accounts:

	2023-24 £000s	2022-23 £000s
Lottery funds held in cash and cash equivalents by the BFI at 31 March	7,343	7,196
Average interest rate on cash held in variable rate bank accounts	3.95%	1.13%

Foreign currency risks

The BFI's financial assets are not exposed to material foreign exchange risks as long-term balances are held in sterling, however foreign currency exchange risks are significant in the valuation of the Film Rights as explained in note 5: Film Rights.

14. Trade and other payables

	At 31 March 2024 £'000	At 31 March 2023 £'000
Accruals	118	645
Other payables (including lease liability)	154	153
Other payables due in < 1 year	**272**	**798**

	At 31 March 2024 £'000	At 31 March 2023 £'000
Other payables: lease liability	986	1,139
Lease payables due in >1 year	**986**	**1,139**

As at 31 March 2024, the BFI had total minimum payments under a non-cancellable operating lease relating to the BFI offices in London running until March 2031. Under IFRS 16: Lease Accounting, this is shown in the accounts as a lease liability matched to a right of use asset.

Notes to the Lottery financial statements year ended 31 March 2024

The proportion of these costs relating to these leases that form part of the costs apportioned to Lottery are:

	At 31 March 2024 £'000	At 31 March 2023 £'000
Amounts payable within one year	153	150
Amounts payable within two to five years	644	618
Amounts payable over five years	342	521
	1,139	1,289

15. Other payables – awards commitments

	At 31 March 2024 £'000	At 31 March 2023 £'000
At 1 April	12,676	18,236
New film rights commitments in year	13,162	18,993
Commitments transferred from prior year provision for non-film rights awards	57,888	19,120
New non-film rights commitments in year	14,855	11,306
Decommitments	(194)	(371)
Amounts paid	(43,678)	(54,608)
At 31 March	**54,709**	**12,676**

Award commitments payable at 31 March relate to:	At 31 March 2024 £'000	At 31 March 2023 £'000
Audience Development Fund - Organisation	100	929
Audience Development Fund - Projects	6,640	926
BFI Film Academy	1,200	911
BFI NETWORK	3,420	688
Development Fund	1,170	1,372
Education	9,550	-
Film Audience Network Fund	7,600	220
Film Heritage	1,100	-
Heritage 2022	1,148	1,171
Innovation and Industry	1,280	80
International Fund	1,200	404
National Cluster Growth Fund	-	250
Other	470	1,057
Production Fund	6,837	2,787
Research and Statistics Fund	400	314
Skills	8,940	1,540
United on Screen	3,644	-
Vision Awards	10	27
	54,709	**12,676**

Decommitments arise when any element of the award is not utilised once contracts are signed and drawdown has commenced.

Commitments transferred from the provision for non-film rights awards are as follows:

	At 31 March 2024 £'000	At 31 March 2023 £'000
Film Education Awards	15,179	6,157
Skills Fund	11,760	4,150
Film Audience Network	9,900	2,300
Audience Fund	6,069	3,677
Filmmaing Fund Awards	6,000	-
Talent Network	4,146	1,317
International Fund	2,682	866
Heritage and Regional Archives	1,384	-
Sustainabilitiy	587	-
Research Fund	99	-
Film Academies	83	198
National Cluster Growth Fund	-	455
	57,888	**19,120**

Notes to the Lottery financial statements year ended 31 March 2024

15. Other payables – awards commitments (continued)

New non-film rights commitments in the year:

	At 31 March 2024 £'000	At 31 March 2023 £'000
Project funding to 31 March 2024		
United on Screen Awards	4,146	-
Open Cinema Fund	2,697	-
Audience Fund	2,580	1,490
Heritage 2022 Awards	2,073	3,465
International	1,688	1,115
Film Academies	773	453
London Film Festival award	500	1,400
Research Fund	298	360
Film Education Awards	100	282
Creative Enterprise	-	1,615
Production Services	-	625
Skills Fund	-	501
New commitments in year	**14,855**	**11,306**

Reconciliation of new awards in year per the statement of comprehensive net expenditure to new commitments, awards payable on the statement of financial position:

	At 31 March 2024 £'000	At 31 March 2023 £'000
Non-film rights awards taken to SOCNE in the year	17,998	71,586
Less spend on activity support in year	(442)	(374)
Less new awards in year taken to SOCNE but recorded by way of provision at year end	(3,971)	(57,443)
Add back decommitments of awards from prior years taken as negative spend on SOCNE	1,270	(2,463)
New non-film rights commitments taken as awards payable	**14,855**	**11,306**

Ageing of award commitments, estimated date of payment:	At 31 March 2024 £'000	At 31 March 2023 £'000
Award commitments due within one year	33,516	12,676
Award commitments due after one year	21,193	-
Award commitments payable	**54,709**	**12,676**

Notes to the Lottery financial statements year ended 31 March 2024

16. Provisions

	At 31 March 2024			At 31 March 2023
	Non Film Right Awards £'000	Rewarding Success awards £'000	Total £'000	Total £'000
At 1 April	58,130	3,954	62,084	23,473
New provisions in the year	17,564	1,263	18,827	69,412
Provisions written back in year	(240)	-	(240)	-
Provisions released in year	-	(786)	(786)	(374)
Transferred to other payables - award commitments	(72,743)	-	(72,743)	(30,427)
At 31 March	**2,711**	**4,431**	**7,142**	**62,084**

Provisions for award commitments arise where the BFI has agreed in principle to fund a scheme or project and made an offer, but where at the date of the statement of financial position either contracts have not been signed and/or the conditions precedent not met. Therefore these transactions are recognised as liabilities in the statement of financial position as provisions rather than payables. Provisions are released in the following accounting periods as the offers of funding are contractually agreed and the associated conditions met.

The year end provision with regard to non film right awards relates to awards made by the BFI across a number of strands:

	At 31 March 2024 £'000	At 31 March 2023 £'000
Awards under Film Forever 2022 (+1)		
Film Education Awards	3	83
International	-	400
Research Fund	-	99
Film Academies	-	83
Audience Fund	-	22
Awards under Screen Culture 33		
International	977	2,280
Skills Fund - Hubs	900	12,000
Audience Fund	701	6,047
Creative Challenge Fund	85	-
Film Academies	45	-
Film Education Awards	-	15,100
Filmakers Fund	-	10,146
Film Audience Network	-	9,900
Heritage and Regional Archives	-	1,384
Sustainable Screen	-	587
	2,711	**58,130**

A provision written back arises when the conditions of the terms of the award are not met prior to signature of contract.

Notes to the Lottery financial statements year ended 31 March 2024

Rewarding success provision

The rewarding success initiative allows for a share of film recoupment income arising from National Lottery awards to be made available to UK producers, writers and directors for their future film making activity. The funds held on behalf of film-makers ("the locked box") represents the monies held for this initiative at the balance sheet date and not yet drawn down.

Ageing of provisions, estimated date of payment	At 31 March 2024 £'000	At 31 March £'000
Amounts anticipated as payable within one year	5,336	23,788
Amounts anticipated as payable beyond one year	1,806	38,296
	7,142	62,084

At the date of the statement of financial position the BFI Lottery activities had £nil further provision(s) (2023: £nil).

At the date of the statement of financial position the BFI Lottery activities had £nil further provision(s) (2023: £nil).

17. Capital commitments

As at 31 March 2024, the BFI had no capital commitment(s) outstanding related to Lottery distribution activities, therefore no costs are attributable to Lottery at the date of the statement of financial position (2023: £nil).

18. Other financial commitments and contingent liabilities

Financial commitments

At the date of the statement of financial position there were financial commitments representing film rights investments made by the BFI where the investment decisions had been taken by the BFI and notified to the applicants but either the contracts had not been signed and/or the conditions precedent not met. Therefore work had not commenced on the assets in which the BFI is investing, so neither the asset nor the matching liability are represented in the statement of financial position at that date.

	At 31 March 2024 £'000	At 31 March 2023 £'000
Prior year awards		
Talent Network awards	-	5
Production awards	450	779
Development awards	27	2
In year awards		
Production awards	47	839
Development awards	261	290
Talent Network awards	275	2
Distribution awards		9
Financial commitments notified but not yet recognised in the financial statements	**1,060**	**1,926**

Notes to the Lottery financial statements year ended 31 March 2024

Other contingent liabilities - rewarding success projects in film rights

The film rights valuation is based on the value of the initial BFI investment as detailed in the Accounting Policies note above. However on a number of these investments, the BFI Locked Box initiative applies and accordingly there is a potential and contingent liability with regard to the element of the valuation which would be made available to UK-filmmakers. The BFI Locked Box initiative enables UK filmmakers supported through the BFI to benefit from their film's success. In short, a share of income from supported film productions is put aside (into a BFI Locked Box) and can be used by the filmmakers for the development and/or production of their future projects or towards staff training.

	At 31 March 2024 £'000	At 31 March 2023 £'000
Contingent liability - rewarding success projects in film rights	2,925	2,881

19. Contingent assets

National Lottery distributors are entitled to receive a share of the receipts from the sale of land on Queen Elizabeth Olympic Park in return for their contribution of an additional £675 million to the funding of the London 2012 Olympic and Paralympic Games. This was announced in 2007. The arrangements are set out in a legal agreement between the Secretary of State and the Greater London Authority dated 29 March 2012 which sets out the distribution of funds between the GLA and the Lottery distributors (via DCMS). The GLA has now advised that the land sales on the Olympic Park are now forecast to return less than £200m with payment beginning in 2026/27.

The BFI will be entitled to receive a portion of the receipts from the sale in line with the 2.705% of the funds available to the good causes that the BFI receives as a National Lottery distributor.

Due to the inherent uncertainties over such a time period it is not possible to yet quantify the value of such land sales.

Notes to the Lottery financial statements year ended 31 March 2024

20. Related parties

The BFI maintains a publicly available register of Governors' interests. Given their broad experience across the film sector, it is inevitable that Governors have connections with or interests in projects and organisations that may from time to time have come to the BFI for funding. All Governors are therefore required to declare any direct interest in and commercial relationships with award applications made to the BFI and that they had no role in the award-making process. Similarly, BFI employees were excluded from the decision-making around any relevant application involving any organisation or company in which they have a declared interest.

Governors receive no payment for their services and all payments to key management personnel have been disclosed in the Remuneration Report.

During the year the BFI entered into transactions, in the ordinary course of business, with related parties. National Lottery awards are included in film rights at the date of the statement of financial position or written off to expenditure within the year.

All awards outstanding are payable upon the meeting of conditions precedent within individual contracts.

The following related party transactions occurred during the period:

Recipient of funding	Name	Role with BFI	Relationship to recipient of funding	New awards made year ended 31 March 2024 £	Balance as at 31 March 2024 £
BFI - London Film Festival	Ben Roberts	CEO	CEO	500,000	-
BFI - Heritage 2022	Ben Roberts	CEO	CEO	2,073,273	1,148,205
BFI - United on Screen	Ben Roberts	CEO	CEO	3,780,000	3,644,681
Film London - British Film Commission	Andrew Smith	Governor	Advisory Board member	-	575,000
Independent Cinema Office	Monica Chadha	Governor	Partner is a Trustee/Director	-	1,320,432
Jingo Juice Ltd	Eleanor Whitley	Governor	Director	-	435,000
Landmark Theatres Ltd	Harriet Finney	Deputy CEO	Trustee/ Director	20,000	6,000
Luscious Delicious Limited	Eleanor Whitley	Governor	Director	7,500	7,500
Number 9 Films Ltd	Elizabeth Karlsen	Governor	Director and shareholder	-	16,000
Revolution Software	Charles Cecil	Non-governor co-opted committee member	CEO	-	17,500
Screen Yorkshire	Charles Cecil	Non-governor co-opted committee member	Board member	-	1,925,000
Zip-line Productions Ltd	Eleanor Whitley	Governor	Director	20,050	15,450

A number of BFI Governors and Staff are members of BAFTA, but with no formal management or governance role therein. BAFTA received Lottery awards in the year ending 31 March 2024 totalling £30,000 (2023: £20,700) of which £6,000 (2023: £4,140) remained payable at that date.

The BFI is a non-departmental public body sponsored by the Department for Culture, Media and Sport (DCMS). DCMS is regarded as a related party and during the year the BFI, as a Lottery distributor, had material transactions with the DCMS.

Awards made under the National Lottery etc. Act Section 27 dispensation

Using the power granted by the Section 27 of the National Lottery etc. Act 1993 the Secretary of State did not object to an award to the BFI in relation to the London Film Festival. The award of £0.5m was made in July 2023 and was fully drawn down within the year.

Under the same power the Secretary of State did not object to a award of £2.07m in relation to the National Film and TV Archive under the Heritage 22 scheme. The award was made in April 2023 and by the end of the year £1.15m remained undrawn and this is shown as an award commitment in these financial statements.

Under the same power the Secretary of State did not object to a award of £3.78m in relation to the National Film and TV Archive under the Our Screen Heritage scheme. The award was made in June 2023 and by the end of the year £3.65m remained undrawn and this is shown as an award commitment in these financial statements.

21. Events after the reporting period

At the time of signing the accounts there were no other events after the reporting period, either adjusting or non-adjusting which require disclosure in the financial statements. The accounts were authorised for issue on the date the Comptroller and Auditor General signed the auditor's certificate and report.

The Accounting Officer authorised these financial statements for issue on the date of certification.

Schedule 1: New National Lottery commitments (unaudited information) in the year ended 31 March 2024

All awards and delegations approved by the Lottery Finance Committee in the year to 31 March 2024 are listed below. In the financial statements these are represented as Non film right awards on the Statement of Comprehensive Net Expenditure (£16.3m), £12.5m were taken to the statement of financial position and subsequently impaired, with the remainder (£1m) disclosed within Other Financial Commitments in the notes to the accounts.

Producer	Project	£
65 Wilding Films Ltd	Pilgrim	21,600
Agile Films Limited	Stuffed	25,500
Air Street Films	Daubeney Fields	31,000
Air Street Films	Folk	11,325
All Before You Limited	All Before You	29,900
Archery Pictures Ltd	Freaks	11,000
Ardimages UK Limited	Emilia	7,500
Asterisk Films Limited	Hotel Diana	29,200
Bêtes Sauvages Ltd	Stretched	21,410
Blank Page Pictures Ltd	Handsome Devils	25,000
Blue Horizon Productions (2010) Ltd	With Love	11,000
Bona Dea Films Limited	Princess Bari	6,415
Brick Production Ltd	Flamingo	1,500
Bridge Way Limited	Barfly	29,000
Camberwell Productions Limited	The Short Sweet Life of Stephen Bundy	4,000
Cineman Films Ltd	Coda	18,600
Come Into The Fold Ltd.	Burma	38,080
Compact Productions Limited	The Pharmacist	31,500
Dark Pictures Limited	Free - Pilot	48,628
Daya Films Ltd	Hippie	35,500
Dream & Co Fictions Ltd	Ali	31,500
Dream & Co Fictions Ltd	@Love	20,000
Elation Pictures ltd	Toad	28,250
Element Pictures MFS Limited	My Father's Shadow	100,000
EMU Pictures Limited	Starting the End	32,001
Erebus Pictures Limited	21 Miles	34,000
Essential Cinema Ltd	After Martha	15,100
Deral inc ltd	Bess Loves Porgy	35,500
Frolic Films Ltd	After Delores	23,250
Gingerbread Pictures Ltd	The Change	33,500
Girl Almighty Ltd	Girl Almighty	20,000
Good Chais Ltd	Santosh	100,000
Good Gate Developments Limited	The Clink	40,300
Hinterland Pictures Ltd	Don't Be Scared, I Love You (pka Phil & Iain)	22,500
Home Team Content Ltd	Welcome	12,250
House Pictures Limited	Bird	100,000
ie ie productions ltd	Madison	29,064
Joi Productions Ltd	The Manikin	17,750
Joi Productions Ltd	Loco Parentis	8,750
Lobo Films	The Thing with Feathers	100,000
Lunapark Pictures Ltd	“Noonday” (aka “Pellagra”)	25,800
Maya Vision International Limited	Our Kind of Love	21,900
Mister U Limited	Mister Uterus	15,000
MVG Films Limited	Diamond Shitter	57,000
My Accomplice Ltd	Surviving Earth	100,000
Neon Films Limited	Brides	143,650
Nexus Productions Limited	A Boy and A Bear in a Boat	42,500
Ossian Pictures Limited	The Fall of Sir Douglas Weatherford	100,000
Other Brother Studios Ltd	Cocoon	26,000
Pint Sized Pictures Ltd	Not Drowning	26,240
Pulse Films Limited	Embers	16,000
Rabbit Track Pictures Limited	Tribal	12,168
Rapt Pictures Ltd	Jean Zombi	19,750
Red Breast Productions Ltd	The Magic Porridge Pot	37,250
Rollout Pictures Limited	King Coo	4,250
Rollout Pictures Limited	The Spy Who Fell To Earth	5,000
Silver Salt Films Ltd	Blind Ambition	37,450
Silver Salt Films Ltd	The Sleeping Woman	23,000
Sixteen Films Limited	On Falling	100,000
Slam Films Ltd	Gobdaw Banquet	34,500
Starchild Pictures Limited	Balogun	25,000
Steel Made Films Limited	To Hideous Winter (working title)	19,500
Tea Shop Productions Ltd	Her Skin / Mantis	30,000
Tedium Entertainment Films Ltd	Catch A Butcher	23,000
The Other Gemini Pictures Ltd	Amrit	22,900
Wild Swim Films Limited	Sugar	18,500
Zip-line Productions Ltd	The Young and the Dopeness	20,050
	Total Development Awards 2023-4	**2,247,781**
Element Pictures MFS Limited	My Father's Shadow	1,010,000
Good Chaos Ltd	Santosh	890,000
Hamlet Film Production Limited	Hamlet	1,185,000
Hipster Films Ltd	Gardening	5,500
House Bird Limited	Bird	920,060
Kneecap Films Ltd	Kneecap	200,000
Luscious Delicious Ltd	Sweet Dreams	7,500
Neon (Brides) Limited	Brides	1,122,045

Schedule 1 (continued)

Producer	Project	£
Sixteen DT LTD	On Falling	565,000
Surviving Earth Film Ltd	Surviving Earth	980,000
The Thing With Feathers Ltd	The Thing with Feathers	740,000
There Exists LTD	There Exists	15,000
Timestalker Limited	Timestalker	56,000
Tyke Films Ltd	Plunge	19,000
Weatherford Limited	The Fall of Sir Douglas Weatherford (fka our toils obscure)	940,000
Zeb Films Limited	The End We Start From	55,276
	Total Production Award 2023-4	**8,710,381**
Land of Lasarica Productions Ltd	Beats Rhymes and Time	1,400
Bridie Films Ltd	The Pendle Witch Child	1,200
Lammas Park Limited	Under The Wave off Little Dragon	57,400
In Heat Film Limited	IN HEAT	52,732
Them Ones Productions Ltd	Leaving Ikorodu in 1999	59,503
Artemisia Films Limited	Deliverance	63,116
Cool-Pin Ltd	Shopping	52,500
Jam Tomorrow Productions Limited	IT'S GRASSFED (BEEF)	62,300
Flock Film Ltd	Flock	42,000
Various	BFI NETWORK@LFF 2023	35,000
Lonely Kite LTD	The Generators	20,000
Lovechild Studios Ltd	Magid-Zafar	42,638
Grey Moth Ltd	Into The Betaverse	21,000
Cosmos Films Limited	Habituation	23,000
Old Hall Films Ltd	The Test	23,500
Markus Svendsen Ovre	Traces	15,000
Animate Projects Limited	The Statue in the Garden	24,270
Polari Creative Ltd	Run(a)way	19,000
Refuge Pictures Ltd	The Tobacconist	15,000
Acetate Pictures Limited	Out of the Peat	14,500
Leapling Films Limited	Softie	20,000
Wickywock Productions Ltd	The Wickywock and the JubJub Berry	19,000
I am Charlie Ltd	The Folkestone Elephant	24,500
Leapling Films Limited	Softy (FKA Softie)	1,700
Acetate Pictures Limited	Out of the Peat	600
British Academy of Film and Television Arts (The)	BFI Flare x BAFTA Development Programme 2024	30,000
House of Solomon Ltd	Blackout	17,890
Peng Productions Limited	Chinaman	20,000
Agile Films Limited	The Insatiable Appetite Of Lady Jane Grey	59,850
Flock Film Ltd	Flock	5,936
Cian Arthur O'Leary	Charity	20,000
Dance Then Productions Limited	Dance, then	14,911
Delvrys Ltd	Poll Pri	16,000
Cool-Pin Ltd	Homework	2,516
	Total NETWORK awards 2023-4	**897,962**
Dogwoof Ltd	Kokomo City - Distrib	40,000
Altitude Film Distribution Limited	Talk to Me - Distrib	100,000
Tull Stories Ltd	Our River...Our Sky – enhanced UK release and impact campaign - Distrib	24,600
Conic Films Limited	Is There Anybody Out There? - Distrib	42,384
Aya Films C.I.C.	UK release of Mami Wata	30,685
Studio Soho Distribution Limited	Girl – Extended Film distribution campaign	36,719
Modern Films Entertainment Ltd	Tish	46,500
We Are Parable Ltd.	Banel & Adama - UK Release	59,550
Dogwoof Ltd	COPA 71	65,000
	Total Distribution Award 2023-4	**445,438**
T A P E Collective Ltd	Shabu	23,650
Watershed Arts Trust Limited (The)	Cinema Rediscovered 2023-24 Festival Tour	50,000
Windrush Caribbean Film Festival CIC	Windrush Caribbean Film Festival - 75 Years of Black Cinema	35,000
International Documentary Festival Sheffield	Festival transformation 2023 and 2024 (Sheffield DocFest)	380,000
Maona Art Ltd	Aud Devlpt Exhibition and inclusion of African Heritage films	19,950
London Indian Film Festival Limited	Birmingham, Manchester and London Indian FFs	60,000
Chapter (Cardiff) Limited	Work with New Priority Audiences	150,000
Leeds City Council	Leeds Beams	418,500
Minute App Limited	All Yours	18,500
I Will Tell Ltd	I Will Tell International Film Festival	20,000
Plymouth Arts Cinema	Independent Cinema in Plymouth	120,000
UK Jewish Film Ltd	UK Regional Audience Project	50,000
Cosmic Cat Ltd	The Old Oak - Community Screening Tour	32,000
Encounters Festivals Ltd	Encounters Film Festival 2023	60,000
London Short Film Festival Ltd	LSFF: Orbital	60,000
Manchester Animation Festival Ltd	Manchester Animation Festival 2023	45,000
The Festivals Company Limited	Bringing Iris Prize Core Audience Back to the Festival 2023	50,000
Greater Manchester Arts Centre Limited	Increasing audience diversity for the 30th Viva Spanish and Latin American Festival	25,650
Cosmic Cat Ltd	Cassius X: Becoming Ali	25,000
Queer East CIC	Queer East 2023 and 2024	150,000
Zebra Access	Tune into Deaffest 15th Anniversary	84,508
The Glasgow Film Theatre	Glasgow Film Festival	185,000
Dogwoof Ltd	Queendom	40,000
Live Cinema Ltd.	A Season of Viet Nam Film (Một mùa phim Việt Nam) (working title)	30,000

Schedule 1 (continued)

Producer	Project	£
Borderlines Film Festival C.I.C.	Borderlines Film Festival 2024	49,000
Slapstick Festival Limited	Slapstick Festival 2024	40,000
Watershed Arts Trust Limited (The)	Undershed (fka Building audiences for immersive work)	70,000
T A P E Collective Ltd	Snapshot	97,300
Berwick Film and Media Arts Festival	ReWilding Berwick Film & Media Arts Festival 2024-26	140,000
Derby QUAD Ltd	New Worlds Of Cinema - Project Development	140,000
East City Films Limited	In Pursuit Of Repetitive Beats Regions Tour 2024-2025	193,223
Watershed Arts Trust Limited (The)	Cinema Rediscovered - Other Ways of Seeing '24 -26	100,000
Flatpack Projects	Removing Barriers, Making Space	180,000
Altitude Film Distribution Limited	Io Capitano	70,000
Bradford Culture Company Limited	Cinema Across Bradford- Bradford City of Culture 2025 (BD25)	46,345
Blue Finch Film Releasing Limited	In Flames	22,050
	Total Audience Project awards 2023-24	**3,280,676**
National Film & Television School	NFTS: Early-Stage Access Prog	100,000
	Total Education awards 2023-24	**100,000**
	Research and Statistics Fund data and services purchase	
Various	2023-2024 Tranche 1	161,762
Dr Sean Perkins	Extension to production tracking service contract	16,720
	Research and Statistics Fund data and services purchase	
Various	2023-2024 Tranche 2	44,592
Dr Sean Perkins	Research and Statistics Fund data and service purchase 2023-24 Tranche 3	53,815
Barb Audiences Ltd	Research and Statistics Fund - Data and Services purchase Tranche 4	21,410
	Total Research awards 2023-4	**298,299**
Den norske filmfestivalen AS	New Nordic Films - UK Focus	30,000
British Council	International Connections	675,000
Film Export UK Limited	Toronto International Film Festival 2023- UK stand	80,000
Various	TIFF - Ontario Creates - delegation	49,060
Various	Group Connections - International Documentary Festival Amsterdam (IDFA)	20,122
Film London	Production Finance Market	33,000
Various	Film Bazaar - India	13,636
Film Export UK Limited	EFM Berlin UK stand 2024-2026	360,000
Various	Group Attendance at Jose Ignatio International Film Festival, Uruguay	10,090
Various	SXSW - Group Connections	30,118
Various	UK Presence at Cannes 2024 & 2025	960,000
Ideas by Music Ltd	ScreenUK Digital Strategy 2024-2026	65,000
Various	Berlinale Inclusion Pathways Group Connections	7,190
CaribbeanTales UK LTD	CaribbeanTales Cross-Continental Co-production Forum	50,477
Various	CineLink - Sarajevo Film Festival 2024	14,326
Film London	The London Screenings	80,000
International Documentary Festival Sheffield	Sheffield DocFest International Marketplace Programme 2024-2025	158,000
UK Screen Association Ltd	Animated UK at Annecy 2024	30,000
	Total International awards 2023-4	**2,666,019**
elevenfiftyfive Ltd	Escapes	2,696,600
	Total Open Cinema Awards 2023-4	**2,696,600**
British Film Institute	Our Screen Heritage: a Screen Archive of the Future	3,780,000
	Total Our Screen Heritage awards 2023-4	**3,780,000**
Film London	Undocumented	80,000
National Library of Wales	Disabled Wales | Cymru Anabl	37,350
Northern Ireland Screen Commission	Northern Ireland Now	78,800
Manchester Metropolitan University	Improving Accessibility	46,869
Media Archive of Central England Limited	Save Our Screen Heritage	80,000
Hampshire County Council	Wessex Screen Archives: Be part of the bigger picture	42,500
	Total United on Screen awards 2023-4	**365,519**
British Film Institute	Heritage 2022	2,073,273
	Total Heritage 2022 awards 2023-4	**2,073,273**
Paradigm Arts Ltd	Film Academy Short Course Programme 2023-2024	19,947
Screen Argyll Limited	Film Academy Short Course Programme 2023-2024	20,000
104 Projects CIC	Film Academy Short Course Programme 2023-2024	19,875
104 Projects CIC	Film Academy Short Course Programme 2023-2024	19,875
Jack Drum Arts CIC	Film Academy Short Course Programme 2023-2024	19,590
National Film and Television School	Film Academy Specialist Course Programme 2023-2024	231,000
The Film and Video Workshop	Film Academy Specialist Course Programme 2023-2024	71,910

Schedule 1 (continued)

Producer	Project	£
Jack Drum Arts CIC	Film Academy Short Course Programme 2023-2024	19,790
Cinemagic	Film Academy Short Course Programme 2023-2024	20,000
Watershed Arts Trust Limited (The)	Film Academy Short Course Programme 2023-2024	20,000
Glasgow Media Access Centre Limited	Film Academy Short Course Programme 2023-2024	20,000
Nerve Centre - The	Film Academy Short Course Programme 2023-2024	20,000
Nerve Centre - The	Film Academy Short Course Programme 2023-2024	20,000
Nerve Centre - The	Film Academy Short Course Programme 2023-2024	20,000
TAPE Community Music and Film	Film Academy Short Course Programme 2023-2024	20,000
Bulldozer Films Ltd	Film Academy Short Course Programme 2023-2024	20,000
Bulldozer Films Ltd	Film Academy Short Course Programme 2023-2024	20,000
CTVC Limited	Film Academy Specialist Course Programme 2023-2024	71,350
CTVC Limited	Film Academy Short Course Programme 2023-2024 - Hull	20,000
CTVC Limited	Film Academy Short Course Programme 2023-2024	20,000
Screen Education Edinburgh	BFI Film Academy Edinburgh Short Course 2023-2024	20,000
Screen Education Edinburgh	BFI Film Academy Craft Skills Scotland 2024	45,000
Station House Media Unit	Film Academy Short Course Programme 2023-2024	20,000
Leeds City Council	Film Academy Short Course Programme 2023-2024	20,000
	Total Film Academy awards 2023-4	**818,337**
British Film Institute	67th BFI London Film Festival	500,000
	Total Festival awards 2023-4	**500,000**
Sgil Cymru Cyf	Siop Un Stop - One Stop Shop	900,000
	Total Skills Hub awards 2023-4	**900,000**
Documentary Festival Sheffield	QueerDocs Development Lab	84,450
	Total Creative Challenge Fund awards 2023-4	**84,450**
	Total lottery awards 2023-4	**29,864,735**

Schedule 2: New National Lottery commitments made by delegate bodies (unaudited information) in the year ended 31 March 2024

At 1 April 2023 the Documentary Society had been delegated £4.6m of new National Lottery funds for activity in 2023-26, ScreenSkills £1.5m, Creative Scotland and Ffilm Cymru Wales £0.63m each, and Northern Ireland Screen Commission £0.48m. The awards made to third party organisations by these delegate bodies from this in the year ending 31 March 2024 are listed below.

Award Recipient	Project	£
Documentary Society (Doc Soc)		
Bethlem Gallery Ltd	Something Glamorous, Something Awkward	22,100
Black and Brown Ltd	After 8	26,535
Bombito Productions Ltd	Keith	23,500
Conscious Productions Studio	Conscious	70,000
Crunch Point Films Ltd	No Man is An Island	25,000
Dalmatian Films Limited	Living with Wolf	25,000
Dream Coat Films Ltd	Rotimi	5,000
Emu Films	My Friend Lanre	25,000
Esmeralda Pictures Ltd	Sheeko Laga Tagay	23,500
Hopeful Productions Limited	Hope	50,000
Jordan Rowley	75Rush	18,500
Labor of Love Films Ltd	Still Pushing Pineapples	80,000
Lia Campbell	Our Friday Night	12,500
Little Ease Films	Seven Summers (formerly 'Aftermath')	25,000
Lonely Kite LTD	Visible - TRUK United	25,000
Lono Moon Limited	Doppelganger x 3 (Red Moon)	58,000
Mallinson Television Production	Love Letters	25,000
Nelly Inc Ltd	Southwark Boys	25,000
Night Staff Limited	Beyond the Fold	105,000
Our Land Limited	Our Land	50,000
Parcel of Rogues Ltd	Douglas Gordon: Self Divided	25,000
Puck Films Ltd	Naseem, Fight with Grace (Formerly 'Naz')	50,000
RE-EVALUATION LTD	Re-Evaluation	75,000
Selina Mosinski	Do You See What I See?	24,810
Shy Bairns Ltd	All Rivers Spill Their Secrets (To The Sea)	60,000
Studio Amorem LTD	The Tent Peggers of Bradford	23,500
Studioknxx Ltd	In The Black Fantastic	100,000
Sweet Leap Limited	Gay Games	115,000
The Shadow Scholars Limited	The Untitled Scholars (Formerly 'Shadow Scholars')	40,000
Try Hard Films	We Did Not Consent	85,000
Whalebone Films Limited	Wheels of Youth	24,300
	Total Documentary Society delegated awards	**1,342,245**
Ffilm Cymru Wales		
Agile Films	Green Light	23,775
One Wave Films	Rick on the Roof	23,310
Winding Snake Productions	Holm	24,000
14 awards < £10,000		25,131
	Total Ffilm Cymru Wales delegated awards	**96,216**
Northern Ireland Screen		
ALT Animation	Sorting Office	10,000
Flickerpix	One Track Mind	15,000
Taunt Ltd	The Ghost Next Door	15,000
22 awards < £10,000		74,750
	Total Northern Ireland Screen delegated awards	**114,750**
Screen Scotland		
Emma Ramsay	Poly Baggage	25,000
Erica Monde	This Desert Will Rust Your Bones	25,000
Hannah Kelso	First Timer	25,000
James Lay	Sleazy Tiger	25,000
Kirsty McLean	Child's Fare	25,000
Sacha Kyle	Distance to the Moon	25,000
6 awards < £10,000		30,000
	Total Screen Scotland delegated awards	**180,000**
Screen Skills		
410 awards < £10,000		361,078
	Total Screens Skills delegated awards	**361,078**
	Total awards by delegate bodies 2023-24	**2,094,289**

Statutory background

Statutory background

Statement of compliance with the Government's Lottery policy and financial directions

Financial directions

Under the National Lottery etc. Act 1993, the Secretary of State issued financial directions to the British Film Institute (the BFI). These are as follows:

The BFI shall comply with the requirements contained within the Statement of Financial Requirements, which have the status of directions under section 26 of the National Lottery etc. Act 1993, ("the Act") as amended by the National Lottery Act 1998 ("the 1998 Act").

The BFI has implemented procedures to ensure the provisions of the Statement of Financial Requirements are followed and the BFI confirms that, to the best of its knowledge, it complied fully with the financial requirements in 2023/24.

The BFI shall devise and abide by a procedure for handling potential conflicts of interest which may arise in the evaluation of applications by BFI or individual members of the BFI. This procedure together with a statement confirming the arrangements that have been applied, should be provided to the Secretary of state for Culture, Media and Sport before the distribution of any funds under section 25 of the Act, and thereafter at the beginning of each financial year.

The BFI has in place procedures for dealing with conflicts of interest and, to the best of its knowledge, it abided by this procedure in 2023/24.

Policy directions

Under the National Lottery etc. Act 1993, the Secretary of State for Culture, Media and Sport issued policy directions, which the BFI must take into account in distributing National Lottery funds.

A) The need to involve the public and local communities where reasonably practicable, in making policies and setting priorities.

2023/24 was the first year of delivery of the BFI's 10-year National Lottery strategy – BFI2033.

The Strategy was widely consulted on in both 2021-22 and 2022-23 with key partners, stakeholders and the wider public.

B) The need to increase access and participation for those sections of society who do not currently benefit from opportunities available in the United Kingdom.

The BFI aims to ensure that equality and diversity are central to all activities thus allowing sections of society to have access to or benefit from funding, taking into account differences in values, attitudes, cultural perspectives, beliefs, ethnic background, able or disabled, skills, knowledge, geography, age and life experiences.

In 2023/24 the BFI continued to operate Diversity Standards across all the BFI's activities as part of the BFI2022 Strategy delivery and has also been adopted by BAFTA,

BIFA, BBC Films, FILM 4, Paramount, NFTS, Screen Scotland, Doc Soc, Meta and AMPAS.

C) The need to inspire children and young people, awakening their interest and involvement in the activities covered by the good cause.

The BFI is fully committed to education and learning and strongly believes that film has the power to transform the way people see and understand the world and as such has committed a significant investment into the delivery of Lottery programmes for young people. The 16-30 age group was identified as a key priority within BFI2022 five-year strategy and was an assessment criterion for relevant funding programmes.

IntoFilm have continued supporting film in education, providing training to 4,423 and 22 career leaders, and reaching an estimated 2,525,768 young people with their resources on film in education, careers in the screen industry, and filmmaking. Meanwhile, National Saturday delivered 16 film clubs across England with 237 number of beneficiaries.

In addition, the BFI Film Academy, with additional funding from the Department for Education, enabled approximately 1,098 young people, from all round the UK and from any background, aged 16-19-year-old the first step to being part of the future film industry.

In addition, the BFI managed a number of other programmes, notably the Venue Education Fund and the Film Audience Network, also focused on 16 – 30 year olds. The BFI's Future film programme also supported over 43,000 young people.

D) The need to improve community cohesion and/ or social inclusion.

The BFI ensures that the benefits of Lottery funding are spread widely, in both geographical and social terms. Creativity and diversity in the film sector is enriched by encouraging the participation of people from a wide range of communities.

The BFI's Diversity Standards ensure all its funding works to celebrate and engage people from all backgrounds across the UK, including those from different socioeconomic groups.

The BFI works to bring film and the moving image to the widest possible range of communities across the UK through the Film Audience Network. Comprising a network of over 1800 organisations and led by a group of 'Film Hub Lead Organisations' in each nation and region of the UK, the network funds projects including community and neighbourhood cinemas as well as local film festivals celebrating all aspects of identity and screen culture.

E) The need to encourage new talent, innovation, and excellence and help people to develop new skills.

The BFI provides opportunities for filmmaking talent to flourish. The freshness and relevance of the films produced have been recognised by the international film industry awards they have won. As well as direct support for filmmaking, the BFI invests in training talent, notably the BFI Film Academy, and in partnership with ScreenSkills, the Sector Skills Council for the audio-visual industry.

As part of the BFI's continuing focus on skills, the BFI introduced a range of Skills-focused programmes, as part of its new 10 year National Lottery Strategy.

In addition, BFI NETWORK supported 36 short films and 25 early development projects through their England funds, with additional projects supported through delegate partners in Northern Ireland, Wales and Scotland and through documentary partner Doc Society.

F) The need to ensure that money is distributed for projects which promote public value and which are not intended primarily for private gain.

It has always been a primary intention of the National Lottery that it should improve the quality of life for people throughout the UK.

All applicants, including private, voluntary or commercial organisations, have to be able to demonstrate the benefit to the public that would result from their proposed project. The BFI applies a range of criteria in order to ascertain that an appropriate level of public benefit is derived from the project. The criteria include the creative and technical quality of the project and its contribution towards the BFI's strategic objectives.

G) The need to further the objectives of sustainable development.

The BFI provides leadership and practical support for the wider film industry, including leading the UK-wide sustainability Group. Following the launch of the British Standard (BS 8909), specifically for film, sustainability is an intrinsic element to the new five year plan.

Technological development is supported through encouraging the use of digital production techniques and associated processes.

On location filming of any Lottery-funded films, producers are expected to be sensitive to the needs of the environment and the use of natural resources, returning locations back to their original state in environmental terms, after use.

The BFI works with other Lottery Distributors and the Department for Culture, Media and Sport in developing proposals for sustainable development.

H) The importance of ensuring equality of opportunity and the desirability of reducing economic and social deprivation and of ensuring that all areas of the United Kingdom have access to the money distributed.

All parts of the country have access to BFI Lottery funding through applications for training, development, production, education, distribution, exhibition and film heritage activity.

I) The desirability of the British Film Institute working jointly with other organisations, including other distributors.

The BFI undertakes partnership working with all the other Lottery distributors, most notably with Arts Council England, National Heritage Lottery Fund and NESTA.

The BFI delegates funding to the Doc Society in relation to documentary filmmaking and Screen Skills in relation to skills development..

In addition, the BFI works with a number of key partners notably, Creative UK in support of its strategic objectives that can be delivered at a local and/or regional level; the National Screen agencies of Wales – Ffilm Cymru Wales; Northern Ireland – Northern Ireland Screen; and, Scotland – Creative Scotland; and with partners in the English regions, notably the Film Hub Lead organisations (Film Audience network programme).

J) The need to ensure that all those receiving Lottery money acknowledge it using the common Lottery branding.

The BFI ensures that the Lottery is credited on all projects in receipt of Lottery funding through the use of the credits on films and branding on other materials.

K) The need to require an element of partnership funding, or contributions in kind from other sources, to the extent that this is reasonable to achieve for different kinds of applicants in particular areas.

The BFI requires all applications to include an element of partnership funding, to demonstrate commitment to the project. The level of partnership funding required depends on each fund and the activity being supported.

L) The need (a) for money distributed to be distributed to projects only where they are for a specific, time-limited, purpose, (b) to ensure that the BFI has the necessary information and expert advice to make decisions on each application and (c) for applicants to demonstrate the financial viability of projects.

Funding is either provided on a specifically time limited basis or will only benefit individuals while they remain within the definition of a particular programme.

The BFI undertakes an appraisal of each application for funding prior to final decision. The BFI continues to use of the Cabinet Office due diligence tool *Spotlight* and Enhanced Spotlight as an addition counter-fraud check for its Lottery funded activities and will expand the remit across other non-Lottery funded programmes.

The BFI reserves the right to request that applicants provide any additional information that may be required in order to properly assess such application, in addition to the requirements set out in the application guidelines. It also seeks, where necessary, the confidential, independent and objective views of expert advisers. As a publicly accountable body, the BFI has a duty to ensure that National Lottery funds are properly spent and accounted for, that risk is minimised, and that fraud is avoided.

M) Where setting up costs are sought, the need for a clear business plan showing how any running and maintenance costs will be met for a reasonable period.

Financial viability is a key factor in the assessment of BFI Lottery applications and is examined using appropriate criteria for all funded applications in the context of assessing the potential risk of each Lottery award. Each potential recipient of Lottery funding has to demonstrate that its finances are secure and, in respect of larger projects, sufficient to ensure project exploitation after the funding period.

N) The need to ensure that film is central to the lives of UK citizens, and to improve the quality of British film and raise its profile in the marketplace, by:

i. Expanding education and learning opportunities and boosting audience choice across the UK;

ii. Supporting the future success of British film;

iii. Unlocking film heritage for everyone in the UK to enjoy.

The allocation of National Lottery funds by the BFI is influenced by the need to strengthen the industry's structure and workforce; to improve the quality and commercial viability of British films; and to support the distribution of specialised film in the analogue and digital environments, helping to ensure UK audiences have access to film in all its variety.

O) Where awards are made in relation to feature film production or distribution projects the BFI should take into account:

- A clearly identified target audience for their projects
- The need for recipients of awards for film production to pay the set contribution towards the Skills Investment Fund (SIF)
- The need for recipients of awards to comply with recognised industry best practice and agreements relating to pay and the employment of trainees
- The need to conserve and expand the UK's film heritage by requiring the deposit of Lottery funded productions and other selected material in the collections of the British Film Institute or regional archives
- The need for feature film development and production projects to be capable of qualifying as "British films" in accordance with the procedures set out by the DCMS
- The need to improve public access to film through the use of audio-description and/or subtitling for the hard of hearing.

All relevant projects in receipt of this type of funding are required, contractually, to comply with these conditions.

21 Stephen Street
London W1T 1LN
bfi.org.uk

ISBN 978-1-5286-5099-1
E03170109

Funded by
UK Government

THE NATIONAL LOTTERY®

THE BRITISH FILM INSTITUTE

England & Wales - Charity number 287780

Accounts

Annual Report and Financial Statements

2022/23



Front cover image: *Rye Lane*

BRITISH FILM INSTITUTE
Group and National Lottery Annual Report and Financial Statements for the year ended 31 March 2023

Presented to Parliament pursuant to Section 34(3) and 35(5) of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998 and the National Lottery Act 2006).

Ordered by the House of Commons to be printed on 14 December 2023

Presented to the Scottish Parliament pursuant to the Scotland Act 1998 Section 88

Charity Registration no: 287780
Company Registration no: RC000900

HC403
SG/2023/301



© BRITISH FILM INSTITUTE copyright 2023

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit n**ationalarchives.gov.uk/doc/open-government-licence/version/3**.

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is available at **www.gov.uk/official-documents**.

Any enquiries regarding this publication should be sent to us at **customerfeedback@bfi.org.uk**.

ISBN: 978-1-5286-4617-8
E03038359 12/23

Printed on paper containing 40% recycled fibre content minimum

Printed in the UK by HH Associates Ltd. on behalf of the Controller of His Majesty's Stationery Office

Contents

Performance Report

06 Purpose, Mission & Vision

08 Chair & Chief Executive's Statement

10 Future Audiences

18 Technology and Digital Transformation

26 Growing Audiences Across the UK

32 Our Moving image Heritage

44 Future Learning & Skills

50 A Champion for New Filmmaking Talent

54 Supporting the Future Success of UK Film

62 On the International Stage

66 Leadership & Advocacy

70 Inclusion

74 Fundraising & Enterprise

80 Key Performance Measures

84 Financial Review (including Public Benefit)

92 Sustainability Report

Accountability Report

98 How the BFI is Governed

102 Remuneration and People Report

112 Corporate Information

114 Governance Statement

120 Audit, Governance and Risk

166 Annual Report Financial Statements

204 Statutory Background

Purpose, Mission & Vision

The BFI is a Royal Charter Charity that was established in 1933.

Our Purpose

We believe society needs stories. Film, television and the moving image bring them to life, helping us to connect and understand each other better. We share the stories of yesterday, search for the stories of today, and shape the stories of tomorrow.

Our Mission

The BFI is a cultural charity, a National Lottery distributor, and the UK's lead organisation for film and the moving image. Our mission is:

- To support creativity and actively seek out the next generation of UK storytellers
- To grow and care for the BFI National Archive, the world's largest film and television archive
- To offer the widest range of UK and international moving image culture through our programmes and festivals – delivered online and in venue
- To use our knowledge to educate and deepen public appreciation and understanding of film and the moving image
- To work with Government and industry to ensure the continued growth of the UK's screen industries

Our Vision

We will transform access to our programmes, screen culture, and jobs by:

- focussing on the diversity of our audiences
- expanding our work to further embrace television and video games
- reframing the public's relationship with the BFI's collections
- investing in the growth of our digital platforms
- working with industry to deliver long-term strategies for education and skills

Chair and Chief Executive's Statement

Throughout our 90-year history, the BFI – like the medium of film - has responded to new opportunities presented by advancements in technology, and the ways in which audiences watch films and TV.

Key to navigating the ever-shifting landscape has been our enthusiasm for innovation, whilst always staying true to our core belief – that society needs stories.

In 2020, a change in leadership and the pandemic propelled the organisation into a dynamic state of transformation. In 2022, the BFI Board and a newly-formed Executive team have moved with great determination to develop a new long-term strategy for the BFI, alongside an operating model that ensures a more effective and resilient organisation.

We committed heavily throughout the year to consulting with the industry and the public to help inform the development of Screen Culture 2033 – the new 10-year corporate strategy and National Lottery strategy that will take us to our centenary year.

Screen Culture 2033 reflects the dynamism and ambition which has emerged through this period of organisational change, and builds on our vision of transforming access – to our programmes, to screen culture, and jobs across the UK. Through this strategy we aim to deliver the greatest possible benefit to the public and the screen sector.

Intrinsic to a ten-year strategy is the expectation that we will need to revisit it periodically to make sure we are evolving our thinking and continuing to create the right conditions for the industry and for film culture to thrive. 2022–23 marked a strong recovery for the industry, with much to celebrate as film and TV production spend overall started to bounce back. But we cannot be complacent and we remain focused on ongoing issues such as skills shortages, ensuring we are an accessible and inclusive sector, and the challenges for independent film and exhibition sector which have never felt more acute.

With an eye firmly on audience development and changes in viewing habits, as well as our commitment to become a digital first organisation, we have continued investment in our online platforms, including for accessing and watching archive material from our collections. Following many months of development and planning, and involving teams from across the BFI, we launched BFI Replay, offering thousands of free-to-access digitised television programmes from our Archive and our partners' moving image archives across the regions and nations, viewable in public libraries across the UK. We look forward to further strengthening our digital channels with significant investment into our popular streaming service, BFI Player.

In another notable highlight, we brought the IMAX cinema at Waterloo back under BFI operation, as we resumed overall programming and management of this iconic cinema, following a major technical upgrade. As well as giving us the opportunity to present major blockbusters, we have opened out the programming to ensure a wide array of contemporary and classic cinema and other events can be enjoyed on this beautiful big screen.

This year, people across the world celebrated HM Queen Elizabeth's Platinum Jubilee, and we were able to share remarkable historical moving images of her Majesty with a free online collection of films portraying her 70-year reign, and in a BBC documentary. A matter of months later and following the death of her Majesty, we were proud to be able to screen many films of the late Queen, from our collections, to the millions of people queuing along the South Bank to pay their respects as she lay in state.

We thank all of the incredible people at the BFI, and our many partners, for their hard work and commitment to our mission and vision under constantly changing and sometimes difficult times. And we thank the BFI Trust for its charitable support throughout the year.
Any period of transformation programme is inherently disruptive, but the BFI's vibrancy is evident in the enthusiasm of our audiences, the popularity of our culture programmes, our strong relationship with government, and the trust we have built with the sector.



Tim Richards
Chair



Ben Roberts,
Chief Executive

Future Audiences

Programme highlights


Image: Mike Hodges in conversation at BFI Southbank



Image: Glenda Jackson in conversation at BFI Southbank, image by Tim Whitby

British Film and Television

It was a year of diverse and wide-reaching acknowledgment of UK film heritage, celebrating performers and directors who have shaped our contemporary screen culture in different ways.

- A two-month retrospective of British auteur Peter Greenaway, featuring BFI National Archive restoration of *The Draughtsman's Contract* (re-released nationwide by BFI Distribution) and supported by on stage career conversations and introductions with Greenaway himself.
- A Gary Oldman season to accompany the UK release of *Nil by Mouth*, restored by the BFI National Archive and available on BFI DVD, including a BFI Southbank appearance from Oldman.
- A timely Mike Hodges retrospective and release (theatrical and physical) of *Get Carter*. This included a personal appearance from Mike Hodges, who sadly died a few months after his appearance.
- Glenda Jackson on stage discussing her career, and supporting a full season of her work across both film and television.
- In memory of director Menelik Shabazz, a BFI Blu-ray release and Southbank run for *Burning an Illusion* on its 40th anniversary. BFI Southbank presented a small season of Shabazz's work acknowledging his contribution to and impact on British film culture.
- Two major projects celebrating British television broadcasting; BBC 100: a season marking the centenary of the BBC and the release of the BFI's '100 BBC Gamechangers' editorial project; and Channel 4: 40 Years of Revolution.
- A season celebrating the work of influential film and television writer Nigel Kneale, including a month of Southbank screenings and the BFI Blu-ray release of his seminal adaptation of George Orwell's *Nineteen Eighty-Four*.
- The Blu-Ray and theatrical release of ska documentary *Dance Craze* proved hugely popular following a successful launch at BFI IMAX.


Image: Pam Grier at BFI Southbank, image by Tim Whitby

Thematic Seasons

We continued to explore the history of cinema with thematic programming that opens up new lines of enquiry, provokes new debates and conversations and frames film in new cultural contexts.

- The BFI Blockbuster project for 2022 was **IN DREAMS ARE MONSTERS**, a major BFI UK-wide film and events season celebrating the horror genre on screen. It took over BFI Southbank, Player and IMAX whilst venues around the country participated via the BFI Film Audience Network. Through five horror archetypes – the beast, ghost, vampire, witch and zombie – the season explored how these monstrous bodies have been represented on screen over the last hundred years and how they have been reclaimed by new voices in horror filmmaking.
- **CRUEL FLESH: FILMS OF THE NEW FRENCH EXTREMITY** revisited the controversial movement and included on stage appearances from Gaspar Noé and Lucile Hadžihalilovic.
- **FROM JAMAICA TO THE WORLD: REGGAE ON FILM** marked 60 years of Jamaican independence with a season of reggae-led cinema, including a BFI release (theatrical and physical) of The Harder They Come.
- In partnership with The Hayward Gallery, Ekow Eshun's **IN THE BLACK FANTASTIC** brought mythical and speculative cinema from the Black diaspora to the Southbank, alongside the Hayward Gallery's exhibition.
- **YOU BEAUTIES: NEW AUSTRALIAN CINEMA** presented the most exciting voices emerging in Australian filmmaking, programmed in partnership with ACMI Melbourne.
- **THE SIGHT & SOUND TOP 100** films were screened in their entirety at BFI Southbank – a huge achievement for the research team sourcing all 100 titles, and a massive hit with audiences. We also managed to present a really substantial programme on BFI Player, with 75 of the 100 presented online.


Image: from *EO* by Jerzy Skolimowski

Contemporary Film Releases

BFI Distribution continue to identify emerging voices from British cinema and beyond, whilst continuing to support and celebrate film heritage.

- The hotly anticipated follow up to the phenomenal Bait, Mark Jenkin's *Enys Men*, was released nationwide in January to critical acclaim. The release was supported by a full season at BFI Southbank and on BFI Player of influences, curated by Jenkin.
- Black comedy and social satire *All My Friends Hate Me* from debut director Andrew Gaynord was released to glowing reviews and with a Southbank preview event.
- Asif Kapadia's sci-fi ballet *Creature*, choreographed by Akram Khan, was released alongside the ballet it depicts.
- *God's Creatures* from writers Saela Davis and Anna Rose Holmer, and starring Paul Mescal and Emily Watson, was released following a successful premiere at the London Film Festival.
- Jerzy Skolimowski's Oscar nominated *Eo* debuted in Cannes and was released by BFI Distribution, alongside a full retrospective of his work at BFI Southbank and on BFI Player.

Retrospectives of Cinematic Greats

The BFI's dedication to bringing the work of great filmmakers to new audiences continues, with a number of special seasons dedicated to important voices from around the world.

- **SATYAJIT RAY: THE LANGUAGE OF FILM** marked the centenary of the great Indian auteur, including a nationwide re-release of THE BIG CITY.
- Appearances from the legend herself at Ritzy Brixton, MAC Birmingham and BFI Southbank boosted **PAM GRIER: FOXY, FIERCE AND FEARLESS** into a season to remember.
- **OF SIN AND SALVATION: THE CINEMA OF ROBERT BRESSON** presented his best works at BFI Southbank and re-released *Pickpocket* into cinemas UK wide.
- **JUDY GARLAND: A STAR IS REBORN** brought a colourful celebration of her talents to BFI Southbank.
- The great Liv Ullman returned to BFI Southbank to discuss her own career in support of a retrospective, the BFI Distribution re-release of *Cries and Whispers*, and to mark the release of BFI DVD's multi-part Ingmar Bergman boxset



Image: *Bubble*



Image: from *Haunted Hotel* by Guy Maddin

Japan Legacy

Japanese cinema continued to bring BFI Southbank to life following **JAPAN 2021: 100 YEARS OF JAPANESE CINEMA**. BFI Player, Southbank and IMAX continued the legacy of the project with focused seasons celebrating the breadth of the country's film heritage:

- A two-month Anime season featuring gaming events in partnership with Gamepad, IMAX screenings, previews of Loundraw's *Summer Ghost* and Tetsuro Araki's *Bubble*, and an early anime shorts programme from the archive.
- A major and complete retrospective of legendary auteur Akira Kurosawa including a nationwide re-release of *Rashomon*.
- A season dedicated to director and actress Kinuyo Tanaka.

Broader Screen

- BFI Partnered with Gamepad to present gaming events tied to **IN DREAMS ARE MONSTERS** and **ANIME**, each with a very different focus and audience.
- We marked Mental Health Awareness Week with the UK Premiere of *Goliath*: a virtual reality installation, and winner of the Grand Jury Prize for Best VR Work at the 78th Venice International Film Festival; alongside panel discussion **PLAYING WITH REALITY**.
- The world premiere of Guy Maddin's *Haunted Hotel* took up residency at BFI Southbank in October.
- Stephen Stephenson's *Child of Empire* used virtual reality to explore the independence of Pakistan and was presented alongside the world premiere of *Lost Migrations* Project Dastaan, Puffball Studios and Spitting Image Studios.



Image: *Bodies, Bodies, Bodies*

High Profile Events

- Woman With a Movie Camera Summit returned to Southbank after moving online for a year, and filled the venue with young filmmakers, critics, students and enthusiasts.

- BFI and Radio Times Television Festival returned after a hiatus, celebrating the very best in contemporary TV.

- Partner festivals Refugee Week, London Indian Film Festival, UK Asian Film Festival, Focus Hong Kong, S.O.U.L. and Kinoteka all returned, along with a venue wide takeover from Queer East.

- Luca Guadagnino, The Dardenne Brothers, Darren Aronofsky, Guillermo Del Toro, Makoto Shinkai, Jerzy Skolimowski and Justin Lin were among the directors who appeared on stage to discuss their careers and filmmaking approaches.

- Emma Thompson, Harriet Walter, Ian McKellen, Juliet Stevenson, Lindsay Duncan, Eddie Izzard, Stanley Tucci, Ruby Wax and Timothy Spall appeared on stage to discuss their memories of the late Alan Rickman, alongside the release of his memoirs.

- Previews and Q&As included the premiere of *Wayward* along with *The Afterlight*, *The Sandman*, *Earwig*, *The Feast*, *Am I Being Unreasonable?*, *Jawbone*, *Bodies Bodies Bodies*, *The Score*, *Cunk on Earth*, *Inside Man*, *Flux Gourmet*, *The Woman King*, *Emily*, *Barbarian*, *Living*, *A Bunch of Amateurs*, *Strange World*, *She Said* and the wildly popular finale of *Happy Valley*.



Image: European Premiere of Glass Onion: A Knives Out Mystery, image by Getty Images

BFI London Film Festival

The 66th BFI London Film Festival (LFF) in partnership with American Express opened with the World Premiere of *Roald Dahl's Matilda The Musical*, with full cast and crew in attendance, the first family film to open LFF in over a decade. The Festival closed with the European Premiere of *Glass Onion: A Knives Out Mystery* attended by filmmakers and cast, including writer/director Rian Johnson, Daniel Craig, Janelle Monáe, Edward Norton, Kathryn Hahn, Kate Hudson, Leslie Odom Jr. and Dave Bautista. Both events took place at the Southbank Centre's Royal Festival Hall, which returned as the Festival's Headline Gala venue for a second year.

This year's programme included

- 167 feature films from both established and emerging filmmakers
- 74 short films, 8 Series and 20 Immersive and XR works
- 23 World Premieres, 7 International Premieres and 22 European Premieres
- More than 750 international and UK filmmakers, XR artists and series creatives associated with the public programme for Q&As and events

This year, LFF showcased 29 new fiction and documentary features from the UK including the world premieres of previously mentioned *Matilda*, Dionne Edwards' debut *Pretty Red Dress*, Andrew Cumming's pre-historic survival horror *The Origin*, and world premieres of new non-fiction features, *Kanaval* by Eddie Hutton-Mills and Leah Gordon, and Yemi Bamiro's *Super Eagles*, to name a few.

Seeing a diverse range of work from around the world is one of the key drivers for audience attendance; feature films, short films, series and immersive art works broke down as:

- 63 countries represented
- 41% made by female and non-binary directors/creators or co-directors/creators
- 34% made by ethnically diverse directors/creators
- 25% of the feature film programme from debut filmmakers

Building on the huge success of last year's Festival model, this year's edition saw the return of dual West End hubs in London, a major exhibition of Immersive Art and XR at 26 Leake Street (with further LFF Expanded pieces at the National Theatre and BFI Southbank) and specially curated programmes of LFF films screening at nine partner cinemas around the UK, and on BFI Player from 14 – 23 October.

This year's programme of screenings and Immersive and XR works, as well as high-profile Screen Talks, a programme of events for industry delegates and immensely popular LFF For Free events were attended in person by 189,200 audience members (returning to pre-pandemic levels), while 101,900 attended the Festival online. Attendees at the nine regional partner cinemas were 33% higher than in 2021, while occupancy across the Festival's London in-cinema screenings and events increased to 87% (up slightly from 84% in 2018 and 83% in 2019).



Image: Flare 2023 at BFI Southbank, image by Millie Turner

BFI Flare

The 37th edition of BFI Flare: London LGBTQIA+ Film Festival, the UK's leading LGBTQIA+ film event, saw a continued growth in audiences returning to cinemas to experience the festival. BFI Flare saw 28,923 audience attendances across BFI Southbank screenings, events and on BFI Player. The festival saw 85% occupancy at BFI Southbank (very close to 2019's high of 87%) notably up from last year, with 57% of bookers new to BFI Flare.

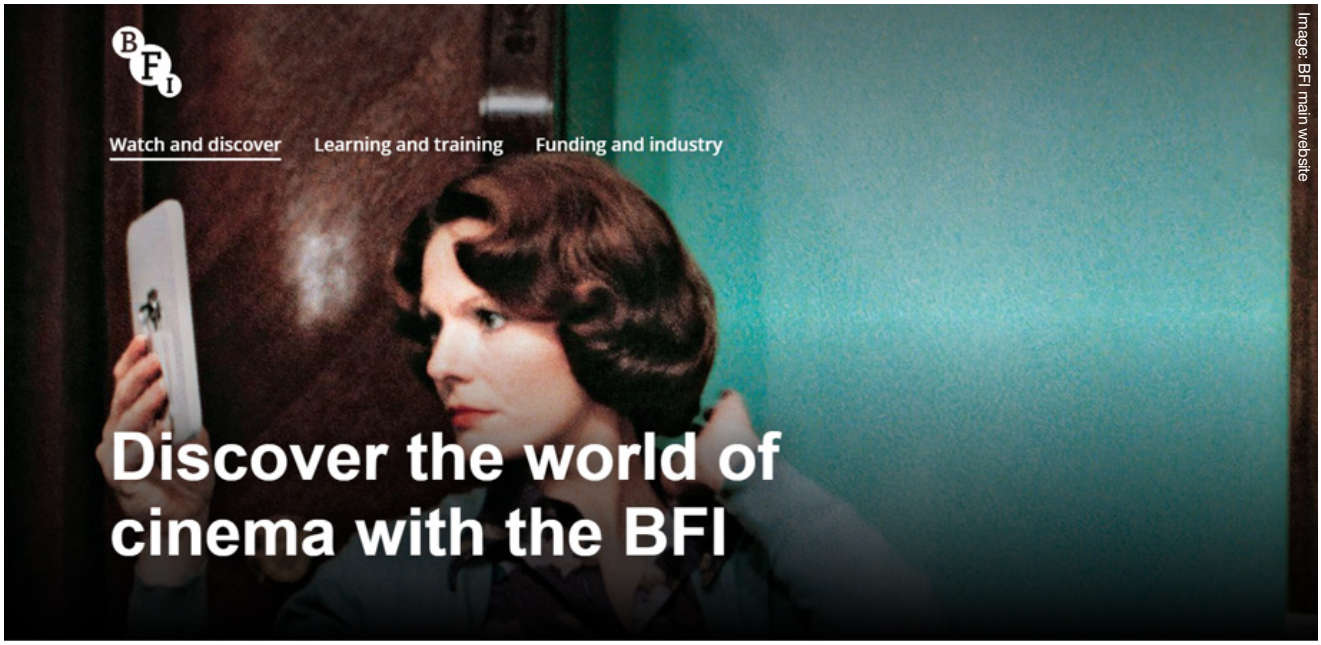
In March, BFI Flare welcomed audiences with 58 feature premieres and 90 shorts screened from 41 countries. Eight short films were made available for free on BFI Player plus the five shorts selected as part of Five Films for Freedom. The festival hosted six World Premieres, 13 International Premieres, four European Premiere and 18 UK Premieres from across the features programme.

Over the first four days of the festival, 800 attendees experienced the first BFI FLARE EXPANDED programme, a selection of five immersive art and virtual reality works from boundary-pushing LGBTQIA+ artists working across emerging technologies. The works, including interactive Virtual Reality, screen-based installations and 3D-scanning, explored themes of identity, belonging, self-expression and vulnerability.

Partnering for the ninth year, BFI Flare and the British Council made five LGBTQIA+ short films from the BFI Flare programme available to global audiences for the duration of the festival with the ground-breaking Five Films for Freedom. The LGBTQIA+ digital campaign attracted over three and a half million views from around the world with a quarter of views coming from parts of the world where freedom and equal rights are limited. The project allows audiences worldwide to show solidarity with LGBTQIA+ communities and this year's selection spanned from Guyana, Northern Ireland, Cyprus, Nigeria, South Korea, with each story celebrating love as a human right.

Technology & Digital Transformation

Digital services and products



bfi.org.uk

The main BFI website, bfi.org.uk, continues to be one of the first points of access for all BFI activity for consumer and industry users, with more than 7 million sessions and 5 million users per year in the UK (50% outside of London). Worldwide, we served 14 million sessions and 9 million users.

Sight & Sound poll

As outlined later in this report, the Sight and Sound Greatest Films of All Time and Directors' Top 100 polls were conducted and published online during 2022. The poll received over 600,000 page views in the first two weeks. As with past polls, this content has evergreen value and plays a vital role in bringing audiences to the BFI's entire offer, via internet search. A decade on from the last poll, we took a more sophisticated approach with data-driven film pages that cross-sell BFI services (for example automated links to titles on BFI Player).

Screen Culture 2033 microsite and blog

A microsite and blogging platform went live in September to support the launch of BFI Screen Culture 2033. This platform will ensure BFI staff can openly share their knowledge and delivery progress with stakeholders and audiences.

Digital services for Festivals, BFI Southbank and BFI IMAX

Ticketing, customer and membership data, financial reporting and content publishing for BFI's programmes and festivals throughout the year are delivered online through Audience View, a cloud-based ticketing system. BFI Southbank is supported through the monthly publishing of the cultural programme. Annual traffic to the BFI Southbank was 2.3 million visits. We delivered a new microsite to support the move of BFI IMAX from Odeon to BFI in July, and the opening of the refurbished venue in November. Since going live, the platform has seen 1.2 million visits.

BFI London Film Festival launched successfully in September 2022. From programme launch to the end of the festival, the online programme had 900,000 visits. Unfortunately, there was a technical issue on BFI Members' booking day for LFF on 8 October. We were disappointed that customers were adversely impacted by this and apologised at the time for the inconvenience caused. We are reviewing the online user experience of exploring our programme and buying tickets, both for the year-round venue programmes and festivals.



Image: *In Dreams are Monster* Season

Online editorial

We published 363 new written editorial pieces over the year, in support of the BFI cultural programme, new releases and marking key anniversaries in film history. We increased our coverage of TV and video games and began publishing obituaries in collaboration with Sight and Sound. Lists continue to be our highest performing written content, with top 100 lists produced for the BBC centenary and our horror blockbuster **IN DREAMS ARE MONSTERS** each getting 40,000 views to date, and these will continue to grow. Our series looking at film locations 'then and now' remains popular, with entries on *Withnail & I* and *Get Carter* both seeing substantial traffic this year. Editorial pages, excluding Sight and Sound branded pages, received four million views over the year.

BFI Replay

The new BFI Replay product launched UK wide in March. The service is a free-to-access digital archive exclusively available online in UK public lending libraries, with 6,500 viewable titles organised into 60 different curated themes and collections.

Digital video

The BFI YouTube channel added 58,000 subscribers, gathered 31 million views and 1.2 million hours of watch time. The channel's annual revenue exceeded £15,000 for the first time, aided by expansion into the YouTube Shorts format - a valuable content stream for the BFI online.

Key editorial campaigns included the Future Film Festival, which hosted all features on YouTube for the first time and subsequently achieved its highest ever online audience with 16,000 sessions. We also developed our video essay offering, taking a video essay to more than 10,000 views for the first time. A collection of content based on the **IN DREAMS ARE MONSTERS** programming, made in close collaboration with the season's programmers, also proved popular and will have strong legacy value.

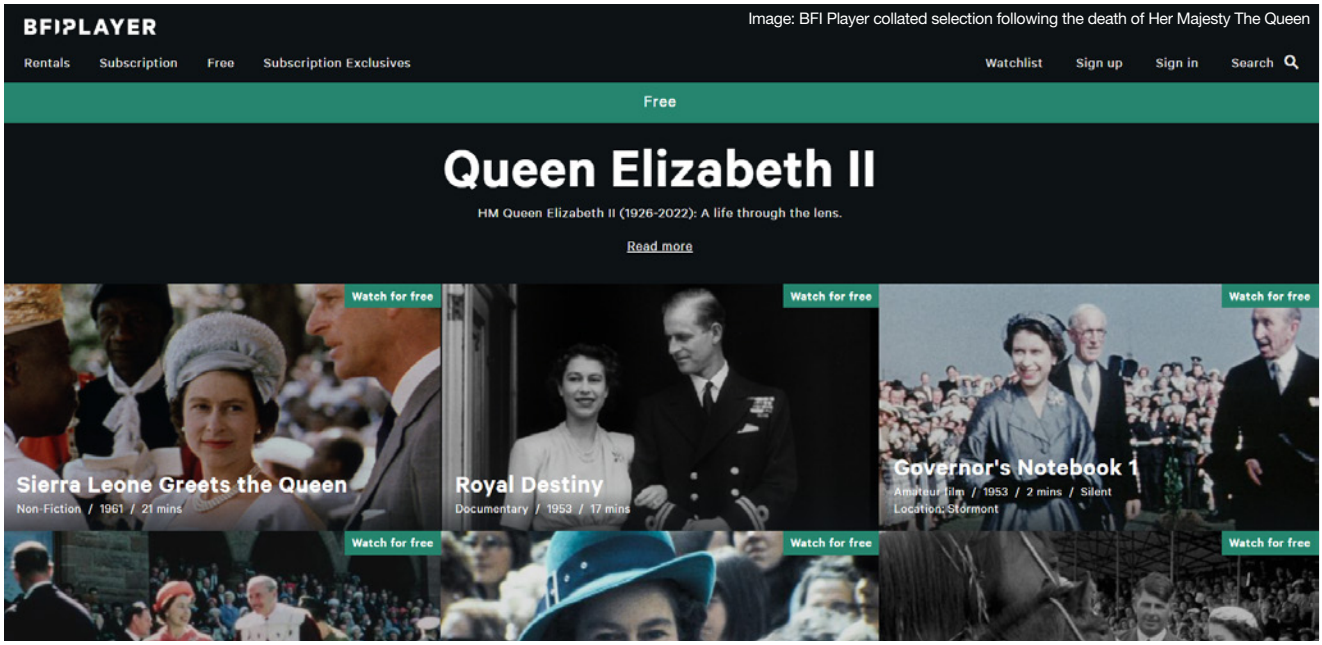


Image: BFI Player collated selection following the death of Her Majesty The Queen

BFI Player

BFI Player has continued to see high engagement with more than 2 million views for feature films. Free-to-view content engagement is slightly down on previous years with 720,000 views, this however reflects the lower number of new free titles published this year.

In the UK, the BFI-distributed *All My Friends Hate Me* (Andrew Gaynord, 2021), was the stand-out title driving new subscribers on our native platform alongside *The Quiet Girl* (Colm Bairéad, 2022) and *Lawrence of Belgravia* (Paul Kelly, Reissued 2022). Sight and Sound's 100 Greatest Films of All Time poll proved a great success with winning film *Jeanne Dielman, 23 quai du Commerce, 1080 Bruxelles* (Chantal Akerman, 1975) proving a particular highlight with our audiences. Third-party platforms (Amazon and Apple) found audiences for the breadth of our programme with *The Untamed* (Amat Escalante, 2016), *Under the Skin* (Carine Adler, 1997) and *Nil by Mouth* (Gary Oldman, 1997) delighting fans new to the service.

The BFI Player once again delivered the digital strands of the BFI London Film Festival and BFI Flare. Alongside rich Free programmes, standout exclusive features included the Sutherland Award winning *1976* (Manuela Martelli, 2022), and the BAFTA winning *Blue Jean* (Georgia Oakley, 2022).

The BFI Player continued to grow its US audiences though our stateside service BFI Player Classics. With a narrower focus on British and Co British content, American customers were drawn to vintage classics *Evil Under the Sun* (Guy Hamilton, 1982), *Kind Hearts and Coronets* (Robert Hamer, 1949), and perennial favourite *The Third Man* (Carol Reed, 1949).

During this year we also developed the vision, business case and a detailed implementation plan for upgrading BFI Player to a next-generation version (provisionally called BFI+).

Cinema Technology



Image: Film on Film Festival logo

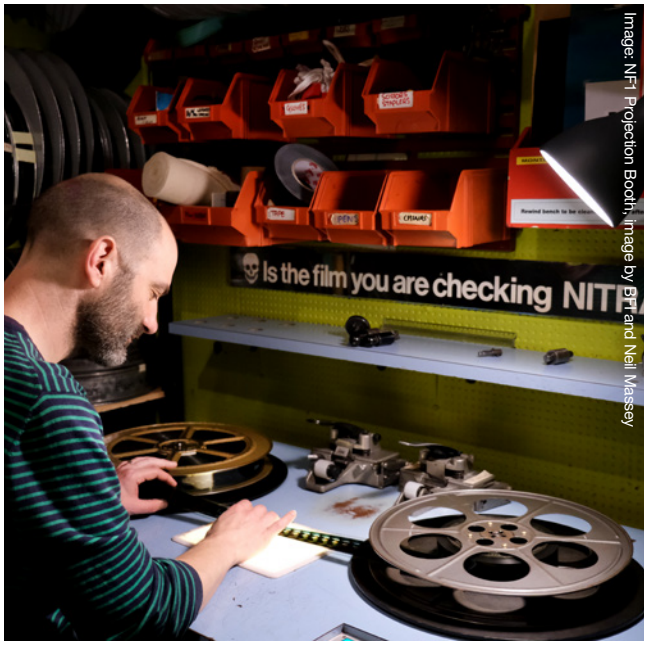


Image: NFT Projection Booth, image by BFI and Neil Massey

BFI Southbank

We have seen a return to pre-pandemic levels of activity in the BFI Southbank theatres with corporate hire on par with figures in 2019. This, coupled with a very busy events and festivals schedule, has seen the team working at capacity for some time. The technical team's unique setup and skills have come to the fore this year with a large amount of celluloid screened in a wide range of seasons including many titles from the Japan and Satyajit Ray seasons.

Southbank refurbishment

In May new cinema sound processors and line array speakers were installed in NFT2 and 3 to bring them into line with the NFT1 audio upgrade, and May and June saw NFT1 and NFT2 seating refurbishment. Refurbishments to the Vaults area saw some improvement to the office setup and improved Nitrate and Safety Film Vaults.

Film on Film

This year the Southbank Projection team began preparations for the June 2023 Film on Film festival showcasing the full range of analogue film formats. Notably this included the complex preparation for the return of Nitrate screenings to the public programme for the first time in ten years. All fire safety, front of house and Nitrate projection procedures have been updated and nine Nitrate prints were rehearsed in preparation for the festival. BFI Southbank is the only venue equipped to screen Nitrate prints in the UK.

Content Remastering and Delivery

BFI's technical producers enabled the delivery of 63 feature films for DVD/Blu-ray/4K UHD release by BFI Video Publishing, 20 feature films for theatrical release through BFI Distribution and hundreds of hours of BFI owned content for BFI Film Sales and BFI Footage Sales. Highlights of the last year include creating newly restored digital masters for the BBC adaptation of *Nineteen Eighty-Four* (1954), Lindsey Vickers's previously lost film *The Appointment* (1981), The BBC *Ghost Stories for Christmas* series, *Get Carter* (1971) and, from 70mm film, the legendary 2Tone concert film *Dance Craze* (1981). This year also saw upgrades to equipment which allowed for significant cost savings by bringing much of the remastering work in-house for the first time, allowing greater control over workflows and quality and enhancing revenues.



Image: BFI IMAX, image by David Jensen

BFI IMAX

Following 10 years of Odeon operation, the IMAX cinema in Waterloo has come back into the fold at the BFI and relaunched with a refurbishment, including a major projection upgrade to the brighter and more vivid IMAX Commercial Laser, improved immersive audio, a new screen, seats and carpet in the auditorium. This was completed in time for the very successful run of *Avatar: The Way of Water 3D* which took full advantage of the excellent new projection facilities and was warmly received by IMAX audiences.

The UK's largest cinema screen has also hosted a number of premieres including *Babylon, Ant-Man and the Wasp: Quantumania* and a special presentation of *All Quiet on the Western Front* with cast and crew, and *The Last of Us*. The wide range of projection formats at the IMAX has been used to good effect during the year with excellent audiences for IMAX 70mm screenings of Christopher Nolan's films in a season Countdown to Oppenheimer: Christopher Nolan on Film. Other highlights include *John Wick Chapter 4* and successful runs of both *Dungeons and Dragons* and *Super Mario Bros* on mixed weeks over the Easter Holidays.

It's not just been mainstream titles on the IMAX screen as we've broadened our cultural programming to screen many of the Sight and Sound Top 100 titles such as *Once Upon a Time in the West*, *The Shining*, *Metropolis*, *Blade Runner*, *Spirited Away*, *Throne of Blood* and *Ran*. We have welcomed more niche audiences too with *Suzume* after screening the director Makoto Shinkai's previous IMAX anime films in a mini-season partnered with Ghiblioteque, which took the cinema to the top slot for box office receipts over the opening weekend.





Image: Sight & Sound Cover Images for the Greatest Films of All Time Poll edition

Sight and Sound

The main focus of the year was on the once-a-decade Greatest Films of All Time poll. This was a huge undertaking, as we doubled the size of the voting body, delivered the most immersive cross-platform experience yet, and created a global news story when the results were announced on 1 December 2022.

Over 1,600 critics, programmers, curators, academics and archivists voted in our critics poll, and almost 600 filmmakers in our Directors' poll. 3,800 different films were voted for by the critics, 1,700 by the directors. The critics voted Chantal Akerman's *Jeanne Dielman*, *23*, *quai du commerce*, *1080 Bruxelles* as number one, the directors, Stanley Kubrick's *2001: A Space Odyssey*.

The poll was Sight and Sound's biggest ever media moment. In the UK, there were 231 broadcast pieces, alongside 261 online pieces and 24 pieces in print. There were 92 international press pieces and an interview for NPR was syndicated to 477 stations across the USA. The New York Times ran multiple pieces in print and online, including an interactive infographic that caught fire on social media.

The results and subsequent discussion around the poll were delivered as a huge cross-platform piece, demonstrating the evolution of the Sight and Sound brand over the past three years and our ability to sit at the centre of a cutting-edge cultural conversation both within our own channels and the wider media. The impact of the poll on the wider BFI was huge, with BFI Player and Southbank breaking records for sign ups, streams and season success. The positive effect of the poll will resonate within BFI for years to come, likewise in the wider screen industry, with rep cinema reinvigorated and critical debate stirred by the poll results and the ensuing coverage.



Magazine Performance

It was a strong year for the magazine, both on newsstands and through subscriptions. Highlights included a Mia Hansen-Løve cover performing way above expectation, a retrospective of our history as a magazine to mark 90 years in print, a beautiful tribute issue dedicated to Jean Luc Godard and Alice Diop becoming the first female filmmaker of colour to appear on the cover. Finally the four special edition covers for the Greatest Films of All Time issue, which became our biggest selling issue in years.

Editorial pieces of particular note include a deep dive into two decades of digital movies featuring an exclusive interview with David Lynch, Molly Haskell's powerful look at motherhood and the movies, Quentin Tarantino's paean to VHS culture, a Korean cinema special, plus pieces by emerging and established writers such as Kelli Weston, Nicole Flattery, Iain Sinclair and David Thomson.

In February the ABC circulation figures for 2022 were released, with Sight and Sound posting a +15% year on year uplift. Last year's +1% uplift was our first positive ABC result in 20 years, so this is a continuation of our growth and testament to the good work we've done over the past three years. Our magazine readership is now at its highest level since 2017[1].



Digital Growth

Our on-site and off-site audience development continued, with steady growth on our weekly newsletter, The Weekly Film Bulletin, now an established part of film media, and impressive engagement uplifts for traffic and social engagement. Traffic to the site in December was up 143%, sessions were up 184%, and the bounce rate was down 21%, meaning that not only did more people come to the site, but they stayed for longer. The total page views for all Sight and Sound polls pages (i.e. voters' top 10s and films) now stands at over 1.5million [2]. We received 14 million impressions on our social posts during December, a 1,260% increase. Engagements were up a remarkable 1,360%. On Twitter, our most engaged platform, we gained 20,000 new followers, and our post sharing Bong Joon Ho's top 10 received almost 17,000 likes, a record for us by some distance. This is all part of a trend of greater digital engagement with Sight and Sound, driven by a digital-first mindset and more flexible approach to publishing.

1 For context in our sector, Empire posted a -8% drop and Total Film posted a -5% drop. As an industry, magazine sales overall were down -11%.
2 Due to current data on cookie consent on the site, all 2022 figures are likely to be half the actual number of visits

Growing Audiences Across the UK

Growing Audiences across the UK

The BFI Audience Fund

Awarding funds from the National Lottery, the BFI Audience Fund supported projects which aimed to boost diversity and inclusivity in audiences, on screen and in the workforce. The BFI Audience Fund, which ran during BFI2022, set a new approach to our audience development funding by focusing on priority audiences (determined by data analysis of who had benefitted the least from previous lottery investment), rather than by the sectors which previously each had their own fund such as Distribution, Film Festivals and Programming for cinemas. The fund was able to track and report the gains and growth of its aims back to industry and the public. Obviously, the impact of COVID was felt significantly across the industry and therefore the fund had some interruption, but the final year of the fund saw a return to a commitment for theatrical distribution in partnership with the various venues, festivals and organisations that were supported. Specific titles supported with lottery awards in the final year of the fund included *When a City Rises* (Dartmouth Films ltd.), *A Little English* (Resource Productions CIC), *The Gravedigger's Wife* (Aya Films CIC), *Queen of Glory* (Bohemia Media Ltd.) and *Aftersun* (MUBI UK ltd.).

A full independent evaluation of the fund was completed and published.

Culture Recovery Fund

Although final awards were made in the year ending March 2022, there was continued ongoing management of the Culture Recovery Fund for Independent Cinemas, managed by the BFI for the DCMS, throughout the year as supported cinemas re-established their businesses and reported on their awards.

British Film Premiere

We continued our partnership with the BBC to present the second season of British Film Premiere in October. British Film Premiere presented a brand-new premiere every Sunday night on BBC Two, celebrating a wave of British filmmakers who have offered fresh perspectives on UK life and experiences. All films were financed by the BBC, the BFI or both. Each film was available on both BFI Player and BBC iPlayer after its transmission on BBC Two. The films featured in the season were introduced by film programmers from across the UK.

Films and presenters in the season were;

- *After Love* (Aleem Khan, 2020) introduced by Isra Al Kassi of T A P E Collective
- *His House* (Remi Weekes, 2020) introduced by Mathieu Ajan of Bounce Cinema
- *Sweetheart* (Marley Morrison, 2021) introduced by Allison Gardner of Glasgow Film
- *Here Before* (Stacey Gregg, 2021) introduced by Michele Devlin of Belfast Film Festival
- *Surge* (Aneil Karia, 2020) introduced by Nia Childs, freelance curator and programmer
- *Mogul Mowgli* (Bassam Tariq, 2020) introduced by David Kapur of Massive Cinema
- *Cow* (Andrea Arnold, 2021) introduced by Melanie Iredale of Birds Eye View

Screen Culture 2033

Throughout the year the Audiences team have undertaken a huge amount of research and consultation to inform, devise and create the structure of our audiences strategy in Screen Culture 2033. The funds that have been created are an evolution of the previous strategy, with the Audience Projects Fund continuing to prioritise audiences over sectors, but now with an overall aim of ensuring audiences benefitting from the fund are representative of the UK population. The BFI Film Audience Network will continue as the BFI's flagship audience development partnership but with some changes to its priorities and focus. Lastly, a new initiative with the working title of BFI Open Cinemas will reimagine how we use our lottery funds to reach audiences through a major UK wide initiative to regularly screen films for free in UK independent cinemas. All three initiatives have either now opened or are active to ensure a frictionless transition from the previous strategy.

StoryTrails

StoryTrails ran throughout summer 2022 and was the UK's largest immersive storytelling project. It was presented as part of 'UNBOXED: Creativity in the UK' and led by StoryFutures Academy. The unique storytelling experience travelled through 15 towns and cities across the UK engaging thousands of people in each location (with 10,000+ visitors in total). The ground-breaking AR and VR experiences featured footage from the BFI National Archive interwoven with immersive technology, connecting audiences to the heritage of their local towns in ways never possible before.

The tour culminated in an installation at BFI IMAX that brought together all of the incredible StoryMaps on a cycloramic screen, forming collective 'emotional maps' of communities UK-wide, while VR projects on show ranged from the Punk era of the 1970s and the Asian underground rave scene of the 1980s to a Museum of Imagined Futures, all featuring material from the BFI National Archive. The project was also supported by *The People's Piazza: A History of Covent Garden*; a BBC feature documentary produced by Uplands TV with BFI serving as Executive Producers and presented by renowned Historian David Olusoga. After a premiere at LFF, the feature documentary was broadcast on primetime BBC2 with one million people watching the initial broadcast.

So far StoryTrails has won The Museums + Heritage Awards 2023, 'Best Use of Digital'; has been a finalist for Best Immersive at the SXSW Innovation Awards 2023, is an Honoree for 'Metaverse Immersive & Virtual; Diversity, Equity & Inclusion' at The Webby Awards 2023 and won 'Best Use of Footage on Innovative Platforms' at the 2023 Focal Awards.



Image: Story Trails

The BFI Film Audience Network

The BFI Film Audience Network (FAN) uses National Lottery funds to support a stronger and more connected approach to growing the confidence and inclusivity of UK audiences watching British and international film on the big screen. FAN consists of eight Hubs across the UK, each providing a network for organisations within the cinema exhibition sector, such as cinemas, festivals, film archives and multi-arts venues. There are currently more than 1,770 member organisations in total, receiving access to funding, information, training, and networking opportunities through FAN.

This has been the first full year of exhibitors remaining open since the start of the pandemic in March 2020. While this increased opportunity for in-person venue activity is positive, the year has still posed challenges for the exhibition sector, with many still seeing a long way to go to reach pre-pandemic audience admissions levels. Some venues continued to adopt social distancing measures by limiting audience capacity into Q2 of this year, while others operating at full capacity report that admissions figures would still suggest continuing audience caution after the pandemic. The closure of a number of landmark venues, such as CMI in Edinburgh, has also been a shock to the independent cinema sector, and illustrates the difficulties faced by exhibitors in this climate. In addition to the lasting impact of the pandemic, exhibitors have also been confronted with challenges surrounding the cost of living crisis, rising fuel costs and increased pressure on household budgets, resulting in low admissions figures for in-person activity across the UK.

A key element of combatting these challenges has been the continued knowledge-sharing of best practice, as well as training focussing on rebuilding exhibitor confidence. A return to full capacity in-person member events has been welcomed. From Hub-specific activity, such as Exhibitors' Breakfasts and regular Members Meetings, to the return of FAN-wide events like This Way Up and Slate Days, the Hubs have shown a marked intention to focus on member support to aid a speedy recovery from the pandemic. Training offered at This Way Up has also been echoed by individual Hubs with a particular focus on Diversity & Inclusion, such as the New Promoters training scheme in Scotland which creates space for diverse curatorial voices. The Environment has also been a key topic for training, as with the Film Hub South East session on 'Making Your Cinema Environmentally Sustainable'.

Originally set up to boost cultural programming and activities which sought to engage diverse audiences as lockdown restrictions eased, the Film Exhibition Fund has been another success this year with wide support from the Hubs with almost £600,000 awarded across 137 projects.

During 2022–23, figures show 440,000 admissions (including 15,000 live online), across 553 projects delivered by 360 member organisations. 377 of these projects were primarily focussed on audiences, while 176 had a member-facing focus with 1570 member beneficiaries.

Film Hub Northern Ireland

Hub Lead Organisation: Queen's Film Theatre, Belfast
Cross FAN lead for Non-theatrical Exhibition

- Delivered six strategic awards, four of which focussed on delivering accessible screenings to Newcastle Community Cinema, Strand, Movie House and Queen's Film Theatre.
- Developed 'Programme Together' in collaboration with Cinema For All, delivering training, workshops, panels and coaching to 45 individuals to help them better understand the powers of collaboration, and the wider opportunities the Fan presents.
- Supported five individuals to engage in development training or networking, including undertaking ICO programming and Elevate training, attending film festivals and networking events.

Film Hub Scotland

Hub Lead Organisation: Glasgow Film Theatre
Cross FAN lead for Member Support and Development

- Supported six festivals through their Amplify for Festivals - employing Mustard Studios to work with them to identify key challenges and develop their Mission Values and Business Plan
- Offered the Glasgow Communities Pilot to connect with local community organisations, encourage them to host pop-up screenings and develop a network of community cinemas
- Organised the Young Audiences Forum in October. This Way Up was attended by 183 delegates this year, with another 31 joining online for hybrid activity. Sessions included topics ranging from Community Cinema, Developing Audiences and Film Archives to talks on Diversity and Inclusion and Environmental Sustainability.

Film Hub Wales

Hub Lead Organisation: Chapter Arts Centre, Cardiff
Cross FAN lead for Diversity & Inclusion

- Supported Pontio with an award to deliver an Autumn Witchcraft Season in partnership with Made in Wales. Included a curated selection of international titles in house. Venues were also offered a filmed event which took place at Pontio called 'Witches Sabbath'.
- Developed a Working Class Resource, delivering a mixed-method approach of video and written resources to ensure accessible approaches to how we upskill exhibitors. The resource was published online in Q3, supported by a panel at This Way Up.

Film Hub London

Hub Lead Organisation: Film London
Cross FAN lead for Young Audiences

- Film Hub London and London's Screen Archives (LSA) partnered with Lewisham Borough of Culture and Sunset Screening Sessions to screen an archive film compilation ahead of each feature in their outdoor programme reaching an audience of over 700.
- Created a Working With Young People Resource, covering range of topics including value and benefits of youth voices, engaging with young people, safeguarding, and relevant case studies.

Film Hub Midlands

Hub Lead Organisation: Broadway, Nottingham in partnership with Flatpack Projects, Birmingham
Cross FAN lead for Major Programmes

- Through Strategic Interventions programme, worked with Sense charity to deliver two immersive film experiences Touch Screen, at The Reel Store in Coventry, and Moving Portraits at The Birmingham Repertory Theatre. Both projects utilised new technology to open up film to audiences with complex disabilities.
- IN DREAMS ARE MONSTERS – the Horror BFI blockbuster programme was delivered for FAN by Film Hub Midlands across 54 venues, including four festival commissions, achieving 7,750 admissions.

Film Hub North

Hub Lead Organisations: Showroom Workstation, Sheffield and HOME, Manchester
Cross FAN lead for Screen Heritage

- Seven Strategic awards, including to Storyhouse in Chester to develop audiences for independent screenings of non-English language titles. Other strategic awards went to Leigh, Wigan; Brewery, Kendal; Hyde Park Picturehouse, Leeds; The Forum, Hexham; ARC, Stockton; and NMM, Bradford.
- Delivered the Curious programme as part of Screen Heritage cross-FAN responsibility, with a combined audience admissions of approx. 7,500. Projects funded included Invisible Women – After Hours a three venue screening tour of Glasgow, Leeds and Erith, exploring the significance of nightlife and safe cultural spaces through a queer/feminist lens, co-curated by Invisible Women and T A P E Collective.

Film Hub South East

Hub Lead Organisation: Independent Cinema Office (ICO)
Cross FAN lead for Data & Evaluation

- 37,930 Admissions across 46 projects, delivered by 36 member organisations
- Hosted four Programming Group meetings over the year, with 15 participants, aiming to develop skills in Programming, discuss potential issues and offer networking opportunities.
- Offered five training and capability building sessions for 180 delegates, including annual Film Hub South East Forum.

Film Hub South West

Hub Lead Organisation: Watershed, Bristol
Cross FAN lead for Marketing, Communications & Audiences

- 22,443 Admissions across 82 projects delivered by 40 organisations
- Produced *Reframing Film*, a series of FAN industry sessions linked to the Cinema Rediscovered Festival. Attended by 80 delegates including exhibitors, archive practitioners and distributors such as Park Circus, MUBI, StudioCanal and the BFI.
- Cables & Cameras delivered the second iteration of *Inspired* at Watershed with additional support from ScreenSkills and BFI NETWORK attracting 181 admissions.
- Led on internal FAN communication, including Booking Now newsletters, sharing case studies and articles, and FAN Comms ‘Deep Dive’ Sessions.

Our Moving Image Heritage



Image: Gary Oldman in conversation at BFI Southbank, image by Tim Whitby

COLLECTING

Features

109 newly acquired or accessioned feature films into the BFI National Archive over the past year, including 28 contemporary works. Highlights include:

- Digitally restored material on Gary Oldman's *Nil by Mouth* (1997), scanned from the original negatives.
- Terry Gilliam's original 35mm prints of his own films, including *Jabberwocky* (1977), *Time Bandits* (1981), T*welve Monkeys* (1995) and *The Zero Theorem* (2013).
- Digital masters of *British Winters* (2016), a low-budget feature drama from T A P E, a community filmmaking group focussed on inclusive work practice in front and behind the camera.
- Digital copies of Mark Jenkin's feature length titles *Bait* (2019) and *Enys Men* (2022).
- Contemporary features from BFI Film Fund, including BAFTA winning *Aftersun* (2022), *Triangle of Sadness* (2022), *Brian and Charles* (2021) and *The Phantom of the Open* (2021).
- Ten feature length documentary acquisitions, including *The Wolf Suit* (2021) and *A Bunch of Amateurs* (2022) through relationship with BFI Doc Society Fund.
- Work with Handmade Films was completed with final accession of the original negatives of all titles in their catalogue. Handmade Films was formed by former Beatle George Harrison, with Denis O'Brien in the late 1970s, initially to finance the Monty Python film, *Life of Brian*. Other notable projects included *The Long Good Friday* and *Withnail and I*.



Image: DCMS Minister Julia Lopez MP, Benjamin King, Senior Director Public Policy, Netflix and Anke Oke, Director of Knowledge and Collections, BFI, at the Conservation Centre to mark Netflix content being preserved in the BFI National Archive.

Television

Over 1,600 TV works were acquired or accessioned to the National TV Archive including contemporary High Quality digital masters, in addition to our complete recording of 17 channels off-air as broadcast. Our work in this area is part of a long-term plan agreed with OFCOM and the Public Service Broadcasters (ITV, Channel 4 and Channel 5), and includes digitisation for preservation of content on video tape carrier formats.

Netflix became the first streaming service to have television content preserved for current and future generations in the BFI National Archive. To celebrate the announcement of this partnership (coinciding with UNESCO World Day for Audiovisual Heritage) DCMS Minister, Julia Lopez MP, visited the BFI National Archive's Conservation Centre in Berkhamsted.

Initially 26 titles comprising 175 single productions and episodic series were selected for conservation by our curators, including the first series of *After Life*, *Bridgerton*, *Sex Education*, *Top Boy*, and all four series of *The Crown*, plus feature films *The Dig*, *Enola Holmes and Rebecca*. This is a five-year partnership and over that time hundreds of culturally significant Netflix UK productions will be chosen for preservation. This is a landmark agreement with Netflix and represents a real milestone for the Archive. To help deliver the project, we are recruiting a new Assistant Curator of Television and Digital Media Specialist in preservation.

This year we replaced the legacy automated BBC system (Redux) that allowed us to record television off-air for the BFI National Archive, with a new system called STORA[3]. STORA automates capture from 17 Freesat channels and adds metadata to create collections database records. We have also open-sourced the code for STORA[4].

Other acquisition highlights include:

- Selected television programmes, preserved in HD, from ITV, Channel Four and Channel 5, and curated off-air news coverage of the Queen's death and period of mourning from channels including Sky News.
- Covid lockdown programming including *Ramadan in Lockdown* (2020), *Ant and Dec's Saturday Night Takeaway* (2020) and *Isolation Stories* (2020).
- *The Peacock Screen*, a collection of 55 interviews with cast, crew and technicians in the Indian film industry from a series originally produced for UK's Channel 4 in the early 1990s.
- Episodes 1–4 of the Ken Loach documentary *Questions of Leadership (*1983), a series commissioned but eventually prevented from broadcast by the UK's Independent Broadcasting Authority (IBA) over questions of 'balance'.
- Primetime dramas *Deadwater Fell* (2020), *Flesh and Blood* (2020), and episodes from light entertainment shows *Grayson's Art Club* (2020) and *Mo Gilligan's All Star Happy Hours* (2020).
- Over 250 new children's television programmes backed by BFI Young Audience Content Fund, including *First Dates Teens* (2022) and *Lloyd of the Flies* (2023).

3 STORA: System for Television Off-air Recording and Archiving
4 Additional data on STORA can be found at https://blog.bfi.org.uk/knowledge-and-collections/start-with-open-source


Image: Life in Her Hands, part of BFI Player collection NHS on Film

Special Collections

One of the largest by volume collections areas of the BFI National Archive, our Special Collections have been exhibited, visited and researched this year. This has included displays of Ann and John Bloomfield's works at the BFI Southbank and preparations for 2023's Powell and Pressburger season.

Acquisition highlights include:

- The scripts of writer / producer G F Newman, including *Law and Order* (BBC), *The Nation's Health* (BBC) and *Judge John Deed* (BBC).
- Small package of letters relating to David Lean's time filming *Dr Zhivago* (1965), to his wife at the time, Leila Matkar (supplements the existing David Lean archive, cared for by the BFI).
- Over 1,000 new photographs relating to BFI Film Fund productions, 2022.
- A rare Danish poster for *I Know Where I'm Going* (1945).

Online, Non-Broadcast & Shorts

Newly acquired or accessioned digital works and short form content, including collections prepared for Heritage 2022 video digitisation project. Highlights include:

- 26 short films by Mark Jenkin.
- The complete single screen works of Onyeka Igwe.
- Video art collection from the LUX, comprising a substantial and significant chapter of twentieth century video art in the UK.
- *The Black Cop* (2021), BAFTA winning documentary portrait by Cherish Oteka about an ex-police officer exploring his memories of racially profiling and harassing at work.
- *I Don't Protest I Just Dance in My Shadow* (2017), a short essay film by artist animator Jessica Ashman, using animation and recorded interviews of eight other women of colour artists.
- 100+ adverts identified and accessioned as part of Heritage 2022 video digitisation project.
- 500+ public information films from Central Office of Information (COI) collection accessioned as part of Heritage 2022 project.
- Two significant collections representing Britain's thriving creative corporate films sector: *The Edge Picture Company*, an award-winning international sector leading company, and selections from *Take 3 Productions* a now defunct award-winning production company which worked for clients across the public, private and third sectors.
- Starting digital preservation of our *Britain on Lockdown* collection, a curated selection of online blogs and videos made during the UK's first lockdown in spring 2020.



Image: BFI National Archive, image by Ian Jackson

PRESERVATION AND CATALOGUING

Towards a National Collection – digital preservation project completed

The BFI National Archive has been involved in several projects within the AHRC-funded Towards a National Collection programme. 'Preserving and Sharing Born Digital and Hybrid Objects' was a partnership between the V&A, the BFI, and Birkbeck University, exploring the challenges of collecting, preserving and sharing born-digital and hybrid digital objects. The BFI National Archive led on the creation of a Decision Tree Model of the processes involved in assessing an acquisition of a complex digital object.

Special Collections – women's paper archives

A Special Collections-based project focused on cataloguing women's paper archives that we care for is the first step in our wider Special Collections strategy to make the presence of women in film and in the archive more visible. This work has focused primarily on the pivotal, yet often undervalued, role of the Script Supervisor, ensuring the collections of Pat Rambaut, Penny Eyles, Valerie Booth and Alison Thorne are fully catalogued, preserved, and accessible to the public.

Two other collections of women in the industry have also been catalogued: the collection of Monica Sims, the first female Director of Radio Programmes at the BBC and later Vice-President of the BBFC (British Board of Film Classification), and the collection of scriptwriter and researcher, Sheila Carter.

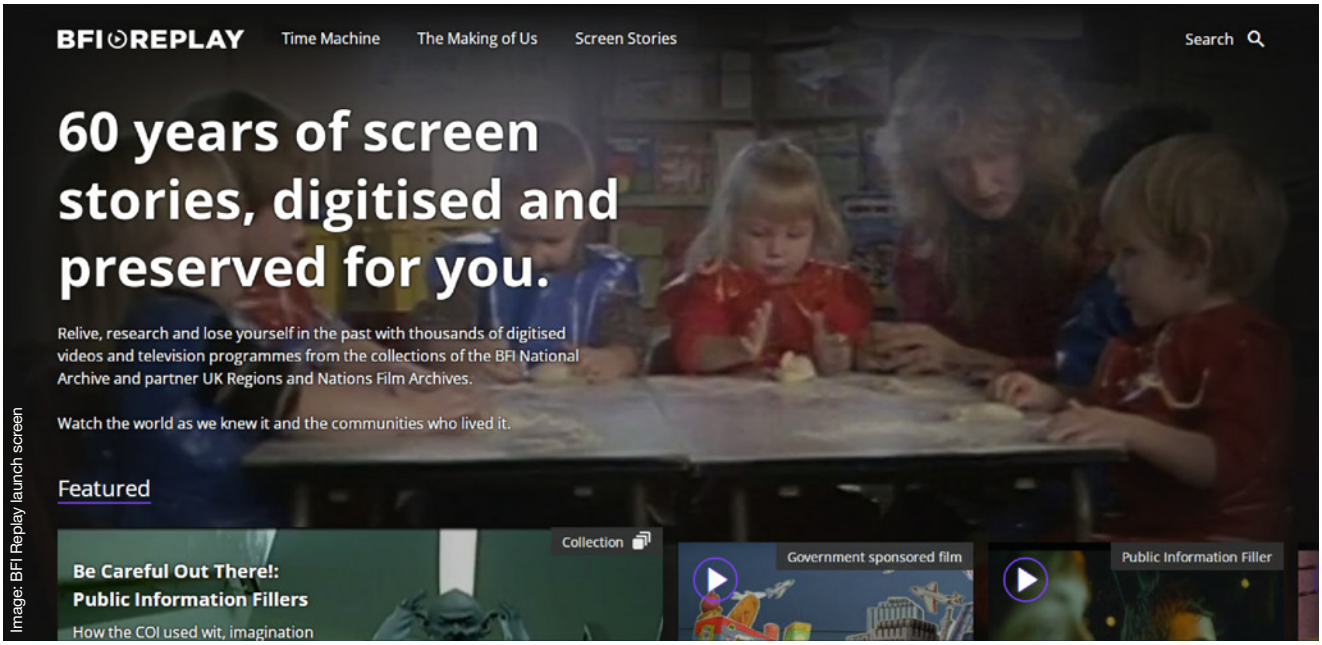


Image: BFI Replay launch screen

HERITAGE 2022 PROGRAMME

The Heritage 2022 programme has continued this year. There are a number of interwoven strands to this programme and notable achievements this year included:

- Landmark target of 100,000 titles on 'at-risk' videotapes were digitised by March 2023.
- Special collections started to digitise their press kit collections
- BFI Replay launched – the BFI National Archive's new archive streaming service available in communities UK wide via local public libraries. has enriched BFI Replay with over 3,000 titles from across the UK, with a specific emphasis on the four content pillars of BFI Replay; Closer to Home, The Time Machine, You Are Here and Screen Stories enhancing the users experience
- Access funding from the National Lottery was made available to the RNAs, to provide further contextualised metadata for a selection of digitised videotape from regional collections for BFI Replayw
- Film Prints: We have almost concluded the 100 film prints strand of Heritage 2022. The team worked hard to advance delivery this year during a challenging period for film print creation internationally. They created 24 new 35mm projection prints. The ongoing legacy of Covid-19 continued to cause delays with rights-holders, film laboratories and partner archives alike, posing challenges to delivery targets. Prints delivered this year include *Die Büchse der Pandora* (Pandora's Box) (Pabst, 1929), *La Passion de Jeanne d'Arc* (The Passion of Joan of Arc) (Dreyer, 1928), *Killer of Sheep* (Burnett, 1978) and *Thelma and Louise* (Scott, 1991) working with MGM, Deluxe, Fotokem, Paramount, The Academy of Motion Picture Arts and Sciences, Milestone, UCLA, ColourLab, George Eastman House, Hiventy and Titrafilm and Société Cinématographique Lyre.


Image: from *I Know Where I'm Going!* by Michael Powell & Emeric Pressburger

RESTORING AND REMASTERING

Highlights from 2022–23 include:

***Nil by Mouth* (1997)**
The BFI National Archive created a new 4k remaster from the original camera negative which premiered at BFI Southbank in October 2022. The remastering of Gary Oldman's directorial debut was to celebrate the film's 25th anniversary, and was supported by Simon and Harley Hessel.

***The Draughtsman's Contract* (1982)**
A new restoration created in collaboration with director Peter Greenaway premiered at Venice Biennale in the Classics strand in September. It was originally shot on 16mm and blown up to 35mm for cinema release.

***The Passion of Remembrance* (1986)**
The BFI's 4K remaster of the seminal debut feature from directors Maureen Blackwood and Isaac Julien, premiered at the BFI London Film Festival, with a simultaneous transatlantic premiere with the New York Film Festival. The remaster was undertaken in collaboration with the directors and cinematographer Nina Kellgren.

***I Know Where I'm Going!* (1945)**
In May Martin Scorsese's The Film Foundation launched 'The Film Foundation Restoration Screening Room', with the aim of showcasing films restored with support from the Foundation and its partners. We co-presented their first presentation, *I Know Where I'm Going!* (1945, Powell and Pressburger), recently restored by BFI National Archive with funding from The Film Foundation, in association with ITV and Park Circus.

Victorians on Film: Entertainment, Innovation and Everyday Life
A new digital resource, in partnership with Adam Matthew (AM), publishing a unique collection of films created at the very dawn of cinema and filmmaking and providing a glimpse into the moving, breathing lives of 19th century Britain. Publishing the BFI National Archive's digitally restored late Victorian period, 1895-1901 and all the films of Sagar Mitchell & James Kenyon from 1900 onwards for use in Higher Education and academic study. A BFI National Archive Curator is serving on the Editorial Board.



Image: from *Elizabeth: The Unseen Queen*

Elizabeth: The Unseen Queen - BFI National Archive digital restoration and preservation opens up access for new BBC feature documentary

For decades the late Queen's private film collection has been carefully preserved by the BFI National Archive, on the Royal Household's behalf, using the specialist skills of our archivists and controlled storage environment at the Master Film Store to care for them. The Royal Collection of film dates from 1931 with in excess of 1,000 individual reels of film.

To mark the late monarch's Platinum Jubilee, the BBC developed a new feature documentary *Elizabeth: The Unseen Queen*, using rare and previously unseen footage from this personal film collection. This involved us examining 700 original film reels, of which we subsequently 4K-scanned and graded 500 reels, totalling 115 hours of material, for the BBC production.

Five restorations screening at Toute la Mémoire du Monde

Five recent restorations from the BFI screened at the tenth edition of the festival Toute la Mémoire du Monde in Paris in March. A special programme strand entitled 'This is England' showcased the restoration work of the BFI National Archive, including *Women in Love*, *Friendship's Death*, *Naked*, *Nil by Mouth* and *The Private Life of Henry VIII*. This was an opportunity to celebrate the sense of kinship between the BFI National Archive and the Cinémathèque Française: born a year apart in the 1930s, they represent half of the founding membership of the International Federation of Film Archives (FIAF).



Image: Spike Lee visiting the Conservation Centre, image by Yves Salmon

ENGAGEMENT & INTERNATIONAL COLLABORATION

Advocacy and Engagement with the national collection

As part of Spike Lee receiving a BFI fellowship, he visited the Conservation Centre. He was deeply impressed and was adamant that the BFI National Archive "is the best in the world".

In late January the British Library Sound Archive were hosted at the Archive. They were shown the Archive Technology Group's 3D scanning and printing capabilities

In another tour the Archive Sales Manager hosted the first two trainees to take part in the six-month archive research training scheme hosted by the BBC Studios Documentary Unit. Along with BBC Archive Producers, they were given an introduction into research and licencing archive content and then taken on a tour of the Conservation Centre.

BFI joins the National Museums Directors Council

In March the BFI became a member of the National Museum Directors Council, the most influential independent group of heritage leaders in the UK, which allows us to be part of the group that debates and develops heritage policy. The National Museums Directors Council (NMDC) represents the leaders of the UK's national collections and major regional museums. The heritage represented in the group until this point included libraries, archives, natural history, science, outdoor museums, but not the moving image. Membership of this group will help us to raise the profile and status of our national collections, alongside giving us access to the developing best practice and early conversations on national issues around heritage – from skills challenges to decolonising collections.

BFI joins the Digital Preservation Coalition

In September the BFI became a full member of the Digital Preservation Coalition, the international charitable foundation which supports digital preservation. Membership of the DPC acknowledges the BFI National Archive's contribution to developments in audiovisual digital preservation, and provides access to the global network of expert practitioners, as well as creating opportunities for collaboration and advocacy for good practice.



Image: *We Are UK Film* Pavilion at Cannes Festival

International advocacy and knowledge exchange

In October the BFI attended the FIAT-IFTA World Conference in South Africa. As a member of the Preservation & Migration Commission, we participated in the first PMC open meeting since 2019 and were part of the judging panel for the FIAT-IFTA 'Excellence In Media Preservation' Award.

The BFI were represented at the International Market for Classic Film (MIFC) in Lyon, France, sharing the BFI's approach to restorations and remasters, and making links for future collaboration and archive exhibition opportunities.

Team members also presented their cutting-edge work in recording off-air TV using open source code (that they wrote) at the No Time To Wait conference in the Hague, Netherlands: 'Introducing STORA – YouTube' as well as at the European Broadcasting Union's online Data Technology Seminar.

The BFI National Archive was represented alongside INA (France) and National Film Board of Canada at a special EURODOC lab for documentary filmmakers held in Martinique in the eastern Caribbean (the BFI team zoomed in from London). We introduced key BFI collections, licensing and access practicalities, and discussed our work on creative collaborations and broadcast partnerships. Attendees included filmmakers from Haiti, St Vincent and Venezuela among others, all developing projects as we speak including around cultural access to archive of former colonial territories.

These training sessions can be a good way of engaging the international filmmaking community with our collections, demystifying the BFI, and hopefully inspiring them to work with us.

In December our Film Preservation Manager, and Executive Director of Knowledge & Collections, accepted an invitation from India's Film Heritage Foundation (FHF) to join the faculty of the 7th annual Film Preservation & Restoration Workshop. The workshop is sponsored by FIAF and is open to applicants from countries which have no or very limited access to film archival and preservation support, infrastructure and training. Our attendance was financially supported by the FHF.

The students this year included people who were in the process of setting up new national film archives (Sri Lanka, Saudi Arabia) as well as people from established archives in countries with no formal training in this area of work (India, Turkey). The faculty were drawn from major institutions – from the US the Academy and the Met Museum, Italy's l'Immagine Ritrovata, France's INA and Pathe Foundation, also Portugal, Germany and Switzerland.


Image: The BFI Master Film Store facility in Warwickshire

ACHIEVEMENTS IN THE RESEARCH AND MUSEUM SECTOR

AHRC Capital Funding to improve collections storage

For a second year running we have been successful in attaining a funding grant from the Arts and Humanities Research Council (AHRC) under their Creative Research Capability grant scheme. The award of £150,789 will allow us to renew and upgrade of our existing library facilities through the refurbishment and enhancement of our library store in the multi-media vault at the Conservation Centre in Berkhamsted. The new shelving will provide us with vital growth space for the next ten years as well as improved facilities for working with the material in situ. We anticipate completing our new library store in May 2023.

AHRC Research Projects

BFI National Archives curators co-led with University of West London an AHRC-funded Research Network *Hidden Screen Industries*. This network brought together academics, curators and practitioners to collate expertise on professional screen sectors beyond cinema and TV, investigating their huge but often neglected presence in historical and contemporary British filmmaking and how that should influence heritage practice, academic histories and contemporary policy.

The Archive is a Co-Investigator on a major multi-institutional AHRC project which commenced in 2022. *The Congruence Engine*, led by the Science Museum Group, aims to connect multiple collections, including the BFI's film collections, reflecting British industrial histories (textiles, energy and communications) and to synthesise curatorial, academic and community expertise on those collections and histories using new digital tools.



Image: Costume Design for Brendan Fraser as Rick O'Connell in The Mummy – BFI National Archive – Ann and John Bloomfield Collection

Future Learning & Skills

Future Learning and Skills



Education is central to future filmmaking talent, both above and below the line. Throughout the year we strived to create opportunities for every young person across the UK to engage with film from an early age, developing their understanding and command of screen literacy in tandem with learning industry standard production skills.

NFTS Early Stage Access and Diversity Accelerator Programme

BFI awarded the National Film and Television School (NFTS) National Lottery funding towards the costs of delivering this programme during the term from 1 April 2021 to 31 March 2023. The aim was to increase the diversity of applicants to their programmes and increase their reach and impact to inform and support more young people to work in the film and TV industries.

Since the programme started, NFTS have engaged over 16,000 young people, benchmarking positively against diversity and inclusion targets. The accelerator resulted in the most diverse cohort ever enrolling at the school in January 2022 with 33% of students female, 46% ethnically diverse, 23% LGTBQ+ and 38% disabled.

Into Film

Into Film is a UK-wide education charity, part-funded by BFI, which puts film at the heart of children and young people's education and supports teachers and educators in their use of film. During Covid, Into Film adopted a hybrid led remote teaching and programme delivery. This has helped transform their approach to become more online and resource led, increasing dramatically the reach and scale of operation, and deepening impact.

The number of UK account holders continues to increase year on year (51,000+ this year). Teachers engage with the programme in different ways - engaging with Into Film's curriculum-linked resources, Into Film+ SVOD service and other member-facing filmmaking activities. Throughout the year a total of over 3.8 million beneficiaries benefitted from Into Film funded activities.





Image: The Prince of Wales meeting Film Academy alumnus

Ffilm Cymru Wales

BFI continued to support the delivery of film education projects in Wales, via National Lottery funding managed and allocated by Ffilm Cymru Wales through their Film Education Project Fund. During this year the Film Education Project Fund supported three projects in Wales, engaging young people in creative learning. The grants enabled film education practitioners to teach new and exciting film practices to participants in their schools as part of the curriculum, or in local community spaces as extra-curricular activities.

BFI National Film Club Programme

BFI Film Clubs offer an exciting opportunity for aspiring 12–15-year-old film-makers in some of England's most socially and educationally challenged areas to learn new skills, develop their creativity, and engage with the best of world cinema. The network of clubs complements BFI's existing programmes for 16–19-year-olds offered through the Film Academy network. Throughout the year the clubs returned to in-person delivery, after a very successful online approach during Covid. Delivery partners ranged from local community providers, through BFI Film Academy partners, to national delivery partner the National Saturday Club. Clubs have been delivered in community settings and in partnership with local colleges and universities to around 800 beneficiaries.

BFI FILM ACADEMY 2022/23

Now in its eleventh year, BFI Film Academy is backed by the Department for Education (DfE), National Lottery, Screen Scotland, and Northern Ireland Screen, and continues to provide young people across the UK, the opportunity to take part in hands-on filmmaking, receive training from industry professionals and build their professional networks, ensuring they are prepared to take their next steps into the UK film and screen industries.

Courses

Since 2012 approximately 10,000 places have been created on short courses and specialist residential courses for 16-19-year-olds. This year the DfE committed a further £1 million, supported by £500,000 from the National Lottery and £77,500 from Screen Scotland and Northern Ireland Screen, for delivery in those nations, to deliver 54 script to screen courses to over 1,200 young people. Specialist residential course options include animation, VFX, documentary, programming and audience development, and craft skills.

Events

Our monthly skills-based Lab events this year recorded 1,000 live views and almost 4,000 post-event views to-date. Topics covered included writing for genre films, festival strategies, finding inspiration in the archives in partnership with the BFI Collections team, and a session on programming that attracted aspiring programmers from across the UK.



Image: Prizewinners at the Future Film Festival 2023

We continue to host weekly SCENE events – Instagram Live interviews with young filmmakers, including alumni of Film Academy courses – were hosted by the Film Academy Young Programmers, who help shape and promote the BFI Film Academy events programme. The SCENE events have so far achieved more than 2,000 live and 5,000 post-event views, and the audience continues to grow. Highlights included two seasons curated by the Young Programmers that focused on health & well-being and adaptations.

The Young Programmers also publish weekly film reviews for the Film Academy social channels and in March a 'Film Academy Recommends' section was introduced in the BFI Southbank guide, with Young Programmers picking one film from the BFI's public programme to highlight each month.

Future Film Festival

The 16th edition of the BFI Future Film Festival ran as a hybrid event. The festival received over 1,000 eligible submissions of short films made by young people aged 16-25 from 53 countries across the world, with increased global representation attracting 40% ethnically diverse directors, 47% female directors and 4% non-binary directors.

BFI worked with a panel of ten BFI Film Academy Young Programmers, all aged under 25, and helped us shape the programme of 55 short films. These films were shown at the BFI Southbank and for the first time all the shortlisted films were available to view, for free, from anywhere in the world via YouTube.

During the four-day festival 55 events were hosted, utilising 143 speakers and guests including Daisy Ridley and Rian Johnson, with new BFI Fellow Spike Lee announcing the start of the festival, which saw an increase in in-venue sales of 16%. In a bid to make the festival as accessible as possible all the morning keynotes were British Sign Language (BSL) interpreted, trigger warnings were displayed for each event, and quiet rooms available. All our Digital Hot Spot events were shared with Closed Captions and had BSL interpreted video options.



Image: Spike Lee with BFI Film Academy Alumni at his Masterclass event

Venue Education Fund

Since its launch in 2021 the BFI Film Academy's Venue Education Fund has worked with seven lead organisations across the UK enabling venues across the UK to provide locally tailored masterclasses, screenings, and bursaries, to help young people aged 16 to 25 learn more about the film industry. By watching cultural cinema, becoming familiar with local venues we aim to develop young people's skills as independent filmmakers, film curators and film industry new entrants. The Venue Education fund provided a vital link between the existing BFI Film Academy programme, BFI Network, and the BFI FAN network.

Film Academy Alumni Programme

Our Film Academy alumni receive opportunities throughout the year to grow & develop. This year this included attending a masterclass with BFI Fellowship Award recipient Spike Lee, and a roundtable session with Michael B Jordan.

Future Skills Trainee Programme

Now in its seventh year, the BFI Film Academy Future Skills Trainee Programme supports young people from under-represented groups to build a career in film through extended, fully paid, work placements. This year, 42 young people gained valuable experience on placements across 24 departments on UK productions, including two high-end television productions from a major studio, joining over 150 other trainees who have begun their careers through the Future Skills programme since 2016.

BFI LEARNING

Schools

Film can play a powerful role in supporting more diverse representations in young people's lives, particularly by expanding and enriching the school curriculum. This year we led on launching the Network for Ethnically Diverse Film Educators, which aims to consult on representation in film studies in the curriculum in England.

In August we hosted 20 ethnically diverse teachers to participate in a two-week Teach First placement programme. Coming from a range of subject backgrounds they created teaching resources using films from the BFI National Archive to challenge racism and racist attitudes through the school curriculum.



The BFI's support for schools, teachers, pupils, and students continued via a hybrid programme, combining venue activity at BFI Southbank, and a smaller online offer. We welcomed 10,826 students in venue, and over 3,000 online at a total of 67 events. We were excited to launch a programme for schools, offering IMAX documentaries to support the curriculum on the biggest screen in the UK. Our popular events for trainee teachers continued, with close to 300 teachers attending workshops in the spring of 2022. In June, the BFI Media Conference returned to venue bringing 150 film and media teachers to sample the best of industry insight and teaching practice.

BFI Families and Children

Our programme for families and children and young people under 16 continues to attract high demand. We opened a new club in Bromley and renewed our partnership with local neighbourhood provider Coin Street Community, screening family films for their clients once a month. We continue to look for new local partnerships to support this kind of work.

Online Learning for Adults

Over the last three years, we have been working on an exciting collaboration with The Open University to develop three short courses. Each of these courses are six-weeks in length and contain specially chosen BFI archive materials. The first two courses' *Media, Politics, and Society, and Reading the Screen*, launched in 2021 enrolling 150 students, while the third, *A Story of Documentary Film*, opened in February. These courses run three times a year, across eight years, giving worldwide audiences access to the treasures of the BFI Archive.

In October in partnership with Learnaboutfilm we launched a brand new four-week course on *How to Make a Short Film*. To date this course has 1,824 sign ups and has 4.8 out of 5 stars from users. Our FutureLearn courses continue to attract many new learners with *Victorian Film* – 6,613 enrolments, *Film Education: A User's Guide* – 6,331, and *Short Film in Language Teaching* – 22,628.

A Champion for New Filmmaking Talent

A Champion for New Filmmaking Talent


Image: *Just Johnny*

BFI NETWORK champions new talent and unheard stories and is passionate about films that reach new audiences. As part of the BFI's long-term commitment to discovering, developing and championing new and emerging filmmakers, BFI NETWORK offers extensive professional development, funding and editorial support for producers, writers and directors aged 18 and over at the start of their careers.

The programme awards National Lottery funds for the production of short films and the development of debut feature film projects. The UK-wide BFI NETWORK teams are based in leading cultural venues across England in the five BFI FAN Hubs and with our national partners Ffilm Cymru Wales, Northern Ireland Screen and Short Circuit in Scotland.

We also work with Doc Society to support short documentary films each year through their BFI Doc Society Made of Truth Fund, and British Council on the More Films for Freedom short film funding programme exploring LGBTQIA+ stories from the Middle East and Africa, and for this year only, a special additional focus on Brazil.

Funding

UK-wide this year we received over 800 applications for short film projects, and over 300 for early development projects. This means fierce competition, and difficult decisions, but continuing our regular growth we saw 41 short films and 31 early development projects funded and are very excited to see these projects reach completion soon. Our delegate partners in Northern Ireland, Scotland and Wales saw a combined 38 short films funded into production, and BFI Doc Society supported nine short films through their Made of Truth Fund.

We have piloted a Wellbeing Facilitator trial on a selected number of shorts, offering access to additional training and on set support. We will be reviewing the findings from these projects and re-grouping to consider and plan what support that can be offered into the new strategy period, what worked and what could be improved.

We continued to provide additional funding for COVID-related production costs and access related costs to our short films where needed. As well as cohort training for all BFI NETWORK funded teams in areas such as health & safety, sustainably, bulling & harassment and more.

Partnerships

During this year BFI NETWORK underwent a large scale evaluation for 2017–2021, which has allowed us to reflect more widely on the expansion of our partnerships, as we continue to build more collaborations with other organisations for outreach and activity provision.

Connected to our eight core delivery partners, we now have a network of 250 UK-wide organisations who our partners work with to diversify the screen sector, co-develop programmes, run joint activities and promote our funded work.

There has been a particular focus on partnerships with community led and industry facing D/deaf and Disabled organisations, including DANC, Beacons Films, Bigger House Films, Little By Little Films, 104 Films, Disability Arts Cymru, University of Atypical and more. The long-term commitment in this area has led to an increase of D/deaf and Disabled talent being awarded BFI NETWORK funds over the five years (detailed below).

Professional Development

This year we have seen a shift back to in person attendance for professional development and are working in a truly hybrid way. Over 4,200 people benefited from in-depth professional development programmes and events, nearly double from the previous year. These included a huge array of targeted training for writers, directors and producers across the regions and nations via labs, workshops and large scale networking events. Our Talent Executives respond to arising sector needs, and provide resources and activities that addressed reliance, on-set wellbeing and how to deal with creative setbacks, for example the recent Growth Mindset Webinars run by Film Hub Midlands to accompany the application refusal process.

Our flagship NETWORK@LFF programme was back this year with a four day programme and increased capacity with 15 exciting emerging writers, directors and producers from all over the UK selected from 596 applications. The programme creates an environment where the participants can ask candid questions of the makers they are introduced to, who share their expertise with absolute generosity. Highlights this year included sessions with Saim Sadiq (*Joyland*), Alice Diop (*Saint Omer*) and Dionne Edwards (*Pretty Red Dress*), and meetings with commissioners from Film 4, BBC, Netflix and BFI.

We ran our second iteration of BFI NETWORK Insight: Emerging Producers programme, designed and delivered by Screen Yorkshire, providing 12 UK emerging producers with vital training and professional development support in taking serious steps towards their debut feature and growing sustainable, creative companies. The participants had the opportunity to take part in the European Film Market in Berlin, where they had pre-arranged meetings and talks with international producers, sales agents and distributors.

From the largest number of applications to date (180), six emerging LGBTQIA+ filmmakers were selected for the 2023 BFI Flare x BAFTA mentoring. We also supported over 100 filmmakers to attend festivals or labs through our Travel Grants scheme run by the British Council.

Inclusion

BFI NETWORK builds inclusion into every element of its activity and the structural impact of this approach was demonstrated in the inclusion statistics for funded projects in England, which saw 49% of awards made to female or non-binary filmmakers; 16% to disabled filmmakers; 33% to ethnically diverse filmmakers; and 28% to LGBTQIA+ filmmakers.

These results meet or exceed our targets in every category and are a testament to the detailed work of BFI NETWORK's staff and partners to design programmes and practice that opens doors, de-mystifies the industry and interrogates – and alters – the status quo at every opportunity. The most notable increase in 2022–23 was with ethnically diverse filmmakers, which is up from 24% last year to 33% this year.

Festival Awards and Success

BFI NETWORK-backed short *An Irish Goodbye* (made through our partner Northern Ireland Screen) was our most successful project this year winning in both the BAFTA and Academy Award Short Film categories. Via our British Council travel grants we supported the co-directors and lead actor to attend the award ceremonies and make the most of this incredible opportunity. From Scotland, BFI NETWORK backed short *Too Rough* (partner Short Circuit) won the BIFA Best British Short Film Award 2022.



Image: *An Irish Goodbye*

Supporting the Future success of UK Film

We move into the new strategy period and fund restructure on the back of considerable recent success: 2022–23 represented the last year of the Film Forever strategy and saw standout success as projects backed by the fund won critical praise and accolades, and generated cultural conversation. Film Fund supported projects won the Palme D'Or 2022, garnered Oscar and BAFTA nominations and wins, and made significant cultural impact.

This past year, the Filmmaking Fund has continued to tackle barriers against inclusion and equal opportunity to foster a more skilled, representative and sustainable UK-wide workforce. The Fund's work this year has included rolling out new mandatory training for all Fund team members on Anti-Racist practice, Active Bystander practice, Disability & Access Awareness, and Supporting Trans Professionals in the Screen Industries.

The Step Up scheme, first introduced in 2018 to address an imbalance in representation on film productions, has continued to provide opportunities to underrepresented people. To date over 60 people working in crew or as Heads of Department have stepped up across 35 Film Fund productions. Over the past year, 64 projects have received Development funding and 10 projects have received Production Funding, with eight additional projects also given letters of interest. As of April 2023, two projects are currently shooting and eight are in pre or post-production.

Formerly known as the BFI Film Fund, the new BFI National Lottery Filmmaking Fund was officially launched in March 2023, as part of the wider BFI 2033 Screen Culture strategy. The Filmmaking Fund will continue to uphold National Lottery funding principles and, by using clear and refreshed funding priorities to drive decisions, aiming to expand the support for culturally impactful films in both development and production. 2023–2026 will see the opening of new funds providing financial and career support for early and mid-career filmmakers. Production funding will be split into two funds: Discovery, for debut features under £3.5m, and Impact, for second features (and beyond) or debuts with budgets of over £3.5m. For the first time in several years, the Discovery Fund will operate in rounds in order to maximise the budget and make funding decisions more equitable. Impact is a rolling fund.

Future Takes, a new high budget short film fund run in partnership with Film 4, opened for applications in December 2022 and received more than 400 applications from experienced short form filmmakers who are progressing towards their first feature. Through this fund, we will make up to 7 awards of £90,000 to fully fund 7 high budget short films. Assessments are still ongoing but there are plans to see a similar scheme return in the future.

Supported Filmmaker diversity and inclusion data 22-23 (Writer, Producer, Director)	Development	Production	2022–23 Targets
Female/non binary	66%	64.81%	50%
Black or Global Majority	39%	35.19%	30%
LGBTQIA+	21%	16.67%	15%
D/deaf and disabled	10%	6.11%	10%


Image: *Blue Jean*

Stand Out Film Successes

Last May, Ruben Östlund's searing satire *Triangle of Sadness* had its world premiere at Cannes Film Festival receiving widespread critical acclaim and the festival's prestigious top prize, the Palme d'Or. The film went on to receive further accolades internationally, winning four European Film Awards, (Best European Film, Director, Actor and Screenwriter), two Golden Globe nominations, three BAFTA nominations and three Oscar nominations (Best Picture, Best Director and Best Original Screenplay). In addition to Cannes, the film also screened at London Film Festival (LFF), Toronto International Film Festival (TIFF) New York Film Festival (NYFF) and San Sebastian Film Festival. The film has chimed with audiences globally and grossed a worldwide total box office in excess of $25 million, achieving over one million cinema admissions just five weeks into its theatrical release.

Charlotte Wells' debut feature *Aftersun* also made a splash with its premiere at Cannes and picked up the French Touch Prize of the Critics' Week Jury. The film subsequently screened at LFF, TIFF, NYFF, Telluride Film Festival, Edinburgh International Film Festival, Adelaide and Melbourne Film Festival. The film has received near universal critical acclaim both in the UK and overseas. The filmmakers swept last year's British Independent Film Awards (BIFA), winning seven awards, including for Best British Independent Film, Director, Screenplay, Debut Director, Cinematography, Editing and Music. Charlotte's work was also recognised at the BAFTAs where she won the award for Outstanding Debut by a British Writer, Director or Producer. The tremendous performances have also been celebrated, with the film's star Paul Mescal receiving his first Oscar nomination for his lead role. *Aftersun* has resonated with audiences and taken in excess of £1.8 million at the UK box office alone, having played for a remarkable five months in cinemas. The film sold in all territories worldwide, an incredible achievement for a feature debut.

Writer-director Georgia Oakley also made her feature debut with Section-28 drama *Blue Jean*. It had its world premiere at Venice Film Festival where it won the Gionate Degli Autori's People's Choice Award. Subsequently it also premiered at LFF, Thessaloniki and Seville Film Festivals. The filmmakers and cast won four BIFA awards (Best Lead for Rosy McEwan, Supporting Performance for Kerrie Hayes, Debut Screenwriter, and Best Casting). Writer-director Georgia Oakley and producer Helene Sifre were also jointly nominated for a BAFTA for Outstanding Debut by a British Writer, Director or Producer. Like *Aftersun*, in a remarkable achievement for a debut, Blue Jean also sold in all territories worldwide.

Raine Allen-Miller's feature debut *Rye Lane* had its world premiere at Sundance in January 2023. The film received an enthusiastic reception at the festival and subsequently opened across 350+ screens in the UK. From powerful word of mouth and positive reviews, the film played strongly in cinemas across the UK and heading towards a domestic box office in excess of £1 million. Supported by Searchlight Pictures, the charming South London set film was released in North America on Hulu and to further large audiences worldwide on Disney+.


Image: *Nezouh*

Soudade Kaadan's highly anticipated sophomore feature *Nezouh* also made its world premiere in the Horizons Extra section of the Venice Film Festival. This Syrian-set drama received critical acclaim and picked up the Audience Award for the Horizons strand. The film went on to also screen at LFF (where it was nominated for Best Film), at the Red Sea International Film Festival and the Cairo International Film Festival.

Having premiered at the 2022 Sundance Film Festival, *Brian & Charles* continued its lauded run. The film received BIFA nominations for Best Debut Screenwriter for David Earl and Chris Hayward as well as Breakthrough Producer for Rupert Majendie. This year the film also scored a BAFTA nomination for Outstanding British Film.

Charlotte Regan's feature debut *Scrapper* premiered at Sundance 2023. Starring Harris Dickinson and introducing Lola Campbell in her first role, the debut won the Grand Jury Prize for the World Cinema Dramatic Competition. The film has been announced as the opening film of the Sundance London Film Festival in July 2023.

Ella Glendining's probing documentary *Is There Anybody Out There*? also received well-deserved praise when it premiered at Sundance 2023 and Copenhagen International Film Festival. The film follows Ella as she travels to the US in search of people who, like her, love their body and do not view all disabilities as simply conditions in need of treatment. It now has a deal for distribution in UK and Ireland.

Lastly, Adura Onashile's debut feature *Girl* also made its premiere in the World Cinema Dramatic Competition at Sundance. Anchored by moving central performances from Deborah Lukumuena and Le'Shantey Bonsu, the film received critical acclaim. GIRL subsequently made its UK premiere as the gala opening film of Glasgow Film Festival (GFF) and will be released in cinemas in August 2023.

Carol Morley's hotly anticipated fourth feature, *Typist Artist Pirate King*, starring Monica Dolan, Kelly MacDonald and Gina McKee, also made its UK premiere at GFF. This followed on from a very warmly received world premiere at Tallinn Black Nights Film Festival in November.

Following on from his Oscar-nominated short, Basil Khalil's debut feature, *A Gaza Weekend*, screened in the Discovery section of TIFF. The film stars Stephen Mangan, and is a darkly comic film about an international pandemic that traps a British journalist in the Gaza strip.


Image: *Pretty Red Dress*

BFI NETWORK

BFI Network works nationwide with key delivery partners to continue to support short film production UK-wide and develops careers and projects in early development. Just one highlight of their work this year is *An Irish Goodbye*, which was funded by BFI Network N.I and Northern Ireland Screen, and won the Oscar for Best Live Action Short 2022; a stand-out achievement amongst many this year.

Short Form Animation Fund-supported works also had brilliant releases over the past year. *The Debutante*, based on a short story by Leonora Carrington and directed by Elizabeth Hobbs, premiered at LFF as well as Annecy Festival, Bucheon International Film Festival in South Korea and Clermont-Ferrand International Short Film Festival, where it received the Lab Special Jury Prize. Another short animation film, *Your Mountain is Waiting*, directed by Hannah Jacobs and written by Harriet Gillian, premiered at Leeds International Film Festival and Aesthetica Film Festival before picking up a BAFTA nomination for Best Animated Short.

Film Fund-supported VR immersive experience Consensus Gentium premiered internationally at SXSW in Austin, Texas. The immersive, smartphone-based experience debuted to widespread acclaim and won the Grand Jury Prize in the Immersive strand of the festival. The experience was also presented at Copenhagen International Documentary Festival.

BFI London Film Festival

The festival continues to be a brilliant showcase for Filmmaking Fund-backed features. The debut film for both director Andrew Cumming and screenwriter Ruth Greenberg, *The Origin*, had its world premiere at LFF. The critical praise it received was followed by three BIFA nominations (Best Music, Best Hair and Make-Up and Best Debut Screenplay) and Safia Oakley-Green won the BIFA for Breakthrough Performance.

Tom Hardiman's debut feature *Medusa Deluxe* also had its UK premiere at LFF, following its world premiere at Locarno Film Festival. The US rights were snapped up by A24 and the UK rights by by MUBI, who released the film in UK cinemas in June 2023.

Lastly, Dionne Edwards' feature debut *Pretty Red Dress* also had its world premiere at LFF, where the film received critical praise for the strong central performances from Natey Jones, Alexandra Burke and Temilola Olatunbosun. BFI Distribution have bought UK rights for theatrical release in June 2023.


Image: *Don't Hug Me, I'm Scared*

New Initiatives

In order to celebrate creative audacity and support early career UK filmmakers, the first BFI & Chanel Filmmakers Awards were launched in September. Industry bodies were invited to make nominations, which were then shortlisted and deliberated on by the final jury, which included British Vogue Editor-in-Chief Edward Enninful OBE, producer and founder of Le Cinema Club Marie-Louise Khondji and Tilda Swinton. The jury awarded £20,000 each to 4 awardees, Baff Akoto (*Queen of Glory*), Kathryn Ferguson (N*othing Compares*), Sam Firth (*The Wolf Suit*) and Erfan Saadati (*Child of Empire*), to further their ground-breaking work in VR, documentary and narrative fiction filmmaking.

Documentary Funding

LFF also provided a brilliant platform to celebrate documentary works supported by BFI delegate partner Doc Society. Directed by Edward Lovelace, N*ame Me Lawand* had its world premiere at LFF and received a nomination for the Grierson Award. The film explores how a young, Deaf, Kurdish boy learns to navigate life in his new home in Yorkshire.

Leah Gordon and Eddie Hutton Mill's film *Kanaval: A People's History of Haiti in Six Chapters* was similarly nominated for the Grierson Award and also received BIFA nominations for best Debut Director and Best Cinematography. Directors Lisa Selby, Alex Fry and Rebecca Lloyd-Evan's created an unflinching portrait of addiction in Blue Bag Life, which won the Audience Award after its premiere at LFF. The film also won the Golden Alexander in the Film Forward Competition at Thessaloniki Documentary Film Festival and will screen in UK cinemas in April 2023. Finally, the festival screened Alice Russell's *If The Streets Were on Fire*, which powerfully explores the consequences of austerity in the UK.

This year, BFI Southbank also hosted a preview and Q&A with the cast and crew of Kim Hopkins' Doc Society supported *A Bunch of Amateurs*. Filmed in part during the COVID pandemic, the film allowed audiences to live vicariously through some of the fascinating, charming, and often raucous members of Britain's oldest amateur film club. The film has been enthusiastically received by audiences, picking up the Audience Awards at Leeds, Sheffield and Leipzig Film Festivals. The film also won Best Documentary at Sheffield Documentary Festival as well as at

Santa Barbara International Film Festival. Kathryn Ferguson's powerful Sinead O'Connor documentary Nothing Compares premiered at Sundance 2022 and subsequently sold worldwide to Universal, in a brilliant achievement for her debut.

Doc Society has been the Fund's delegate partner for funding short and long form documentary development and production for the last five years. As we enter the new strategy, the delegate partnership went under review ahead of the new fund launch. Three organisations made full applications, which were comprehensively assessed through evaluations and interviews, with the support of external expert assessors. After careful consideration, Doc Society was reappointed the delegate partner for 2023–2026.

Young Audiences Content Fund

The Young Audiences Content Fund (YACF) closed for applications on 25th February 2022, with oversight of production and development awards continuing through this annual report period. The YACF, which was managed by the BFI and funded by the UK Government via the Department for Culture, Media & Sport (DCMS), supported the development and production of new, unique and distinctive, UK-made content on platforms, for young audiences in the UK.

An independent evaluation report, created by external consultancy Bigger Picture Research, detailed the success of the pilot. 61 new productions for young audiences were supported, of which 13 were recommissioned based on the strength of their performance. The fund also supported the development of 160 new projects, of which just over 9% have since been commissioned and / or gone into production for broadcast to date (higher than the average 5% industry standard).

The programmes that have transmitted to date have enjoyed ratings success, securing a total of 36 national and international prestigious industry award nominations with a total of 14 winners.

The Fund proved an effective lever in delivering high quality public service content for young audiences across different genres and techniques, contributing to a more plural landscape in the industry and directly encouraged additional investment for projects, targeting this age group.

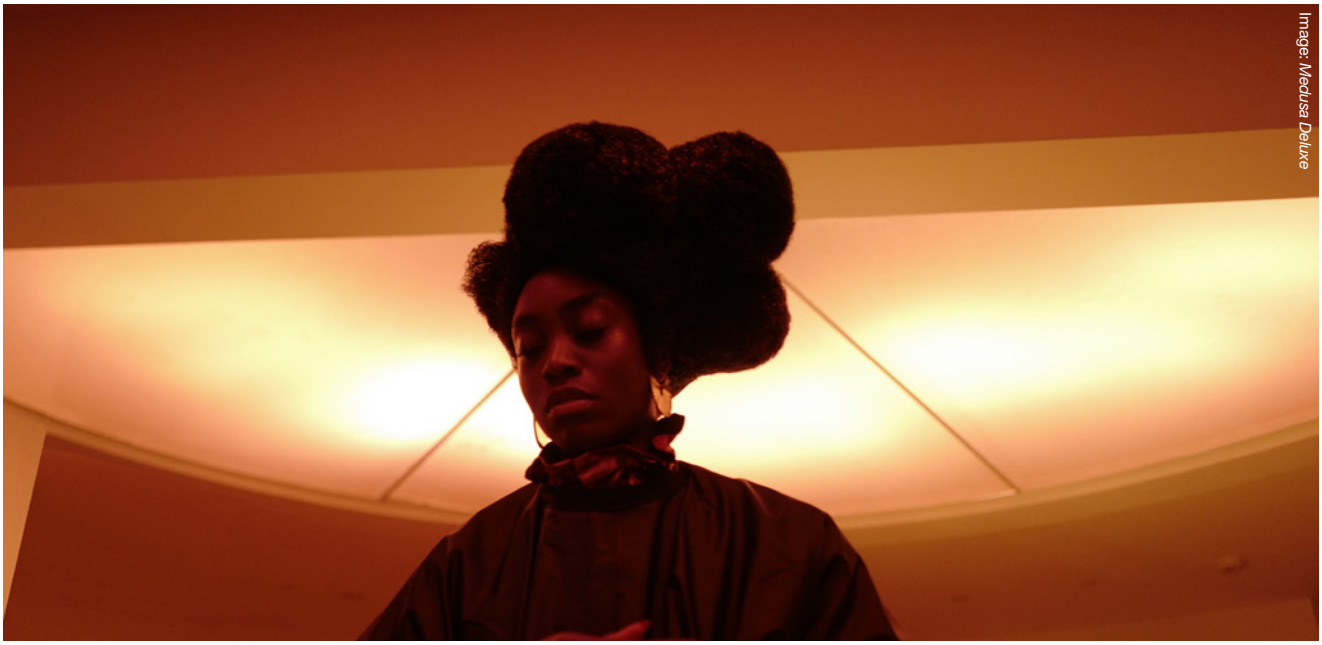
- 71% of development and production spend was located outside of London and the South East.
- 10% of production awards and 7% of development awards supported new content in indigenous languages (Scottish Gaelic, Irish Gaelic and Welsh).
- To date, an estimated 6,976 roles for UK cast and crew were created by projects backed by YACF funding, equating to 185,087 job days

The YACF backed critically acclaimed and award-winning series such as *COP26: In Your Hands* (Sky Kids), *Don't Hug Me I'm Scared* (Channel 4), *Big Boys* (Channel 4), *The World According To Grandpa* (Milkshake!), *Teen First Dates* (E4), *Generation Genome* (KMTV), *Ted's Top Ten* (CITV), *Makeaway Takeaway* (CITV), *Mimi's World* (Channel 5's Milkshake!), *Meet The Experts* (Milkshake!), *Go Green With the Grimwades* (Milkshake!) and *Tell Me Everything* (ITVX), as well as projects in indigenous languages such as *Run* (BBC ALBA), *Lachlan Boy at the Top* (BBC ALBA) and *Sol* – a film on grief created for the Celtic language channels ITG4 (Irish), BBC ALBA (Scottish Gaelic) and S4C (Welsh).



Image: *Big Boys*

On the International Stage


Image: *Medusa Deluxe*

Partnership building and exchange

In-person delegations were led by the BFI to Cannes ImpACT Lab, Munich International Film Festival, Nigerian International Film & TV Summit, Les Arcs Co-production Village and the EFM Berlinale inclusion initiative. We worked with the Doc Society to support a delegation of UK documentary filmmakers to attend CPH:DOX in Denmark. Further delegations of UK producers were invited to Poland and Mongolia.

We also organised two on-line networking sessions for producers exploring collaboration with Uruguay and Finland. BFI collaborated with the French Institute in the UK and Unifrance to host a delegation to LFF for French producers seeking co-production opportunities. The delegations to markets and festivals have provided opportunities for producers to progress their co-productions, gain additional international experience and build their networks of international producers. Many of the participants are emerging, and/or from diverse, under represented backgrounds.

Through the International Fund we were able to support international industry events including the Production Finance Market at LFF, Sheffield DocFest, the UK Stand at the Annecy Animation Festival and Market, British Film Festival in Dinard, Locarno Match Me!, New Cinema Days in Manchester and This is England Short Film Festival in Rouen.

BFI's International Fund supported the UK Pavilion at the Cannes Film Festival Market, which offered a series of curated industry panels and networking sessions. Also at Cannes we facilitated UK producers networking with their counterparts from the Nordic countries.

The Fund also supported Film Export UK to ensure the UK presence in the form of a dedicated stand branded We Are UK Film at the following events: Berlinale, Toronto International Film Festival (TIFF) and Asia Contents and Film Market Busan. Film London was supported to organise another edition of London Screenings, an export focussed event showcasing new UK films to international buyers. NFTS received support to deliver Inside Pictures – an international film business professional training programme.

Finally, the Film Export Fund supported 14 UK Films at many leading international festivals, including Sundance, Cannes, Telluride and SXSW. Titles included *Aftersun*, *Scrapper*, *GIRL*, *Medusa Deluxe*, *Merkel*, *Blue Jean*, *Nezouh*, *Great Yarmouth*, *My Name is Happy* and *Fashion Reimagined*.


Image: *Drift*

Co-production

BFI engaged with the UK government in ongoing negotiations with the governments of Australia and Canada on modernising existing co-production treaties with these two countries. Once they enter into force, the revised treaties are expected to unlock increased opportunities for collaboration across film and TV.

UK Global Screen Fund

The UK Global Screen Fund (UKGSF), launched in 2021, is a £7m per annum fund designed to boost international development, production, distribution and promotional opportunities for the UK's independent screen sector. The UKGSF targets support across the screen sector, including film, TV, documentary, animation and interactive narrative games content. Financed by the UK government's Department for Culture, Media and Sport (DCMS), the UKGSF is focused on supporting International Co-production, International Business Development and International Distribution.

To date, the UK Global Screen Fund has made 97 awards, in the form of non-recoupable grants, totalling over £7.9m[5]. It has awarded funding to 25 international co-productions, bringing new global partnerships with 24 territories including China, New Zealand, Chile, Argentina, Ireland, France and Germany. The fund has helped boost international sales of critically-acclaimed UK feature titles including *Living* (Oliver Hermanus, 2022), *Enys Men* (Mark Jenkin, 2022) and *Good Luck to You*, *Leo Grande* (Sophie Hyde, 2022). To date it has awarded 35 companies with support for business development strategies that drive international growth.

Alongside financial support for UK screen businesses, the UKGSF has launched a consumer brand, ScreenUK, to promote UK screen content internationally. The digital campaign showcases and celebrates UK independent-spirited film, TV, animation and games, inspiring global audiences to discover the best talent and titles from across the UK.

5 Following its successful pilot year, the fund was renewed and budget confirmed within this financial year 2022/23. As a result of these timings, some UKGSF funding programmes will continue to make awards from this year's budget post 1 April and will therefore report on those further figures subsequently.



Image: Demystifying Finance panel discussion, Cannes Film Festival, image by Darren Brade

Inward investment

The BFI funds and works in partnership with the British Film Commission (BFC) to deliver economic growth through inward investment to the UK for film and high-end TV production. A key pillar of their work is the tailored support provided to productions in partnership with screen agencies across the UK, which this year attracted almost £1.3bn of feature film inward investment and £3.1bn of High End Television inward investment. The team also represents the UK at key markets and festivals such as TIFF (Toronto), EFM (Berlin), Sundance and Annecy, as well as delivering events such as the UK Film and TV week in Los Angeles.

At the start of the COVID-19 pandemic the BFI worked with the BFC to develop production and travel guidance for the sector in line with Government policy. Throughout this past year, they have maintained and updated that guidance in response to the changes in circumstances. They have also worked with us on key policy issues such as the impact of EU Exit, the protection of the UK's European Works status, Creative Worker Codes of Practice and improvements to the tax relief.

International Policy

Throughout the year we have taken an active part in the work of European Film Agency Directors association (EFAD) which brings together 35 national film agencies from across Europe. We attended EFAD General Assembly meetings held in person in Cannes, San Sebastian and Berlin. We played an active role in all EFAD's working groups. We also continued to maintain a very close watching brief on EU, Council of Europe and international policy matters including those relating to European Works, mobility, co-production and the protection of copyright.

Work continued on ensuring the interests of the UK's screen sectors are represented and protected in the Government's negotiation of new Free Trade Agreements (FTAs) around the world including India and Australia as well as the UK's accession to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

Leadership & Advocacy

Leadership & Advocacy



UK Film & TV Production Restart Scheme

In July 2020 the DCMS launched the Film & TV Production Restart Scheme to help UK productions that were ready but unable to start/restart due to a lack of insurance cover in the commercial marketplace to cover COVID-19 related losses. The development of the scheme was a key priority identified by the BFI Screen Sector Task Force, which brought the sector and government together to set out and deliver a recovery plan for the industry. The scheme supported 1,259 individual indigenous UK film and TV productions with a combined production expenditure of £3.06 billion and secured over 100,000 jobs. The scheme was kept under review as the sector gradually recovered, and was extended to provide cover for production losses incurred up until 30 June 2022 and has now closed.

The detailed COVID health and safety guidance for film and TV production and for post-production/VFX, that was developed by the industry as part of the BFI's Screen Sector Task Force and supported by the UK Government, also played an important part in the sector's recovery.



National Lottery Funding Strategy

In October we published the BFI's new ten-year National Lottery Strategy, which sets out what we want to achieve through the National Lottery funds we award over the period from April 2023 to March 2033. We paired this with a National Lottery Funding Plan setting out the specific funds and programmes through which we will award up to £136 million over the first three years of the strategy period, from April 2023 to March 2026.

We continued to develop both the Strategy and the Funding Plan over the first half of the year, building on the extensive stakeholder consultation, research and analysis that started in August 2021. In April, we published a draft version of the strategy based on all the evidence we had collected and developed in line with the HM Treasury Green Book's guidance on designing funding programmes.

We ran a second round of consultation based on this draft strategy. We asked people whether it was fit for purpose, whether there was anything missing, and whether we should make any changes. We offered an online survey on the draft framework, which was open to anyone to contribute or comment on over a four week period. We also held a series of online meetings from across the UK, including Belfast, Bradford, Bristol, Cardiff, Glasgow, Liverpool, London, Manchester, Newcastle, Norwich, Nottingham, Plymouth and Sheffield. We also ran sessions on key areas of focus, including young people, video games and interactive content, and equity, diversity and inclusion.
In addition to collecting this feedback, we continued to feed in new research and insight that could help make sure our Strategy was effective as possible. This included the BFI Skills Review, Economic Review of UK Independent Film, a review of the BFI Diversity Standards, as well as evaluations for a wide range of our existing National Lottery funds.

BFI National Lottery funding has historically focused on film, however, we used the strategy development process to engage with television, video games and interactive and immersive sectors too. This has helped us to understand the role that National Lottery funding may play as screen culture continues to evolve.
Since launching the Strategy and the Funding Plan in October, we have worked hard to get our funds and programmes up and running for April 2023, so we can begin delivery immediately. The majority of these have now launched, with more to follow in the early months of the strategy period.

Research & Statistics

The Research and Statistics Unit (RSU) supports the creation of independent, trusted and rigorous evidence on the screen sector. It provides insight on how independent and cultural organisations – as well as wider industry – can adapt and thrive, and deliver the greatest benefit to the public. The team's research projects and studies are informed by industry and academic stakeholders who advise and help determine our research priorities.

A key report this year was the Economic Review of UK Independent Film, commissioned by the BFI, authored by independent economists and guided by a steering group of industry experts. The report examined the significant and rapidly increasing challenges being faced by UK independent producers and put forward recommendations to support independent film, which were welcomed by the sector.

The RSU also published comprehensive research into film audiences across the UK and internationally. Our Screen Engagement Audience Tracker profiled cinema audiences across the nation, providing insight into the post-pandemic theatrical audience. We also published a bank of international market intelligence reports, providing resources for UK organisations selling film and TV across the world.

Evaluations were also completed for programmes under BFI2022 and additional Government programmes, to assess the delivery and impact of funding activities as well as to inform the development of our strategy. These included significant evaluations for National Lottery funds and programmes including the Film Fund, Audience Fund and BFI Network. On behalf of the DCMS the BFI commissioned an independent evaluation into the landmark Production Restart Scheme, which was published in April 2023.

Amongst projects initiated this year are two studies undertaken in collaboration with the Creative Industries Policy and Evidence Centre. The first of these, on the Economic and Cultural Value of Cinema Venues, aims generate robust evidence on the value of existing UK cinemas. The second is a scoping study seeking ways to measure the impact of overseas mergers and acquisitions on the UK video games industry. We have also initiated a scoping study researching skills gaps and shortages for the digital content production sectors (animation, post-production, video games, VFX as well as immersive and interactive tech).

Academic Partnerships

Success with research funding from the AHRC continued at pace, with awards made for a major project led by the University of Leeds looking at film costume, and to Emma Smart to upgrade the storage capacity and accessibility of the Library's physical infrastructure. We also secured a PhD studentship that will support a collections-led examination of the role of migrant creatives in the historical development of 'British' cinema, and designed a brand new funding scheme with the AHRC to celebrate the 75th anniversary of the NHS, a partnership that will fund three emerging filmmakers, and an academic consultant, to create films that reimagine the BFI's NHS on Film collection. The year ended strongly with the BFI partnering again with the AHRC on CoSTAR (Convergent Screen Technologies and Performance in Realtime), a £70 million programme of investment in screen technologies.

BFI Certification Unit

The BFI Certification Unit sits at the heart of the UK's world leading screen sector tax reliefs. The unit has administered the cultural test and co-production treaty qualifications on behalf of the Department for Culture, Media and Sport (DCMS), His Majesty's Revenue and Customs (HMRC) and His Majesty's Treasury (HMT) since 2011. The audio-visual tax reliefs play a key role in incentivising the production of culturally British content and make a huge contribution to economic growth in the UK.

In this financial year, the Unit received 2,550 applications (up from 1,831 in 21/22 and 2,073 in FY 20/21). This comprised of 1246 applications for film, 471 applications for High End television productions, 116 for animation, 537 for video games and 180 for children's television productions.

Inclusion

Inclusion



Image: *Is There Anybody Out There?* dir. Ella Glendining

BFI Diversity Standards

In 2022, following a review of the Diversity Standards conducted by Huma Qazi and the New Inclusion consultancy we re-engaged Huma and team to rewrite the Standards. This work was completed in August 2022, drawing together the feedback from an industry-wide consultation to adapt and improve the existing policy. The changes were made in consultation with industry stakeholders such as BAFTA, as well as with internal teams involved in distributing Lottery funds. In essence, the changes reflected the expanding ways the Standards are being used across the sector, merging them with specific guidance encompassing Film, Television, Games, Distribution and Exhibition, Skills and Education and their use across organisational activity. The language was updated to reflect the evolution of inclusive terms. We have also made some aspects of the Standards mandatory to guide where we would like to see real movement in each area and added specific elements around Duty of Care roles such as Wellbeing Facilitators, and a dedicated Standard E regarding Accessibility. These have been rolled out with our new BFI Lottery Funds and we will continue to monitor their use over the coming months and years.

Disability Equality and Access

In a newly appointed role, our Disability Equality Lead joined the Inclusion Team and has been instrumental in embedding intersectional and accessible work and practice into our activity at the BFI. She has been working with internal teams to grow our work in this area, including looking at trialling access coordinators on funded shorts and in venue.

In August 2022 an access audit was carried out at the reacquired BFI IMAX to ensure that any and all improvements to the space took into account the access needs of audiences and some of this learning was able to be implemented in the first adaptation of the space.

March 2023 saw the fifth edition of our disability and access film festival, Busting the Bias. This was the second edition in-venue at BFI Southbank and also included a UK-wide offering of a D/deaf and disabled curated shorts programme hosted on BFI Player. This programme of screenings, talks and immersive presentations championed accessible and equitable practices and cultures within filmmaking and exhibition, tackled conversations around authentic on-screen representation, and advocacy and inclusion for Disabled talent and audiences. It saw the first use of an access coordinator to deliver events with incredible audience feedback as well as allowing the BFI to reflect on the achievements of the outgoing membership of our Disability Advisory Group, ushering in the new generation of Chairs.

Social Mobility

In line with the Social Mobility Commission, we have developed a target of 39% to try and encourage fair socio-economic participation across BFI activity, which has now been included in our new Diversity Standards as well as across our strategy, Screen Culture 2033. We partnered with Underscore Studios and BFI Network to run a film festival at the Rio Cinema in Hackney, highlighting and celebrating the work of working-class filmmakers. It was a huge success, selling over 120 tickets and showing huge interest in the foregrounding of this work.

Race Equality

In February, we took four Black and Global Majority producers to the Berlinale, in collaboration with our International Team. The trip allowed our producers to take part in the Inclusion Pathways programme at the EFM who gifted our cohort accreditation to the festival. Our Race Equality Lead curated a series of activity with producer, Pamela Drameh, to ensure that the cohort met with a range of industry stakeholders and networked with other filmmakers in order to grow their expertise and contacts in the industry. We continue to take an intersectional lens on race, organising a Queer Nigerian event during Flare in March and taking part in Black Pride last summer.

We have also been continuing our internal anti-racism practice, engaging with the What If Experiment who have delivered anti-racism training to a group of twenty senior leaders at the BFI. They have also worked closely with our Race Equality Network (REN) to support them through this work and have been contracted again after a competitive tender process, to cascade training throughout the organisation and move some of our learnings into practice to benefit the culture of the organisation.

International Activity

The Inclusion Team continues to advocate for and provide thought leadership around Equity, Diversity, Inclusion and Access around the world. Over the past year the team has appeared on panels and created partnerships at various international film festivals and events including Cannes, Munich, Berlin, Toronto, Locarno and others, furthering the global conversation on inclusion and leading to additional activity with organisations such as the Black Screen Office in Canada which have helped to foster co-production and talent development opportunities in both countries.



Lashana Lynch at the premiere of Roald Dahl's Matilda the Musical, which screened as the Opening Night Gala at the 66th BFI London Film Festival

Fundraising and Enterprise

The cultural sector has experienced another difficult year. Despite challenging market conditions, we are proud to have exceeded our annual fundraising target, bringing in a total of £5.3 million to support the BFI's cultural and charitable work. This success is down to our treasured supporters and partners – both new and returning – whose generosity has had a major impact across the organisation. From BFI Southbank's cultural programme to the BFI National Archive, via education, festivals, and beyond, their support has been vital during this period of post-pandemic recovery. We are enormously grateful.

On 29 September 2022, our LUMINOUS fundraising gala, supported by CHANEL and LAIKA, took place in the ballroom of The Londoner Hotel. More than two years in the making, the evening proved a star-studded success, raising an impressive net profit of over £700,000 to support the BFI's education work. Tilda Swinton presented the inaugural BFI & CHANEL Filmmaker Awards to four talented recipients who each went home with a prize of £20,000. Our heartfelt thanks to the incredible talent, guests, partners and committee members who made the event such a success, including our visionary LUMINOUS committee chair Gerry Fox.

Nurturing and celebrating exceptional talent has been a key theme of this reporting period. In January, we launched The BMW Filmmaking Challenge in partnership with the BFI. The Challenge will provide five shortlisted filmmakers with access to the latest technology and a £10,000 production budget, enabling them to explore new perspectives and experiment with an exciting format, unlocking the potential of 8K / 32:9 cinematography. From the five shorts, a winning film will be selected to premiere as part of the Closing Night of the BFI London Film Festival in partnership with American Express taking place in October 2023 and all five films will be available on BFI Player.

This year we also had the privilege of awarding BFI Fellowships to three industry legends. In June, we celebrated James Bond producers Michael G. Wilson, CBE and Barbara Broccoli, CBE at Claridge's Hotel with our first Chairman's Dinner in two years. Then, in February, we were honoured to host the incomparable filmmaker Spike Lee at BFI Southbank for a sold out onstage conversation and award presentation.

The London Film Festival (LFF) is always a highlight of the year, and 2022's edition was no exception. It was a pleasure to work with our longstanding Principal Partner American Express, Main Sponsor American Airlines, Official Partner The Londoner Hotel and Sponsors Adobe, Bloomberg Philanthropies and Netflix and our In-Kind Sponsors Christie, Dalston's Soda and Four Pure Beer. Across the festival, we welcomed guests to a series of pre-screening receptions at the Royal Festival Hall and hosted exclusive events at Sea Containers London's rooftop bar for both Opening and Closing Night. Fundraising tickets for the Opening Night Gala Roald Dahl's Matilda the Musical proved enormously popular, generating over £22,000 of charitable income. This year also saw the culmination of Old Possum's Practical Trust's transformative three year grant towards our LFF Education work.

The 2023 Future Film Festival (FFF) was a huge success, benefitting from the involvement of fantastic new Principal Partner Warner Media. We were delighted to welcome back our Main Sponsor Netflix for the third year. Netflix also kindly sponsored the Future Film Festival Awards, enabling us to continue sharing the event online as well as in person at BFI Southbank. We would also like to thank The Chapman Charitable Trust who marked their 15th year supporting the festival, as well as longstanding funders London School of English who increased their grant towards FFF this year.

Just a month later, we were delighted to bring Campari on board for the first year as Main Partner of the BFI Flare London LGBTQIA+ Film Festival. We also welcomed back Official Partners American Airlines, Mischon de Reya and PGIM, Special Screening Partner Interbank, Accessibility Partner FactSet and our generous In-Kind Sponsors Dalston's Soda, Konditor and Noughty.

Over the past year our work with UK Universities has blossomed and we are grateful to have worked with so many incredible institutions across the UK. The BFI Player is now accessible to students and staff in over 30 Higher Education institutions providing a simple route to access the breadth and depth of UK independent and world cinema. We are forming deeper partnerships with our university network, bringing in guest speakers, providing industry ready training, supporting new Masters courses, and raising awareness and engagement with the BFI's cultural programme.

In March, we successfully completed another project with the English Cricket Board, focussing on increasing the diversity of storytelling and story-makers in cricket. It was delivered via a series of online and in-person filmmaking training sessions to over 100 participants from grassroots volunteers to community and county cricket.

In collaboration with the British Council, we delivered a two-day screenwriting lab in Madrid, attracting over



Image: Luminous Gala

150 applicants for a sell-out course. We were privileged to be joined by Georgia Oakley, the director of BFI backed film *Blue Jean*, for a Q&A with students and members of Spain's Academia de Cine' emerging filmmaker programme.

Another international highlight was our Patron and Major Donors' trip to Il Cinema Ritrovato in Bologna, where 30 guests enjoyed five days of the best classic cinema. Across the year, our Philanthropy team have been delighted to welcome 45 new patrons and six Film Forever Club members with a renewal rate of 90% across the two individual giving schemes. In addition, we welcomed two new Major Donors alongside continued support from each of our existing lead supporters. A special thanks to longstanding supporters Col & Karen Needham and Philippe & Stephanie Camu who threw support behind the Sight & Sound Greatest Films of All Time Poll and BFI Southbank's Akira Kurosawa season respectively. Additional thanks to Simon and Harley Hessel for continuing their invaluable, sustained support of BFI National Archive activity across the year.

Likewise, we are indebted to the Trusts and Foundations who made vital contributions to our charitable work this year. We were excited to connect with fantastic new funders The Steel Charitable Trust, who gave a grant to the relaxed screenings programme at BFI Southbank. The BFI Reuben Library has benefitted from the generosity of two incredible organisations this year, with the John S Cohen Foundation doubling its grant towards new activity and The Unwin Charitable Trust making a major gift towards acquisitions. The Polonsky Foundation supported our Heritage 2022 film prints restoration project and we were grateful to have the National Lottery Heritage Fund support the BFI's inclusion in their Heritage Innovation Fund programme. With support from Esmée Fairbairn Foundation, we ran a successful soft launch of our new digital screen heritage service, BFI Replay, with partner public libraries across the UK in preparation for a nationwide roll-out in 2023/24. Last, but by no means least, we would like to express our gratitude to The Thompson Family Trust, who granted us a fantastic new unrestricted major gift.

Thank you to everyone who has supported the BFI over the past twelve months.

List of sponsors, funders, donors & patrons for year start of April 2022 – end of March 2023

GOVERNMENT

The Department for Culture, Media & Sport
The Department for Education

INDIVIDUAL DONORS

Major Donors

Philippe & Stephanie Camu
Greg Dyke & Sue Howes
Simon & Harley Hessel
Elisabeth de Kergorlay
Col & Karen Needham
Christopher Nolan & Emma Thomas**
Gilberto & Daniela Pozzi
The Adam S Rubinson Charitable Fund**
Jane Stanton
Amanda Staveley & Mehrdad Ghodoussi

Annual Donors

Tilda Swinton
Julie-Anne Uggla
Colin Walsh & Dave Ederick**

Film Forever Club

Sawsan Asfari
The Miel de Botton Family
Donald & Corrine Brydon
Philippe & Stephanie Camu
Caroline & Nick Clarry
Jeremy Coller
The Fox Family
Amy Gardner
Keith Haviland
John & Jennifer McLellan
Ian & Beth Mill
Col & Karen Needham
Kate & Beth Needham
Sabina & Phillip Reeves
Stephen van Rooyen
Robert Senior & Sarah Hunter
Sir Howard & Lady Stringer

Directors Cut Patrons

Eric Abraham
Simon Cachera
Kieran Chalker
Isabelle Georgeaux
Francis Hellyer
The Locker Foundation
Laura & Donald Miele**
Ocean Outdoor
Julia & Hans Rausing
Lisbet Rausing & Peter Baldwin
Tim & Sylvie Richards
Simona Sorakaite
Peter & Nancy Thompson
Kathryn Uhde

Epic Patrons

Michael & Sophie Birshan
Julie Dickson
Eric Fellner, CBE
Daniel Friel
Kevin Kane
Adrian Kemp
Lynn M. Lewis
Michelle X. Lu**
Bill Mumford
Peter & Maggie Murray-Smith
Agathe Pastorino
Yana & Stephen Peel
John Reiss
Dr. Christopher R. Reynolds
Michael & Gail Sandler
Anita Siassios

Classic Patrons

Benjamin Ah-Time
Adeem Altaf
Andrew Arthur
Rabbi James Baaden
Lady Bacardi
Francis Bennett
Nick Blackburn
Rose Marquez Bladh
Toby Botha
Paul Bowen
Lizzie Broadbent
Felicia Brocklebank
The Broughton Family Charitable Trust
Simeon Brown
Enrico & Cristiana Cavallo
Charles Cecil
Ed Cooke
Sammy Cooper-Smith
Cley Crouch
Carl Dalby
Tabitha Dale
Hai Duc Dao
Simon & Jane Davis
Matthew Dean
Jon Dear
Robert Devine
Stephan Dilley
Bruce & Lindis Dockeray
Nathalie Esposito
Anastasia Evko
Jeff & Emily Fergus
Daniele Fiandaca
Joachim Fleury
Patrick & Anne Foster
Lizie Gower
Deo Gratias
Claude Green
Kathryn Greig
Michael Hamlyn
Drew Hess & Emily Quesada
Melanie Howard
Nick Howsley-Corpay
Jay Hunt
Raymond Joabar
Elizabeth Karlsen & Stephen Woolley
Susie Kelsall
Nicola Kerr

Daan & Maggie Knottenbelt
Apostalos Kostoulas
Steven Larcombe
Aseya Latif
Alberto Leoni Sceti
Ian & Natalie Livingstone
Laura Lonsdale
Sally Lykiardopulo
Charlotte & Alan Lyne
Alice MacNair
Anne Mallaband
Ashley McCarthy
Razhan Miran
Assad Moghul
Jackie Mountain
Dr Danny Morrison
Patrick Scott Morris
Laoise Murphy & Family
Richard Murphy
Alexandra Oliveira-Jones
Si Overson
E Ozen
Stephen & Claire Paine
Andrew J A Parsons
Anthony Pozner
Lesley Purcell
Lisa Reuben Valk
Simon & Louise Robson
Julien Romano
Sue & Tony Rosner
Firdaus Ruttonshaw
Ruth Saleh
Lisbeth Savill
Joana Schliemann
Nick Scudamore
Angela Seay
Ms Anushka Shah
Andrew M Smith OBE DL
Peter & Giuseppina Smith
Phil & Sarah Stokes
Gregory Stone & Annabel Scarfe
Jan Taylor-Strong
David & Jan Thomas
Barnaby Thompson
Andrew Tseng
Makar Tsurnan
Vikas Uppal
Christiaan Weiland
Louise L Whitewright
Anna Yang & Joseph Schull

TRUSTS & FOUNDATIONS

Major Donors
CVC Foundation
The David Lean Foundation
The Esmée Fairbairn Foundation
The Film Foundation**
Friends of the British Film Institute*
The National Lottery Heritage Fund
Old Possum's Practical Trust
The Polonsky Foundation
The Rothschild Foundation
The Steel Charitable Trust
The Thompson Family Charitable Trust
The Unwin Charitable Trust
The BFI Trust

Project Donors
Chapman Charitable Trust
The Charles Skey Charitable Trust
The John S. Cohen Foundation
Europa Cinemas
Idlewild Trust
The London School of English
The Rose Foundation
The Thriplow Charitable Trust

Principal Partner BFI London Film Festival
American Express

Corporate Partner
Adobe
Action Xtreme
American Airlines
BAFTA
Bloomberg Philanthropies
BMW UK
Campari
CHANEL
Edwardian Hotels London
FactSet
Interbank LGBT+ Forum
LAIKA
Lloyds
Mishcon de Reya
Netflix
PGIM
Rolex
Warner Bros. Discovery

In-Kind Supporter
Audemus Spirits
Christie Digital
Dalston's Soda
Fourpure
Konditor
Noughty
Porte Noire
Triple Exposure

Corporate Member
Sea Containers

With additional thanks to all of our anonymous donors and patrons.

* Friends of the British Film Institute is a California-based US 501(c)(3) non-profit organisation that supports the work of the BFI in the UK and the US. EIN 95-4334449.
** Donations marked with double asterisk were made to Friends of the British Film Institute.

Behind the scenes with Michaela Cole, who takes a lead role in the BMW Filmmaking Challenge in partnership with the BFI

Key Performance Measures

Key Performance Measures

BFI2022 detail sets out the measures for how the BFI will assess its contribution to further the economic and cultural success of film. As a result of the extension of the plan due to the pandemic, 14 key performance measures have been tracked through to 2023.

By 2023 the BFI commits to have:

- Increased the diversity of audiences and talent supported across all BFI activities (MS1)
- Increased engagement with BFI activities across the UK and increased the quality and cultural depth of their experience (MS2)
- Increased participation of 16-30 year olds across all BFI activities and funded programmes (MS3)
- Increased access to the BFI's National Film Archive and those of the regions and nations (MS4)
- Further conserved and digitised the most at-risk materials within the BFI National Film Archive, notably video and television (MS5)
- Ensured the opportunity to learn about the art of film in school (MS6)
- Improved employers' ability to recruit a skilled workforce across the UK (MS7)
- Supported talent to progress in their filmmaking careers (MS8)
- Funded a range of innovative and pioneering moving image work intended for a variety of platforms (MS9)
- Supported British films and British talent which have received recognition domestically and internationally (MS10)
- Invested in start-up film businesses outside of London which have leveraged
- additional investment and increased levels of employment (MS11)
- Supported a greater geographic spread of film production in the UK (MS12)
- Supported an economic and cultural environment that keeps the UK film industry internationally competitive (MS13)

In 2022–23 performance was as follows:

Measure of Success	2023 Target (where applicable)	2022–23 Performance	2021–22 Performance
Increased the diversity of talent supported across all BFI activities	Female 50% Ethnically diverse 20% With a disability 12% LGBTQIA+ 17%	Female 49% Ethnically diverse 33% With a disability 16% LGBTQIA+ 25%	Female 52% Ethnically diverse 23% With a disability 11% LGBTQIA+ 20%
Increased the diversity of audiences across all BFI activities	Female 50% Ethnically diverse 20% With a disability 13% LGBTQIA+ 15%	See Below	See below
Increased engagement with BFI activities across the UK and increased the quality and cultural depth of their experience	n/a	Engagements / take up per category Theatrical 3.0m Distribution 0.4m Online 5.7m Education & skills 4.4m	Engagements / take up per category Theatrical 2.6m Distribution 0.4m Online 7.1m Education & skills 4.4m
Increased participation of 16-30 year olds across all BFI activities and funded programmes*	25%	See Below	See Below
Further conserved and digitised the most at-risk materials within the BFI National Film Archive, notably video and television	To preserve and digitize 100,000 of the most at- risk, British TV programmes	35,225 (programme to date 117,080)	26,274 (programme to date 81,855)

Measure of Success	2023 Target (where applicable)	2022–23 Performance	2021–22 Performance
Supported talent to progress in their filmmaking careers*	n/a	See below	See below
Supported British films and British talent which have received recognition domestically and internationally	n/a	21 films received a total of 76 nominations and 37 awards	36 films received a total of 75 nominations and 31 awards
Invested in start-up film businesses outside of London which have leveraged additional investment and increased levels of employment	To have supported 200 film businesses outside London	479 (Cumulative total)	357
Supported a greater geographic spread of film production in the UK	n/a	57% UK domestic shoot spend completely outside London and the South East	39% UK domestic shoot spend completely outside London and the South East

Audience Diversity

Activity/Programme	16-30	Female	Ethnically Diverse	LGBTIQ+	With a Disability	From London
BFI Flare 2022	12%	Not Collected	15%	90%	18%	84%
Southbank 2022	40%	47%	26%	26%	17%	76%
LFF 2022	39%	52%	23%	24%	13%	51%
Audience Fund	26%	51%	15%	24%	11%	-
FAN	18%	60%	15%	19%	11%	24%
BFI Player	30%	43%	Not Collected	Not Collected	Not Collected	30%
Future Film Festival	100%	65%	29%	Not Collected	13%	34%
Venue Education Fund	97%	52%	26%	40%	18%	0%
Film Academy Events	100%	66%	52%	Not Collected	14%	40%
Organisation-wide targets for each attendance / engagement category	**25%**	**50%**	**20%**	**15%**	**13%**	**-**

First Time Supported Filmmakers

First time supported by the BFI**

Producers 28% supported for the first time (2021–22: 15%)
Directors 61% supported for the first time (2021–22: 27%)
Writers 61% supported for the first time (2021–22: 29%)

Previous Release History of Supported Filmmakers

Producers 63% no previous releases (2021–22: 60%)
Directors 85% no previous releases (2021–22: 83%)
Writers 87% no previous releases (2021–22: 88%)

(** BFI Film Fund Production/BFI Film Fund Development/NETWORK (not including NETWORK Partners))

Financial Review (including Public Benefit)

Financial Review

Review of the year

As in all organisations, the year has been challenging with many external factors impacting the organisation's operations. A key focus of activity has been on how we develop and structure the organisation to be able adapt to both challenges and opportunities presented now and in the long term. It has been a year of transition, with the final year of the extended BFI 2022 plan; ongoing post Covid trading recovery and the development and launch of the new Screen Culture 2033 plan. Detailed planning was also undertaken during the year to develop a range of new business models, alongside a new intelligent operating model, to support the delivery of the new 10 year strategy. The year also saw the scheduled end of some specific funding, with grant in aid correspondingly lower, while other income grew, including from bringing the IMAX cinema back in-house and securing new funding to enable the BFI's transformation. Similarly, Lottery multi-year awards were made in the year as part of the new Lottery Strategy and funding streams, resulting in higher expenditure and negative Lottery reserves. These Lottery liabilities will be funded from future year revenues to match the timing of the award payments.

Throughout the year, the Executive Board, with the guidance of the Finance Committee and the Board of Governors, and the continuing support of DCMS, kept under constant review the finances of the charity, with a focus on the development of organisational and financial resilience. As a result the BFI was able to increase net free reserves, although reserves remain below the target policy levels.

Total income for the year to 31 March 2023 was £127.8m – a decrease of £4.5m from the £132.3m received in 2021–22. This decrease reflects the scheduled reduction in COVID-19 emergency restricted Grant in Aid (GiA) funding for the independent cinema sector, managed by the BFI through the Cultural Recovery Fund CRFICE) of £0.4m (2022: £7.8m) and the winding down of the Young Audience Content Fund, for which no further funding was received during the year (2022: £10.7m). While reductions related to restricted GiA funding, growth in earned income partially offset that movement in funding, alongside an increase in grants, with strategically important investment awards from the BFI Trust, in support of our new ten-year strategy "Screen Culture 2033".

Total expenditure for the year of £167.0m (2022: £132.4m) was higher than last year, although there was a decrease in awards due to CRFICE and the Young Audience Content Fund, the inclusion of Lottery multi-year awards, resulted in total Lottery expenditure of £88.7m (2022: £48.0m), with net Lottery expenditure of £37.1m (2022: Net income of £2.8m).

Net Group expenditure of £39.2m (2022: £1.9m) included non-cash costs of depreciation of £4.6m (2022: £5.2m) and pension of £4.8m (2022: £5.5m). Debtors have increased to £20.3m (2022: £14.2m) largely due to the timing of BFI Trust grants, while creditors have also increased to £98.8m (2022: £72.3m) driven by the timing of awards payments for Lottery and other funds.

With other working capital movements our cash holdings decreased by £5.9m (2022: £6.9m) to £33.6m (2022: £39.5m). Much of the cash is restricted, held in respect of grant award commitments relating to the YACF, CRFICE and Global Screen Fund. Lottery award commitments are covered by a combination of the funds held at the National Lottery Distribution Fund and restricted cash.

Other recognised gains and losses were actuarial gains on the pension scheme of £77.7m (2022: £26.2m) and gains on the fixed asset revaluation of £6.9m (2022: £22.0m.

These factors combined to increase Total Reserves to £108.8m (2022: £63.4m), including total unrestricted reserves increased to £101.8m (2022: £26.4m).

Lottery net expenditure, together with other recognised gains and losses, has resulted in a decrease in Lottery reserves by £35.7m to a deficit of £6.7m due to forward commitments. Other restricted reserves increased by £5.8m to £13.7m mainly driven by funding from BFI Trust, partially offset by opening CRFICE reserves now repayable to DCMS. Net expenditure of unrestricted reserves was £5.5m before transfers of £2.4m, actuarial gains on the pension scheme of £71.4m and fixed asset revaluation of £6.9m. As a result, total unrestricted reserves increased to £101.8m (2022: £26.4m).

In order to fund the delivery of its charitable objectives the BFI's financial strategy continues to be to maximise income and margin growth through optimizing existing as well as seeking out new income streams. This is alongside seeking improvements to operational effectiveness and operational efficiencies to further drive down costs. Increased Group free reserves of £5.7m (2022: £2.1m) remain below our policy level but will help us to weather challenging economic circumstances and support seizing new opportunities.

Non-Lottery activities

Incoming resources

Incoming resources from non-Lottery activities decreased in the year by a net £5.3m, as outlined below.

The main driver of this year's income was £33.2m revenue GiA (2022: £52.0m), £7.0m of which was for the Global Screen Fund (2022: £7.0m), £0.4m for the CRFICE (2022: £7.8m), but with no further funding received for the YACF, which was wound down during the year (2022: £10.7m). Earned income continued to recover to pre-pandemic levels, at £26.2m (2022: £20.4m).

Fundraising increased to £15.3m in 2023, of which £12.9m (84%) were cash contributions and £2.4m (16%) gifts in kind (2022: £7.2m of which cash contributions £4.9m (67%) and gifts in kind £2.3m (33%)). Sponsorship was largely consistent with the previous year at £1.5m (2022: £1.7m).

Fundraising costs of £2.0m represent the costs of running the BFI Development division in order to raise funds for the BFI (2022: £1.9m) and reflect the higher costs of holding the Luminous fund raising event.

Resources Expended

Total non-Lottery expenditure decreased to £78.4m (2022: £86.3m). Although there were cost increases from income generating and other activities, there was also much lower expenditure of £2.4m relating to the CRFICE (2022: £5.3m) and £1.3m on the YACF (2022: £9.3m).

Gross Transfers between funds

The non-Lottery activities received awards of £1.4m (2022: £1.1m) from BFI Lottery in the year to support the London Film Festival and £3.5m (2022: £Nil) to support the extended Heritage 2022 programme.

Actuarial Gains/ losses on defined pension scheme
On the FRS 102 basis the total net pension scheme deficit decreased by £72.9m to £1.2m (2022: a £20.7m decrease to £74.1m). The reduction in the deficit is mainly due to a 34% decrease in the present value of the scheme liabilities and the assumptions underlying the valuation. See Note 8 to the Group Financial Statements for further details.

The result of the triennial valuation by the London Pension Fund Authority Trustees as at March 2022, upon which current and future contributions are based, is a surplus of £18.2m (2019: deficit of £2.3m) for the whole pension scheme including lottery.

Movement in asset revaluation reserve

The value of the leasehold land and buildings and associated plant and fixtures increased by £6.9m, following revaluation using publicly available indices (2022: £20.3m increase, based on an independent revaluation of BFI properties by Deloitte LLP). See Note 10 to the Group Financial Statements for further details.

Lottery activities

Incoming resources

BFI's share of the incoming resources of the National Lottery Distribution Fund was 2.7% (2022: 2.7%). This equated to £47.8m (2022: £48.9m) with lottery ticket sales remaining broadly consistent with the prior year.

In addition the BFI received £6.1m of recoupment from its investments in the year (2022: £6.9m). Of this £2.4m (2022: £1.7m) was surplus recoupment over the original investment and was taken to income.

Resources Expended – Lottery awards

Although 2021–22 was due to be the final year of BFI's 5 year strategy BFI2022, it was extended for a further year in 2022–23 due to the pandemic. BFI's new 10 year strategy, Screen Culture 2033, as detailed above in the Annual Report, launched in the autumn of 2022 with at least some of the new strands of funding opening in the second half of the year.

Under the National Lottery etc. Act, lottery distributors are permitted to commit funds against future years' revenues. Under the new strategy BFI committed £57.4m of funds for partnership activity in the period April 2023-2026. We are required to recognise these awards as expenditure at the point of decision, with the liabilities reflected in Provisions in the standalone accounts and in Creditors in the Group accounts. Non-film rights awards in the year therefore increased sharply to £71.6m (2022: £29.1m).

As a result we have net liabilities at the year-end of £6.7m (2022: £29.0m net assets). However, with forecast levels of income and control over funds to be awarded in 2023-4 and beyond, it is anticipated that we will return to a net asset position by March 2025 or earlier.

In addition £17.7m (2022: £21.0m) of awards were taken to Film Rights in the Statement of Financial Position.

Adjustments of £14.2m (2022: £13.4m) against Film Rights were charged to expenditure for the year.

Operating Costs and Administrative Costs targets

Operating costs were £7.1m in the year to March 2023 (2022: £6.7m).

Net incoming resources on a three year rolling average (2020-23) and after offsetting costs of generating recoupment, were £50.3m (2022: £49.8m), continuing to reflect the stabilisation of the levels of income into the National Lottery Distribution Fund since 2017.

DCMS have set Lottery distributors a gross target for award processing and other administrative costs of 7.75% of incoming resources. In 2022–23 the gross award processing and other administrative costs stood at 8.1% of net incoming resources (£4.2m) (2022: 7.6%, £3.8m). This includes some additional costs from the launch of the new strategy in the year and work is ongoing to reduce administrative costs in the next financial year.

Actuarial Gains/ losses on defined pension scheme
On the IAS 19 basis the net pension scheme deficit attributed to lottery activities reduced by £5.8m from a liability of £3.1m to a net asset of £2.7m (2022: a £1.9m decrease from £5.0m to £3.1m liability). See Note 8 to the Group Financial Statements for further details.

Reserves Policy

The Governors are committed to the management of activities within the available funds. A significant element of income is subject to market conditions and the risks are incorporated into the budgets, with ongoing financial planning and management of expenditure used to meet any unforeseen expenditure or fall in income.

The BFI's policy is to hold free reserves of three months' unrestricted expenditure in order to ensure financial stability by acting as a safeguard against volatile and unpredictable income streams, unforeseen expenditure or liabilities, management of working capital and to allow the BFI to take advantage of new opportunities.

The Group Free Reserves were £5.7m at the end of the year (2022: £2.1m) with Charity Free Reserves of £4.6m (2022: £1.0m). The Board welcomes the improved position but recognises that these reserves remain lower than envisaged by the policy. In these uncertain economic times the BFI's financial objective is to manage within these limited funds, balancing opportunities to build reserves with the requirement to undertake essential investment and continuing to deliver its charitable objectives.

Non-lottery restricted reserves are held in accordance with the requirements of grant givers as funding for specific future activities and ensure that they are not used for general BFI purposes.

Lottery reserves have been reduced in recent years under the BFI 2022 strategy, extended to 2023, and during the year decreased to a temporary deficit of £6.7m due to the long-term awards referenced above. However, net current assets remain positive at £18.9m (2022: £22.0m). The reserves level remains under review in the context of the BFI's new Screen Culture 2033 strategy.

Going Concern

The accounts have been prepared on a going concern basis.

The BFI is a Royal Charter body and the government's lead body for film, a sector which is a successful contributor to the UK economy. As a lottery distributor, the BFI has a statutory right to receive a share of the National Lottery Distribution Fund (NLDF), is considered by government to be a "Non-Departmental Public Body" and is responsible for the National Film and Television Archive within its extensive collection. We receive Grant-in-Aid (GiA) funding each year from the DCMS to help fund our wide ranging activities and providing financial security. The DCMS have confirmed our funding settlement through to 31 March 2025 with core funding maintained plus a 2% annual uplift for inflation. Lottery proceeds and GiA accounted for over three quarters of BFI group income in 2022–23 and it is clear that the BFI will continue to fulfil its valuable public services into the future.

Since our origins in 1933, the BFI has a long history of successful operation through challenging times, with its activities continuing to deliver public benefit.

We continue to operate in a challenging economic environment with inflation and post-pandemic working arrangements impacting our financial performance and cash flows.

As part of the work following the publication of our Screen Culture 2033 strategy the BFI has been developing detailed plans to support the delivery of an organisationally and financially resilient, forward-looking organisation over the next 3-5 years. Although challenging, we are currently in the process of delivering against a balanced budget for 2023-24 with consistent projections into future years.

Taking all these factors into consideration, the Board considers that the BFI will maintain a positive cash position in the foreseeable future. The capacity to control expenditure, generate additional income and to raise additional funds from supporters and philanthropists along with the opportunity to make a case for support to the DCMS provides the Board of Governors with confidence that the BFI has sufficient resources to continue for at least the next 12 months following signature of the accounts. Accordingly the financial statements for the charity, group and lottery activities have been prepared on a going concern basis.

PUBLIC BENEFIT

The Board of Governors continued to operate in line with the Charity Commission's guidance on public benefit, the guidance on public benefit and fee charging being particularly borne in mind while shaping our objectives for the year and planning activities. The Board also continues to be conscious of its responsibilities as the custodian of a National Collection which it holds in trust for the nation.

The BFI's Charter includes a requirement to 'promote access to and appreciation of the widest possible range of British and World cinema'. The BFI, as a National Lottery Distributor for film, invests National Lottery money and Grant in Aid to help ensure that audiences across the UK have access to a wide range of cinema. The BFI also uses National Lottery and Grant in Aid to support activities including education and lifelong learning and the preservation of the UK's screen heritage. All these interventions deliver significant public benefit.

The BFI delivers public benefit and covers its operating costs utilising a mix of income drawn from the National Lottery, Grant in Aid from the Government, philanthropic activity and income from ticket and other sales, fees and charges. In setting both the overall strategy for the organisation as the lead body for film and the level of prices, fees and charges. In setting both the overall strategy for the organisation as the lead body for film and the level of prices, fees and charges, the Governors have given careful consideration to accessibility to the activities funded by the BFI for those on low incomes.

A key part of our longer-term development strategy has involved providing free access to a wide range of the services we fund and those we run for example, through the BFI Player, our Mediatheque and our websites, to free public screenings and broadcast partnerships. In addition to meeting our social responsibilities, the BFI also considers its impact on local communities, a diverse range of audiences, provides work experience and employment opportunities and works with schools, local authorities and many other organisations.

The BFI directly supports the distribution and exhibition of film through National Lottery funding and is also the UK's biggest distributor of world cinema - non-commercial film culture from all parts of the world, both these interventions give the public access to a diversity of film culture which would not otherwise be available.

The diversity of Britain's cultural life would be dramatically reduced without the BFI's interventions. We also support and directly make available a wide range of titles on all other platforms.
There are many ways in which the public accesses the BFI's work, and this range ensures we deliver the maximum public benefit for our charitable resources. The BFI activities which deliver public benefit are described in more detail in the pages of this report.

Complaints

The BFI has in place a procedure for handling complaints and welcomes feedback from members of the public and representatives of other organisations.

During the year, the BFI received 254 complaints via its customer enquiry service (170 in 2021–22).
No complaints were accepted for investigation by the Parliamentary Ombudsman (0 in 2021–22 also).

In terms of summary:

	2022–23	2021–22
Number of complaints accepted for investigation by the Parliamentary Ombudsman in the Year	0	0
Number of investigations reported on by the Parliamentary Ombudsman in the Year and the percentage of those reports where the complaint was upheld in full, in part; or not upheld	In Full – 0 In Part – 0 Not Upheld – 0	In Full – 0 In Part – 0 Not Upheld – 0
Number of Ombudsman recommendations complied with and not complied with	N/A	N/A

Complaints and feedback help the BFI identify opportunities to make better use of our resources and deliver services in a more effective way. If any customer is dissatisfied with a service that the BFI has provided, or feel they have been treated unfairly; they may wish to make a complaint. The Complaints Procedure explains how to provide feedback or to make a complaint and tells customers what they can expect from us if they do.

Depending on the area of activity, feedback and complaints will be handled slightly differently; however the BFI works to a set of standard guiding principles:

1. Feedback and Complaints are an important way for the BFI to be accountable to the public, as well as providing valuable prompts to review organisational performance and the conduct of people that work within and for it.
2. If the BFI has got something wrong, it will apologise and take prompt action to put the matter right. If it can resolve your complaint by clarifying its position, or explaining its decision making process it will do so.
3. Will be open and honest and ensure that customers are not disadvantaged in their future dealings as a result of the complaint.
4. Will respect privacy and ensure that complaints are treated confidentially.

The Complaints Procedure was again reviewed in 2022–23, taking on board previous customer feedback, case analysis and considering best practice. In addition an Equality Impact Assessment (EIA) was undertaken on the Complaints Procedure to ensure that the policy, and procedure, are fair and do not present barriers to participation or disadvantage any protected groups.



Image: The BFI's tribute to the late Her Majesty the Queen.

Sustainability Report

Sustainability Report

The BFI recognises that our activities have an impact on the environment. We work to reduce this as far as reasonably practicable and use our status as the lead body for film and the moving image to assist the wider industry to lessen its impact on the environment.

Screen Culture 2033 and National Lottery funding

Environmental sustainability is one of three guiding principles in the BFI's new strategy Screen Culture 2033. This means that, every future decision taken will be considered in terms of how it contributes to positive change on environmental sustainability and supports the BFI's work towards net zero.

This principle of Environmental Sustainability is carried through to the supporting ten-year National Lottery Strategy. Every funding application will be assessed on its ability to support the wider screen sector to become a net positive contributor to the environment. As part of the BFI's National Lottery Funding Plan 2023-2026, which sets out how the BFI will award a budget of £135m of National Lottery funding over three years including a dedicated £0.6m programme designed to support all awardees to deliver against this commitment.

Corporate Commitments

It is imperative that we commit to a step change in how we work as an organisation. Over the next year, we will begin to develop a roadmap for reducing our absolute greenhouse gas emissions and establish the internal resource necessary to reach net zero ahead of the 2050 government deadline. The roadmap will help us determine how we embed sustainability into estate upgrades and operational planning. We will prioritise those areas of greatest impact and find the most sustainable option for the future of the BFI National Archive. As we transition to being a digital first organisation, it will also help us embed low-carbon practices throughout our decision-making.

Greenhouse Gas Emissions

We have made substantial progress in reducing our greenhouse gas emissions with a total (Scope 1, 2 & 3) reduction of 29% against our benchmark year of 2018 to 2019 and an 11% reduction in Scope 1 (direct emissions) from our sites. In 2023 we hope to undertake a heat decarbonisation study for all the BFI sites to help us form a strategy to first reduce and then eliminate direct Scope 1 emissions from our operations.

This is also the first year we have reported on international travel as part of our Scope 3 emissions. We will be working to improve our policies on international travel to reduce this impact, including introducing a travel management system to improve the collection of our travel data and promote less carbon intensive modes of transport.

Non-financial indicators (tonnes Co2e)	22/23	21/22	20/21	19/20	18/19 Benchmark
Scope 1 Gas	609	742	552	740	693
Scope 1 Fuel LPG	33	34	44	32	28
Scope 2 Electricity	1,189	1,153	1,218	1,864	2,037
Scope 3 Domestic Travel	46	45	5	55	49
Scope 3 International Travel	128	-	-	-	-
Total	**2,005**	**1,974**	**1,819**	**2,691**	**2,807**

Energy Usage

This year is the first full year post-pandemic where our operations have begun to resemble those prior to March 2020. This has allowed the BFI to measure progress on energy usage on a more like-for-like basis.

Overall, we continue a downward trend on consumption with our absolute consumption across all sites down against our benchmark year of 2018 to 2019 (15% for electricity, 20% for gas and LPG).

The success story of this year has been the significant reduction in electricity and gas usage at our site in Berkhamsted, which houses the BFI Conservation Centre and storage vaults for the BFI National Archive. Following the replacement of the central chillers and associated controls for the site, we have reduced the electricity consumption of the site by 30% against the benchmark 2018/19 and 13% against the 2021/22. This is also reflected in the gas (Scope 1) consumption on site which has reduced by 8% against the benchmark year of 2018/19 and a reduction of 2% against the previous year of 2021/22.

We have also tendered and awarded the contract for the installation of the solar photovoltaic (PV) panel system at our Gaydon site which houses the BFI Master Film Store. This system, when fully operational, will generate approximately 18% of the site's electricity consumption. We expect it to come online in early summer 2024. There are future opportunities to expand this system to further increase the self-generation on site.

Energy Consumption (MWh)	22/23	21/22	20/21	19/20	18/19 Benchmark
Scope 1 Gas LPG	3,103	3,695	3,013	4,137	3902
Scope 2 Electricity	6,149	6,371	5,223	7,291	7,195
Total	**9,252**	**10,066**	**8,236**	**11,428**	**11,097**

Energy Consumption (MWh)	22/23	21/22	20/21	19/20	18/19 Benchmark
Energy Costs	**1.32**	**1.01**	**0.8**	**1.04**	**0.94**

Waste

The total waste output has increased in this financial year and is now above our benchmark year of 18/19. This is due to the BFI resuming direct operational control of the BFI IMAX, so the waste output for this site has been added in to the overall totals.

We have now introduced food waste and coffee grounds recycling for our public venues and catering operations and improved processes for the IMAX 3D glasses to ensure they are correctly recycled. At the Conservation Centre we are exploring 3D printing to produce spare parts of equipment which would otherwise be disposed of. We are continuing our work with our public facing caterers to reduce the number of single use plastics used in their operation.

Non-financial indicators (tonnes)	22/23	21/22	20/21	19/20	18/19 Benchmark
Landfill	0	0	0	0	0
Recycled	404	155	63	326	323
Composted	7	2	0	7	14
Incinerated (EfW)	258	30	21	180	123
Total	**669**	**187**	**84**	**513**	**460**

Financial indicators (£)	22/23	21/22	20/21	19/20	18/19 Benchmark
Energy Costs	**77,888**	**23,203**	**26,921**	**97,271**	**51,958**

Water

We have been working to improve the quality and detail of our water consumption data so that we can identify patterns and unusual usage. We are currently investigating higher than expected usage at our Conservation Centre (Following the removal of the cooling towers in 2021 we had expected to see a significant decrease in water consumption but this has not occurred). We are also investigating opportunities to design in water consumption reductions at our public sites with planned refurbishment works to a number of our main toilets in 2023.

Paper

New ways of working since the pandemic have reduced our reliance on printed documents and the move to Microsoft Office 365 will allow more collaborative electronic working to further reduce the reliance on printed documents in the future. As part of our public programme, we have reduced the requirement for paper copy 'Programme Notes' which are available to customers at the start of each screening by making these available online as a PDF allowing customers to download them in advance.

Water		22/23	21/22	20/21	19/20	18/19 Benchmark
Non-financial indicators (M3)	Estate Usage	17,462	17,844	9,372	19,916	20,298
Non-financial indicators (M3)	Water Costs	38,770	27,000	38,647	58,178	51,333

Paper		22/23	21/22	20/21	19/20	18/19 Benchmark
Non-financial indicators (reams)	A4	951	837	51	3,405	2,915
	A3	25	0	0	55	70
Financial indicators (£)	Paper Costs	4,986	2,234	136	7,908	8,314

Reducing environment impacts from ICT and digital

As we transition to being a digital-first organisation, we will continue to align this with our net-zero strategy. Over the next 12-18 months, we will audit our technology estate, enabling us to create a roadmap to decommission products and services and reduce our physical footprint within our data centres. Our cloud strategy provides us with the opportunity to procure products & services with partners that are committed to net zero when possible.

Nature Recovery/ Biodiversity Action Planning

We continue to build on our biodiversity improvements of the last few years especially on our National Collection sites in Berkhamsted and Gaydon, including by continuing with the wilding of a number of areas and improving the habitat for native species. We are looking at how we can improve the biodiversity opportunities at our central London sites, especially at our BFI Southbank site working in collaboration with our cultural neighbours and local stakeholders.

Sustainable Procurement & Construction

Sustainability is an integral element of our procurement process and scored accordingly. For procurement exercises with a greater scope to positively impact our sustainability performance, the tender is drawn up in conjunction with our sustainability lead. We are ensuring that environmental standards are also expected within our Supplier Code of Conduct including within the Supply Chain.

All works for this period have been focused on refurbishment of spaces or building systems, and sustainability is an integral part of the design process to ensure we deliver an efficient and sustainable design. When procuring contractors there are mandatory sections concerning sustainability as part of the evaluation and work with the appointed contractor to use their experience and knowledge how we can improve the design further and the delivery on site.



J. Timothy Richards,
Chair



Ben Roberts,
Chief Executive

Accountablility Report: How the BFI is governed

How the BFI is Governed

The BFI is governed by a Board of up to 15 Governors subject to the BFI's Royal Charter. The Governors, who are also the trustees of the Charity, now submit their annual report and the audited financial statements for the year ended 31 March 2023. In preparing the annual report and financial statements of the Charity, the Governors have adopted the Statement of Recommended Practice, Accounting and Reporting by Charities issued in February 2005 (SORP 2005).

Governors

Governors who were in post for at least part of the financial year 2022–23 or at the date of signing these accounts:

Tim Richards (Chair)
Michael Birshan
Monica Chadha
Idris Elba OBE [6]
Gerry Fox [7]
Anwen Griffiths [8]
Jay Hunt
Elizabeth Karlsen [9]
Laura Miele [10]
Romana Ramzan [11]
Robin Saunders [12]
Andrew M Smith OBE DL [13]
Phil Stokes [14]
Scott Stuber [15]
Eleanor Whitley
Edgar Wright [16]

Methods of Appointment

The Chair and Governors of the BFI are appointed by the Secretary of State for Culture, Media and Sport pursuant a process regulated by the Office of the Commissioner for Public Appointments. Governors are required to comply with the Principles of Public Life as described in the Cabinet Office Code of Conduct for Board Members of Public Bodies.

The Board of Governors reserves one place on the Board for a Member Governor. This appointment is subject to approval by the Board of Governors.

A Governor's term of office is normally four years. Pursuant to the BFI's Royal Charter, a Governor may only serve two terms in office. Newly appointed Governors receive a letter of appointment and induction documents which together address, amongst other things, duties, period of appointment, time commitment, remuneration, performance and their responsibilities and duties as Charitable Trustees. Governors have broad experience and expertise in the areas of film, television, the moving image generally, business and strategy and education. All Governors are part-time, unremunerated non-executives. The Board of Governors has corporate responsibility for:

- delivering the mission set out in the Royal Charter; delivering the BFI's charitable objectives; and developing the overall strategic direction of the BFI;
- ensuring that the BFI as a Non-Departmental Public Body complies with any statutory or administrative requirements for the use of public funds and to maximise value for money;
- ensuring that the BFI acts reasonably and prudently in all matters relating to its charitable status;
- appointment of the Chief Executive;
- ensuring that all BFI properties and assets are protected and effectively utilised in the pursuit of the BFI's overall mission;
- ensuring commercial activities are self-financing and aligned to the BFI core purpose and that these activities uphold fair trading standard requirements;
- ensuring that any fund-raising activity carried out on behalf of the BFI is properly undertaken and that all funds collected are properly accounted for;
- overseeing the delivery of planned results by monitoring performance against agreed strategic objectives and targets;
- ensuring that the BFI's rules for the recruitment and management of staff provide for appointment and advancement on merit on the basis of equal opportunity for all applicants and staff; and
- ensuring the board operates sound environmental policies and practices in accordance with the approach set out in the 1990 White Paper This Common Inheritance, the Government's green initiatives and other relevant guidance.

6 Term expired 24 May 2022
7 Term expired 1 October 2022
8 Appointed on 10 May 2022
9 Appointed on 8 April 2022
10 Appointed on 8 April 2022
11 Appointed on 10 May 2022
12 Reappointed on 10 May 2022
13 Reappointed on 10 May 2022
14 Reappointed on 10 May 2022
15 Appointed on 8 April 2022
16 Appointed on 8 April 2022

Board Assessment

The Board undertakes a formal and rigorous evaluation of its own performance and that of its committees and individual Governors on a bi-annual basis.

Organisational Structure

The Board of Governors delegates specific responsibilities to its Committees. Recommendations made by Committees are presented to the Board as a whole for approval.

A brief description of each Committee and its function is given below:

Audit, Risk & Governance

This committee reviews the effectiveness of the processes, structures, and controls used to direct, manage and account for the financial and business affairs of the BFI. The Audit, Risk and Governance Committee consider all internal and external audit reports and recommendations.

Finance

This Committee is responsible for overseeing the budgetary, assurance and value for money processes within the BFI.

Remuneration

This Committee determines and keeps under review the levels of pay, and the terms and conditions of service, for the Chief Executive and other senior managers.

Composition of the Committee during the year was:

Audit, Risk & Governance

Phil Stokes (Chair)
Andrew M Smith OBE DL
Charles Cecil MBE (co-opted)
Sukie Kooner (co-opted)

Finance

Michael Birshan (Chair)
Robin Saunders
Phil Stokes (co-opted)
Andrew Coates (co-opted)[17]
Lara Naqushbandi (co-opted)[18]

Remuneration

Tim Richards (Chair)
Michael Birshan
Phil Stokes

The Secretary to the Board of Governors and its committees is Iain Thomson.

Board of Governors Attendance 2022–23

The number of BFI Board meetings held in the 2022–23 financial year was 7 and the Governors' attendance records were as follows:

		%
Tim Richards (Chair)	7 of 7	100
Michael Birshan	6 of 7	86
Monica Chadha	7 of 7	100
Idris Elba OBE	0 of 0	n/a
Gerry Fox	2 of 2	100
Anwen Griffiths	7 of 7	100
Jay Hunt	6 of 7	86
Elizabeth Karlsen	7 of 7	100
Laura Miele	4 of 7	57
Romana Ramzan	4 of 7	57
Robin Saunders	6 of 7	86
Andrew M Smith OBE DL	7 of 7	100
Phil Stokes	7 of 7	100
Scott Stuber	1 of 7	14
Eleanor Whitley	6 of 7	86
Edgar Wright	6 of 7	86

All Governors are required to complete a declaration of any potential related party interests – and details of any transactions with these related parties is reported in note 31 of the Charity and Group financial statements.

Audit, Risk and Governance Committee Attendance 2022–23

The number of Audit Risk and Governance Committee meetings held in the 2022–23 financial year was three and the members' attendance records were as follows:

Phil Stokes (Chair)	3 of 3
Andrew M Smith OBE DL	1 of 3
Sukie Kooner (Non-Governor Member)	3 of 3
Charles Cecil MBE (Non-Governor Member)	3 of 3

[17] Appointed 14 June 2022

[18] Appointed 14 June 2022; departed October 2022

Finance Committee Attendance 2022–23

There were six Finance Committee meetings held in the 2022–23 financial year and the members' attendance records were as follows:

Michael Birshan (Chair)	6 of 6
Robin Saunders	4 of 6
Phil Stokes (co-opted)	6 of 6
Andrew Coates (co-opted)[19]	4 of 5
Lara Naqushbandi (co-opted)[20]	2 of 2

Remuneration Committee Attendance 2022–23

There was one Remuneration Committee meeting held in the 2022–23 financial year and the members' attendance records were as follows:

Tim Richards (Chair)	1 of 1
Michael Birshan	1 of 1
Phil Stokes	1 of 1

Executive

The Board of Governors employs a Chief Executive, Ben Roberts, who was appointed in December 2019. Ben leads an executive team that during the year consisted of:

Ben Roberts	Chief Executive
Harriet Finney	Deputy Chief Executive and Director of Corporate and Industry Affairs
Alyson Hagan	Director of Finance, People and Business Operations
Ed Humphrey	Director of Digital and Ventures
Arike Oke	Director of Knowledge and Collections
David Parkhill	Director of Finance and Resources
Heather Stewart	Creative Director of BFI
Neil Williams	Director of Technology and Digital Transformation
Jason Wood	Director of Programmes and Audiences
Francesca Vinti	Director of Fundraising and Enterprise

The Executive makes day-to-day management decisions on behalf of the Board of Governors under the Financial Procedures approved by the Board.

Better Payment Practice Code

The BFI attempts to abide by the Better Payment Practice Code and in particular to settle bills in accordance with contract. Invoices are normally settled within our suppliers' standard terms, which are typically in line with our standard 30 day terms. The average payment terms taken were 19 days (2022: 19).

Data Protection

In the year, the BFI was committed to ensuring the security and protection of the personal information that it processes and also to ensure that it was compliant and provided a consistent approach to data protection. In so doing, the BFI received and managed 154 Data Protection (DP) related requests (2022: 146).

The Information Commissioners Office (ICO) contacted the BFI in relation to four cases regarding data protection. In one case, the ICO found that the BFI had infringed its DP obligations and, although no fine was imposed, a record of the case has been placed on the ICO website. The ICO accepted the BFI responses to the other three cases and no further action was taken.

[19] Co-opted onto committee June 2022

[20] Co-opted onto committee June 2022; departed October 2022

Speaking Up Policy and Procedure

Included within the Financial Procedures Manual is a Speaking Up (Whistleblowing) Policy & Procedure – the BFI is committed to the highest possible standards of openness, probity and accountability. The purpose of this policy is to encourage reporting of suspected wrongdoing and provide clear guidance on: (i) the steps staff should take if they have concerns; (ii) how staff raising concerns will be supported; and (iii) what will happen after such concerns are raised. This policy also seeks to reassure staff that they should be able to raise genuine concerns without fear of reprisals, even if they turn out to be mistaken.

This policy was consulted upon with our recognised trade unions and is in line with the BFI's legal obligations. It covers all BFI staff plus other workers such as consultants, contractors, and agency workers.

Disclosure of information to the auditors

So far as the Accounting Officer and each person who was a Governor at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow Governors, the Chief Executive and the Group's auditor, each Governor/ Accounting Officer has taken all the steps that he/she is obliged to take as a Governor/Accounting Officer in order to make himself/herself aware of any relevant information and to establish that the auditor is aware of that information.

REMUNERATION and PEOPLE REPORT

The Remuneration Committee

The Board of the BFI is responsible for determining the remuneration of the Chief Executive and senior staff. In the year ending 31 March 2023, it discharged this responsibility through the cycle of Board meetings.

In addition the Board is supported by the Remuneration Committee which meets annually (or further if required) to review and set senior salaries, authorised within its terms of reference, to obtain independent professional advice if considered necessary. The meeting for 2022–23 was held on 2 December 2022. The Remuneration Committee comprises of a Chair, who is also Chair of the BFI Governors, and up to 2 other members of the Board or co-opted members, who are each appointed for a period of up to three years.

The members during the year were:

Tim Richards
Phil Stokes
Michael Birshan

Remuneration Framework

Governors are not entitled to draw any remuneration for their time spent working as a Trustee of the BFI, although they are entitled to reimbursement of expenses incurred in discharging their duties.

In determining appropriate levels of remuneration for senior staff, the BFI follows the Government's policy to maximise value for money by paying enough to attract and retain suitably qualified senior staff, and salaries are based on the minimum required to recruit, retain and motivate senior staff of appropriate calibre.

All staff including the Chief Executive, are entitled to membership of the BFI staff pension scheme (either Local Government Pension Scheme (LGPS) operated by the London Pension Fund Authority (LPFA), which is a defined benefit scheme, or a defined contribution scheme operated by Legal and General, depending on start date). Further details of the schemes can be found in note 8 to the BFI Group Financial Statements.

The staff pay bill for each year is subject to review by the Finance Committee, the Board of Governors and the DCMS, under HM Treasury guidelines and limits for public sector pay.

Appointments of Board of Governors

The Chair and Governors of the BFI are appointed by the Secretary of State for Culture, Media and Sport in accordance with Cabinet Office's Governance Code on Public Appointments. Governors are appointed for a term of not more than four years, with one Governor being elected by the membership of the BFI. Governors may stand for two successive terms of office. There is no period of notice required for resignation from the Board.

No members of senior management were employed under fixed term contracts as at 31 March 2023. The period of notice required for termination of contract is no greater than six months.

Audited Information

Governors' remuneration

No Governor drew any remuneration in the year. No payments were made in the year for services (2022: £nil). As part of their oversight duties as Trustees, copies of all books and DVD/Blu-Ray releases published by the BFI during the year are made available to all Governors.

Senior Staff Remuneration

"Total remuneration" reported below comprises salary, bonuses and accrued pension benefits and thus should not be equated to take home pay. Because of the combination of all these factors the annual movement in "total remuneration" is not a simple reflection of any cost of living award (COLA).

"Total salary" is in bandings, and depending on where a staff member is in the bandings, the organisational COLA may tip some roles into a higher band.

Senior staff are members of the same pension schemes and on the same terms as staff, and all staff who are members of the defined benefit Local Government Pension Scheme (LPFA) accrue pension benefits on the same basis.

"Pension benefits accrued during the year" as noted above indicates how an individual's total accrued pension benefit has moved in a year by taking the increase in benefits relative to that year and assessing the total value assuming they are paid over a typical twenty years of retirement.

In the year to 31 March 2023, not all senior staff were members of the LPFA defined benefit scheme.

The increase in pension benefits for senior staff who are members of the LPFA arise from three sources:

- BFI LPFA pension contributions of 15.4% of salary
- Employee pension contributions of between 5.5% and 11.4%. Higher paid staff contribute at a higher rate although not receiving any additional benefits
- LPFA projected investment returns (dividends, capital appreciation etc.)

The pension benefits accrued during the year are calculated by:

- Calculating the annual pension due on retirement plus lump sum benefit (if any) at the 31 March 2023
- Re-calculating the equivalent figure from 31 March 2022 and applying the Consumer Price Index (CPI) in order to show the "real" movement after inflation; and then
- Multiplying the change in value in pension by 20 (i.e. assuming a 20 year retirement period).

Year on year the main distorting factor is CPI as the impact of changes in CPI is greater the longer the period of service and thus the benefit accrued.

Depending on the underlying LPFA assumptions and the age of the individual on a year by year comparison the pension benefits accrued during the year can be an increase or a reduction compared to that of the prior year.

Remuneration (including pension benefits) for the senior staff for the year:

Senior Staff Remuneration (continued)

	Total salary for the year ended 31 March 2023 (2022)	Bonuses attributable for the year ended 31 March 2023 (2022)	Benefits in Kind for the year ended 31 March 2023 (2022)	Pension benefits in the year ended 31 March 2023 (2022)	Total remuneration for the year ended 31 March 2023 (2022)
	£'000	£'000	Nearest £100	£'000	£'000
Ben Roberts CEO and Accounting Officer	145-150 (145-150)	- (-)	100 (100)	50-55 (20-25)	205-210 (170-175)
Harriet Finney Deputy CEO	125-130 (125-130)	- (-)	100 (100)	N/A (N/A)	125-130 (115-120)
Francesca Vinti Director of Development	115-120 (115-120)	- (-)	100 (100)	40-45 (45-50)	160-165 (165-170)
Alyson Hagan Director of Finance, People & Business Operations[1]	115-120 (55-60)	- (-)	100 (100)	N/A (N/A)	115-120 (55-60)
Arike Oke Director of Knowledge and Collections[2]	115-120 (25-30)	- (-)	100 (100)	N/A (N/A)	115-120 (25-30)
Neil Williams Director of Technology and Digital Transformation[3]	115-120 (15-20)	- (-)	100 (100)	N/A (N/A)	115-120 (15-20)
Jason Wood Director of Public Programme and Audiences[4]	115-120 (10-15)	- (-)	100 (100)	N/A (N/A)	115-120 (10-15)
David Parkhill Director of Finance and Resources[5]	- (85-90)	- (-)	- (100)	- (20-25)	- (110-110)
Heather Stewart Creative Director[6]	- (90-95)	- (-)	- (100)	-(N/A)	- (90-95)
Ed Humphrey Director of Digital and Ventures[7]	- (115-120)	- (10-15)	- (100)	- (70-75)	- (205-210)

1 Appointed 20 September 2021. The full year equivalent salary is £115-120,000

2 Appointed 4 January 2022. The full year equivalent salary is £115-120,000

3 Appointed 7 February 2022. The full year equivalent salary is £115-120,000

4 Appointed 28 February 2022. The full year equivalent salary is £115-120,000

5 Retired 31 October 2021. The full year equivalent salary is £130-135,000

6 Contract ended 31 December 2021. The full year equivalent salary is £125-130,000

7 Contract ended 31 March 2022. The full year equivalent salary is £125-130,000

Senior Staff Remuneration (continued)

Pension contributions during the year were made to defined contribution schemes for:

	Contributions paid	
	2022–23	2021–22
Harriet Finney Director of External Affairs	9,100	9,018
Alyson Hagan Director of Finance, People & Business Operations [1]	6,600	1,938
Arike Oke Director of Knowledge and Collections [2]	8,400	-
Neil Williams Director of Technology and Digital Transformation [3]	5,500	-
Jason Wood Director of Public Programme and Audiences [4]	5,500	-

Included in the above is remuneration for senior staff in the year which is attributable to lottery for the year ending 31 March 2023. This is recharged as part of our lottery funded operations and thus contained within expenditure in the Lottery Financial Statements for the year ending 31 March 2023.

50% of the remuneration for Ben Roberts and Alyson Hagan has been attributed to lottery for the year (2022: 43%) with the proportion of total income attributed to lottery being used as the baseline.

Benefits in kind

All members of BFI staff are entitled to receive: up to £100 contribution towards gym membership per annum; up to 12 free tickets per month at the BFI Southbank cinemas; staff discounts on purchases at the BFI Southbank's Film Store and Benugo café and restaurant and the BFI London IMAX, ranging from 10-70%; and interest free loans for travel season tickets, bicycle and computer purchases and dental treatment. Staff whose contracts transferred from UKFC may opt to receive a contractual payment of £250 for cinema tickets per annum in place of the BFI Southbank ticket entitlement. Staff on BFI contracts receive a monthly copy of Sight and Sound.

[1] Appointed 20 September 2021. The full year equivalent salary is £115-120,000

[2] Appointed 4 January 2022. The full year equivalent salary is £115-120,000

[3] Appointed 7 February 2022. The full year equivalent salary is £115-120,000

[4] Appointed 28 February 2022. The full year equivalent salary is £115-120,000

Senior staff pension arrangements

The following senior staff were members of the LPFA scheme at 31 March 2023 (or leaving date, if earlier):

	Real increase in accrued pension benefits 2022–23	Attributable pension accrued at 65 at 31 March 2023 (or date left the BFI if earlier)	Cash Equivalent Transfer Value (CETV) as at 31 March 2022	CETV as at 31 March 2023 (or at date left the BFI if earlier)	Real increase in CETV after adjustment for inflation etc. in 2022–23
	£'000	£'000	£'000	£'000	£'000
Ben Roberts CEO and Accounting Officer	2.5-5(lump sum; 0-2.5)	20-25 (lump sum; 0-5)	277	328	100
Francesca Vinti Director of Development	2.5-5 (lump sum; reduction 0-2.5)	35-40 (lump sum; 15-20)	519	641	119

These staff cover both Lottery and Grant-in-Aid and other funded activities.

The accrued pensions are the amounts eligible at retirement if the staff member left service at the relevant date. The transfer values do not represent a sum paid or payable to the individual, but rather a potential liability of the pension scheme. They have been calculated using assumptions certified by a qualified actuary.

Senior staff numbers and costs

The number of senior staff by number and band (core salary plus any bonus) is:

Chief Executive and other executive staff at 31 March 2023:

Salary Banding	2023 (Number)	2022 (Number)
£140,000 – £149,999	1	1
£130,000 – £139,999	1	1
£120,000 – £129,999	5	5

Other senior staff during the year:

Salary Banding	2023 (Number)	2022 (Number)
£100,000 – £109,999	4	4
£90,000 – £99,999	5	8
£80,000 – £89,999	20	18
£70,000 – £79,999	15	14
£60,000 – £69,999	23	27

Staff number and costs (including on-costs)

	2023		2022	
	Number (Full time equivalent)	£'000	Number (Full time equivalent)	£'000
Average no of permanent staff during the year	599	35,533	547	32,846
Average no of other staff engaged on objectives of the organisation	11	638	7	413

Termination payments

The termination payments payable to employees were:

Cost of redundancies (as per BFI's agreed redundancy policies)	Number of compulsory redundancies		Number of voluntary redundancies		Total	
	2023	2022	2023	2022	2023	2022
<£10,000	3	–	1	–	4	–
£10,000-£25,000	3	–	5	3	8	3
£25,000-£50,000	1	–	3	2	4	2
£50,000-£100,000	–	–	2	–	2	–
£100,000-£200,000	–	–	1	–	1	–
No of exit packages	7	–	12	5	19	5
Cost £'000	**83**	**–**	**473**	**120**	**556**	**120**

Hutton Review of Fair Pay

The BFI is required to disclose the relationship between the remuneration of the highest-paid member of the Executive team their organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the Chief Executive Officer (who was also the highest paid member of staff) in the financial year was £145,000–£150,000 (2022: £145,000–£150,000), representing a 0% change from the previous financial year. Performance related pay and bonuses amounted to £Nil (2022: £Nil).

Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

The range of remuneration was £22,000–£150,000 (2022: £21,000–£150,000).

The median pay; upper and lower quartiles changed compared to 2021/22, as the majority of staff received a pay award of between 2% and 10%, other than the Executive team who received no increase. The change in the percentile pay also reflects the TUPE transfer of staff from Odeon to operate the BFI London IMAX cinema venue, largely lower paid front of house staff. All employees are paid at the London Living Wage rate or above.

The average salary and allowances for the employees of the entity taken as a whole year were £38,935 (2022: £43,010), a decrease of 10.3%.

The average performance pay and bonuses for the employees of the entity taken as a whole year were £Nil (2022: £27), a decrease of 100%.

No performance bonuses were awarded in 2022–23 and only one member of staff received a bonus for 2021–22, which did not affect the calculation of median or quartile pay or the ratios.The figures in the table below are therefore salary and allowances

Year	25th percentile pay / ratio	Median pay / ratio	75th percentile pay / ratio
2022–23	£28,323 / 5.2	£34,083 / 4.3	£45,315 / 3.3
2021–22	£28,728 / 5.1	£35,622 / 4.1	£44,163 / 3.3

Our People – Unaudited Information

Diversity and Inclusion

The BFI is committed to supporting and promoting diversity and inclusion through all our people activities and approaches during our employee's life cycle.

Our profile and our action plan:

Our range of initiatives are externally published within our gender pay gap action plan on our own website and on the Government's Gender Pay Gap reporting site, as we recognise the intersectionality of our people.

Our reported gender pay gaps (in favour of men) are:

	Mean Pay Gap	Median Pay Gap	Female %	Male %
31-03-23	0.2%	3.6%	55.3%	44.7%
31-03-22	2.4%	0%	53.5%	45.5%
31-03-21	3.1%	0%	54.6%	45.4%
31-03-20	1.9%	0%	52.6%	47.4%
31-03-19	-0.02%	3.9%	53%	47%

Our Profile as at 31 March 2023:

We are working to close our data gaps to ensure that our reporting better reflects who we are and that our initiatives both target support for our current people and help us to improve our representation across the BFI. Our targets in our under represented areas are designed to challenge us to find innovative ways to meet them within a low core turnover (unplanned approx. 11% in 2021–22).

	Self-identified (31-03-23)	Self-identified (31-03-22)	Our Data Gaps (2023)	Our Targets
Disability	10.3%	9.8%	20.6%	18%
Ethnicity (Ethnically diverse)	18.7%	19.5%	9.9%	40% in urban areas; 37% overall
Sex (Women)	55.3%	52.6%	0%	50%
Sexual Orientation (LGBTQIA+)	16.3%	16.7%	11.4%	10%

Our People Initiatives

We continue to pay the London Living Wage plus a differential as a minimum to all employees across the BFI (including c20% of our people based outside of the London area).

Internal staff networks have been established BFI Race Equality Network, BFI Queer Network and BFI Disability Network.

We have a target of 15% for ethnically diverse senior management, and currently 13.5% of our senior management team have told us they are ethnically diverse. We work with the following recruitment sites to encourage ethnically diverse candidates: We Are POCC; and SocialFixt.

We started our anti-racism journey in partnership with the What If. Experiment in 2022/23. A group of senior leaders including the majority of the Executive, have completed a zesting programme to understand how white supremacy is embedded in the cultural sector; how it is upheld by white identifying leaders and the development of a toolkit of analysis, reflection and application to help the BFI become a more accountable and transparent organisation. All staff were asked to complete a culture of belonging training to ensure all BFI colleagues are aware of how to identify and address white supremacy in the cultural sector. Further zesting cohorts, a policy audit and a co-designed action plan have been planned for 2023/24.

We encourage women returners (and support all working parents) we operate a generous childcare scheme, supported by flexible working practices (for all) and provide shared parental leave on enhanced terms.

We provide an Employee Assistance Programme that is frequently used by employees for advice and support on a wide range of life and work topics.

We operate ‘blind’ recruitment at our shortlisting stage to advertise roles. Our person specifications for each role are based on ‘minimum requirements’ of the competencies needed for the role to avoid creating any unnecessary barriers. We are a Disability Confident employer, accredited by Jobcentre Plus. In addition to guaranteeing an interview to applicants with a disability who meet our minimum requirements for a role we also operate the same approach for ethnically diverse candidates.

We are long serving Stonewall Champions.

D&I workforce targets are in place for each Executive Director to own and action plan their delivery.

We are founding members for our sector of the global Employer’s Network for Equality and Inclusion and represent on the Executive Steering Committee.

Health & Wellbeing

Our overall sickness absence is low at 1.06% time lost to sickness absence.

We continue to focus on BFI people wellbeing as a priority. In April and June 2022 we ran Health checks at Stephen Street, South Bank and Berkhamsted. These consisted of a health 'MOT' checking areas like blood pressure, BMI and cholesterol and were well received.

In October of 2022 we ran further Mental Health First Aid training, this included IMAX staff. We are working with the people team and unions to explore current wellbeing benefits, and to seek to improve these ensuring they are more inclusive has been taking place across the year.

Occupational Health Usage

There were 48 people referred to Occupational Health by management in 2022/23 which is an increase of 150% compared to last year. Of these referrals, 34% were categorised as anxiety, stress, depression or psychological, which is a decrease from 41% last year.

Employee Assistance Programme

We appointed Health Assured as our Employee Assistance Programme Provider in April 2022. This provides staff and their immediate families with support on a broad range of work-life issues. Utilisation of the service has increased this year to 13.2% compared to 8.78% last year.

The service offers counselling (incl. face to face, telephone and online plus computerised CBT) which 4 people took up in 2022/23 across 14 support sessions for these individuals. The broader work-life sessions that include legal assistance, financial advice and career coaching sessions totalled 8. Depression, Anxiety and Housing were the 3 reasons for individuals accessing this service.

Off Payroll Consultancy Engagements

During the year ended 31 March 2023 the BFI had 14 off payroll engagements totalling £598,000 (2022: 15 totalling £592,000) for more than £245 per day (2022: £245 per day), that lasted longer than 6 months and amounted to £20,000 or more. These have been subject to a risk based assessment as to whether assurance is required that individuals are paying their correct tax and, where necessary, that assurance has been sought.

Off Payroll Consultancy Engagements (continued)

Table 1: Highly paid off-payroll worker engagements as at 31 March 2023, earning £245 per day or greater.

No. of existing engagements as of 31 March 2023	11
Of which ...	
No. that have existed for less than one year at time of reporting.	2
No. that have existed for between one and two years at time of reporting.	3
No. that have existed for between two and three years at time of reporting.	2
No. that have existed for between three and four years at time of reporting.	0
No. that have existed for four or more years at time of reporting.	4

Table 2: All highly paid off-payroll workers engaged at any point during the year ended 31 March 2023, earning £245 per day or greater.

No. of temporary off-payroll workers engaged during the year ended 31 March 2023	14
Of which ...	
Not subject to off-payroll legislation	9
Subject to off-payroll legislation and determined as in-scope of IR35	0
Subject to off-payroll legislation and determined as out-of-scope of IR35	5
No. of engagements reassessed for compliance or assurance purposes during the year	14
Of which: No. of engagements that saw a change to IR35 status following review	0

Table 3: For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2022 and 31 March 2023

No. of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year	0
Total no. of individuals on payroll and off-payroll that have been deemed "board members and/or senior officials with significant financial responsibility", during the financial year. This figure includes both on payroll and off- payroll engagements.	7

(7 individuals were members of our Executive senior management team for all or part of the year and were all on payroll. Our Governors (Trustees) are all unpaid and therefore excluded from this.)

Corporate Information

Corporate Information

British Film Institute

The British Film Institute is incorporated by Royal Charter and is registered in England and Wales as a charity, number 287780.

Registered Office: 21 Stephen Street, London W1T 1LN
www.bfi.org.uk

Auditor
Comptroller and Auditor General National Audit Office
157-197 Buckingham Palace Road, London SW1W 9SP

Bankers
Lloyds Bank plc
25 Gresham Street, London EC2V 7HN

Internal auditors
BDO LLP
55 Baker Street, London W1U 7EU

Solicitors
Farrer & Co
66 Lincoln's Inn Fields, London WC2A 3LH

Approval of Annual Report
This annual report includes information that the BFI is required to disclose in accordance with the Government Financial Reporting Manual (FReM) and accounts direction in a Strategic Report for the National Lottery activities. A separate report has therefore not been prepared.

The Annual Report, including the Remuneration Report, was approved by the Board of Governors for signature on 7 December 2023.



J. Timothy Richards,
Chair



Ben Roberts
Chief Executive

Governance Statement

Governance Statement

Scope of Responsibility

How the BFI is governed is covered on pages 99 to108. The Board of Governors is aware of the requirements of the *Corporate Governance in Central Government Departments: Code of Good Practice* and work is continuing to ensure compliance.

As Accounting Officer and as Chair of the Board of Governors, we have responsibility for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives set by the Department for Culture, Media and Sport (DCMS), whilst safe-guarding the public funds and the British Film Institute's (BFI) assets for which we are responsible in accordance with the responsibilities assigned to us in Managing Public Money and as Trustees of the Charity. The BFI complies with the HM Treasury Corporate Governance Code to the extent relevant to a Charity and National Lottery distributing body.

We also have responsibility, as defined in the BFI's Funding Agreement with the DCMS and the Management Statement and Financial Memorandum, for leading and managing the work of the BFI to fulfil its policies, aims and objectives, and upholding its values. The Accounting Officer reports to the Board of Governors of the BFI and we formally meet regularly with DCMS.

The purpose of the system of internal control

The system of internal control is designed to manage to a reasonable level rather than to eliminate the risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of BFI policies, aims and objectives, to evaluate the likelihood of those risks being realised and should they be realised, to manage them efficiently, effectively and economically. The system of internal control includes adequate arrangements for detecting and responding to inefficiency, conflict of interest and fraud, and prioritises those risks associated with the custody of assets and potential loss of Exchequer and National Lottery grants. The system of internal control has been in place for the year ended 31 March 2023 and up to the date of approval of the annual report and financial statements, and accords with Treasury guidance

Capacity to handle risk

As Accounting Officer and Chair of the Board of Governors we have overall responsibility for the BFI's risk management framework, and are supported in its implementation by the Senior Management Team and staff who are trained and equipped to assess and manage risk in a way appropriate to their authority and duties. Attendance at Board of Governors meetings in 2022–23 is detailed at page 100.

The Audit, Risk and Governance Committee, chaired during the year by Phil Stokes, gives independent advice and guidance to us, in our roles as Accounting Officer and Chair, and to the Board of Governors as a whole, on the adequacy of audit arrangements (both internal and external), on the implications of assurances provided in respect of risk and control at the BFI and oversees the work of the internal auditors, as well as providing guidance as to best practice. Attendance at Audit, Risk and Governance Committee meetings in 2022–23 is detailed at page 100.

The Remuneration Committee provide oversight and approval of remuneration and performance for senior staff members including the Accounting Officer. Further advice and guidance as to best practice is received from the internal and external auditors (who attend meetings of the Audit, Risk and Governance Committee), the DCMS, and other comparable organisations.

Terms of reference for the Audit, Risk and Governance Committee and the Remuneration Committee are reviewed by the Board of Governors and are held by the Board Secretary.

The risk and control framework

A risk management policy has been established setting out the BFI's attitude to the assessment, limitation and mitigation of risk in the achievement of our objectives.

The BFI has incorporated risk management in planning and decision making and maintains an organisation wide risk register. Policy and operational risks both in the organisation and from external factors are identified through our business planning cycle and the annual operational planning cycle, and are evaluated by the Executive Team. We also consider the risks associated with holding and safeguarding information for operational or financial reporting purposes.

As at 31 March 2023 the risk register as noted by the Executive Team included 39 corporate risks; these were considered as either time-sensitive or perennial risks.

The most significant are:

Risk	Mitigation
BFI operations compromised, therefore risks to income and expenditure, due to various market conditions	Inflation and additional Contingencies included Within budget
The BFI does not secure a sustainable funding model for the Certification Unit	Options continue to be developed; ongoing discussions with Government and industry
The BFI response to the inclusion and diversity agenda is seen as performative/formative	Inclusion & Diversity Strategy in place; delivery plans at draft stage
Risks arising from technology not delivering the expected services	Increased budget; business plan in place
The BFI digital and online business compromised including disruption and/or financial loss and/or loss of personal data and/or intellectual property	BCP in place; Counter Fraud Policy and Procedures in place; close working with Cabinet Office and DCMS on counter fraud activities; working with DCMS on the BFI's Counter Fraud Functional Standard activities; Cyber Essentials membership gained; Data Security protocol established; implement encrypted USB's for key users; run staff awareness workshop(s) to advise of issues
Loss of key staff results in key areas of knowledge and expertise	Succession planning in place but to be updated and reviewed as part of Budget Review process

Risk management and internal control are embedded in the processes of the organisation and are considered and reviewed on a regular basis by management. For example, the National Lottery Finance Committee (LFC), who ultimately sign off on National Lottery commitments, consisted of representatives of the relevant fund, finance and business affairs and was independently chaired by the Accounting Officer or the Director of Finance and Resources.

Any perceived risks arising in making an award were thus discussed at the time the funding decision was made and appropriate mitigating action taken, whilst allowing decision- making, oversight and control to be maintained of the decisions by the respective funds. The committee was updated on the progress of the funded projects to allow timely action to mitigate risks, protect funds and ensure that the ultimate purpose of the award is fulfilled.

For the regularly funded organisations, such as Creative England, Film London and Into Film, alongside regular oversight and monitoring, a series of regular formal governance meetings were held with the recipients throughout the year to discuss progress against key performance and risk indicators incorporated in their business plans and funding agreements.

The work of the BFI's internal audit service, provided by BDO, operated to standards set out in the Public Sector Internal Audit Standards was developed from an analysis of BFI's UK exposure.

In 2022–23 internal audit reports covered

- Working with Government (2 part)
- Key Financial Controls
- (Irish) Language Funds
- Culture
- Diversity & Inclusion
- Communications
- Cyber Security
- Section 25 and 27 reviews

The analysis of risk and the internal audit plans are endorsed by the BFI's Executive Team, the Audit, Governance and Risk Committee and are approved by the Accounting Officer.

In line with Cabinet Office guidance in relation to information risk, the Finance Director is the Senior Information Risk Owner. Working with the Internal Auditor, all the systems and databases operated by the BFI are kept under review and periodic updates provided to the Audit, Governance and Risk Committee.

In addition, the BFI has in place a wide range of policies, for instance relating to corporate governance, conflicts of interest, financial management (including fraud), health and safety, training and development and information technology. These are periodically reviewed and updated.

The internal communications process ensures that all staff are informed about key decisions on a timely basis through appropriate means. There is also an external communications strategy that ensures stakeholders, Parliament, press, funded organisations and projects, the industry at large, and members of the general public receive appropriate and reliable information.

Progress in achieving objectives set in the strategic plan is monitored by the Board and Senior Management. The Board receive appropriate regular financial reporting, enabling monitoring against financial targets.

Review of effectiveness

The Board is responsible for considering its performance and reviewing its effectiveness, including assessing the quality of the information it receives on an ongoing basis, and judging that it is of a satisfactory standard. Papers and reports are concise, relevant and timely. The Governors receive appropriate updates on the BFI's financial positions, forecasts, risks and performance against strategic goals at their scheduled meetings.

As Accounting Officer and Chair of the Board of Governors, we have responsibility for reviewing the effectiveness of the system of internal control. Our review is informed by the work of the internal auditors and the Senior Management within the BFI who have responsibility for the development and maintenance of the internal control framework, and comment made by the external auditors in their management letters and other reports. We have been advised on the implications of the results of our review of the effectiveness of the system of internal control by the Board and the Audit, Risk and Governance Committee, and a plan to address any weaknesses and ensure continuous improvement is in place.

In respect of risk management the responsibilities of the Executive Team are to:

- manage risk in their own areas of responsibility through the implementation of risk mitigation processes and by following the BFI's risk policy;
- translate the risk register into day-to-day operational planning within teams; and
- report to the Accounting Officer on the status of risks and controls.

The Board receives reports from the Chair of the Audit, Risk and Governance Committee, and from the Accounting Officer and managers, on the steps taken to manage risks, including progress reports on key activities and projects, as well as on new risks that may arise both internally within the organisation and due to external factors such as the political and economic environment of both the industry and the public sector.

The Internal Auditor provides audit reports on the areas of activity within the BFI. The reports include the Internal Auditor's independent opinion on the adequacy and effectiveness of the BFI's system of internal control during the year together with recommendations for improvement.

At the Audit, Risk and Governance Committee meeting on 22 June 2023, the Internal Auditors gave their annual opinion. They concluded that there was an adequate and effective system of governance, risk management and internal control to address the risk that management's objectives are not fully achieved.

We take assurance from assessment of the risk register, from the business and budget planning cycle, from the decision approval and operational procedures and from the reviews of, and assurance received from, delegate bodies that appropriate risk management procedures are in place.

Additionality

National Lottery applications and assessment processes are designed to ensure that awards made will be in line with the achievement of policies, aims and objectives set by the DCMS and the mission and values of the BFI, as well as the requirements of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998). The BFI considers that National Lottery funding is distinct from government funding and adds value. Although it does not substitute for Exchequer expenditure, where appropriate it complements government and other programmes, policies and funding.

We can confirm that in our opinion:

- the BFI complies with its current Financial Directions, Funding Agreement, Management Statement and Financial Memorandum and the requirements of a Charity;
- the BFI complies with DCMS guidelines as issued to it, including obtaining relevant approvals and observing the requirements of spending controls;
- adequate audit arrangements, both internal and external, are in place to support us in reviewing the systems of internal control;
- adequate arrangements are in place to detect and respond to inefficiency, conflicts of interest and fraud and to minimise losses of National Lottery and other funds;
- the BFI has drawn up and maintains risk assessment and control procedures and risk registers;
- the BFI has complied with Cabinet Office guidance on information risk and has suffered no protected personal data incidents during 2021–22 or during previous years, and has made no reports to the Information Commissioners Office; and
- adequate systems of internal control were operational during the year and no significant weaknesses have been uncovered.

The BFI will continue to strive to improve the systems of internal control in place in relation to its management, and processes to maximise our operational efficiency as a National Lottery Distributor.

Functional Standards

During the year, the BFI prioritised its approach to the Government's review of its Departments and ALBs in relation to each of the 14 standards.

In the year, the BFI has:

- a Senior Responsible Officer (SRO) identified for each standard;
- undertaken a review against the Mandatory elements;
- set out a plan for a review of each standard which is an annual requirement and will be set as a priority in the respective directorate annual business plan; and
- as part of the annual Internal Audit plan, when an activity is part of the plan the Terms of Reference will include an objective that the activity is meeting the relevant Functional Standard; in addition, for those activities not part of the annual internal plan, at least one Functional Standard area will be included as a stand-alone (internal audit) review.

Going Forward

Following the introduction of the functional standards the BFI will continue to review its business plan in line with relevant functional standards requirements.



J. Timothy Richards,
Chair



Ben Roberts,
Chief Executive

Group Financial Statements

STATEMENT OF GOVERNORS AND ACCOUNTING OFFICER'S RESPONSIBILITIES

Under both the Royal Charter and the National Lottery etc Act 1993 (as amended by the National Lottery Act 1998), the BFI is required to prepare a statement of accounts for the financial period in the form and on the basis directed by the Secretary of State for Digital, Culture, Media and Sport, with the consent of HM Treasury.

The accounts are to be prepared on an accruals basis and to show a true and fair view of the BFI's state of affairs at the year end and of our incoming resources, resources expended and cash flows for the financial year. The Grant-in-Aid accounts are also prepared so as to comply with the Charities SORP 2019, and the Lottery distribution accounts are prepared in line with the Government Financial Reporting Manual.

Both sets of accounts are also expected to:

- observe the accounts directions issued by the Secretary of State which set out accounting and disclosure requirements, apply suitable accounting policies on a consistent basis, and make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the Charity Statement of Recommended Practice or Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements
- be prepared on a going concern basis, unless it is inappropriate to presume that the BFI will continue in operation

The Principal Accounting Officer of DCMS has designated the Chief Executive as the BFI's Accounting Officer. The responsibilities of the accounting officers for Grant-in-Aid and Lottery distribution arm's length bodies are set out in chapter three of Managing Public Money. Formally, the Accounting Officer is the person who Parliament calls to account for stewardship of its resources.

The Accounting Officer signing off these accounts has gained assurance in the following ways:

- a meeting with the Director of Finance to go through the financial controls
- receiving feedback from Business Planning and Performance Committee on review of internal audit reports and other internal control matters
- discussing the annual review and accounts at an Executive Board meeting attended by Executive Board colleagues, including the Director of Finance
- attending Audit, Risk and Governance Committee meetings where matters are scrutinised

The Accounting Officer confirms that, as far as he is aware, there is no relevant audit information of which the entity's auditors are unaware, and the Accounting Officer has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

The Accounting Officer confirms that, as far as he is aware, the annual report and accounts as a whole is fair, balanced and understandable and he takes responsibility for the annual report and accounts and the judgement required for determining that it is fair, balanced and understandable.

In approving these accounts, Governors have complied with their duty under section 11 of the Charities Act 2011 to have due regard to guidance published by the Charity Commission.

A copy of the Grant-in-Aid and Lottery distribution accounts directions are available from the Accounting Officer, BFI, 21 Stephen Street, London, W1T 1LN.

The Governors as the trustees of the Charity are responsible for preparing the Trustees' Annual Report and the group and charity financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The Governors delegate power and responsibility to the Chief Executive for the day to day operation of the organisation. As Accounting Officer for government reporting purposes, the Chief Executive is also responsible for reporting to DCMS, one of our main funders.

STATEMENT OF GOVERNORS AND ACCOUNTING OFFICER'S RESPONSIBILITIES (CONTINUED)

The law applicable to charities in England and Wales requires the Governors and Chief Executive to prepare accounts for each financial year which give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, changes in funds, and cash flows for the financial year. In preparing these financial statements, the Governors and Chief Executive are required to:

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- observe the methods and principles in the Charities SORP or HM Treasury's Financial Reporting Manual as applicable;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Charity will continue in operation.

The Governors and Chief Executive are responsible for keeping proper accounting records which are such as to disclose, with reasonable accuracy, the financial position of the Charity at any time, and to enable them as trustees to ensure that the accounts comply with applicable law. The Governors and Chief Executive are also responsible for safeguarding the Charity's assets and ensuring their proper application in accordance with the Charities Act 2011; the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998), the Royal Charter and Managing Public Money issued by HM Treasury, and hence for taking reasonable steps for the prevention and detection of error, fraud and other irregularities.

The Governors and Chief Executive are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Governors and Chief Executive confirm that they have met the responsibilities set out above and complied with the requirements for preparing the accounts. The charity and group financial statements set out on pages 127 to 165, have been compiled from and are in accordance with the financial records maintained by the Governors and Chief Executive.

The Board of Governors has approved a Code of Conduct which reflects the principles laid down in the Code of Best Practice for board members of Public Bodies and maintains a Register of Interests of board members. This Register is available for inspection at the BFI's registered offices at 21 Stephen Street, London W1T 1LN, on request to the Board Secretary.



J. Timothy Richards, Chair



Ben Roberts, Chief Executive

THE AUDIT REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE GOVERNORS OF THE BRITISH FILM INSTITUTE AND THE HOUSES OF PARLIAMENT

Opinion on financial statements

I have audited the financial statements of the British Film Institute and its Group for the year ended 31 March 2023. The financial statements comprise: the British Film Institute and its Group's:

- Balance Sheets as at 31 March 2023;
- Statements of Financial Activities, Statements of Cash Flows and Statements of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and United Kingdom accounting standards including Financial Reporting Standards (FRS) 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion, the financial statements:

- give a true and fair view of the state of the British Film Institute and its Group's affairs as at 31 March 2023 and their net expenditure before other recognised gains and losses for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the Charities Act 2011.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs (UK)), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom* (2022). My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements section* of my report.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2019*. I am independent of the British Film Institute and its Group in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the British Film Institute and its Group's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the British Film Institute and its Group'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.

My responsibilities and the responsibilities of the Governors and Accounting Officer 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 Performance Report and Accountability Report, but does not include either the Group or Lottery Distribution financial statements nor my auditor's certificate and reports. The Governors and Accounting Officer are responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

THE AUDIT REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE GOVERNORS OF THE BRITISH FILM INSTITUTE AND THE HOUSES OF PARLIAMENT (continued)

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the section of the Annual Report titled How the BFI is Governed and labelled to be audited has been properly prepared in accordance with Secretary of State directions issued under the Royal Charter.

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

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Secretary of State directions issued under the Royal Charter; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the British Film Institute and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Reports.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- Adequate accounting records have not been kept by the British Film Institute and its Group or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report, subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by the Secretary of State direction under the Royal Charter, and the Charities Act 2011 have not been made or parts of the Remuneration and Staff Report to be audited are not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Governors and Accounting Officer for the financial statements

As explained more fully in the Statement of Governors and Accounting Officer's Responsibilities, the Governors and the Accounting Officer are responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the British Film Institute and its Group from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error; and
- ensuring that the financial statements give a true and fair view and are prepared in accordance with UK Generally Accepted Accounting Practice and the Charities Act 2011;
- ensuring that the Performance Report and Accountability Report, which includes the Remuneration and People Report labelled Audited Information, is prepared in accordance with HM Treasury's Government Financial Reporting Manual; and
- assessing the British Film Institute and its Group'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 Governors and the Accounting Officer either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit and express an opinion on the financial statements in accordance with section 151 of the Charities Act 2011 and International Standards on Auditing (ISAs) (UK).

My 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 a report that includes my 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

THE AUDIT REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE GOVERNORS OF THE BRITISH FILM INSTITUTE AND THE HOUSES OF PARLIAMENT (continued)

be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

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

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the British Film Institute and its Group's accounting policies.
- inquired of management, the British Film Institute's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the British Film Institute and its Group's policies and procedures on:
  - identifying, evaluating and complying with laws and regulations;
  - detecting and responding to the risks of fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the British Film Institute and its Group's controls relating to the British Film Institute's compliance with the Royal Charter, the Charities Act 2011, and Managing Public Money;
- inquired of management, the British Film Institute's head of internal audit and those charged with governance whether:
  - they were aware of any instances of non-compliance with laws and regulations;
  - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team including significant component audit teams and the relevant internal specialists, including those assisting on the valuation of film rights, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the British Film Institute and its Group for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the British Film Institute and Group's framework of authority and other legal and regulatory frameworks in which the British Film Institute and Group operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the British Film Institute and its Group. The key laws and regulations I considered in this context included The Charities Act 2011, the Royal Charter, Managing Public Money, employment law, pensions legislation and tax Legislation..

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit Risk and Governance Committee and in-house legal counsel concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports; and
- in addressing the risk of fraud through management override of controls, I tested the appropriateness of journal entries and other adjustments; assessed whether the judgements on estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

THE AUDIT REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE GOVERNORS OF THE BRITISH FILM INSTITUTE AND THE HOUSES OF PARLIAMENT (continued)

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members including internal specialists and significant component audit teams and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my report.

Other auditor's responsibilities

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I 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 I identify during my audit.

Gareth Davies
Comptroller and Auditor General

December 2023

National Audit Office
157–197 Buckingham Palace Road
Victoria
London, SW1W 9SP

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2023

	Note	2023 Unrestricted £'000	2023 Non-Lottery Restricted £'000	2023 Total Non-Lottery £'000	2023 Lottery Restricted £'000	2023 Total £'000	2022 Total £'000
Income							
Income and endowments from charitable activities (earned income)							
Audiences	3	25,921	-	25,921	-	25,921	20,198
Learning & Skills	3	247	-	247	-	247	155
Talent	3	60	-	60	-	60	-
Income from donations and legacies							
Voluntary Income							
Lottery proceeds	3 & 15	-	-	-	47,809	47,809	48,951
Lottery recoupment income	3	-	-	-	2,441	2,441	1,765
Revenue Grant in Aid funding	2	18,808	14,380	33,188	-	33,188	51,988
Capital Grant in Aid funding	2	-	1,327	1,327	-	1,327	2,082
Other grants, legacies and donations	3	2,713	10,162	12,875	247	13,122	4,850
Donated services and facilities	4	-	2,401	2,401	-	2,401	2,344
Investment income	5	264	-	264	1,047	1,311	-
Total income		48,013	28,270	76,283	51,544	127,827	132,333
Expenditure on							
Charitable activities							
Audiences	6	(45,360)	(21,975)	(67,335)	(38,523)	(105,858)	(83,539)
Learning & Skills	6	(2,357)	(1,072)	(3,429)	(13,907)	(17,336)	(15,164)
Talent	6	(3,526)	(1,189)	(4,715)	(35,292)	(40,007)	(32,117)
Leadership	6	(256)	(619)	(875)	(930)	(1,805)	(1,588)
Total charitable activities		(51,499)	(24,855)	(76,354)	(88,652)	(165,006)	(132,408)
Costs of raising funds	6	(1,975)	-	(1,975)	-	(1,975)	(1,864)
		(1,975)	-	(1,975)	-	(1,975)	(1,864)
Total expenditure		(53,474)	(24,855)	(78,329)	(88,652)	(166,981)	(134,272)
Net (expenditure) / income		(5,461)	3,415	(2,046)	(37,108)	(39,154)	(1,939)
Gross transfers between funds	25	2,445	2,420	4,865	(4,865)	-	-
Net (expenditure) / income and net movement in funds before other recognised gains and losses		(3,016)	5,835	2,819	(41,973)	(39,154)	(1,939)
Other recognised gains							
Actuarial gains on defined benefit pension scheme	8	71,437	-	71,437	6,232	77,669	26,186
Gains on the revaluation of fixed assets	10	6,949	-	6,949	-	6,949	22,039
Net movement in funds		75,370	5,835	81,205	(35,741)	45,464	46,286
Reconciliation of funds							
Total funds brought forward	25	26,438	7,902	34,340	29,042	63,382	17,096
Total funds carried forward	25	101,808	13,737	115,545	(6,699)	108,846	63,382

All gains and losses recognised in the year are included in this Statement of Financial Activities and all activities are classified as continuing.
The accompanying notes 1 to 33 form part of these Accounts.

STATEMENT OF FINANCIAL ACTIVITIES – CHARITY ONLY
YEAR ENDED 31 MARCH 2023

		2023					
	Note	Unrestricted £'000	Non-Lottery Restricted £'000	Total Non-Lottery £'000	Lottery Restricted £'000	2023 Total £'000	2022 Total £'000
Income							
Income and endowments from charitable activities (earned income)							
Audiences	3	16,280	-	16,280	-	16,280	14,097
Learning & Skills	3	247	-	247	-	247	155
Talent	3	60	-	60	-	60	-
Income from donations and legacies							
Voluntary Income							
Lottery proceeds	3 & 15	-	-	-	47,809	47,809	48,951
Lottery recoupment income	3	-	-	-	2,441	2,441	1,765
Revenue Grant in Aid funding	2	18,808	14,380	33,188	-	33,188	51,988
Capital Grant in Aid funding	2	-	1,327	1,327	-	1,327	2,082
Other grants, legacies and donations	3	6,685	10,162	16,847	247	17,094	8,310
Donated services and facilities	4	-	2,401	2,401	-	2,401	2,344
Investment income	5	234	-	234	1,047	1,281	-
Total income		42,314	28,270	70,584	51,544	122,128	129,692
Expenditure on							
Charitable activities							
Audiences	6	(39,662)	(21,975)	(61,637)	(38,523)	(100,160)	(80,862)
Learning & Skills	6	(2,357)	(1,072)	(3,429)	(13,907)	(17,336)	(15,164)
Talent	6	(3,526)	(1,189)	(4,715)	(35,292)	(40,007)	(32,117)
Leadership	6	(256)	(619)	(875)	(930)	(1,805)	(1,588)
Total charitable activities		(45,801)	(24,855)	(70,656)	(88,652)	(159,308)	(129,731)
Costs of raising funds	6	(1,975)	-	(1,975)	-	(1,975)	(1,864)
		(1,975)	-	(1,975)	-	(1,975)	(1,864)
Total expenditure		(47,776)	(24,855)	(72,631)	(88,652)	(161,283)	(131,595)
Net (expenditure) / income		(5,462)	3,415	(2,047)	(37,108)	(39,155)	(1,903)
Gross transfers between funds	25	2,445	2,420	4,865	(4,865)	-	-
Net (expenditure) / income and net movement in funds before other recognised gains and losses		(3,017)	5,835	2,818	(41,973)	(39,155)	(1,903)
Other recognised gains							
Actuarial gains on defined benefit pension scheme	8	71,437	-	71,437	6,232	77,669	26,186
Gains on the revaluation of fixed assets	10	6,949	-	6,949	-	6,949	22,039
Net movement in funds		75,369	5,835	81,204	(35,741)	45,463	46,322
Reconciliation of funds							
Total funds brought forward	25	26,777	7,902	34,679	29,042	63,721	17,399
Total funds carried forward		102,146	13,737	115,883	(6,699)	109,184	63,721

All gains and losses recognised in the year are included in this Statement of Financial Activities and all activities are classified as continuing.
The accompanying notes 1 to 33 form part of these Accounts.

CONSOLIDATED AND CHARITY BALANCE SHEET AS AT 31 MARCH 2023

	Note	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Fixed assets:					
Intangible fixed assets	9	-	-	-	-
Tangible fixed assets	10	100,016	95,377	100,016	95,377
Investments	12	-	-	1,443	1,443
Total fixed assets		100,016	95,377	101,459	96,820
Non-current assets:					
Film Rights	14	9,833	10,008	9,833	10,008
Current assets:					
Stocks & work in progress	16	638	594	433	428
Debtors	17	20,343	14,234	23,248	14,370
Film Rights	14	3,038	3,463	3,038	3,463
National Lottery Distribution Fund	15	45,260	50,941	45,260	50,941
Cash at bank and in hand	18	33,581	39,507	29,327	38,120
Total current assets		102,860	108,739	101,306	107,322
Liabilities:					
Creditors: amounts falling due within one year	20	(60,381)	(72,334)	(59,932)	(72,021)
Provisions	23	(3,954)	(4,328)	(3,954)	(4,328)
Net current assets		38,525	32,077	37,420	30,973
Total assets less current liabilities		148,374	137,462	148,712	137,801
Creditors: amounts falling due after more than one year	21	(38,296)	-	(38,296)	-
Defined benefit pension scheme net liability	8	(1,232)	(74,080)	(1,232)	(74,080)
Total non-current liabilities		(39,528)	(74,080)	(39,528)	(74,080)
Total net assets		108,846	63,382	109,184	63,721
The Funds of the Charity:					
Restricted income funds					
Restricted income funds excluding Lottery and pensions liability	25	13,737	7,902	13,737	7,902
Lottery reserve		(9,377)	32,130	(9,377)	32,130
Lottery share of pension reserve		2,678	(3,088)	2,678	(3,088)
	25	(6,699)	29,042	(6,699)	29,042
Total restricted funds		7,038	36,944	7,038	36,944
Unrestricted income funds					
Unrestricted income funds excluding pensions asset/liability		37,801	34,460	38,139	34,799
Unrestricted fixed asset revaluation reserve		67,917	62,970	67,917	62,970
		105,718	97,430	106,056	97,769
Pension reserve		(3,910)	(70,992)	(3,910)	(70,992)
Total unrestricted funds	25	101,808	26,438	102,146	26,777
Total charity funds	25	108,846	63,382	109,184	63,721

The accompanying notes 1 to 33 form part of these Accounts.

The Governors and Chief Executive Officer of the BFI, registered charity number 287780, approved these financial statements and authorised their signature on 5 December 2023.



Tim Richards
Chair



Ben Roberts
Chief Executive

CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED 31 MARCH 2023

	Notes	2023 Unrestricted £'000	2023 Restricted £'000	2023 Total £'000	2022 Unrestricted £'000	2022 Restricted £'000	2022 Total £'000
Net (expenditure) / income		(5,461)	(33,693)	(39,154)	(9,002)	7,063	(1,939)
Less interest receivable	5	(264)	(1,047)	(1,311)	-	(69)	(69)
Loss on disposal of tangible fixed assets		197	-	197	29	-	29
Depreciation	10	4,558	-	4,558	5,208	-	5,208
Amortisation of goodwill	9	-	-	-	40	-	40
(Increase) / decrease in film rights - due after one year	14	-	175	175	-	(780)	(780)
(Increase) / decrease in film rights - due within one year	14	-	425	425	-	(1,132)	(1,132)
(Increase) / decrease in stocks	16	(44)	-	(44)	(22)	-	(22)
(Increase) / decrease in debtors	17	(129)	(5,980)	(6,109)	(445)	16,948	16,503
Increase / (decrease) in creditors due within one year	20	1,697	(13,650)	(11,953)	(4,302)	(11,935)	(16,237)
Increase / (decrease) in creditors due after one year	21	-	38,296	38,296	-	-	-
Increase / (decrease) in provisions due within one year	23	-	(374)	(374)	-	1,162	1,162
Non-cash pension movements	8	4,355	466	4,821	4,895	562	5,457
Cash flows from operating activities		4,909	(15,382)	(10,473)	(3,599)	11,819	8,220
Cash flows from investing activities							
National Lottery Distribution Fund income received	15	-	(48,768)	(48,768)	-	(48,951)	(48,951)
National Lottery Distribution Fund cash drawn down	15	-	54,449	54,449	-	51,130	51,130
Interest receivable	5	264	1,047	1,311	-	69	69
Purchase of tangible fixed assets	10	-	(2,445)	(2,445)	-	(3,518)	(3,518)
Cash flows from investing activities		264	4,283	4,547	-	(1,270)	(1,270)
Change in cash and cash equivalents in the year		5,173	(11,099)	(5,926)	(3,599)	10,549	6,950
Cash and cash equivalents at the beginning of the year		600	38,907	39,507	4,199	28,358	32,557
Cash and cash equivalents at the end of the year	18 & 25	5,773	27,808	33,581	600	38,907	39,507

The accompanying notes 1 to 33 form part of these Accounts.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

Basis of preparation

The financial statements of the BFI are prepared under the historical cost convention, as modified for revaluation of certain categories of fixed assets and in accordance with the Charities Act, Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Accounts Direction issued by the Secretary of State for Culture, Media and Sport effective from April 2018 and applicable accounting standards.

The financial statements have also been prepared in accordance with the Government Financial Reporting Manual (FReM) issued by HM Treasury, to the extent that they clarify or build on the requirements of the Charities SORP (FRS102). The accounting policies contained in the FReM apply International Financial Reporting Standards as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the BFI for the purpose of giving a true and fair view has been selected. The particular policies adopted by the BFI are described below and they have been applied consistently in dealing with items that are considered material to the accounts.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the Charity, including its Lottery distribution activities, and all its subsidiary undertakings (see note 12 for details of subsidiaries and associate or jointly controlled entities). The results of the subsidiaries are consolidated on a line by line basis within the SOFA. A separate SOFA has also been presented for the Charity. The balance sheet and related notes show the assets and liabilities of the Group as well as the Charity. Separate accounts are also prepared for the BFI's Lottery distribution activities as required under the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998) and these are attached to the consolidated accounts.

Estimates and judgements

Estimates and judgements have been used in the production of these accounts, notably with regard to the valuation of Fixed Assets, Film Rights and Pensions as at the year end, the allocation of support costs to the charitable activities and the recharge of operating costs to the Lottery activities. Details of the valuation of fixed assets are set out in the accounting policy Tangible fixed assets below and in note 10. Tangible Fixed Assets. Details of the valuation of film rights are set out in the Film Rights accounting policy below and in note 14. Film Rights. Details of the pension schemes are set out in the Pensions accounting policy below and in note 8. Pensions. The allocation of support costs is set out in the accounting policy Expenditure below and detailed in note 6. Expenditure. The recharge of operating costs to the Lottery activities are as set out in the accounting policy Apportioned costs below.

Most of the London Pension Fund's assets have quoted prices in active markets, but there are unquoted property, infrastructure and private equity assets, with BFI's share of assets other than equities and cash amounting to an estimated £57.2m (2022: £56.6m). The property and infrastructure assets are subject to valuation by external valuers and despite the ongoing impact of COVID- 19 on the market and wider economy, the valuers have advised the pension fund that they are satisfied with the valuation of the assets at 31 March 2023.

Going concern

Based on our status as a Royal Charter body, Non-Departmental Public Body and National Lottery Distributor, and in light of the 2022 Comprehensive Spending Review and our forward financial plans and free reserves, we have reasonable expectations of continuing trading within the funding available to the BFI and that there will continue to be sufficient cash to meet the BFI's liabilities for at least 12 months from the date of signing the accounts.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES (CONTINUED)

Going concern (continued)

While unrestricted activities show a deficit for the year, these figures include significant non–cash expenditure transactions relating to depreciation and FRS102 pension charges. Excluding the impact of these, net free reserves have increased, albeit they continue to be below the level targeted by our reserves policy. Total unrestricted reserves have further benefited from the decrease in FRS102 pension liability and increased fixed asset valuations. The defined benefit pension scheme with the London Pension Fund Authority, based on the latest triennial actuarial valuation as at 31 March 2022, is now in surplus and the appropriate level of contributions are factored into our forward plans.

Lottery activities also show a deficit for the year and net negative reserves. However this is due to multi- year awards, recognised as non–current liabilities, which will be funded from the BFI's ongoing share of National Lottery proceeds for good causes over the coming years. The restricted Lottery funds continue to hold positive net current assets to meet its liabilities as they fall due.

Charitable activities

The BFI engages in a diverse range of activities in order to meet its objects, which are described in more detail in the Governors' Report and the BFI's strategy BFI 2022 (extended to 2022–23 due to COVID–9). In the financial statements, the BFI categorises its activities across its four strategic priorities to further its charitable aims for the public benefit:

Audiences – great filmmaking for audiences everywhere.

Learning & Skills – giving everyone the educational opportunity to build a lifelong relationship with film.

Talent – supporting creative and influential filmmakers whose work is admired throughout the world.

Leadership – to lead on public policy and advocacy for the UK film sector and promote a globally competitive UK film industry.

Accruals convention

Income and expenditure is generally accounted for when receivable/payable on an accruals basis except where accounting standards or other requirements apply, as set out in the following accounting policies.

Income and endowments

All income is included in the SOFA when the Charity is legally entitled to the income, entitlement is probable and the amount can be quantified with reasonable accuracy. The following specific policies apply to categories of income:

Income from charitable activities: includes a wide range of chargeable activities including sales of cinema tickets, DVDs, film and footage and sponsorship income and these are accounted for on an accruals basis.

Lottery proceeds are the BFI's share of Lottery income as notified to the BFI by the National Lottery Distribution Fund (NLDF).

Lottery recoupment income is income from film rights in excess of the original value of the right and is taken to the SOFA as film recoupment income. Income is accounted for on a receivable basis. The exception to this is recoupment income because of the inherent difficulties in relating the income to a specific period in time. Recoupment income is therefore accounted for upon notification of amounts received by the BFI.

Donated services and facilities: including gifts in kind, are included in income and expenditure at the value to the Charity where this can be quantified (see note 4).

Grants and deferred income: whilst grants, including Grant-in-Aid, are typically accounted for in full upon receipt, where related to performance and specific deliverables, grants are accounted for as the Charity earns the right to consideration by its performance. Where income is received in advance of its recognition, it is deferred and included in creditors: amounts falling due within one year. Where entitlement occurs before income being received, the income is accrued. Capital grants are accounted for as income as soon as they are receivable. Grant-in-Aid refers to direct grants from the Department for Culture, Media and Sport for the general use of the BFI and also ring-fenced funding for other appropriate bodies delivering activities in accordance with the BFI's charitable objects.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES (CONTINUED)

Income and endowments (continued)
Gift Aid is receivable from HM Revenue & Customs on certain donations which meet the relevant requirements and these are recognised on an accruals basis.

Film recoupment income
Income received from film rights is offset against the value of the film rights on the Balance Sheet.

Income in excess of the original value of the rights is taken to the SOFA as film recoupment income.

Receivables
Provisions for doubtful debts (provisions for impairment) are raised on outstanding debts and rely on estimation methodologies and techniques to calculate the amount of the provision. Any movement in the provision in the year is taken to the SOFA within charitable expenditure.

Expenditure
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category concerned. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources (see note 6). Costs of generating funds are fundraising and publicity costs incurred in seeking voluntary contributions and do not include the cost of disseminating information in support of charitable activities.

Grant Awards
Grant expenditure is charged to the statement of financial activities in the year that the grants are awarded and, if relevant, in which funding for the grant is received from DCMS. In most circumstances this will be the same as the year in which the funded activities take place. However, in some cases grant expenditure is recognised in the accounts where the funded activity is due to take place in future years. Any amounts unpaid from grants at the year end are shown in the balance sheet as creditors. Grant commitments made in the year relating to future years' activity as disclosed in note 28: Contingent Liabilities are not charged to the statement of financial activities, as they are contingent on receipt of Grant-in-Aid income, which is not certain until the year in which it is due.

The basis of reporting Lottery award commitments is laid out in the revised Accounts Direction from DCMS and the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998), and continues to align with the reporting requirements of the Charities SORP. Where the BFI has made a firm offer of a grant and notified successful applicants, the award is accounted for within other creditors as a grant commitment. Where the BFI has agreed to make an award in respect of investing in a film rights project, these are not grants and are accounted for as set out below under financial instruments and film rights.

In addition to our current BFI 2022 plan, some Lottery awards were made under our new Screen Culture 2033 strategy, including funding for 2023-24 and beyond. In line with the National Lottery Act etc.1993 (as amended by the National Lottery Act 1998) and the BFI Lottery Accounts Direction, which are consistent with the BFI's basis of preparation of accounts as outlined above, these awards were accounted for in full in the Statement of Financial Activities in the year in which the award was notified to the successful applicant.

Commitments payable within one year of the balance sheet date are recognised in the statement within creditors as current liabilities. Those payable more than one year from the balance sheet date are shown as creditors payable after more than one year.

Awards made under the Lotteries Act Section 27 dispensation.

Using the power granted by the Section 27 of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998) the Secretary of State did not object to an award of to the BFI in relation to the London Film Festival of £1.4m (2022: £1.4m).

A new award of £3.5m was made in the year under these powers to the Heritage 2022 strategy (2022: £Nil).

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES (CONTINUED)

Apportioned costs

The BFI incurred costs which are shared between Lottery and the subsidiaries. The BFI as a charity is required to apportion costs in accordance with the principles of full cost recovery and the government's 'Managing Public Money' guidance. In addition to costs wholly attributable to Lottery activities, an assessment is made of the other costs attributable to Lottery activities incurred by service and other departments. This is based on a combination of head count, office space occupied, activity levels and additional expenditure incurred. These departments include Finance, People & Business Operations, Corporate & Industry Affairs and the Chief Executive's Office. Direct costs are borne by the active subsidiaries of the BFI and in addition an appropriate share of staff costs and overheads based on BFI staff time spent on those activities.

Charitable expenditure on collections

The BFI has built the National Archive since its establishment in 1933, consisting of film and other related materials dating back to the 19th century. The BFI develops, cares for and interprets a collection that illustrates the art, history and impact of film, to be held in perpetuity for the public, for their use and for use by the BFI in pursuit of its objectives. The collection is one of the largest and most diverse collections in the world. It includes feature films, documentary and factual films, television programmes, artists film, photographic stills, posters, books and other related materials, held primarily for use in the BFI's activities and charitable objectives, as described in more detail in the Annual Report and below. The Collection Policy was most recently updated in November 2011 and can be found at www.bfi.org.uk. It documents our procedures for acquisition and disposal, documentation, conservation and access and describes our role in a national network of organisations that collect or provide access to film.

For the most part this collection has been acquired by donation, often with restricted usage rights, and as a result there is little in the way of purchase cost. There is also a lack of comparable market values, compounded by the diverse nature of the objects and the volume of the items held. In the opinion of the Governors, reliable information on cost or value is not available for the BFI's collection.

In the Governors' opinion, conventional valuation approaches lack sufficient reliability and any valuation is likely to incur significant costs that are likely to be onerous. Even if valuations could be obtained this would not be commensurate with any benefits to the BFI's management, curatorial staff, the public, or other users of the financial statements. For this reason the collections, large proportions of which were gifted to the BFI at nil cost and are incomparable in nature, are not recognised in the BFI's balance sheet.

All expenditure on acquiring, preserving and improving the collection is included in charitable expenditure in the year incurred. In the main, this expenditure is of a curatorial or restoration nature and the Governors are of the opinion that any value attributable to heritage assets or fixed assets would not be material. The collections also comprise donated materials that are not subject to formal valuation.

Heritage assets

Much of the BFI's collection is used, or expected to be used in the future, in its charitable activities. To the extent that the collection comprises heritage assets, there is an absence of reliable cost information, a diverse range of assets held, a lack of comparable market values and a complex mixture of intellectual property rights associated with the assets. As a result the Governors are of the opinion that valuation information cannot be obtained at a cost commensurate with the benefits to users of the financial statements and to the charity. Therefore the BFI has adopted a non-recognition approach.

Tangible fixed assets, depreciation and impairment

Expenditure on tangible fixed assets costing £5,000 or more and with a useful economic life of at least 3 years is capitalised and included at cost. Leasehold land and buildings, together with some associated plant and fixtures, are included at fair value in accordance with the FReM. See Note 10. Tangible Fixed Assets.

The BFI's long leasehold properties BFI Southbank and BFI London IMAX are revalued quinquennialy by appropriately qualified valuers. Between valuation years the values are estimated using appropriate indexation. The most recent quinquennial valuations were completed with an effective date of 31 March 2022. The values at 31 March 2023 have been estimated using appropriate indexation from an independent expert body.

The BFI's short leasehold properties in London, Berkhamsted and Warwickshire have been subject to leasehold improvements. The values are estimated using appropriate indexation each year end applied to acquisitions, starting in the year following the acquisition.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES (CONTINUED)

Tangible fixed assets, depreciation and impairment (continued)

Revaluation is not applied to those classes of asset which are made up of low value and/or short useful economic life assets or where the historical cost is considered a reasonable approximation of fair value.

Depreciation is provided on all tangible fixed assets to write off the cost less estimated residual values over their expected useful economic lives. It is calculated on a straight line basis at the following rates from the month after acquisition to the month prior to disposal:

Long leasehold property
1-20% per annum (5-99 years straight line/over the period of the lease)

Short leasehold property improvements
5-20% per annum (5-20 years straight line)

Computer and other IT equipment
5-25% per annum (4-20 years straight line)

Furniture, fixtures and fittings
4-20% per annum (5-25 years straight line)

Plant and machinery
4-25% per annum (4-25 years straight line)

Assets in the course of construction
Depreciation commences upon completion of construction

The carrying value of fixed assets and their remaining useful economic life is reviewed at least annually. Where the carrying value is considered to be greater than the value of the asset to the activities of the Charity, an impairment charge will be made in the year to reflect the recoverable value.

Intangible fixed assets

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the carrying value/fair value of the identifiable assets and liabilities of a subsidiary, associate or jointly controlled entity at the date of acquisition. Goodwill on acquisition of subsidiaries is separately disclosed. Goodwill is recognised as an asset and reviewed for impairment annually or on such other occasions that events or changes in circumstances indicate that it might be impaired. Any impairment is recognised immediately in the income statement and is not subsequently reversed. Goodwill is allocated to cash generating units for the purpose of impairment testing. Purchased goodwill arising on consolidation is amortised over the period of its expected useful economic life. This is considered to be a period of ten years from the date of acquisition. Goodwill was fully amortised as at 31 March 2022.

Investments

Investments in subsidiaries, associates or jointly controlled entities are stated at cost less provision for impairment.

Financial instruments

The principal financial instruments are cash and holdings in the NLDF and film rights, under the definitions set out under FRS102.

Other financial instruments include debtors and creditors that arise directly from Lottery and non-Lottery operations. The main risks arising from the financial instruments are interest rate risk, foreign currency risk and other price risk. Short term debtors are measured at transaction price, less any impairment. Foreign currency policy is stated below.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES (CONTINUED)

Film rights

Film rights represent investment awards paid and payable to filmmakers which are repayable under certain conditions. All advances to filmmakers are repayable under certain conditions. Where a feature film made with the assistance of the BFI is successfully released, the BFI is entitled to participate in revenues generated by that success. This can lead to repayment of the investment in full, together with a share of the profits generated by the film.

Under FRS102 film rights fall within the definition of Financial Instruments. Within that, they meet the definition of assets measured at fair value with gains and losses being recognised in the SOFA. The fair value is based upon cash flows and models of future income that may be generated by the film right asset. The calculations behind these models are based upon external factors such as sales agents' estimates, actual sales made, and the recoupment order agreed in the financing contract between investors as well as internal factors such as the skills and expertise of management involved in these calculations and a review of the historic performance of the portfolio.

When an advance is made (satisfying the definition of an award liability) it is taken to the Balance Sheet initially at the full value of the award. An assessment is then made of the likely repayment of the award, if any, over the next seven financial years, with the valuation reduced to the extent that the repayment of the award is considered doubtful. The reduction is calculated either as standard percentage suggested by historic recoupment performance of that particular type of award, or based on the value suggested by future estimated receipts.

In subsequent years, the Film Rights valuations are reviewed to ensure that all revenues due are received and the valuation remains appropriate. The valuations are based on the best available information at the balance sheet date and the valuations will change over time. For instance, on production awards, the actual value of sales made to a territory may exceed or fall below the original sales estimate provided by the sales agent or the box office performance may exceed or fall below the initial projections following the release of a film.

Movements in value shown in the Statement of Financial Activity reflect the net effect of increases and decreases in values against film rights in the year. Any reduction may be reversed in part or in full if the valuation understates the fair value of the film rights. Advances for development and short film awards are fully adjusted to £nil in the year of the award, unless there is a reasonable expectation of repayment in the next seven financial years.

If the valuation of the film rights is in excess of the amount of the award investment based on estimated recoupment over the next seven financial years, this is similarly recognised in the film rights valuation and released to income as the recoupment is received. In the context of the life of a film and its distribution cycle, seven years is felt to be a reasonable period over which a meaningful forecast can be taken, and is consistent with practice across the film industry.

Should the full amount of an award for film rights not be utilised, any unused element of the funding will be decommitted. If such a decommitment exceeds the fair value of the film, then any necessary adjustment will be released back to the SOFA so the remaining fair value reflects the revised investment value.

Stocks & work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value. The former consist of goods held for resale and the latter expenditure on DVD and Blu-Ray development costs carried forward and written off over the expected commercial life of the individual titles.

Rewarding Success Provision

The rewarding success initiative allows for a share of film recoupment income arising from lottery awards to be made available to UK Producers, Writers and Directors for their future film making activity. The funds held on behalf of film-makers ("the locked box") represents the monies held for this initiative at the balance sheet date and not yet drawn down and are included as Provisions on the Balance Sheet.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES (CONTINUED)

National Lottery Distribution Fund

Balances held in the National Lottery Distribution Fund (NLDF) remain under the stewardship of the Secretary of State for Culture, Media and Sport. The share of these balances attributable to the BFI is as shown in the financial statements at an estimate of market value and, at the balance sheet date, has been certified by the Secretary of State for Culture, Media and Sport as being available for distribution by the BFI in respect of current and future commitments. With the election to adopt the recognition and measurement criteria of IFRS9 for the standalone BFI Lottery accounts (appended), funds are held as financial instruments held at amortised cost. As the investments are held with the Debt Management Account and the National Loans Fund, these are exempt from recognising stage 1 and stage 2 impairment so no expected credit losses have been calculated on these instruments.

The share of proceeds and investment returns attributed to the BFI has been treated as income within these financial statements.

Pension costs

For defined benefit pension schemes the amounts charged in expenditure are the service costs, gains and losses on settlements and curtailments, administration costs and net interest on the defined liability. The service costs are included as part of staff costs. Actuarial gains and losses are recognised in the SOFA as other recognised gains / (losses).

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the Charity, in separate trustee-administered funds which are part of the London Pension Fund Authority (LPFA). The LPFA is a local government pension scheme and the BFI is an Admitted Body member. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-equality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained every three years and are updated at each balance sheet date. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the balance sheet and in note 8: Pensions.

For defined contribution schemes, the amount charged to the SOFA in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Operating and finance lease transactions

Payments made under operating leases are charged to the SOFA on a straight line basis over the lease term. There were no finance leases.

Fund accounting

Unrestricted funds are funds available for use at the discretion of the Governors in the furtherance of the general objectives of the BFI and which are not subject to externally imposed restrictions.

Restricted funds are funds to be used in accordance with specific restrictions imposed by donors. The aim and use of each restricted fund is set out in the notes to the accounts. Where the conditions have been met, for example to acquire fixed assets without ongoing restrictions, the related reserves are transferred to unrestricted reserves on the face of the Statement of Financial Activities.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling on the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date and gains and losses charged/credited to the Statement of Financial Activities.

Tax Status (Group and Charity)

The BFI is a registered charity and as such is potentially exempt from taxation of its income and gains to the extent that they are applied to its charitable objectives.

Its subsidiaries' total taxable profits are either gifted to the Charity or tax losses have been utilised and therefore no tax is payable.

Deferred taxation follows the treatment of the item to which it is attributable and there are no deferred tax assets or liabilities recognised in these accounts.

Irrecoverable VAT is charged to the cost category to which it relates.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

2. OTHER SIGNIFICANT TRANSACTIONS

a) Grant-in-Aid – DCMS

DCMS has been the BFI's largest source of funding, excluding Lottery income. They have therefore been included in this category in order to provide supplementary disclosure. During the year, the BFI had the following material transactions with DCMS:

		Note	2023 £'000	2022 £'000
Income				
Revenue Grant-in-Aid funding	Unrestricted		18,808	16,580
Revenue Grant-in-Aid funding	Restricted	25	14,380	35,408
			33,188	51,988
Capital Grant-in-Aid funding		25	1,327	2,082
Expenditure				
Funding repayable to DCMS	Restricted	6	(5,062)	-

Funding repayable to DCMS is in respect of Culture Recovery Fund support for the independent cinema sector; this represents the balance repayable to DCMS as at 31 March 2023.

Grant-in-Aid is spent in accordance with the funding agreement between the BFI and DCMS. The common objectives are to:

– extend & improve access to film culture, serving the diverse geographical needs of the UK's nations and regions and recognising the differing needs of rural, suburban and metropolitan locations;
– improve education about the moving image; and
– support & encourage cultural diversity and social inclusiveness; and promote film activity in the nations and regions, and ensure that national and regional bodies work in concert towards common goals.

2. OTHER SIGNIFICANT TRANSACTIONS (CONTINUED)

b) Governors

The Governors neither received nor waived any emoluments during the year (2022: £Nil). Governors expenses amounted to £540 in the year (2022: £Nil). Two governors claimed expenses during the year (2022: £Nil). No payments were made in the year for services (2022: £Nil).

There were no material related party transactions involving Governors in their personal or business capacities other than Lottery and Grant-in-Aid awards disclosed in note 31: Related Parties.

The Charity has purchased insurance to indemnify the Governors against the consequences of any neglect or default on their part. The cost amounted to £13,210 (2022: £11,125), which includes cover for Governors and Officers of the Charity but also covered management liability, crime and employment practices liability for the organisation as a whole.

c) BFI Trust

BFI Trust is an independent registered charity with objectives consistent with those of the BFI. During the year, the BFI had the following material transactions with BFI Trust:

		Note	2023 £'000	2022 £'000
Income from generated funds - Other grants, legacies and donations includes:				
Grants receivable from BFI Trust	Restricted	25	8,893	1,835
	Unrestricted		1,602	-
Resources expended - Charitable activities includes:				
Rental of leasehold premises			(1,868)	(1,835)

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

3. INCOME – GROUP

	Unrestricted 2023 £'000	Non-Lottery Restricted 2023 £'000	Lottery Restricted 2023 £'000	Total 2023 £'000
Income and endowments from charitable activities (earned income)				
Audiences	25,921	-	-	25,921
Learning & Skills	247	-	-	247
Talent	60	-	-	60
	26,228	-	-	26,228
Income from Donations and legacies				
Voluntary Income				
Lottery proceeds	-	-	47,809	47,809
Lottery recoupment income	-	-	2,441	2,441
Revenue Grant-in-Aid funding	18,808	14,380	-	33,188
Capital Grant-in-Aid funding	-	1,327	-	1,327
Other grants, legacies and donations	2,713	10,162	247	13,122
Donated services and facilities	-	2,401	-	2,401
	21,521	28,270	50,497	100,288
Investment income	264	-	1,047	1,311
Total Income	48,013	28,270	51,544	127,827

	Unrestricted 2022 £'000	Non-Lottery Restricted 2022 £'000	Lottery Restricted 2022 £'000	Total 2022 £'000
Income and endowments from charitable activities (earned income)				
Audiences	20,198	-	-	20,198
Learning & Skills	155	-	-	155
	20,353	-	-	20,353
Income from Donations and legacies				
Voluntary Income				
Lottery proceeds	-	-	48,951	48,951
Lottery recoupment income	-	-	1,765	1,765
Revenue Grant-in-Aid funding	16,580	35,408	-	51,988
Capital Grant-in-Aid funding	-	2,082	-	2,082
Other grants, legacies and donations	926	3,896	28	4,850
Donated services and facilities	-	2,344	-	2,344
	17,506	43,730	50,744	111,980
Investment income	-	-	-	-
Total Income	37,859	43,730	50,744	132,333

	2023 £'000	2022 £'000
Sponsorship and other income included in Income from charitable activities (earned income):		
Sponsorship income, associated with the costs of generating voluntary income	1,502	1,698
	1,502	1,698
Costs of generating funds		
Costs of generating voluntary income	(1,975)	(1,864)

Costs of generating voluntary income is the staff and other costs of the in-house teams who source funding from individuals, trusts, foundations and corporations.

In addition to voluntary income, income from charitable activities includes sponsorship income of £1,502,000 (2022: £1,698,000) raised by the teams. This income primarily relates to the corporate sponsorship of the BFI London Film Festival and BFI Flare Film Festival.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

4. DONATED SERVICES AND FACILITIES

	2023 £'000	2022 £'000
Publicity and advertising	1,725	1,509
Buildings and facilities	458	619
Services and equipment hire	171	188
Food and drink	47	29
	2,401	2,345

Donated services and facilities are valued using information provided by the suppliers regarding market value.

5. INVESTMENT INCOME – GROUP

	Unrestricted £'000	Lottery Restricted £'000	2023 Total £'000	Unrestricted £'000	Lottery Restricted £'000	2022 Total £'000
Bank interest receivable	264	1,047	1,311	-	69	69

Bank interest receivable was £1,311,000 (2022: £69,000) of which £264,000 was unrestricted bank interest income (2022: £Nil) and £1,047,000 was restricted bank interest income (2022: £69,000).

6. EXPENDITURE – GROUP

	Costs 2023 £'000	Pension charges 2023 £'000	Support costs 2023 £'000	Total 2023 £'000
Audiences	(95,171)	(5,629)	(5,058)	(105,858)
Learning & Skills	(16,683)	(369)	(284)	(17,336)
Talent	(38,821)	(1,080)	(106)	(40,007)
Leadership	(1,428)	(304)	(73)	(1,805)
Costs of generating voluntary income	(1,975)	-	-	(1,975)
Total resources expended	(154,078)	(7,382)	(5,521)	(166,981)

	Direct Costs 2022 £'000	Allocated Pension charges 2022 £'000	Allocated Support costs 2022 £'000	Total 2022 £'000
Audiences	(72,258)	(6,638)	(4,643)	(83,539)
Learning & Skills	(14,419)	(453)	(292)	(15,164)
Talent	(31,137)	(885)	(95)	(32,117)
Leadership	(1,097)	(431)	(60)	(1,588)
Costs of generating voluntary income	(1,864)	-	-	(1,864)
Total resources expended	(120,775)	(8,407)	(5,090)	(134,272)

Expenditure on charitable activities was £165,006,000 (2022: £132,408,000) of which £51,499,000 was unrestricted (2022: £44,997,000), £24,855,000 was restricted (2022: £39,450,000) and £88,652,000 was Lottery funded restricted expenditure (2022: £47,961,000).

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

6. EXPENDITURE (Continued)

Net resources expended before transfers are stated after charging:	2023 £'000	2022 £'000
Auditors' remuneration (analysed above)	(183)	(175)

Auditors' remuneration for the National Audit Office includes £Nil fees for non audit services (2022: £Nil). The National Audit Office provided audit services for the Charity and Lottery, with the subsidiary and other audits performed by Brebners LLP.

	2023 £'000	2022 £'000
Foreign exchange gains / (losses)	4	(20)
Depreciation	(4,558)	(5,208)
Amortisation of goodwill	-	(40)

	2023 £'000	2022 £'000
Charges for operating leases:		
Land and buildings	(1,882)	(1,885)
Plant and machinery	(48)	(5)

	2023 £'000	2022 £'000
Film rights adjustments	(14,210)	(13,380)

The carrying value of the film rights reflects the extent to which full repayment of an advance, through actual receipts and the value of future estimated receipts, is considered doubtful. The valuation is reviewed on a rolling basis to ensure that fair value is maintained.

Grant-in-Aid awards

BFI has responsibility on behalf of DCMS for the administration of Grant-in-Aid awards made to third party and partner organisations in the film sector, and received additional funding for this.

Awards in the year (net of fall-ins, where grants have been adjusted within the year) were:

	2023 £'000	2022 £'000
Film London	(1,174)	(2,774)
Northern Ireland Screen: Irish Language Fund	(3,116)	(3,930)
Northern Ireland Screen: Ulster Scots Fund	(1,038)	(1,893)
Film Academy awards	(718)	(718)
Global Screen Fund	(2,923)	(5,548)
Culture Recovery Fund	2,164	(4,241)
Young Audience Content Fund	(902)	(8,421)
	(7,707)	(27,525)

In addition to the above further Grant-in-Aid awards were made to partner organisations on or before 31 March 2023 for funded activity commencing on or after 1 April 2023. These are disclosed in note 28: Contingent Liabilities.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

6. EXPENDITURE (Continued)

Lottery awards

Full details of all Lottery commitments made in the year are shown in the accompanying Lottery financial statements.

	2023 £'000	2022 £'000
Lottery - non-film rights awards included in the SOFA - Expenditure on Charitable activities	(66,721)	(27,942)
Heritage 2022 - award to the BFI - Gross transfers between funds, note 25: Statement of Funds	(3,465)	-
Film Festivals - award to BFI LFF - Gross transfers between funds, note 25: Statement of Funds	(1,400)	(1,134)
Lottery - non-film rights awards per Lottery Statement of Comprehensive Net Expenditure	(71,586)	(29,076)

7. STAFF COSTS

	2023 £'000	2022 £'000
Staff costs consists of:		
Wages & salaries	(27,781)	(24,337)
Social security costs	(2,954)	(2,580)
Pension costs (see note 8)	(5,437)	(6,342)
	(36,172)	(33,259)
Agency staff costs included in Wages & salaries above	(638)	(413)
Staff costs capitalised and not included above	(26)	(39)

The average number of full-time equivalent employees of the BFI during the year was:

	2023 Full Time	2023 Part Time	2023 Total
Costs of generating voluntary income	18	2	20
Audiences	385	52	437
Learning & Skills	43	6	49
Talent	45	6	51
Leadership	37	5	42
	528	71	599

	2022 Full Time	2022 Part Time	2022 Total
Costs of generating voluntary income	14	4	18
Audiences	325	81	406
Learning & Skills	32	8	40
Talent	38	9	47
Leadership	28	8	36
	437	110	547

	2023 Number	2022 Number
Average number of full time equivalent Agency staff at the BFI during the year	11	7

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

7. STAFF COSTS (continued)

Higher paid employees

	2023 £'000	2022 £'000
Chief Executive - pay for the full year		
B. Roberts	149	150

Including bonuses totalling £Nil (2022: £Nil). Employer's pension contributions for the year amounted to £23,000 (2022: £23,000).

Executive Team Members (including the Chief Executive)	2023 Number	2022 Number
£140,000 - £149,999	1	1
£130,000 - £139,999	1	1
£120,000 - £129,999	5	2
£110,000 - £119,999	-	1
Cost	£879,000	£712,000
Other senior staff		
£100,000 - £109,999	4	4
£90,000 - £99,999	5	8
£80,000 - £89,999	20	18
£70,000 - £79,999	15	14
£60,000 - £69,999	23	27
Cost	£5,286,000	£5,518,000
Total Cost	£6,165,000	£6,230,000

Included in the above are 43 (2022: 51) staff who are ordinary members of the LPFA pension scheme. The amount of employer's pension contributions attributable to these staff amounted to £551,000 (2022: £647,000). There were 30 (2022: 26 staff who were members of defined contribution schemes. The amount of employer's pension contributions attributable to these staff amounted to £138,000 (2022: £103,100).

A number of Executive staff and other employees have interests in award applications which have been fully disclosed in note 31: Related Parties.

8. PENSIONS

The BFI is an admitted body to the LPFA, which provides a defined benefit pension scheme for the salaried employees of the Charity. It is a funded scheme and the assets are administered by trustees and are independent of the BFI. The related costs are assessed in accordance with the advice of professionally qualified actuaries. From 1 January 2014 the BFI also operates a defined contribution pension scheme which is available for all employees not already in the defined benefit scheme.

The BFI has accounted in full for pension benefits in the year ended 31 March 2023 under the requirements of FRS102. Therefore, as at 31 March 2023, a pension liability of £1,232,000 (2022: £74,100,000) is included in the BFI balance sheet. BFI's agreed schedule of contributions was 15.4% of member employees' salary per year plus a monetary amount of £Nil (2022: £413,000).

In addition to the amounts payable for current members of the pension scheme, within this scheme the BFI has an unfunded liability to pay pensions to 36 (2022: 36) former employees and their spouses or dependents. The total actuarial valuation for this liability at 31 March 2023 is included in the pension provision. For FRS 102 disclosure, the full valuation at 31 March 2022 has been updated by the actuaries, Barnett Waddingham, to assess the liabilities of the scheme as at 31 March 2023.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023

8. PENSIONS (Continued)

The most significant actuarial assumptions in this recent valuation are:

		2023 % Per annum	2022 % Per annum
Rate of increase in prices	RPI	3.3	4.3
Rate of increase in prices	CPI	2.9	3.3
Rate of increase in salaries		3.9	4.3
Rate of increase in pensions in payment		2.9	3.3
Discount rate		4.8	2.6

Under the adopted mortality tables, the assumed life expectancy from age 65 are as follows:	2023 Years	2022 Years
Life expectancy at age 65 of female aged 45	25.6	26.1
Life expectancy at age 65 of female aged 65	24.2	24.4
Life expectancy at age 65 of male aged 45	22.7	23.5
Life expectancy at age 65 of male aged 65	21.4	22.0

BFI share of net pension liability as at 31 March:	2023 £'000	2022 £'000	2021 £'000	2020 £'000	2019 £'000
Fair value of employer assets	139,307	139,001	121,020	104,704	109,847
Present value of scheme liabilities	(138,862)	(210,865)	(213,418)	(164,675)	(172,316)
Net funding / (underfunding) in funded plans	445	(71,864)	(92,398)	(59,971)	(62,469)
Present value of unfunded liabilities	(1,677)	(2,216)	(2,411)	(2,072)	(2,228)
Net pension deficit	(1,232)	(74,080)	(94,809)	(62,043)	(64,697)

Assets - Split of Investments by Category **Assets whole fund**	**2023** **£'000**	**Asset Distribution** **%**	**2022** **£'000**	**Asset Distribution** **%**
Equities	81,920	59%	79,118	57%
Target return funds	25,902	18%	29,938	22%
Infrastructure	17,627	13%	14,161	10%
Properties	13,680	10%	12,472	9%
Cash	178	0%	3,312	2%
Total	139,307	100%	139,001	100%

Analysis of the amount chargeable to expenditure under FRS102	**2023** **£'000**	**2022** **£'000**
Current service cost	(4,662)	(5,623)
Past service cost	-	(99)
Contributions in respect of defined contribution schemes	(775)	(620)
Sub-total reflected in Staff costs (note 7)	(5,437)	(6,342)
Administration expenses	(42)	(157)
Net interest on the defined liability	(1,903)	(1,908)
Total expenditure	(7,382)	(8,407)

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023

8. PENSIONS (Continued)

Analysis of amount recognised in the SOFA	**2023 £'000**	**2022 £'000**
Return on plan assets in excess of interest	(1,779)	16,391
Other actuarial losses on assets	(226)	-
Change in demographic assumptions	5,829	-
Experience losses arising on the scheme liabilities	(12,748)	(427)
Changes in assumptions underlying the present value of the scheme liabilities	86,593	10,221
Actuarial gain recognised in SOFA	77,669	26,185

Reconciliation of defined benefit obligation	**2023 £'000**	**2022 £'000**
Defined benefit obligation in scheme at beginning of year	(213,081)	(215,829)
Movement in year:		
Current service cost	(4,662)	(5,623)
Interest cost	(5,501)	(4,272)
Contributions by members	(857)	(929)
Unfunded benefits paid	160	151
Past service cost	-	(99)
Benefits paid	3,728	3,726
Change in demographic assumptions	5,829	-
Experience losses on defined benefit obligation	(12,748)	(427)
Change in financial assumptions	86,593	10,221
Deficit in scheme at end of the year	(140,539)	(213,081)

Reconciliation of fair value of employer assets	**2023 £'000**	**2022 £'000**
Fair value of employer assets in scheme at beginning of year	139,001	121,020
Movement in year:		
Interest on assets	3,598	2,364
Other actuarial losses	(226)	-
Return on assets less interest	(1,779)	16,391
Contributions by members	857	929
Administration expenses	(42)	(157)
Contributions by the employer, including in respect of unfunded benefits	1,786	2,331
Benefits paid, including unfunded benefits	(3,888)	(3,877)
Fair value of employer assets in scheme at end of year	139,307	139,001

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

8. PENSIONS (Continued)

History of experience gains and losses	2023 £'000	2022 £'000	2021 £'000	2020 £'000	2019 £'000
Fair value of employer assets	139,307	139,001	121,020	104,704	109,847
Present value of defined benefit obligation	(140,539)	(213,081)	(215,829)	(166,747)	(174,544)
Deficit	(1,232)	(74,080)	(94,809)	(62,043)	(64,697)
Experience (losses) / gains on assets	(1,779)	16,391	14,783	(3,039)	6,096
Experience gains / (losses) on liabilities	12,748	(427)	2,142	(1,094)	-

The sensitivity analysis on the major assumptions in the above is:

		£'000	£'000	£'000
Adjustment to discount rate		+0.1%	0.0%	-0.1%
	Present value of total obligation	138,322	140,539	142,812
	Projected service cost	1,996	2,059	2,124
Adjustment to long term salary increase		+0.1%	0.0%	-0.1%
	Present value of total obligation	140,732	140,539	140,348
	Projected service cost	2,060	2,059	2,057
Adjustment to pension increases and deferred valuation		+0.1%	0.0%	-0.1%
	Present value of total obligation	142,659	140,539	138,471
	Projected service cost	2,125	2,059	1,995
Adjustment to mortality age rating assumption		+ 1 Year	None	- 1 Year
	Present value of total obligation	145,878	140,539	135,421
	Projected service cost	2,138	2,059	1,982

9. INTANGIBLE FIXED ASSETS (Group)

Goodwill	Group £'000
Goodwill on Acquisition	
At 1 April 2022 and 31 March 2023	1,574
Goodwill Amortisation	
At 1 April 2022 and 31 March 2023	(1,574)
Net Book Value	
At 1 April 2022 and 31 March 2023	-

Goodwill arose on consolidation of British Screen Finance Limited (BSF) and its subsidiary companies, which were acquired on 29 June 2011, and has been amortised over ten years on a straight line basis. This was charged against Audiences. Goodwill was fully amortised as at 31 March 2022.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023

10. TANGIBLE FIXED ASSETS (Group and Charity)

	Long leasehold property £'000	Short leasehold property improvements £'000	Computer and other IT equipment £'000	Furniture fixtures and fittings £'000	Plant and machinery £'000	Assets in the course of construction £'000	Total £'000
Cost or valuation							
At 1 April 2022	83,000	13,591	9,189	3,281	8,219	1,400	118,680
Additions	-	-	601	820	318	706	2,445
Disposals	(99)	(3,666)	(250)	(132)	(365)	-	(4,512)
Reclassification	1,832	-	-	-	-	(1,832)	-
Revaluation	6,644	833	-	-	-	-	7,477
At 31 March 2023	91,377	10,758	9,540	3,969	8,172	274	124,090
Depreciation							
At 1 April 2022	-	(9,941)	(6,328)	(1,428)	(5,606)	-	(23,303)
Charge for the year	(3,110)	(453)	(404)	(253)	(338)	-	(4,558)
Disposals	-	3,666	250	85	314	-	4,315
Reclassification					-		
Revaluation	-	(528)	-	-	-	-	(528)
At 31 March 2023	(3,110)	(7,256)	(6,482)	(1,596)	(5,630)	-	(24,074)
Net Book Value							
At 31 March 2023	88,267	3,502	3,058	2,373	2,542	274	100,016
At 1 April 2022	83,000	3,650	2,861	1,853	2,613	1,400	95,377

The BFI's long leasehold properties BFI Southbank and BFI London IMAX, including associated plant and fixtures, were revalued as at 31 March 2022 by appropriately qualified valuers, Deloitte LLP, in accordance with the FReM. The values at 31 March 2023 have been estimated using appropriate indices, resulting in a net increase in value in the year of £6.6m (2022: £21.8m increase from external valuation). Short leasehold property improvements have been revalued using appropriate indices, resulting in a net increase in value in the year of £0.3m (2022: increase of £0.3m). Other classes of assets have not been revalued, as they are made up of low value and/or short useful economic life assets or where the historical cost is considered a reasonable approximation of fair value.

Historic Cost Accounting:

	Long leasehold property £'000	Short leasehold property improvements £'000	Computer and other IT equipment £'000	Furniture fixtures and fittings £'000	Plant and machinery £'000	Assets in the course of construction £'000	Total £'000
Cost							
At 1 April 2022	40,909	11,274	9,189	3,281	8,219	1,400	74,272
Additions	-	-	601	820	318	706	2,445
Disposals	(605)	(2,740)	(250)	(132)	(365)	-	(4,092)
Reclassification	1,832	-	-	-	-	(1,832)	-
At 31 March 2023	42,136	8,534	9,540	3,969	8,172	274	72,625
Depreciation							
At 1 April 2022	(20,137)	(8,366)	(6,328)	(1,428)	(5,606)	-	(41,865)
Charge for the year	(1,246)	79	(404)	(253)	(338)	-	(2,162)
Disposals	532	2,740	250	85	314	-	3,921
At 31 March 2023	(20,851)	(5,547)	(6,482)	(1,596)	(5,630)	-	(40,106)
Net Book Value							
At 31 March 2023	21,285	2,987	3,058	2,373	2,542	274	32,519
At 1 April 2022	20,772	2,908	2,861	1,853	2,613	1,400	32,407

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

11. HERITAGE ASSETS (Group and Charity)

The BFI has built the National Archive since its establishment in 1933, consisting of film and other related materials dating back to the 19th century. The BFI develops, cares for and interprets a collection that illustrates the art, history and impact of film, to be held in safe custody in perpetuity for the public, for their use and engagement and for use by the BFI in pursuit of its objectives. The collection is one of the largest and most diverse collections in the world. It includes feature films, documentary and factual films, television programmes, artists film, photographic stills, posters, books and other related materials, held primarily for use in the BFI's activities and charitable objectives, as described in more detail in the Annual Report and below. In 2011 BFI adopted its current Collection Policy, which can be found on www.bfi.org.uk. It documents our procedures for acquisition and disposal, documentation, care and conservation and access and describes our role in a national network of organisations that collect or provide access to film and television. Key measures taken to safeguard the national collections include major investment in physical infrastructure to preserve master (preservation status) and accessible materials, developing our extensive database of materials and information and in digitising materials for the dual purposes of preservation and improved public access.

In line with the accounting policy, Heritage Assets are not recognised on the balance sheet as there is an absence of reliable cost information and a valuation approach is not practicable at a cost commensurate with the benefit to the users of the accounts and to the charity. In order to give an indication of the physical size and diversity of the collections, the main elements are summarised below (the figures reflect the collection inventory as described within the BFI's collection management system and exclude titles and materials that are pending acquisition).

Fiction film

42,000 titles. The collection includes the original camera negatives of some of the most important feature films in British film history. The BFI also looks after an extensive international collection of films.

Non fiction film

135,000 titles including documentaries, newsreels, government films, sponsored films, advertisements and home movies. It is the world's most important collection of documentary films.

Television

Around 1,500,000+ television titles including material recorded off-air, as it was seen by the viewer, as well as production and transmission material. The collection reflects the role of the BFI as the national television archive (by Statute) with programming covering the history of television as broadcast by ITV, C4 and C5 including selected BBC programming. The collection includes unique live broadcasts, advertising and extensive samples of commercial terrestrial television, with emphasis on key British productions. As well as the recorded material, significant collections of transmitted programming donated by broadcasters include the Rediffusion Collection (the earliest ITV contractor) and material preserved on analogue videotape from the 1960s and 1970s donated by the BBC and ITV. The collection is expanding to include programmes to be acquired from content streamers.

Library

The library holds some 49,000 books including major film, TV and video directories and yearbooks from around the world, all major film and TV festival catalogues, programmes and brochures and all UK based festival catalogues. It also includes major film catalogues from around the world, annual reports from relevant companies and bodies; official publications including copyright, arts policy, and government reports; biographies and autobiographies of UK film/TV personalities.

One of the greatest strengths of the library is its near comprehensive collections of UK trade and academic journals (5,000 titles; 233,000 issues). An extensive collection of newspaper cuttings, publicity and press material are also held as are brochures, leaflets, prospectuses etc. describing the work of organisations that are relevant to film and television.

Special collections

– 22,000 unpublished scripts, from first drafts to release scripts, relating primarily to British film and TV titles.
– 28,000 press books, 20,000 film posters and 2,000 items of cinema ephemera such as programmes, tickets, autographed letters, promotional material and personal memorabilia.
– 700 collections of personal and company papers reflecting the history of British film and television production from the earliest days to the present time.
– Approximately 1.4 million still images from or related to film and TV, including publicity material, production shots, and portraits.
– 30,000 film and television advertisements.
– Other items include: over 5,700 production and costume designs; 3,000 animation cels including artwork by leading animators; and extensive audio collections including oral history recordings and interviews with many key industry figures.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

12. INVESTMENTS (Charity)

The investments held by the Charity are summarised as follows:	£'000
Cost	
At 1 April 2022 and 31 March 2023	2,450
Impairment	
At 1 April 2022 and 31 March 2023	(1,007)
Net Book Value	
At 1 April 2022 and 31 March 2023	1,443

The BFI holds 100% of the issued share capital of the following undertakings, which are registered in England and Wales:

	Company Registration Number:
British Screen Finance Limited (BSF)	01910848
BFI (Big Screen) Limited (operates the theatrical and commercial activities of the BFI IMAX)	03088677
BFI Enterprise Limited	02463593
Project Rosebud Limited (e-commerce development - dormant with nil assets and investment value)	03946785

BSF, in addition, holds the following investments:		Ordinary shares of £1 each	Holding
Subsidiary undertakings			
National Film Finance Consortium Limited (NFFC)	01056412	100	100%
European Co-Production Fund Limited (ECF)	02631250	2	100%
British Screen Rights Limited (BSR)	02908542	2	100%
The Greenlight Fund Limited (GLF)	03191007	2	100%
National Film Development Fund (NFDF)	01268342	-	Not applicable
Associated undertakings			
British Film-Makers Limited (BFM)	00368248	50	50%

NFFC is a dormant company. ECF was a company that made loans to films produced by European co- producers. BSR acquired and sold rights in feature films. GLF managed the investment of some National Lottery proceeds into feature films on behalf of the Arts Council of England and is now dormant. NFDF made loans to producers and writers in the 1990s and is a company limited by guarantee. It is included here because of the its control via the directors. BFM collects and distributes film revenues on behalf of BSF and third parties. Its results are not material to the Group. All group companies are registered in England and Wales.

Trading subsidiaries are involved in activities wholly consistent with the BFI's charitable aims and objectives and remit taxable profits to the BFI under Gift Aid. Their income and expenditure are consolidated into the Group accounts.

	2023			
	BFI Big Screen £'000	British Screen Finance Group £'000	BFI Enterprise £'000	2023 Total £'000
Trading Account				
Income	5,065	381	4,194	9,640
Expenditure	(3,097)	(15)	-	(3,112)
Expenditure - BFI recharges	(37)	(28)	(2,521)	(2,586)
Net operating profit	1,931	338	1,673	3,942
Interest receivable and similar income	7	22	1	30
Surplus gift aided to the BFI	(1,938)	(360)	(1,674)	(3,972)
Net profit	-	-	-	-
Balance Sheet				
Stocks & work in progress	25	-	181	206
Debtors	802	96	328	1,226
Cash at bank and in hand	2,060	1,417	775	4,252
Current liabilities	(448)	(6)	-	(454)
Current liabilities - owed to the BFI	(2,439)	(495)	(1,191)	(4,125)
Total (BFI interest)	-	1,012	93	1,105

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

13. IFRS 16 (LEASES) – BFI LOTTERY FINANCIAL STATEMENTS

IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions.

IFRS 16 (Leases) does not apply to the Group and Charity accounts under FRS102 but it does apply to the standalone BFI Lottery accounts appended.

Those financial statements include costs of the rental of office space at 21 Stephen Street, London which fall under the definitions of the standard. BFI Lottery accounts reflect the discounted liability of the relevant portion of the lease for its term to 2031 in the Statement of Financial Position, with a matching "right of use" asset. The asset is depreciated over the life of the lease period, whilst the liability is released in line with the lease payments.

See Notes 10 and 14 to the BFI Lottery Financial Statements for further information.

14. FILM RIGHTS (Group and Charity)

Film rights fall within the definition of Financial Instruments and are held at fair value. The valuation approach to establish the fair value of the film rights portfolio is set out in note 1: Accounting Policies.

The BFI's primary objective in investing in film rights is to support the future success of British film by backing new voices, new stories, new ideas and skills, enriching and diversifying British film production. Thus whilst the potential commercial success of a project is important in our assessment of an application it is not the only funding criterion.

The fair value of film rights at 31 March is as follows:

	2022-23 £'000	2021-22 £'000	2020-21 £'000	2019-20 £'000	2018-19 £'000
Production Awards	11,510	12,095	9,760	11,330	12,181
Vision Awards	825	906	1,411	1,238	1,323
Development Awards	411	292	227	534	284
Distribution Awards	125	178	161	235	220
Film Rights valuation	**12,871**	**13,471**	**11,559**	**13,337**	**14,008**

Film rights are recognised as split between current and non- current assets, on the basis of a review of the characteristics of the loans across the portfolio and the anticipated cash flows from these:

	2022-23 £'000	2021-22 £'000	2020-21 £'000	2019-20 £'000	2018-19 £'000
Film rights - non-current	9,833	10,008	9,228	10,532	8,249
Film rights - current	3,038	3,463	2,331	2,805	5,759
	12,871	**13,471**	**11,559**	**13,337**	**14,008**

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

14. FILM RIGHTS (Group and Charity) (continued)

Production awards are made to producers to co-finance feature film productions and from which we are entitled to recoup our award and take a share of net profits from the film. The value of the productions will be dependent upon many factors which are inherently uncertain; the ability of sales agents to meet sales estimates, how the film will be critically and commercially received (including box office projections and exchange rates) all play a role. Further details are set out below.

Vision Awards are made to production companies to enable them to develop their business and the awards are repayable from any applicable feature film production made by the production company. As we do not expect all recipients to be required to repay the award in full we routinely impair 50% of the recoupable element of the award in the year in which it is committed.

Development awards are made to producers to support a film development. In the event that the development project progresses into a feature film production, we would be entitled to be repaid our award and take a share of net profits. Accordingly development awards are impaired in full in the year in which the award is made, unless there is a reasonable anticipation of it progressing to production.

Distribution awards are made to distributors to support the release of film(s) in the UK and repayable dependent upon the performance of the film release.

Other awards include targeted development awards which are awarded to support new talent. These awards are written off in full in the year unless there is a reasonable expectation of recoupment.

Movements in the valuation of film rights

	2022-23 £'000	2021-22 £'000	2020-21 £'000	2019-20 £'000	2018-19 £'000
Film rights valuation at 1 April	13,471	11,559	13,337	14,008	12,430
New commitments: made in year	17,713	21,000	22,275	17,002	20,840
Decommitments: new film rights in year	(241)	(25)	(370)	-	(3)
Decommitments: historical portfolio	(217)	(412)	(178)	(461)	(369)
Repayment of investments: new film rights in year	(1,099)	(1,186)	(1,528)	(285)	(588)
Repayment of investments: historical portfolio	(2,546)	(4,085)	(2,547)	(4,191)	(3,546)
Adjustments: new film rights in year	(15,011)	(12,980)	(14,256)	(8,863)	(12,280)
Adjustments: historical portfolio	801	(400)	(5,174)	(3,873)	(2,476)
Film rights valuation at 31 March	**12,871**	**13,471**	**11,559**	**13,337**	**14,008**

The value of new commitments made in the year will vary due to timing differences arising from the closure of awards.

The valuation of the Film Rights is based on the anticipated cash receipts over the next seven financial years after the balance sheet date. In relation to recent production awards (that is production awards that were recognised as awards payable this financial year and the last three financial years), the valuation is based on the cash receipts anticipated from the first cycle of revenues including revenues from cinema, DVD, Video On Demand and television. In relation to older production awards, the valuation is based on the anticipated cash receipts for the next seven years following the balance sheet date calculated from the individual film's historic cash receipts. All such anticipated cash receipts are discounted using the applicable Treasury Rate of 1.9% (2022: 1.9%).

The value of adjustments on new film rights in the year is always governed by the value of awards made and therefore can vary considerably year to year.

As at 31 March 2023, the Film Rights valuation for production awards is £11.5m (2022: £12.1m) and for all other Film Rights is £1.4m (2022: £1.4m) totalling £12.9m (2022: £13.5m). For production awards, were the recoupment levels and valuation to vary by +/- 5%, the impact of the valuation of Film Rights at 31 March 2023 would be £0.5m for 177 awards (2022: £0.6m for 184 awards).

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

14. FILM RIGHTS (Group and Charity) (continued)

In relation to older production awards, the Film Rights valuation is calculated on the assumption that the future anticipated receipts will be based on the historic cash receipts for the two years prior to the balance sheet date, subject to an 85% default reduction every three years, except for films in profit which are calculated on the assumption that the future anticipated

receipts will be based on the historic cash receipts for the three years prior to the balance sheet date, subject to a 120% default reduction every three years. The total amount of the Film Rights valuation based on this methodology is £5.9m (2022: £6.1m). Were this default reduction percentage to change by +/- 10% the Film Right valuation would change by :

	£'000 +10%	£'000 0%	£'000 -10%
2022-23	(850)	5,875	850
2021-22	(950)	6,090	860

In relation to recent production awards (that is production awards that were recognised as awards payable this financial year and the previous three financial years), the Film Rights valuation is based on future anticipated receipts. These cash receipts are principally earned in US dollars and converted to pounds sterling before payment is made to the BFI's bank accounts. The default pound sterling to US dollar exchange rate is calculated using the average daily exchange rate for the two years to the balance sheet date, rounded to the nearest 5 US cents. The default rate as at 31 March 2023 for production awards is US $1.30 (2022: US $1.35).

Had the pound sterling to US dollar exchange rate been $1.40, for the purposes of the Film Rights valuation, then the valuation of the total of these production awards would be reduced by £0.3m (2022: $1.45 and the awards at March 2022 would reduce by £0.4m). Were the valuation calculated using US $1.05, then these valuations would be increased by £0.3m (2022: $1.25 and the awards at March 2022 would increase by £0.5m).

Further information on the movement on film rights can be found on the BFI website: www.bfi.org.uk/strategy-policy/annual-review-management-agreement

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023

15. NATIONAL LOTTERY DISTRIBUTION FUND (NLDF) (Group and Charity)

The movement in balances held at the NLDF is:	2023 £'000	2022 £'000
Balance at 1 April	50,941	53,120
Income received from the Lottery receipts	47,809	48,882
Investment income earned on NLDF balances	959	69
Available for distribution	99,709	102,071
Cash drawn down	(54,449)	(51,130)
Balance at 31 March	45,260	50,941

The funds are invested on behalf of the NLDF by the National Debt Commissioners. The BFI's distribution is in accordance with Sections 22 and 23 of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998). The BFI is required by statute to show on the balance sheet the lower of the market value or the cost of the investment as at the year end. There were no unrealised gains in the year (2022: £nil).

16. STOCKS AND WORK IN PROGRESS

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Work in progress	25	49	25	49
Finished goods	613	545	408	379
	638	594	433	428

17. DEBTORS

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Trade debtors	5,667	4,389	4,567	3,959
Amount owed by subsidiary undertakings	-	-	4,126	2,317
Other debtors	1,769	2,886	1,769	2,838
Prepayments and accrued income	12,907	6,959	12,786	5,256
	20,343	14,234	23,248	14,370

18. CASH AT BANK AND IN HAND

Analysis of cash and cash equivalents		Unrestricted £'000	Restricted £'000	2023 Total £'000	2022 Total £'000
Cash at bank and in hand	Group	5,773	27,808	33,581	39,507
Cash at bank and in hand	Charity	1,519	27,808	29,327	38,120

All cash at bank is held with UK commercial banks.

£3.9m (2022: £4.3m) of cash held in BFI lottery bank accounts is funds recouped by BFI and held on behalf of producers under the 'Rewarding Success' recoupment corridor - see note 23: Provisions.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

19. FINANCIAL RISKS (Group and Charity)

Financial Reporting Standards require disclosure of the role which financial instruments have had during the period, in creating or changing the risks the BFI faces in undertaking its role.

Film rights

Film rights fall within the definition of Financial Instruments. Within that, they meet the definition of assets measured at fair value with gains and losses being recognised in the Statement of Financial Activities (SOFA).

Establishing the fair value of film rights is subjective and therefore contains an element of risk. The fair value is based on a review of external evidence such as the sales agents' estimates as to the likely revenues generated by a project, where it is in the life cycle of the project, and upon actual performance of the film to date. This is matched with the knowledge and experience of the staff and management involved in the process of assessing the projects both at application stage and as they come to fruition. Any reduction in fair value is immediately taken to the SOFA in the year.

The valuation of film rights is subject to on-going review to ensure a fair value is maintained, with any adjustments being charged as expenditure.

	2023 £'000	2022 £'000
Film rights - non-current	9,833	10,008
Film rights - current	3,038	3,463
	12,871	13,471

National Lottery Distribution Fund

Funds held at the National Lottery Distribution Fund are held as financial instruments held at amortised cost.

Liquidity risks

Income was derived from:

	2023 £'000	%	2022 £'000	%
DCMS Grant-in-aid	33,188	26%	51,988	39%
DCMS Capital provision	1,327	1%	2,082	2%
Other legacies, grants and donations and investment income	14,433	11%	4,919	4%
Resources generated from charitable activities	26,228	21%	20,353	15%
Donated services and facilities	2,401	2%	2,344	2%
Lottery proceeds and receipts	50,250	39%	50,647	38%
	127,827	100%	132,333	100%

Whilst lottery distributors are permitted to over-commit in awards against the surety of future lottery income, the BFI awards are over a relatively short term, with a current awards running in some cases up to March 2026. Thus the risk of holding insufficient resources to cover liabilities is held under constant review, to ensure that this risk is minimised, by review of current funds held in cash and at the National Lottery Distribution fund and anticipated future income versus the levels of commitment.

The Governors consider that, as the NLDF balance notified by the Secretary of State for Culture, Media and Sport and the BFI's own Lottery cash holding amount to £52.5m at the balance sheet date (2022: £59.3m), sufficient liquid resources are available to cover all existing commitments and any other payables.

The non-Lottery cash holdings are considered sufficient to cover the non-Lottery other payables.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023

19. FINANCIAL RISKS (Group and Charity) (continued)

Interest rate risks

Interest rate risk is deemed low for the BFI as it does not have any exposure to interest payable. With interest rates increasing during the year the BFI has taken advantage of these low risk sources of interest income on its own cash holdings with interest on current accounts and short term deposits.

The BFI's largest financial asset is retained in the NLDF, which invests in a narrow band of low risk assets such as Government bonds and cash. Neither the BFI nor its Governors has any control over these investments. The interest rate risks in respect of these financial assets are disclosed in the financial statements of the NLDF. The market value of the BFI's investment in the NLDF at the year end was £45.3m (2022: £50.9m) and the average investment return for the year was 0.2% (2022: 0.1%).

Cash drawn from the NLDF, DCMS or received from other sources, to pay grant commitments and operating costs are held in variable rate bank accounts and the average interest rate return for the year was 1.13% (2022: 0.01%). The group cash balance at the year end was £33.6m (2022: £39.5m). (2022: 0.1%).

Foreign currency risks

The BFI's financial assets are not exposed to material foreign exchange risks as long-term balances are held in sterling, however foreign currency exchange risks are significant in the valuation of the Film Rights as explained in note 14. Film Rights and in the Lottery financial statements note 13: Financial Instruments and note 5: Film Rights.

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Trade creditors	(2,013)	(2,662)	(1,939)	(2,662)
Other taxes and social security costs	(1,144)	(819)	(1,138)	(817)
Other creditors	(17,826)	(26,650)	(17,826)	(26,650)
Lottery awards payable (see note 24)	(31,339)	(35,470)	(31,339)	(35,470)
Accruals	(5,116)	(4,082)	(4,859)	(3,830)
Deferred income (see note 22)	(2,943)	(2,651)	(2,831)	(2,593)
	(60,381)	(72,334)	(59,932)	(72,022)

21. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Lottery awards payable (see note 24)	(38,296)	-	(38,296)	-
	(38,296)	-	(38,296)	-

22. DEFERRED INCOME

	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
At 1 April	(2,651)	(2,289)	(2,593)	(2,242)
Amount released to income	2,651	2,289	2,593	2,242
Amount deferred in year	(2,943)	(2,651)	(2,831)	(2,593)
At 31 March	(2,943)	(2,651)	(2,831)	(2,593)

Mainly relates to restricted grants, advance ticket sales and subscriptions to Sight and Sound magazine.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

23. PROVISIONS (Group and Charity)

	2023 £'000	2022 £'000
Rewarding success awards		
At 1 April	(4,328)	(3,166)
New provisions in the year	-	(2,308)
Amounts paid in year	374	1,146
At 31 March	(3,954)	(4,328)

Rewarding Success provision

The rewarding success initiative allows for a share of film recoupment income arising from lottery awards to be made available to UK Producers, Writers and Directors for their future film making activity. The funds held on behalf of film-makers ("the locked box") represents the monies held for this initiative at the balance sheet date and not yet drawn down.

24. LOTTERY AWARDS PAYABLE (Group and Charity)

	2023 £'000	2022 £'000
At 1 April	(35,470)	(35,711)
New film rights commitments in year	(18,993)	(21,785)
New non-film rights commitments in year	(69,411)	(26,548)
Decommitments	745	2,377
Amounts paid	53,494	46,197
At 31 March	(69,635)	(35,470)

Decommitments arise when any element of the award is not utilised once contracts are signed and drawdown has commenced.

Reconciliation to Lottery accounts

		2023 £'000	2022 £'000
Creditors: amounts falling due within one year	Lottery awards payable	(31,339)	(35,470)
Creditors: amounts falling due after one year	Lottery awards payable	(38,296)	-
Provisions	Lottery awards payable	(3,954)	(4,328)
Other payables - Awards Commitments:	Heritage 2022 - eliminated on consolidation	(1,171)	(1,909)
Total Awards Commitments as per Lottery accounts		(74,760)	(41,707)

Lottery accounts – Awards Commitments represented by:

		(12,676)	(18,235)
Provision for award commitments	Provisions falling due within one year	(23,788)	(23,472)
Provision for award commitments	Provisions falling due after one year	(38,296)	-
		(74,760)	(41,707)

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023

25. STATEMENT OF FUNDS (Group and Charity)

GROUP	At 1 April 2022 £'000	Income £'000	Expenditure £'000	Other recognised gains/(losses) £'000	Transfers £'000	At 31 March 2023 £'000
Unrestricted funds:						
Income funds excluding pensions asset/liability	34,460	48,013	(47,117)	-	2,445	37,801
Pension reserve	(70,992)	-	(4,355)	71,437	-	(3,910)
Fixed asset revaluation reserve	62,970	-	(2,002)	6,949	-	67,917
Total unrestricted funds	26,438	48,013	(53,474)	78,386	2,445	101,808
Donated Services and Facilities	-	2,401	(2,401)	-	-	-
Arts and Humanities Research Council	153	151	(294)	-	-	10
DCMS - Northern Ireland	-	4,074	(4,074)	-	-	-
DCMS - Global Screen Fund	457	7,000	(4,800)	-	-	2,657
DCMS GIA - DFE	-	1,000	(1,000)	-	-	-
DCMS - Culture Recovery Fund	3,147	400	(3,547)	-	-	-
DCMS - Young Audience Content Fund	1,462	-	(1,304)	-	-	158
DCMS - GiA Film London SSSD	-	875	(675)	-	-	200
DCMS - Capital GiA	-	1,327	-	-	(1,327)	-
DCMS - BFI London Film Festival	-	880	-	-	-	880
DCMS - GIA Energy and London Bridge	-	151	(151)	-	-	-
BFI Lottery - Heritage 2022	1,738	-	(3,990)	-	3,272	1,020
BFI Lottery - BFI London Film Festival	-	-	(1,400)	-	1,400	-
BFI Trust	566	8,893	-	-	(925)	8,534
Chaplin Foundation	41	-	-	-	-	41
Col And Karen Needham	-	50	(50)	-	-	-
Esmee Fairbairn Foundation	13	105	(104)	-	-	14
Friends of the BFI	33	320	(312)	-	-	41
H.M. Government - Dept. for Work & Pensions	-	72	(72)	-	-	-
LUMA Foundation	30	-	(30)	-	-	-
Simon and Harley Hessel	30	100	(100)	-	-	30
The David Lean Foundation	60	-	(60)	-	-	-
The Thompson Family Charitable Trust	-	60	-	-	-	60
Other up to £50,000	172	411	(491)	-	-	92
Total restricted funds excluding lottery	7,902	28,270	(24,855)	-	2,420	13,737
Lottery funds:						
Lottery reserve	32,130	51,463	(88,105)	-	(4,865)	(9,377)
Donations and other income	-	81	(81)	-	-	-
Lottery share of pension reserve	(3,088)	-	(466)	6,232	-	2,678
Total Lottery funds	29,042	51,544	(88,652)	6,232	(4,865)	(6,699)
Total funds	63,382	127,827	(166,981)	84,618	-	108,846

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023

25. STATEMENT OF FUNDS (Group and Charity) (Continued)

CHARITY	At 1 April 2022 £'000	Income £'000	Expenditure £'000	Other recognised gains/(losses) £'000	Transfers £'000	At 31 March 2023 £'000
Unrestricted funds:						
Income funds excluding pensions asset/liability	37,481	42,314	(41,419)	-	2,445	40,821
Pension reserve	(73,674)	-	(4,355)	71,437	-	(6,592)
Fixed asset revaluation reserve	62,970	-	(2,002)	6,949	-	67,917
Total unrestricted funds	26,777	42,314	(47,776)	78,386	2,445	102,146
Donated Services and Facilities	-	2,401	(2,401)	-	-	-
Arts and Humanities Research Council	153	151	(294)	-	-	10
DCMS - Northern Ireland	-	4,074	(4,074)	-	-	-
DCMS - Global Screen Fund	457	7,000	(4,800)	-	-	2,657
DCMS GIA - DFE	-	1,000	(1,000)	-	-	-
DCMS - Culture Recovery Fund	3,147	400	(3,547)	-	-	-
DCMS - Young Audience Content Fund	1,462	-	(1,304)	-	-	158
DCMS - GiA Film London SSSD	-	875	(675)	-	-	200
DCMS - Capital GiA	-	1,327	-	-	(1,327)	-
DCMS - BFI London Film Festival	-	880	-	-	-	880
DCMS - GIA Energy and London Bridge	-	151	(151)	-	-	-
BFI Lottery - Heritage 2022	1,738	-	(3,990)	-	3,272	1,020
BFI Lottery - BFI London Film Festival	-	-	(1,400)	-	1,400	-
BFI Trust	566	8,893	-	-	(925)	8,534
Chaplin Foundation	41	-	-	-	-	41
Col And Karen Needham	-	50	(50)	-	-	-
Esmee Fairbairn Foundation	13	105	(104)	-	-	14
Friends of the BFI	33	320	(312)	-	-	41
H.M. Government - Dept. for Work & Pensions	-	72	(72)	-	-	-
LUMA Foundation	30	-	(30)	-	-	-
Simon and Harley Hessel	30	100	(100)	-	-	30
The David Lean Foundation	60	-	(60)	-	-	-
The Thompson Family Charitable Trust	-	60	-	-	-	60
Other up to £50,000	172	411	(491)	-	-	92
Total restricted funds excluding lottery	7,902	28,270	(24,855)	-	2,420	13,737
Lottery funds:						
Lottery reserve	32,130	51,463	(88,105)	-	(4,865)	(9,377)
Donations and other income	-	81	(81)	-	-	-
Lottery share of pension reserve	(3,088)	-	(466)	6,232	-	2,678
Total Lottery funds	29,042	51,544	(88,652)	6,232	(4,865)	(6,699)
Total funds	63,721	122,128	(161,283)	84,618	-	109,184

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023

25. STATEMENT OF FUNDS (Group and Charity) (Continued)

Restricted funds:	**Description:**
Donated Services and Facilities	Various services and facilities provided in support of the BFI London Film Festival and BFI Flare film festival, see note 4: Donated Services and Facilities
Arts and Humanities Research Council	Film Conservation, including capital expenditure
DCMS - Northern Ireland	Support for Northern Ireland Screen Irish and Ulster Scots language programming
DCMS - Global Screen Fund	Support for UK film distribution overseas
DCMS - DfE	Funds ring-fenced for education projects supported by the Department for Education
DCMS - Culture Recovery Fund	Support for independent cinemas impacted by COVID-19 restrictions. Expenditure includes the return of £5.1m of unspent funds to DCMS
DCMS - Young Audience Content Fund	Funding for new youth television content
DCMS - GiA Film London SSSD	Ring-fenced grant-in-aid support for Film London
DCMS - BFI London Film Festival	Support for the 2022 BFI London Film Festival
DCMS - GIA Energy and London Bridge	Support in respect of Energy bills and arrangements for the Queen's lying in state facilitating crowds queuing along the Thames at BFI Southbank
DCMS - Capital GiA	Grant-in-aid funds for capital expenditure
BFI Lottery - Heritage 2022	Awarded by the Lottery under Section 27 dispensation towards supporting UK Film Heritage
BFI Lottery - BFI London Film Festival	Awarded by the Lottery under Section 27 dispensation towards improving public access to the 2022 BFI London Film Festival
BFI Trust	Support for estates related projects and planning, including capital expenditure
Chaplin Foundation	Archive restoration and other work
Col And Karen Needham	Support of Sight and Sound Greatest of All Time Poll
Esmee Fairbairn Foundation	Supporting BFI Replay as part of the Heritage 22 programme
Friends of the BFI	Various projects including funding for the BFI National Archive and restoration of the *Peeping Tom* , *The Small Black Room* and *Pressure* .
H.M. Government - Dept. for Work & Pensions	Support for Education project
LUMA Foundation	Anthony Balch project
Simon and Harley Hessel	Support of the BFI National Archive, including restorations of The Small Back Room and Contraband
The David Lean Foundation	Heritage 22 Paper Conservation
The Thompson Family Charitable Trust	Supporting the Film on Film Festival 2023/24
Other up to £50,000	Various grant awards towards education, restoration and programming and other sundry income.
Transfers	Relate to the receipt of s27 Lottery funding (note 31) and the transfer to unrestricted reserves of capital grants used to acquire fixed assets in the year, where there is no ongoing restriction attaching to the asset created.
Lottery funds:	
Donations and other income	Northern Ireland Screen support for Young people's Filmmaking Programme
Transfers	Relate to the s27 Lottery awards for other BFI activities (note 31)

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

25. STATEMENT OF FUNDS (Group and Charity) (Continued)

Fund balances at 31 March 2023 are represented by:

	Group			Charity		
	Unrestricted £'000	Restricted £'000	Total £'000	Unrestricted £'000	Restricted £'000	Total £'000
Fixed assets:						
Intangible fixed assets	-	-	-	-	-	-
Tangible fixed assets	100,016	-	100,016	100,016	-	100,016
Investments	-	-	-	1,443	-	1,443
Non-current assets:						
Film rights	-	9,833	9,833	-	9,833	9,833
Current Assets:						
Film rights	-	3,038	3,038	-	3,038	3,038
National Lottery Distribution Fund	-	45,260	45,260	-	45,260	45,260
Stocks and work in progress	638	-	638	433	-	433
Debtors	9,936	10,407	20,343	12,841	10,407	23,248
Cash at bank and in hand	5,773	27,808	33,581	1,519	27,808	29,327
Current assets	16,347	86,513	102,860	14,793	86,513	101,306
Current liabilities	(10,645)	(53,690)	(64,335)	(10,196)	(53,690)	(63,886)
Income funds excluding pensions net liability	105,718	42,656	148,374	106,056	42,656	148,712
Creditors due after more than one year	-	(38,296)	(38,296)	-	(38,296)	(38,296)
Long term pension asset/liability	(3,910)	2,678	(1,232)	(3,910)	2,678	(1,232)
Total net assets	101,808	7,038	108,846	102,146	7,038	109,184

Fund balances at 31 March 2022 are represented by:

	Group			Charity		
	Unrestricted £'000	Restricted £'000	Total £'000	Unrestricted £'000	Restricted £'000	Total £'000
Fixed assets:						
Intangible fixed assets	-	-	-	-	-	-
Tangible fixed assets	95,377	-	95,377	95,377	-	95,377
Investments	-	-	-	1,443	-	1,443
Non-current assets:						
Film rights	-	10,008	10,008	-	10,008	10,008
Current Assets:						
Film rights	-	3,463	3,463	-	3,463	3,463
National Lottery Distribution Fund	-	50,941	50,941	-	50,941	50,941
Stocks and work in progress	594	-	594	428	-	428
Debtors	9,807	4,427	14,234	9,943	4,427	14,370
Cash at bank and in hand	600	38,907	39,507	(787)	38,907	38,120
Current assets	11,001	97,738	108,739	9,584	97,738	107,322
Current liabilities	(8,948)	(67,714)	(76,662)	(8,636)	(67,714)	(76,349)
Income funds excluding pensions net liability	97,430	40,032	137,462	97,769	40,032	137,801
Long term pension liability	(70,992)	(3,088)	(74,080)	(70,992)	(3,088)	(74,080)
Total net assets	26,438	36,944	63,382	26,777	36,944	63,721

Restricted funds are committed as directed by the donors/grantors. Unrestricted funds are available to fund revenue initiatives identified during the year and to provide a reserve against unforeseen costs arising.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023

25. STATEMENT OF FUNDS (Group and Charity) (continued)

Net free reserves	Group		Charity	
	2023 Unrestricted £'000	2022 Unrestricted £'000	2023 Unrestricted £'000	2022 Unrestricted £'000
Current assets	16,347	11,005	14,793	9,588
Current liabilities	(10,645)	(8,948)	(10,196)	(8,636)
Net free reserves	5,702	2,057	4,597	952

Reserves are managed to ensure that restricted funds are not used to fund other activities. Some of the net free reserves are held within British Screen Finance Limited and other subsidiaries, which are wholly owned by the BFI and have distributable reserves of £1,105,000 (2022: £1,105,000) which are available for donation to the Charity if required (note 12).

26. LEASE COMMITMENTS (Group and Charity)

At 31 March 2023, the Charity had commitments in respect of non-cancellable operating leases as set out below:

	Land and buildings 2023 £'000	Land and buildings 2022 £'000	Other 2023 £'000	Other 2022 £'000
Leases which expire:				
Less than 1 year	(1,867)	(1,876)	(48)	(5)
Within 2 to 5 years	(7,466)	(7,466)	(186)	(2)
Over 5 years	(8,189)	(10,021)	(188)	-
	(17,522)	(19,363)	(422)	(7)

27. CAPITAL COMMITMENTS (Group and Charity)

As at 31 March 2023, the BFI had capital commitments outstanding of £327,000 (2022: £350,000) relating to the property infrastructure and digital upgrade.

8. CONTINGENT LIABILITIES (Group and Charity)

At 31 March 2023 Grant-in-Aid awards had been made for activity commencing on or after 1 April 2023. As these are contingent upon the receipt of Grant-in-Aid funding from DCMS in 2023–24 these are not taken to the Statement of Financial Activities in the year but are disclosed here.

	2023 £'000	2022 £'000
Film London	(375)	(374)
	(375)	(374)

Other Contingent Liabilities – Rewarding Success projects in Film Rights

The film rights valuation is based on the value of the initial BFI investment as detailed in the Accounting Policies note above. However on a number of these investments, the BFI Locked Box initiative applies and accordingly there is a contingent liability with regard to the element of the valuation which would be made available to UK filmmakers. The BFI Locked Box initiative enables UK filmmakers supported through the BFI to benefit from their film's success. In short, a share of income from supported film productions is put aside (into a BFI Locked Box) and can be used by the filmmakers for the development and/or production of their future projects or towards staff training and in support of organisational costs.

	2023 £'000	2022 £'000
Contingent liability - rewarding success projects in film rights	(2,881)	(3,083)

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

29. FINANCIAL AND OTHER COMMITMENTS

At the balance sheet date there were financial commitments representing film rights investments made by the BFI where the investment decisions had been taken by the BFI and notified to the applicants but either the contracts had not been signed and/or the conditions precedent not met. Therefore work had not commenced on the assets in which the BFI is investing, so neither the asset nor the matching liability are represented in the balance sheet at that date.

	2023 £'000	2022 £'000
Prior year Lottery awards		
Talent Network awards	(5)	(74)
Production awards	(779)	(430)
Development awards	(2)	(3)
In year Lottery awards		
Production awards	(839)	(6,581)
Development awards	(290)	(504)
Talent Network awards	(2)	(50)
Distribution awards	(9)	(60)
Financial commitments - notified but not yet recognised in the financial statements	(1,926)	(7,702)

Other contractual commitments

The BFI has entered into non-cancellable contracts (which are not leases), for a variety of services, including building maintenance, security and software support costs. The total payments to which the BFI is committed are as follows:

	2023 £'000	2022 £'000
Not later than one year	(1,082)	(1,704)
Later than one year and not later than five years	(653)	(907)
Later than five years	(199)	-
Contracts for delivery of services	(1,934)	(2,611)

30. CONTINGENT ASSETS (Group and Charity)

The National Lottery Distributors are entitled to receive a share of the receipts from the sale of land on Queen Elizabeth Olympic Park in return for their contribution of an additional £675m to the funding of the London 2012 Olympic and Paralympic Games. This was announced in 2007. The arrangements are set out in a legal agreement between the Secretary of State and the Greater London Authority dated 29 March 2012 which sets out the distribution of funds between the GLA and the lottery distributors (via DCMS). The GLA has now advised that the land sales on the Olympic Park are now forecast to return less than £200m with payment beginning in 2026-27.

BFI will be entitled to receive a portion of the receipts from the sale in line with the 2.705% of the funds available to the good causes that the BFI receives as a lottery distributor.

Due to the inherent uncertainties over such a time period it is not possible to yet quantify the value of such land sales. However given the information above the BFI could expect to receive in excess of £5m.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

31. RELATED PARTIES (Group and Charity)

The BFI maintains a publicly available register of Governors' interests. Given their broad experience across the film sector, it is inevitable that Governors had connections with or interests in projects and organisations that may from time to time have come to the BFI for funding. All Governors were therefore required to declare any direct interest in and commercial relationships with award applications made to the BFI and that they had no role in the award making process. Similarly, BFI employees were excluded from decision making around any relevant application involving any organisation or company in which they have a declared interest.

Governors receive no payment for their services and all payments to key management personnel have been disclosed in the Remuneration Report.

During the year the BFI entered into transactions, in the ordinary course of business, with related parties. National Lottery awards are included in film rights at the date of the balance sheet or written off to expenditure within the year.

All awards outstanding are payable upon the meeting of conditions precedent within individual contracts.

The following related party transactions occurred during the period:

Related party	Name	Role with BFI	Relationship to related party	New Awards made year ended 31 March 2023 £	Sales year ended 31 March 2023 £	Purchases year ended 31 March 2023 £	Debtor/ (creditor) balance as at 31 March 2023 £
British Council	Tricia Tuttle	Former Festivals Director	Partner is the Director of Film	-	46,520	8,670	18,325
British Film Commission	Andrew Smith	Governor	Advisory Board member	2,750,000	-	-	(1,460,000)
British Screen Forum	Andrew Smith	Governor	Member	-	-	7,220	-
Deloitte LLP	Sukie Kooner	Non-governor co-opted committee member	Partner	-	-	48,180	(39,600)
Friends of the BFI	Simon Bartlett	Head of Lottery & Grant Accounting	Treasurer	-	325,058	-	325,058
Friends of the BFI	Francesca Vinti	Director of Development	Chair	-	325,058	-	325,058
Lee & Thompson LLP	Anwen Griffiths	Governor	Partner	-	-	920	-
Number 9 Films Ltd	Elizabeth Karlsen	Governor	Partner is a director	-	-	-	(16,000)
Pinewood Studios	Andrew Smith	Governor	Director	-	263	14,800	(2,116)
Revolution Software	Charles Cecil	Non-governor co-opted committee member	CEO	-	-	-	(17,500)
Screen Yorkshire	Charles Cecil	Non-governor co-opted committee member	Board member	2,300,000	-	-	(2,355,000)
Vue Cinemas	J. Timothy Richards	Chair	Director	-	8,552	2,000	4,185

A number of BFI Governors and Staff are members of BAFTA, but with no formal management or governance role therein. BAFTA received lottery and other awards in the year ending 31 March 2023 totalling £34,700 (2022: £94,000) of which £6,140 (2022: £67,560) remained payable at that date. Additionally an award of £286,955 was made to BAFTA Albert, a subsidiary of BAFTA on which drawdown had not commenced by year end and an award balance of £51,120 remained payable to BAFTA Enterprises Limited at the year end.

The BFI transacted with BAFTA on an arm's length basis during the year with sales of £2,188 (2022: £3,068) and purchases of £3,910 (2022: £43,336) and a debtor balance of £2 400 was receivable at the year end. Governors made unrestricted donations totalling £11,665 (2022: £20,000) and restricted donations totalling £10,000 (2022: £Nil). A number of governors also purchased patron scheme packages during the year totalling £23,000, of which the donation element was £16,994. Executive directors made unrestricted donations totalling £Nil (2022: £Nil).

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

31. RELATED PARTIES (Group and Charity) (continued)

Lottery Awards

Recipient of funding	Name	Role with BFI	Relationship to recipient of funding	New Awards made Year Ended 31 March 2023 £	Balance as at 31 March 2023 £
BFI - London Film Festival	Ben Roberts	CEO	CEO	1,400,000	-
BFI - Heritage 2022	Ben Roberts	CEO	CEO	3,465,000	1,171,000
Jingo Juice Ltd and subsidaries	Eleanor Whitley	Governor	Director	435,000	435,000
Film London - British Film Commission	Andrew Smith	Governor	Advisory Board member	1,150,000	1,150,000

The BFI is a non-departmental public body sponsored by the Department for Culture, Media and Sport (DCMS). DCMS is regarded as a related party and during the year the BFI, as a recipient of Grant-in-Aid funding and as a Lottery distributor, had material transactions with DCMS – see note 2: Other Significant Transactions.

Awards made under the Lotteries Act Section 27 dispensation

Using the power granted by the Section 27 of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998) the Secretary of State did not object to an award of £1,400,000 to the BFI in relation to the London Film Festival. The award of £1,400,000 was made in August 2022 and was fully drawn down within the year.

Under the same power the Secretary of State did not object to an award of £3,465,000 in relation to the National Film and TV Archive under the Heritage 22 scheme. The award was made in April 2022 and by the end of the year £1,171,000 remained undrawn; this is shown as an award commitment in the standalone BFI Lottery financial statements (appended), but eliminated in full on consolidation.

32. LOSSES AND SPECIAL PAYMENTS (Group and Charity)

There were no losses or special payments in the year (2022: none).

33. POST BALANCE SHEET EVENTS (Group and Charity)

At the time of signing the accounts there were no other events after the reporting period, either adjusting or non-adjusting which require recognition or disclosure in the financial statements.

Lottery Financial Statements

BRITISH FILM INSTITUTE
LOTTERY FINANCIAL STATEMENTS
For the year ended 31 March 2023

STATEMENT OF GOVERNORS AND ACCOUNTING OFFICER'S RESPONSIBILITIES

The Governors and Chief Executive are responsible for preparing the financial statements for the Lottery distribution activities of the BFI for each financial year under section 35(2) and (3) of the National Lottery etc. Act 1993 in the form and on the basis directed by the Secretary of State for Culture, Media and Sport with the consent of Treasury. The accounts are prepared on an accruals basis and must show a true and fair view of the state of affairs of the BFI Lottery Fund distribution activities and of its income and expenditure, changes in equity and cash flows for the financial year. The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted International Accounting Standards.

In preparing these financial statements, the Governors and the Chief Executive are required to:

– Observe the accounts directions issued by the Secretary of State, including the relevant accounting and disclosure requirements; and apply suitable accounting policies on a consistent basis

– Make judgements and estimates on a reasonable basis

– State whether applicable accounting standards have been followed, and disclose and explain any material departures in the financial statements; and

– Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the BFI Lottery distribution activities will continue in operation.

The Governors and Chief Executive confirm that the annual report and accounts as a whole is fair, balanced and understandable and that the Accounting Officer takes personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable.

The Accounting Officer for the DCMS has designated the Chief Executive of the BFI as the Accounting Officer for the BFI. The relevant responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable and for keeping of proper records and for safeguarding the BFI's assets are set out in Managing Public Money published by HM Treasury and in the Financial Directions issued by the Secretary of State for Culture, Media and Sport under section 26(3) of the National Lottery etc. Act 1993.

The Governors and Chief Executive confirm they have met the responsibilities set out above and complied with the requirements for preparing the annual report and accounts on a fair, balanced and understandable basis, and the Chief Executive takes personal responsibility for this. The financial statements for the Lottery distribution activities, have been compiled from and are in accordance with the financial records maintained by the Governors and Chief Executive, and all relevant information has been made available to the auditors.



Tim Richards
Chair



Ben Roberts
Chief Executive

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT AND THE SCOTTISH PARLIAMENT

Opinion on financial statements

I certify that I have audited the financial statements of the British Film Institute's Lottery Distribution Activities for the year ended 31 March 2023 under the National Lottery etc Act 1993.

The financial statements comprise the British Film Institute's Lottery Distribution Activities'

- Statement of Financial Position as at 31 March 2023;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted International Accounting Standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the British Film Institute's Lottery Distribution Activities' affairs as at 31 March 2023 and its deficit for the year then ended; and
- have been properly prepared in accordance with the National Lottery etc Act 1993 and Secretary of State directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2022). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I am independent of the British Film Institute in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

IIn auditing the financial statements, I have concluded that the British Film Institute's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

My responsibilities and the responsibilities of the Governors and the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the British Film Institute's Lottery Distribution Activities is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT AND THE SCOTTISH PARLIAMENT (continued)

Other Information

The other information comprises the information included in the Annual Report but does not include either the Group or Lottery Distribution financial statements nor my certificate and reports. The Governors and Accounting Officer are responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and People Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the National Lottery etc Act 1993.

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

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Secretary of State directions made under the National Lottery etc Act 1993; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the British Film Institute's Lottery Distribution Activities and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Accountability Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- Adequate accounting records have not been kept by the British Film Institute or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited are not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Governors and Accounting Officer for the financial statements

As explained more fully in the Statement of Governors' and Accounting Officer's Responsibilities, the board and Accounting Officer are responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the British Film Institute from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error;
- ensuring that the financial statements give a true and fair view and are prepared in accordance with Secretary of State directions made under the National Lottery etc Act 1993;

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT AND THE SCOTTISH PARLIAMENT (continued)

- ensuring that the annual report, which includes the Remuneration and People Report, is prepared in accordance with Secretary of State directions made under the National Lottery etc Act 1993; and
- assessing the British Film Institute's Lottery Distribution Activities' 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 Governors and Accounting Officer anticipates that the services provided by the British Film Institute's Lottery Distribution Activities will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the National Lottery etc Act 1993.

My 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 a certificate that includes my 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.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

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

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the British Film Institute Lottery Distribution Activities' accounting policies, and key performance indicators.
- inquired of management, the British Film Institute's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the British Film Institute's Lottery Distribution Activities' policies and procedures on:
  - identifying, evaluating and complying with laws and regulations;
  - detecting and responding to the risks of fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the British Film Institute's controls relating to the British Film Institute's compliance with the National Lottery etc Act 1993, Managing Public Money;
- inquired of management, the British Film Institute's head of internal audit and those charged with governance whether:
  - they were aware of any instances of non-compliance with laws and regulations;
  - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team and the relevant internal specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the British Film Institute's Lottery Distribution Activities for fraud and identified the greatest potential for fraud in the following areas: posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the British Film Institute's Lottery Distribution Activities' framework of authority and other legal and regulatory frameworks in which the British Film Institute operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the British Film Institute's Lottery

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT AND THE SCOTTISH PARLIAMENT (continued)

Distribution Activities. The key laws and regulations I considered in this context included the National Lottery etc Act 1993, Managing Public Money, employment law and pensions legislation and tax Legislation.

Audit response to identified risk
To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit Risk and Governance Committee and in-house legal counsel concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports; and
- in addressing the risk of fraud through management override of controls, I tested the appropriateness of journal entries and other adjustments; assessed whether the judgements on estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members including internal specialists in respect of the valuation of film rights, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities
I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I 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 I identify during my audit.

Report
I have no observations to make on these financial statements.

Gareth Davies
Comptroller and Auditor General

December 2023

National Audit Office
157–197 Buckingham Palace Road
Victoria
London, SW1W 9SP

STATEMENT OF COMPREHENSIVE NET EXPENDITURE
YEAR ENDED 31 MARCH 2023

	Notes	2022-23	2021-22
		£'000	£'000
Income			
Proceeds from the National Lottery	2	47,809	48,882
National Lottery Distribution Fund investment income	2	959	69
Recoupment income			
Arts Council England and UK Film Council portfolio	3	514	119
BFI portfolio	3	1,927	1,555
Other income		247	118
Total income		**51,456**	**50,743**
Expenditure			
Lottery - non-film rights awards	4	(71,586)	(29,076)
Adjustments against film rights	5	(18,181)	(17,632)
Reversal of adjustments against film rights	5	3,971	4,253
Operating costs	8	(7,078)	(6,651)
Cost of change	9	(645)	-
Total expenditure		**(93,519)**	**(49,106)**
Operating (loss) / profit		**(42,063)**	**1,637**
Bank interest receivable		88	-
(Loss)/Profit on ordinary activities before taxation		**(41,975)**	**1,637**
Tax on surplus on ordinary activities for the year		-	-
(Deficit)/Surplus for the year		**(41,975)**	**1,637**
Other comprehensive income			
Actuarial gain	7	6,232	2,424
Total other comprehensive income		**6,232**	**2,424**
Total comprehensive (expenditure)/income		**(35,743)**	**4,061**

All activities were on a continuing basis. The accompanying notes on pages176 to 199 form part of these accounts.

STATEMENT OF FINANCIAL POSITION
31 MARCH 2023

	Notes	At 31 March 2023	At 31 March 2022
		£'000	£'000
Non-current assets			
Right of use asset	10	1,240	1,395
Film Rights	5	9,833	10,008
Pension asset	7	2,678	-
Total non-current assets		**13,751**	**11,403**
Current assets			
Film rights	5	3,038	3,463
National Lottery Distribution Fund	2	45,260	50,941
Trade and other receivables falling due within one year	11	708	1,163
Cash and cash equivalents	12	7,196	8,340
Total current assets		**56,202**	**63,907**
Current liabilities			
Trade and other payables	14	(798)	(225)
Other payables - award commitments	15	(12,676)	(18,236)
Provisions	16	(23,788)	(23,473)
Total current liabilities		**(37,262)**	**(41,934)**
Total net current assets for the year ended 31 March		**18,940**	**21,973**
Non-current liabilities			
Lease payables due after one year	14	(1,139)	(1,289)
Provisions falling due after one year	16	(38,296)	-
Pension liability	7	-	(3,088)
Total non-current liabilities		**(39,435)**	**(4,377)**
Assets less liabilities		**(6,744)**	**28,999**
Capital and reserves			
Lottery reserve		(9,422)	32,087
Pension reserve	7	2,678	(3,088)
		(6,744)	**28,999**

The accompanying notes on pages 176 to 199 form part of these accounts.
The financial statements were approved and authorised for signature by the Governors on 7 December 2023.



Tim Richards
Chair



Ben Roberts
Chief Executive

STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 MARCH 2023

	Notes	Lottery Reserve £'000	Pension Reserve £'000	Total Reserve £'000
Balance at 31 March 2021		**29,888**	**(4,950)**	**24,938**
Surplus/(deficit) for the year		2,199	(562)	**1,637**
Re-measurements in the year	7	-	2,424	**2,424**
Balance at 31 March 2022		32,087	(3,088)	28,999
Deficit for the year		(41,509)	(466)	(41,975)
Re-measurements in the year	7	-	6,232	6,232
Balance at 31 March 2023		**(9,422)**	**2,678**	**(6,744)**

-

The accompanying notes on pages 176 to 199 form part of these accounts.

STATEMENT OF CASH FLOWS
YEAR ENDED 31 MARCH 2023

	Notes	2022-23	2021-22
		£'000	£'000
Cashflows from operating activities			
Operating (deficit)/surplus		(41,975)	1,637
Decrease/(increase) in film rights falling due in excess of one year	5	175	(780)
Decrease/(increase) in film rights falling due within one year	5	425	(1,132)
Decrease in trade receivables	2, 10, 11	6,291	2,291
Increase/(decrease) in trade payables	14	423	(257)
Decrease in award payables	15	(5,560)	(259)
Increase/(decrease) in other payables - provisions	16	38,611	(2,171)
Non cash pension movements	7	466	562
Interest received		(88)	-
Reclassification of receipts from National Lottery Distribution Fund as cashflows from investing activities	2	(54,449)	(51,130)
Reclassification of rental payments to cashflows from financing activities	10	147	145
Reclassification of interest payable for lease liabilities to cashflows from financing activities	10	29	31
Net cash from operating activities		(55,505)	(51,063)
Cashflows from investing activities			
Interest received		88	-
Cash receipts from National Lottery Distribution Fund	2	54,449	51,130
Cashflows from investing activities		54,537	51,130
Cashflows from financing activities			
Interest payable for lease liabilities	10	(29)	(31)
Repayment of lease liabilities	10	(147)	(145)
Cashflows from financing activities		(176)	(176)
(Decrease)/increase in cash in the year		**(1,144)**	**(109)**
Cash and cash equivalents at 1 April 2022	12	8,340	8,449
Cash and cash equivalents at 31 March 2023		**7,196**	**8,340**

The accompanying notes on pages 176 to 199 form part of these accounts.

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

Basis of Accounts

These financial statements are prepared on a going concern basis under the historical cost convention, and in accordance with the Accounts Direction issued by the Secretary of State for Culture, Media and Sport with the consent of Treasury in December 2014. These meet the requirements of section 35(3) of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998) and applicable Accounting Standards, except certain headings have been amended in order to reflect special circumstances of the charity.

The accounts have been prepared on a going concern basis given the on-going Statutory appointment of the BFI as a lottery distributor, bringing a certainty of future revenues, despite net liabilities at year end reserves of £6.7m (2022: £29.0m net assets). Under the National Lottery Act distributors are permitted to make commitments against future years' income.

The financial statements have been prepared in accordance with the Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the BFI for the purpose of giving a true and fair view has been selected. The particular policies adopted by the BFI are described below and they have been applied consistently in dealing with items that are considered material to the accounts.

The effect of new accounting standards and interpretations in issue but not yet adopted by the BFI that the governors anticipate will have a material effect on the reported income or net assets is noted below.

In accordance with the Direction issued by the Secretary of State for Culture, Media and Sport, financial statements have also been prepared for the BFI Group activities as a whole.

A copy of the Accounts Direction is available from the Secretary to the Board of Governors, 21 Stephen Street, London W1T 1LN or is available on line from www.gov.uk.

Accruals convention

Income and expenditure is accounted for on a receivable basis. The exception to this is recoupment income because of the inherent difficulties in relating the income to the period to which it relates. Recoupment income is therefore accounted for upon notification of amounts received by the BFI. Commitments are reported as per the National Lottery etc. Act 1993.

As required by the Secretary of State for Culture, Media and Sport in the Accounts Direction, Lottery awards are accounted for on an accruals basis. Where the BFI has made a firm offer of a grant to a film rights or a non-film rights project, which together with the relevant conditions has been accepted by the recipient and the conditions of the grant have been fully met, the award is recognised as a payable. Where the BFI has agreed in principle to fund a scheme or project and made an offer, but the offer has not been accepted nor the associated conditions precedent met, the award is provided for in full at the year end. However, where the BFI has agreed in principle to fund a project in which it will take rights of recoupment ('film rights'), but the offer has not been accepted nor the associated conditions met, as the associated assets of the project can not yet exist, the award is treated as a financial commitment at the year end. These financial commitments are disclosed by way of a note to the financial statements, whereas the liabilities and provision are recognised in the financial statements.

Award commitments payable within one year of the Statement of Financial Position are recognised in the statement as current liabilities. Those payable more than one year from the date of the statement of financial position are shown as commitments payable over more than one year. Commitments for future years have been entered into which take into account income forecasts provided by the Department for Culture, Media and Sport (DCMS). These forecasts take a conservative view of future income.

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES (continued)

Estimates and judgements

Estimates and judgements have been used in the production of these accounts, notably with regard to the valuation of film rights and pensions as at the year end and in the recharge of operating costs. Details on the judgements and estimation involved in the valuation of the film rights are set out in the Film Rights accounting policy above and note 5: Film Rights. The recharge of operating costs are based on an assessment of the relevant direct costs of the lottery departments and an appropriate proportion of the central support functions such as Facilities, Finance and IT. Further information can be found in note 8: Operating Costs and information on the assumptions underlying the pension valuation can be found in note 7: Pensions.

Apportioned costs

The BFI incurred costs which are shared between Lottery and other activities, relating to operating costs for the year, restructuring costs and costs arising from capital spend attributable to Lottery. The BFI is required to apportion costs in accordance with the principles of full cost recovery as outlined in Managing Public Money. In addition to costs wholly attributable to Lottery activities, an assessment is made of the other costs attributable to Lottery activities incurred by service and other departments. This is based on a combination of head count, office space occupied, activity levels and additional expenditure incurred. These departments include Finance & Resources, External Affairs and the Chief Executive's Office.

National Lottery Distribution Fund

Balances held in the National Lottery Distribution Fund (NLDF) remain under the stewardship of the Secretary of State for Culture, Media and Sport. The share of these balances attributable to the BFI is as shown in the financial statements at an estimate of market value and, at the date of the statement of financial position, has been certified by the Secretary of State for Culture, Media and Sport as being available for distribution by the BFI in respect of current and future commitments. With the introduction of IFRS 9 funds held at the National Lottery Distribution Fund are held as financial instruments held at amortised cost.

As the investments are held with the Debt Management Account and the National Loans Fund, these are exempt from recognising stage 1 and stage 2 impairment so no expected credit losses have been calculated for these investments.

The share of proceeds and investment returns attributed to the BFI has been treated as income within these financial statements.

Other Financial instruments

Other Lottery financial instruments include trade receivables and payables that arise directly from Lottery operations. The main risks arising from the financial instruments in the Lottery accounts are interest rate risk, foreign currency risk and other price risk. Further detail of this can be found in note 13 below.

Film rights

Film rights represent investment awards paid and payable to filmmakers which are repayable under certain conditions. Where a feature film made with the assistance of the BFI is successfully released, the BFI is entitled to participate in revenues generated by that success. This can lead to repayment of the investment in full, together with a share of the profits generated by the film.

Under International Financial Reporting Standards (IFRS 9) film rights fall within the definition of Financial Instruments. Within that, they meet the definition of assets measured at fair value with gains and losses being recognised in the Statement of Comprehensive Net Expenditure (SOCNE). The fair value, in line with definitions of IFRS 9, is based upon cash flows and models of future income that may be generated by the film right asset. The calculations behind these models are based upon external factors such as sales agents' estimates, actual sales made, and the recoupment order agreed in the financing contract between investors as well as internal factors such as the skills and expertise of management involved in these calculations and a review of the historic performance of the portfolio.

When an advance is made for an award (satisfying the definition of an award liability as above) the award is taken to the Statement of Financial Position initially at the full value of the award. An assessment is then made of the likely repayment of the award, if any, over the next seven financial years, with the valuation adjusted to the extent that the repayment of the award is considered doubtful. The impairment is calculated either as standard percentage suggested by historic recoupment performance of that particular type of award, or based on the value suggested by future estimated receipts.

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES (continued)

In subsequent years, the Film Rights valuations are reviewed to ensure that all revenues due are received and the valuation remains appropriate. The valuations are based on the best available information at the Statement of Financial Position date and the valuations will change over time. For instance, on production awards, the actual value of sales made to a territory may exceed or fall below the original sales estimate provided by the sales agent or the box office performance may exceed or fall below the initial projections following the release of a film.

Movements in adjustments shown in the Statement of Comprehensive Net Expenditure reflect the net effect of increases and decreases in adjustments against film rights in the year. Any adjustment may be reversed in part or in full if the valuation understates the fair value of the film rights. Advances for development and short film awards are fully impaired in the year of the award, unless there is a reasonable expectation of repayment in the next seven financial years.

Movements in Film Rights valuations shown in the Statement of Comprehensive Net Expenditure reflect the net effect of increases and decreases in valuations against Film Rights in the year. Awards are fully impaired unless there is a reasonable expectation of repayment in the next seven financial years.

If the valuation of the film rights is in excess of the amount of the award investment based on estimated recoupment over the next seven financial years, this is similarly recognised in the film rights valuation and released to income as the recoupment is received. In the context of the life of a film and its distribution cycle, seven years is felt to be a reasonable period over which a meaningful forecast can be taken, and is consistent with practice across the film industry.

Should the full amount of an award for film rights not be utilised, any unused element of the funding will be decommitted. If such a decommitment exceeds the impaired value of the film, then any necessary impairment will be released back to the Statement of Comprehensive Net Expenditure so the remaining impairment is not greater than the value of the revised investment value.

Film recoupment income

Income received from film rights is offset against the value of the film rights on the Statement of Financial Position.

Income in excess of the original value of the rights is taken to the Statement of Comprehensive Net Expenditure as film recoupment income.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the date of the statement of financial position. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Comprehensive Net Expenditure.

Lease costs and commitments

BFI Lottery pays rental to the BFI for the proportion of desk space occupied in the Stephen Street offices, in line with the terms of the lease on these premises to March 2031.

In accordance with FReM this lease obligation is recognised on Statement of Financial Position matched to a Right of Use asset. The former of these is reduced by the annual payment of lease liabilities including both rental and interest (finance) charge, whilst the latter is depreciated annually.

This differs from the treatment in the BFI Charity and Group accounts where, under the Charities SORP, rentals payable under operating leases are charged in the group statement of financial activity on a straight-line basis over the lease term.

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES (continued)

Pensions

The BFI operates a defined benefit pension scheme for employees joining on or before 31 December 2013, and a defined contribution scheme for subsequent joiners, with an apportionment of the costs and liability being made to Lottery on an assessment of appropriate relative levels of staffing.

A defined benefit pension scheme is a post employment benefit plan. The BFI's net obligation in respect of this is calculated by estimating the amount of future benefits that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine the present value.

The pension liabilities and assets of the scheme are recorded in accordance with IAS 19. This measures the value of pension assets and liabilities at the statement of financial position date, determines the benefits accrued in the year, and the interest on the scheme's assets and liabilities. The valuation is undertaken by a qualified actuary.

The BFI operates a defined contribution scheme for employees joining on or after 1 January 2014. The amount charged to the Statement of Comprehensive Net Expenditure in respect of pension costs and other post-retirement benefits is the contribution payable in the year.

Provisions for award commitments

Provisions for award commitments arise where the BFI has agreed in principle to fund a scheme or project and made an offer, but where at the date of the statement of financial position either contracts have not been signed and/or the conditions precedent not met. Therefore these transactions are recognised as an award commitment but are not included in awards payable at the date of the statement of financial position but as a provision. Provisions are released in the following accounting periods as the offers of funding are contractually agreed and the associated conditions met.

Reserves

The Lottery reserve primarily represents the carrying value of film investments made by the UK Film Council prior to 31 March 2011 and British Film Institute since 1 April 2011, and uncommitted funds held at the National Lottery Distribution Fund, which are offset by all outstanding award liabilities.

At 31 March 2023 the lottery reserve was a net liability of £6.7m (2022: £29m net asset). This was due to overcommitment at the balance sheet date against future revenues, as permitted under the National Lotteries Act, due to commitment of £57.4m of funds under the BFI new lottery Strategy, Screen Culture 33. It is anticipated that with a consequent reduction in new awards being made in 2023-4 and the anticipated proceeds from the National Lottery and recoupment income that this situation will significantly reduce by 31 March 2024 and reverse thereafter.

The pension reserve represents the asset/liability arising on the valuation of the BFI pension fund at year end, as notified by the actuaries.

Segmental reporting

The BFI is required under the National Lottery Acts to produce statutory accounts which cover its operations as a Lottery distributor to 31 March 2023. These are reported to the Board of Governors and the Chief Executive Officer as a stand-alone entity. Therefore in the context of IFRS8 no additional disclosure of segmental reporting is deemed appropriate.

Analysis of total expenditure between administrative and programme spend

Under the definitions of the Financial Reporting Manual 2022–23 all activities in these accounts are programme spend.

Standards, amendments and interpretations to existing standards not yet effective

The application of any new or amended International Financial Reporting Standards is governed by their adoption into the FReM issued by HM Treasury. Usually such changes are not put into effect by the FReM until the effective date of the related IFRS, although occasionally some changes are adopted early or might be delayed. It is not believed that any such standards have been published and are relevant as at 31 March 2023.

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

2. LOTTERY INCOME AND THE NATIONAL LOTTERY DISTRIBUTION FUND

The movement in balances held at the NLDF is as follows:	2022-23 £'000	2021-22 £'000
Opening balance held at the NLDF	50,941	53,120
Income received from the Lottery	47,809	48,882
Investment income earned	959	69
Available for distribution	99,709	102,071
Cash drawn down	(54,449)	(51,130)
Balance as at 31 March	**45,260**	**50,941**

The funds are invested on behalf of the NLDF by the National Debt Commissioners. The BFI's distribution is in accordance with Sections 22 and 23 of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998). The BFI is required by statute to show on the statement of financial position the lower of the market value or the cost of the investment as at the year end. There were no unrealised gains in the year (2022: nil).

Income received from the Lottery

Our share of the income received from the lottery in 2022–23 appears to continue to reflect a slight downward trend of £1m in a year on year comparison. However, the income includes the variable factor of receipts of unclaimed prize money, the £1m reduction in which accounts for this, rather than a reduction in underlying sales.

Income received from Lottery therefore contains:	2022-23 £'000	2021-22 £'000
Unclaimed prize money	1,901	2,998

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

3. FILM RIGHTS RECEIPTS AND RECOUPMENT INCOME

The BFI receives income generated from rights in the portfolio of film projects invested in since 1 April 2011. Additionally under the transfer agreement with UK Film Council, the BFI receives all future income generated from rights in the portfolio of films transferred from the UK Film Council and Arts Council England at that date.

Income received from film rights is offset against the value of the film rights on the statement of financial position. Income in excess of the original value of the rights is taken to the statement of comprehensive net expenditure as film recoupment income through the movement in fair value reserve.

	2022-23 £'000	2021-22 £'000
Total film receipts taken as income	2,441	1,674
Total film receipts taken against film rights on the statement of financial position	3,644	5,271
	6,085	**6,945**

Those film receipts where the revenue is taken as income related to:

	2022-23 £'000
28 Days Later	107
Billy Elliott	314
5 films generating < £100,000	93
Arts Council England and UK Film Council portfolio	514
Brian and Charles	328
Saint Maud	539
Nothing Compares	135
Creative England	645
22 films generating < £100,000	280
BFI portfolio	1,927
	2,441

Total film receipts taken against film rights on the statement of financial position

	2022-23 £'000
Altitude Film Distribution Ltd	125
Boxing Day	131
Brian and Charles	706
Chaplin (working title)	176
Documentary Society slate	150
Hoard	100
How To Have Sex	100
In Camera	100
Kneecap	100
Knockers	100
Layla	100
Lollipop	100
Sebastian	100
Sister Midnight	100
The Old Oak	100
The Souvenir - Part 2	142
Timestalker	100
98 films generating < £100,000	1,113
	3,643

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

4. NON-FILM RIGHTS AWARDS

Non-film rights awards are made across a number of schemes operated by the BFI. In the year to 31 March 2023, initial partner awards were made for new funds in our new Lottery Strategy: Screen Culture 2033, with three year awards covering the period April 23 - March 2026. The remaining awards in year are for single projects which are anticipated to be completed within one year.

The activity support areas itemised below are those areas where it is deemed that activity on behalf of the industry and indeed the public at large, and funded by Lottery monies, are most cost effectively and efficiently carried out by the BFI as the lead body for the film sector.

Analysis of non-film rights awards by strand:

	2022-23			2021-22
	New awards in the year £'000	Decommit-ments* £'000	Awards net of fall ins £'000	Awards net of fall ins £'000
Funding to cover the future years				
Film Education awards	-		-	(5,387)
Film Skills Fund	-		-	(4,920)
Audience fund awards	-		-	(3,441)
Film Audience Network fund	-		-	(3,300)
Talent Network awards	-		-	(1,317)
International awards	-		-	(575)
National Cluster Growth Fund awards	-		-	(455)
Audience Projects Fund	(6,047)		(6,047)	-
Audience - FAN Lead Organisations	(9,900)		(9,900)	-
Education - Careers and Progression	(5,950)		(5,950)	-
Education - Film Academy Plus	(1,199)		(1,199)	-
Education - Teaching with Film	(4,950)		(4,950)	-
Education - Young Creatives	(3,000)		(3,000)	-
Filmmakers	(6,000)		(6,000)	-
Filmmakers - Network	(4,146)		(4,146)	-
International - Production Support Services	(2,280)		(2,280)	-
Sustainable Screen	(587)		(587)	-
Skills - Skills Network (Clusters)	(8,100)		(8,100)	-
Skills - Business Development	(2,400)		(2,400)	-
Skills - Bursary Fund	(1,500)		(1,500)	-
Screen Heritage: Resiliance Fund	(1,384)		(1,384)	-
	(57,443)	-	(57,443)	(19,395)

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

4. NON-FILM RIGHTS AWARDS (continued)

Project or single year funding to cover the period to March 2023				
Film Heritage fund	(3,465)		(3,465)	1
Talent Network awards	(1,658)		(1,658)	(1,183)
International awards	(1,517)	94	(1,423)	(950)
London Film Festival	(1,400)		(1,400)	(1,135)
Creative Enterprise	(1,615)	271	(1,344)	(1,614)
Audience Fund	(1,127)	34	(1,093)	(418)
Rewarding Success	(1,052)		(1,052)	(2,308)
Film Skills Fund awards	(185)		(185)	-
Production services award	(625)		(625)	(625)
Film Academy awards	(535)	44	(491)	(332)
Research and Statistics awards	(458)	3	(455)	(412)
Education fund awards	(678)	19	(659)	-
Distribution and Exhibition awards		(19)	(19)	(99)
Development Fund	(11)		(11)	(9)
Film Fund awards (non-film rights)		(7)	(7)	(97)
Development Fund (non-film rights)		60	60	(30)
Vision awards			-	43
Film Audience Network fund		58	58	(160)
	(14,326)	557	(13,769)	(9,328)
Activity support				
Diversity			-	-
Research and statistics	(374)	-	(374)	(353)
	(374)	-	(374)	(353)
Total Lottery non-film rights	**(72,143)**	**557**	**(71,586)**	**(29,076)**

* A decommitment (or fall in) is when an award is reduced for any reason with the agreement, and usually at the volition of, the award recipient. The balance is written back against the relevant award strand in the statement of comprehensive net expenditure.

Rewarding success above represents recoupment received in the year under the producer corridor arrangements and thus held on behalf of film-makers. Further information is provided in note 16.

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

5. FILM RIGHTS

Under IFRS 9 the valuation of the films rights assets are determined on the basis of level 3 inputs, with unobservable inputs being used for the asset as there is no market activity for these assets at the balance sheet date. The valuation approach to establish the fair value of the film rights portfolio is set out in Note 1 : Accounting Policies.

The BFI's primary objective in investing in film rights is to support the future success of British film by backing new voices, new stories, new ideas and skills, enriching and diversifying British film production. Thus whilst the potential commercial success of a project is important in our assessment of an application it is not the only funding criteria.

The fair value of film rights at 31 March is as follows:

	2022-23 £'000	2021-22 £'000	2020-21 £'000	2019-20 £'000	2018-19 £'000
Production Awards	11,510	12,095	9,760	11,330	12,181
Vision Awards	825	906	1,411	1,238	1,323
Development Awards	411	292	227	534	284
Distribution Awards	125	178	161	235	220
Other Awards	-	-	-	-	-
Film Rights valuation	**12,871**	**13,471**	**11,559**	**13,337**	**14,008**

Film rights are recognised as split between current and non-current assets, on the basis of a review of the characteristics of the loans across the portfolio and the anticipated cash flows from these:

	2022-23 £'000	2021-22 £'000	2020-21 £'000	2019-20 £'000	2018-19 £'000
Film rights - non-current	9,833	10,008	9,228	10,532	8,249
Film rights - current	3,038	3,463	2,331	2,805	5,759
	12,871	**13,471**	**11,559**	**13,337**	**14,008**

Production awards are made to producers to co-finance feature film productions and from which we are entitled to recoup our award and take a share of net profits from the film. The value of the productions will be dependent upon many factors which are inherently uncertain; the ability of sales agents to meet sales estimates, how the film will be critically and commercially received (including box office projections and exchange rates) all play a role. Further details are set out below.

Vision Awards are made to production companies to enable them to develop their business and the awards are repayable from any applicable feature film production made by the production company. As we do not expect all recipients to be required to repay the award in full we routinely impair 50% of the recoupable element of the award in the year in which it is committed.

Development awards are made to producers to support a film development. In the event that the development project progresses into a feature film production, we would be entitled to be repaid our award and take a share of net profits. Accordingly development awards are impaired in full in the year in which the award is made, unless there is a reasonable anticipation of it progressing to production.

Distribution awards are made to distributors to support the release of film(s) in the UK and repayable dependent upon the performance of the film release.

Other awards include targeted development awards which are awarded to support new talent. These awards are written off in full in the year unless there is a reasonable expectation of recoupment.

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

5. FILM RIGHTS (continued)

Movements in the valuation of film rights

	2022-23 £'000	2021-22 £'000	2020-21 £'000	2019-20 £'000	2018-19 £'000
Film rights valuation at 1 April	13,471	11,559	13,337	14,008	12,430
New commitments: made in year	17,713	21,000	22,275	17,002	20,840
Decommitments: new film rights in year	(241)	(25)	(370)	-	(3)
Decommitments: historical portfolio	(217)	(412)	(178)	(461)	(369)
Repayment of investments: new film rights in year	(1,099)	(1,186)	(1,528)	(285)	(588)
Repayment of investments: historical portfolio	(2,546)	(4,085)	(2,547)	(4,191)	(3,546)
Adjustments: new film rights in year	(15,011)	(12,980)	(14,256)	(8,863)	(12,280)
Adjustments: historical portfolio	801	(400)	(5,174)	(3,873)	(2,476)
Film rights valuation at 31 March	**12,871**	**13,471**	**11,559**	**13,337**	**14,008**

The value of new commitments made in the year will vary due to timing differences arising from the closure of awards.

The valuation of the Film Rights is based on the anticipated cash receipts over the next seven financial years after the Statement of Financial Position date. In relation to recent production awards (that is production awards that were recognised as awards payable this financial year and the last three financial years), the valuation is based on the cash receipts anticipated from the first cycle of revenues including revenues from cinema, DVD, Video On Demand and television. In relation to older production awards, the valuation is based on the anticipated cash receipts for the next seven years following the balance sheet date calculated from the individual film's historic cash receipts. All such anticipated cash receipts are discounted using the applicable Treasury Rate of 1.9% (2022: 1.9%).

The value of adjustments on new film rights in the year is always governed by the value of awards made and therefore can vary considerably year to year.

As at 31 March 2023, the Film Rights valuation for production awards is £11.5m (2022: £12.1m) and for all other Film Rights is £1.4m (2022: £1.4m) totalling £12.9m (2022: £13.5m). For production awards, were the recoupment levels and valuation to vary by +/- 5%, the impact of the valuation of Film Rights at 31 March 2023 would be £0.5m for 177 awards (2021: £0.6m for 184 awards).

In relation to older production awards, the Film Rights valuation is calculated on the assumption that the future anticipated receipts will be based on the historic cash receipts for the two years prior to the Statement of Financial Position date, subject to an 85% default reduction every three years, except for films in profit which are calculated on the assumption that the future anticipated receipts will be based on the historic cash receipts for the three years prior to the Statement of Financial Position date, subject to a 120% default reduction every three years. The total amount of the Film Rights valuation based on this methodology is £5.9m (2022: £6.1m). Were this default reduction percentage to change by +/- 10% the Film Right valuation would change by :

2022-23	(850)	5,875	850
2021-22	(950)	6,090	860

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

5. FILM RIGHTS (continued)

In relation to recent production awards (that is production awards that were recognised as awards payable this financial year and the previous three financial years), the Film Rights valuation is based on future anticipated receipts. These cash receipts are principally earned in US dollars and converted to pounds sterling before payment is made to the BFI's bank accounts. The default pound sterling to US dollar exchange rate is calculated using the average daily exchange rate for the two years to the Statement of Financial position date rounded to the nearest 5 US cents. The default rate as at 31 March 2023 for production awards is US $1.30 (2022: US $1.35).

Had the pound sterling to US dollar exchange rate been $1.40, for the purposes of the Film Rights valuation, then the valuation of the total of these production awards would be reduced by £0.3m (2022: $1.45 and the awards at March 2022 would reduce by £0.4m). Were the valuation calculated using US $1.05, then these valuations would be increased by £0.3m (2022: $1.25 and the awards at March 2022 would increase by £0.5m).

Further information on the movement on film rights can be found on the BFI website: http://www.bfi.org.uk/about-bfi/annual-review-managementagreement.

6. STAFF COSTS

No member of the Board of Governors received remuneration during the year (2022: none).

The costs of staff working wholly on Lottery activities comprised:	2022-23 £'000	2021-22 £'000
Wages and salaries	2,161	1,960
Social Security costs	250	232
Pension service costs and other pension costs	436	396
	2,847	**2,588**

The average number of staff (full-time equivalents) employed during the year was made up as follows:

	2022-23 Number	2021-22 Number
Management and administration:		
Permanent staff	39	38
	39	**38**

Staff costs for the year are contained within the costs apportioned from grant-in-aid on the statement of comprehensive net expenditure.

The remuneration of the Chief Executive Officer and costs attributable to Lottery during the year are as follows:

	2022-23 £	%	Attributable to Lottery £
Ben Roberts			
Salary and benefits	150,000		75,000
Total	**150,000**	50.0%	**75,000**
Pension contribution	**23,028**		**11,514**

	2021-22 £	%	Attributable to Lottery £
Ben Roberts			
Salary and benefits	150,000		64,500
Total	**150,000**	43.0%	**64,500**
Pension contribution	**23,028**		**9,902**

The percentage of the remuneration of the Chief Executive Officer apportioned to Lottery is reviewed on an annual basis.

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

7. PENSION BENEFITS

The BFI is an admitted body of the LPFA. Although membership of the scheme is open to all employees, only those costs relating to staff employed on Lottery activities are disclosed in these accounts. An apportionment of the pension assets and liabilities is calculated on the basis of the numbers of staff employed on Lottery activities and their pensions contributions in year as a percentage of those of the whole organisation.

The pension scheme is (for joiners on or prior to 31 December 2013) a defined benefit scheme and is funded by employees and employers at actuarially determined rates. Employer contributions charged for members of the defined benefit scheme amounted to £0.1m (2022: £0.3m).

Following the advice of the consulting actuaries to the scheme, the BFI's employer contributions for current service (as a percentage of the pensionable salary) were set at 15.4% throughout the year (2022: 15.4%).

A valuation under IAS19 as at March 2023 was carried out by a qualified independent actuary. The assumptions used by the actuary for the BFI's scheme were:

	2022-23 %	2021-22 %
Rate of increase in salaries	3.9	4.25
Rate of increase in pension payments	2.9	3.25
Discount rate	4.8	2.6
Inflation assumption (CPI)	2.9	3.25

Average life expectancy at 65:
Under the adopted mortality tables, the assumed life expectancy from age 65, weighted by liability, are as follows:

	2022-23 Years	2021-22 Years
Life expectancy at age 65 of female aged 45	25.6	26.1
Life expectancy at age 65 of female aged 65	24.2	24.4
Life expectancy at age 65 of male aged 45	22.7	23.5
Life expectancy at age 65 of male aged 65	21.4	22.0

The estimated asset allocation as at 31 March was:

	2022-23 Long term rate of return expected £'000	2021-22 Long term rate of return expected £'000
Equities	8,287	8,051
Target return portfolio	2,715	3,107
Infrastructure	1,858	1,412
Property	1,429	1,271
Cash	-	282
Total market value of assets	**14,289**	**14,123**

The net pension liability was:	At 31 March 2023 £'000	At 31 March 2022 £'000	At 31 March 2021 £'000
Present value of funded obligation	(11,611)	(17,211)	(17,117)
Fair value of scheme asset	14,289	14,123	12,167
Net liability	**2,678**	**(3,088)**	**(4,950)**

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

7. PENSION BENEFITS (continued)

The amounts recognised in the statement of comprehensive net expenditure are as follows:

	2022-23 £'000	2021-22 £'000
Current service cost	(584)	(710)
Net interest on the defined liability	(79)	(101)
Administration expenses	(5)	(20)
Total	**(668)**	**(831)**
Actual return on plan assets	185	1,885

Amounts recognised in statement of changes in equity:	2022-23 £'000	2021-22 £'000
Return on plan assets in excess of interest	(181)	1,647
Other actuarial gains/(losses) on assets	(22)	-
Change in financial assumption	7,465	811
Experience (loss)/gain of defined benefit obligation	(1,030)	(34)
Remeasurements recognised in the statement of changes in equity	**6,232**	**2,424**
Cumulative remeasurements in statement of changes in equity	4,008	(2,223)

Changes in the present value of the defined benefit obligation:

	2022-23 £'000	2020-21 £'000
Opening defined benefit obligation	(17,211)	(17,117)
Current service cost	(584)	(710)
Past service cost	-	-
Interest cost	(445)	(339)
Contributions by members	(107)	(117)
Change in financial assumptions	7,465	811
Experience (loss)/gain on defined benefit	(1,030)	(34)
Benefits paid	301	296
Closing defined benefit obligation	**(11,611)**	**(17,211)**

Changes in the fair value of the scheme assets:

	2022-23 £'000	2021-22 £'000
Opening fair value of employer assets	14,123	12,167
Contributions by members	107	117
Contributions by employer	204	270
Interest on assets	366	238
Return on assets less interest	(181)	1,647
Other actuarial gains/(losses)	(22)	-
Admin expenses	(5)	(20)
Benefits paid	(301)	(296)
Closing fair value of employer assets	**14,291**	**14,123**

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

7. PENSION BENEFITS (continued)

The sensitivity analysis on the major assumptions in the above, and based on the whole scheme is:

		£'000	£'000	£'000
		+0.1%	0.0%	-0.1%
	Present value of total obligation	11,428	11,611	11,799
	Projected service cost	246	258	266
Adjustment to long term salary increase		+0.1%	0.0%	-0.1%
	Present value of total obligation	11,627	11,611	11,595
	Projected service cost	258	258	258
Adjustment to pension increases and deferred valuation		+0.1%	0.0%	-0.1%
	Present value of total obligation	11,786	11,611	11,440
	Projected service cost	266	258	250
Adjustment to mortality age rating assumption		+ 1 year	0.0%	- 1 year
	Present value of total obligation	12,052	11,611	11,188
	Projected service cost	268	258	248

A history of experience gains and losses is shown below:	2022-23 £'000	2021-22 £'000
Fair value of employer assets	14,290	14,123
Present value of defined benefit obligation	(11,611)	(17,211)
Deficit	2,679	(3,088)
Experience gains on assets	185	1,885

From 1 January 2014 the BFI also operates a defined contribution pension scheme which is available for all employees not already in the defined benefit scheme.

8. OPERATING COSTS and OTHER FINANCE COSTS

	2022-23 £'000	2021-22 £'000
Direct Lottery costs		
Direct staff costs	2,847	2,588
Other staff costs (including agency staff, training and recruitment)	100	100
Travel and subsistence	33	33
Events and other hospitality	12	12
Professional fees: Audit - National Audit Office	52	52
Professional fees: other	86	86
Depreciation re right of use asset	155	155
Other	64	77
	3,349	3,103
Recharged costs from BFI non-lottery activities re support functions	3,388	3,396
Total operating costs	6,737	6,499
Recharged costs from creation of new BFI lottery strategy : Screen Culture 2033	227	-
Finance costs		
Interest re lease on right of use asset	29	31
Net return on pension assets	85	121
Total financing costs	114	152
Total operating and other finance costs	**7,078**	**6,651**

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

8. OPERATING COSTS (continued)

The direct lottery costs are those of the front-line award making departments. These costs are those of the Film Fund (International, Production, Operations, Audience Fund, Deputy CEO Office), Education Directorate, Education Partners, Business Affairs and Production Finance. These costs cover the administration and processing of grants, project development and other costs, the costs of generating recoupment and talent support and development activities.

The remaining costs are those central costs of the BFI attributed to Lottery relating to CEO, External Affairs, and support functionality such as Finance, HR, IT and Digital.

Costs of generating recoupment relate to the costs of generation and management of BFI income from the investments in film rights within Business Affairs, Production Finance and the Film Funds – in 2022–23 these stood at £0.8m (2022: £0.8m).

Other Finance Costs

	2022-23 £'000	2021-22 £'000
Net return of assets re pension	85	121
Interest on rental of right of use assets	29	31
	114	**152**

9. COSTS OF CHANGE

Costs of change represent the costs associated with restructuring of the film-making fund in the light of the new BFI strategy: Screen Culture 2033.

10. RIGHT OF USE ASSETS AND LEASE LIABILITIES

As at 31 March 2023, the BFI had a right of use asset reflecting a non-cancellable operating leases relating to the BFI offices in London running until March 2031. With the introduction of IFRS 16: Lease Accounting, this is now shown in the accounts as a trade receivable split between the amounts falling due within and over one year - these are matched to the lease liability.

	At 31 March 2023 £'000	At 31 March 2022 £'000
Right of use asset at 1 April	1,395	1,550
Depreciation in year	(155)	(155)
Right of use asset at 31 March	**1,240**	**1,395**

Consequently a lease liability was recognised in year with the finance cost calculated using the HMT discount rate of 1.99%

	At 31 March 2023 £'000	At 31 March 2022 £'000
Lease liability at 1 April	1,435	1,580
Repayment of lease liabilities	(176)	(176)
Finance cost in year	29	31
Lease liability at 31 March	**1,288**	**1,435**

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

11. TRADE AND OTHER RECEIVABLES

	At 31 March 2023 £'000	At 31 March 2022 £'000
Trade and other receivables falling due within one year		
Trade debtors	470	457
Other receivables - BFI Exchequer	109	384
Other receivables	129	322
Total trade and other receivables falling due within one year	**708**	**1,163**

12. CASH AND CASH EQUIVALENTS

	At 31 March 2023 £'000	At 31 March 2022 £'000
Cash and cash equivalents at 1 April	8,340	8,449
Net change in cash and cash equivalent balances	(1,144)	(109)
Cash and cash equivalents at 31 March	**7,196**	**8,340**

£4.0m (2022: £4.0m) of cash held in BFI lottery bank accounts is funds recouped by BFI and held on behalf of producers under the "Rewarding Success" recoupment corridor. See note 16: Provisions. All Lottery cash balances are held in commercial bank accounts.

13. FINANCIAL INSTRUMENTS

International Financial Reporting Standards require disclosure of the role which financial instruments have had during the period, in creating or changing the risks the BFI faces in undertaking its role.

Film rights

Under International Financial Reporting Standards (IFRS 9) film rights fall within the definition of Financial Instruments. Within that, they meet the definition of assets measured at fair value with gains and losses being recognised in the profit and loss account (FVTPL).

Establishing the fair value of film rights is subjective and therefore contains an element of risk. The fair value is based on a review of external evidence such as the sales agents' estimates as to the likely revenues generated by a project, where it is in the life cycle of the project, and upon actual performance of the film to date. This is matched with the knowledge and experience of the staff and management involved in the process of assessing the projects both at application stage and as they come to fruition. Any reduction in fair value is immediately taken to the statement of comprehensive net expenditure in the year.

The valuation of film rights is subject to on-going annual review to ensure a fair value is maintained and thus mitigating the risk of a perceived overstatement of the value, with any adjustments being charged as expenditure.

	2022-23 £'000	2021-22 £'000
Film rights falling due in excess of one year	9,833	10,008
Film rights falling due within one year	3,038	3,463
Film rights valuations at 31 March	**12,871**	**13,471**

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

13. FINANCIAL INSTRUMENTS (continued)

Liquidity risks

Whilst lottery distributors are permitted to over-commit in awards against the surety of future lottery income, the BFI awards are over a relatively short term, with current awards running in some cases up to March 2026. Thus the risk of holding insufficient resources to cover liabilities is held under constant review, to ensure that this risk is minimised, by review of current funds held in cash and at the National Lottery Distribution fund and anticipated future income versus the levels of commitment.

Lottery cash inflows can be analysed as:	2022-23 £'000	%	2021-22 £'000	%
Income received from the National Lottery	47,809	86.7%	48,882	87.3%
Investment returns from the balance held at the NLDF	959	1.7%	69	0.1%
Recoupment income from film rights	6,085	11.0%	6,945	12.4%
Bank interest	88	0.2%	0	0.0%
Other income including legacies, grants and donations	247	0.4%	118	0.2%
	55,188	**100.0%**	**56,014**	**100.0%**

Cash and cash equivalents held by BFI at the NLDF and in our own bank accounts:

	£'000	£'000
NLDF balance at 31 March as notified by the Secretary of State for Culture, Media and Sport	45,260	50,941
Lottery funds held in cash and cash equivalents by the BFI at 31 March	7,196	8,340
	52,456	**59,281**

Total lottery award commitments as at 31 March:

	2022-23 £'000	2021-22 £'000
Lottery awards payable	12,676	18,236
Provision for non-Lottery film rights awards	62,084	23,473
Film rights award allocations noted as contingent liabilities	1,926	7,702
	76,686	**49,411**
(Over)/under commitment against funds available at 31 March	**(24,230)**	**9,870**

£57.4m of the provisions relates to awards made under the our new strategy Screen Culture 2033, and in many cases are three year awards covering the period to March 2026. Taking this into account, alongside the levels of anticipated additional project awards to be made in the years ahead and against our ongoing expectation of constant levels of lottery income, it is anticipated that the over-commitment against funds at March 2023 will reduce significantly by March 2024 and be in at least net zero position thereafter - thereby mitigating the apparent year end risk.

National Lottery Distribution Fund

Under IFRS 9 funds held at the National Lottery Distribution Fund are held as financial instruments held at amortised cost. The funds are invested on behalf of the NLDF by the National Debt Commissioners over which the BFI has no control and therefore has no capacity to mitigate any risk here-in.

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

13. FINANCIAL INSTRUMENTS (continued)

Interest rate risks

Interest rate risk is deemed low for the BFI as it does not have any interest payable. With the restrictions on how public bodies may hold cash, and in the current climate where interest rates showed little movement across the year on instant access bank accounts the BFI similarly has little risk of not ensuring it is maximising interest on its own cash holdings.

The BFI's largest financial asset is retained in the NLDF, which invests in a narrow band of low risk assets such as Government bonds and cash. Neither the BFI nor its Governors has any control over these investments. The interest rate risks in respect of these financial assets are disclosed in the financial statements of the NLDF.

	2022-23 £'000	2021-22 £'000
Market value of BFI investment at NLDF at 31 March	45,260	50,941
Average investment return at NLDF	2.32%	0.19%

Cash drawn from the NLDF, or received from other sources, to pay grant commitments and operating costs are held in variable rate bank accounts:

	2022-23 £000s	2021-22 £000s
Lottery funds held in cash and cash equivalents by the BFI at 31 March	7,196	8,340
Average interest rate on cash held in variable rate bank accounts	1.13%	0.01%

Foreign currency risks

exchange risks are significant in the valuation of the Film Rights as explained in note 5: Film Rights.

14. TRADE AND OTHER PAYABLES

	At 31 March 2023 £'000	At 31 March 2022 £'000
Accruals	645	-
Other payables (including lease liability)	153	225
Other payables due in < 1 year	**798**	**225**

	At 31 March 2023 £'000	At 31 March 2022 £'000
Other payables: lease liability	1,139	1,289
Lease payables due in >1 year	**1,139**	**1,289**

As at 31 March 2023, the BFI had total minimum payments under a non- cancellable operating lease relating to the BFI offices in London running untilMarch 2031. Under IFRS 16: Lease Accounting, this is shown in the accounts as a lease liability matched to a right of use asset.

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

14. TRADE AND OTHER PAYABLES (continued)

The proportion of these costs relating to these leases that form part of the costs apportioned to Lottery are:

	At 31 March 2023 £'000	At 31 March 2022 £'000
Amounts payable within one year	150	147
Amounts payable within two to five years	618	618
Amounts payable over five years	521	671
	1,289	1,436

15. OTHER PAYABLES – AWARDS COMMITMENTS

	At 31 March 2023 £'000	At 31 March 2022 £'000
At 1 April	18,236	18,495
New film rights commitments in year	18,993	21,785
Commitments transferred from prior year provision for non-film rights awards	19,120	22,307
New non-film rights commitments in year	11,306	7,405
Decommitments	(371)	(1,062)
Amounts paid	(54,608)	(50,694)
At 31 March	**12,676**	**18,236**

Award commitments payable at 31 March relate to:

	At 31 March 2023 £'000	At 31 March 2022 £'000
Audience Development Fund - Organisation	929	1,018
Audience Development Fund - Projects	926	1,025
BFI Film Academy	911	100
Creative Enterprise	80	-
Development Fund	1,372	1,608
Film Audience Network Fund	220	1,061
Film Heritage	1,171	1,911
International Fund	404	562
Into Film	-	4,800
National Cluster Growth Fund	250	270
Other	1,057	374
Production Fund	2,787	2,220
Research and Statistics Fund	314	475
Skills	1,540	1,742
Talent Development	688	884
Vision Awards	27	186
	12,676	**18,236**

Decommitments arise when any element of the award is not utilised once contracts are signed and drawdown has commenced.

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

15. OTHER PAYABLES – AWARDS COMMITMENTS (continued)

Commitments transferred from the provision for non-film rights awards are as follows:

	At 31 March 2023 £'000	At 31 March 2022 £'000
Film Education Awards	6,157	9,522
Skills Fund	4,150	-
Audience Fund	3,677	4,437
Film Audience Network	2,300	3,140
Talent Network	1,317	1,210
International Fund	866	584
National Cluster Growth Fund	455	-
Film Academies	198	64
Heritage and Regional Archives	-	3,263
Research Fund	-	87
	19,120	**22,307**

New non-film rights commitments in the year:

	At 31 March 2023 £'000	At 31 March 2022 £'000
Project funding to 31 March 2023		
Heritage Awards	3,465	-
Creative Enterprise	1,615	1,615
Audience Fund	1,490	888
London Film Festival award	1,400	1,400
International	1,115	1,002
Production Services	625	625
Skills Fund	501	-
Film Academies	453	303
Research Fund	360	412
Film Education Awards	282	-
Film Audience Network	-	1,160
New commitments in year	**11,306**	**7,405**

Reconciliation of new awards in year per the statement of comprehensive net expenditure to new commitments, awards payable on the statement of financial position:

	At 31 March 2023 £'000	At 31 March 2022 £'000
Non-film rights awards taken to SOCNE in the year	71,586	29,076
Less spend on activity support in year	(374)	(353)
	(57,443)	(21,451)
Less new awards in year taken to SOCNE but recorded by way of provision at year end		
Add back decommitments of awards from prior years taken as negative spend on SOCNE	(2,463)	133
New non-film rights commitments taken as awards payable	**11,306**	**7,405**

Ageing of award commitments, estimated date of payment:	At 31 March 2023 £'000	At 31 March 2022 £'000
Estimated payment within one year	12,676	18,236

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

16. PROVISIONS

	At 31 March 2023			At 31 March 2022
	Non Film Right Awards £'000	Rewarding Success awards £'000	Total £'000	Total £'000
At 1 April	19,145	4,328	23,473	25,644
New provisions in the year	69,412	-	69,412	28,856
Provisions written back in year	-	-	-	(169)
Provisions released in year	-	(374)	(374)	(1,146)
Transferred to other payables - award commitments	(30,427)	-	(30,427)	(29,712)
At 31 March	**58,130**	**3,954**	**62,084**	**23,473**

Provisions for award commitments arise where the BFI has agreed in principle to fund a scheme or project and made an offer, but where at the date of the statement of financial position either contracts have not been signed and/or the conditions precedent not met. Therefore these transactions are recognised as liabilities in the statement of financial position as provisions rather than payables. Provisions are released in the following accounting periods as the offers of funding are contractually agreed and the associated conditions met.

The year end provision with regard to non film right awards relates to awards made by the BFI across a number of strands:

	At 31 March 2023 £'000	At 31 March 2022 £'000
Awards under Film Forever 2022 (+1)		
International	400	866
Research Fund	99	
Film Education Awards	83	6,160
Film Academies	83	198
Audience Fund	22	3,699
Skills Fund	-	4,150
Film Audience Network	-	2,300
Talent Network	-	1,317
National Cluster Growth Fund	-	455
Awards under Screen Culture 33 (covering 2023-6)		
Film Education Awards	15,100	
Skills Fund	12,000	
Filmakers Fund	10,146	
Film Audience Network	9,900	
Audience Fund	6,047	
International	2,280	
Heritage and Regional Archives	1,384	
Sustainable Screen	587	
-	**58,130**	**19,145**

A provision written back arises when the conditions of the terms of the award are not met prior to signature of contract.

Rewarding Success provision

The rewarding success initiative allows for a share of film recoupment income arising from lottery awards to be made available to UK Producers, Writers and Directors for their future film making activity. The funds held on behalf of film-makers ("the locked box") represents the monies held for this initiative at the balance sheet date and not yet drawn down.

Ageing of provisions, estimated date of payment	At 31 March 2023 £'000	At 31 March 2022 £'000
Amounts anticipated as payable within one year	23,788	23,473
Amounts anticipated as payable beyond one year	38,296	-
	62,084	23,473

At the date of the statement of financial position the BFI Lottery activities had no further provisions (2022: £nil).

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

17. CAPITAL COMMITMENTS

As at 31 March 2023, the BFI had no capital commitments outstanding related to Lottery distribution activities, therefore no costs are attributable to Lottery at the date of the statement of financial position (2022: £nil).

18. OTHER FINANCIAL COMMITMENTS and CONTINGENT LIABILITIES

Financial Commitments

At the date of the statement of financial position there were financial commitments representing film rights investments made by the BFI where the investment decisions had been taken by the BFI and notified to the applicants but either the contracts had not been signed and/or the conditions precedent not met. Therefore work had not commenced on the assets in which the BFI is investing, so neither the asset nor the matching liability are represented in the statement of financial position at that date.

	At 31 March 2023 £'000	At 31 March 2022 £'000
Prior year awards		
Talent Network awards	5	74
Production awards	779	430
Development awards	2	3
In year awards		
Production awards	839	6,581
Development awards	290	504
Talent Network awards	2	50
Distribution awards	9	60
Financial commitments notified but not yet recognised in the financial statements	**1,926**	**7,702**

Other Contingent Liabilities – Rewarding Success projects in Film Rights

The film rights valuation is based on the value of the initial BFI investment as detailed in the Accounting Policies note above. However on a number of these investments, the BFI Locked Box initiative applies and accordingly there is a potential and contingent liability with regard to the element of the valuation which would be made available to UK-filmmakers. The BFI Locked Box initiative enables UK-filmmakers supported through the BFI to benefit from their film's success. In short, a share of income from supported film productions is put aside (into a BFI Locked Box) and can be used by the filmmakers for the development and/or production of their future projects or towards staff training. In the year these criteria were expanded to include support of organisational costs as part of the BFI's response to assist the industry as a result of the COVID-19 pandemic and resultant lockdown.

	At 31 March 2023 £'000	At 31 March 2022 £'000
Contingent liability - rewarding success projects in film rights	**2,881**	**3,083**

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

19. CONTINGENT ASSETS

The National Lottery Distributors are entitled to receive a share of the receipts from the sale of land on Queen Elizabeth Olympic Park in return for their contribution of an additional £675 million to the funding of the London 2012 Olympic and Paralympic Games. This was announced in 2007. The arrangements are set out in a legal agreement between the Secretary of State and the Greater London Authority dated 29 March 2012 which sets out the distribution of funds between the GLA and the lottery distributors (via DCMS). The GLA has now advised that the land sales on the Olympic Park are now forecast to return less than £200m with payment beginning in 2026-27.

BFI will be entitled to receive a portion of the receipts from the sale in line with the 2.705% of the funds available to the good causes that the BFI receives as a lottery distributor.

Due to the inherent uncertainties over such a time period it is not possible to yet quantify the value of such land sales.

20. RELATED PARTIES

The BFI maintains a publicly available register of Governors' interests. Given their broad experience across the film sector, it is inevitable that Governors have connections with or interests in projects and organisations that may from time to time have come to the BFI for funding. All Governors are therefore required to declare any direct interest in and commercial relationships with award applications made to the BFI and that they had no role in the awardmaking process. Similarly, BFI employees were excluded from the decision-making around any relevant application involving any organisation or company in which they have a declared interest.

Governors receive no payment for their services and all payments to key management personnel have been disclosed in the Remuneration Report.

During the year the BFI entered into transactions, in the ordinary course of business, with related parties. National Lottery awards are included in film rights at the date of the statement of financial position or written off to expenditure within the year.

All awards outstanding are payable upon the meeting of conditions precedent within individual contracts.

The following related party transactions occurred during the period:

Recipient of funding	Name	Role with BFI	Relationship to recipient of funding	New awards made year ended 31 March 2023 £	Balance as at 31 March 2023 £
BFI - London Film Festival	Ben Roberts	CEO	CEO	1,400,000	-
BFI - Heritage 2022	Ben Roberts	CEO	CEO	3,465,000	1,171,000
Jingo Juice Ltd and subsidaries	Eleanor Whitley	Governor	Director	435,000	435,000
Film London - British Film Commission	Andrew Smith	Governor	Advisory Board member	1,150,000	1,150,000

A number of BFI Governors and Staff are members of BAFTA, but with no formal management or governance role therein. BAFTA received lottery awards in the year ending 31 March 2023 totalling £20,700 (2022: £94,000) of which £4,140 (2022: £67,560) remained payable at that date. Additionally an award of £286,955 was made to BAFTA Albert, a subsidiary of BAFTA on which drawdown had not commenced by year end.

The BFI is a non-departmental public body sponsored by the Department for Culture, Media and Sport (DCMS). DCMS is regarded as a related party and during the year the BFI, as a Lottery distributor, had material transactions with DCMS.

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2023

20. RELATED PARTIES (continued)

Awards made under the National Lottery etc. Act Section 27 dispensation

Using the power granted by the Section 27 of the National Lottery etc. Act 1993 the Secretary of State did not object to an award to the BFI in relation to the London Film Festival. The award of £1,400,000 was made in August 2022 and was fully drawn down within the year.

Under the same power the Secretary of State did not object to a award of £3,465,000 in relation to the National Film and TV Archive under the Heritage 22 scheme. The award was made in April 2022 and by the end of the year £1,171,000 remained undrawn and this is shown as an award commitment in these financial statements.

21. EVENTS AFTER THE REPORTING PERIOD

At the time of signing the accounts there were no other events after the reporting period, either adjusting or non-adjusting which require disclosure in the financial statements. The accounts were authorised for issue on the date the Comptroller and Auditor General signed the auditor's certificate and report.

Schedule 1: New Lottery commitments (unaudited information) in the year ended 31 March 2023

All awards and delegations approved by the Lottery Finance Committee in the year to 31 March 2023 are listed below. In the financial statements these are represented as Non film right awards on the Statement of Comprehensive Net Expenditure (£63.8m), £17.7m were taken to the statement of financial position and subsequently impaired, with the remainder (£1.1m) disclosed within Other Financial Commitments in the notes to the accounts.

Producer	Project	£
Creative England Ltd	Creative Enterprise	1,615,000
	Creative Enterprise	1,615,000
65 Wilding Films Ltd	Up Yours!	43,076
Agile Films Ltd	Stuffed	32,140
Air Street Films	Folk	18,000
Archery Pictures	Freaks	22,750
Ardimages UK	Vapours	23,000
Bird Flight Films Limited	Two Roads	13,000
Bona Dea Films Limited	Princess Bari	1,745
Bosena	A Deft Pin to the Heart (previously Petrichor)	10,000
Brock Media Ltd	I Don't Eat Meat!	33,500
Caleb Productions Limited	FUR	43,250
Camberwell Prodcutions	The Short Sweet Life of Steven Bundy	2,400
Candle & Bell Limited	Marwell	16,500
Chris Young Films Ltd	The Life of Reilly (Formerly Rosa)	18,000
Conspire Pictures Limited	White Lies	20,000
Day One Pictures Limited	The Shed	32,050
Dorothy St Pictures	Knockers	106,080
Dorothy St Pictures Ltd	Three Weeks	18,500
EMU Films Limited	Freestyle (former Riptide)	7,400
Endor Productions Ltd	Gun Dog	17,380
Erebus Pictures	21 Miles	29,000
Fine Point Films Ltd	Kneecap	100,000
Fly Film Company Limited	Lollipop	40,000
Fox Cub Films Ltd	Layla	110,350
Hot Property Films Ltd	Curiosities of Fools (Dev)	32,000
Hwyl Films Ltd	The Weight of the Wind	18,935
Indie Movie Company Limited	Less Than Human	8,000
Inflammable Films Limited	Mother Dog	13,125
Jeva Films Limited	Mrs Smith's Second Coming	15,000
Lunapark Pictures Ltd	Noonday (aka Pellagra)	27,500
Lunapark Pictures Ltd	Daughter of Eden	23,000
Lunar Lander Films Limited	Ginger	30,500
Mantilini Films LTD	Taal	27,000
Megaverse Ltd	Flood	4,000
Moonspun Films Ltd	Mary George	27,500
My Accomplice LTD	Surviving Earth	19,000
NICO PRODUCTIONS LIMITED	Jasper	20,900
Origin Pictures Ltd	Drawn to Trouble	42,500
Other Productions Ltd	Dam the Blood	22,500
Other Productions Ltd	Hear My Voice	27,500
Out of Orbit	Breathing	17,285
Parkville Pictures Limited	Lollipop	116,000
Pencil Trick Productions CIC	I Want Love	22,500
Pint Sized Pictures Ltd	Jean Zombi	20,800
Potboiler Productions	At Hawthorn Time	2,500
Primitive Film Ltd	After London	7,500
Primitive Film Ltd	Dangerous Romance	37,359
Public Display of Affection Films Ltd	Braids	15,000
Quark Films Ltd	Beak	8,500
Red Breast Productions Ltd	English Animals	21,500
Rowdy Entertainment Ltd	Little Isis	35,500
Selkie Productions Ltd	In the Kingdom of the Isles	30,500
Skysail Premium Development Ltd	Timestalker	100,000
Steel Made Films Limited	Springs A Girl	21,300
Strange Charm Limited	Barnbow Canaries	41,000
Tea Shop Productions Limited	Her Skin	33,500
The Bureau Film Company Limited	The Parrot	22,500
Tiger Lily Films Limited	Sound Girl (fka Sound System)	30,940
Tiger Lily Films Limited	Scattered (Trinidad Remains)	35,000
Tilt Films Limited	Dunwich	35,000
Try Hard Films Limited	Pram Snatcher	24,050
Wellington Films Ltd	Sister Midnight	131,943
Wild Swim Films	How to Have Sex	104,000
	Development	2,031,258

Schedule 1 (continued)

Creative England Limited	Production Services - Filming in England	625,000
	Production Services	625,000
Aesthetica Magazine Ltd	Aesthetica Film Festival	30,000
Altitude Film Distribution Limited	Altitude Organisational Award 2022-23	199,064
Aya Films C.I.C.	UK Release of The Gravedigger's Wife	28,920
Berwick Film and Media Arts Festival	18th Berwick Film & Media Arts Festival 2023	40,000
Borderlines Film Festival CIC	Borderlines Film Festival 2023	42,000
British Independent Film Awards	Always on marketing campaign	297,160
Curzon Film World Ltd	Kino Dreams - A touring retrospective of a selection of films by Wim Wenders	59,475
Doc'n Roll Films Ltd	Doc'n Roll Film Festival UK tour 22-23	39,300
elevenfiftyfive Ltd	Massive	199,234
First Take Limited	Qisah International Film Festival	15,000
Hong Kong Film Festival UK CIC	Hong Kong Film Festival UK ('HKFFUK') 2023	35,000
London Indian Film Festival Ltd	London Indian Film Festival 2022	50,000
London Short Film Festival Ltd	London Short Film Festival 2023	40,000
Manchester Animation Festival Ltd	Manchester Animation Festival 2022	35,000
Queer East CIC	Queer East Film Festival 2022	35,000
Royal African Society	Film Africa 2022	38,000
Sheba Soul Ensemble C.I.C.	FLY! Festival of BLACK* Women's Film - On the Road	15,000
Slapstick Festival Limited	Slapstick Festival 2023	38,000
T A P E Collective Ltd.	Found In Translation	24,100
The Arab British Centre	SAFAR Film Festival	34,300
The Edinburgh International Film Festival Limited	Edinburgh International Film Festival 2022	50,000
The Festivals Company Limited	Iris Prize LGBTQ+ Film Festival 2022 and Iris on the Move 2023	40,000
UK Jewish Film Ltd	UK Jewish Film Festival 2022	50,000
Watershed Arts Trust Limited (The)	Cinema Rediscovered on Tour 2022	20,800
Windrush Caribbean Film Festival CIC	Windrush Caribbean Film Festival	35,000
	Audience	1,490,353
Abandon Normal Devices	New Cinema Days	15,000
Autlook Filmsales GmbH	My Name is Happy	5,920
Autlook Filmsales GmbH	Is There Anybody Out There?	6,970
Blue Finch Film Releasing Limited	Raging Grace	9,835
Bridging Visions e.V	Bridging the Dragon UK-Focus Activity 2021-2022	15,000
CHARADES	Aftersun	14,000
CHARADES SAS	Scrapper	9,850
Elation Pictures Limited	Great Yarmouth - Provisional Figures	6,185
Farabove International Services LTD(FISL)	Nigerian International Film and TV Summit	29,000
FESTIVAL INTERNAZIONALE DEL FILM DI LOCARNO	First Look on British Cinema	37,500
Film Constellation Ltd	Blue Jean	9,950
Film Export UK Ltd	47th Toronto International Film Festival 2022- UK stand	100,000
Film Export UK Ltd	Asia Contents & Film Market 2022 - UK stand	15,500
Film Export UK Ltd	2023 EFM UK Film umbrella stand	115,450
Film London	Production Finance Market	32,000
Film London	The London Screenings	98,000
International Documentary Festival Sheffield	Sheffield DocFest: Industry Programme 2023	78,000
KARNAVAS KONTOVRAKIS & SIA LtD	A House In Jerusalem	3,550
Merkel Films Ltd	Merkel	15,000
Met Film Sales Limited	Fashion Re-imagined	10,975
MK2 Films	Nezouh	7,000
National Film & Television School	Inside Pictures	164,737
New Europe Film Sales Jan Naszewski	Medusa Deluxe	15,000
New Europe Film Sales Jan Naszewski	Girl	15,000
Rouen Norwich Club	This is England short film festiva	2,200
Rubix Films LTD	Phantom Parrot (formally Conspiracy)	9,825
Screen Producers Australia	Screen Forever - UK Connect	57,840
Small Car Big Road Ltd	Your Fat Friend	11,021
UK Screen Association Ltd	Annecy International Film Festival	55,000
Various	Cannes impACT Labs 2022	11,000
Various	Locarno Match Me!	8,500
Various	Munich Film Festival	15,000
Various	Nigerian International Film and TV Summit - Various	15,000
Various	Les Arcs Film Festival	3,280
Various	UK Film at Cannes 2023	450,000
Various	EFM, Inclusion and Equity Pathways Berlinale delegation	5,080
Various	International Co-production Market & Networking at CPH:DOX Market	8,000
Various	CNC – Paris – delegation	12,716
Various	BFI delegation at Marché du Film in Cannes	7,964
Ville de Dinard	Dinard Festival du Film Britannique	15,554
	International	1,517,402

Schedule 1 (continued)

The British Film Institute	Heritage 2022	3,465,000
	Heritage	3,465,000
444 Lollipops	Lollipop	872,000
Balloonheaven Limited	How To Have Sex	1,000,000
Bêtes Sauvages Ltd	SEBASTIAN	100,000
Chuck Chuck Baby Ltd	Chuck Chuck Baby Ltd	175,000
DSP Knock (2023) Limited	Knockers	880,000
Fox Cub Films Ltd	Layla	885,000
Hoard Film Ltd	Hoard	43,630
Interactive Film Ltd	Consensus Genitum	15,000
Jingo Juice Ltd t/a Marshmallow Laser Feast	Sweet Dreams	435,000
Kneecap Films Limited	Kneecap	610,000
MediaActive Projects CIC	The Knitted Brain	112,000
Moonchild Films Limited	Sister Midnight	1,026,000
NEZOUH LIMITED	Nezouh	16,100
One6th Ltd	Two Black Boys in Paradise	20,000
Out of Orbit Ltd	Wind and the Shadow	115,000
Passion Pictures Limited	Very 'British' London Stories	6,650
Pilgrimage Films Limited	The Unlikely Pilgrimage of Harold Fry	40,000
Quinn Trip Productions	Low Rider	310,000
Sebastian Film Limited	Sebastian	925,000
Zeb Films Limited	The End We Start From	535,000
Timestalker Ltd	Timestalker	1,125,000
Zeb Films Ltd	The End We Start From	72,020
	Production	9,318,400
Alma Economics Ltd	Economic review of the revenue model for UK independent film	9,100
Broadcasters' Audience Research Board Ltd	Research and Statistics Fund - Data and Services purchase 2022-2023 Tranche 7	18,750
Games Investor Consulting Limited	The economic ramifications of overseas IP acquisition of UK games development studios for the UK games industry	24,000
Incorporate Design Ltd	Research and Statistics Fund - Data and Services purchase Tranche 4	9,450
Informa Telecoms & Media Limited	Research and Statistics Fund - Data and Services purchase 2022-23 Tranche 5	35,085
IPSOS MORI UK Limited	Research on the economic and cultural value of cinema venues	74,500
Olsberg/SPI Ltd	Skills scoping study for animation, post-production, VFX and video games	80,000
Rentrak Limited	Research and Statistics Fund data and services purchase 2022-2023 Tranche 6	43,283
TRP Research Ltd	Research and Statistics Fund - Data and Services purchase Tranche 2	75,000
Various	Research and Statistics Fund - Data and Services purchase Tranche 1	73,215
Various	Research and Statistics Fund - Data and Services purchase Tranche 3	16,000
	Research	458,383
808010 Productions Ltd	Kiss	13,900
Adam Bouabda	The Wilds	1,500
Afshan D'souza-Lodhi	how to eat mangoes	1,000
After Party Studios Limited	Grown in the Dark (fka Allotments)	15,000
After Party Studios Limited	The Licensed Fool	15,000
Agile Films	Seekers	14,500
Alta Ambit Productions Ltd.	Cuppa Chai	2,810
Alysia Maciejowska	Lorne of the Mackay Country	1,500
Autokino Ltd	Lode	12,000
Axis 12	NETWORK Website: hosting and content fees	13,300
Azma Jabeen Dar	Vampire in Bradford	1,850
Bear Behind You	Spines	710
Bethe Louise Townsend	The Doula	1,900
Blue Cedar Films Ltd	Distressing Images	13,000
Boundary Pictures Ltd	The Enchanted Day of the Erês	20,000
Bridie Films Ltd	The Pendle Witch Child	15,000
British Independent Film Awards	BIFA Best British Short Film Award 2022	18,500
Candid Broads Productions LTD	The Date	12,000
Casey Hennessy	All Gravy (FKA All Gravey)	1,850
Char Hurst	Hormonal	11,716
Charles Antony Peter Tidmas	Foundations (FKA Bricking It)	1,900
Christopher John Lane	Project: Homestead	1,500
Chromatopia Films Ltd	Darwin Story	12,500
COOC Productions Limited	South Facing	10,000
Cool-Pin Ltd	Sandra Gets a New Fringe	16,000
Cosmos Films Limited	The Rising of the Sap	15,400
Cosmosquare Films Limited	Bury the Dogs	10,000
Dan Shaw	Coasting	2,150
Dumbworld Productions Limited	Amor	20,000
Elevator Productions Limited	Nettle Day	12,500
Elicit Pictures	My Jerome	3,705
Elysium Pictures Limited	An Eighth of Him (FKA Sanctuary)	12,000
Eve Makis	The Underdogs (FKA The Stouthill Saints)	1,850
Fairview Film Limited	Fairview Park	16,050

Schedule 1 (continued)

Fancy a Jam Pictures Ltd	Results Day	15,000
Feringgi Bay Film Limited	Out	8,000
Forced Path Pictures Ltd	Said In Passing	12,000
Foyle River Films Ltd	Harm	17,000
Gabriel (Hope) Moon	Pillow Chocolate	11,272
Gallus Films Ltd	The Sin-Eater	16,590
Hidden Pictures North Ltd	Caterpillar	21,876
Hush Mann Adamson	Bowling for Bradford	1,500
Idle Eyes Productions Ltd	A Bird Called Memory	20,000
Jamie MacDonald	Strange Fish	1,350
Jamie McCubbin	My Dreams Have Been Dark of Late	10,000
Jason Bradbury	Layby	1,000
Jelly Film Ltd	The Girl with the Haunted Vagina	19,000
Jeremy Routledge	Rose of St Pauls	2,000
Jess Dadds	Kitt and The Deathless	1,900
Jessi Gutch	My Cells are Trying to Kill Me	1,900
Joseph Daly	The Navvies (fka The Navvy)	2,150
Julie Staight	Skating for Ladies (fka Madge)	1,900
Kato Pictures	Lord of The Free Range	3,863
Kingsley Marshall	Horse Piss For Blood	2,000
Kusini Productions Ltd	Measure	5,000
Land of Lasarica Productions Ltd	Beats, Rhymes and Time	13,000
Larsa Films Ltd	Beneath a Mother's Feet (fka Wedad)	15,000
Last Conker Ltd	Same Same?	12,000
Last Conker Ltd.	Longing	14,000
Lily Ashton	Roses	2,000
Lindsey Dryden	Haven at a Hundred Feet	1,625
Little Stitch Productions	Hope Ain't Right	795
Little Stitch Productions Limited	Ratthum	7,844
Lowkey Films Ltd	Snow Falls in the Summer	14,500
LS FILMS LTD	Cuffed	28,000
Lucy Meer	The Battle of Bamber Bridge	2,250
Lunar Pictures Ltd	The Call	14,450
Major Labia Limited	Witches	3,250
Matte Black London Productions Ltd	Shoot your Shot	5,500
Matte Black London Productions Ltd	Not dark yet	11,109
Matthew Crawford	Whiteboy	900
Merricat Pictures Ltd	Half Way	15,000
Messy Films Ltd	Burn Out	15,000
Mia Scerri	X to X	3,912
Michael Jenkins	The Duppy of Chessdon Manor	1,750
Mikel Stewart	Mo and Steph's A Television Broadcast from Outer Space [FKA A Television Broadcast from Alternate Earth]	13,000
Mirrordoor Ltd	Independence	6,279
Molly Young	Barricade	13,500
Mono Films Limited	Returned	14,000
Morgan J. Stephenson	Dirty W****r!	13,877
Mycelium Productions Ltd	Beltane	15,440
Newmanfilms Ltd	Mother of Mine (FKA Mammy)	15,000
North of Watford Films Limited	Home Movie	15,000
Octarine Films Ltd	Asa	17,357
Ohna Falby	Little Seed	2,100
Old Hall Films Ltd	The Sun Is Up Forever	15,000
OPT8 LTD	Plaggy Bag	13,500
Other People's Films Ltd	Neo Nahda	20,000
Out Since Tuesday Ltd	My Brudda	13,000
Paramara Ltd	Run Outs	9,000
Paul Chambers	Amygdala	1,400
Pavilion Works Originals Ltd	Guests	15,000
Pencil Trick Productions CIC	Reflections	15,000
Primary Colour Pictures	Goodbye Pythin	26,853
Pulse Films Limited	The Girls' Room	2,163
Pylon Films Limited	Small Hours	14,974
Rebecca Graham	Just Passing	15,000
Redfield Films Ltd	Pick the Right Fruit	18,908
Rhian Smith	New Atlantis (Formerly Last Day)	12,096
Richard Higson	Nocturne (FKA Midwinter/Hag)	15,000
Rowland Jobson	Mare	1,900
Ryushi Lindsay	Crest	1,900
Salford Cowboys (Pili Mili Films) Ltd	The Last Cowboy in Salford	15,000
Sarah Louise Gonnet	The One You Cannot Reach	2,950
Silent Temple Films Ltd	Swole	16,060
Simon Dymond	Little Green Men	1,850
Sixteen Pylon Ltd	Pylon	15,000
Sleepwalker Studios Ltd	Alo (FKA Trip The Light Fantastic)	10,300
Slow Burn Ltd	Slow Burn	15,000
St Maur Pictures Ltd	In The Shadow of Darkness	19,400
Strive Films Ltd	Predators	15,000
Studio Erma Ltd	Mackling	12,000

Schedule 1 (continued)

T A P E Collective Ltd	Essec Girls	15,000
Tara Langford	Starling	10,639
The British Academy of Film and Television Arts	BFI Flare x BAFTA Mentoring in partnership with BFI NETWORK	20,700
The Creative Roots Productions Ltd	Thursdays	15,000
The Grierson Trust	Grierson Documentary Industry Support 2022/23	19,394
The Sikh Soldier Film Ltd	The Lion Solider (FKA The Sikh Soldier)	10,000
Theo James Krekis	Paros, not Paris	1,850
Tickershortfilm Ltd	Ticker	17,000
Tom Stubbs	Steve Parker	5,561
Tuyet Van Huynh Limited	Void Days	15,000
Two By Two Productions Ltd	House Party	15,000
Tyke Films Ltd	Born On Sunday, Silent	15,000
Type O Films Ltd	Monitor	8,500
Vankshita Mishra	Burnings	2,471
Vankshita Mishra	Burnings	10,000
Various	NETWORK@LFF	35,000
Various	Insight Producer Programme (round 2)	139,000
Wellington Films Limited	Safe	15,000
Xenia Glen	Carabao	1,500
You Kicked My Dog Productions	The Smell of Chicken	15,000
Yvonne Battle-Felton	Nemesis Ink	1,000
	Network	1,541,199
Blue Stockings (UK) Ltd	Paradox	168,920
E&E Industries (UK) Ltd	Pilgrim S2	204,280
Warner Bros. Entertainment UK Ltd	Access to Action UK Programme	128,024
	Film Skills - Apprenticeships	501,224
104 projects CIC	Film Academy Network Programme - Additional Finance	16,875
Bulldozer Films Ltd	Film Academy Network Programme - Additional Finance	51,000
Cinemagic	Film Academy Network Programme - Additional Finance	17,000
Creative Nation Ltd	Film Academy Network Programme - Additional Finance	34,000
Glasgow Media Access Limited	Film Academy Network Programme - Additional Finance	17,000
National Film & Television School	Specialist Programme - Additional Funding	198,000
Nerve Centre	Film Academy Network Programme - Additional Finance	51,000
Plymouth College of Art	Film Academy Network Programme - Additional Finance	16,999
Screen Argyll	Film Academy Network Programme - Additional Finance	17,000
Screen Education Edinburgh	Film Academy Network Programme - Additional Finance	17,000
Screen Education Edinburgh	Specialist Programme - Additional Funding	37,500
Sheffield Media Exhibition Centre	Specialist Programme - Additional Funding	45,000
Station House Media Unit	Film Academy Network Programme - Additional Finance	17,000
	Film Academies	535,374
Aunty Social CIC	BFI Film Club Blackpool	16,871
Film Nation UK	Careers Advice and Guidance	55,000
Greater Manchester Arts Centre Limited	Short Film Fund	29,371
Olsberg SPI Ltd	Crew Mapping and Forecasting Methodology	79,561
Reel Solutions (Film) LLP	BFI Film Club Scarborough	17,000
ScreenSkills Limited	Screen Sector Job Description templates	50,000
Signals Essex Media Centre Ltd	Signals - BFI FILM Club 2022	17,000
Somerset Film and Video Ltd	BFI Film Club West Somerset	16,933
The Saturday Club Trust	BFI Film Clubs	80,000
	Education awards	361,737
Bohemia Media Ltd	Queen of Glory	15,802
Dartmouth Films Limited	Hong Kong: A City on Fire (fka When A City Rises)	13,405
MUBI UK Limited	Aftersun	75,000
Peccadillo Pictures Ltd	Lunana: A Yak in the Classroom	45,924
Picturehouse Entertainment	Corsage	75,000
Picturehouse Entertainment Limited	The Feast / Gwledd	39,000
Resource Productions CIC	Little English - UK Tour	40,000
Studio Soho Distribution	Joyland	35,000
Tull Stories Ltd.	Big vs Small	12,780
	Distribution Fund	351,911

Schedule 1 (continued)

British Film Institute	66th BFI London Film Festival	1,400,000
	Festivals	1,400,000
Arts Alive in Shropshire and Herefordshire	Flicks in the Sticks – Reaching Out…	180,000
Birds Eye View	Reclaim The Frame With Me	420,000
British Federation of Film Societies (The)	Building diverse grassroots audiences for a wider choice of film across the UK through the power of affo	520,440
Carousel Project	Oska Bright Film Festival	363,000
Derby QUAD Ltd	New Worlds Of Cinema	70,000
Flatpack Projects	Open Up	90,000
Greater Manchester Arts Centre Limited	Re-building a diverse audience at HOME	555,000
Independent Cinema Office	Support for screening specialised film to the widest range of audiences	1,329,999
Leicester Arts Centre Ltd	MyPhoenix 2026 – Embracing Leicester's Diverse Communities in Screen Culture	270,000
Nottingham Media Centre Limited	BROADER	480,000
Queen's University Belfast	QFT - Priority Audiences	270,000
Royal Holloway and Bedford New College	Virtual Reality Hubs Network	64,084
The Sheffield Media and Exhibition Centre Limited	Another Country	480,000
TONGUES ON FIRE LIMITED	UK Asian Film Festival 2023 -2026	105,000
Tyneside Cinema	Tyneside Cinema Audience Development Project	150,000
Watershed Arts Trust Limited (The)	Rebuilding audiences better - with inclusion at the centre	585,000
YourLocalCinema Ltd	YourLocalCinema Audience Development	114,000
	23-24 Audience Projects Fund	6,046,523
Chapter (Cardiff) Limited	BFI FAN Film Hub Lead Organisation 2023-26	859,500
Film London	BFI FAN Film Hub Lead Organisation 2023-26	784,500
Independent Cinema Office	BFI FAN Film Hub Lead Organisation 2023-26	1,876,500
Nottingham Media Centre Limited	BFI FAN Film Hub Lead Organisation 2023-26	1,285,500
Queen's University Belfast	BFI FAN Film Hub Lead Organisation 2023-26	811,500
The Glasgow Film Theatre	BFI FAN Film Hub Lead Organisation 2023-26	844,500
The Sheffield Media and Exhibition Centre Limited	BFI FAN Film Hub Lead Organisation 2023-26	1,570,500
Watershed Arts Trust Limited (The)	BFI FAN Film Hub Lead Organisation 2023-26	1,867,500
	23-24 FAN Lead Organisations	9,900,000
Film Nation UK	Careers and Progression	5,950,000
	23-24 Eduation - Careers and Progression	5,950,000
Chapter (Cardiff) Limited	BFI Film Academy Plus - FHLO 2023-26	171,300
Independent Cinema Office	BFI Film Academy Plus - FHLO 2023-26	171,300
Nottingham Media Centre Limited	BFI Film Academy Plus - FHLO 2023-26	171,300
Queen's University Belfast	BFI Film Academy Plus - FHLO 2023-26	171,300
The Glasgow Film Theatre	BFI Film Academy Plus - FHLO 2023-26	171,300
The Sheffield Media and Exhibition Centre Limited	BFI Film Academy Plus - FHLO 2023-26	171,300
Watershed Arts Trust Limited (The)	BFI Film Academy Plus - FHLO 2023-26	171,300
	23-24 Education - Film Academy Plus (FHLO)	1,199,100
Film Nation UK	Teaching with Film	4,950,000
	23-24 Education - Teaching with Film	4,950,000
The Saturday Club Trust	National Saturday Club	1,500,000
Film Nation UK	Young Creatives	1,500,000
	23-24 Education - Young Creatives	3,000,000
Doc Society	BFI National Lottery Documentary Fund 2023 to 2026 - Delegation	4,634,130
Doc Society	BFI National Lottery Documentary Fund 2023 to 2026 – Talent Support Programme	1,365,583
	23-24 Filmmakers	5,999,713

Schedule 1 (continued)

Creative Scotland	BFI NETWORK - National Delegate 2023-26	630,000
Ffilm Cymru Wales C.B.C	BFI NETWORK - National Delegate 2023-26	630,000
Film London	BFI NETWORK - Regions FHLO 2023-26	487,000
Independent Cinema Office	BFI NETWORK - Regions FHLO 2023-26	479,135
Northern Ireland Screen Commission	BFI NETWORK - National Delegate 2023-26	480,000
Nottingham Media Centre Limited	BFI NETWORK - Regions FHLO 2023-26	480,000
The Sheffield Media and Exhibition Centre Limited	BFI NETWORK - Regions FHLO 2023-26	480,000
Watershed Arts Trust Limited (The)	BFI NETWORK - Regions FHLO 2023-26	480,000
	23-24 Filmmakers - Network	4,146,135
Creative England Limited	Production Across England	1,130,000
Film London	British Film Commission	1,150,000
	23-24 International - Production Support Services	2,280,000
BAFTA Albert Ltd	Production-related support	286,955
Julie's Bicycle	Wider screen value chain support	299,800
	23-24 Sustainable Screen	586,755
Creative Scotland	Screen Scotland - Skills and Training Cluster	1,100,000
Film London	London and the South East Skills Cluster	2,200,000
Northern Ireland Screen Commission	Screen Careers Recruitment for Education and Employment Network (SCREEN)	900,000
Resource Productions CIC	Berkshire Skills For Screen	600,000
Screen Yorkshire Limited	Screen Alliance North Skills Cluster	2,300,000
West Midlands Combined Authority (Create Cental)	Create Central Skills Cluster 2023-2026	1,000,000
	23-24 Skills - Skills Network (Clusters)	8,100,000
Creative England Limited	Creative Enterprise: 2023-2026	2,400,000
	23-24 Skills - Business Developemt	2,400,000
Screenskills Limited	Skills Bursary Fund: Delegation 2023-2026	1,500,000
	23-24 Skills - Bursary Fund	1,500,000
Film London	Greater resilience at London's Screen Archives	234,523
Hampshire County Council	Whither WFSA: Building a sustainable future for Wessex Film and Sound Archive (WFSA	80,000
Manchester Metropolitan University	North West Film Archive	120,000
Media Archive of Central England Limited	Sustain Our Screen Heritage	370,000
Plymouth City Council	Reimagining the Film Archive (RtFA)	195,000
University of East Anglia	Fast Forwarding Screen Heritage in the east of England	69,974
Yorkshire Film Archive	Yorkshire Film Archive - Resilience 26	315,000
	23-24 Screen Heritage - Resiliance Fund	1,384,497
	Total Soft Commitments outstanding	**82,654,964**

Schedule 2: New Lottery commitments made by delegate bodies (unaudited information) in the year ended 31 March 2023

The Documentary Society were delegated £1.8m of new lottery funds for activity in 2022–23 Creative Scotland and Ffilm Cymru Wales £0.2m each, and Northern Ireland Screen Commission £0.15m. The awards made to third party organisations by these delegate bodies in the year ending 31 March 2023 are listed below.

Award Recipient	Project	£
The Documentary Society		
Anfanterrible Productions Ltd	I Don't Need Adult Conversation	16,000
Apropros Productions Limited	Pemon	1,000
Beehive Films Ltd	Frontier Town	21,053
Billo Studio Ltd	Fishtown	2,500
Bofa Productions Limited	Celluloid Underground	60,000
Cardamon Film Ltd	The Taste of Mango	40,062
Dr Mena Fombo, Boomflix Network	Boomflix Network	3,800
Dream Oracles Limited	Collateral Echoes	55,000
Fifty Foot Woman Limited	At the Scala	54,000
Film in Mind, Rebecca Day	Documentality / Emerging Filmmakers Group Support	1,900
Free Lens Collective, Mohammed Alazraq	Free Lens Collective Mentorship	1,600
Good Kid Films Limited	Red Herring	50,000
Happenstance Films Ltd	Reclaiming Identity: The Extraordinary Story of Ted Brown	25,000
Hopeful Productions Limited	Hope	50,000
Itan Films Ltd	The Archive: Queer Nigerian Project	20,000
Just Be Nice Studios	Trust Me	750
Khula Images and Arts Limited	Rage In Many Languages	4,000
Little Ease Film Ltd	Aftermath	25,000
Lono Moon Limited	Red Moon	70,000
My Extinction Ltd	My Extinction	55,000
Nature Hunter Film Ltd	Super Nature	66,000
Other Cinemas, Turab Shah	Other Cinemas Film School	1,300
Our Land Limited	The Trespasser, the Lord and the Gypsy	75,000
Primitive Film Limited	Mirrors	900
PROJECT 1961 LTD	Undiscovered Country	4,000
Resource Productions CIC, Abhi Arumbakkam	Doc Lab Mentoring Programme	1,300
Rubix Films	Phantom Parrot (Untitled Digital Security Project)	70,000
She Makes Productions LTD	Folk	20,000
Shy Bairns LTD	Untitled Jeanie Finlay North East Project	90,000
Small Car Big Road Limited	Your Fat Friend	75,000
Snowed-In Factual Limited	No Place Like Home	80,000
SPP Film Ltd	Still Pushing Pineapples	35,000
Story Compound	The Medallion	23,350
Studio RGL Partnership LLP	The Decision Machines	20,000
Sweet Leap Ltd	Gay Games	35,000
The Keeper Film Ltd	The Keeper	20,000
Tigerlily Two MD	Border Town	35,000
Tyke Films Ltd	My Blonde GF	2,500
UME19 LIMITED	My Friend Lanre	13,500
We Wear Masks Limited	Hongkong Mixtape	76,426
Whisperer LTD	Whisperer	17,500
WNBK Ltd	White Nanny, Black Kids	50,488
You Look Okay To Me Limited	SS IRPINIA	20,000
	Total Documentary Society delegated awards 2022-3	**1,388,929**
Ffilm Cymru Wales		
Alison White	ALISON WHITE CPD	2,425
biggerhouse film	CRYBABY	1,000
Bulldozer Films	FILM NETWORKING SOCIALS	6,000
Calon TV	SHOES	1,000
Carys Eleri	THE SISTERS	5,000
Catrin Clarke	THE CALL	2,877
Cliff Edge Pictures	MOTHER'S DAY	1,000
Coup the Duke Films	FROSTLANDS	1,000
Crowblack Films	STATE OF SIEGE	5,000
Dani Abrams	THE FIRE DRILL	1,000
David Evans	DAVID EVANS CPD	2,589
Ego Tantrum Productions	PUPPETS AND MY MENTAL HEALTH	1,000
Eiko Meredith	EIKO MEREDITH CPD	3,461
Far Away Films	OSCAR ALBERT CPD	1,000
Fresh Catch Films Ltd	TOMOS O ENLLI	10,000
Griff Lynch	DIM OND TI A MI	1,000
Hijinx Theatre	BEING NORMAL	10,000

Schedule 2 (continued)

HONEYMILK FILMS LTDtrading as LAIT DE MIEL FILMS	SEVEN	990
Jamie Adams	JAMIE ADAMS CPD	6,000
Knucklehead	ON A WING AND A PRAYER	1,000
Lisa Parry	THE MERTHYR STIGMATIST	3,900
Matsena Productions	SHIPS IN THE NIGHT	1,000
MediaActive Projects	FOLLOW THE DOGS	1,000
On Par Productions	TREADING WATER	1,000
On Par Productions	CRISTIAN SAAVEDRA CPD	2,000
Owen Lewis	OWEN LEWIS CPD	3,000
Pint-Sized Pictures Ltd T/A Rapt	NOT DROWNING	6,000
Sian Owen	OCTOBER OCTOBER	5,700
Sun & Moon Studios	PASSENGER	1,000
Tina Pasotra	TINA PASOTRA CPD	2,950
Wheesht Films	ANGELA CLARKE CPD	4,000
	TotalFfilm Cymru Wales delegated awards 2022-23	**94,892**

Northern Ireland Screen Commission

1 in 5 Media CIC	WHERE ARE ALL THE DISABLED DJ's?	3,750
2nd Part Productions	Merrow	3,750
Brassneck Productions	OPERATION PABLO	3,750
CauseAScene Films	BEST BEFORE	3,750
Causeway Pictures	The Magic Spade	7,500
Conor Kelly	A Song for Strays	1,125
Conor Toner	EVERYTHING LOOKS SIMPLE	1,125
Dean Conway	Double Vodka and Blackcurrant	1,125
Elspeth Vischer	NURSING THROUGH	1,125
Emmet McMullan	TEENY	1,125
Esther Mogada	I AM AN INDIVIDUAL	1,125
Eva Gauley	Curers	1,125
Farset Films	Oyster	3,750
Farset Films	The Girl with the Lion	7,500
Haus Eight Films	A Face in the Crowd	3,750
Hoker Films	Boldie	3,750
Hollie Wallace	Coloured Corners	1,125
Last Conker	HEARTBEAT	3,750
Negative Waves	Rise	3,750
Out of Orbit	Malcolm	3,750
Paul Consiglia	STIGMA	1,125
Poli Productions	Polished	3,750
Poli Productions	Pike	5,000
Purple Finch Productions	By Appointment	3,750
Ronan Kerrigan	IDLE HANDS	1,125
Sean Coyle	COMMUNION	1,125
Triplevision Productions	They/Them	3,750
Village Films	Pub House	3,750
	Total Northern Ireland Screen Commission delegated awards 2022-23	**84,875**

Schedule 2 (continued)

Creative Scotland		
104 FILMS SOUTH LIMITED,	Tarantula	1,000
88MPH ENTERTAINMENT LTD	Empty-ness	5,000
Arpeggio	SOUL	20,000
Beatless Ltd	Beatless	20,000
BLACK WOOL FILMS LIMITED	Black Wool	20,000
BOMBITO PRODUCTIONS	Boifriend	15,000
Bombito Productions	Committed	15,000
Bombito Productions LTD	Living With It	15,499
CARDEL ENTERTAINMENT LIMITED	The Wall Dog	5,000
Ciara Elizabeth Smyth & Oisin Kearney	The Centre	5,000
FAIL BETTER FILMS	A Beating Wing	20,000
FINITE PRODUCITONS SCOTLAND	You Land	20,000
Garden Shed Films LTD	The Jubilee	19,960
Hannah Kelso	For Love Nor Money	1,000
JULIA TAUDEVIN	Jump Club (formerly Orca)	5,000
Leyla Coll-O'Reily	Keen	5,000
LS SHORTS	Revert	20,000
Mallinson Television Productions	Just Jackie	20,000
Mallinson Television Productions	The Singer	20,000
Nathalie Ahmazdadeh	Wolves	6,000
Ossian International Limited	Paternal Advice	20,000
OSSIAN INTERNATIONAL LIMITED	Come Back	5,000
OSSIAN INTERNATIONAL LIMITED	Parodies	5,000
Phillip Wright	Committed	1,000
ROCKALL FILMS	Milkgum	22,000
Ruman Mundair	A Girl Called Elvis	5,000
Sixteen Films	Catherine	5,000
Smashing Pictures Ltd	The Key	20,000
Sophia Shek	The Other Side of The World	5,000
Stewart Thomson	Second Best	5,000
Story Horse Pictures Ltd	In The Name Of Pleasure	20,000
TEA SHOP PRODUCTIONS LTD	It's too late you can't save me	5,000
The Air We Breathe Ltd	The Air We Breathe	19,813
TOO ROUGH FILMS	Nostophobia	1,000
White Stag Films	Funeral Home	1,100
White Stag Films Ltd	Slay + Prepare the Animal for Meat	20,000
	Creative Scotland delegated awards 2022-23	**418,372**
	Total awards by delegate bodies 2022-23	**1,987,068**

Statutory Background

Statutory Background

Statement of compliance with the Government's Lottery policy and financial directions

Financial directions

Under the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998), the Secretary of State issued financial directions to the British Film Institute (the BFI). These are as follows:

The BFI shall comply with the requirements contained within the Statement of Financial Requirements, which have the status of directions under section 26 of the National Lottery etc. Act 1993, ("the Act") as amended by the National Lottery Act 1998 ("the 1998 Act").

The BFI has implemented procedures to ensure the provisions of the Statement of Financial Requirements are followed and the BFI confirms that, to the best of its knowledge, it complied fully with the financial requirements in 2022–23.

The BFI shall devise and abide by a procedure for handling potential conflicts of interest which may arise in the evaluation of applications by BFI or individual members of the BFI. This procedure together with a statement confirming the arrangements that have been applied, should be provided to the Secretary of state for Culture, Media and Sport before the distribution of any funds under section 25 of the Act, and thereafter at the beginning of each financial year.

The BFI has in place procedures for dealing with conflicts of interest and, to the best of its knowledge, it abided by this procedure in 2022–23.

Policy directions

Under the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998), the Secretary of State for Culture, Media and Sport issued policy directions, which the BFI must take into account in distributing National Lottery funds.

A) The need to involve the public and local communities where reasonably practicable, in making policies and setting priorities.

2022–23 was the last year of delivery of the BFI Strategic Plan – BFI2022 - which commenced delivery in April 2017; for that Strategy, the BFI consulted widely by way of a wide-scale public consultation undertaken in 2016. In 2022–23, the BFI completed its consultations which have helped shape the priorities for the new 10-year Corporate and National Lottery strategy –Screen Culture 2033.

B) The need to increase access and participation for those sections of society who do not currently benefit from opportunities available in the United Kingdom.

The BFI aims to ensure that equality and diversity are central to all activities thus allowing sections of society to have access to or benefit from funding, taking into account differences in values, attitudes, cultural perspectives, beliefs, ethnic background, able or disabled, skills, knowledge, geography, age and life experiences. In 2022–23 the BFI continued to operate Diversity Standards across all the BFI's activities as part of the BFI2022 Strategy delivery and has also been adopted by BAFTA, BIFA, BBC Films, FILM 4, Paramount, NFTS, Screen Scotland, Facebook and AMPAS.

C) The need to inspire children and young people, awakening their interest and involvement in the activities covered by the good cause.

The BFI is fully committed to education and learning and strongly believes that film has the power to transform the way people see and understand the world and as such has committed a significant investment into the delivery of Lottery programmes for young people. The 16-30 age group was identified as a key priority within BFI2022 five-year strategy and was an assessment criterion for relevant funding programmes.

Notably the BFI 5-19 education scheme, which is managed by Into Film, managed approximately 6,500 'active' film clubs, with an estimated total engagement of approximately 4.4 million young people. Due to the pandemic, activity moved online with greater emphasis on young people and families at home.

In addition, the BFI Film Academy, with additional funding from the Department for Education, enabled approximately 1,100 young people, from the whole of the UK and from any background, aged 16-19-year-olds to take the first step to being part of the future film industry.

In addition, the BFI managed a number of other programmes, notably the Venue Education Fund and the Film Audience Network, also focused on 16 – 30 year olds. The BFI's Future Film programme also supported over 43,000 young people

D) The need to improve community cohesion and/or social inclusion.

The BFI ensures that the benefits of Lottery funding are spread widely, in both geographical and social terms. Creativity and diversity in the film sector is enriched by encouraging the participation of people from a wide range of communities.

The BFI's Diversity Standards ensure all its funding works to celebrate and engage people from all backgrounds across the UK, including those from different socioeconomic groups.

The BFI works to bring film and the moving image to the widest possible range of communities across the UK through the Film Audience Network. Comprising a network of over 1800 organisations and led by a group of 'Film Hub Lead Organisations' in each nation and region of the UK, the network funds projects including community and neighbourhood cinemas as well as local film festivals celebrating all aspects of identity.

E) The need to encourage new talent, innovation, and excellence and help people to develop new skills.

The BFI provides opportunities for filmmaking talent to flourish. The freshness and relevance of the films produced have been recognised by the international film industry awards they have won. As well as direct support for filmmaking, the BFI invests in training talent, notably the BFI Film Academy, and in partnership with ScreenSkills, the Sector Skills Council for the audio-visual industry.

As part of the BFI's continuing focus on skills, the BFI published the Skills Review which highlighted existing approaches and initiatives that could be expanded or learned from, and set out recommended actions to help inform future strategy.

In addition, BFI NETWORK supported 41 short films and 31 early development projects through their England funds, with additional projects supported through delegate partners in Northern Ireland, Wales and Scotland and through documentary partner Doc Society.

F) The need to ensure that money is distributed for projects which promote public value and which are not intended primarily for private gain.

It has always been a primary intention of the National Lottery that it should improve the quality of life for people throughout the UK. All applicants, including private, voluntary or commercial organisations, have to be able to demonstrate the benefit to the public that would result from their proposed project. The BFI applies a range of criteria in order to ascertain that an appropriate level of public benefit is derived from the project. The criteria include the creative and technical quality of the project and its contribution towards the BFI's strategic objectives.

G) The need to further the objectives of sustainable development.

The BFI provides leadership and practical support for the wider film industry, including leading the UK-wide sustainability Group. Following the launch of the British Standard (BS 8909), specifically for film, sustainability is an intrinsic element to the new five-year plan.

Technological development is supported through encouraging the use of digital production techniques and associated processes.

On location filming of any Lottery-funded films, producers are expected to be sensitive to the needs of the environment and the use of natural resources, returning locations back to their original state in environmental terms, after use.

The BFI works with other Lottery Distributors and the Department for Culture, Media and Sport in developing proposals for sustainable development.

Following on from the publication in 2019 of the report – GREEN MATTERS - an overview of current practices of environmental sustainability and film production continued. The film industry especially Big-budget blockbusters produce 2,840 tonnes of CO2, though their environmental impact is often underreported. The report's recommendations on digital processes have been adopted by many production studios.

H) The importance of ensuring equality of opportunity and the desirability of reducing economic and social deprivation and of ensuring that all areas of the United Kingdom have access to the money distributed.

All parts of the country have access to BFI Lottery funding through applications for training, development, production, education, distribution, exhibition and film heritage activity.

I) The desirability of the British Film Institute working jointly with other organisations, including other distributors.

The BFI undertakes partnership working with all the other Lottery distributors, most notably with Arts Council England, National Heritage Lottery Fund and NESTA.

The BFI delegates funding to the Doc Society in relation to documentary filmmaking.

In addition, the BFI works with a number of key partners notably, Creative England in support of its strategic objectives that can be delivered at a local and/or regional level; ScreenSkills; the National Screen agencies of Wales – Ffilm Cymru Wales; Northern Ireland – Northern Ireland Screen; and, Scotland – Creative Scotland; and with partners in the English regions, notably the Film Hub Lead organisations (Film Audience network programme).

J) The need to ensure that all those receiving Lottery money acknowledge it using the common Lottery branding.

The BFI ensures that the Lottery is credited on all projects in receipt of Lottery funding through the use of the credits on films and branding on other materials.

K) The need to require an element of partnership funding, or contributions in kind from other sources, to the extent that this is reasonable to achieve for different kinds of applicants in particular areas.

The BFI requires all applications to include an element of partnership funding, to demonstrate commitment to the project. The level of partnership funding required depends on each fund and the activity being supported.

L) The need (a) for money distributed to be distributed to projects only where they are for a specific, time-limited, purpose, (b) to ensure that the BFI has the necessary information and expert advice to make decisions on each application and (c) for applicants to demonstrate the financial viability of projects.

Funding is either provided on a specifically time limited basis or will only benefit individuals while they remain within the definition of a particular programme.

The BFI undertakes an appraisal of each application for funding prior to final decision. The BFI continues to use of the Cabinet Office due diligence tool Spotlight and Enhanced Spotlight as an addition counter-fraud check for its lottery funded activities and will expand the remit across other non-lottery funded programmes.

The BFI reserves the right to request that applicants provide any additional information that may be required in order to properly assess such application, in addition to the requirements set out in the application guidelines. It also seeks, where necessary, the confidential, independent and objective views of expert advisers. As a publicly accountable body, the BFI has a duty to ensure that National Lottery funds are properly spent and accounted for, that risk is minimised, and that fraud is avoided.

M) Where setting up costs are sought, the need for a clear business plan showing how any running and maintenance costs will be met for a reasonable period.

Financial viability is a key factor in the assessment of BFI Lottery applications and is examined using appropriate criteria for all funded applications in the context of assessing the potential risk of each Lottery award. Each potential recipient of Lottery funding has to demonstrate that its finances are secure and, in respect of larger projects, sufficient to ensure project exploitation after the funding period.

N) The need to ensure that film is central to the lives of UK citizens, and to improve the quality of British film and raise its profile in the marketplace, by:

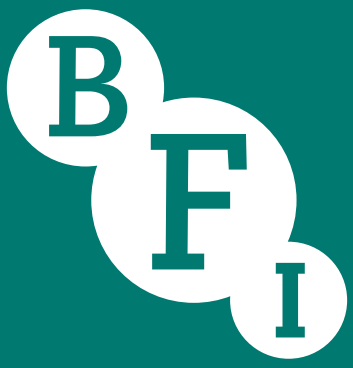
i. Expanding education and learning opportunities and boosting audience choice across the UK;
ii. Supporting the future success of British film;
iii. Unlocking film heritage for everyone in the UK to enjoy.

The allocation of National Lottery funds by the BFI is influenced by the need to strengthen the industry's structure and workforce; to improve the quality and commercial viability of British films; and to support the distribution of specialised film in the analogue and digital environments, helping to ensure UK audiences have access to film in all its variety.

O) Where awards are made in relation to feature film production or distribution projects the BFI should take into account:

- A clearly identified target audience for their projects
- The need for recipients of awards for film production to pay the set contribution towards the Skills Investment Fund (SIF)
- The need for recipients of awards to comply with recognised industry best practice and agreements relating to pay and the employment of trainees
- The need to conserve and expand the UK's film heritage by requiring the deposit of Lottery funded productions and other selected material in the collections of the British Film Institute or regional archives
- The need for feature film development and production projects to be capable of qualifying as "British films" in accordance with the procedures set out by the DCMS
- The need to improve public access to film through the use of audio-description and/or subtitling for the hard of hearing.

All relevant projects in receipt of this type of funding are required, contractually, to comply with these conditions.



21 Stephen Street
London W1T 1LN
bfi.org.uk

ISBN 978-1-5286-4617-8
E03038359

Funded by
UK Government

THE NATIONAL LOTTERY®

THE BRITISH FILM INSTITUTE

England & Wales - Charity number 287780

Accounts

Annual Report and Financial Statements

2021/22



BRITISH FILM INSTITUTE Group and National Lottery Annual Report and Financial Statements for the year ended 31 March 2022

Presented to Parliament pursuant to Section 34(3) and 35(5) of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998 and the National Lottery Act 2006).

Ordered by the House of Commons to be printed on 24 January 2023.

Presented to the Scottish Parliament pursuant to the Scotland Act 1998 Section 88

Charity Registration no: 287780

HC 1064
SG/2023/14



© BRITISH FILM INSTITUTE copyright 2023

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit **nationalarchives.gov.uk/doc/open-government-licence/version/3**.

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is available at **gov.uk/official-documents**.

Any enquiries regarding this publication should be sent to us at **customerfeedback@bfi.org.uk**.

ISBN 978-1-5286-3825-8
E02837109 01/23

Printed on paper containing 40% recycled fibre content minimum

Printed in the UK by HH Associates Ltd. on behalf of the Controller of His Majesty's Stationery Office

Contents

06 Purpose, Mission & Vision

08 Chair & Chief Executive's Statement

12 Future Audiences

18 Digital

22 Growing Audiences Across the UK

28 Our Moving image Heritage

36 Future Learning & Skills

40 A Champion for Talent

44 Supporting the Future Success of UK Film

48 On the International Stage

52 Leadership & Advocacy

56 Inclusion

60 Fundraising & Enterprise

66 Key Performance Measures

70 Financial Review

78 Environmental Sustainability

82 How the BFI is Governed

96 Corporate Information

98 Governance Statement

104 Group Financial Statements

153 Lottery Financial Statements

197 Statutory Background

Purpose, Mission & Vision

Purpose, Mission & Vision

The BFI is a Royal Charter Charity that was established in 1933.

Our Purpose

We believe society needs stories. Film, television and the moving image bring them to life, helping us to connect and understand each other better. We share the stories of yesterday, search for the stories of today, and shape the stories of tomorrow.

Our Mission

The BFI is a cultural charity, a National Lottery distributor, and the UK's lead organisation for film and the moving image. Our mission is:

- To support creativity and actively seek out the next generation of UK storytellers
- To grow and care for the BFI National Archive, the world's largest film and television archive
- To offer the widest range of UK and international moving image culture through our programmes and festivals – delivered online and in venue
- To use our knowledge to educate and deepen public appreciation and understanding of film and the moving image
- To work with Government and industry to ensure the continued growth of the UK's screen industries

Our Vision

We will transform access to our programmes, screen culture, and jobs by:

- focussing on the diversity of our audiences
- expanding our work to further embrace television and video games
- reframing the public's relationship with the BFI's collections
- investing in the growth of our digital platforms
- working with industry to deliver long-term strategies for education and skills

Chair and Chief Executive's Statement

Chair and Chief Executive's Statement

This foreword will necessarily be one containing some sharp contrasts.

The period under review saw the BFI working with government, the industry, national screen agencies and the wider cultural sector, to administer the Culture Recovery Fund for Independent Cinemas. We also provided support services including evaluation, data, communications and stakeholder engagement to the Film & TV Production Restart Scheme, which was administered by Marsh Commercial. These vital initiatives facilitated the return of filmmaking to the UK and the return of audiences to the communal experience of cinema-going that the pandemic had frustrated for so long. As with all aspects of society, the emergence and return, while celebratory, was cautious and measured.

When we reflect on the period reviewed by this annual report, it stands in striking contrast to our experience now, which has seen filmmaking and audience behaviour return to a semblance of pre-pandemic normality. It is against this backdrop that we recently launched Screen Culture 2033, the new ten-year strategy that will steer us towards the BFI's centenary year in 2033.

Screen culture – the meeting point of audio-visual storytelling and the digital revolution – has become the defining cultural phenomenon of our time, and is hugely influential in society. As an expressive art, screen culture is still young, dynamic and expanding. Today, screen culture encompasses film, TV, digital media and online video sharing, extended reality (XR) and videogames. It has become the dominant means of communication and information for Gen Z and beyond, and a powerful means of expression, knowledge sharing and international soft power.

As an industry, the UK screen sector is a large and fast-growing employer that draws on a huge range of skills and disciplines to produce and distribute a vital form of entertainment and enrichment.

But despite its universal appeal and impact, screen culture is not afforded the same value in society as other cultural forms. It's not taught widely in schools, and doesn't benefit greatly from philanthropy. Instead, the screen sector has been valued more as a creative industry than for its contribution to arts and culture.

At the BFI, we continue to promote and grow the full value of screen culture: to celebrate its positive impact on society; to transform access and ensure its continued economic growth; and to keep a record of the evolution and impact of our evolving art form in the BFI National Archive. The activity reviewed in these pages is evidence of this important work.

The pandemic has cast a long shadow on our own financial health as an organisation. Despite the incredible performance of our people and the support of government, and of our audiences, members, patrons, donors and sponsors, we have a significant gap in our projected finances. If we don't take the appropriate action now, we will have a growing financial challenge for years to come.

Much of our cultural activity and our work for industry is funded through continued grant-in-aid support from the UK Government Department for Digital, Culture, Media and Sport. However, we rely on a variety of income streams to deliver the full breadth of our charitable mission – as governed by our Royal Charter. The fundraising landscape is challenging, and both our physical and digital estates – including the BFI National Archive - need investment. To deliver on our vision from a place of stability, we'll need to grow the income that we generate ourselves. We must also consider how the industry can better support our cultural work and the services we provide to the screen sector.

We feel the varying patterns in audience behaviour as a cinema and a streamer. We operate five screens – from our 30-seat Studio to the largest IMAX screen in the UK. We've seen a strong demand for the BFI Player, with double the number of subscribers since 2019. Similarly, our Britain on Film platform saw over five million visits to its digitised screen heritage.

Digital access to our programmes – and our digital revenues – are critical. But they need high levels of sustained investment to meet the raised expectations of more demanding online audiences.

So, to realise our vision and fulfil our mission, we know we must evolve into a digital-first organisation. The potential to deliver more of our work digitally presents us with a huge and transformative cultural opportunity. We can build a more diverse BFI than ever, have broader reach and engagement with audiences, and unlock a major source of future income.

This means building a more innovative organisation. One that is representative of and relevant to the public, is a credible lead body for supporting the industry's development and growth, and advances our commitments to net zero. To stay at the forefront of screen culture, we'll embrace change and evolve as a resilient, sustainable, digital-first and diverse organisation with a plurality of voices. Our new strategy underpins this exciting work.

As with many organisations, we have emerged from the pandemic changed in almost every respect. However, the BFI is fortunate to possess extraordinary talent throughout the organisation, and we share an unshakeable belief in the value of our work and of screen culture to have a positive impact on people's lives.

This document reports on a period of great uncertainty, but as we reflect upon it and how the BFI has been strengthened as a result, there is cause for great optimism for the future.

J. Timothy Richards, Chair
Ben Roberts, Chief Executive



Image: *Girl* (dir. Adura Onashile)

Future Audiences

Programme highlights



Our focus at the start of the financial year was planning for the re-opening of our cinemas after the COVID pandemic, whilst making efforts to retain momentum with our audiences for BFI Player and BFI DVD and Blu-Ray. BFI Blu-Ray & DVD continued to perform above target across the year.

Seasons and activity included

- Dream Palace Season - inspired by Sight & Sound's Dream Palace editorial with celebrated filmmakers selecting and introducing their chosen films
- **JAPAN 2021** taking in classics, cult titles and rarities from the history of Japanese Cinema, including Akira Kurosawa's seminal classic, *Seven Samurai*, which played across the UK and at the BFI IMAX.
- Welcoming filmmaking talent to the BFI stage. Guests this year have included Denis Villeneuve, Edgar Wright, Billie Piper, Ben Wheatley, Asif Kapadia, Sir Tom Courtenay, Andrew Haigh, Jane Campion, Reggie Yates, Aml Ameen, Riz Ahmed, Noomie Rapace, Adjoah Ando, Ricky Gervais, Romola Garai, John Hillcoat, Andrea Arnold and Craig Roberts
- Season on the work of pioneering film makers who captured the 'heroic age' of Antarctic exploration, built around the centenary of the death of explorer Sir Ernest Shackleton, including a BFI theatrical and Blu-Ray release of newly remastered epic *South*
- Continuing our online events programme '**BFI at Home**', with events featuring Jodie Comer, Stephen Graham, Julia Ducournau, Adam McKay, Mahershala Ali and Lin-Manuel Miranda as well as the first ever **Digital Woman With a Movie Camera Summit**.





New Voices

A week-long takeover by T A P E Collective titled **But Where Are You Really From?** to support and enfranchise new voices in film culture including video essays on Youtube, a season at BFI Southbank and a BFI Player collection, all exploring the collective's core themes of heritage and identity in modern Britain. The Player collection attracted over 5,000 views, with a further 4,000+ views on YouTube and 550 admissions in venue.

- A collaboration with Zawya Cinema in Cairo, **The Time is New: Selections from Contemporary Arab Cinema**, including the BFI Distribution title *Souad*, Egyptian director Ayten Amin's authentic portrait of youth in the Arab world through a female perspective.

- **Her Voice: Black Women From Spotlight to Screen**, profiling Black singers in cinema, **A Pryor Engagement**, a Richard Pryor retrospective and **The Films of Asta Nielsen**.

- Partner festivals also included *London Indian Festival*, *S.O.U.L. Festival*, *Chinese Visual Festival*, *the Black Lens Festival*, *UK Asian Film Festival*, *London Short Film Festival* and *Refugee Week*

Auteurs in Focus

- Robert Altman season with a mini collection on BFI Player with *Nashville* re-released into cinemas by BFI Distribution.

- *400 Blows* and *Jules et Jim* shown as part of our **Francois Truffaut: For The Love of Films** season.

- **World of Wong Kar Wai** retrospective

- Following Blu-Ray release of a newly restored Naked, Mike Leigh all but moved in to BFI Southbank during his February retrospective, introducing a wide selection of his films alongside collaborators including Lesley Manville, Phil Davis, Ruth Sheen, David Thewlis, Marion Bailey and Alison Steadman.



Stories of British Film and Television

- Retrospective dedicated to the late Earl Cameron in the summer
- Black History Month celebrations across platforms in October, BFI Southbank focus included all programme strands given over to BHM content, and a stand out weekend of discussions and screenings celebrating the legacy of Darcus Howe. Small Axe Weekender included a club night, appearances from Steve McQueen and DJ set from Dennis Bovell
- A season presented with the NFTS to mark their 50th anniversary delivered British film making talent to our stage including appearances by alumni such as Shola Amoo, Clio Barnard, Roger and James Deakins, Joanna Hogg, Sarah Gavron and Terence Davies.
- Undersung British director Jack Clayton celebrated with a full retrospective in partnership with the BFI National Archive


Image: *This Kind of Thing*

Broader Screen

- Introduction of the new, year-round BFI Expanded programme. Aligned with COP26, the first installation presented immersive works that spoke to the climate crisis, supported by a BFI Player collection curated by BFI Doc Society.
- The first outing of our new video games event called ***This Kind of Thing*** saw a 6 hour play-along with a hacked version of Sonic, the large Hadron Collider experience and a virtual escape room in NFT3.
- As part of **JAPAN 2021**, a BFI commission of **Tokinokawa** by the Light Surgeons featuring music from Midori Takada finally premiered.





Image: *The Harder They Fall* (2021)

BFI London Film Festival

Returning to its popular large-scale live format, while retaining several innovations from the 2020 hybrid model, the 65th BFI London Film Festival (LFF) in partnership with American Express welcomed audiences back to cinemas with a new venue footprint which included the Royal Festival Hall. This greater capacity offered increased access to in-demand Gala and Special Presentation films. Over the 12 days of the festival welcomed more than 290,000 attendances and over 500 international and British filmmakers, XR artists and series creatives.

Highlights included

- World premiere of Londoner Jeymes Samuel's *The Harder They Fall*, with key cast and crew in attendance including Samuel, Idris Elba, Jonathan Major, Regina King and producer Shawn Carter (Jay Z) accompanied by Beyoncé – simultaneously screened at 41 venues around the nations and regions of the UK
- European premiere of *The Tragedy of Macbeth* with director Joel Coen and Frances McDormand
- over 180 films including Jane Campion's *The Power of the Dog*, Pablo Larraín's *Spencer*, and discovery titles such as Ryusuke Hamagucki's *Drive My Car* and Apichatpong Weerasethakul's *Memoria* being screened in 10 partner cinemas across the UK – so 39% of overall audience admissions to the Festival were outside of London and South East
- LFF For Free, a new vibrant range of live and online free events and screenings, has further grown the overall reach of the Festival by 51% from 2019 to 2021



Image: *Hellbound* (2021)

- Continued expansion of the Festival to include broader screen works with a new live exhibition of immersive art and XR, showcasing 18 new immersive works – many of which were also available around the UK and internationally via LFF's online platform The Expanse and on Oculus TV. Highlights included the world premieres of Asif Kapadia's first foray into VR, *Laika*, and *Only Expansion*, from Duncan Speakman (winner of LFF's Immersive Art and XR Award).

- New 'Series' programme strand featured eight TV and episodic platform premieres. Highlights included the European Premiere of Korean series *Hellbound*, the European premiere of *Dopesick*, and a red-carpet special presentation of the hotly anticipated third season of Succession from UK creator Jesse Armstrong.



BFI Flare

- 35th edition of BFI Flare: London LGBTQIA+ Film Festival in March held entirely online, and reached record audiences across the UK and internationally.

- Over 37,000 attendances for the programme of features and shorts on BFI Player, and a further 8,000 views for BFI Flare events. The festival accredited a record number of over 550 industry and press delegates.

- Featured 26 feature films and 38 free short films from 23 countries on BFI Player, with over 40% of virtual attendance coming from outside of London.

- Continuing partnership between BFI Flare and the British Council, saw the seventh edition of the global campaign #FiveFilmsForFreedom reach worldwide audiences of 1.7 million online.

Digital

Digital



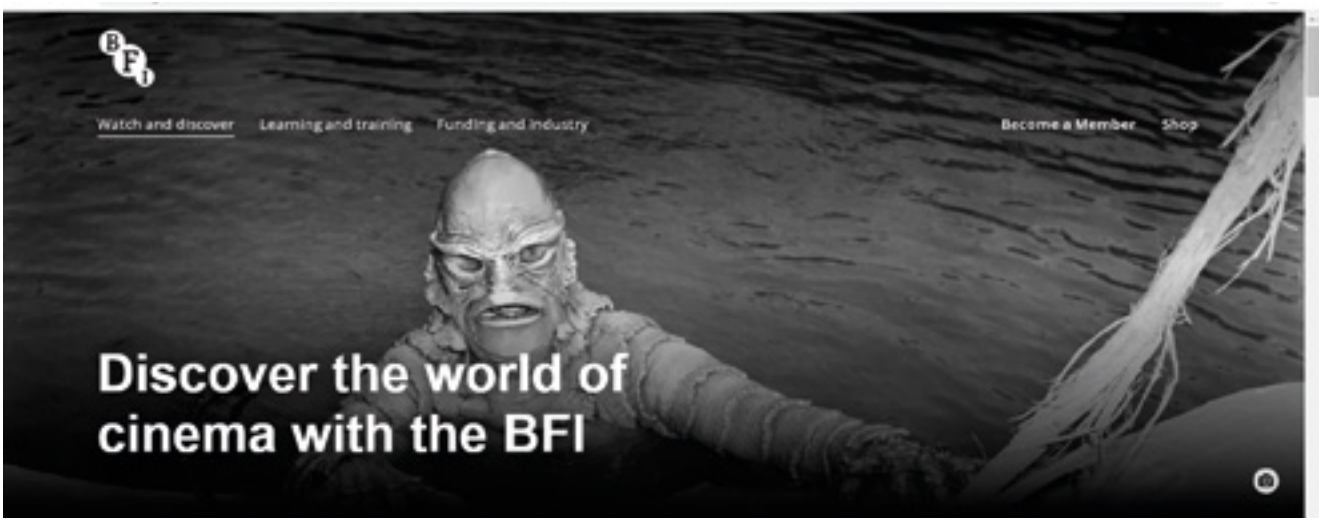
Image: *After Love* (2021)

BFI Player

BFI Player saw record-breaking growth during lockdown, which continued in 21-22 with more than 2 million viewing feature films. There were more than 900,000 views of our free-to-view archive service in the year.

The BFI-distributed *County Lines* (Henry Blake, 2019) was the stand-out success with almost double the views of its nearest rival. This powerful and relevant thriller resonated particularly with audiences aged 25 and under, alongside cult titles such as *Mulholland Drive* (David Lynch, 2001) and *Under the Skin* (Carine Adler, 1997). Multi BAFTA-nominated and BFI-distributed *After Love* (Aleem Khan, 2020) continues to perform in terms of views and driving new subscribers.

BFI Player remains available as a direct to consumer product and as a subscription channel on Amazon Prime and Apple TV in the UK. BFI Player continued to grow its US footprint with a direct to consumer platform launch of BFI Player Classics in May and a branded channel through Amazon Prime in June. The latter proving an excellent foundation to build a new and more mainstream audience previously out of our reach. Titles such as *The Third Man* (Carol Reed, 1949), *The Lady Killers* (Alexander Mackendrick, 1955) and *Hobson's Choice* (David Lean, 1954) are proving particular favourites in the US. BFI Player Classics is available to US customers on the web, personal devices and TVs equipped with smart technology or connected streaming devices.



bfi.org.uk

Our website, bfi.org.uk, continues to be one of the first points of access for all BFI-wide activity for consumer and industry users with more than 7 million sessions and 5 million users per year, with 60% of that traffic coming from outside of London. There has been a big focus on improving technical infrastructure behind the website. New functionality and products are being developed.

Digital Video and Editorial

We published 370 new articles over the course of the year on our website – on general film history and anniversaries, and in support of the BFI cultural programme and new releases. Our editorial pages had 5.3 million views. In line with the BFI's expanding remit, we also launched our first video games editorial.

Growth in the BFI's YouTube channel remains strong with 82,000 subscribers added and 41 million views over the past year. Having relied on our 'BFI at Home' Q&A series during lockdown, 2021-22 saw us adopt a hybrid model, keeping BFI at Home as a brand, while re-introducing videos of events shot at the BFI Southbank after the venue re-opened



Sight and Sound

2021/22 was a transformative year for Sight and Sound. Following an extensive redesign of the magazine, Sight and Sound launched its new look in the September issue to an overwhelmingly positive response from both the industry and readers. Newsstand sales, subscriptions and advertising revenues all increased in Q3 and Q4 as a result. At the same time, our social channels grew across all metrics, with more followers and greater engagement with our content. With our weekly newsletter hitting 36,000 subscribers, all areas of the brand showed visible growth.

At the same time, we continued to publish our archive print specials, which alongside the increased volume of archive material on our website highlighted the appeal to our readers of this work. Our commitment to diversity and inclusion remained, seeing a number of new writers joining our expert team of journalists, and in our redesigned issue we launched a quarterly edition of the Black Film Bulletin, edited by the original editors.

Growing Audiences Across the UK

Growing Audiences across the UK

The BFI Audience Fund

Awarding funds from the National Lottery, the BFI Audience Fund supports projects which aim to boost diversity and inclusivity in audiences, on screen and in the workforce. Over the course of this financial year the Audience Fund sought to support the exhibition and distribution sectors as they re-opened following the winter lockdown. The fund's Organisational Awards strand, which provides multi-year funding to experienced organisations, supported 29 organisations this financial year, providing much-needed continuity during a period of distancing restrictions and audience hesitancy that resulted in reduced admissions. For example, the award to Queen's Film Theatre in Belfast supported the cinema to maintain the high cultural level of its film programme and keep the activity and outreach targeted at young audiences going.

Due to the success of the previous year's hybrid approach to running festivals, planning activity both online and in-person has been the approach taken by many organisations – something the Fund has supported. Examples of this are Manchester Animation Festival, London Indian Film Festival and Berwick Film and Media Arts Festival.

In July after an underspend in the BFI's International Fund, we announced an additional £500,000 available through project awards to support the distribution of titles not in the English language. This funding was ring-fenced to help bring new and exciting international films not in the English language to a wider UK audience. In 2021-22, the fund made National Lottery awards to six titles not in the English language. In total across the year, we supported the release of 30 films, 11 of which were not in the English Language. Of the 30 films supported in 2021-22, 17 received a specific project award to support their release and 13 were supported by via an Organisational award made to the film's distributor.

In 2021 Coventry was the UK's City of Culture, and the BFI supported its film component through the Audience Fund via a National Lottery award to CineCov, a 10-month film programme and an award to Coventry City Council to support a virtual reality film programme in libraries.

Bounce Cinema's London events to engage young audiences from diverse backgrounds have also been a great success this year, and an award from the National Lottery provides the opportunity for Bounce to take these events across the UK. 'But Where Are You Really From?' a short film programme exploring this question and celebrating filmmakers of mixed-heritage through screenings and events, was developed by TAPE Collective.

StoryTrails

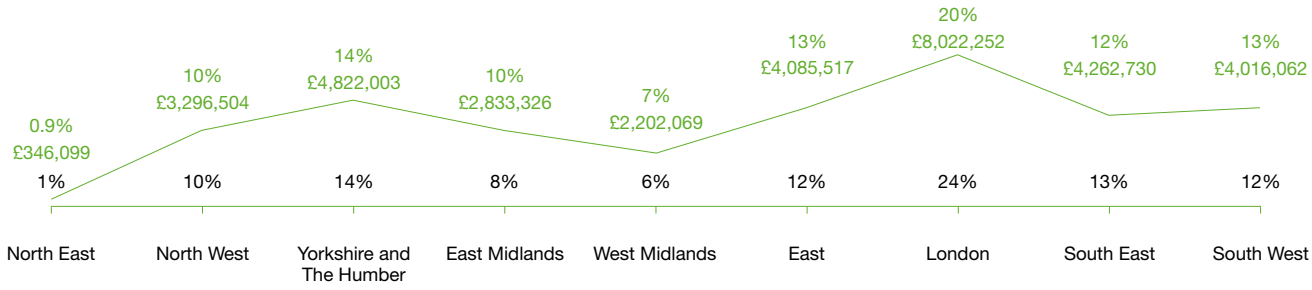
One of ten major commissions from ***UNBOXED: Creativity in the UK*** *for 2022*, StoryTrails is a unique storytelling experience, led by StoryFutures Academy. The project uses immersive storytelling technologies to bring to life untold tales from the past, using the 3D internet and augmented and virtual reality to reanimate public spaces across the UK. Town squares, city streets and local libraries in 15 locations across the UK will be transformed into virtual portals through which audiences can discover stories from their community.

StoryTrails is the world's largest immersive storytelling archive project to date and the BFI is playing a significant role in curating and supplying material, alongside the BBC and the National and Regional Archives. These creatives, carefully selected to represent the full diversity of the UK, are being trained to use state-of-the-art immersive technologies to showcase and produce their stories in new and surprising ways. The project will launch in June 2022.

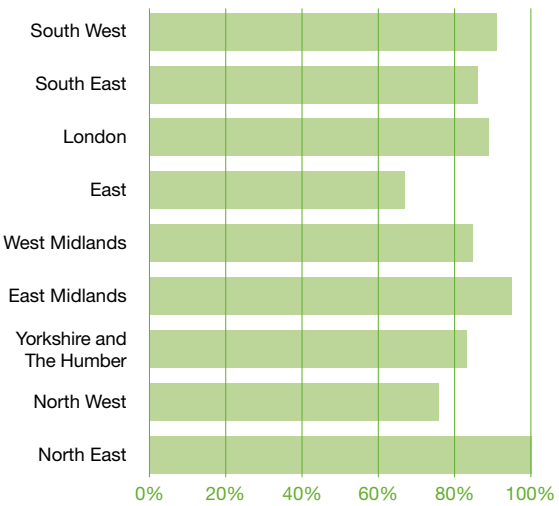
The Culture Recovery Fund

The UK Government's Culture Recovery Fund (CRF) for cultural, arts and heritage organisations launched in July 2020. It continued in 2021-22 to support independent cinemas in England throughout and following the required pandemic restrictions. Administered by the BFI, the fund awarded 209 cinemas over £33.9 million. This includes 78% of all eligible independent cinemas in England, 89% of which are outside London. The BFI continues to administer an allocation on behalf of the DCMS for English cinemas – the other UK Nations have their own unique funds to distribute independently. Below is a breakdown of the regional spread of awards:

Total CRF awards per region



% of eligible sites that applied to the BFI



Awards per region	Total awards	Tot no. sites	% AMT per region
North East	£346,099	4	1%
North West	£3,296,504	24	10%
Yorkshire and The Humber	£4,822,003	22	14%
East Midlands	£2,833,326	17	8%
West Midlands	£2,202,069	16	6%
East	£4,085,517	24	12%
London	£8,022,252	23	24%
South East	£4,262,730	32	13%
South West	£4,016,062	47	12%
	£33,886,560	**209**	



Image: Birmingham Indian Film Festival

The BFI Film Audience Network

The BFI Film Audience Network (FAN) uses National Lottery funds to create a stronger, more connected approach to growing the confidence and inclusivity of UK audiences watching British and international film on the big screen. We have an established network of eight Film Hubs across the UK, each managed by prominent film organisations that work with over 1,600 member cinemas, festivals, community cinemas, film archives and other organisations in their area. A commitment to equality, inclusivity and accessibility is at the heart of all eight hubs.

The BFI FAN Film Exhibition Fund has continued its UK-Wide support into 2021-22 to boost cultural programming and activities to engage diverse audiences as lockdown restrictions eased. In 2021-22 the fund awarded over £650,000 to 145 FAN members, ranging from local community cinemas and film festivals to full-time venues, supporting both physical and online activity. During this period, the Film Exhibition Fund has been fine-tuned to specifically focus on targeting projects that attract underrepresented audiences within the exhibition sector – these include audiences from diverse ethnic backgrounds, young audiences, those from the LGBTQIA+ community, and D/deaf and disabled audiences.

The UK-wide major blockbuster season JAPAN 2021was delivered in cinemas UK-wide from Oct-Dec 2021. The season surpassed targets with over 10,000 in-person attendees. Following the JAPAN season, several organisations noted the unmet demand and are planning more Japanese seasons

The FAN Screen Heritage programme supported 14 projects this year, resulting in 230 screenings in 30 locations across the UK. Including projects such as

- ‘Dockyards, Demos and New Directions’, a series of workshops, screenings and walking tours in five locations across the UK in collaboration with Canal & River Trust.
- ‘Northern Ireland: 100 years of Happiness’, which included a 60-minute film made by Belfast Film Festival in collaboration with Northern Ireland’s Digital Film Archive, depicting the nation’s favourite pleasure pursuits. The film screened with a live performance and as an installation at Ulster Hall.

Film Hubs

Here are some of the achievements of our FAN Film Hubs this year:

Film Hub London

Hub Lead Organisation: Film London.
Cross FAN lead for Young Audiences

- Twenty-two organisations were supported through the BFI FAN Film Exhibition Fund
- The engaged Goss Consultants, a Disability consultant, to work with each venue of the Cinema Incentive Scheme and provide vital guidance to individual venues on becoming accessible and attractive to disabled audiences.
- The Hub worked with Film Hub Scotland to deliver the annual Distributor Slate Day as a hybrid event where distributors could present their film slate to exhibitors alongside industry talks.
- Cross FAN Young Audiences have continued to facilitate the Fan Young Consultants Group (an advisory group of 21 under 30-year-olds working in film exhibition) to create marketing packs for nine new-release titles.
- The Young Audiences Generation Scheme launched in 2021 with 11 cinemas based in each of the eight FAN regional Hubs. Funded by the BFI Audience Fund, the scheme enables independent venues to introduce targeted ticketing schemes for young audiences. All participating cinemas are reporting increased attendance by the 16-30 age group.

Film Hub Midlands

Hub Lead Organisation: Broadway, Nottingham in partnership with Flatpack Projects, Birmingham.
Cross FAN lead for Major Programmes

- Seventeen organisations were supported through the BFI FAN Film Exhibition Fund during the year.
- A key accomplishment was the realisation of a long-planned community screening project – the Birmingham Indian Film Festival (BIFF). Screenings were held in venues such as community halls, women's centres, temples, and the LGBTQIA+ Shout festival. Claiming success from audience and partner feedback, the festival has a solid foundation for the future to reach underserved, predominantly Asian audiences.
- The Hub continued to focus on supporting activity in Lincolnshire and entered into new partnerships with the SO Festival and The Tower Cinema in Skegness.

Film Hub North

Hub Lead Organisations: Showroom Workstation, Sheffield and HOME, Manchester.
Cross FAN lead for Screen Heritage

- Thirteen organisations were supported through the BFI FAN Film Exhibition Fund.
- With support from the BFI FAN, FACT in Liverpool were able to deliver their 'Cinema in the City' film pilot, utilising various Liverpool locations to engage audiences with an independent film programme.
- Cross FAN Screen Heritage supported 14 projects across the UK including 'Dockyards, Demos and New Directions' by Compass Presents and 'Northern Ireland: 100 years of Happiness' by Belfast Film Festival.

Film Hub Northern Ireland

Hub Lead Organisation: Queen's Film Theatre, Belfast.
Cross FAN lead for Non-theatrical Exhibition

- Ten organisations were supported through BFI FAN Film Exhibition Fund.
- FAN continued its support of Belfast Film Festival (BFF), which exceeded its admissions target. The festival was able to develop outreach work across marginalised and diverse communities. This included screening a film programme of specially commissioned films dealing with refugees, young people in care, young female footballers and other often-overlooked groups.
- In 2021-22 the Hub supported the third edition of 'Docs Ireland', which continued to develop a key strategic strand that involves the Irish documentary production sector, and gives access to the latest documentaries to NI audiences.

Film Hub Scotland

Hub Lead Organisation: Glasgow Film.
Cross FAN lead for Member Support and Development

- Fourteen organisations were supported through BFI FAN Film Exhibition Fund.
- Hub support given to wider range of projects for D/deaf and disabled audiences in the year.
- Film Hub Scotland coordinated a tour of new archive feature film *Living Proof: Scotland's Climate Story*, to coincide with the Glasgow-hosted COP26 in November 2021. The film opened Take One Action Film Festival in September before touring Scotland.
- In response to Member interest to screening archive work, Film Hub Scotland ran a short course in February 2022 with the National Library of Scotland, Moving Image Archive and A Kind of Seeing.
- Working with the Independent Cinema Office, Cross FAN MSD continues to develop and deliver the FAN-wide training offer, including the FEDS (Film Exhibition, Distribution and Sales traineeships) programme and FAN Innovation Labs.

Film Hub South East

Hub Lead Organisation: Independent Cinema Office (ICO).
Cross FAN lead for Data and Evaluation

- Twenty-two organisations were supported through BFI FAN Film Exhibition Fund.
- Film Hub South East's touring programme of archive material focused on the region's National Trails and was accompanied by three new short films by Black, Asian and ethnically diverse artists, responding to and utilising these archive films of the region's rural landscape.
- Challenging Barriers and Championing Access for Disabled Cinema Audiences was an event organised by the Hub to help members to address the complex barriers faced by disabled audiences in returning to cinemas post-COVID.

Film Hub South West

Hub Lead Organisation: Watershed, Bristol.
Cross FAN lead for Marketing, Communications and Audiences

- Twenty organisations were supported through BFI FAN Film Exhibition Fund.
- The Hub collaborated with The Box in Plymouth on a commission for Compass Presents to curate short archive packages made available to South West exhibitors via 567 screenings. The Hub also oversee a programme of targeted support for selected new release titles – offering resources and materials to venues to encourage them to book a film they might not otherwise have done, and working with grassroots marketing specialists to boost audiences.

Film Hub Wales

Hub Lead Organisation: Chapter Arts Centre, Cardiff.
Cross FAN lead for Diversity and Inclusion

- Twenty-five organisations were supported through BFI FAN Film Exhibition Fund.
- The Hub delivered training tailored to members' needs during the pandemic, for example on digital festival delivery and outdoor cinema.
- The Hub delivered a screen heritage season of short and feature films (Welsh and international) exploring the connections between slate and colonialism, with a handout to support exhibitors with programming around themes of slavery and a special discussion between historians, writers and academics.
- The Hub led a training session for eight venues in order to improve their provision for D/deaf audiences.
- Cross FAN Diversity and Inclusion (D&I) received additional funding and collaborated with all FAN hubs to commission a catalogue signposting accessible film versions, to assist exhibitors when sourcing titles to make screenings accessible to D/deaf and disabled audiences.
- The Inclusive Cinema website grew in reach with toolkits/resources accessed by nearly 5,000 individuals at Q3: 12% were researching mental health, 35% D/deaf and disabled access, 21% race and ethnicity, with the remaining 31% covering LGBTQIA+ and other underserved communities.

Our Moving Image Heritage

Our Moving Image Heritage



Image: *Ali & Ava* (2021)

The BFI National Archive and the Reuben Library are together the world's largest and most significant collection of moving image heritage – now brought together into an executive directorate of the BFI, the Knowledge and Collections Directorate. In 2021/22 we shared and screened UK and international screen heritage at home and abroad, both in person and online as active members of the international film archive community.

AHRC Capability for Collections Fund Grant – Library and Conservation

A grant award was given by the Arts and Humanities Research Council's (AHRC) Capability for Collections Fund (CapCo) to upgrade technologies in the BFI Southbank Mediatheque. The £135K award will enable us to replace and upgrade outdated hardware, introduce new technology to make the system more sustainable and help us develop the platform to include digital access of our audio collections. Also, a successful £652K award from the CapCo Fund enabled the renewal of film equipment at the Conservation Centre, across photographic and digital technologies.

COLLECTING

Features

We newly acquired 55 feature films, including 32 contemporary works. Highlights include: *Pearls Bring Tears* (Manning Haynes 1937), a quota quickie starring Googie Withers; a rare 35mm nitrate print of *Nitwits on Parade* (1949); documentaries *Senna* (Asif Kapadia, 2010) and *African Apocalypse* (Rob Lemkin, 2020) and BFI Film Fund titles including *Benediction* (Terence Davies, 2020), *Boxing Day* (Aml Ameen, 2021) and *Ali & Ava* (Clio Barnard, 2020).

Television

As the National Television Archive (by statute, Broadcasting Act 1990) the BFI continues under arrangements with Ofcom to collect new programming from the terrestrial channels ITV, Channel 4 and Channel 5. During the year we captured over 185,000 programmes via automated off-air recording, plus curator-selected programmes in high-quality digital masters direct from the broadcasters.



Image: *The Souvenir: Part II* (2021)

Special Collections

This year, we have enriched our existing collections with a series of key accruals. These included a script and personal correspondence for *Get Carter* (1971) by Mike Hodges; a series of early creative writings by Michael Powell; and costume designs for *Doctor Who* by Ann and John Bloomfield. Our collecting also spotlights some of the lesser known roles that are vital to the industry's success: from the papers of unit medic Joy Maxwell Davis, to portraits of Margaret Lockwood by leading wig maker Paul Huntley and stills for *Cyrano* (2021) by pre-eminent photographer Peter Mountain.

Online, Non-broadcast and Shorts

This year we acquired over 700 digital works and short-form content.

Heritage 22

This Lottery-funded programme has seven major strands with a key focus on preserving the UK's most significant 'at-risk' pre-digital film, TV and moving-image works from videotapes identified across the UK, conserving and digitising special press book collections, creating 100 new film prints selected from a range of international works and researching and securing associated rights agreements – all so they can be safeguarded and made available for audiences now and in the future.

In 2021-22 the programme continued to build strong relationships in the UK and globally with partners including Regions and Nations Archives, rights holders, film distributors and print suppliers. The impact of COVID made supplier negotiations more difficult, and extended turnaround times across the global network of film labs, with print creation taking an average of six months (as opposed to three months pre-COVID).

Heritage 22 made huge strides across all programme strands in 2022, with film digitisation and data both successfully completed, exceeding all outcomes and targets. Film Digitisation achieved a staggering digitisation of 1,140 film titles against the 1,000 target set. The titles made accessible to the public attracted 9,116,551 views across all social media platforms.

The Videotape Digitisation and preservation strand progressed development on the extensive automated end-to-end digitisation workflow. At the end of March 2022, 81,855 pieces of content from across the BFI and the partner Regions and Nations Archives had been digitised. The Film prints strand finished 60% on target achieving 23 completed title in Q4 with 60 new prints now complete and rights cleared over 5,500 titles for future accessibility. In addition, the BFI Replay supported by the Digital, Rights, Curatorial, Data and Digital Preservation, Archive and Libraries teams collaborated to ensure the realization of BFI Replay to a Minimal Viable Product for testing in April 2022.

The programme will fully complete at the end date of December 2023.



Image: *Friendship's Death* (1987)



Image: *Caribbean Honeymoon No. 1* (Edric Connor, 1960)

RESTORING AND REMASTERING

I Know Where I'm Going! (1945) and *Friendship's Death* (1987) premiere at Cannes Classics in June 2021

The BFI National Archive's new restoration of Powell and Pressburger's *I Know Where I'm Going!* (1945) premiered at Cannes, introduced virtually by Martin Scorsese and live by Tilda Swinton. The archive's new remastering of Peter Wollen's BFI-produced *Friendship's Death* (1987) was also introduced by Tilda Swinton, the film's star.

Herzog Blaubarts Burg/Bluebeard's Castle (1963) restoration premiere at New York Film Festival in October 2021

The BFI National Archive's new restoration of Michael Powell's late masterpiece, a rendition of Bartok's opera, premiered at the 59th New York Film Festival. The restoration was carried out in full collaboration with Thelma Schoonmaker, approved by Martin Scorsese, and supported by The Film Foundation, using the original camera negative and final mix sound master.

Restorations at the BFI London Film Festival

The 65th BFI London Film Festival saw the UK premiere of the restoration of Powell and Pressburger's *I Know Where I'm Going!* (1945).

The 4K remaster of *Naked* (1993) also premiered at LFF, introduced by director Mike Leigh. *Europa* received its world premiere at the LFF – a major rediscovery, restitution and restoration of the Stefan and Franciszka Themersons' long lost 1931 anti-fascist masterpiece, available to new audiences some 80 years after it was seized in Paris during WWII. *Europa* has now been donated by the Themerson Estate to the BFI National Archive for long-term preservation. The festival also saw a special online presentation of newly digitised documentaries by British Trinidadian filmmaker Edric Connor.



Image: *Beside the Seaside* (Marion Grierson, 1935)

Premiere of BFI National Archive's remastering of *South* at BFI IMAX

Marking the centenary of Shackleton's death, the BFI National Archive's new remastering of *South: Sir Ernest Shackleton's Glorious Epic of the Antarctic* (Frank Hurley, 1919), premiered at BFI IMAX to a capacity audience, introduced by the Archive's curator of silent film, Bryony Dixon, and accompanied by the Covent Garden Sinfonia performing Neil Brand's new score.

The Camera is Ours

This major project saw the research, restoration and presentation of ten shorts made by British women documentary makers from the 1930s to 1960s including work by Marion Grierson, Kay Mander and Sarah Erulkar. The project aimed to reposition the major but largely forgotten contribution British women filmmakers made to documentary over four decades.

SHARING AND OUTREACH

Anoushka Shankar Performs *Shiraz*

Anoushka Shankar performed her epic cine-concert live in Vienna, Budapest, Luxembourg and Dresden in the autumn of 2021 accompanying *Shiraz: A Romance of India* (1928). The film was restored by the BFI Archive in 2017 and Shankar was commissioned at the time to create a score as part of the UK-India year of culture.

Heritage Open Day at the BFI National Archive Conservation Centre

The Conservation Centre at Berkhamsted opened its doors to the general public as part of the national Heritage Open Days scheme in September, welcoming more than 200 visitors.


Image: *Shiraz* (1928)

COI at 75

June saw the launch of 'COI at 75', a celebration marking the 75th anniversary of the Central Office of Information. Best known for its often hard-hitting 1970s-80s public information films, this anniversary project has been developed in close collaboration with colleagues at The National Archives and Imperial War Museums, incorporating a new BFI Player collection, social media content, and an exclusive online interview with Lord (Paul) Boateng, ex politician and presenter on the COI's teleseries *London Line*.

Archive Sales

In addition to negotiations and licensing for the use of archive content over this period, two large-scale digitisation projects were delivered through the BFI National Archive. A project with Adam Matthew Digital (AMD) for Topical Budget newsreels re-started. A licence has been executed for a new module focussed on Victorian-era films from the collection.

Throughout the year we continued to receive enquiries to access collections from rights holders and collections donors, including: Park Circus, StudioCanal (UK and France), Renown Films, All3Media, Channel 4, ITV, Network DVD, Paramount, Post Office, Paradine Productions, Screenocean and Lobster Films. There has also been a follow-up supply to the Infected Blood Enquiry under legal notice.

BFI-BBC Collaboration: Make-up: A Glamorous History – Britain in the Roaring 20s

In our latest collaboration with the BBC, Lisa Eldridge visited the BFI National Archive to meet with curators to discuss the impact of cinema on makeup products.

BFI-Uplands Television Collaboration: Our NHS: A Hidden History

David Olusoga and Uplands Television presented Our NHS: A Hidden History, which was broadcast on BBC One and on BBC iPlayer. The Documentary features materials from the BFI National Archive, particularly from the COI Collection.

BFI-BBC Radio 4 Collaboration: MTV: A British Invention?

Forty years after the launch of MTV, presenter Adam Buxton uncovers the influence of British music videos on the network. This arts documentary for BBC Radio 4 was inspired by and featured a BFI National Archive Curator, also leading to a hugely successful touring programme.


Image: BFI Reuben Library

Archive Collections in the Media

BFI National Archive materials have continued to be incorporated into programmes transmitted by the BBC, ITV, Channel 4 and Channel 5. Footage from 60s of Crofters (1944) was incorporated into COP26 programming for BBC Scotland. BFI National Archive footage was also used in ITV's *Empire's Child*, Channel 4's *Empire State of Mind*, and Channel 5's transmission of *Victorian Britain on Film* and throughout Ian Hislop's *Trains That Changed the World*.

BFI Reuben Library and Mediatheque

The COVID pandemic meant that when the BFI Reuben Library and Mediatheque weren't closed, they were operating at a reduced capacity. The library saw just under 15,000 research visitors, and the Mediatheque 16,000 visitors from May 2021 to March 2022. We fulfilled 2,900 requests for research material in the library's reading room, responded to 300 research enquiries via email and facilitated 100 requests for our digital library on demand service – providing digital scans of library material for those who cannot visit us in person.

Heritage 22 Outreach

Another key highlight for the H22 project team in 2021 was Archives for Education/Make Film History winning the prestigious FIAT/IFTA Archive Achievement Award in the category of Excellence in Unlocking the Value and Potential of Archives. The project makes available over 200 films from the BFI National Archive, BBC Archive, Northern Ireland Screen Digital Film Archive, the Irish Film Institute and the London Community Video Archive for creative reuse by young filmmakers in schools, film training and higher education across the UK and Ireland.



Image: BFI Mediatheque

Future Learning & Skills

Future Learning and Skills



Image: BFI Film Academy Craft Skills course, delivered by Screen Edinburgh

Into Film

Into Film is a UK-wide education charity – part-funded by the BFI – that puts film at the heart of education and supports educators in achieving a wide range of effective learning outcomes in their use of film. Over the past two years, Into Film has spearheaded hybrid-led remote teaching and programme delivery. The number of UK account holders continues to increase year on year (40,000+ in 2021-22). Throughout 2021-22 over three million people from a wide range of backgrounds benefitted from Into Film funded activities.

BFI Schools

Film can play a powerful role in supporting more diverse representations in young people's lives, particularly by expanding and enriching the school curriculum. Our online professional development event looking at *Black Lives on Screen* in May 2021 attracted 250 history teachers to a discussion of how the BFI National Archive can shed light on the lives of people of diverse ethnic backgrounds in 20th-century Britain and was our most popular BFI Schools event of the last 10 years.

For the academic year 2021-22, BFI Education planned a hybrid programme. We ran events in venue and online to bring schools closer to the BFI London Film Festival and BFI Flare, and we ran our popular Media Conference in July 2021, in an online-only format. Activity in venue, however, has been as popular as before the pandemic, with close to 4,000 students attending in person at BFI Southbank, but many more coming to digital events. An online highlight was hosting a talk with Asif Kapadia, delivered to 2,500 A-level Film Studies students who were studying his bio-doc *Amy*.

BFI Families and Children

Our Saturday film clubs also returned to face-to-face teaching, while keeping a virtual film club running for children outside of London. We completed the main elements of our DCMS-Lottery funded film club programme for 12 to 15-year-olds in government Opportunity Areas. We targeted six Pupil Referral Units from Oldham and Salford to Cambridgeshire, with encouraging results, and are intending to develop an amended programme for 2022-23.

BFI Film Academy

Now in its 10th year, the BFI Film Academy, backed by the Department for Education (DfE), National Lottery, Screen Scotland, and Northern Ireland Screen, provides 16 to 19-year-olds from diverse backgrounds across the UK the opportunity to develop the specialist filmmaking skills they'll need to be part of the future of the UK film and screen industries.

Nearly 9,000 places have been created on courses since 2012 and the DfE has confirmed a further £1million funding support for the Film Academy to 2023. Throughout 2021-22, 47 courses were successfully delivered, meeting ambitious diversity and inclusion targets. Additionally, specialist courses were delivered utilising a mix of online and in-person learning, covering specialisms such as animation, VFX, documentary and art department.

As well as the short and specialist courses, BFI Film Academy teams delivered monthly skills-based labs on topics such as short film funding, producing and running a set. These were successfully moved online during 2020-21, engaging young people across the UK. In 2021-22 labs continued in a hybrid model – both in-venue at BFI Southbank and online, continuing to engage those outside of London.

The Film Academy also launched a new Venue Education Fund in 2021 backed by National Lottery funding. The Venue Education fund aims to provide a vital link between the existing BFI Film Academy programme, BFI Network, and the BFI FAN network.

Future Skills Trainee Programme

Now in its fourth year, the Future Skills Trainee Programme supports young people from under-represented groups to build a career in film through extended, fully paid work placements. In 2021-22 55 young people were placed across UK. For the first time, we worked with a high-end TV production based in Wales and placed 20 trainees across various departments. 65% of those trainees were from Wales with many of them living in the local area. Across all three productions 60% of the trainees were women, 26% had a disability, 17% free school meals and 32% were ethnically diverse.

Future Film

The 15th edition of the BFI Future Film Festival ran in February. This year's festival was hybrid with free events taking place online and low priced day passes for in person events at BFI Southbank. The festival received:

- over 1,000 eligible submissions of short films made by young people aged 16-25
- from 41 countries across the world;
- 26% from ethnically diverse directors, 48% female directors and 6% non-binary directors.

A panel of 10 Film Academy Young Programmers whittled the submissions down to 50 before screening at BFI Southbank and online for free on BFI Player.

The 10 winning filmmakers were announced at the BFI Future Film Festival Awards Ceremony supported by Netflix and were awarded over £10,000 in cash prizes, equipment to help with production of their future projects and mentorships from industry leaders.

Our events programme included keynote speeches from Ameenah Allen, Rebecca O'Brien and Joy Gharoro-Akpojotor. We had in-person and digital 'Hot Spot' interviews with Craig Roberts, Rebecca Hall, Romola Garai, Callum Scott Howells and Future Film Festival alum Nida Manzoor. Overall there were 54 events with 119 speakers, generating over 12,000 online interactions.

NFTS Early-Stage Access and Diversity Accelerator Programme

This is funded by the BFI and run by the National Film and Television School (NFTS) to increase the diversity of applicants to their programmes and amplify the reach and impact of their online masterclasses, training, short courses and outreach work. NFTS have engaged around 6,000 young resulting in the most diverse cohort ever enrolling at the School in January 2022 with 32% ethnically diverse students, 25% LGTBQIA+ students and 24% disabled students.

BFI Film Club Pilot Programme

BFI Film Clubs offer an exciting opportunity for 12 to 15-year-old aspiring filmmakers, in some of England's most socially challenged areas, to learn new skills, develop their creativity, and engage with the best world cinema. These complement our existing BFI Film Academy for 16-19 year olds. It is co-funded by the DCMS Youth Accelerator Fund and the BFI through the National Lottery. Our delivery partners include local community providers, the BFI Film Academy and the National Saturday Club. Clubs have been delivered in community settings, Pupil Referral Units and local colleges and universities, with around 450 beneficiaries.

Leading European Advocacy

This year we completed the last of our formal Creative Europe-funded projects. Over two years, *Film Education: from Framework to Impact* brought together 300 film educators from 30 countries to create new approaches to film education, creativity, and cultural engagement. A Mass Open Online Course attracted 5,000 global participants and has now been made into a permanent website (filmeducationframework.eu) and translated into five languages. The network created by successive EU projects now forms the basis of a new bid, to Erasmus+, with the leadership passing to the Danish Film Institute. This work is important in highlighting the UK's soft power and global leadership position.

Online Learning for Adults

This year we started with an exciting new collaboration between BFI Education and the Open University, to co-produce three six week short courses that would include materials from the BFI National Archive. The courses include *Media, Politics, and Society*, and *Reading the Screen*. These courses will run three times a year, for seven years, giving worldwide audiences privileged access to the treasures of the BFI National Archive.

Ffilm Cymru Wales

Through Lottery funding, we continue to support the decentralised community delivery of a dispersed education programme in Wales to engage young people in creative filmmaking. Innovation grants were offered to enable new responses to opportunities, developing practitioners, and exploring methods of delivery to overcome barriers to film education during the pandemic.

The Future Film Skills Action Plan

The Future Film Skills Action Plan is delivered by ScreenSkills to create a larger and more inclusive workforce through UK-wide training and support. ScreenSkills operated a hybrid online/in-person delivery this year. Highlights included the ScreenSkills Apprenticeship Programme pilot; 1,371 apprenticeship starts; seven new e-learning modules; and over 5,000 attendees at online careers information events and virtual CPD workshops. Over 15,000 e-learning modules have been completed, and modules covering inclusion in the workplace have been picked up by broadcasters and award bodies - Unconscious Bias training is now compulsory for BIFA and BAFTA voters and employees at some broadcasters.

ScreenSkills continues to commission Continuing Professional Development courses for new entrants and those looking to progress their careers, with a focus on skills shortage areas such as production accounting, VFX and post-production supervision. The Centre of Screen Excellence in Yorkshire completed its craft courses with 67% of those who graduated finding work in the industry within six months.

The ScreenSkills mentoring programme has focussed on supporting those with a disability with over 1,000 mentees this year, 24% of whom identify as disabled and 29% as ethnically diverse.

Since 2018 ScreenSkills have provided over 35,000 support and training interventions to new entrants to the sector, and over 28,000 to existing workers. Diversity and inclusion figures across the entire future film skills programme of activities exceed current industry averages to date: 58% of beneficiaries are women, 14% disabled, 18% ethnically diverse and 16% LGBTQIA+.

A Champion for Talent

A Champion for Talent



Image: Tilda Swinton and Rebecca O'Brien in Cannes to present a BFI restoration of *Friendship's Death*

BFI NETWORK offers extensive professional development, funding and editorial support for producers, writers and directors of all ages at the start of their careers. It awards National Lottery funds for the production of short films and the development of debut feature films. BFI NETWORK Talent Executives are based across England in the five BFI FAN Hubs and with our national partners Ffilm Cymru Wales, Northern Ireland Screen and Short Circuit in Scotland (in partnership with Screen Scotland). We also work with Doc Society to support ten short documentary films each year through their BFI Doc Society Made of Truth Fund.

Funding

We received over 1,600 applications for short film projects this year, and over 400 for feature development. This means fierce competition, and difficult decisions, but in a record year we funded 123 short films and 42 developments. As other large scale shorts commissioning opportunities have contracted, NETWORK has become ever more important to support new filmmakers to produce calling-card pieces of work. We continued to provide bespoke health and safety advice to funded teams and additional funding for COVID-related costs to our short films where needed. .

Partnerships

BFI NETWORK continued to expand its reach. Around our eight core delivery partners, we work with a network of 130 organisations to diversify the screen sector, co-develop programmes, run joint activities and promote our funded work.

Reaching audiences

BFI NETWORK short films are a significant fixture of the film festival scene, where they garner industry attention and enable the next steps in filmmakers' careers. They are reaching wider public audiences with the online boom for short film viewing. This year, our funded short films received over 2.2million views online, across a wide range of platforms including Vimeo, YouTube/ Omeleto, BBC iPlayer, The Guardian and BFI Player.

Professional development

Over 2,400 people benefited from professional development programmes and events – including virtual roadshows presented by the BFI Doc Society Fund; ongoing Weekender and Insight producer training initiatives; and other targeted training across the regions and nations, responding to arising sector needs, such as activities that addressed reliance, on-set wellbeing and how to deal with creative setbacks.

NETWORK@LFF returned to in-person delivery, with a four day programme uniting its cohort of 12 writers, directors and producers with some of the most exciting seasoned talent at LFF, and meetings with commissioners from Film 4, BBC, Netflix and BFI.

A further 7,172 filmmakers attended our online training activity focused on topics as diverse as making micro-budget features to working in animation to gaining international collaborators.

Other headlines this year

This was also a final year of the UK-wide training programme BFI NETWORK X BAFTA CREW, providing dedicated space for writers, directors and producers to meet 'below the line' collaborators; support for 35 filmmakers to attend festivals or labs through our Travel Grants scheme run by the British Council; and further progress made across the project in addressing under-representation in the industry, including a convening of the UK-wide Executives and BFI Film Fund to discuss developing practice in funding disabled filmmakers at short film stage and beyond.

Inclusion

BFI NETWORK builds inclusion into every element of its activity. For funded projects in England 57% of awards were made to female or non-binary filmmakers; 20% to disabled filmmakers; 24% to Black, Asian or filmmakers of other under-represented ethnicities; and 28% to LGBQ+ filmmakers. These results exceed targets in every category.

Festival and awards successes

BFI NETWORK-funded filmmakers screened across the globe this year, with films travelling even when filmmakers could not. The three More Films for Freedom titles funded in 2020 were particularly prolific on the festival circuit. *Egúngún (Masquerade)* (dir. Olive Nwosu, prod. Alex Polunin) was an Official Selection at TIFF, LFF, LSFF and Sundance, was nominated for the Best British Short BIFA and won Best Narrative Short at the Hamptons Film Festival. *Prayers for Sweet Waters* (dir. Elijah Ndoumbe, prod. Naeem Davis) screened at the Hamptons Film Festival and Sundance 2022. Finally, *Baba* (wr/dir. Sam Arbor and Adam Ali, prod. Hannah Stevenson) won the Iris Prize 2021 (giving the team a £30,000 grant to make a new film) and the Iris Best British Award, and screened on All4. All three films capped off the year with a screening and celebration event at BFI Flare 2022.

Precious Hair and Beauty (dir. John Ogunmuyiwa) – supported via our partners at Film London – screened at Sundance and LFF and received a Best British Short nomination from BIFA. Our Scottish partner Short Circuit premiered their funded short *Too Rough* (dir. Sean Lionadh) at SXSW.

In NETWORK documentary shorts from the BFI Doc Society Made of Truth Fund, *The Black Cop* (dir. Cherish Oteka) a high-profile co-commission by The Guardian, won the BAFTA for British Short Film 2022, with incredibly powerful speeches delivered by the director and the film's subject, Gamal "G" Turawa. *Hanging On* (dir. Alfie Barker, prod. Hollie Bryan) won Best British Short Film & UK Audience Award at Encounters Film Festival; Best of Fest & Best Documentary – Aesthetica Short Film Festival; and Best Documentary Short at the UK Film Festival. This followed a World Premiere at Sheffield Doc Fest 2021 and an International Premiere at TIFF 2021.



Image: *Egungun* (2021)

Supporting the Future success of UK Film



Image: *Laika* (2021)

The BFI National Lottery Film Fund prioritises culturally impactful voices, in both new and emerging talent, that pursue risk-taking stories and storytelling forms. The fund also prioritises those stories and filmmakers that address underrepresentation, of geography and diversity, both in front of and behind camera.

This year saw BAFTA Awards go to Joanna Scanlan for Best Actress in *After Love* and Best Short Film for *The Black Cop*, supported by the BFI Doc Society Made of Truth Fund, part of BFI NETWORK. This year the Fund has also saw one of the largest cinematic releases for a Black British director ever in Aml Ameen's debut *Boxing Day*, which was the number one independent film at the British box office in its opening weekend. The release of *The Phantom of the Open*, starring Mark Rylance and Sally Hawkins, was the second widest release of a Lottery funded film in 5 years, opening UK wide in 630 screens.

The Film Fund has continued to tackle barriers against inclusion and opportunity and develop a skilled, more representative and sustainable UK wide workforce. The Step Up scheme has continued to address underrepresentation in film production by providing opportunity for experienced creative and technical production crew from underrepresented groups to progress their careers on a production supported by the BFI Film Fund. To date over 40 people working in crew or as Heads of Department have stepped up across 25 Film Fund productions.

This year, 15 projects have received Production Funding. At the time of writing, 3 projects are currently shooting and 14 are in pre or post-production, two of which are international co-productions.

A slate of Film Fund supported VR and immersive projects also debuted. Film Fund VR project Goliath won the VR Expanded Grand Jury Prize for Best Virtual Reality Immersive Work on its world premiere at Venice Film Festival. *On the Morning You Wake* won the XR Experience Competition at SXSW Film Festival in March. Asif Kapadia's new VR project *Laika* debuted in the XR strand of BFI London Film Festival (LFF) and will be shown in venues across the UK later this year. *In Pursuit of Repetitive Beats*, which explores 90's rave culture through a combination of new and archival footage, premiered in March to celebrate the Coventry City of Culture.

Joanna Hogg's highly-anticipated follow up, *The Souvenir Part II*, premiered to critical acclaim in the Directors' Fortnight at Cannes. It was The Londoner Gala screening at LFF, picked as the London Film Critics' Circle Award for British or Irish Film of the Year, and gained nine nominations at the British Independent Film Awards (BIFA) (winning for Best Editing, Costume Design and Production Design).

Clio Barnard's *Ali & Ava* premiered in the Directors' Fortnight at Cannes. Starring Claire Rushbrook and Adeel Akhtar, it won the BIFA for Best Music, as well as Best Leading Actor. The film was also nominated for Outstanding British Film and Best Lead Actor at the BAFTA awards.

Finally, Eva Husson's sophomore feature *Mothering Sunday* also debuted at Cannes, winning particular praise for its cast, which included Josh O'Connor, Olivia Colman, Colin Firth, Odessa Young and Sope Dirisu.

Harry Wootliff's highly anticipated sophomore feature *True Things*, starring Ruth Wilson and Tom Burke, world premiered at Venice Film Festival and also subsequently screened at Toronto Film Festival (TIFF) and LFF. At LFF Harry Wootliff was awarded the prestigious BFI IWC Schaffhausen Filmmaker Bursary award.

Terence Davies' *Benediction*, had its world premiere in a special presentation at TIFF, and also screened in a special presentation at LFF. Lucile Hadzihalilovic's long awaited English language feature debut, eerie and phantasmagorical Earwig, also premiered at TIFF followed by San Sebastian and LFF.

Ten Film Fund titles screened at the LFF, including the world premieres for debbie tucker green's experimental *ear for eye* and Craig Roberts' *The Phantom of The Open*. Andrew Kötting's Diseased and Disorderly, backed by the Short Form Animation Fund, also debuted at LFF in the Experimenta Shorts strand. The Short Form Animation Fund also produced the critically acclaimed *Your Mountain is Waiting*, which was a Vimeo Staff Pick and debuted on It's Nice That, before subsequently picking up an Audience Award nomination at the British Animation Awards.

Jim Archer's directorial debut *Brian & Charles* had its premiere in the World Cinema Dramatic Competition at this year's virtual Sundance Film Festival, winning critical praise and worldwide theatrical release rights picked up by Focus Features.

Kathryn Ferguson's searing *Nothing Compares*, backed by via Doc Society, premiered to rave reviews in the World Cinema Documentary Competition at Sundance and will be released by US Network Showtime. *The Real Charlie Chaplin*, directed by Peter Middleton and James Spinney, screened at both Telluride Film Festival as well as LFF, winning critical acclaim for its reappraisal of the Hollywood icon.



Image: *Brian and Charles* (2022)

Following very strong showings at TIFF, LFF and Rome, in addition to a BAFTA award for Best Actress for Joanna Scanlan's riveting performance, Aleem Khan's outstanding directorial debut *After Love* also swept this year's BIFA awards. The film received the prestigious Best British Independent Film award, as well as Best Actress for Joanna Scanlan and Best Supporting Actor for Talid Ariss. Aleem Khan scored a further three awards for Best Director, Best Screenplay, and the Douglas Hickox Award for Debut Director.

Marley Morrison's directorial debut *Sweetheart* also won the BIFA for Breakthrough Performance for actress Nell Barlow, as well as Breakthrough Producer for Michelle Antoniades. *Wildfire* also picked up one award, scoring Best Debut Screenwriter for Cathy Brady.


Image: *Sol* (2021)

Young Audiences Content Fund

The BFI Young Audiences Content Fund (YACF) is a DCMS-funded Pilot designed to deliver a greater range of representative programming to young audiences on safe, regulated platforms. An Ofcom report in 2018 identified a decline in the production of children's content by commercial public service broadcasters. The Fund was opened in 2019 to support the development and production of programmes that entertain, inform and reflect the experiences of children and young people in the UK today, in live action and animation and across all genres.

The eight-strong YACF team was based in Manchester and supported by a Stakeholder Advisory Group of broadcaster representatives, regulatory bodies, trade bodies, and a Steering Group of producers of content for children and young people and academics.

YACF was granted the third and final year of funding by the DCMS. The support brought the total Pilot funding to £44.1m. The total allocation for Y3 was £10.7m, which included provision for winding down the scheme across 2022/3. The final spend of the Pilot was determined as part of a spending review in 2021, but the slate of development and production projects continue to impress in terms of quality, innovation, representation (on and off screen), job creation, company and talent development. In Y3 the Fund received 125 development and 31 production applications, and made 39 Development Awards: all projects had one or more new voices in the key creative team.

Fourteen Production Awards were made in Y3 and include support for:

- Re-commissioned series
- Indigenous-language drama and factual entertainment
- Productions commissioned following development support from the YACF
- Content that represented different communities from across the UK
- Twelve production companies based in the Nations and Regions
- Shows that are being made inclusively and innovatively, including Dance School for Channel 4 (developed via community workshops in Castlefield), and *Mixmups* for Channel 5, which has joyful representation of disability at its heart and whose creative team all have lived experience of disability

Fund-backed shows continue to win audiences and award recognition, including RTS, Sandford St Martins, Broadcast Digital, MIPCOM creativity and diversity awards, and Broadcast Award (where four out of six nominated shows were supported by the YACF, with one win).

Through the lifetime of the fund 567 applications were received and over 200 awards made, which includes over 60 production awards – in excess of 250 hours of new, green-lit programmes. Over half of YACF-supported shows are yet to air, with launches of new productions continuing through 2022 and 2023. The decision to not continue beyond the Pilot came in January 2022 and the fund closed for applications on the 25th February 2022.

A full evaluation report of Y3 and the Pilot as a whole will be published in 2023, detailing performance against Fund priorities as well as the economic and viewer impacts of this resource for young audiences in the UK.

On the International Stage

On the International Stage



Partnership building and exchange

Whilst most international activity remained online during the year, the international team capitalised on the brief travel windows that opened. In-person delegations were led by the BFI to the San Sebastian Film Festival and Co-production Market; the Cannes Producers Network in July; the Locarno Film Festival; and the Les Arcs Coproduction Forum in December. We also worked with the Doc Society to support a delegation of UK documentary filmmakers to attend CPH Dox in March. There was strong representation from the UK film sector at the Tallinn Black Nights Film Festival, and in Trieste with the When East Meets West co-production event.

Through the International Fund we were able to support events including Sheffield DocFest, Annecy Animation Festival, Cannes Film Festival Market, Toronto International Film Festival (TIFF) and the Bridging the Dragon platform (a China/Europe organisation). In collaboration with the New Zealand Film Commission, we also supported the second year of Attagirl, a one-year international training programme for female/non-binary teams with an emphasis on distribution.

In partnership with the Nigerian Film Corporation and the National Broadcasting Commission we organised a two-day online conference on the business of film which attracted over 200 delegates from Nigeria and the UK, with further partnership opportunities at virtual matchmaking sessions for producers.
We also took eight UK film professionals to visit Lagos to meet with Nigerian industry representatives, as part of a delegation led by the Department for International Trade.



Image: *Elephant Mother* (2022)

Co-production

This year saw some modernisation of co-production treaties, including the ratification of the revised Council of Europe Convention on Cinematographic Co-Production (CETS No. 220), and the bilateral co-production treaty with Australia which, when approved, will apply to both film and TV. Negotiations have also opened to modernise the co-production treaty with Canada.

UK Global Screen Fund

After a successful pilot, the UK Global Screen Fund (UKGSF) secured a further £7m per annum for three years from UK Government through DCMS. Since its launch in April 2021 the UKGSF has opened three funding strands to support UK-based screen sector companies: International Distribution, Business Development and Co-Production. The Fund supports the export and internationalisation of UK screen content, aiming to ensure that UK independent content can reach international audiences and enouraging collaboration between UK producers and international partners. The awards come in the form of non-repayable grants that support UK businesses across film, TV, animation and video games.

In its first year the fund has made 66 awards totalling almost £5m. It has supported 11 international co-productions, with partners including China, South Africa, Chile, Argentina, Ireland, France and Germany. The fund has also helped boost international sales of critically-acclaimed UK feature titles including *Ali & Ava* (Clio Barnard, 2021), *Mothering Sunday* (Eva Husson, 2021), and *Benediction* (Terence Davies, 2021).

We have created a cohesive and coordinated brand – **ScreenUK** – which will act as a spearhead for showcasing and promoting UK content and talent internationally.



Image: Mothering Sunday team at Cannes 2021



Image: *Benediction* (2021)

Inward investment

The BFI funds and works in partnership with the British Film Commission (BFC) to deliver economic growth through inward investment to the UK for film and high-end TV production. A key pillar of their work is the tailored support provided to productions in partnership with film agencies across the UK, which this year attracted almost £1.97bn of feature film inward investment. The team also represents the UK at key markets and festivals such as TIFF (Toronto), EFM (Berlin), Sundance and Annecy, as well as delivering events such as the UK Film and TV week in Los Angeles.

At the start of the COVID-19 pandemic the BFC worked with the BFI to develop production and travel guidance for the sector in line with Government policy. Throughout this past year, they have maintained and updated that guidance in response to the changes in lockdown circumstances and travel requirements. They have also worked with us on key policy issues such as the impact of EU Exit, the protection of the UK's European Works status, Creative Worker Codes of Practice and improvements to the tax relief.

International Policy

Throughout the year we have taken an active part in the work of European Film Agency Directors (EFAD) association which brings together 35 national film agencies from across Europe. We attended EFAD General Assembly meetings held in person in Cannes, Ljubljana and Berlin. We played an active role in all EFAD's working groups.

We represented the UK screen sector's interests to Government as part of negotiations of new Free Trade Agreements (FTAs) around the world including Australia and New Zealand as well as the UK's planned accession to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

We also continued to maintain a very close watching brief on EU, Council of Europe and international policy matters including those relating to European Works, mobility, co-production and the protection of copyright.

The BFI offered the only international keynote and led a workshop on inclusion and diversity issues for over a hundred participants at the German industry conference Seeing and Being Seen: Representation in Film, organised by the Munich Film Festival in Tutzing.

Leadership & Advocacy

Leadership & Advocacy



Image: *The Son* (2022)

UK Film & TV Production Restart Scheme

In July 2020 the DCMS launched a Film & TV Production Restart Scheme to help UK film and TV productions that were ready but unable to start/restart due to a lack of insurance cover in the commercial marketplace post pandemic. The development of the scheme was a key priority identified by the BFI Screen Sector Task Force, which brought the sector and government together to set out and deliver a recovery plan for the industry. The scheme has now supported more than £3bn of indigenous UK film and TV productions and secured over 100,000 jobs. The scheme was extended to provide cover until 30 June 2022

The detailed COVID health and safety guidance for film and TV production and for post-production/VFX, that was developed by the industry as part of the BFI's Screen Sector Task Force and supported by the UK Government, also played a part in the sector recovery.

National Lottery Funding Strategy

In August 2021, the BFI began developing a new National Lottery funding to run from April 2023 to the BFI's centenary in 2033. For the initial phase of the strategy's development BritainThinks, an independent research agency, was engaged to conduct a consultation with stakeholders and the public, to establish shared priorities for the screen sectors. The stakeholders asked to participate included individual creatives, cultural bodies and organisations from film, TV, video games, animation, immersive and interactive media. Members of the public were involved across the UK through online survey, focus groups, and interviews.

The insights then informed the next phase of developing the strategy as the consultancy RE_SET was engaged to help the BFI define the new strategy's objectives and outcomes. This development process will continue until autumn 2022, when the strategy will be published alongside the first of a series of shorter implementation plans. These implementation plans will set out the detail of the funding mechanisms used to deliver the strategy – the first of these will span three to five years and will begin in spring 2023.



Academic Partnerships

The BFI was part of a number of successful research projects from the Arts and Humanities Research Council (AHRC) this year, securing almost £200K in funding. Projects included:

- a research network on the 'hidden' screen industries,
- a major project on connecting collections, led by the Science Museum, which formed part of the AHRC's Towards a National Collection fund
- funding for a refurbishment of the Mediatheque at BFI Southbank – a capital and equipment award under the AHRC's Capability for Collections fund.

In addition, our Partnership with the University of York strengthened via funding secured for a 12-month Research Fellow - a joint appointment between the BFI's Research & Statistics Unit (RSU) and the research team at York's XR Stories project. Other collaborations in progress include projects with the University of Oxford, Brunel University, Bristol University, University of the Arts London, and Queen Mary University.

Research & Statistics

The BFI Research and Statistics Unit (RSU) provides an essential resource for the screen sector, publishing data and evidence, reports and evaluations that provide a unique picture of trends in the UK's screens sectors. RSU data and evidence has informed efforts to mitigate the effects of the pandemic on the sector. We provided data that tracked the performance of the film and TV sectors throughout the year, providing insight into the progress of recovery. The RSU also used data analysis to support the Film & TV Production Restart Scheme.

This year this included the 2021 edition of *Screen Business*, which provided thorough analysis of the value of tax reliefs across the Film, TV and Video Games sectors from 2017-19. The RSU also disseminated comprehensive research into the perceptions of UK screen content from international audiences, and, in collaboration with BAFTA Albert, launched the Screen New Deal transformation pilot project – supporting Creative Wales, Clwstr and FFilm Cymru to action environmental sustainability recommendations for screen production.

RSU also evaluated programmes to assess process delivery, impact of funding activities and inform our strategy development process. These included London Film Festival, BFI Archive and Film Academy, with work started on others including Film Fund, Audience Fund and BFI NETWORK. We also carried out studies into audiences for BFI Player, Sight and Sound, BFI Flare and London Film Festival.

We secured renewal of the BFI's Independent Research Organisation (IRO) status for the next five years, allowing us to continue to develop strategic academic partnerships. Notably this year we supported a successful bid as co-Investigator for the *Towards a National Collection programme*, a major investment in the Archives and Museums sector, and also secured a major award as Principal Investigator for a refurbishment of the digital interface of the BFI's Mediatheque. We further enhanced our partnership with the University of York, developing a new joint Research Fellowship appointment to work on how young audiences engage with Augmented Reality.



Image: *Gardening* (2022)

Inclusion

Inclusion

BFI Diversity Standards

The BFI Diversity Standards are our flagship policy to address and encourage equal opportunity and address under-representation in the screen industries. The standards are a contractual requirement for all BFI funding, and have been adopted by organisations including BAFTA, BIFA, Film4, BBC Films, Screen Scotland and Paramount. They have also been adapted for use globally, including inspiring the eligibility criteria for the Academy of Motion Picture Arts and Sciences awards (Oscars), and more widely across the sector, including in theatre and advertising.

In April 2022 we will be launching a new Diversity Standards application system, developed in conjunction with BAFTA Tech (based on their awards portal) for ease of use across the industry. This system will allow easier interaction with the Diversity Standards application form and enable better, more granular data capture for reporting. The next Diversity Standards report, encompassing all of the data from the previous system, will be published in the autumn of 2022.

This year we honoured our commitment to reviewing the Diversity Standards by engaging Huma Qazi and the New Inclusion consultancy to talk to stakeholders and partners about their views and experiences. The review was published on our website. One of the main recommendations was to update the Diversity Standards to encompass their use internationally and across sectors in order to make them more universal. Huma Qazi and team have been brought back to follow up on this and will help rewrite the language in this policy, alongside internal and external stakeholders. This work will be completed by the end of the 2022, encompassing the work of the BFI's new Lottery Funding strategy.

Preventing Bullying, Harassment and Racism

The BFI developed principles and guidance to prevent bullying and harassment and racism in 2017. These are a contractual requirement for all of our funds. We have subsequently updated and added to this guidance to aid the industry to foster a more positive and inclusive work culture. In response to industry feedback, and in conjunction with BAFTA and backed by over 40 organisations across film, TV and games, an additional Action List for employers was launched in 2021 to help proactively tackle bullying, harassment and racism in the workplace.

The BFI has also committed to additional funding to provide Wellbeing Facilitators on our funded productions – providing a point of contact for any issues arising, such as mediating conflict and investigating any instances of poor behaviour. Training for these roles was developed in partnership with 6ft From the Spotlight, a non-profit mental health organisation.

Representation and Portrayal

The BFI's Diversity and Inclusion (D&I) Team continues to champion authenticity in representation and challenge misrepresentation and stereotypes in storytelling.

Launched on the International Day of Disability in December 2021, our second Press Reset film highlighted ableism in the industry and featured members of our d/Deaf and Disabled Screen Advisory Group. The film was premiered at the newest iteration of our Busting the Bias Event, a three-day film festival showcasing and celebrating the work of disabled talent both on and off screen via screenings, live readings and panel discussions.

In collaboration with our Advisory Group we have also launched a Disability and Visible Difference Representation Panel that will oversee all applications to the BFI Audience Fund, ensuring that representations of disability and visible difference are authentic. The new role of Disability Equality Lead is being recruited into the D&I team to drive our work on disability and access forward.

Social Mobility

Partnering with Arts Emergency, we have provided mentors for young people who do not have the industry connections to access opportunities in the screen sector. In line with the Social Mobility Commission, we have developed a target of 39% to try and encourage fair socio-economic participation across BFI activity, sitting alongside our other targets around gender, underrepresented ethnicities, LGBTQIA+ and disability. We are looking to launch this target along with a toolkit and language guide for industry at an event later in 2022, and will continue to combine this work with our activity in the Regions and Nations in order to support the Government's levelling up agenda.

Race Equality

In a new role, the Race Equality Lead joined the D&I team and has been instrumental in embedding anti-racist work and practice into our activity at the BFI. This role has helped to secure an internship for the BFI from the Independent Cinema Office's FEDS Trainee Scheme, to give someone from an underrepresented background an opportunity in our Programme, Archive and Marketing departments.. The What If… Experiment have been contracted to work closely with the Race Equality Lead in 2022, to provide consultancy and guidance on embedding race equality into our internal culture change work. The Race Equality Lead also continues to work closely with the BFI's internal staff group the Race Equality Network, who are supporting culture change at the BFI and offering training and networking opportunities to their members.



Image: Osaka Bright Film Festival

Fundraising and Enterprise

Fundraising and Enterprise

In this difficult climate for the creative industries, the support of corporate and commercial partners, philanthropic individuals, and charitable trusts and foundations has played a vital role in sustaining the BFI's work. We are enormously grateful to the generous supporters – both new and continuing – who have enabled us to raise grants, donations, sponsorship and gifts-in-kind this year. Thanks to their kindness we've begun to recover from the impact of COVID and continue to strengthen our world-leading cultural and charitable work.

This year we took a hybrid approach to our fundraising events programme, beginning with a series of bespoke digital events before successfully returning to our in-person programme from June 2021. Supporters in the UK and around the world engaged in a diverse programme of digital and live events, including a virtual 'Meet the new BFI Chair' session, as well as on-stage Q&As with filmmakers including David Parfitt, Christopher Hampton, Joy Gharoro-Akpojotor and Craig Roberts. We also restarted our series of behind-the-scenes tours of the BFI National Archive's Conservation Centre – a special opportunity for guests to see our restoration, collection and archive work.

We've been astonished by the generous gifts specifically focused on improving the BFI's financial position as we emerge from the pandemic. The continued support of the Julia and Hans Rausing Trust has been vital in shoring up our core activity. In addition, the personal renewal of the trustees at the highest level of BFI Patron support is hugely appreciated.

Conservation, Education and Programming

The BFI's conservation work has benefitted from significant philanthropic support. We were delighted to receive a grant – via the Fidelity Charitable Donor-Advised fund, following a recommendation from the Adam S Rubinson Charitable Fund – to the Friends of the British Film Institute in support of our archival work. The Film Foundation continues to provide vital support in this area too, with a new grant funding key film restoration work. They also remain crucial partners in ensuring the world-leading work of the archive is exhibited at key international film festivals. Likewise, The Esmée Fairbairn Foundation are an integral supporter of our mission to make archive content more accessible. We are also extremely grateful for the renewed support of both the David Lean Foundation and John S Cohen Foundation focused on our Heritage 2022 paper conservation work. Their generous grants have allowed the collections team to undergo new training at our Berkhamsted Archive.

The Charles Skey Charitable Trust also provided invaluable support this year. In addition to their unrestricted grant they contributed significant funds towards the redevelopment of our Nitrate Storage Vaults at BFI Southbank, allowing us to ensure the venue can safely store and screen nitrate film for many years to come.

The Lambeth Economic Resilience Fund also provided important help during our COVID recovery, enabling us to focus resources on skills and education. Continuing supporters have also played a vital role in strengthening BFI Education this year. We would like to thank the lead supporters of our education programme, the Reuben Foundation, for their enduring generosity, as well as Gilberto Pozzi, who this year generously increased his significant contribution in support of this work. We are also grateful to have received renewed grants from The Chapman Charitable Trust and London School of English to support the Future Film Festival 2022. Their continued championing of the festival and emerging young filmmaking talent is invaluable.

We were pleased this year to welcome new supporters to the Film Forever Club, an influential group of donors who sit at the heart of the BFI, making a three-year commitment of giving. Additionally, the impact of legacy gifts continues to be of huge significance to us and this year we welcomed four new members to our Legacy Circle. Our thanks also go out to Film Forever Club members Philippe and Stephanie Camu who, in addition to having given generously to our cultural programme over the past five years, this year gave a substantial, unrestricted donation which enables us to directly support to areas across the BFI that need it the most.

After a year of hiatus, the Woman with a Movie Camera Summit returned virtually in July. The support of Jaguar, combined with a generous gift from Jane Stanton, ensured our programme aimed at reframing the conversation around women and film could be enjoyed nationally for the first time. We also welcomed new partners Grand Seiko as our sponsor for the BFI's JAPAN 2021 Season at BFI Southbank, celebrating 100 years of Japanese Cinema.

The BFI London Film Festival Sponsors, Partners and Donors

The 65th BFI London Film Festival (LFF) in October remained a highlight of the year and, thanks to our fantastic supporters and partners, we returned to in-person screenings in style. American Express continued their longstanding support of the festival, entering their 12th year as Principal Partner. They held their own Gala, as well as supporting the opening night screening. We welcomed 166 fundraising ticket holders to the Opening Night Gala as part of our new initiative offering the opportunity to secure a seat for this highly-anticipated film while supporting the BFI. Later in the week, we were thrilled to see many Patrons at the Patrons' Gala, followed by a fantastic post-screening reception at The Ned, our wonderful in-kind partners.

Col and Karen Needham directed their donation this year towards LFF for Free, a programme of free events including talks and debates, short film screenings and much more. Donors Simon and Harley Hessel were supporters of LFF Expanded, an innovative programme showcasing virtual and augmented reality, immersive audio and interactive performance from around the world. Part of their donation was directed towards the BFI National Archive's research and development into future XR opportunities for our collections – a significant area of growth as a storytelling medium.

We also welcomed back American Airlines as Main Sponsor and our Official Airline, and we were delighted to welcome the Edwardian group's new property The Londoner, our closing night reception venue, as our Official Hotel Partner. Continuing support came from festival sponsors Bloomberg Philanthropies, Heart of London Business Alliance on behalf of Leicester Square and Netflix, and we received in-kind support from Audemus Spirits: Pink Pepper Gin, Christie's, Dalston's Soda, and Fourpure. IWC Schaffhausen returned as the Festival's Official Time Partner and we celebrated the sixth year of presenting the IWC Schaffhausen Filmmaker Bursary Award.

This year we were joined for the first time by The Liberation Initiatives as Main Partner, who supported a number of key programmes and helped in our continued efforts to make LFF more inclusive to underrepresented communities.

Beyond LFF, diversity and inclusion has been at the heart of our work, and at the start of the year we were delighted to launch a Philanthropy Consortium raising funds for our upcoming Pioneers of Black British Filmmaking project.

Enterprise

In 2021-22 the BFI Enterprise team had four main focus points: university partnerships, skills and training, curriculum design and International training courses. These priorities sat alongside our continued work on customer acquisition, product development and expansion of key partners.

As the pandemic continued to provide challenges, our work capitalised on university partnerships and ongoing demand for online training. This year, BFI Enterprise increased its number of university partners from five to nine, with twelve further universities purchasing standalone access to BFI Player. In February 2022 we piloted a short course for Birmingham City University on diversity and inclusion in the UK film industry. This is, to our knowledge, the first specific educational primer of its kind focused on diversity and inclusion for university students in the UK. The intention is to further refine the course and investigate asynchronous delivery as well as live delivery.

The appetite for international consultancy was heavily impacted by the pandemic, most noticeably in the case of the IMDA in Singapore. We are expecting to see a return to this activity in the next year and are in contact with existing and new leads about in person and hybrid delivery.

In March 2021 we launched a partnership with the Chartered Institute of Marketing (CIM) offering two courses focused on filmmaking and editing skills for marketers. Sales have performed well with the latest February 2022 'Filmmaking and Video Production' course selling out. Similarly, aspiring filmmakers from the county cricket network were invited to a bespoke 15-week online filmmaking course designed exclusively for and with the English Cricket Board (ECB). This year also saw BFI Enterprise secure financial support from Sony and FutureLearn to create an asynchronous online course 'How to Start Vlogging: from Filming to Publishing and Beyond'. The course will be launched in 2022 – a pilot project that may precipitate further online courses.

March 2021 saw a pilot of the BFI Film Club for Ten Lifestyle Management members of BFI-backed film *Little Joe*. The session was hosted by film critic Wendy Mitchell, who interviewed the award-winning director of the film, Jessica Hausner. Since then the Film Club has developed an inclusion focus, delivering an inaugural session for PwC as part of their ColourBrave Film Club, plus a special launch event for Cambridge University Library with director Destiny Ekaragha. The film clubs are delivered online, utilising films from BFI Player to drive discussion and debate around key corporate or institutional themes.

BFI Publishing is now in its fourth year of partnership with Bloomsbury, and despite the pandemic it was a busy year. 30 new titles launched during this period, representing a range of product types and audience groups. As well as 22 Film Classics, other highlights receiving both critical and public acclaim included:

- *Channel 4: A History from Big Brother to The Great British Bake* Off by Maggie Brown.
- Michael Winterbottom's *Dark Matter: Independent Filmmaking in the 21st Century*, based around his interviews with 15 leading contemporary directors and his reflections on the challenges facing independent filmmakers.
- Jez Stewart's *The Story of British Animation*, the first title in our new BFI Screen Stories series, edited by Mark Duguid and Patrick Russell.
- *Colour Films in Britain: The Eastmancolor Revolution* by Sarah Street et al, the second book outcome of a major AHRC-funded research project into the history of colour in British film.

In digital, a further 21 titles were added to the two BFI digital collections (BFI Film Classics and BFI Film Studies) on Bloomsbury's Screen Studies online platform. Both collections have seen excellent engagement with usage up 12% on the year prior, with BFI titles such as *The Cinema Book* and *Signs and Meaning in the Cinema* consistently among the most accessed across the entire platform. Despite pressure on library budgets during the pandemic, subscriptions and renewals held up and royalties to the BFI remained in line with previous years. Looking forward, 2022-23 promises to be a strong year with an exciting catalogue of new publications, including *100 American Horror Films* by Barry Keith Grant.

Film Sales income was largely steady. Revenue was boosted by two deals with the BBC, for *My Feral Heart* and *County Lines*, and the growing royalties of long-running all-rights distribution and educational deals. Other notable new deals included multiple minimum guarantee (MG)-based US videogram agreements, and royalty-based agreements with several smaller TVOD UK platforms that should deliver increased revenue in 2022.

List of sponsors, funders, donors & key patrons for year start of April 2021 – end of March 2022

Government
The Department for Digital, Culture, Media & Sport
The Department for Education

Major Donors
Philippe & Stephanie Camu
The Charles Skey Charitable Trust
Creative Europe – MEDIA Programme of the European Union
CVC Foundation
The David Lean Foundation
The Esmée Fairbairn Foundation
The Film Foundation**
Friends of the British Film Institute*
Simon & Harley Hessel
Philip Hooker
Lambeth Economic Resilience Fund
Col & Karen Needham
Old Possum's Practical Trust
The Polonsky Foundation
Gilberto & Daniela Pozzi
Julia and Hans Rausing
Reuben Foundation
The Rothschild Foundation
Adam S Rubinson Charitable Fund**
Jane Stanton

Annual Donors
BFI Legacy Circle
Chapman Charitable Trust
The John S. Cohen Foundation
Europa Cinemas
The Great Britain Sasakawa Foundation
The London School of English
The Rose Foundation
The Thriplow Charitable Trust
The Unwin Charitable Trust

Film Forever Club
Paul Ashurst
Josh Berger CBE
Donald & Corrine Brydon
Philippe & Stephanie Camu
Caroline & Nick Clarry
The Fox Family
Keith Haviland
Gareth Hughes
John & Jennifer McLellan
Ian & Beth Mill
Beth & Kate Needham
Col & Karen Needham
Sabina & Phillip Reeves
Sir Howard & Lady Stringer

Directors Cut Patrons
Eric Abraham
Kieran Chalker
Isabelle Georgeaux
The Locker Foundation
Hans & Julia Rausing
Lisbet Rausing & Peter Baldwin
Peter & Nancy Thompson
Kathryn Uhde

Epic Patrons
Michael & Sophie Birshan
Eric Fellner CBE
Amy Gardner & Peter Dubens
Adrian Kemp
Lynn M. Lewis
Michelle X. Lu
Bill Mumford
Peter & Maggie Murray-Smith
Ocean Outdoor
Agathe Pastorino
Yana & Stephen Peel
John Reiss
Dr Christopher R. Reynolds
Michael & Gail Sandler
Anita Siassios
Fiona Williams

Classic Patrons
Benjamin Ah-Time
Adeem Altaf
Andrew Arthur
Rabbi James Baaden
Lady Bacardi
Francis Bennett
John Birkenhead
Nick Blackburn
Paul Bowen
Felicia Brocklebank
The Broughton Family Charitable Trust
Simeon Brown
Enrico & Cristiana Cavallo
Charles Cecil
Ed Cooke
Sammy Cooper-Smith
Cley Crouch
Carl Dalby
Tabitha Dale
Simon & Jane Davis
Matthew Dean
Jon Dear
Paul Dennis
Stephan Dilley
Bruce & Lindis Dockeray
Driving Plates UK
Ealing Studios
Nathalie Esposito
Jeff & Emily Fergus
Joachim Fleury
Patrick & Anne Foster
Peter & Judith Foy
Lizie Gower
Deo Gratias
Claude Green
Kathryn Greig
Stefan Habel
Dr Michael J. Hamlyn
Drew Hess & Emily Quesada
Jay Hunt
Raymond Joabar
Alexandra Joffe
Susie Kelsall
Nicola Kerr
Daan and Maggie Knottenbelt
Apostalos Koustalos
Steven Larcombe
Aseya Latif
Ian & Natalie Livingstone
Laura Lonsdale
Anne Mallaband
Ashley McCarthy
Razhan Miran
Assad Moghul
Patrick Scott Morris
Jackie Mountain
Laoise Murphy & Family
Tapi Nyoni
Alexandra Oliveira-Jones
Si Overson
Stephen & Claire Paine
Anthony Pozner
Lesley Purcell
Lisa Reuben Valk
Sue & Tony Rosner
Firdaus Ruttonshaw
Ruth Saleh
Lisbeth Savill
Joana Schliemann
Nick Scudamore
Angela Seay
Lulu & Ed Siskind
Andrew M Smith OBE DL
Peter & Giuseppina Smith
Phil & Sarah Stokes
Gregory Stone & Annabel Scarfe
Sky UK
Jan Taylor-Strong
David & Jan Thomas
Andrew Tseng
Watch Guru Ltd.
Louise L. Whitewright
The Stuart and Hilary Williams Foundation
Annette & John Younger

Principal Partner BFI London Film Festival
American Express

Corporate Partners
American Airlines
Blackmagic Design
Bloomberg Philanthropies
FactSet
Grand Seiko
HOLBA
Interbank LGBT+ Forum
Iron Mountain Incorporated
Jaguar
IWC Schaffhausen
The May Fair Hotel
Mishcon de Reya
Netflix
The Londoner

In-Kind Supporters
All Bar One
Audemus Spirits
Christie Digital
Dalston's Soda
Facebook
FourPure
Konditor
Sea Containers
The Ned's Club
TV5MONDE

With additional thanks to all of our anonymous donors and patrons.

* Friends of the British Film Institute is a California-based US 501(c)(3) non-profit organisation that supports the work of the BFI in the UK and the US. EIN 95-4334449.

** Donations marked with double asterisk were made to Friends of the British Film Institute.



Image: *The Harder They Fall* filmmakers at the BFI London Film Festival 2021

Key Performance Measures

Key Performance Measures

BFI2022 detail sets out the measures for how the BFI will assess its contribution tofurther the economic and cultural success of film. 13 key performance measures will be tracked through to 2023.

By 2022 the BFI commits to have:

- Increased the diversity of audiences and talent supported across all BFI activities*(MS1)
- Increased engagement with BFI activities across the UK and increased the quality and cultural depth of their experience* (MS2)
- Increased participation of 16-30 year olds across all BFI activities and funded programmes (MS3)
- Increased access to the BFI's National Film Archive and those of the regions and nations* (MS4)
- Further conserved and digitised the most at-risk materials within the BFI National Film Archive, notably video and television* (MS5)
- Ensured the opportunity to learn about the art of film in school** (MS6)
- Improved employers' ability to recruit a skilled workforce across the UK** (MS7)
- Supported talent to progress in their filmmaking careers* (MS8)
- Funded a range of innovative and pioneering moving image work intended for a variety of platforms** (MS9)
- Supported British films and British talent which have received recognition domestically and internationally* (MS10)
- Invested in start-up film businesses outside of London which have leveraged
- additional investment and increased levels of employment** (MS11)
- Supported a greater geographic spread of film production in the UK (MS12) **
- Supported an economic and cultural environment that keeps the UK film industry internationally competitive** (MS13)

In 2021-22 performance was as follows:

Measure of Success	2022 Target (where applicable)	2020-21 Performance	2021-22 Performance
Increased the diversity of talent supported across all BFI activities	Female 50% BAME 20% With a disability 12% LGBTQIA+ 17%	Female 53% BAME 26% With a disability 10% LGBTQIA+ 19%	Female 52% BAME 23% With a disability 11% LGBTQIA+ 20%
Increased the diversity of audiences across all BFI activities	Female 50% BAME 20% With a disability 7% LGBTQIA+ 15%	Not collected in 2020/21 due to COVID-19	See below
Increased engagement with BFI activities across the UK and increased the quality and cultural depth of their experience	n/a	Theatrical 0.6m Distribution 0.5m Online 8.1m Education & skills 4.1m	Theatrical 2.6m Distribution 0.4m Online 7.1m Education & skills 4.4m
Increased participation of 16-30 year olds across all BFI activities and funded programmes*	25%	Not collected in 2020/21 due to COVID-19	See Below
Further conserved and digitised the most at-risk materials within the BFI National Film Archive, notably video and television	To preserve and digitize 100,000 of the most at- risk, British TV programmes	30,556 (programme to date 55,581)	26,274 (programme to date 81,855)

Measure of Success	2022 Target (where applicable)	2020-21 Performance	2021-22 Performance
Supported talent to progress in their filmmaking careers*	n/a	See 2020/21 Report	See below
Supported British films and British talent which have received recognition domestically and internationally	n/a	24 films received a total of 94 nominations and 18 awards	36 films received a total of 75 nominations and 31 awards
Invested in start-up film businesses outside of London which have leveraged additional investment and increased levels of employment	To have supported 200 film businesses outside London	211	357
Supported a greater geographic spread of film production in the UK	n/a	22% UK domestic shoot spend completely outside London and the South East	39% UK domestic shoot spend completely outside London and the South East

Independent expertise was also recruited to develop the evaluation framework, baselines and methodologies for MS4, MS6, MS7 and MS13 and was reported as part of the mid-term evaluation.

Audience Diversity

Activity/Programme	16-30	Female	Ethnically Diverse	LGBTIQ+	With a Disability	From London
BFI Flare 2022	12%	Not Collected	15%	90%	18%	84%
Southbank 2022	40%	47%	26%	26%	17%	76%
LFF 2021	39%	52%	23%	24%	13%	51%
Audience Fund	26%	51%	15%	24%	11%	-
FAN	18%	60%	15%	19%	11%	24%
BFI Player	30%	43%	Not	Not Collected	Not Collected	30%
Future Film Festival	100%	65%	29%	Not Collected	13%	34%
Venue Education Fund	97%	52%	26%	40%	18%	0%
Film Academy Events	100%	66%	52%	Not Collected	14%	40%
Targets	**25%**	**50%**	**17%**	**15%**	**13%**	**-**

First Time Supported Filmmakers

First time supported by the BFI*

Producers 15% supported for the first time (2020-21: 40%)
Directors 27% supported for the first time (2020-21: 56%)
Writers 29% supported for the first time (2020-21: 58%)

Previous Release History of Supported Filmmakers

Producers 60% no previous releases (2020-21: 63%)
Directors 83% no previous releases (2020-21: 78%)
Writers 88% no previous releases (2020-21: 78%)

(* BFI Film Fund Production/BFI Film Fund Development/NETWORK (not including NETWORK Partners)

Financial Review

Financial Review

Review of the year

In May 2021 the pandemic lockdown restrictions eased and we re-opened our cinemas, public spaces and other on-site facilities, allowing staff to return from furlough as previously suspended activities resumed. Given the inevitable ongoing challenges to income the BFI is grateful for all the support we received from our members, and many other public and private sources, as well as to DCMS and HMT. Crucial COVID-19 financial support through the Job Retention Scheme and the Culture Recovery Fund allowed our key functionality and resources to be maintained, while VAT rate reductions helped our recovering cinema and hospitality income streams. The BFI continued to play an enhanced role as a funding body, including as distributor for the Culture Recovery Fund for Independent Cinemas in England (CRFICE).

Throughout the year, the Executive Board, with the guidance of the Finance Committee and the Board of Governors, and the continuing support of DCMS, kept under constant review the financial impact on the charity and the mitigations and actions necessary.

Total income for the year to 31 March 2022 was £132.3m – a decrease of £13.3m from the £145.6m received in 2020-21. This decrease reflects the timing of COVID-19 emergency resticted Grant in Aid (GiA) funding for the independent cinema sector, managed by the BFI (CRFICE) of £7.8m (2021: £29.2m). Growth in earned income, as normal activities resumed, partially offset that movement in funding.

Total expenditure for the year of £134.3m (2021: £156.6m) was also lower than last year, in line with the decrease in awards through CRFICE.

Net expenditure of £1.9m (2021: £11.0m) included non-cash costs of depreciation and amortisation of £5.2m (2021: £5.8m) and pension of £5.5m (2021: £2.6m). Debtors have reduced to £14.2m (2021: £30.7m) largely due to the timing of GiA receipts while creditors are also down to £72.3m (2021: £88.6m) driven by payment of awards under the CRFICE and Young Audience Content Fund (YACF). With other working capital movements our cash holdings increased by £6.9m (2021: £9.1m) to £39.5m (2021: £32.6m). Much of the cash is held in respect of grant award commitments relating to the CRFICE, YACF and Global Screen Fund. Lottery award commitments are covered by a combination of the funds held at the National Lottery Distribution Fund and restricted cash.

Other recognised gains and losses were actuarial gains on the pension scheme of £26.2m (2021: loss of £30.1m) and gains on the fixed asset revaluation of £22.0m (2021: losses of £1.4m) following the quinquennial revaluation by external experts.

These factors combined to increase Total Reserves to £63.4m (2021: £17.1m), including total unrestricted reserves increased to £26.4m (2021: negative reserves of £13.9m). Lottery net income of £1.6m, together with other actuarial gains on the pension scheme of £2.4m, has increased Lottery reserves by £4.0m to £29.0m (2021: £25.0m). Other restricted reserves increased by £1.9m to £7.9m (2021: £6.0m) as CRFICE and Young Audience Content Fund awards were lower than anticipated, offsetting the use of reserves on the Heritage 22 programme.

In order to fund the delivery of its charitable objectives the BFI's financial strategy continues to be to grow income, while seeking operational efficiencies to further drive down costs. Increased free reserves of £2.1m (2021: £0.9m) remain below our policy level but will help us to weather challenging economic circumstances and seize new opportunities.

Non-Lottery activities

Incoming resources

Incoming resources from non-Lottery activities decreased in the year by a net £14.0m.

The main driver of this year's income was £52.0m revenue GiA, £7.8m of which was for the CRFICE (2021: £29.2m) in addition to £2.0m CRF funding received for our own activities (2021: £2.3m) £10.7m in revenue GiA for YACF (2021: £18.8m) and £0.3m of support for the final six months of the CJRS scheme (2021: £3.5m). Earned income recovered to close to pre-pandemic levels at £20.4m (2021: £13.9m).

Fundraising increased to £6.9m in 2022, of which £4.5m (66%) were cash contributions and £2.3m (34%) gifts in kind (2021: £4.0m of which cash contributions £3.7m (91%) and gifts in kind £0.4m (9%)). Sponsorship was largely consistent with the previous year at £1.7m (2021: £1.6m).

Fundraising costs of £1.9m represent the costs of running the BFI Development division in order to raise funds for the BFI (2021: £1.9m).

Resources Expended

Total non-Lottery expenditure decreased to £86.3m (2021: £103.1m). Although there were cost increases from income generating and other activities, there was also much lower expenditure of £5.3m relating to the CRFICE (2021: £28.7m).

Gross Transfers between funds

The non-Lottery activities received awards of £1.1m (2021: £3.5m) from BFI Lottery in the year to support the London Film Festival (2021: £0.25m for the London Film festival and £3.3m for the Heritage 22 archive preservation project).

Actuarial Gains/ losses on defined benefit pension scheme

On the FRS 102 basis the total net pension scheme deficit decreased by £20.7m to £74.1m (2021: a £32.8m increase from £62.0m to £94.8m). The reduction in the deficit is mainly due to the assumptions underlying the present value of the scheme liabilities plus a 15% increase in the asset value. See Note 8 to the Group Financial Statements for further details.

The result of the triennial valuation by the London Pension Fund Authority Trustees as at March 2019, upon which current and future contributions are based, is a deficit of just £2.3m for the whole pension scheme including lottery (2016: £9.6m). The deficit is being funded over up to 5 years under a deficit recovery plan agreed with the pension trustees. The latest valuation as at 31 March 2022 is still underway and will be reported in next year's accounts.

Movement in asset revaluation reserve

Following an independent revaluation of BFI properties by Deloitte LLP, the value of the leasehold land and buildings and associated plant and fixtures increased by £20.3m as at 31 March 2022 (2021: £3.7m reduction based on revaluation by using publicly available indices applied to the previous full valuation as at 31 March 2017). See Note 10 to the Group Financial Statements for further details.

Lottery activities

Incoming resources

BFI's share of the incoming resources of the National Lottery Distribution Fund was 2.7% (2021: 2.7%). This equated to £48.9m (2021: £49.1m) since lottery ticket sales were consistent with the prior year.

In addition the BFI received £6.9m of recoupment from its investments in the year (2021: £4.9m). Of this £1.7m (2021: £0.8m) was surplus recoupment over the original investment and was taken to income. The increase in both reflects the reopening of cinemas and recovery of the sector following the closures during the pandemic.

Resources Expended – Lottery awards

Although 2021-22 was due to be the final year of BFI's 5 year strategy BFI2022, it was extended for a further year due to the pandemic.

Non-film rights awards in the year amounted to £29.1m (2021: £32.0m). The decreased funding during the year is mainly the timing of the s27 award to the BFI for the Heritage 22 programme, similarly extended due to the impact of the pandemic on activities.

In addition £21.2m (2021: £22.3m) of awards were taken to Film Rights in the Statement of Financial Position.

Adjustments of £13.4m (2021: £19.4m) against Film Rights were charged to expenditure for the year.

Operating Costs and Administrative Costs targets

Operating costs were £6.7m in the year to March 2022 (2021: £5.5m).

Net incoming resources, on a three year rolling average 2019-22 and after offsetting costs of generating recoupment were £49.8m (2021: £48.2m), reflecting the stabilisation of the levels of income into the National Lottery Distribution Fund since 2017.

DCMS have set Lottery distributors a gross target for award processing and other administrative costs of 7.75% of incoming resources. In 2021-22 the gross award processing and other administrative costs stood at 7.6% of net incoming resources (£3.8m) (2021: 7.4%, £3.6m).

Actuarial Gains/losses on defined benefit pension scheme

On the IAS 19 basis the net pension scheme deficit attributed to lottery activities reduced by £1.9m from £5.0m to £3.1m (2021: a £2.3m increase from £2.7m liability). See Note 8 to the Group Financial Statements for further details.

Reserves Policy

The Governors are committed to the management of activities within the available funds. A significant element of income is subject to market conditions and the risks are incorporated into the budgets, with ongoing financial planning and management of expenditure used to meet any unforeseen expenditure or fall in income.

The BFI's policy is to hold free reserves of three months' unrestricted expenditure in order to ensure financial stability by acting as a safeguard against volatile and unpredictable income streams, unforeseen expenditure or liabilities, management of working capital and to allow the BFI to take advantage of new opportunities.

The Group Free Reserves were £2.1m at the end of the year (2021: £0.9m) with much of that held within the subsidiaries, leaving Charity Free Reserves of £1.0m (2021: deficit of £0.2m). The Board recognises that these reserves are lower than envisaged by the policy and the BFI's financial objective is to manage within these limited funds while seeking opportunities to build reserves while continuing to deliver its charitable objectives.

Non-lottery restricted reserves are held in accordance with the requirements of grant givers as funding for specific future activities, ensuring that they are not used for general BFI purposes.

Lottery reserves of £29.0m have been reduced in recent years under the BFI 2022 strategy, now extended to 2023. This is currently under review in the context of the BFI's recently published Screen Culture 2033 strategy.

Going Concern

The accounts have been prepared on a going concern basis.

The BFI is a Royal Charter body and the government's lead body for film, a sector which is a successful contributor to the UK economy. As a lottery distributor, the BFI has a statutory right to receive a share of the National Lottery Distribution Fund (NLDF), is considered by government to be a "Non-Departmental Public Body" and is responsible for the National Film and Television Archive within its extensive collection. We receive substantial Grant-in-Aid (GiA) funding each year from the DCMS to help fund our wide ranging activities and providing financial security. The DCMS have confirmed our funding settlement through to 31 March 2025 with core funding maintained plus a 2% annual uplift for inflation. Lottery proceeds and GiA accounted for over three quarters of BFI group income in 2021-22 and it is clear that the BFI will continue to fulfil its valuable public services into the future.

Since our origins in 1933, the BFI has a long history of successful operation through challenging times, with its activities continuing to deliver public benefit. The COVID-19 pandemic severely tested the ability of the BFI to deal with major challenges. Although we are currently free from lockdowns and social distancing measures, with our cinemas and shops reopening in May 2021 and the public gradually returning to using public spaces, we are still feeling the impact on customers and the economy, and we remain live to the threat the virus still poses. The pandemic has had significant impacts on BFI trading income and fundraising although lottery income has been much less affected. Subsequently, Russia's illegal invasion of Ukraine has exacerbated the already challenging global economic conditions.

During 2020-21 and 2021-22 we have received vital funding from the government's Job Retention Scheme and the DCMS. The DCMS have also been supportive in flexibility with regard to drawing down GiA as required to help maintain positive cash balances across financial years, with potential further support available for 2022-23.

There remain a number of risks, which could worsen the forecast outlook and cash flows including:

- the attitude and willingness of customers to attend cinemas and associated food and drink concessions, especially with ongoing hybrid working reducing footfall near our London venues;
- the potential for further lockdowns in the coming winter if COVID-19 infections reach a critical level;
- the impact of inflation on our expenditure;
- the public response to the current economic conditions, with higher inflation and interest rates reducing discretionary spending; and
- pressures on government finances potentially impacting future funding.

As part of the work following the publication of our Screen Culture 2033 strategy the BFI is working on building a financially resilient, forward-looking organisation over the next 3-5 years. This is focussing on three strands of revenue, investment and efficiencies, while taking into account the above risks, to deliver a sustainable financial model to fund the objectives of Screen Culture 2033. This work is ongoing and is informing our financial outlook, with progress being made towards achieving a balanced budget for 2023-24.

Taking all these factors into consideration, the Board considers that the BFI will maintain a positive cash position in the foreseeable future. The capacity to control expenditure, generate additional income and to raise additional funds from supporters and philanthropists along with the opportunity to make a case for support to the DCMS provides the Board of Governors with confidence that the BFI has sufficient resources to continue for at least the next 12 months following signature of the accounts. Accordingly the financial statements for the charity, group and lottery activities have been prepared on a going concern basis.

Public Benefit

The Board of Governors continued to operate in line with the Charity Commission's guidance on public benefit, the guidance on public benefit and fee charging being particularly borne in mind while shaping our objectives for the year and planning activities. The Board also continues to be conscious of its responsibilities as the custodian of a National Collection which it holds in trust for the nation.

The BFI's Charter includes a requirement to 'promote access to and appreciation of the widest possible range of British and World cinema'. The BFI, as a National Lottery Distributor for film, invests National Lottery money and Grant in Aid to help ensure that audiences across the UK have access to a wide range of cinema. The BFI also uses National Lottery and Grant in Aid (GiA) to support activities including education and lifelong learning and the preservation of the UK's screen heritage. All these interventions deliver significant public benefit.

The BFI delivers public benefit and covers its operating costs utilising a mix of income drawn from the National Lottery, GiA, philanthropic activity and income from ticket and other sales, fees and charges. In setting both the overall strategy for the organisation as the lead body for film and the level of prices, fees and charges, the Governors have given careful consideration to accessibility to the activities funded by the BFI for those on low incomes.

A key part of our longer-term development strategy has involved providing free access to a wide range of the services we fund and those we run, for example, through the BFI Player, our Mediatheque and our websites, to free public screenings and broadcast partnerships. In addition to meeting our social responsibilities, the BFI also considers its impact on local communities, a diverse range of audiences, provides work experience and employment opportunities and works with schools, local authorities and many other organisations.

The BFI directly supports the distribution and exhibition of film through National Lottery funding and is also the UK's biggest distributor of world cinema – non-commercial film culture from all parts of the world. Both these interventions give the public access to a diversity of film culture which would not otherwise be available. The diversity of Britain's cultural life would be dramatically reduced without the BFI's interventions.

There are many ways in which the public accesses the BFI's work to ensure we deliver the maximum public benefit for our charitable resources. The BFI activities which deliver public benefit are described in more detail in the pages of this report.

Complaints

The BFI has in place a procedure for handling complaints and welcomes feedback from members of the public and representatives of other organisations.

During the year, the BFI received 170 complaints via its customer enquiry service (79 in 2020-21).

No complaints were accepted for investigation by the Parliamentary Ombudsman (0 in 2020-21 also).
In terms of summary:

	2021-22	2020-21
Number of complaints accepted for investigation by the Parliamentary Ombudsman in the Year	0	0
Number of investigations reported on by the Parliamentary Ombudsman in the Year and the percentage of those reports where the complaint was upheld in full, in part; or not upheld	In Full – 0 In Part – 0 Not Upheld – 0	In Full – 0 In Part – 0 Not Upheld – 0
Number of Ombudsman recommendations complied with and not complied with	N/A	N/A

Complaints and feedback helps the BFI to identify opportunities to make better use of their resources, or to deliver services in a more effective way.

If any customer is dissatisfied with a service that the BFI has provided or feel they have been treated unfairly, they may wish to make a complaint.

The Complaints Procedure explains how to provide feedback or to make a complaint and tells customers what they can expect from us if you do.

Depending on the area of activity, feedback and complaints will be handled slightly differently; however the BFI works to a set of standard guiding principles:

1. Feedback and Complaints are an important way for the BFI to be accountable to the public, as well as providing valuable prompts to review organisational performance and the conduct of people that work within and for it.

2. If the BFI has got something wrong, it will apologise and take prompt action to put the matter right. If it can resolve your complaint by clarifying its position, or explaining its decision making process it will do so.

3. Will be open and honest and ensure that customers are not disadvantaged in their future dealings as a result of the complaint.

4. Will respect privacy and ensure that complaints are treated confidentially.

The Complaints Procedure was reviewed in 2021-22, taking on board previous customer feedback, case analysis and considering best practice.

Environmental Sustainability

Environmental Sustainability

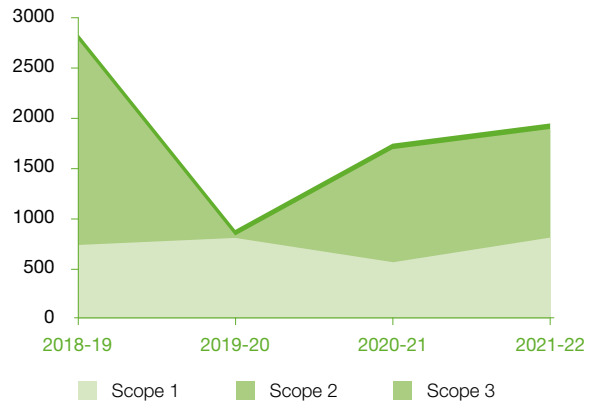
Greenhouse Gas Emissions

It is well known that greenhouse gas emissions have a strong correlation to activity. In 21-22 we were largely back to previous activity levels and therefore emissions have increased by 10% compared to 20-21 when the pandemic reduced our on-site activities. If we compare them against a baseline year of 2018-19 then we have reduced our total emissions (scopes 1, 2 and 3 in the table below) by 30%. This reduction has been achieved through estate capital investment in more efficient plant and the national grid becoming less reliant on fossil fuels.

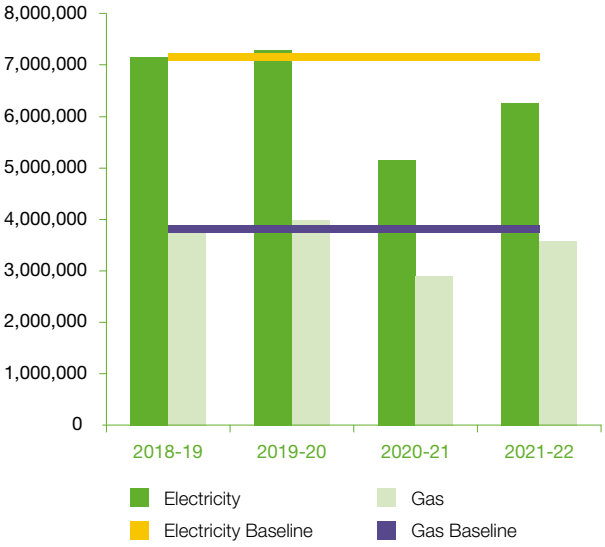
NB Scopes 1 and 2 refer to energy consumed on site and Scope 3 emissions are currently only travel. As an organisation we do not yet count the emissions from the majority of our suppliers and service providers.

Our absolute consumption of electricity and gas are down 11 and 4% respectively on the baseline year of 18-19. All of our electricity continues to be sourced on 100% clean renewable tariff. We look forward to seeing an estimated 3-4% reduction in KWh for our gas and electricity consumption next year realised from further plant upgrades and a solar array at Gaydon for which we have obtained planning permission.

Total $C0_2$ emissions (tCO_2e)



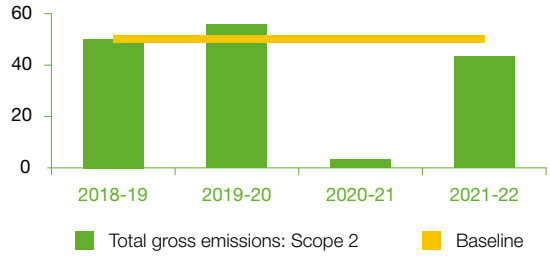
Electricity and Gas Use (kWh)



Business Travel

BFI Travel emissions were nearly back to previous levels and we continue to have a significant impact in this regard. We hope to realise some reduction on an ongoing basis with a hybrid home/office working model and reducing travel to our festivals and core programme.

Business Travel (tCo2e)

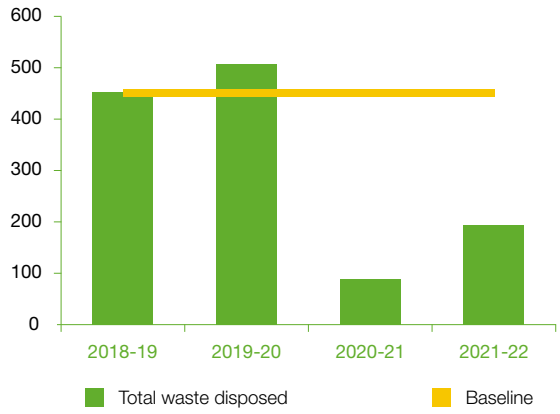


Waste (inc move to zero single-use plastic)

We have reduced waste output by 60% against 18/19 levels. We have installed water fountains in our public venue and head office to prevent the need to buy bottled water. We have also replaced hand towels in all locations apart from some at our venue where the noise is detrimental to our theatre experience. We have eliminated 90% of our single-use plastics; we no longer provide any plastic cups for drinks and our Food & Beverage partner has eliminated their single use plastics in all but the outside area of our bars.

Below is a graph of waste production over the last 4 years. Our average recycling rates are at approximately 70%.

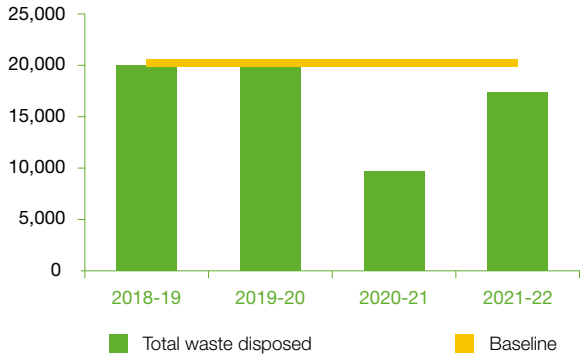
Waste Output (tonnes)



Finite Resource Consumption

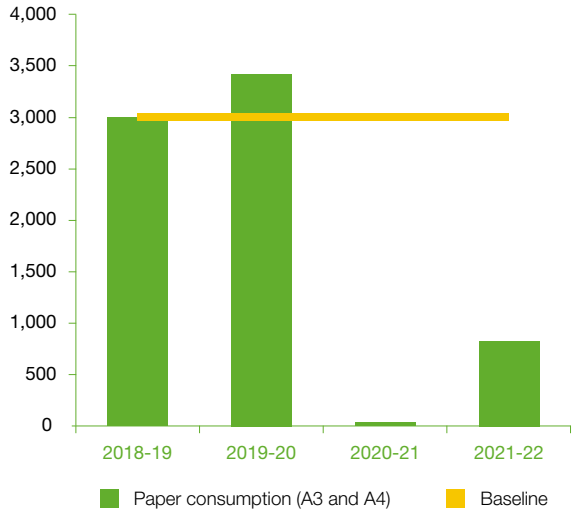
Water use has been relatively steady up until the last 2 years impacted by Covid-19. We expect the reduction in water consumption to be largely attributed to reduced activity at our venue and head office and in particular the bars and restaurants at BFI Southbank.

Water Consumption (m3)



Unsurprisingly, paper consumption has reduced considerably at our sites. Compared to a 2018-19 baseline we used 70% less. We expect this to increase next year with the resumption of our venue activities, in particular, our Education events.

Paper Use (reams)



Nature Recovery/ Biodiversity Action Planning

21-22 saw a good deal of activity in the field of biodiversity. We are fortunate enough to enjoy large green spaces at our archive sites in Warwickshire and Hertfordshire. To maximise biodiversity opportunities we have partnered with local wildlife trusts who have assessed our areas and made recommendations.

During 21-22 we have seen good progress:

- The installation of bird boxes (including swift boxes)
- 3 wildflower areas have been sewn
- Installation of bat boxes and roosts
- Planted 12 fruit and flowering trees
- Created ponds and enhanced existing ones

The majority of the physical work was carried out on site by volunteers.

Reducing Impacts from Digital Activities

During the year we carried out a piece of work to establish our approximate digital carbon footprint and where it is emanates from. The results showed that the vast majority of our emissions result from IT server activity. We are preparing to roll out Microsoft 365 across the organisation and this will result in great improvement as we move to more cloud-based servers.

How the BFI is governed

How the BFI is Governed

The BFI is governed by a Board of up to 15 Governors subject to the BFI's Royal Charter. The Governors, who are also the trustees of the Charity, now submit their annual report and the audited financial statements for the year ended 31 March 2022. In preparing the annual report and financial statements of the Charity, the Governors have adopted the Statement of Recommended Practice, Accounting and Reporting by Charities issued in February 2005 (SORP 2005).

Governors

Governors who were in post for at least part of the financial year 2021–22 or at the date of signing these accounts:

J. Timothy Richards (Chair)[1]
Michael Birshan
Monica Chadha[2]
Idris Elba OBE[3]
Gerry Fox[4]
Anwen Griffiths[5]
Jay Hunt
Elizabeth Karlsen[6]
Laura Miele[7]
Jonathan Ross OBE[8]
Romana Ramzan[9]
Robin Saunders[10]
Andrew M Smith OBE DL[11]
Phil Stokes[12]
Edgar Wright[13]
Scott Stuber[14]
Eleanor Whitley

Methods of Appointment

The Chair and Governors of the BFI are appointed by the Secretary of State for Digital, Culture, Media and Sport pursuant a process regulated by the Office of the Commissioner for Public Appointments. Governors are required to comply with the Principles of Public Life as described in the Cabinet Office Code of Conduct for Board Members of Public Bodies.

The Board of Governors reserves one place on the Board for a Member Governor. This appointment is subject to approval by the Board of Governors.

A Governor's term of office is normally four years. Pursuant to the BFI's Royal Charter, a Governor may only serve two terms in office. Newly appointed Governors receive a letter of appointment and induction documents which together address, amongst other things, duties, period of appointment, time commitment, remuneration, performance and their responsibilities and duties as Charitable Trustees. Governors have broad experience and expertise in the areas of film, television, the moving image generally, business and strategy and education. All Governors are part-time, unremunerated non-executives. The Board of Governors has corporate responsibility for:

- delivering the mission set out in the Royal Charter; delivering the BFI's charitable objectives; and developing the overall strategic direction of the BFI;
- ensuring that the BFI as a Non-Departmental Public Body complies with any statutory or administrative requirements for the use of public funds and to maximise value for money;
- ensuring that the BFI acts reasonably and prudently in all matters relating to its charitable status;
- appointment of the Chief Executive;
- ensuring that all BFI properties and assets are protected and effectively utilised in the pursuit of the BFI's overall mission;
- ensuring commercial activities are self-financing and aligned to the BFI core purpose and that these activities uphold fair trading standard requirements;
- ensuring that any fund-raising activity carried out on behalf of the BFI is properly undertaken and that all funds collected are properly accounted for;
- overseeing the delivery of planned results by monitoring performance against agreed strategic objectives and targets;
- ensuring that the BFI's rules for the recruitment and management of staff provide for appointment and advancement on merit on the basis of equal opportunity for all applicants and staff; and
- ensuring the board operates sound environmental policies and practices in accordance with the approach set out in the 1990 White Paper This Common Inheritance, the Government's green initiatives and other relevant guidance.

1 Appointed on 16 February 2021
2 Appointed on 8 April 2022
3 Term expired 24 May 2022
4 Reappointed as Member Governor on 24 February 2022 until 1 October 2022
5 Appointed on 10 May 2022
6 Appointed on 8 April 2022
7 Appointed on 8 April 2022
8 Term expired 24 August 2022
9 Appointed on 10 May 2022
10 Reappointed on 10 May 2022
11 Reappointed on 10 May 2022
12 Reappointed on 10 May 2022
13 Appointed on 8 April 2022
14 Appointed on 8 April 2022

Board Assessment

The Board undertakes a formal and rigorous evaluation of its own performance and that of its committees and individual Governors on a bi-annual basis.

Organisational Structure

The Board of Governors delegates specific responsibilities to its Committees. Recommendations made by Committees are presented to the Board as a whole for approval.

A brief description of each Committee and its function is given below:

Audit, Risk & Governance

This committee reviews the effectiveness of the processes, structures, and controls used to direct, manage and account for the financial and business affairs of the BFI. The Audit, Risk and Governance Committee consider all internal and external audit reports and recommendations.

Finance

This Committee is responsible for overseeing the budgetary, assurance and value for money processes within the BFI.

Remuneration

This Committee determines and keeps under review the levels of pay, and the terms and conditions of service, for the Chief Executive and other senior managers.

Composition of the Committee during the year was:

Audit, Risk & Governance

Phil Stokes (Chair)
Andrew M Smith OBE DL
Charles Cecil MBE (co-opted)
Sukie Kooner (co-opted)

Finance

Michael Birshan (Chair)
Robin Saunders
Phil Stokes (co-opted)
Andrew Coates (co-opted)[15]
Lara Naqushbandi (co-opted)[16]

Remuneration

J. Timothy Richards (Chair)
Michael Birshan
Phil Stokes

The Secretary to the Board of Governors and its committees is Iain Thomson.

Board of Governors Attendance 2021-22

The number of BFI Board meetings held in the 2021-22 financial year was 9 and the Governors' attendance records were as follows:

		%
J. Timothy Richards (Chair)	9 of 9	100
Michael Birshan	9 of 9	100
Monica Chadha	0 of 0	n/a
Idris Elba OBE	0 of 9	0
Gerry Fox	2 of 2	100
Anwen Griffiths	0 of 0	n/a
Jay Hunt	8 of 9	88
Elizabeth Karlsen	0 of 0	n/a
Laura Miele	0 of 0	n/a
Jonathan Ross OBE	1 of 3	33
Romana Ramzan	0 of 0	n/a
Robin Saunders	8 of 9	88
Andrew M Smith OBE DL	9 of 9	100
Phil Stokes	9 of 9	100
Edgar Wright	0 of 0	n/a
Scott Stuber	0 of 0	n/a
Eleanor Whitley	8 of 9	88

All Governors are required to complete a declaration of any potential related party interests – and details of any transactions with these related parties is reported in note 30 of the Charity and Group financial statements.

Audit, Risk and Governance Committee Attendance 2021-22

The number of Audit Risk and Governance Committee meetings held in the 2021-22 financial year was three and the members' attendance records were as follows:

Phil Stokes (Chair)	3 of 3
Andrew Smith	3 of 3
Sukie Kooner (Non-Governor Member)	3 of 3
Charles Cecil MBE (Non-Governor Member)	2 of 3

[15] Appointed 14 June 2022

[16] Appointed 14 June 2022; resigned 20 October 2022.

Executive

The Board of Governors employs a Chief Executive, Ben Roberts, who was appointed in December 2019. Ben leads an executive team that during the year consisted of:

Ben Roberts	Chief Executive
Harriet Finney[17]	Deputy Chief Executive and Director of Corporate and Industry Affairs
Alyson Hagan[18]	Director of Finance, People and Business Operations
Ed Humphrey[19]	Director of Digital and Ventures
Arike Oke[20]	Director of Knowledge and Collections
David Parkhill[21]	Director of Finance and Resources
Heather Stewart[22]	Creative Director of BFI
Neil Williams[23]	Director of Technology and Digital Transformation
Jason Wood[24]	Director of Programmes and Audiences
Francesca Vinti[25]	Director of Fundraising and Enterprise

The Executive makes day-to-day management decisions on behalf of the Board of Governors under the Financial Procedures approved by the Board.

Better Payment Practice Code

The BFI attempts to abide by the Better Payment Practice Code and in particular to settle bills in accordance with contract. Invoices are normally settled within our suppliers' standard terms, which are typically in line with our standard 30 day terms. The average payment terms taken were 19 days (2021: 30).

Data Protection

- Received and managed 146 requests
- Ongoing advice relating to data protection was provided as and when required to numerous departments

17 Appointed to new role on 12 November 2021.
18 Appointed 20 September 2021.
19 Contract ended 31 March 2022.
20 Appointed 4 January 2022.
21 Retired 31 October 2021.
22 Resigned 31 December 2021.
23 Appointed 7 February 2022.
24 Appointed 28 February 2022.
25 Appointed to new role on 12 November 2021.

Speaking Up Policy and Procedure

Included within the updated Financial Procedures Manual (2018) is a Speaking Up (Whistleblowing) Policy & Procedure – the BFI is committed to the highest possible standards of openness, probity and accountability. The purpose of this policy is to encourage reporting of suspected wrongdoing and provide clear guidance on: (i) the steps staff should take if they have concerns; (ii) how staff raising concerns will be supported; and (iii) what will happen after such concerns are raised. This policy also seeks to reassure staff that they should be able to raise genuine concerns without fear of reprisals, even if they turn out to be mistaken.

This policy was been consulted upon with our recognised trade unions and is in line with the BFI's legal obligations. It covers all BFI staff plus other workers such as consultants, contractors, and agency workers.

Disclosure of information to the auditors

So far as the Accounting Officer and each person who was a Governor at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow Governors, the Chief Executive and the Group's auditor, each Governor/ Accounting Officer has taken all the steps that he/she is obliged to take as a Governor/Accounting Officer in order to make himself/herself aware of any relevant information and to establish that the auditor is aware of that information.

The Remuneration Committee

The Board of the BFI is responsible for determining the remuneration of the Chief Executive and senior staff. In the year ending 31 March 2022, it discharged this responsibility through the cycle of Board meetings.

In addition the Board is supported by the Remuneration Committee which meets annually (or further if required) to review and set senior salaries, authorised within its terms of reference, to obtain independent professional advice if considered necessary. The meeting for 2021-22 was held on 8 July 2021. The Remuneration Committee comprises of a Chair, who is also Chair of the BFI Governors, and up to 2 other members of the Board or co-opted members, who are each appointed for a period of up to three years.

The members during the year were:

J. Timothy Richards
Michael Birshan
Phil Stokes

Remuneration Framework

Governors are not entitled to draw any remuneration for their time spent working as a Trustee of the BFI, although they are entitled to reimbursement of expenses incurred in discharging their duties.

In determining appropriate levels of remuneration for senior staff, the BFI follows the Government's policy to maximise value for money by paying enough to attract and retain suitably qualified senior staff, and salaries are based on the minimum required to recruit, retain and motivate senior staff of appropriate calibre.

All staff including the Chief Executive, are entitled to membership of the BFI staff pension scheme (either Local Government Pension Scheme (LGPS) operated by the London Pension Fund Authority (LPFA), which is a defined benefit scheme, or a defined contribution scheme operated by Legal and General, depending on start date). Further details of the schemes can be found in note 8 to the BFI Group financial statements.

The staff pay bill for each year is subject to review by the Finance Committee, the Board of Governors and the DCMS, under HM Treasury guidelines and limits for public sector pay.

Appointments of Board of Governors

The Chair and Governors of the BFI are appointed by the Secretary of State for Digital, Culture, Media and Sport in accordance with Cabinet Office's Governance Code on Public Appointments. Governors are appointed for a term of not more than four years, with one Governor being elected by the membership of the BFI. Governors may stand for two successive terms of office. There is no period of notice required for resignation from the Board.

No members of senior management were employed under fixed term contracts as at 31 March 2022. The period of notice required for termination of contract is no greater than six months.

Remuneration Report – Audited Information

Governors' remuneration

No Governor drew any remuneration in the year. No payments were made in the year for services (2021: £nil). As part of their oversight duties as Trustees, copies of all books and DVD/Blu-Ray releases published by the BFI during the year are made available to all Governors.

Senior Staff Remuneration

"Total remuneration" reported below comprises salary, bonuses and accrued pension benefits and thus should not be equated to take home pay. Because of the combination of all these factors the annual movement in "total remuneration" is not a simple reflection of any cost of living award (COLA).

"Total salary" is in bandings, and depending on where a staff member is in the bandings, the organisational COLA may tip some roles into a higher band.

Senior staff are members of the same pension schemes and on the same terms as staff, and all staff who are members of the defined benefit Local Government Pension Scheme (LPFA) accrue pension benefits on the same basis.

"Pension benefits accrued during the year" as noted above indicates how an individual's total accrued pension benefit has moved in a year by taking the increase in benefits relative to that year and assessing the total value assuming they are paid over a typical twenty years of retirement.

In the year to 31 March 2022, not all senior staff were members of the LPFA defined benefit scheme.

The increase in pension benefits for senior staff who are members of the LPFA arise from three sources:

- BFI LPFA pension contributions of 15.4% of salary
- Employee pension contributions of between 5.5% and 11.4%. Higher paid staff contribute at a higher rate although not receiving any additional benefits
- LPFA projected investment returns (dividends, capital appreciation etc.)

The pension benefits accrued during the year are calculated by:

- Calculating the annual pension due on retirement plus lump sum benefit (if any) at the 31 March 2022
- Re-calculating the equivalent figure from 31 March 2021 and applying the Consumer Price Index (CPI) in order to show the "real" movement after inflation; and then
- Multiplying the change in value in pension by 20 (i.e. assuming a 20 year retirement period).

Year on year the main distorting factor is CPI - as the impact of changes in CPI is greater the longer the period of service and thus the benefit accrued.

Depending on the underlying LPFA assumptions and the age of the individual on a year by year comparison the pension benefits accrued during the year can be an increase or a reduction compared to that of the prior year.

Remuneration (including pension benefits) for the senior staff for the year:

Senior Staff Remuneration (continued)

	Total salary for the year ended 31 March 2022 (2021)	Bonuses attributable for the year ended 31 March 2022 (2021)	Benefits in Kind for the year ended 31 March 2022 (2021)	Pension benefits in the year ended 31 March 2022 (2021)	Total remuneration for the year ended 31 March 2022 (2021)
	£'000	£'000	Nearest £100	£'000	£'000
Ben Roberts CEO and Accounting Officer	145-150 (150-155)	- (-)	100 (100)	20-25 (25-30)	170-175 (175-180)
Harriet Finney Deputy CEO	125-130 (115-120)	- (-)	100 (100)	N/A (N/A)	125-130 (115-120)
Francesca Vinti Director of Development	115-120 (105-110)	- (-)	100 (100)	45-50 (35-40)	165-170 (145-150)
New appointments:					
Alyson Hagan Director of Finance, People & Business Operations[1]	55-60 (-)	- (-)	100 (-)	N/A (N/A)	55-60 (-)
Arike Oke Director of Knowledge and Collections[2]	25-30 (-)	- (-)	100 (-)	N/A (N/A)	25-30 (-)
Neil Williams Director of Technology and Digital Transformation[3]	15-20 (-)	- (-)	100 (-)	N/A (N/A)	15-20 (-)
Jason Wood Director of Public Programme and Audiences[4]	10-15 (-)	- (-)	100 (-)	N/A (N/A)	10-15 (-)
Departures:					
Amanda Nevill CEO and Accounting Officer[5]	- (10-15)	- (-)	- (-)	- (5-10)	- (15-20)
David Parkhill Director of Finance and Resources[6]	85-90 (125-130)	- (-)	100 (100)	20-25 (40-45)	110-110 (170-175)
Heather Stewart Creative Director[7]	90-95 (390-395)	- (-)	100 (100)	N/A (35-40)	90-95 (430-435)
Ed Humphrey Director of Digital and Ventures[8]	115-120 (195-200)	10-15 (10-15)	100 (100)	70-75 (20-25)	205-210 (230-235)

1 Appointed 20 September 2021. The full year equivalent salary is £115-120,000

2 Appointed 4 January 2022. The full year equivalent salary is £115-120,000

3 Appointed 7 February 2022. The full year equivalent salary is £115-120,000

4 Appointed 28 February 2022. The full year equivalent salary is £115-120,000

5 Resigned 14 February 2020. The full year equivalent salary is £150-£155,000. The remuneration in 2020-21 reflects the amounts due relating to the three month notice period.

6 Retired 31 October 2021. The full year equivalent salary is £130-135,000

7 Contract ended 31 December 2021. The full year equivalent salary is £125-130,000. Prior year includes the accrued termination payment of £265-270,000.

8 Contract ended 31 March 2022. The full year equivalent salary is £115-120,000. Prior year includes the accrued termination payment of £75-80,000.

Senior Staff Remuneration (continued)

Pension contributions during the year were made to defined contribution schemes for:

	Contributions paid	
	2021-22	2020-21
Harriet Finney Director of External Affairs	9,018	8,499
Alyson Hagan Director of Finance, People & Business Operations [1]	1,938	-
Arike Oke Director of Knowledge and Collections [2]	-	-
Neil Williams Director of Technology and Digital Transformation [3]	-	-
Jason Wood Director of Public Programme and Audiences [4]	-	-

Included in the above is remuneration for senior staff in the year which is attributable to lottery for the year ending 31 March 2022. This is recharged as part of our lottery funded operations and thus contained within expenditure in the Lottery Financial Statements for the year ending 31 March 2022.

43% of the remuneration for Ben Roberts, David Parkhill and Alyson Hagan has been attributed to lottery for the year (2021: 44%) with the proportion of total income attributed to lottery being used as the baseline.

Benefits in kind

All members of BFI staff are entitled to receive: up to £100 contribution towards gym membership per annum; up to 12 free tickets per month at the BFI Southbank cinemas; staff discounts on purchases at the BFI Southbank's Film Store and Benugo café and restaurant and the BFI London IMAX, ranging from 10-70%; and interest free loans for travel season tickets, bicycle and computer purchases and dental treatment. Staff whose contracts transferred from UKFC may opt to receive a contractual payment of £250 for cinema tickets per annum in place of the BFI Southbank ticket entitlement. Staff on BFI contracts receive a monthly copy of Sight and Sound.

Senior staff pension arrangements

The following senior staff were members of the LPFA scheme at 31 March 2022 (or leaving date, if earlier):

	Real increase in accrued pension benefits 2021-22	Attributable pension accrued at 65 at 31 March 2022 (or date left the BFI if earlier)	Cash Equivalent Transfer Value (CETV) as at 31 March 2021	CETV as at 31 March 2022 (or at date left the BFI if earlier)	Real increase in CETV after adjustment for inflation etc. in 2021-22
	£'000	£'000	£'000	£'000	£'000
Ed Humphrey Director of Digital and Ventures[8]	5-10 (lump sum; 0-2.5)	15-20 (lump sum; 0-5)	115	186	70-75
David Parkhill Director of Finance and Resources[6]	0-2.5 (lump sum; 0-2.5)	20-25 (lump sum; 0-5)	331	348	15-20
Ben Roberts CEO and Accounting Officer	0-2.5 (lump sum; 0-2.5)	20-25 (lump sum; 0-5)	211	227	15-20
Heather Stewart Creative Director[7]	N/A (lump sum; N/A)	N/A (lump sum; N/A)	1,251	N/A	N/A
Francesca Vinti Director of Development	2.5-5 (lump sum; reduction 0-2.5)	30-35 (lump sum; 15-20)	462	519	50-55

These staff cover both Lottery and Grant-in-Aid and other funded activities.

The accrued pensions are the amounts eligible at retirement if the staff member left service at the relevant date. The transfer values do not represent a sum paid or payable to the individual, but rather a potential liability of the pension scheme. They have been calculated using assumptions certified by a qualified actuary.

Senior staff numbers and costs

The number of senior staff by number and band (core salary plus any bonus) is: Chief Executive and other executive staff at 31 March 2022:

Salary Banding	2022 (Number)	2021 (Number)
£150,000 – £159,999	–	1
£140,000 – £149,999	1	–
£130,000 – £139,999	1	1
£120,000 – £129,999	5	2
£110,000 – £119,999	–	2
£100,000 – £109,999	–	–
£90,000 – £99,999	–	–
£80,000 – £89,999	–	–

Other senior staff during the year:

Salary Banding	2022 (Number)	2021 (Number)
£100,000 – £109,999	4	1
£90,000 – £99,999	8	7
£80,000 – £89,999	18	17
£70,000 – £79,999	14	19
£60,000 – £69,999	27	23

Staff number and costs (including on-costs)

	2022		2021	
	Number	£'000	Number	£'000
Average no of permanent staff during the year	547	33,160	497	29,716
Average no of other staff engaged on objectives of the organisation	7	413	7	421

Termination payments

The termination payments payable to employees were:

Cost of redundancies (as per BFI's agreed)	Number of compulsory redundancies		Number of voluntary redundancies		Total	
	2022	2021	2022	2021	2022	2021
<£10,000	–	–	–	–	–	–
£10,000-£25,000	–	–	3	–	3	–
£25,000-£50,000	–	–	2	1	2	1
£50,000-£100,000	–	–	–	2	–	2
£150,000-£200,000	–	–	–	–	–	–
£201,000 >	–	1	–	–	–	1
No of exit packages	–	1	5	3	5	4
Cost £'000	–	269	120	202	120	471

Hutton Review of Fair Pay

The BFI is required to disclose the relationship between the remuneration of the highest-paid member of the Executive team of their organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the Chief Executive Officer in the financial year was £145,000-£150,000 (2021: £150,000-£155,000).

Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

The range of remuneration was £21,000-£150,000 (2021: £23,000-£151,000).

Year	25th percentile pay / ratio	Median pay / ratio	75th percentile pay / ratio
2021-22	£28,728 / 5.1	£35,622 / 4.1	£44,163 / 3.3
2020-21	£28,728 / 5.3	£35,622 / 4.3	£44,163 / 3.5

The median pay; upper and lower quartiles did not change compared to 2020/21, as the majority of staff did not receive a pay award, other than the lowest paid receiving the 1.9% increase in the London Living Wage, with effect from 1 November 2021. The highest paid director's remuneration was reduced by 3.3%.

Remuneration Report – Unaudited Information

Diversity and Inclusion

The BFI is committed to supporting and promoting diversity and inclusion through all our people activities and approaches during our employee's life cycle.

Our profile and our action plan:

Our range of initiatives are externally published within our gender pay gap action plan on our own website and on the Government's Gender Pay Gap reporting site, as we recognise the intersectionality of our people.

Our reported gender pay gaps (in favour of men) are:

	Mean Pay Gap	Median Pay Gap	Female %	Male %
31-03-22	2.4%	0%	53.5%	45.5%
31-03-21	3.1%	0%	54.6%	45.4%
31-03-20	1.9%	0%	52.6%	47.4%
31-03-19	-0.02%	3.9%	53%	47%

Our Profile as at 31 March 2022:

	Self-identified (31-03-22)	Self-identified (31-03-21)	Self-identified (31-03-20)	Our Data Gaps (2022)	Our Targets
Disability	9.8%	8.6%	9.0%	12.2%	18%
Ethnicity (Ethnically diverse)	19.5%	16.7%	16.2%	0.6%	40% in urban areas; 37% overall
Sex (Women)	52.6%	54.6%	52.6%	0%	50%
Sexual Orientation (LGBTQIA+)	16.7%	13%	13.6%	21.4%	10%

We are working to close our data gaps to ensure that our reporting better reflects who we are and that our initiatives both target support for our current people and help us to improve our representation across the BFI. Our targets in our under represented areas are designed to challenge us to find innovative ways to meet them within a low core turnover (unplanned approx. 11% in 2021-22).

Off Payroll Consultancy Engagements

During the year ended 31 March 2022 the BFI had 15 off payroll engagements totalling £592,000 (2021: 11 totalling £447,000) for more than £245 per day (2021: £245 per day), that lasted longer than 6 months and amounted to £20,000 or more. These have been subject to a risk based assessment as to whether assurance is required that individuals are paying their correct tax and, where necessary, that assurance has been sought.

Our 2021- 22 People Initiatives included:

- We continued our support of BFI people through the COVID-19 pandemic ensuring the furlough scheme was accessed to protect jobs and looked for redeployment opportunities around the organisation for people in departments that were slower to re-open.

- We continue to pay the London Living Wage plus a differential as a minimum to all employees across the BFI (including c20% of our people based outside of the London area).

- Internal staff networks have been established BFI Race Equality Network and BFI Queer Network.

  We have a target of 15% for ethnically diverse senior management, and currently 11.5% of our senior management team have told us they are ethnically diverse. We work with the following recruitment sites to encourage ethnically diverse candidates: We Are POCC; and SocialFixt.

- We appointed a Race Equality Lead and Disability Equality Lead within the Inclusion team to deliver initiatives to support areas of historic underrepresentation.

- We began planning work with the What If… Experiment to start our anti-racism journey.

- We guarantee a 1st stage interview to all ethnically diverse candidates who meet our minimum requirements person specifications which mirrors our approach to D/deaf/disability as a Disability Confident employer.

- We encourage women returners (and support all working parents) we operate a generous childcare scheme, supported by flexible working practices (for all) and provide shared parental leave on enhanced terms.

- We provide an Employee Assistance Programme that is frequently used by employees for advice and support on a wide range of life and work topics.

- We operate ‘blind’ recruitment at our shortlisting stage to advertise roles. Our person specifications for each role are based on ‘minimum requirements’ of the competencies needed for the role to avoid creating any unnecessary barriers. We are a Disability Confident employer, accredited by Jobcentre Plus. In addition to guaranteeing an interview to applicants with a disability who meet our minimum requirements for a role we also operate the same approach for ethnically diverse candidates.

- We are long serving Stonewall Champions.

- D&I workforce targets are in place for each Executive.

- Director to own and action plan their delivery. We are founding members for our sector of the global Employer’s Network for Equality and Inclusion and represent on the Executive Steering Committee.

COVID-19

Continuing to react to government requirements and fluctuating infection rates has been a challenge. A considerable amount of time and effort has gone into ensuring our sites are safe to operate within COVID Secure guidance and the subsequent relaxations. We have regularly met with operational teams and the joint unions to agree and implement COVID secure procedures. Measures implemented included, calculation of maximum occupancy of areas at requisite social distancing, installing barriers and divides, enhanced cleaning and improvements to ventilation. We have provided employees with face coverings and clinical grade masks, installing body temperature monitoring for all sites and purchasing lateral flow tests for employees and contractors attending site.

Mental Wellbeing

Mental Wellbeing has been at the forefront of communication across the BFI during what has been a very difficult time for many.

Key successes of our 2021/22 wellbeing programme were:

- We ran another Mental Health First Aider training session to increase the number of MHFA's we now have a pool of over 30 MHFA's.
- Wellbeing Working group has been set up to drive our Wellbeing strategy and look at improvement to our wellbeing benefits.
- Ran an online nutrition session.
- Regular communication signposting internal and external support available.
- Extra webinars focusing on Suicide Prevention and World Mental Health day were offered by our EAP service.

Occupational Health Usage

There were 19 management referrals to Occupational Health in 21/22 which is up by 5 from last year. Around 40% of our sickness referrals to occupational health are mental health related. We continue to work with our OH providers to adjust workplaces and working patterns to get people back to work.

Around 200 new starters (including festivals temporary staff) were health screened prior to starting their new roles at the BFI.

Employee Assistance Programme

Workplace Options was contracted to provide the BFI's EAP service. It provided staff and their immediate families with support on a broad range of work-life issues. Utilisation of the service has decreased this year to 8.78% compared to 14.13% last year. It is surprising to see such a reduction in uptake of this support service but it's possible that the additional support and flexibility given to BFI people during the Pandemic reduced the need for this service.

The service provided counselling (inc. face-to-face, telephone and online) which 35 people took up in 2021/22. The broader work-life sessions that include legal assistance, financial advice and career coaching totalled 6. Out of the 35 clinical cases, 7 were classed as workplace concerns. More general information was sought an additional 853 times through our EAP provider via web visits.

Training

Training continues to be an important aspect of our health, safety and wellbeing strategy and this has been delivered entirely online this year.

Members from Technical, FOH and the facilities team completed an on-line Managing Safely. Our Mental Health First Aiders took part in a MHFA refresher.

In 22-23 we will revamp our e-learning offer to ensure our staff have basic awareness of fire safety, mental health, agile working and environmental issues.

Corporate Information

Corporate Information

British Film Institute

The British Film Institute is incorporated by Royal Charter and is registered in England and Wales as a charity, number 287780.

Registered Office: 21 Stephen Street, London W1T 1LN
www.bfi.org.uk

Auditor
Comptroller and Auditor General National Audit Office
157-197 Buckingham Palace Road, London SW1W 9SP

Bankers
Lloyds Bank plc
113-117 Oxford Street, London W1D 2HW

Internal auditors
BDO
150 Aldersgate Street, London, EC1A 4AB

Solicitors
Farrer & Co
66 Lincoln's Inn Fields, London WC2A 3LH

Approval of Annual Report
This annual report includes information that the BFI is required to disclose in accordance with the Government Financial Reporting Manual (FReM) and accounts direction in a Strategic Report for the National Lottery activities. A separate report has therefore not been prepared.

The Annual Report, including the Remuneration Report, was approved by the Board of Governors for signature on 16 January 2023.



Phil Stokes
Governor



Ben Roberts
Chief Executive

Governance Statement

Governance Statement

Scope of Responsibility

How the BFI is governed is covered on pages 82 to 95. The Board of Governors is aware of the requirements of the HM Treasury Corporate Governance Code and work is continuing to ensure compliance.

As Accounting Officer and as Chair of the Board of Governors, we have responsibility for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives set by the Department for Digital, Culture, Media and Sport (DCMS), whilst safe-guarding the public funds and the British Film Institute's (BFI) assets for which we are responsible in accordance with the responsibilities assigned to us in Managing Public Money and as Trustees of the Charity. The BFI complies with the HM Treasury Corporate Governance Code to the extent relevant to a Charity and National Lottery distributing body.

We also have responsibility, as defined in the BFI's Funding Agreement with the DCMS and the Management Statement and Financial Memorandum, for leading and managing the work of the BFI to fulfil its policies, aims and objectives, and upholding its values. The Accounting Officer reports to the Board of Governors of the BFI and we formally meet regularly with DCMS.

The purpose of the system of internal control

The system of internal control is designed to manage to a reasonable level rather than to eliminate the risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of BFI policies, aims and objectives, to evaluate the likelihood of those risks being realised and should they be realised, to manage them efficiently, effectively and economically. The system of internal control includes adequate arrangements for detecting and responding to inefficiency, conflict of interest and fraud, and prioritises those risks associated with the custody of assets and potential loss of Exchequer and National Lottery grants. The system of internal control has been in place for the year ended 31 March 2022 and up to the date of approval of the annual report and financial statements, and accords with Treasury guidance.

Capacity to handle risk

As Accounting Officer and Chair of the Board of Governors we have overall responsibility for the BFI's risk management framework, and are supported in its implementation by the Senior Management Team and staff who are trained and equipped to assess and manage risk in a way appropriate to their authority and duties. Attendance at Board of Governors meetings in 2021-22 is detailed at page 84.

The Audit, Risk and Governance Committee, chaired during the year by Phil Stokes, gives independent advice and guidance to us, in our roles as Accounting Officer and Chair, and to the Board of Governors as a whole, on the adequacy of audit arrangements (both internal and external), on the implications of assurances provided in respect of risk and control at the BFI and oversees the work of the internal auditors, as well as providing guidance as to best practice. Attendance at Audit, Risk and Governance Committee meetings in 2021-22 is detailed at page 84.

The Remuneration Committee provide oversight and approval of remuneration and performance for senior staff members including the Accounting Officer.

Further advice and guidance as to best practice is received from the internal and external auditors (who attend meetings of the Audit, Risk and Governance Committee), the DCMS, and other comparable organisations.

Terms of reference for the Audit, Risk and Governance Committee and the Remuneration Committee are reviewed by the Board of Governors and are held by the Board Secretary.

The risk and control framework

A risk management policy has been established setting out the BFI's attitude to the assessment, limitation and mitigation of risk in the achievement of our objectives.

The BFI has incorporated risk management in planning and decision making and maintains an organisation-wide risk register. Policy and operational risks both in the organisation and from external factors are identified through our business planning cycle and the annual operational planning cycle, and are evaluated by the Executive Team. We also consider the risks associated with holding and safeguarding information for operational or financial reporting purposes.

As at 31 March 2022 the risk register as noted by the Executive Team included 39 corporate risks; these were considered as either time-sensitive or perennial risks.

The most significant are:

Risk	Mitigation
Generated income depressed due to slow COVID recovery with customer activity reduced	Maximise all income streams Minimise expenditure Discuss with Government any additional support available
BFI operations compromised due to staff absence/ availability resulting from increased COVID infection rates	Operational Plans in place for key activities, notably for the Archive and the BFI Southbank
Period of uncertainty and change with changing Board of Governors membership and new Executive Directors	Plans in place to ensure change is managed effectively and efficiently
BFI operations compromised due to various current market conditions – inflation, winter shortages, cargo delays, energy price increases, Personnel and Skills shortages – negatively impacts on BFI operations	Identification and review of key aspects undertaken with a number of key actions identified
BFI digital and online business compromised including disruption and/or financial loss and/or loss of personal data and/or intellectual property	BCP in place; Counter Fraud Policy and Procedures in place; close working with Cabinet Office and DCMS on counter fraud activities; working with DCMS on the BFI's Counter Fraud Functional Standard activities; Cyber Essentials membership gained; Data Security protocol established; implement encrypted USB's for key users; run staff awareness workshop(s) to advise of issues
Loss of key staff results in key areas of knowledge and expertise	Succession planning in place but to be updated and reviewed as part of Budget Review process

Risk management and internal control are embedded in the processes of the organisation and are considered and reviewed on a regular basis by management. For example, the National Lottery Finance Committee (LFC), who ultimately sign off on National Lottery commitments, consisted of representatives of the relevant fund, finance and business affairs and was independently chaired by the Accounting Officer or the Director of Finance and Resources. Any perceived risks arising in making an award were thus discussed at the time the funding decision was made and appropriate mitigating action taken, whilst allowing decision-making, oversight and control to be maintained of the decisions by the respective funds. The committee was updated on the progress of the funded projects to allow timely action to mitigate risks, protect funds and ensure that the ultimate purpose of the award is fulfilled.

For the regularly funded organisations, such as Creative England, Film London and Into Film, alongside regular oversight and monitoring, a series of regular formal governance meetings were held with the recipients throughout the year to discuss progress against key performance and risk indicators incorporated in their business plans and funding agreements.

The work of the BFI's internal audit service, provided by BDO (formerly Moore Stephens), operated to standards set out in the Public Sector Internal Audit Standards was developed from an analysis of BFI's UK exposure.

In 2021-22 internal audit reports covered:

- Working with Government (2 part)
- BFI Network
- Collections and Information
- Transformation Programme
- Risk Management
- Key Financial Systems (Payroll)
- Grant Maturity Self-Assessment
- Global Screen Fund (2 part)
- Culture Recovery Fund and PEA

The analysis of risk and the internal audit plans are endorsed by the BFI's Executive Team, the Audit, Governance and Risk Committee and are approved by the Accounting Officer.

In line with Cabinet Office guidance in relation to information risk, the Finance Director is the Senior Information Risk Owner. Working with the Internal Auditor, all the systems and databases operated by the BFI are kept under review and periodic updates provided to the Audit, Governance and Risk Committee.

In addition, the BFI has in place a wide range of policies, for instance relating to corporate governance, conflicts of interest, financial management (including fraud), health and safety, training and development and information technology. These are periodically reviewed and updated.

The internal communications process ensures that all staff are informed about key decisions on a timely basis through appropriate means. There is also an external communications strategy that ensures stakeholders, Parliament, press, funded organisations and projects, the industry at large, and members of the general public receive appropriate and reliable information.

Progress in achieving objectives set in the strategic plan is monitored by the Board and Senior Management. The Board receive appropriate regular financial reporting, enabling monitoring against financial targets.

Review of effectiveness

The Board is responsible for considering its performance and reviewing its effectiveness, including assessing the quality of the information it receives on an ongoing basis, and judging that it is of a satisfactory standard. Papers and reports are concise, relevant and timely. The Governors receive appropriate updates on the BFI's financial positions, forecasts, risks and performance against strategic goals at their scheduled meetings.

As Accounting Officer and Chair of the Board of Governors, we have responsibility for reviewing the effectiveness of the system of internal control. Our review is informed by the work of the internal auditors and the Senior Management within the BFI who have responsibility for the development and maintenance of the internal control framework, and comment made by the external auditors in their management letters and other reports. We have been advised on the implications of the results of our review of the effectiveness of the system of internal control by the Board and the Audit, Risk and Governance Committee, and a plan to address any weaknesses and ensure continuous improvement is in place.

In respect of risk management the responsibilities of the Executive Team are to:

- manage risk in their own areas of responsibility through the implementation of risk mitigation processes and by following the BFI's risk policy;
- translate the risk register into day-to-day operational planning within teams; and
- report to the Accounting Officer on the status of risks and controls.

The Board receives reports from the Chair of the Audit, Risk and Governance Committee, and from the Accounting Officer and managers, on the steps taken to manage risks, including progress reports on key activities and projects, as well as on new risks that may arise both internally within the organisation and due to external factors such as the political and economic environment of both the industry and the public sector.

The Internal Auditor provides audit reports on the areas of activity within the BFI. The reports include the Internal Auditor's independent opinion on the adequacy and effectiveness of the BFI's system of internal control during the year together with recommendations for improvement.

At the Audit, Risk and Governance Committee meeting on 19 July 2022, the Internal Auditors gave their annual opinion. They concluded that there was an adequate and effective system of governance, risk management and internal control to address the risk that management's objectives are not fully achieved.

We take assurance from assessment of the risk register, from the business and budget planning cycle, from the decision approval and operational procedures and from the reviews of, and assurance received from, delegate bodies that appropriate risk management procedures are in place.

Additionality

National Lottery applications and assessment processes are designed to ensure that awards made will be in line with the achievement of policies, aims and objectives set by the DCMS and the mission and values of the BFI, as well as the requirements of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998). The BFI considers that National Lottery funding is distinct from government funding and adds value. Although it does not substitute for Exchequer expenditure, where appropriate it complements government and other programmes, policies and funding.

We can confirm that in our opinion:

- the BFI complies with its current Financial Directions, Funding Agreement, Management Statement and Financial Memorandum and the requirements of a Charity;
- the BFI complies with DCMS guidelines as issued to it, including obtaining relevant approvals and observing the requirements of spending controls;
- adequate audit arrangements, both internal and external, are in place to support us in reviewing the systems of internal control;
- adequate arrangements are in place to detect and respond to inefficiency, conflicts of interest and fraud and to minimise losses of National Lottery and other funds;
- the BFI has drawn up and maintains risk assessment and control procedures and risk registers;
- the BFI has complied with Cabinet Office guidance on information risk and has suffered no protected personal data incidents during 2021-22 or during previous years, and has made no reports to the Information Commissioners Office; and
- adequate systems of internal control were operational during the year and no significant weaknesses have been uncovered.

The BFI will continue to strive to improve the systems of internal control in place in relation to its management, and processes to maximise our operational efficiency as a National Lottery Distributor.



Phil Stokes,
Governor



Ben Roberts,
Chief Executive

Functional Standards

During the year, the BFI prioritised it's approach to the Government's review of its Departments and ALBs in relation to each of the 14 standards that is:

By the end of March 2022, all central government departments and their arm's length bodies should have a plan in place to comply with each functional standard in a way that meets its business needs and priorities. Use of the standards should be embedded into each organisation's business plans for 2022-23 onwards. Statements about use of functional standards should be included in annual reports and, where relevant, Accounting Officer system statements

In the year, the BFI has:

- a Senior Responsible Officer (SRO) identified for each standard;
- undertaken a review against the Mandatory elements;
- set out a plan for a review of each standard which is an annual requirement and will be set as a priority in the respective directorate annual business plan; and
- as part of the annual Internal Audit plan, when an activity is part of the plan the Terms of Reference will include an objective that the activity is meeting the relevant Functional Standard; in addition, for those activities not part of the annual internal plan, at least one Functional Standard area will be included as a stand-alone (internal audit) review.

Group Financial Statements

STATEMENT OF GOVERNORS AND ACCOUNTING OFFICER'S RESPONSIBILITIES

Under both the Royal Charter and the National Lottery etc Act 1993 (as amended by the National Lottery Act 1998), the BFI is required to prepare a statement of accounts for the financial period in the form and on the basis directed by the Secretary of State for Digital, Culture, Media and Sport, with the consent of HM Treasury.

The accounts are to be prepared on an accruals basis and to show a true and fair view of the BFI's state of affairs at the year end and of our incoming resources, resources expended and cash flows for the financial year. The Grant-in-Aid accounts are also prepared so as to comply with the Charities SORP 2019, and the Lottery distribution accounts are prepared in line with the Government Financial Reporting Manual.

Both sets of accounts are also expected to:

- observe the accounts directions issued by the Secretary of State which set out accounting and disclosure requirements, apply suitable accounting policies on a consistent basis, and make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the Charity Statement of Recommended Practice or Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements
- be prepared on a going concern basis, unless it is inappropriate to presume that the BFI will continue in operation

The Principal Accounting Officer of DCMS has designated the Chief Executive as the BFI's Accounting Officer. The responsibilities of the accounting officers for Grant-in-Aid and Lottery distribution arm's length bodies are set out in chapter three of Managing Public Money. Formally, the Accounting Officer is the person who Parliament calls to account for stewardship of its resources.

The Accounting Officer signing off these accounts has gained assurance in the following ways:

- a meeting with the Director of Finance to go through the financial controls
- receiving feedback from Business Planning and Performance Committee on review of internal audit reports and other internal control matters
- discussing the annual review and accounts at an Executive Board meeting attended by Executive Board colleagues, including the Director of Finance
- attending Audit, Risk and Governance Committee meetings where matters are scrutinised

The Accounting Officer confirms that, as far as he is aware, there is no relevant audit information of which the entity's auditors are unaware, and the Accounting Officer has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

The Accounting Officer confirms that, as far as he is aware, the annual report and accounts as a whole is fair, balanced and understandable and he takes responsibility for the annual report and accounts and the judgement required for determining that it is fair, balanced and understandable.

In approving these accounts, Governors have complied with their duty under section 11 of the Charities Act 2011 to have due regard to guidance published by the Charity Commission.

A copy of the Grant-in-Aid and Lottery distribution accounts directions are available from the Accounting Officer, BFI, 21 Stephen Street, London, W1T 1LN. The Governors as the trustees of the Charity are responsible for preparing the Trustees' Annual Report and the group and charity financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The Governors delegate power and responsibility to the Chief Executive for the day to day operation of the organisation. As Accounting Officer for government reporting purposes, the Chief Executive is also responsible for reporting to DCMS, one of our main funders.

STATEMENT OF GOVERNORS AND ACCOUNTING OFFICER'S RESPONSIBILITIES (continued)

The law applicable to charities in England and Wales requires the Governors and Chief Executive to prepare accounts for each financial year which give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, changes in funds, and cash flows for the financial year. In preparing these financial statements, the Governors and Chief Executive are required to:

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- observe the methods and principles in the Charities SORP or HM Treasury's Financial Reporting Manual as applicable;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Charity will continue in operation.

The Governors and Chief Executive are responsible for keeping proper accounting records which are such as to disclose, with reasonable accuracy, the financial position of the Charity at any time, and to enable them as trustees to ensure that the accounts comply with applicable law. The Governors and Chief Executive are also responsible for safeguarding the Charity's assets and ensuring their proper application in accordance with the Charities Act 2011; the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998), the Royal Charter and Managing Public Money issued by HM Treasury, and hence for taking reasonable steps for the prevention and detection of error, fraud and other irregularities.

The Governors and Chief Executive are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Governors and Chief Executive confirm that they have met the responsibilities set out above and complied with the requirements for preparing the accounts. The charity and group financial statements set out on pages 111 to 152, have been compiled from and are in accordance with the financial records maintained by the Governors and Chief Executive.

The Board of Governors has approved a Code of Conduct which reflects the principles laid down in the Code of Best Practice for board members of Public Bodies and maintains a Register of Interests of board members. This Register is available for inspection at the BFI's registered offices at 21 Stephen Street, London W1T 1LN, on request to the Board Secretary.



Phil Stokes,
Governor



Ben Roberts,
Chief Executive

THE AUDIT REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE GOVERNORS OF THE BRITISH FILM INSTITUTE, THE HOUSES OF PARLIAMENT AND THE SCOTTISH PARLIAMENT

Opinion on financial statements

I have audited the financial statements of the British Film Institute and its Group for the year ended 31 March 2022. The financial statements comprise:

- The Statement of Financial Activities as at 31 March 2022, the Consolidated and Charity Balance Sheet, and the Consolidated Statement of Cash Flows for the year then ended; and
- the related notes including the significant accounting policies

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and United Kingdom accounting standards including Financial Reporting Standards (FRS) 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion, the financial statements:

- give a true and fair view of the state of the British Film Institute's and its Group's affairs as at 31 March 2022 and The British Film Institute's and its Group's net expenditure for the year then ended;
- have been properly prepared in accordance with the Royal Charter and Secretary of State directions issued thereunder;
- have been properly prepared in accordance with the Charities Act 2011.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 Audit of Financial Statements of Public Sector Entities in the United Kingdom.
My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I have also elected to apply the ethical standards relevant to listed entities. I am independent of the British Film Institute and its Group in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the British Film Institute and its Group's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the British Film Institute and its Group'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.

My responsibilities and the responsibilities of the Governors and Accounting Officer with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises information included in the Annual Report, but does not include the financial statements nor my auditor's report. The Governors and Accounting Officer are responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

THE AUDIT REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE GOVERNORS OF THE BRITISH FILM INSTITUTE AND THE HOUSES OF PARLIAMENT (continued)

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the section of the Annual Report titled How the BFI is Governed and labelled to be audited has been properly prepared in accordance with Secretary of State directions issued under the Royal Charter.

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

- those parts of the Annual Report subject to audit have been properly prepared in accordance with Secretary of State directions issued under the Royal Charter; and
- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the British Film Institute and its environment obtained in the course of the audit, I have not identified material misstatements in the Annual Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- I have not received all of the information and explanations I require for my audit; or
- adequate accounting records have not been kept by the British Film Institute or returns adequate for my audit have not been received from branches not visited by my staff; or
- information given in the Annual Report is consistent with the financial statements and with information obtained during the course of my audit; or
- certain disclosures of remuneration specified by the Secretary of State direction under the Royal Charter, and the Charities Act 2011 have not been made or parts of the Remuneration Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Governors and Accounting Officer for the financial statements

As explained more fully in the Statement of Governors' and Accounting Officer's Responsibilities, the Trustees and the Accounting Officer is responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- internal controls as the Governors and the Accounting Officer determines are necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error; and
- assessing the British Film Institute's and its Group'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 Governors and the Accounting Officer either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (ISAs) (UK).

THE AUDIT REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE GOVERNORS OF THE BRITISH FILM INSTITUTE AND THE HOUSES OF PARLIAMENT (continued)

My 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 a report that includes my 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.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, we considered the following:

- the nature of the sector, control environment and operational performance including the design of the British Film Institute's and its Group's accounting policies.
- Inquiring of management, the British Film Institute's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the British Film Institute's and its Group's policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the British Film Institute's and its Group's controls relating to the British Film Institute's compliance with the compliance with the Royal Charter, The Charities Act 2011, and Managing Public Money.
- discussing among the engagement team including significant component audit teams and involving relevant internal specialists, including pensions and film rights regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the British Film Institute and its Group for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, and bias in management estimates . In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override of controls.

I also obtained an understanding of the British Film Institute and Group's framework of authority as well as other legal and regulatory frameworks in which the British Film Institute and Group operates, focusing on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the British Film Institute and its Group. The key laws and regulations I considered in this context included, the Royal Charter, The Charities Act 2011, employment legislation and Managing Public Money.

Audit response to identified risk

As a result of performing the above, the procedures I implemented to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- enquiring of management and the Audit Risk and Governance Committee concerning actual and potential litigation and claims;
- reading and reviewing minutes of meetings of those charged with governance and the Governors and internal audit reports;

THE AUDIT REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE GOVERNORS OF THE BRITISH FILM INSTITUTE AND THE HOUSES OF PARLIAMENT (continued)

- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and

I also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and significant component audit teams and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my report.

Other auditor's responsibilities
I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

I 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 I identify during my audit.

Gareth Davies
Comptroller and Auditor General

Date 18 January 2023

National Audit Office
157-197 Buckingham Palace Road
Victoria
London, SW1W 9SP

Group Financial Statements

Registered charity no: 287780

BRITISH FILM INSTITUTE GROUP AND NATIONAL LOTTERY ANNUAL REPORT AND FINANCIAL STATEMENTS 2021-22

British Film Institute
Consolidated Statement of Financial Activities
Year Ended 31 March 2022

		2022					
		Unrestricted	Non-Lottery Restricted	Total Non-Lottery	Lottery Restricted	2022 Total	2021 Total
	Note	£'000	£'000	£'000	£'000	£'000	£'000
Income							
Income and endowments from charitable activities (earned income)							
Audiences	3	20,198	-	20,198	-	20,198	13,784
Learning & Skills	3	155	-	155	-	155	79
Talent	3	-	-	-	-	-	-
Leadership	3	-	-	-	-	-	-
Income from donations and legacies							
Voluntary Income							
Lottery proceeds	3 & 15	-	-	-	48,951	48,951	49,073
Lottery recoupment income	3	-	-	-	1,765	1,765	806
Revenue Grant in Aid funding	2	16,580	35,408	51,988	-	51,988	72,245
Capital Grant in Aid funding	2	-	2,082	2,082	-	2,082	1,987
Other grants, legacies and donations	3	926	3,896	4,822	28	4,850	7,271
Donated services and facilities	4	-	2,344	2,344	-	2,344	356
Investment income	5	-	-	-	-	-	27
Total income		37,859	43,730	81,589	50,744	132,333	145,628
Expenditure on							
Charitable activities							
Audiences	6	(39,134)	(35,647)	(74,781)	(8,758)	(83,539)	(102,042)
Learning & Skills	6	(2,220)	(1,359)	(3,579)	(11,585)	(15,164)	(14,486)
Talent	6	(3,212)	(2,168)	(5,380)	(26,737)	(32,117)	(36,580)
Leadership	6	(431)	(276)	(707)	(881)	(1,588)	(1,644)
Total charitable activities		(44,997)	(39,450)	(84,447)	(47,961)	(132,408)	(154,752)
Costs of raising funds	6	(1,864)	-	(1,864)	-	(1,864)	(1,859)
		(1,864)	-	(1,864)	-	(1,864)	(1,859)
Total expenditure		(46,861)	(39,450)	(86,311)	(47,961)	(134,272)	(156,611)
Net expenditure		(9,002)	4,280	(4,722)	2,783	(1,939)	(10,983)
Gross transfers between funds	24	3,518	(2,384)	1,134	(1,134)	-	-
Net expenditure and net movement in funds before other recognised gains and losses		(5,484)	1,896	(3,588)	1,649	(1,939)	(10,983)
Other recognised gains / (losses)							
Actuarial gains / (losses) on defined benefit pension scheme	8	23,762	-	23,762	2,424	26,186	(30,144)
Gains / (losses) on the revaluation of fixed assets	10	22,039	-	22,039	-	22,039	(1,415)
Net movement in funds		40,317	1,896	42,213	4,073	46,286	(42,542)
Reconciliation of funds							
Total funds brought forward	24	(13,879)	6,006	(7,873)	24,969	17,096	59,638
Total funds carried forward	24	26,438	7,902	34,340	29,042	63,382	17,096

All gains and losses recognised in the year are included in this Statement of Financial Activities and all activities are classified as continuing.
The accompanying notes 1 to 32 form part of these Accounts.

British Film Institute
Statement of Financial Activities – Charity Only
Year Ended 31 March 2022

	Note	2022 Unrestricted £'000	2022 Non-Lottery Restricted £'000	2022 Total Non-Lottery £'000	2022 Lottery Restricted £'000	2022 Total £'000	2021 Total £'000
Income							
Income and endowments from charitable activities (earned income)							
Audiences	3	14,097	-	14,097	-	14,097	10,883
Learning & Skills	3	155	-	155	-	155	79
Income from donations and legacies							
Voluntary Income							
Lottery proceeds	3 & 15	-	-	-	48,951	48,951	49,073
Lottery recoupment income	3	-	-	-	1,765	1,765	806
Revenue Grant in Aid funding	2	16,580	35,408	51,988	-	51,988	72,245
Capital Grant in Aid funding	2	-	2,082	2,082	-	2,082	1,987
Other grants, legacies and donations	3	4,386	3,896	8,282	28	8,310	8,192
Donated services and facilities	4	-	2,344	2,344	-	2,344	356
Investment income	5	-	-	-	-	-	23
Total income		35,218	43,730	78,948	50,744	129,692	143,644
Expenditure on							
Charitable activities							
Audiences	6	(36,457)	(35,647)	(72,104)	(8,758)	(80,862)	(99,899)
Learning & Skills	6	(2,220)	(1,359)	(3,579)	(11,585)	(15,164)	(14,486)
Talent	6	(3,212)	(2,168)	(5,380)	(26,737)	(32,117)	(36,580)
Leadership	6	(431)	(276)	(707)	(881)	(1,588)	(1,644)
Total charitable activities		(42,320)	(39,450)	(81,770)	(47,961)	(129,731)	(152,609)
Costs of raising funds	6	(1,864)	-	(1,864)	-	(1,864)	(1,859)
		(1,864)	-	(1,864)	-	(1,864)	(1,859)
Total expenditure		(44,184)	(39,450)	(83,634)	(47,961)	(131,595)	(154,468)
Net expenditure		(8,966)	4,280	(4,686)	2,783	(1,903)	(10,824)
Gross transfers between funds	24	3,518	(2,384)	1,134	(1,134)	-	-
Net expenditure and net movement in funds before other recognised gains and losses		(5,448)	1,896	(3,552)	1,649	(1,903)	(10,824)
Other recognised gains / (losses)							
Actuarial gains / (losses) on defined benefit pension scheme	8	23,762	-	23,762	2,424	26,186	(30,144)
Gains / (losses) on the revaluation of fixed assets	10	22,039	-	22,039	-	22,039	(1,415)
Net movement in funds		40,353	1,896	42,249	4,073	46,322	(42,383)
Reconciliation of funds							
Total funds brought forward	24	(13,576)	6,006	(7,570)	24,969	17,399	59,782
Total funds carried forward		26,777	7,902	34,679	29,042	63,721	17,399

All gains and losses recognised in the year are included in this Statement of Financial Activities and all activities are classified as continuing.
The accompanying notes 1 to 32 form part of these Accounts.

British Film Institute
Consolidated and Charity Balance Sheet
As of 31 March 2022

	Note	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Fixed assets:					
Intangible fixed assets	9	-	40	-	-
Tangible fixed assets	10	95,377	75,057	95,377	75,057
Investments	12	-	-	1,443	1,443
Total fixed assets		95,377	75,097	96,820	76,500
Non-current assets:					
Film Rights	14	10,008	9,228	10,008	9,228
Current assets:					
Stocks & work in progress	16	594	572	428	383
Debtors	17	14,234	30,737	14,370	31,425
Film Rights	14	3,463	2,331	3,463	2,331
National Lottery Distribution Fund	15	50,941	53,120	50,941	53,120
Cash at bank and in hand	18	39,507	32,557	38,120	30,734
Total current assets		108,739	119,317	107,322	117,993
Liabilities:					
Creditors: amounts falling due within one year	20	(72,334)	(88,571)	(72,021)	(88,347)
Provisions	22	(4,328)	(3,166)	(4,328)	(3,166)
Net current assets		32,077	27,580	30,973	26,480
Total assets less current liabilities		137,462	111,905	137,801	112,208
Defined benefit pension scheme net liability	8	(74,080)	(94,809)	(74,080)	(94,809)
Total net assets		63,382	17,096	63,721	17,399
The Funds of the Charity:					
Restricted income funds					
Restricted income funds excluding Lottery and pensions liability	24	7,902	6,006	7,902	6,006
Lottery reserve		32,130	29,919	32,130	29,919
Lottery share of pension reserve		(3,088)	(4,950)	(3,088)	(4,950)
	24	29,042	24,969	29,042	24,969
Total restricted funds		36,944	30,975	36,944	30,975
Unrestricted income funds					
Unrestricted income funds excluding pensions asset/liability		34,460	33,065	34,799	33,368
Unrestricted fixed asset revaluation reserve		62,970	42,915	62,970	42,915
		97,430	75,980	97,769	76,283
Pension reserve		(70,992)	(89,859)	(70,992)	(89,859)
Total unrestricted funds	24	26,438	(13,879)	26,777	(13,576)
Total charity funds	24	63,382	17,096	63,721	17,399

The accompanying notes 1 to 32 form part of these Accounts.
The Governors and Chief Executive Officer of the BFI, registered charity number 287780, approved these financial statements and authorised their signature on 16 January 2023.



Phil Stokes
Governor



Ben Roberts
Chief Executive

British Film Institute
Consolidated Statement of Cash Flows
Year Ended 31 March 2022

		2022			2021		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Note	£'000	£'000	£'000	£'000	£'000	£'000
Net (expenditure) / income		(9,002)	7,063	(1,939)	(8,364)	(2,619)	(10,983)
Less interest receivable	5	-	(69)	(69)	(17)	(10)	(27)
Loss on disposal of tangible fixed assets		29	-	29	-	-	-
Depreciation	10	5,208	-	5,208	5,616	-	5,616
Amortisation of goodwill	9	40	-	40	157	-	157
(Increase) / decrease in film rights – due after one year	14	-	(780)	(780)	-	1,304	1,304
(Increase) / decrease in film rights – due within one year	14	-	(1,132)	(1,132)	-	474	474
(Increase) / decrease in stocks	16	(22)	-	(22)	(3)	-	(3)
(Increase) / decrease in debtors	17	(445)	16,948	16,503	(1,400)	(20,660)	(22,060)
Increase / (decrease) in creditors due within one year	20	(4,302)	(11,935)	(16,237)	3,736	31,448	35,184
Increase / (decrease) in provisions due within one year	22	-	1,162	1,162	-	(721)	(721)
Non-cash pension movements	8	4,895	562	5,457	2,398	225	2,623
Cash flows from operating activities		(3,599)	11,819	8,220	2,123	9,441	11,564
Cash flows from investing activities							
National Lottery Distribution Fund income received	15	-	(48,951)	(48,951)	-	(49,073)	(49,073)
National Lottery Distribution Fund cash drawn down	15	-	51,130	51,130	-	49,757	49,757
Interest receivable	5	-	69	69	17	10	27
Purchase of tangible fixed assets	10	-	(3,518)	(3,518)	-	(3,128)	(3,128)
Cash flows from investing activities		-	(1,270)	(1,270)	17	(2,434)	(2,417)
Change in cash and cash equivalents in the year		(3,599)	10,549	6,950	2,140	7,007	9,147
Cash and Cash equivalents at the beginning of the year		4,199	28,358	32,557	2,059	21,351	23,410
Cash and Cash equivalents at the end of the year	18 & 24	600	38,907	39,507	4,199	28,358	32,557

The accompanying notes 1 to 32 form part of these Accounts.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

Basis of preparation

The financial statements of the BFI are prepared under the historical cost convention, as modified for revaluation of certain categories of fixed assets and in accordance with the Charities Act, Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Accounts Direction issued by the Secretary of State for Digital, Culture, Media and Sport effective from April 2018 and applicable accounting standards.

The financial statements have also been prepared in accordance with the Government Financial Reporting Manual (FReM) issued by HM Treasury, to the extent that they clarify or build on the requirements of the Charities SORP (FRS102). The accounting policies contained in the FReM apply International Financial Reporting Standards as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the BFI for the purpose of giving a true and fair view has been selected. The particular policies adopted by the BFI are described below and they have been applied consistently in dealing with items that are considered material to the accounts.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the Charity, including its Lottery distribution activities, and all its subsidiary undertakings (see note 12 for details of subsidiaries and associate or jointly controlled entities). The results of the subsidiaries are consolidated on a line by line basis within the SOFA. A separate SOFA has also been presented for the Charity. The balance sheet and related notes show the assets and liabilities of the Group as well as the Charity. Separate accounts are also prepared for the BFI's Lottery distribution activities as required under the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998) and these are attached to the consolidated accounts.

Estimates and judgements

Estimates and judgements have been used in the production of these accounts, notably with regard to the valuation of Fixed Assets, Film Rights and Pensions as at the year end, the allocation of support costs to the charitable activities and the recharge of operating costs to the Lottery activities. Details of the valuation of fixed assets are set out in the accounting policy Tangible fixed assets below and in note 10. Tangible Fixed Assets. Details of the valuation of film rights are set out in the Film Rights accounting policy below and in note 14. Film Rights. Details of the pension schemes are set out in the Pensions accounting policy below and in note 8. Pensions. The allocation of support costs is set out in the accounting policy Expenditure below and detailed in note 6. Expenditure. The recharge of operating costs to the Lottery activities are as set out in the accounting policy Apportioned costs below.
Most of the London Pension Fund's assets have quoted prices in active markets, but there are unquoted property, infrastructure and private equity assets, with BFI's share of assets other than equities and cash amounting to an estimated £56.6m (2021 £48.9m). The property and infrastructure assets are subject to valuation by external valuers and despite the ongoing impact of COVID-19 on the market and wider economy, the valuers have advised the pension fund that they are satisfied with the valuation of the assets at 31 March 2022.

Going concern

COVID-19 continued to impact the operations of the British Film Institute, with our cinemas and shops reopening in May 2021 and the public gradually returning to using public spaces. Thanks to the support from government through its Job Retention Scheme, extended to 30 September 2021, and the Culture Recovery Fund, for which the BFI is both a beneficiary and a distributor to the independent cinema sector, the organisation has so far been shielded from the worst of the immediate financial impacts. Based on this additional support, our status as a Royal Charter body, Non-Departmental Public Body and National Lottery Distributor and in the light of the 2022 Comprehensive Spending Review, we have reasonable expectations of continuing trading within the funding available to the BFI and that there would continue to be sufficient cash to meet the BFI's liabilities for at least 12 months from the date of signing the accounts.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES (continued)

Going concern (continued)

Much of the asset value of the BFI is in either restricted and/or long term fixed assets and pressure therefore remains on the underlying Charity. Excluding the restricted activities, the BFI recorded net expenditure (before gross transfers between funds and other recognised gains/losses) in the year of £1.9m (2021: net expenditure of £11.0m), albeit after non-cash transactions including depreciation of £5.2m (2021: £5.7m) and net non-cash pension charges of £5.5m (2021: £2.6m). The FRS102 pension liability has decreased to £74.1m (2021: £94.8m) and fixed asset revaluations adding
£22.0m of value (2021: reduction of £1.4m) contribute to unrestricted reserves of £26.4m (2021: deficit of £13.9m). The pension liability is being addressed in the longer term with additional contributions being made to the London Pension Fund Authority, based on the triennial actuarial valuations, and these contributions are factored into our forward plans.

As at 31 March 2019, the latest actuarial valuation date, the deficit to be funded was £2.3m (2016: £9.6m) and this is being addressed over 5 years, subject to future triennial valuations. This is considerably less than the deficit in the accounts of £74.1m (2021: £94.8m) under FRS102 and the governors are satisfied that this approach is appropriate.

At the year end total group reserves were £63.4m (2021: £17.1m) which included unrestricted cash balances of £0.6m (2021: £4.2m) and free reserves of £2.1m (2021: £0.9m) (note 24: Statement of Funds).

Charitable activities

The BFI engages in a diverse range of activities in order to meet its objects, which are described in more detail in the Governors' Report and the BFI's strategy BFI 2022. In the financial statements, the BFI categorises its activities across its four strategic priorities to further its charitable aims for the public benefit:

Audiences – great filmmaking for audiences everywhere.
Learning & Skills – giving everyone the educational opportunity to build a lifelong relationship with film.
Talent – supporting creative and influential filmmakers whose work is admired throughout the world.
Leadership – to lead on public policy and advocacy for the UK film sector and promote a globally competitive UK film industry.

Accruals convention

Income and expenditure is generally accounted for when receivable/payable on an accruals basis except where accounting standards or other requirements apply, as set out in the following accounting policies.

Income and endowments

All income is included in the SOFA when the Charity is legally entitled to the income, entitlement is probable and the amount can be quantified with reasonable accuracy. The following specific policies apply to categories of income:

Income from charitable activities: includes a wide range of chargeable activities including sales of cinema tickets, DVDs, film and footage and sponsorship income and these are accounted for on an accruals basis.

Lottery proceeds are the BFI's share of Lottery income as notified to the BFI by the National Lottery Distribution Fund (NLDF).

Lottery recoupment income is income from film rights in excess of the original value of the right and is taken to the SOFA as film recoupment income. Income is accounted for on a receivable basis. The exception to this is recoupment income because of the inherent difficulties in relating the income to a specific period in time. Recoupment income is therefore accounted for upon notification of amounts received by the BFI.

Donated services and facilities: including gifts in kind, are included in income and expenditure at the value to the Charity where this can be quantified (see note 4).

Grants and deferred income: whilst grants, including Grant-in-Aid, are typically accounted for in full upon receipt, where related to performance and specific deliverables, grants are accounted for as the Charity earns the right to consideration by its performance. Where income is received in advance of its recognition, it is deferred and included in creditors: amounts falling due within one year. Where entitlement occurs before income being received, the income is accrued. Capital grants are accounted for as income as soon as they are receivable. Grant-in-Aid refers to direct grants from the Department for Digital, Culture, Media and Sport for the general use of the BFI and also ring-fenced funding for other appropriate bodies delivering activities in accordance with the BFI's charitable objects.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES (continued)

Income and endowments (continued)
Gift Aid is receivable from HM Revenue & Customs on certain donations which meet the relevant requirements and these are recognised on an accruals basis.

Film recoupment income
Income received from film rights is offset against the value of the film rights on the Balance Sheet. Income in excess of the original value of the rights is taken to the SOFA as film recoupment income.

Receivables
Provisions for doubtful debts (provision for impairment) are raised on outstanding debts and rely on estimation methodologies and techniques to calculate the amount of the provision. Any movement in the provision in the year is taken to the SOFA within charitable expenditure.

Expenditure
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category concerned. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources (see note 6). Costs of generating funds are fund-raising and publicity costs incurred in seeking voluntary contributions and do not include the cost of disseminating information in support of charitable activities.

Grant Awards
Grant expenditure is charged to the statement of financial activities in the year that the grants are awarded and, if relevant, in which funding for the grant is received from DCMS. In most circumstances this will be the same as the year in which the funded activities take place. However, in some cases grant expenditure is recognised in the accounts where the funded activity is due to take place in future years. Any amounts unpaid from grants at the year end are shown in the balance sheet as creditors. Grant commitments made in the year relating to future years' activity as disclosed in note 27: Contingent Liabilities are not charged to the statement of financial activities, as they are contingent on receipt of Grant-in-Aid income, which is not certain until the year in which it is due.

The basis of reporting Lottery award commitments is laid out in the revised Accounts Direction from DCMS and the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998), and continues to align with the reporting requirements of the Charities SORP. Where the BFI has made a firm offer of a grant and notified successful applicants, the award is accounted for within other creditors as a grant commitment. Where the BFI has agreed to make an award in respect of investing in a film rights project, these are not grants and are accounted for as set out below under financial instruments and film rights.

In line with our five year Business Plan, BFI 2022 some awards were made including funding for 2021-22. In line with the National Lottery etc. Act 1993 and the BFI Lottery Accounts Direction, which are consistent with the BFI's basis of preparation of accounts as outlined above, these awards were accounted for in full in the Statement of Financial Activities in the year in which the award was notified to the successful applicant.

Commitments payable within one year of the balance sheet date are recognised in the statement within creditors as current liabilities. Those payable more than one year from the balance sheet date are shown as creditors payable over more than one year, however, such commitments are unlikely in the usual course of business.

Awards made under the Lotteries Act Section 27 dispensation
Using the power granted by the Section 27 of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998) the Secretary of State did not object to an award of to the BFI in relation to the London Film Festival. The award of £1,400,000 was made in July 2021 however as a result of the actual associated expenditure incurred against this, only £1,135,000 was drawn down, with the balance of the award falling in the subsequent year.

No new award was made in the year under these powers to the Heritage 2022 strategy.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES (continued)

Apportioned costs

The BFI incurred costs which are shared between Lottery and the subsidiaries. The BFI as a charity is required to apportion costs in accordance with the principles of full cost recovery and the government's 'Managing Public Money' guidance. In addition to costs wholly attributable to Lottery activities, an assessment is made of the other costs attributable to Lottery activities incurred by service and other departments. This is based on a combination of head count, office space occupied, activity levels and additional expenditure incurred. These departments include Finance & Resources, External Affairs and the Chief Executive's Office. Direct costs are borne by the active subsidiaries of the BFI and in addition an appropriate share of staff costs and overheads based on BFI staff time spent on those activities.

Charitable expenditure on collections

The BFI has built the National Archive since its establishment in 1933, consisting of film and other related materials dating back to the 19th century. The BFI develops, cares for and interprets a collection that illustrates the art, history and impact of film, to be held in perpetuity for the public, for their use and for use by the BFI in pursuit of its objectives. The collection is one of the largest and most diverse collections in the world. It includes feature films, documentary and factual films, television programmes, artists film, photographic stills, posters, books and other related materials, held primarily for use in the BFI's activities and charitable objectives, as described in more detail in the Annual Report and below. The Collection Policy was most recently updated in November 2011 and can be found at www.bfi.org.uk. It documents our procedures for acquisition and disposal, documentation, conservation and access and describes our role in a national network of organisations that collect or provide access to film.

For the most part this collection has been acquired by donation, often with restricted usage rights, and as a result there is little in the way of purchase cost. There is also a lack of comparable market values, compounded by the diverse nature of the objects and the volume of the items held. In the opinion of the Governors, reliable information on cost or value is not available for the BFI's collection.

In the Governors' opinion, conventional valuation approaches lack sufficient reliability and any valuation is likely to incur significant costs that are likely to be onerous. Even if valuations could be obtained this would not be commensurate with any benefits to the BFI's management, curatorial staff, the public, or other users of the financial statements. For this reason the collections, large proportions of which were gifted to the BFI at nil cost and are incomparable in nature, are not recognised in the BFI's balance sheet.

All expenditure on acquiring, preserving and improving the collection is included in charitable expenditure in the year incurred. In the main, this expenditure is of a curatorial or restoration nature and the Governors are of the opinion that any value attributable to heritage assets or fixed assets would not be material. The collections also comprise donated materials that are not subject to formal valuation.

Heritage assets

Much of the BFI's collection is used, or expected to be used in the future, in its charitable activities. To the extent that the collection comprises heritage assets, there is an absence of reliable cost information, a diverse range of assets held, a lack of comparable market values and a complex mixture of intellectual property rights associated with the assets. As a result the Governors are of the opinion that valuation information cannot be obtained at a cost commensurate with the benefits to users of the financial statements and to the charity. Therefore the BFI has adopted a non-recognition approach.

Tangible fixed assets, depreciation and impairment

Expenditure on tangible fixed assets costing £5,000 or more and with a useful economic life of at least 3 years is capitalised and included at cost. Leasehold land and buildings, together with some associated plant and fixtures, are included at fair value in accordance with the FReM. See Note 10. Tangible Fixed Assets.

The BFI's long leasehold properties BFI Southbank and BFI London IMAX are revalued quinquennialy by appropriately qualified valuers. Between valuation years the values are estimated using appropriate indexation. The most recent quinquennial valuations were completed with an effective date of 31 March 2022.

The BFI's short leasehold properties in London, Berkhamsted and Warwickshire have been subject to leasehold improvements. The values are estimated using appropriate indexation each year and applied to acquisitions, starting in the year following the acquisition.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets, depreciation and impairment (continued)

Revaluation is not applied to those classes of asset which are made up of low value and/or short useful economic life assets or where the historical cost is considered a reasonable approximation of fair value.

Depreciation is provided on all tangible fixed assets to write off the cost less estimated residual values over their expected useful economic lives. It is calculated on a straight line basis at the following rates from the month after acquisition to the month prior to disposal:

Long leasehold property
1-20% per annum (5–99 years straight line/over the period of the lease)

Short leasehold property improvements
5-20% per annum (5–20 years straight line)

Computer and other IT equipment
5-25% per annum (4–20 years straight line)

Furniture, fixtures and fittings
4-20% per annum (5–25 years straight line)

Plant and machinery
4-25% per annum (4–25 years straight line)

Assets in the course of construction
Depreciation commences upon completion of construction

The carrying value of fixed assets and their remaining useful economic life is reviewed at least annually. Where the carrying value is considered to be greater than the value of the asset to the activities of the Charity, an impairment charge will be made in the year to reflect the recoverable value.

Intangible fixed assets

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the carrying value/fair value of the identifiable assets and liabilities of a subsidiary, associate or jointly controlled entity at the date of acquisition. Goodwill on acquisition of subsidiaries is separately disclosed. Goodwill is recognised as an asset and reviewed for impairment annually or on such other occasions that events or changes in circumstances indicate that it might be impaired. Any impairment is recognised immediately in the income statement and is not subsequently reversed. Goodwill is allocated to cash generating units for the purpose of impairment testing. Purchased goodwill arising on consolidation is amortised over the period of its expected useful economic life. This is considered to be a period of ten years from the date of acquisition.

Investments

Investments in subsidiaries, associates or jointly controlled entities are stated at cost less provision for impairment.

Financial instruments

The principal financial instruments are cash and holdings in the NLDF and film rights, under the definitions set out under FRS102. They are accounted for in line with the recognition and measurement criteria of IFRS9: Financial instruments, as set out below.

Other financial instruments include debtors and creditors that arise directly from Lottery and non-Lottery operations. The main risks arising from the financial instruments are interest rate risk, foreign currency risk and other price risk. Short term debtors are measured at transaction price, less any impairment. Foreign currency policy is stated below.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES (continued)

Film rights

Film rights represent investment awards paid and payable to filmmakers which are repayable under certain conditions. All advances to filmmakers are repayable under certain conditions. Where a feature film made with the assistance of the BFI is successfully released, the BFI is entitled to participate in revenues generated by that success. This can lead to repayment of the investment in full, together with a share of the profits generated by the film.

Under FRS102 film rights fall within the definition of Financial Instruments. Within that, they meet the definition of assets measured at fair value with gains and losses being recognised in the SOFA. The fair value, in line with definitions of International Financial Reporting Standard 9: Financial Instruments (IFRS 9), is based upon cash flows and models of future income that may be generated by the film right asset. The calculations behind these models are based upon external factors such as sales agents' estimates, actual sales made, and the recoupment order agreed in the financing contract between investors as well as internal factors such as the skills and expertise of management involved in these calculations and a review of the historic performance of the portfolio.

When an advance is made (satisfying the definition of an award liability) it is taken to the Balance Sheet initially at the full value of the award. An assessment is then made of the likely repayment of the award, if any, over the next seven financial years, with the valuation reduced to the extent that the repayment of the award is considered doubtful. The reduction is calculated either as standard percentage suggested by historic recoupment performance of that particular type of award, or based on the value suggested by future estimated receipts.

In subsequent years, the Film Rights valuations are reviewed to ensure that all revenues due are received and the valuation remains appropriate. The valuations are based on the best available information at the balance sheet date and the valuations will change over time. For instance, on production awards, the actual value of sales made to a territory may exceed or fall below the original sales estimate provided by the sales agent or the box office performance may exceed or fall below the initial projections following the release of a film.

Movements in value shown in the Statement of Financial Activity reflect the net effect of increases and decreases in values against film rights in the year. Any reduction may be reversed in part or in full if the valuation understates the fair value of the film rights. Advances for development and short film awards are fully adjusted to £nil in the year of the award, unless there is a reasonable expectation of repayment in the next seven financial years.

If the valuation of the film rights is in excess of the amount of the award investment based on estimated recoupment over the next seven financial years, this is similarly recognised in the film rights valuation and released to income as the recoupment is received. In the context of the life of a film and its distribution cycle, seven years is felt to be a reasonable period over which a meaningful forecast can be taken, and is consistent with practice across the film industry.

Should the full amount of an award for film rights not be utilised, any unused element of the funding will be decommitted. If such a decommitment exceeds the fair value of the film, then any necessary adjustment will be released back to the SOFA so the remaining fair value reflects the revised investment value.

Stocks & work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value. The former consist of goods held for resale and the latter expenditure on DVD and Blu-Ray development costs carried forward and written off over the expected commercial life of the individual titles.

Rewarding Success Provision

The rewarding success initiative allows for a share of film recoupment income arising from lottery awards to be made available to UK Producers, Writers and Directors for their future filmmaking activity. The funds held on behalf of filmmakers ("the locked box") represents the monies held for this initiative at the balance sheet date and not yet drawn down and are included as Provisions on the Balance Sheet.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES (continued)

National Lottery Distribution Fund

Balances held in the National Lottery Distribution Fund (NLDF) remain under the stewardship of the Secretary of State for Digital, Culture, Media and Sport. The share of these balances attributable to the BFI is as shown in the financial statements at an estimate of market value and, at the balance sheet date, has been certified by the Secretary of State for Digital, Culture, Media and Sport as being available for distribution by the BFI in respect of current and future commitments. With the election to adopt the recognition and measurement criteria of IFRS9, funds are held as financial instruments held at amortised cost. As the investments are held with the Debt Management Account and the National Loans Fund, these are exempt from recognising stage 1 and stage 2 impairment so no expected credit losses have been calculated on these instruments.

The share of proceeds and investment returns attributed to the BFI has been treated as income within these financial statements.

Pension costs

For defined benefit pension schemes the amounts charged in expenditure are the service costs, gains and losses on settlements and curtailments, administration costs and net interest on the defined liability. The service costs are included as part of staff costs. Actuarial gains and losses are recognised in the SOFA as other recognised gains / (losses).

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the Charity, in separate trustee-administered funds which are part of the London Pension Fund Authority (LPFA). The LPFA is a local government pension scheme and the BFI is an Admitted Body member. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained every three years and are updated at each balance sheet date. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the balance sheet and in note 8: Pensions.

For defined contribution schemes, the amount charged to the SOFA in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Operating and finance lease transactions

Payments made under operating leases are charged to the SOFA on a straight line basis over the lease term. There were no finance leases.

Fund accounting

Unrestricted funds are funds available for use at the discretion of the Governors in the furtherance of the general objectives of the BFI and which are not subject to externally imposed restrictions.

Restricted funds are funds to be used in accordance with specific restrictions imposed by donors. The aim and use of each restricted fund is set out in the notes to the accounts. Where the conditions have been met, for example to acquire fixed assets without ongoing restrictions, the related reserves are transferred to unrestricted reserves on the face of the Statement of Financial Activities.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling on the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date and gains and losses charged/credited to the Statement of Financial Activities.

Tax Status (Group and Charity)

The BFI is a registered charity and as such is potentially exempt from taxation of its income and gains to the extent that they are applied to its charitable objectives.

Its subsidiaries' total taxable profits are either gifted to the Charity or tax losses have been utilised and therefore no tax is payable.

Deferred taxation follows the treatment of the item to which it is attributable and there are no deferred tax assets or liabilities recognised in these accounts.

Irrecoverable VAT is charged to the cost category to which it relates.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

2. OTHER SIGNIFICANT TRANSACTIONS

a) Grant-in-Aid – DCMS

DCMS has been the BFI's largest source of funding, excluding Lottery income. They have therefore been included in this category in order to provide supplementary disclosure. During the year, the BFI had the following material transactions with DCMS:

		2022 £'000	2021 £'000
Revenue Grant in Aid funding	Unrestricted	16,580	16,649
Revenue Grant in Aid funding	Restricted	35,408	55,596
		51,988	72,245
Capital Grant in Aid funding		2,082	1,987

Restricted Revenue Grant in Aid funding includes funds for Northern Ireland of £5.8m (2021: £4.3m), Education (Film Academies) of £1m (2021: £1m), Young Audience Content Fund of £10.7m (2021: £18.8m), Culture Recovery Fund £7.8m (2021: £29.2m) and other funding of £12.2m – see note 24.

The Reserves balances carried forward at the end of the year are £5.1m (2021: £0.6m) for restricted funds and £nil (2021: £nil) for unrestricted funds Grant-in-Aid is spent in accordance with the funding agreement between the BFI and DCMS. The common objectives are to:

- extend & improve access to film culture, serving the diverse geographical needs of the UK's nations and regions and recognising the differing needs of rural, suburban and metropolitan locations;
- improve education about the moving image; and
- support & encourage cultural diversity and social inclusiveness; and promote film activity in the nations and regions, and ensure that national and regional bodies work in concert towards common goals.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

2. OTHER SIGNIFICANT TRANSACTIONS (continued)

b) Governors

The Governors neither received nor waived any emoluments during the year (2021: £nil). Governors' expenses amounted to £nil in the year (2021: £nil). No governor claimed expenses during the year (2021:£ nil). No payments were made in the year for services (2021: £nil).

There were no material related party transactions involving Governors in their personal or business capacities other than Lottery and Grant-in-Aid awards disclosed in note 30: Related Parties.

The Charity has purchased insurance to indemnify the Governors against the consequences of any neglect or default on their part. The cost amounted to £11,125 (2021: £7,950), which includes cover for Governors and Officers of the Charity but also covered management liability, crime and employment practices liability for the organisation as a whole.

c) BFI Trust

BFI Trust is an independent registered charity with objectives consistent with those of the BFI. During the year, the BFI had the following material transactions with BFI Trust:

		2022 £'000	2021 £'000
Income from generated funds – Other grants, legacies and donations includes:			
Grants receivable from BFI Trust	Restricted	1,835	100
	Unrestricted	-	1,040
Resources expended – Charitable activities includes:			
Rental of leasehold premises		(1,835)	(1,835)

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

3. INCOME – GROUP

	Unrestricted 2022 £'000	Non-Lottery Restricted 2022 £'000	Lottery Restricted 2022 £'000	Total Non-Lottery 2022 £'000
Income and endowments from charitable activities (earned income)				
Audiences	20,198	-	-	20,198
Learning & Skills	155	-	-	155
	20,353	-	-	20,353
Income from Donations and legacies				
Voluntary Income				
Lottery proceeds	-	-	48,951	48,951
Lottery recoupment income	-	-	1,765	1,765
Revenue Grant in Aid funding	16,580	35,408	-	51,988
Capital Grant in Aid funding	-	2,082	-	2,082
Other grants, legacies and donations	926	3,896	28	4,850
Donated services and facilities	-	2,344	-	2,344
	17,506	43,730	50,744	111,980
Investment income	-	-	-	-
Total Income	37,859	43,730	50,744	132,333

	Unrestricted 2021 £'000	Non-Lottery Restricted 2021 £'000	Lottery Restricted 2021 £'000	Total 2021 £'000
Income and endowments from charitable activities (earned income)				
Audiences	13,784	-	-	13,784
Learning & Skills	79	-	-	79
	13,863	-	-	13,863
Income from Donations and legacies				
Voluntary Income				
Lottery proceeds	-	-	49,073	49,073
Lottery recoupment income	-	-	806	806
Revenue Grant in Aid funding	16,649	55,596	-	72,245
Capital Grant in Aid funding	-	1,987	-	1,987
Other grants, legacies and donations	1,798	5,319	154	7,271
Donated services and facilities	-	356	-	356
	18,447	63,258	50,033	131,738
Investment income	17	-	10	27
Total Income	32,327	63,258	50,043	145,628

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

3. INCOME – GROUP (continued)

	2022 £'000	2021 £'000
Sponsorship and other income included in Income from charitable activities (earned income):		
Sponsorship income, associated with the costs of generating voluntary income	1,698	1,624
Other income, associated with the costs of generating voluntary income	-	-
	1,698	1,624
Costs of generating funds		
Costs of generating voluntary income	(1,864)	(1,859)

Costs of generating voluntary income is the staff and other costs of the in-house teams who source funding from individuals, trusts, foundations and corporations. In addition to Voluntary Income, income from charitable activities includes sponsorship income of £1,698,000 (2021:£1,624,000) raised by the teams.

This income primarily relates to the corporate sponsorship of the BFI London Film Festival and BFI Flare film festival.

4. DONATED SERVICES AND FACILITIES

	2022 £'000	2021 £'000
Publicity and advertising	1,509	355
Buildings and facilities	619	-
Services and equipment hire	188	-
Food and drink	29	1
	2,345	356

Donated services and facilities are valued using information provided by the suppliers regarding market value.

5. INVESTMENT INCOME – GROUP

	Unrestricted £'000	Lottery Restricted £'000	2022 Total £'000	Unrestricted £'000	Lottery Restricted £'000	2021 Total £'000
Bank interest receivable	-	69	69	17	10	27

Bank interest receivable was £69,000 (2020: £27,000) of which £Nil was unrestricted bank interest income (2021: £17,000) and £69,000 was restricted bank interest income (2021: £27,000).

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

6. EXPENDITURE – GROUP

	Direct Costs 2022 £'000	Allocated Pension charges 2022 £'000	Allocated Support costs 2022 £'000	Total 2022 £'000
Audiences	(72,258)	(6,638)	(4,643)	(83,539)
Learning & Skills	(14,419)	(453)	(292)	(15,164)
Talent	(31,137)	(885)	(95)	(32,117)
Leadership	(1,097)	(431)	(60)	(1,588)
Costs of generating voluntary income	(1,864)	-	-	(1,864)
Total resources expended	(120,775)	(8,407)	(5,090)	(134,272)

	Direct Costs 2021 £'000	Allocated Pension charges 2021 £'000	Allocated Support costs 2021 £'000	Total 2021 £'000
Audiences	(93,109)	(4,564)	(4,369)	(102,042)
Learning & Skills	(13,904)	(307)	(275)	(14,486)
Talent	(35,782)	(652)	(146)	(36,580)
Leadership	(1,265)	(289)	(90)	(1,644)
Costs of generating voluntary income	(1,859)	-	-	(1,859)
Total resources expended	(145,919)	(5,812)	(4,880)	(156,611)

Expenditure on charitable activities was £132,408,000 (2021: £154,753,000) of which £44,997,000 was unrestricted (2021: £38,833,000), £39,450,000 was restricted (2021: £62,434,000) and £47,961,000 was Lottery funded restricted expenditure (2021: £53,484,000).

Support services, including staff and other costs which are allocated across the activities of the Charity, are shown in the allocated support costs column. The basis of allocation is as follows:

As part of the Government's support during the pandemic the BFI has been awarded £7.8m (2021: £29.2m) in aid from the Culture Recovery Fund to support independent cinemas (Audiences), of which £5.3m (2021: £28.7m) was used to make awards in the year.

Nature of cost	Allocation basis	2022 £'000	2021 £'000
IT and finance support	Combination of head count and departmental spend	(2,592)	(2,481)
Human resources	Head count	(515)	(445)
Premises and utilities	Combination of floor area and head count	(729)	(710)
Communication and marketing	Direct spend and percentage of income generated	(574)	(517)
Other overheads	Combination of time and department spend	(408)	(372)
Governance costs	Departmental spend	(270)	(354)
Total support		(5,088)	(4,880)
Pension cost (note 8)	Net revenue account cost	(8,407)	(5,812)

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

6. EXPENDITURE – GROUP (continued)

	2022	2021
Governance costs:	**£'000**	**£'000**
Audit fees: Charity (excluding Lottery)	(105)	(97)
Audit fees: Lottery	(52)	(52)
Audit: subsidiaries (British Screen group of companies)	(5)	(6)
Audit: subsidiary (British Film Institute (Big Screen) Limited)	(5)	(5)
Audit: subsidiary (BFI Enterprise Limited)	(8)	(8)
Audit of UK Media Desk grant claim	-	(4)
Trustees' costs	(1)	(1)
Corporate policy and planning	(94)	(181)
Total governance	(270)	(354)

Governance costs are allocated across the activities of the Charity and are included in the allocated support and governance costs column above. The basis of allocation is departmental spend on activities.

Net resources expended before transfers are stated after charging:

	2022	2021
	£'000	**£'000**
Auditors' remuneration (analysed above)	(175)	(172)

Auditors' remuneration for the National Audit Office includes £nil fees for non audit services (2021: £nil). The National Audit Office provided audit services for the Charity and Lottery, with the subsidiary and other audits performed by Brebners LLP.

	2022	2021
	£'000	**£'000**
Foreign exchange (losses) / gains	(20)	1
Depreciation	(5,208)	(5,616)
Amortisation of goodwill	(40)	(157)

	2022	2021
Charges for operating leases:	**£'000**	**£'000**
Land and buildings	(1,885)	(1,886)
Plant & machinery	(5)	(41)

	2022	2021
	£'000	**£'000**
Film rights adjustments	(13,380)	(19,430)

The carrying value of the film rights reflects the extent to which full repayment of an advance, through actual receipts and the value of future estimated receipts, is considered doubtful. The valuation is reviewed on a rolling basis to ensure that fair value is maintained.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

6. EXPENDITURE – GROUP (continued)

Grant-in-Aid awards

BFI has responsibility on behalf of DCMS for the administration of Grant-in-Aid awards made to third party and partner organisations in the film sector, and received additional funding for this.

Awards in the year were:	2022 £'000	2021 £'000
Creative England	-	(300)
Film London	(2,774)	(1,974)
Northern Ireland Screen: Irish Language Fund	(3,930)	(3,180)
Northern Ireland Screen: Ulster Scots Fund	(1,893)	(1,143)
Film Academy awards	(718)	(713)
Global Screen Fund	(5,548)	-
Culture Recovery Fund	(4,241)	-
Young Audience Content Fund	(8,421)	(17,909)
	(27,525)	(25,219)

In addition to the above further Grant-in-Aid awards were made to partner organisations on or before 31 March 2022 for funded activity commencing on or after 1 April 2022. These are disclosed in note 27: Contingent Liabilities.

Lottery awards	2022 £'000	2021 £'000
Full details of all Lottery commitments made in the year are shown in the accompanying Lottery financial statements.		
Lottery – non-film rights awards included in the SOFA - Expenditure on Charitable activities	(27,942)	(30,017)
Heritage 2022 – award to the BFI – Gross transfers between funds, note 24: Statement of Funds	-	(2,888)
Film Festivals – award to BFI LFF – Gross transfers between funds, note 24: Statement of Funds	(1,134)	(250)
Lottery – non-film rights awards per Lottery Statement of Comprehensive Net Expenditure	(29,076)	(33,155)

7. STAFF COSTS

	2022 £'000	2021 £'000
Staff costs consists of:		
Wages & salaries	(24,337)	(23,154)
Social security costs	(2,580)	(2,313)
Pension costs (see note 8)	(6,342)	(4,249)
	(33,259)	(29,716)
Agency staff costs included in Wages & salaries above	(413)	(421)
Staff costs capitalised and not included above	(39)	(89)

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

7. STAFF COSTS (continued)

The average number of full-time equivalent employees of the BFI during the year was:

	2022 Full Time	2022 Part Time	2022 Total
Costs of generating voluntary income	14	4	18
Audiences	325	81	406
Learning & Skills	32	8	40
Talent	38	9	47
Leadership	28	8	36
	437	110	547

	2021 Full Time	2021 Part Time	2021 Total
Costs of generating voluntary income	13	4	17
Audiences	286	81	367
Learning & Skills	29	8	37
Talent	34	10	44
Leadership	25	7	32
	387	110	497

	2022 Number	2021 Number
Average number of full time equivalent Agency staff at the BFI during the year	7	7

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

7. STAFF COSTS (continued)

Higher paid employees

	2022	2021
Chief Executive – pay for the full year	**£'000**	**£'000**
Ben Roberts		
Lottery – non-film rights awards included in the SOFA – Expenditure on Charitable activities	150	150

Including bonuses totalling £Nil (2021: £Nil). Employer's pension contributions for the year amounted to £23,000 (2021: £23,000).

	2022	2021
Executive Team Members (including the Chief Executive)	**£'000**	**£'000**
£150,000 – £159,999	-	1
£140,000 – £149,999	1	-
£130,000 – £139,999	1	1
£120,000 – £129,999	2	2
£110,000 – £119,999	1	2
Cost	£712,000	£776,000
Other senior staff		
£100,000 - £109,999	4	1
£90,000 - £99,999	8	7
£80,000 - £89,999	18	17
£70,000 - £79,999	14	19
£60,000 - £69,999	27	23
Cost	£5,518,000	£5,093,000
Total Cost	£6,230,000	£5,869,000

Included in the above are 51 (2021: 48) staff who are ordinary members of the LPFA pension scheme. The amount of employer's pension contributions attributable to these staff amounted to £647,000 (2021: £603,000). There were 26 (2021: 24 staff who were members of defined contribution schemes.

The amount of employer's pension contributions attributable to these staff amounted to £103,100 (2021: £99,000). A number of Executive staff and other employees have interests in award applications which have been fully disclosed in note 30: Related Parties.

8. PENSIONS

The BFI is an admitted body to the LPFA, which provides a defined benefit pension scheme for the salaried employees of the Charity. It is a funded scheme and the assets are administered by trustees and are independent of the BFI. The related costs are assessed in accordance with the advice of professionally qualified actuaries. From 1 January 2014 the BFI also operates a defined contribution pension scheme which is available for all employees not already in the defined benefit scheme.

The BFI has accounted in full for pension benefits in the year ended 31 March 2022 under the requirements of FRS102. Therefore, as at 31 March 2022, a pension liability of £74,100,000 (2021: £94,809,000) is included in the BFI balance sheet. BFI's agreed schedule of contributions was 15.4% of member employees' salary per year plus a monetary amount of £413,000 (2021: £399,000).

In addition to the amounts payable for current members of the pension scheme, within this scheme the BFI has an unfunded liability to pay pensions to 36 (2021: 36) former employees and their spouses or dependents. The total actuarial valuation for this liability at 31 March 2022 is included in the pension provision.

For FRS 102 disclosure, the full valuation at 31 March 2022 has been updated by the actuaries, Barnett Waddingham, to assess the liabilities of the scheme as at 31 March 2022.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

8. PENSIONS (continued)

The most significant actuarial assumptions in this recent valuation are:

		2022	2021
		%	%
		Per annum	Per annum
Rate of increase in prices	RPI	4.3	3.2
Rate of increase in prices	CPI	3.3	2.9
Rate of increase in salaries		4.3	3.9
Rate of increase in pensions in payment		3.3	2.9
Discount rate		2.6	2.0

Under the adopted mortality tables, the assumed life expectancies from age 65 are as follows:

	2022	2021
	Years	Years
Life expectancy at age 65 of female aged 45	26.1	26.1
Life expectancy at age 65 of female aged 65	24.4	24.3
Life expectancy at age 65 of male aged 45	23.5	23.4
Life expectancy at age 65 of male aged 65	22.0	22.0

BFI share of net pension liability as at 31 March:	2022 £'000	2021 £'000	2020 £'000	2019 £'000	2018 £'000
Fair value of employer assets	139,001	121,020	104,704	109,847	101,586
Present value of scheme liabilities	(210,865)	(213,418)	(164,675)	(172,316)	(164,891)
Net underfunding in funded plans	(71,864)	(92,398)	(59,971)	(62,469)	(63,305)
Present value of unfunded liabilities	(2,216)	(2,411)	(2,072)	(2,228)	(2,343)
Net pension deficit	(74,080)	(94,809)	(62,043)	(64,697)	(65,648)

Assets – Split of Investments by Category Assets whole fund	**2022 £'000**	**Asset Distribution %**	**2021 £'000**	**Asset Distribution %**
Equities	79,118	57%	67,192	55%
Target return funds	29,938	22%	27,770	23%
Infrastructure	14,161	10%	10,335	9%
Properties	12,472	9%	10,669	9%
Cash	3,312	2%	5,054	4%
Total	139,001	100%	121,020	100%

Analysis of the amount chargeable to expenditure under FRS102	**2022 £'000**	**2021 £'000**
Current service cost	(5,623)	(3,716)
Past service cost	(99)	-
Contributions in respect of defined contribution schemes	(620)	(533)
Sub-total reflected in Staff costs (note 7)	(6,342)	(4,249)
Administration expenses	(157)	(136)
Net Interest on the defined liability	(1,908)	(1,427)
Total expenditure	(8,407)	(5,812)

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

8. PENSIONS (continued)

Analysis of amount recognised in the SOFA	2022 £'000	2021 £'000
Return on plan assets in excess of interest	16,391	14,783
Change in demographic assumptions	-	1,769
Experience (losses) / gains arising on the scheme liabilities	(427)	2,142
Changes in assumptions underlying the present value of the scheme liabilities	10,221	(48,838)
Actuarial gain / (loss) recognised in SOFA	26,185	(30,144)

Reconciliation of defined benefit obligation	2022 £'000	2021 £'000
Defined benefit obligation in scheme at beginning of year	(215,829)	(166,747)
Movement in year:		
Current service cost	(5,623)	(3,716)
Interest cost	(4,272)	(3,878)
Contributions by members	(929)	(872)
Unfunded benefits paid	151	151
Past service cost	(99)	-
Benefits paid	3,726	4,160
Change in demographic assumptions	-	1,769
Experience gains / (losses) on defined benefit obligation	(427)	2,142
Change in financial assumptions	10,221	(48,838)
Deficit in scheme at end of the year	(213,081)	(215,829)

Reconciliation of fair value of employer assets	2022 £'000	2021 £'000
Fair value of employer assets in scheme at beginning of year	121,020	104,704
Movement in year:		
Interest on assets	2,364	2,451
Return on assets less interest	16,391	14,783
Contributions by members	929	872
Administration expenses	(157)	(136)
Contributions by the employer, including in respect of unfunded benefits	2,331	2,657
Benefits paid, including unfunded benefits	(3,877)	(4,311)
Fair value of employer assets in scheme at end of year	139,001	121,020

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

8. PENSIONS (continued)

History of experience gains and losses	2022 £'000	2021 £'000	2020 £'000	2019 £'000	2018 £'000
Fair value of employer assets	139,001	121,020	104,704	109,847	101,586
Present value of defined benefit obligation	(213,081)	(215,829)	(166,747)	(174,544)	(167,234)
Deficit	(74,080)	(94,809)	(62,043)	(64,697)	(65,648)
Experience (losses) / gains on assets	16,391	14,783	(3,039)	6,096	3,153
Experience (losses) / gains on liabilities	(427)	2,142	(1,094)	-	-

The sensitivity analysis on the major assumptions in the above is:

		£'000	£'000	£'000
Adjustment to discount rate		+0.1%	0.0%	-0.1%
	Present value of total obligation	208,775	213,081	217,481
	Projected service cost	4,843	5,001	5,163
Adjustment to long term salary increase		+0.1%	0.0%	-0.1%
	Present value of total obligation	213,480	213,081	212,686
	Projected service cost	5,004	5,001	4,998
Adjustment to pension increases and deferred valuation		+0.1%	0.0%	-0.1%
	Present value of total obligation	217,050	213,081	209,193
	Projected service cost	5,162	5,001	4,844
Adjustment to mortality age rating assumption		+ 1 Year	None	- 1 Year
	Present value of total obligation	222,454	213,081	204,121
	Projected service cost	5,225	5,001	4,785

9. INTANGIBLE FIXED ASSETS (Group)

Goodwill	Group £'000
Goodwill on Acquisition	
At 1 April 2021 and 31 March 2022	1,574
Goodwill Amortisation	
At 1 April 2021	(1,534)
Amortisation in the year	(40)
At 31 March 2022	(1,574)
Net Book Value	
At 31 March 2022	-
At 1 April 2021	40

Goodwill arose on consolidation of British Screen Finance Limited (BSF) and its subsidiary companies, which were acquired on 29 June 2011, and has been amortised over ten years on a straight line basis. This is charged against Audiences.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

10. TANGIBLE FIXED ASSETS (Group and Charity)

	Long leasehold property	Short leasehold property improvements	Computer and other IT equipment	Furniture fixtures and fittings	Plant and machinery	Assets in the course of construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation							
At 1 April 2021	77,926	12,819	8,582	3,023	7,139	741	110,230
Additions	500	-	607	347	664	1,400	3,518
Disposals	-	-	-	(209)	(205)	-	(414)
Reclassification	41	(41)	-	120	621	(741)	-
Revaluation	4,533	813	-	-	-	-	5,346
At 31 March 2022	83,000	13,591	9,189	3,281	8,219	1,400	118,680
Depreciation							
At 1 April 2021	(13,657)	(8,711)	(5,942)	(1,387)	(5,476)	-	(35,173)
Charge for the year	(3,592)	(674)	(386)	(221)	(335)	-	(5,208)
Disposals	-	-	-	180	205	-	385
Revaluation	17,249	(556)	-			-	16,693
At 31 March 2022	-	(9,941)	(6,328)	(1,428)	(5,606)	-	(23,303)
Net Book Value							
At 31 March 2022	83,000	3,650	2,861	1,853	2,613	1,400	95,377
At 1 April 2021	64,269	4,108	2,640	1,636	1,663	741	75,057

The BFI's long leasehold properties BFI Southbank and BFI London IMAX, including associated plant and fixtures, were revalued as at 31 March 2022 by appropriately qualified valuers, Deloitte LLP, in accordance with FRS 102: Section 17 – Property Plant and Equipment. Since the previous valuation at 31 March 2017 the assets have been adjusted annually using appropriate indices. The latest full valuation has resulted in a net increase in value in the year of £21.8m (2021: decrease of £1.4m using indexation).

Short leasehold property improvements have been revalued using appropriate indices, resulting in a net increase in value in the year of £0.3m (2021: decrease of £0.2m). Other classes of assets have not been revalued, as they are made up of low value and/or short useful economic life assets or where the historical cost is considered a reasonable approximation of fair value.

Historic Cost Accounting:

	Long leasehold property	Short leasehold property improvements	Computer and other IT equipment	Furniture fixtures and fittings	Plant and machinery	Assets in the course of construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost							
At 1 April 2021	40,409	11,274	8,582	3,023	7,139	741	71,168
Additions	500	-	607	347	664	1,400	3,518
Disposals	-	-	-	(209)	(205)	-	(414)
Reclassification	-	-	-	120	621	(741)	-
At 31 March 2022	40,909	11,274	9,189	3,281	8,219	1,400	74,272
Depreciation							
At 1 April 2021	(18,888)	(7,333)	(5,942)	(1,387)	(5,476)	-	(39,026)
Charge for the year	(1,249)	(1,033)	(386)	(221)	(335)	-	(3,224)
Disposals	-	-	-	180	205	-	385
At 31 March 2022	(20,137)	(8,366)	(6,328)	(1,428)	(5,606)	-	(41,865)
Net Book Value							
At 31 March 2022	20,772	2,908	2,860	1,853	2,611	1,400	32,407
At 1 April 2021	21,521	3,941	2,640	1,636	1,663	741	32,144

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

11. HERITAGE ASSETS (Group and Charity)

The BFI has built the National Archive since its establishment in 1933, consisting of film and other related materials dating back to the 19th century. The BFI develops, cares for and interprets a collection that illustrates the art, history and impact of film, to be held in safe custody in perpetuity for the public, for their use and for use by the BFI in pursuit of its objectives. The collection is one of the largest and most diverse collections in the world. It includes feature films, documentary and factual films, television programmes, artists film, photographic stills, posters, books and other related materials, held primarily for use in the BFI's activities and charitable objectives, as described in more detail in the Annual Report and below. In 2011 BFI adopted its current Collection Policy, which can be found on www.bfi.org.uk. It documents our procedures for acquisition and disposal, documentation, conservation and access and describes our role in a national network of organisations that collect or provide access to film and television. Key measures taken to safeguard the national collections include major investment in physical infrastructure to preserve master materials, developing our extensive database of materials and information and in digitising materials for the dual purposes of alternative storage and improved public access.

In line with the accounting policy, Heritage Assets are not recognised on the balance sheet as there is an absence of reliable cost information and a valuation approach is not practicable at a cost commensurate with the benefit to the users of the accounts and to the charity. In order to give an indication of the physical size and diversity of the collections, the main elements are summarised below.

Fiction film

42,000 titles. The collection includes the original camera negatives of some of the most important feature films in British film history. The BFI also looks after an extensive international collection of films.

Non-fiction film

140,000 titles including documentaries, newsreels, government films, sponsored films, advertisements and home movies. It is the world's most important collection of documentary films.

Television

Around 800,000 television titles including material recorded off-air, as it was seen by the viewer, as well as production and transmission material. The collection includes all BBC output since 1980 including unique live broadcasts and extensive samples of commercial terrestrial television, with emphasis on key British productions. As well as the recorded material, significant collections of transmitted programming donated by broadcasters include the Rediffusion Collection (the earliest ITV contractor) and material preserved on analogue videotape from the 1960s and 1970s donated by the BBC and ITV.

Library

The library holds some 47,000 books including major film, TV and video directories and yearbooks from around the world, all major film and TV festival catalogues, programmes and brochures and all UK based festival catalogues. It also includes major film catalogues from around the world, annual reports from relevant companies and bodies; official publications including copyright, arts policy, and government reports; biographies and autobiographies of UK film/TV personalities.

One of the greatest strengths of the library is its near comprehensive collections of UK trade and academic journals (5,000 titles; 229,000 issues). An extensive collection of newspaper cuttings, publicity and press material are also held as are brochures, leaflets, prospectuses etc. describing the work of organisations that are relevant to film and television.

Special collections

21,000 unpublished scripts, from first drafts to release scripts, relating primarily to British film and TV titles.

28,000 press books, 19,000 film posters and 2,000 items of cinema ephemera such as programmes, tickets, autographed letters, promotional material and personal memorabilia.

700 collections of personal and company papers reflecting the history of British film and television production from the earliest days to the present time.

Approximately 1.4 million still images from or related to film and TV, including publicity material, production shots, and portraits.

30,000 film and television advertisements.

Other items include: over 5,500 production and costume designs; 200 boxes of animation cels including artwork by leading animators; and extensive audio collections including oral history recordings and interviews with many key industry figures.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

12. INVESTMENTS (Charity)

Assets – Split of Investments by Category	2022 BFI Big Screen	British Screen Finance Group	BFI Enterprise	2022 Total
	£'000	£'000	£'000	£'000
Trading Account				
Income	2,722	291	3,088	6,101
Expenditure	(878)	(26)	-	(904)
Expenditure – BFI recharges	(40)	(28)	(1,669)	(1,737)
Net operating profit	1,804	237	1,419	3,460
Interest receivable and similar income	-	-	-	-
Surplus gift aided to the BFI	(1,804)	(237)	(1,419)	(3,460)
Net profit	-	-	-	-
Balance Sheet				
Stocks & work in progress	-	-	166	166
Debtors	2,040	61	89	2,190
Cash at bank and in hand	56	1,314	17	1,387
Current liabilities	(267)	(11)	(42)	(320)
Current liabilities – owed to the BFI	(1,829)	(352)	(137)	(2,318)
Total (BFI interest)	-	1,012	93	1,105

	2021 BFI Big Screen	British Screen Finance Group	BFI Enterprise	2021 Total
	£'000	£'000	£'000	£'000
Trading Account				
Income	946	358	1,598	2,902
Expenditure	(435)	(49)	-	(484)
Expenditure – BFI recharges	(39)	(28)	(1,435)	(1,502)
Net operating profit	472	281	163	916
Interest receivable and similar income	1	2	1	4
Surplus gift aided to the BFI	(474)	(283)	(164)	(921)
Net profit	(1)	-	-	(1)
Balance Sheet				
Stock and work in progress	-	-	188	188
Debtors	626	103	9	738
Cash at bank and in hand	186	1,353	285	1,824
Current liabilities	(137)	(104)	(17)	(258)
Current liabilities – owed to the BFI	(676)	(340)	(372)	(1,388)
Total (BFI interest)	(1)	1,012	93	1,104

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

12. INVESTMENTS (Charity) (continued)

The BFI holds 100% of the issued share capital of the following undertakings, which are registered in England and Wales:

	Company Registration Number:
British Screen Finance Limited (BSF)	1910848
BFI Enterprise Limited	3088677
BFI (Big Screen) Limited (operates the theatrical and commercial activities of the BFI IMAX)	2463593
Project Rosebud Limited (e-commerce development – dormant with nil assets and investment value)	3946785

BSF, in addition, holds the following investments:

		Ordinary shares of £1 each	Holding
Subsidiary undertakings			
National Film Finance Consortium Limited (NFFC)	01056412	100	100%
European Co-Production Fund Limited (ECF)	02631250	2	100%
British Screen Rights Limited (BSR)	02908542	2	100%
The Greenlight Fund Limited (GLF)	03191007	2	100%
National Film Development Fund (NFDF)	01268342	-	Not applicable
Associated undertakings			
British Film-Makers Limited (BFM)	00368248	50	50%

NFFC is a dormant company. ECF was a company that made loans to films produced by European co-producers. BSR acquired and sold rights in feature films. GLF managed the investment of some National Lottery proceeds into feature films on behalf of the Arts Council of England and is now dormant. NFDF made loans to producers and writers in the 1990s and is a company limited by guarantee. It is included here because of its control via the directors. BFM collects and distributes film revenues on behalf of BSF and third parties. Its results are not material to the Group. All group companies are registered in England and Wales.

Trading subsidiaries are involved in activities wholly consistent with the BFI's charitable aims and objectives and remit taxable profits to the BFI under Gift Aid. Their income and expenditure are consolidated into the Group accounts.

The investments held by the Charity are summarised as follows:

	£'000
Cost	
At 1 April 2021 and 31 March 2022	2,450
Impairment	
At 1 April 2021 and 31 March 2022	(1,007)
Net Book Value	
At 1 April 2021 and 31 March 2022	1,443

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2022

13. IMPACT OF THE INTRODUCTION OF IFRS 16 (LEASES) – BFI LOTTERY FINANCIAL STATEMENTS

IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions.

IFRS 16 (Leases) does not apply under FRS102 but for the BFI Lottery accounts appended it applies for periods beginning on or after 1 January 2019, and is thus being applied in those accounts.

Those financial statements include costs of the rental of office space at 21 Stephen Street, London which would fall under the definitions of the standard. BFI Lottery are thus required to reflect the discounted liability of the relevant portion of the lease for its term to 2031 in the Statement of Financial Position, with a matching "right of use" asset. The asset is depreciated over the life of the lease period, whilst the liability is released in line with the lease payments.

Guidance has been received from HM Treasury as to the approach to be adopted in the first year of implementation of this standard, to ensure consistency across Government. This states that these changes be introduced as in year changes with no re-statements of the prior year figures – the approach adopted here.

Previously to this rentals payable under operating leases were charged to the SOCNE on a straight line basis over the lease term.

See Notes 10 and 14 to the BFI Lottery Financial Statements for further information.

14. FILM RIGHTS (Group and Charity)

Film rights fall within the definition of Financial Instruments and are held at fair value. The valuation approach to establish the fair value of the film rights portfolio is set out in note 1: Accounting Policies.

The BFI's primary objective in investing in film rights is to support the future success of British film by backing new voices, new stories, new ideas and skills, enriching and diversifying British film production. Thus whilst the potential commercial success of a project is important in our assessment of an application it is not the only funding criterion.

The fair value of film rights at 31 March is as follows:	**2021-22 £'000**	**2020-21 £'000**	**2019-20 £'000**	**2018-19 £'000**	**2017-18 £'000**
Production Awards	12,095	9,760	11,330	12,181	10,210
Vision Awards	906	1,411	1,238	1,323	1,368
Development Awards	292	227	534	284	333
Distribution Awards	178	161	235	220	489
Other Awards	-	-	-	-	30
Film Rights valuation	**13,471**	**11,559**	**13,337**	**14,008**	**12,430**

Film rights are recognised as split between current and non-current assets, on the basis of a review of the characteristics of the loans across the portfolio and the anticipated cash flows from these:

	2021-22 £'000	**2020-21 £'000**	**2019-20 £'000**	**2018-19 £'000**	**2017-18 £'000**
Film rights – non-current	10,008	9,228	10,532	8,249	7,492
Film rights – current	3,463	2,331	2,805	5,759	4,938
	13,471	**11,559**	**13,337**	**14,008**	**12,430**

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

14. FILM RIGHTS (Group and Charity) (continued)

Production awards are made to producers to co-finance feature film productions and from which we are entitled to recoup our award and take a share of net profits from the film. The value of the productions will be dependent upon many factors which are inherently uncertain; the ability of sales agents to meet sales estimates, how the film will be critically and commercially received (including box office projections and exchange rates) all play a role. Further details are set out in the note below.

Vision Awards are made to production companies to enable them to develop their business and the awards are repayable from any applicable feature film production made by the production company. As we do not expect all recipients to be required to repay the award in full we routinely impair 50% of the award in the year in which it is committed.

Development awards are made to producers to support a film development. In the event that the development project progresses into a feature film production, we would be entitled to be repaid our award and take a share of net profits. Accordingly development awards are fully adjusted to £nil in the year in which the award is made, unless there is a reasonable anticipation of it progressing to production.

Distribution awards are made to distributors to support the release of a film in the UK and repayable dependent upon the performance of the film release.

Other awards include targeted development awards which are awarded to support new talent. These awards are written off in full in the year unless there is a reasonable expectation of recoupment.

Movements in the valuation of film rights	2021-22 £'000	2020-21 £'000	2019-20 £'000	2018-19 £'000	2017-18 £'000
Film rights valuation at 1 April	11,559	13,337	14,008	12,430	12,627
New commitments: made in year	21,000	22,275	17,002	20,840	18,783
Decommitments: new film rights in year	(25)	(370)	-	(3)	(23)
Decommitments: historical portfolio	(412)	(178)	(461)	(369)	(451)
Repayment of investments: new film rights in year	(1,186)	(1,528)	(285)	(588)	(508)
Repayment of investments: historical portfolio	(4,085)	(2,547)	(4,191)	(3,546)	(5,024)
Adjustments: new film rights in year	(17,233)	(17,559)	(13,932)	(16,110)	(15,530)
Adjustments: historical portfolio	(400)	(5,174)	(3,873)	(2,476)	(2,315)
Adjustments written back	4,253	3,303	5,069	3,830	4,871
Film rights valuation at 31 March	**13,471**	**11,559**	**13,337**	**14,008**	**12,430**

The value of new commitments made in the year will vary due to timing differences arising from the closure of awards.

The valuation of the Film Rights is based on the anticipated cash receipts over the next seven financial years after the balance sheet date. In relation to recent production awards (that is production awards that were recognised as awards payable this financial year and the last seven financial years), the valuation is based on the cash receipts anticipated from the first cycle of revenues including revenues from cinema, DVD, Video On Demand and television. In relation to older production awards, the valuation is based on the anticipated cash receipts for the next seven years following the balance sheet date calculated from the individual film's historic cash receipts. All such anticipated cash receipts are discounted using the applicable Treasury Rate of 2.6% (2021: 3.7%).

The value of new film rights in the year is always governed by the value of awards made and therefore can vary considerably year to year.

As at 31 March 2022, the Film Rights valuation for production awards is £12.1m (2021: £9.8m) and for all other Film Rights is £1.4m (2021: £1.8m) totalling £13.5m (2021: £11.6m). For production awards, were the recoupment levels and valuation to vary by +/- 5%, the impact of the valuation of Film Rights at 31 March 2022 would be £0.6m for 184 awards (2021: £0.5m for 207 awards).

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

14. FILM RIGHTS (Group and Charity) (continued)

In relation to older production awards, the Film Rights valuation is calculated on the assumption that the future anticipated receipts will be based on the historic cash receipts for the two years prior to the balance sheet date, subject to a 85% default reduction every three years, except for films in profit which are calculated on the assumption that the future anticipated receipts will be based on the historic cash receipts for the three years prior to the balance sheet date, subject to a 75% default reduction every three years. The total amount of the Film Rights valuation based on this methodology is £6.1m (2021: £4.3m). Were this default reduction percentage to change to +/- 10% the Film Rights valuation would change by:

	£'000 +10%	£'000 0%	£'000 -10%
2021-22	(950)	6,090	860
2020-21	(400)	4,320	390

In relation to recent production awards (that is production awards that were recognised as awards payable this financial year and the previous three financial years), the Film Rights valuation is based on future anticipated receipts. These cash receipts are principally earned in US dollars and converted to pounds sterling before payment is made to the BFI's bank accounts. The default pound sterling to US dollar exchange rate is calculated using the average daily exchange rate for the two years to the balance sheet date, rounded to the nearest 5 US cents. The default rate as at 31 March 2022 for production awards is US $1.35 (2021: US $1.30).

Had the pound sterling to US dollar exchange rate been $1.45, for the purposes of the Film Rights valuation, then the valuation of the total of these production awards would be reduced by £0.4m (2021: $1.40 and the awards at March 2021 would reduce by £0.5m). Were the valuation calculated using US $1.25, then these valuations would be increased by £0.5m (2021: $1.20 and the awards at March 2021 would increase by £0.6m).

Further information on the movement on film rights can be found on the BFI website: www.bfi.org.uk/about-bfi/annual-review-management-agreement.

15. NATIONAL LOTTERY DISTRIBUTION FUND (NLDF) (Group and Charity)

The movement in balances held at the NLDF is:	2022 £'000	2021 £'000
Balance at 1 April	53,120	53,804
Income received from the Lottery receipts	48,882	49,044
Investment income earned on NLDF balances	69	29
Available for distribution	102,071	102,877
Cash drawn down	(51,130)	(49,757)
Balance at 31 March	50,941	53,120

The funds are invested on behalf of the NLDF by the National Debt Commissioners. The BFI's distribution is in accordance with Sections 22 and 23 of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998). The BFI is required by statute to show on the balance sheet the lower of the market value or the cost of the investment as at the year end. There were no unrealised gains in the year (2021: £nil).

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

16. STOCKS AND WORK IN PROGRESS

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Work in progress	49	54	49	54
Finished goods	545	518	379	329
	594	572	428	383

17. DEBTORS

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Trade debtors	4,389	2,281	3,959	1,795
Amount owed by subsidiary undertakings	-	-	2,317	1,426
Other debtors	2,886	3,331	2,838	3,256
Prepayments and accrued income	6,959	25,125	5,256	24,948
	14,234	30,737	14,370	31,425

18. CASH AT BANK AND IN HAND

Analysis of cash and cash equivalents		Unrestricted £'000	Restricted £'000	2022 Total £'000	2021 Total £'000
Cash at bank and in hand	Group	600	38,907	39,507	32,557
Cash at bank and in hand	Charity	(787)	38,907	38,120	30,734

All cash at bank is held with UK commercial banks.

£4.3m (2021: £3.2m) of cash held in BFI lottery bank accounts is funds recouped by BFI and held on behalf of producers under the "Rewarding Success" recoupment corridor – see note 22: Provisions.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

19. FINANCIAL RISKS (Group and Charity)

Financial Reporting Standards require disclosure of the role which financial instruments have had during the period, in creating or changing the risks the BFI faces in undertaking its role.

Film rights

Under International Financial Reporting Standards (IFRS 9) film rights fall within the definition of Financial Instruments. Within that, they meet the definition of assets measured at fair value with gains and losses being recognised in the profit and loss account.

Establishing the fair value of film rights is subjective and therefore contains an element of risk. The fair value is based on a review of external evidence such as the sales agents' estimates as to the likely revenues generated by a project, where it is in the life cycle of the project, and upon actual performance of the film to date. This is matched with the knowledge and experience of the staff and management involved in the process of assessing the projects both at application stage and as they come to fruition. Any reduction in fair value is immediately taken to the profit and loss account in the year.

The valuation of film rights is subject to ongoing review to ensure a fair value is maintained, with any adjustments being charged as expenditure.

	2022	2021
	£'000	£'000
Film rights – non-current	10,008	9,228
Film rights – current	3,463	2,331
	13,471	11,559

National Lottery Distribution Fund

Under IFRS 9 funds held at the National Lottery Distribution Fund are held as financial instruments held at amortised cost.

Liquidity risks

Income was derived from:	2022	%	2021	%
	£'000		£'000	
DCMS Grant-in-aid	51,988	39%	72,245	50%
DCMS Capital provision	2,082	2%	1,987	1%
Other legacies, grants and donations and investment income	4,919	4%	7,298	5%
Resources generated from charitable activities	20,353	15%	13,863	10%
Donated services and facilities	2,344	2%	356	0%
Lottery proceeds and receipts	50,647	38%	49,879	34%
	132,333	100%	145,628	100%

The Governors consider that, as the NLDF balance notified by the Secretary of State for Digital, Culture, Media and Sport and the BFI's own Lottery cash holding amount to £59.3m at the balance sheet date (2021: £61.6m), sufficient liquid resources are available to cover all existing commitments totalling £46.6m (2021: £44.1m) and any other payables.

The non-Lottery cash holdings are considered sufficient to cover the non-Lottery other payables.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

19. FINANCIAL RISKS (Group and Charity) (continued)

Interest rate risks

The BFI's largest financial asset is retained in the NLDF, which invests in a narrow band of low risk assets such as Government bonds and cash. Neither the BFI nor its Governors has any control over these investments. The interest rate risks in respect of these financial assets are disclosed in the financial statements of the NLDF. The market value of the BFI's investment in the NLDF at the year end was £50.9m (2021: £53.1m) and the average investment return for the year was 0.1% (2021: 0.1%).

Cash drawn from the NLDF, DCMS or received from other sources, to pay grant commitments and operating costs are held in variable rate bank accounts and the average interest rate return for the year was 0.01% (2021: 0.13%). The group cash balance at the year end was £8.3m (2021: £8.4m).

Other price risks

Under FRS102 film rights fall within the definition of financial instruments and are therefore shown in the balance sheet at fair value.

Establishing the fair value of film rights is subjective and therefore contains an element of risk. The fair value is based on a review of external evidence such as the sales agents' estimates as to the likely revenues generated by a project, and depending on where it is in the life cycle of the project, upon actual performance of the film to date. This is matched with the knowledge and experience of the staff and management involved in the process of assessing the projects both at application stage and as they come to fruition. Any reduction in fair value is immediately taken to the SOFA in the year.

The valuation of film rights is subject to ongoing review to ensure a fair value is maintained, with any adjustments being charged as expenditure. Any increase in the fair value beyond the original investment value is taken to reserves and only released as income on the actual receipt of funds.

Film rights at 31 March 2022 have a valuation of £13.5m (2021: £11.6m). The Governors consider that the BFI is not exposed to significant other price risks.

Foreign currency risks

The BFI's financial assets are not exposed to material foreign exchange risks as long-term balances are held in sterling, however foreign currency exchange risks are significant in the valuation of the Film Rights as explained in the Lottery financial statements note 14: Financial Instruments and note 6: Film Rights.

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Trade creditors	(2,662)	(4,087)	(2,662)	(4,078)
Other taxes and social security costs	(819)	(899)	(817)	(899)
Other creditors	(26,650)	(40,857)	(26,650)	(40,855)
Lottery awards payable (see note 23)	(35,470)	(35,711)	(35,470)	(35,711)
Accruals	(4,082)	(4,728)	(3,830)	(4,562)
Deferred income (see note 21)	(2,651)	(2,289)	(2,593)	(2,242)
	(72,334)	(88,571)	(72,022)	(88,347)

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

21. DEFERRED INCOME

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
At 1 April	(2,289)	(1,646)	(2,242)	(1,088)
Amount released to income	2,289	1,646	2,242	1,088
Amount deferred in year	(2,651)	(2,289)	(2,593)	(2,242)
At 31 March	(2,651)	(2,289)	(2,593)	(2,242)

Mainly relates to restricted grants, advance ticket sales and subscriptions to Sight and Sound magazine.

22. PROVISIONS (Group and Charity)

Rewarding success awards	2022 £'000	2021 £'000
At 1 April	(3,166)	(3,887)
New provisions in year	(2,308)	(1,252)
Amounts paid in year	1,146	1,973
At 31 March	(4,328)	(3,166)

Rewarding Success provision

The rewarding success initiative allows for a share of film recoupment income arising from lottery awards to be made available to UK Producers, Writers and Directors for their future film making activity.

The funds held on behalf of filmmakers ("the locked box") represents the monies held for this initiative at the balance sheet date and not yet drawn down.

23. LOTTERY AWARDS PAYABLE (Group and Charity)

	2022 £'000	2021 £'000
At 1 April	(35,711)	(30,920)
New film rights commitments in year	(21,785)	(22,275)
Commitments transferred from prior year provision for non-film rights awards	-	(1,973)
New non-film rights commitments in year	(26,548)	(28,688)
Decommitments	2,377	3,686
Amounts paid	46,197	44,459
At 31 March	(35,470)	(35,711)

Decommitments arise when any element of the award is not utilised once contracts are signed and drawdown has commenced.

Reconciliation to Lottery accounts		2022 £'000	2021 £'000
Creditors: amounts falling due within one year	Lottery awards payable	(35,470)	(35,711)
Provisions	Lottery awards payable	(4,328)	(3,166)
Other payables – Awards Commitments:	Heritage 2022 – eliminated on consolidation	(1,909)	(5,263)
Total Awards Commitments as per Lottery accounts		(41,707)	(44,140)
Lottery accounts – Awards Commitments represented by:			
Other payables – Awards Commitments		(18,235)	(18,495)
Provision for award commitments		(23,472)	(25,645)
		(41,707)	(44,140)

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

24. STATEMENT OF FUNDS (Group and Charity)

GROUP

	At 1 April 2021 £'000	Income £'000	Expenditure £'000	Other recognised gains/(losses) £'000	Transfers £'000	At 31 March 2022 £'000
Unrestricted funds:						
Income funds excluding pensions asset/liability	33,065	37,859	(39,982)	-	3,518	34,460
Pension reserve	(89,859)	-	(4,895)	23,762	-	(70,992)
Fixed asset revaluation reserve	42,915	-	(1,984)	22,039	-	62,970
Total unrestricted funds	(13,879)	37,859	(46,861)	45,801	3,518	26,438
Donated Services and Facilities	-	2,344	(2,344)	-	-	-
Arts and Humanities Research Council	8	136	9	-	-	153
DCMS – Northern Ireland	-	5,824	(5,824)	-	-	-
DCMS – PRS	-	262	(262)	-	-	-
DCMS – Global Screen Fund	8	7,000	(6,551)	-	-	457
DCMS GIA – DFE	-	1,000	(1,000)	-	-	-
DCMS – Culture Recovery Fund	575	7,848	(5,276)	-	-	3,147
DCMS – Young Audience Content Fund	55	10,700	(9,293)	-	-	1,462
DCMS – GiA Film London SSSD	-	2,774	(2,774)	-	-	-
DCMS – Capital GiA	-	2,082	-	-	(2,082)	-
BFI Lottery – Heritage 2022	5,110	-	(3,205)	-	(167)	1,738
BFI Lottery – BFI London Film Festival	-	-	(1,134)	-	1,134	-
BFI Trust	-	1,835	-	-	(1,269)	566
Chaplin Foundation	41	-	-	-	-	41
Charles Skey Charitable Trust	-	60	(60)	-	-	-
CVC Foundation	-	86	(86)	-	-	-
Esmee Fairbairn Foundation	-	180	(167)	-	-	13
Film London	-	60	(60)	-	-	-
Friends of the BFI	43	66	(76)	-	-	33
H.M. Government – Dept for Work & Pensions	-	352	(352)	-	-	-
H.M. Government – Job Retention Scheme	-	274	(274)	-	-	-
Julia and Hans Rausing Trust	-	290	(290)	-	-	-
LUMA Foundation	30	-	-	-	-	30
Reuben Foundation	-	120	(120)	-	-	-
Simon Hessel	50	-	(20)	-	-	30
The David Lean Foundation	-	69	(9)	-	-	60
Other up to £50,000	86	368	(282)	-	-	172
Total restricted funds excluding lottery	6,006	43,730	(39,450)	-	(2,384)	7,902
Lottery funds:						
Lottery reserve	29,919	50,716	(47,371)	-	(1,134)	32,130
Donations and other income	-	28	(28)	-	-	-
Lottery share of pension reserve	(4,950)	-	(562)	2,424	-	(3,088)
Total Lottery funds	24,969	50,744	(47,961)	2,424	(1,134)	29,042
Total funds	17,096	132,333	(134,272)	48,225	-	63,382

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

24. STATEMENT OF FUNDS (Group and Charity) (continued)

CHARITY

	At 1 April 2021 £'000	Income £'000	Expenditure £'000	Other recognised gains/(losses) £'000	Transfers £'000	At 31 March 2022 £'000
Unrestricted funds:						
Income funds excluding pensions asset/liability	36,050	35,218	(37,305)	-	3,518	37,481
Pension reserve	(92,541)	-	(4,895)	23,762	-	(73,674)
Fixed asset revaluation reserve	42,915	-	(1,984)	22,039	-	62,970
Total unrestricted funds	(13,576)	35,218	(44,184)	45,801	3,518	26,777
Donated Services and Facilities	-	2,344	(2,344)	-	-	-
Arts and Humanities Research Council	8	136	9	-	-	153
DCMS – Northern Ireland	-	5,824	(5,824)	-	-	-
DCMS – PRS	-	262	(262)	-	-	-
DCMS – Global Screen Fund	8	7,000	(6,551)	-	-	457
DCMS GIA – DFE	-	1,000	(1,000)	-	-	-
DCMS – Culture Recovery Fund	575	7,848	(5,276)	-	-	3,147
DCMS – Young Audience Content Fund	55	10,700	(9,293)	-	-	1,462
DCMS – GiA Film London SSSD	-	2,774	(2,774)	-	-	-
DCMS – Capital GiA	-	2,082	-	-	(2,082)	-
BFI Lottery – Heritage 2022	5,110	-	(3,205)	-	(167)	1,738
BFI Lottery – BFI London Film Festival	-	-	(1,134)	-	1,134	-
BFI Trust	-	1,835	-	-	(1,269)	566
Chaplin Foundation	41	-	-	-	-	41
Charles Skey Charitable Trust	-	60	(60)	-	-	-
CVC Foundation	-	86	(86)	-	-	-
Esmee Fairbairn Foundation	-	180	(167)	-	-	13
Film London	-	60	(60)	-	-	-
Friends of the BFI	43	66	(76)	-	-	33
H.M. Government – Dept for Work & Pensions	-	352	(352)	-	-	-
H.M. Government – Job Retention Scheme	-	274	(274)	-	-	-
Julia and Hans Rausing Trust	-	290	(290)	-	-	-
LUMA Foundation	30	-	-	-	-	30
Reuben Foundation	-	120	(120)	-	-	-
Simon Hessel	50	-	(20)	-	-	30
The David Lean Foundation	-	69	(9)	-	-	60
Other up to £50,000	86	368	(282)	-	-	172
Total restricted funds excluding lottery	6,006	43,730	(39,450)	-	(2,384)	7,902
Lottery funds:						
Lottery reserve	29,919	50,716	(47,371)	-	(1,134)	32,130
Donations and other income	-	28	(28)	-	-	-
Lottery share of pension reserve	(4,950)	-	(562)	2,424	-	(3,088)
Total Lottery funds	24,969	50,744	(47,961)	2,424	(1,134)	29,042
Total funds	17,399	129,692	(131,595)	48,225	-	63,721

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2022

24. STATEMENT OF FUNDS (Group and Charity) (continued)

Restricted funds:	Description:
Donated Services and Facilities	Various services and facilities provided in support of the BFI London Film Festival and BFI Flare film festival, see note 4: Donated Services and Facilities.
Arts and Humanities Research Council	Film Conservation, including capital expenditure.
DCMS – Northern Ireland	Support for Northern Ireland Screen Irish and Ulster Scots language programming
DCMS – PRS	Production Restart Support for UK film production emerging from COVID-19
DCMS – Global Screen Fund	Support UK film distribution overseas
DCMS GIA – DFE	Funds ring fenced for education projects supported by the Department for Education
DCMS – Culture Recovery Fund	Support for independent cinemas impacted by COVID-19 restrictions
DCMS – Young Audience Content Fund	Funding for new youth television content
DCMS – GiA Film London SSSD	Ring fenced grant in aid support for Film London
DCMS – Capital GiA	Grant in aid funds for capital expenditure
BFI Lottery – Heritage 2022	Awarded by the Lottery under Section 27 dispensation towards supporting UK Film Heritage
BFI Lottery – BFI London Film Festival	Awarded by the Lottery under Section 27 dispensation towards improving public access to the 2021 BFI London Film Festival.
BFI Trust	Support for estates related projects and planning, including capital expenditure.
Chaplin Foundation	Archive restoration and other work
Charles Skey Charitable Trust	COVID-19 recovery support and nitrate vault refurbishment
CVC Foundation	Supporting BFI Inclusion work
Esmee Fairbairn Foundation	Supporting BFI Replay as part of the Heritage 22 programme
Film London	LFF Industry Programme and Virtual Film Screening
Friends of the BFI	Various projects including funding the restoration of the RAT(1925), Keep Film on Film Campaign, Women Documentary Filmmakers project and the film “I know where I am going”.
H.M. Government – Dept for Work & Pensions	Support for Education project
H.M. Government – Job Retention Scheme	Support for staff on Furlough
Julia and Hans Rausing Trust	Online education activity and BFI at Home digital programming
LUMA Foundation	Anthony Balch project
Reuben Foundation	Lead supporter of BFI Future Film
Simon Hessel	Support of the BFI National Archive, including restorations of The Small Back Room and Contraband
The David Lean Foundation	Heritage 22 Paper Conservation
Other up to £50,000	Various grant awards towards education, restoration and programming and other sundry income.
Transfers	Relate to the receipt of s27 Lottery funding (note 30) and the transfer to unrestricted reserves of capital grants used to acquire fixed assets in the year, where there is no ongoing restriction attached to the asset created.
Lottery funds:	
Donations and other income	Northern Ireland Screen support for Young people’s Filmmaking Programme
Transfers	Relate to the s27 Lottery awards for other BFI activities (note 30).

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

24. STATEMENT OF FUNDS (Group and Charity) (continued)

Fund balances at 31 March 2022 are represented by:

	Group			Charity		
	Unrestricted £'000	Restricted £'000	Total £'000	Unrestricted £'000	Restricted £'000	Total £'000
Fixed assets:						
Intangible fixed assets	-	-	-	-	-	-
Tangible fixed assets	95,377	-	95,377	95,377	-	95,377
Investments	-	-	-	1,443	-	1,443
Non-current assets:						
Film rights	-	10,008	10,008	-	10,008	10,008
Current Assets						
Film rights	-	3,463	3,463	-	3,463	3,463
National Lottery Distribution Fund	-	50,941	50,941	-	50,941	50,941
Stocks and work in progress	594	-	594	428	-	428
Debtors	9,807	4,427	14,234	9,943	4,427	14,370
Cash at bank and in hand	600	38,907	39,507	(787)	38,907	38,120
Current assets	11,001	97,738	108,739	9,584	97,738	107,322
Current liabilities	(8,948)	(67,714)	(76,662)	(8,636)	(67,714)	(76,349)
Income funds excluding pensions net liability	97,430	40,032	137,462	97,769	40,032	137,801
Long term pension liabilities	(70,992)	(3,088)	(74,080)	(70,992)	(3,088)	(74,080)
Total net assets	26,438	36,944	63,382	26,777	36,944	63,721

Fund balances at 31 March 2021 are represented by:

	Group			Charity		
	Unrestricted £'000	Restricted £'000	Total £'000	Unrestricted £'000	Restricted £'000	Total £'000
Fixed assets:						
Intangible fixed assets	40	-	40	-	-	-
Tangible fixed assets	75,057	-	75,057	75,057	-	75,057
Investments	-	-	-	1,443	-	1,443
Non-current assets:						
Film rights	-	9,228	9,228	-	9,228	9,228
Current Assets						
Film rights	-	2,331	2,331	-	2,331	2,331
National Lottery Distribution Fund	-	53,120	53,120	-	53,120	53,120
Stocks and work in progress	572	-	572	383	-	383
Debtors	9,362	21,375	30,737	10,050	21,375	31,425
Cash at bank and in hand	4,199	28,358	32,557	2,376	28,358	30,734
Current assets	14,133	105,184	119,317	12,809	105,184	117,993
Current liabilities	(13,250)	(78,487)	(91,737)	(13,026)	(78,487)	(91,513)
Income funds excluding pensions net liability	75,980	35,925	111,905	76,283	35,925	112,208
Long term pension liabilities	(89,859)	(4,950)	(94,809)	(89,859)	(4,950)	(94,809)
Total net assets	(13,879)	30,975	17,096	(13,576)	30,975	17,399

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

24. STATEMENT OF FUNDS (Group and Charity) (continued)

Net free reserves	Group 2022 Unrestricted £'000	Group 2021 Unrestricted £'000	Charity 2022 Unrestricted £'000	Charity 2021 Unrestricted £'000
Current assets	11,005	14,133	9,588	12,809
Current liabilities	(8,948)	(13,250)	(8,636)	(13,026)
Net free reserves	2,057	883	952	(217)

Reserves are managed to ensure that restricted funds are not used to fund other activities. Much of the net free reserves are held within British Screen Finance Limited and other subsidiaries, which are wholly owned by the BFI and have distributable reserves of £1,105,000 (2021: £1,104,000) which are available for donation to the Charity if required (note 12).

25. LEASE COMMITMENTS (Group and Charity)

As at 31 March 2022, the Charity had commitments in respect of non-cancellable operating leases as set out below:

	Land and buildings 2022 £'000	Land and buildings 2021 £'000	Other 2022 £'000	Other 2021 £'000
Leases which expire:				
Less than 1 year	(1,876)	(1,876)	(5)	(41)
Within 2 to 5 years	(7,466)	(7,352)	(2)	(7)
Over 5 years	(10,021)	(11,437)	-	-
	(19,363)	(20,665)	(7)	(48)

26. CAPITAL COMMITMENTS (Group and Charity)

As at 31 March 2022, the BFI had capital commitments outstanding of £350,000 (2021: £9,000) relating to the property infrastructure and digital upgrade.

27. CONTINGENT LIABILITIES (Group and Charity)

At 31 March 2022 Grant in Aid awards had been made for activity commencing on or after 1 April 2022. As these are contingent upon the receipt of Grant in Aid funding from DCMS in 2022-23 these are not taken to the Statement of Financial Activities in the year but are disclosed here.

	2022 £'000	2021 £'000
Film London	(374)	(1,974)
Northern Ireland Screen: Irish Language Fund	-	(3,930)
Northern Ireland Screen: Ulster Scots Fund	-	(1,893)
	(374)	(7,797)

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

27. CONTINGENT LIABILITIES (Group and Charity) (continued)

Other Contingent Liabilities – Rewarding Success projects in Film Rights

The film rights valuation is based on the value of the initial BFI investment as detailed in the Accounting Policies note above. However on a number of these investments, the BFI Locked Box initiative applies and accordingly there is a contingent liability with regard to the element of the valuation which would be made available to UK filmmakers. The BFI Locked Box initiative enables UK filmmakers supported through the BFI to benefit from their film's success.

In short, a share of income from supported film productions is put aside (into a BFI Locked Box) and can be used by the filmmakers for the development and/or production of their future projects or towards staff training. In the year these criteria were expanded to include support of organisational costs as part of the BFI's response to assist the industry as a result of the COVID-19 pandemic and resultant lockdown.

	2022 £'000	2021 £'000
Contingent liability – rewarding success projects in film rights	(3,083)	(2,975)

28. FINANCIAL AND OTHER COMMITMENTS

At the date of the statement of financial position there were financial commitments representing film rights investments made by the BFI where the investment decisions had been taken by the BFI and notified to the applicants but either the contracts had not been signed and/or the conditions precedent not met.

Therefore work had not commenced on the assets in which the BFI is investing, so neither the asset nor the matching liability are represented in the balance sheet at that date.

	2022 £'000	2021 £'000
Prior year Lottery awards		
Talent Network awards	(74)	(191)
Production awards	(430)	(97)
Development awards	(3)	(26)
In year Lottery awards		
Production awards	(6,581)	(3,081)
Distribution awards	(60)	(624)
Development awards	(504)	(457)
Network awards	(50)	(60)
Financial commitments – notified but not yet recognised in the financial statements	(7,702)	(4,536)

Other contractual commitments

The BFI has entered into non-cancellable contracts (which are not leases), for a variety of services, including building maintenance, security and software support costs. The total payments to which the BFI is committed are as follows:

	2022 £'000	2021 £'000
Not later than one year	(1,704)	(1,287)
Later than one year and not later than five years	(907)	(880)
Later than five years	-	-
Contracts for delivery of services	(2,611)	(2,167)

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

29. CONTINGENT ASSETS (Group and Charity)

The National Lottery Distributors are entitled to receive a share of the receipts from the sale of land on Queen Elizabeth Olympic Park in return for their contribution of an additional £675m to the funding of the London 2012 Olympic and Paralympic Games. This was announced in 2007. The arrangements are set out in a legal agreement between the Secretary of State and the Greater London Authority dated 29 March 2012 which sets out the distribution of funds between the GLA and the lottery distributors (via DCMS). The GLA has advised that the land sales on the Olympic Park are now forecast to return less than £200m with payment beginning in 2026-27.

BFI will be entitled to receive a portion of the receipts from the sale in line with the 2.705% of the funds available to the good causes that the BFI receives as a lottery distributor.

Due to the inherent uncertainties over such a time period it is not yet possible to quantify the value of such land sales. However given the information above the BFI could expect to receive in excess of £5m.

30. RELATED PARTIES (Group and Charity)

The BFI maintains a publicly available register of Governors' interests. Given their broad experience across the film sector, it is inevitable that Governors had connections with or interests in projects and organisations that may from time to time have come to the BFI for funding. All Governors were therefore required to declare any direct interest in and commercial relationships with award applications made to the BFI and that they had no role in the award making process. Similarly, BFI employees were excluded from decision making around any relevant application involving any organisation or company in which they have a declared interest.

Governors receive no payment for their services and all payments to key management personnel have been disclosed in the Remuneration Report.

During the year the BFI entered into transactions, in the ordinary course of business, with related parties. National Lottery awards are included in film rights at the date of the balance sheet or written off to expenditure within the year.

All awards outstanding are payable upon the meeting of conditions precedent within individual contracts.

The following related party transactions occurred during the period:

J. Timothy Richards (Chair) is a Director of Vue Entertainment Ltd and the UK Cinema Association. The BFI traded with these organisations on an arms' length basis during the year. Transactions with Vue included sales income of £Nil (2021: £Nil) and expenditure, primarily cinema hire for the BFI London Film Festival, of £67,820 (2021: £Nil).

Francesca Vinti (Director of Development) as Chairwoman of the Friends of the BFI, a USA based charity with which there were a number of transactions in the year totalling £145,250 (2021: £282,231).

Simon Bartlett (Head of Grant and Lottery Accounting) as Treasurer of the Friends of the BFI, a USA based charity with which there were a number of transactions in the year totalling £145,250 (2021: £282,231).

Andrew Smith (Governor) is a Director of Pinewood Studios with which the BFI has archive and restoration contracts which pre-date his term as Governor. In the year transactions amounted to £57,202 (2021: £Nil).

Tricia Tuttle (Festivals Director) is partner to the Director of Film at the British Council, which has partnered with the BFI on projects. Grant funding and other income amounting to £47,000 was receivable in the year (2021: £42,700) with grant awards to them and other expenditure amounting to £16,724 (2021: £121,093). The British Council received a lottery award in the year ending 31 March 2022 totalling £Nil (2021: £Nil) of which a balance of £Nil (2021: £10,500) remained payable at that date.

Governors made unrestricted donations totalling £20,000 (2021: £30,000).

Executive directors made unrestricted donations totalling £Nil (2021: £1,500).

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

30. RELATED PARTIES (Group and Charity)

Lottery Awards

Recipient of funding	Name	Role with BFI	Relationship to recipient of funding	New Awards made Year Ended 31 March 2022 £	Balance as at 31 March 2022 £
BFI – London Film Festival	Ben Roberts	CEO	CEO	1,400,000	-
BFI – Heritage 2022	Ben Roberts	CEO	CEO	-	1,912,034
StudioCanal Ltd	Idris Elba	Governor (until 24 May 2022)	Film Director	-	60,000
StudioCanal Ltd	Ben Luxford	Head of Audience Fund	Partner is employee of StudioCanal Ltd	-	60,000

A number of BFI Governors and Staff are members of BAFTA, but with no formal management or governance role therein. BAFTA received a lottery award in the year ending 31 March 2022 totalling £94,000 (2021: £9,400) of which a balance of £67,560 (2021: £38,911) remained payable at that date. The BFI transacted with the BAFTA on an arm's length basis during the year with sales of £3,068 (2021: £Nil) and purchases of £43,336 (2021: £17,400).

The BFI is a non-departmental public body sponsored by the Department for Digital, Culture, Media and Sport (DCMS). DCMS is regarded as a related party and during the year the BFI, as a recipient of Grant in Aid funding and as a Lottery distributor, had material transactions with DCMS – see note 2: Other Significant Transactions.

Awards made under the Lotteries Act Section 27 dispensation

Using the power granted by the Section 27 of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998) the Secretary of State did not object to an award of £1,400,000 to the BFI in relation to the London Film Festival. The award of £1,400,000 was made in July 2021 however as a result of the actual associated expenditure incurred against this, only £1,135,000 was drawn down with the balance of the award falling in the subsequent year.

No new award was made in the year under these powers to the Heritage 2022 strategy.

31. LOSSES AND SPECIAL PAYMENTS (Group and Charity)

There were no losses or special payments in the year (2021: none).

32. POST BALANCE SHEET EVENTS (Group and Charity)

At the time of signing the accounts there were no other events after the reporting period, either adjusting or non-adjusting which require recognition or disclosure in the financial statements. The accounts were authorised for issue on the date the Comptroller and Auditor General signed the auditor's report. The Accounting Officer authorised these financial statements for issue at 18 January 2023.

Lottery Financial Statements

BRITISH FILM INSTITUTE
FOR THE YEAR ENDED 31 MARCH 2022
LOTTERY FINANCIAL STATEMENTS

STATEMENT OF GOVERNORS' AND ACCOUNTING OFFICER'S RESPONSIBILITIES

The Governors and Chief Executive are responsible for preparing the financial statements for the Lottery distribution activities of the BFI for each financial year under section 35(2) and (3) of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998) in the form and on the basis directed by the Secretary of State for Digital, Culture, Media and Sport with the consent of Treasury. The accounts are prepared on an accruals basis and must show a true and fair view of the state of affairs of the BFI Lottery Fund distribution activities and of its income and expenditure, changes in equity and cash flows for the financial year.

In preparing these financial statements, the Governors and the Chief Executive are required to:

– Observe the accounts directions issued by the Secretary of State, including the relevant accounting and disclosure requirements; and apply suitable accounting policies on a consistent basis

– Make judgements and estimates on a reasonable basis

– State whether applicable accounting standards have been followed, and disclose and explain any material departures in the financial statements; and

– Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the BFI Lottery distribution activities will continue in operation.

The Governors and Chief Executive confirm that the annual report and accounts as a whole are fair, balanced and understandable and that the Accounting Officer takes personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable.

The Accounting Officer for the DCMS has designated the Chief Executive of the BFI as the Accounting Officer for the BFI. The relevant responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable and for keeping of proper records and for safeguarding the BFI's assets are set out in Managing Public Money published by HM Treasury and in the Financial Directions issued by the Secretary of State for Digital, Culture, Media and Sport under section 26(3) of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998).

The Governors and Chief Executive confirm they have met the responsibilities set out above and complied with the requirements for preparing the annual report and accounts on a fair, balanced and understandable basis, and the Chief Executive takes personal responsibility for this. The financial statements for the Lottery distribution activities have been compiled from and are in accordance with the financial records maintained by the Governors and Chief Executive, and all relevant information has been made available to the auditors.



Phil Stokes
Governor



Ben Roberts
Chief Executive

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL, TO THE HOUSE OF COMMONS AND THE SCOTTISH PARLIAMENT

Opinion on financial statements

I certify that I have audited the financial statements of the British Film Institute Lottery distribution accounts for the year ended 31 March 2022 under the National Lottery etc. Act 1993.

The financial statements comprise the British Film Institute Lottery distribution accounts'

- Statement of Financial Position as at 31 March 2022;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted International Accounting Standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the British Film Institute Lottery distribution accounts' affairs as at 31 March 2022 and its surplus for the year then ended; and
- have been properly prepared in accordance with the National Lottery etc Act 1993 and Secretary of State directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 Audit of Financial Statements of Public Sector Entities in the United Kingdom.
My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I have also elected to apply the ethical standards relevant to listed entities. I am independent of the British Film Institute Lottery distribution accounts in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the British Film Institute Lottery distribution accounts' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.
The going concern basis of accounting for the British Film Institute Lottery distribution accounts is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSE OF COMMONS (continued)

Other Information

The other information comprises information included in the Remuneration Report, but does not include the financial statements nor my auditor's certificate and report. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Annual Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the National Lottery etc Act 1993.

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

- the parts of the Annual Report subject to audit have been properly prepared in accordance with Secretary of State directions made under the National Lottery etc Act 1993; and
- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the British Film Institute Lottery distribution accounts and its environment obtained in the course of the audit, I have not identified material misstatements in the Annual Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- I have not received all of the information and explanations I require for my audit; or
- adequate accounting records have not been kept by the British Film Institute Lottery distribution accounts or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Annual Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Governors and Accounting Officer for the financial statements

As explained more fully in the Statement of Governors' and Accounting Officer's Responsibilities, the Governors and Accounting Officer are responsible for:

- maintaining proper accounting records;
- the preparation of the financial statements and Annual Report in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ensuring that the Annual Report and accounts as a whole is fair, balanced and understandable;
- internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error; and

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSE OF COMMONS (continued)

- assessing the British Film Institute Lottery distribution accounts' 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 Accounting Officer anticipates that the services provided by the British Film Institute Lottery distribution accounts will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the National Lottery etc Act 1993.

My 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 a certificate that includes my 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.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

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

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I considered the following:

- the nature of the sector, control environment and operational performance including the design of the British Film Institute Lottery distribution accounts' accounting policies.
- Inquiring of management, the British Film Institute Lottery distribution accounts' head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the British Film Institute Lottery distribution accounts' policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the British Film Institute Lottery distribution accounts' controls relating to the British Film Institute Lottery distribution accounts' compliance with the National Lottery etc Act 1993 and Managing Public Money ;
- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the British Film Institute Lottery distribution accounts for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, bias in management estimates. In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override of controls.

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSE OF COMMONS (continued)

I also obtained an understanding of the British Film Institute Lottery distribution accounts' framework of authority as well as other legal and regulatory frameworks in which the British Film Institute Lottery distribution accounts operates, focusing on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the British Film Institute Lottery distribution accounts. The key laws and regulations I considered in this context included the National Lottery etc Act 1993, Managing Public Money, employment law, pensions legislation and tax Legislation.

Audit response to identified risk
As a result of performing the above, the procedures I implemented to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- enquiring of management and the Audit, Risk and Governance Committee concerning actual and potential litigation and claims;
- reading and reviewing minutes of meetings of those charged with governance and the Governors and internal audit reports;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- other audit procedures responsive to the risk of fraud, non-compliance with laws and regulation or irregularity as appropriate

I also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities
I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them

I 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 I identify during my audit.

Report
I have no observations to make on these financial statements.

Gareth Davies
Comptroller and Auditor General

18 January 2023

National Audit Office
157-197 Buckingham Palace Road
Victoria
London, SW1W 9SP

Lottery Financial Statements

Registered charity number 287780

BRITISH FILM INSTITUTE GROUP AND NATIONAL LOTTERY ANNUAL REPORT AND FINANCIAL STATEMENTS 2021-22

STATEMENT OF COMPREHENSIVE NET EXPENDITURE YEAR ENDED 31 MARCH 2022

	Notes	2021-22	2020-21
	£'000	£'000	£'000
Income			
Proceeds from the National Lottery	2	48,882	49,044
National Lottery Distribution Fund investment income	2	69	29
Recoupment income			
– Arts Council England and UK Film Council portfolio	3	119	275
– BFI portfolio	3	1,555	528
Other income		118	97
Total income		**50,743**	**49,973**
Expenditure			
Lottery – non-film rights awards	4	(29,076)	(32,037)
Adjustments against film rights	5	(17,633)	(22,733)
Reversal of adjustments against film rights	5	4,253	3,303
Operating costs	8	(6,651)	(5,488)
Leasehold improvements	9	-	(362)
Total expenditure		**(49,106)**	**(57,317)**
Operating surplus/(deficit)		**1,637**	**(7,344)**
Bank interest receivable		-	10
Surplus/(deficit) for the year		**1,637**	**(7,334)**
Other comprehensive income/(expenditure)			
Actuarial gain/(loss)	7	2,424	(2,052)
Total other comprehensive income/(expenditure)		2,424	(2,052)
Total comprehensive income/(expenditure)		4,061	(9,386)

All activities were on a continuing basis.

The accompanying notes on pages 163 to 185 form part of these accounts.

LOTTERY FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION
YEAR ENDED 31 MARCH 2022

	Notes	At 31 March 2022	At 31 March 2021
	£'000	£'000	£'000
Non-current assets			
Right of use asset	10	1,395	1,550
Film Rights	5	10,008	9,228
Total non-current assets		**11,403**	**10,778**
Current assets			
Film rights	5	3,463	2,331
National Lottery Distribution Fund	2	50,941	53,120
Trade and other receivables falling due within one year	11	1,163	1,120
Cash and cash equivalents	12	8,340	8,449
Total current assets		**63,907**	**65,020**
Current liabilities			
Trade and other payables	14	(225)	(334)
Other payables - award commitments	15	(18,236)	(18,495)
Provisions	16	(23,473)	(25,644)
Total current liabilities		**(41,934)**	**(44,473)**
Total net current assets		**21,973**	**20,547**
Non-current liabilities			
Lease payables due after one year	14	(1,289)	(1,437)
Pension liability	7	(3,088)	(4,950)
Total non-current liabilities		**(4,377)**	**(6,387)**
Total assets less liabilities		**28,999**	**24,938**
Capital and reserves			
Lottery reserve		32,087	29,888
Pension reserve	7	(3,088)	(4,950)
		28,999	**24,938**

The accompanying notes on pages 163 to 185 form part of these accounts.

The financial statements were approved and authorised for signature by the Governors on 16 January 2023.



Phil Stokes
Governor



Ben Roberts
Chief Executive

LOTTERY FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 MARCH 2022

	Notes	Lottery Reserve £'000	Pension Reserve £'000	Total Reserve £'000
Balance at 31 March 2020		**36,996**	**(2,672)**	**34,324**
(Deficit)/surplus for the year		(7,108)	(226)	**(7,334)**
Re-measurements in the year	7	-	(2,052)	**(2,052)**
Balance at 31 March 2021		29,888	(4,950)	24,938
Surplus/(deficit) for the year		2,199	(562)	1,637
Re-measurements in the year	7	-	2,424	2,424
Balance at 31 March 2022		**32,087**	**(3,088)**	**28,999**

The accompanying notes on pages 163 to 185 form part of these accounts.

LOTTERY FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS
YEAR ENDED 31 MARCH 2022

	Notes	2021-22 £'000	2020-21 £'000
Operating surplus/deficit			
Operating surplus/deficit		1,637	(7,334)
(Increase)/decrease in film rights falling due in excess of one year	5	(780)	1,304
(Increase)/decrease in film rights falling due within one year	5	(1,132)	474
Decrease in trade receivables	2,11	2,291	693
Decrease in trade payables	14	(257)	(720)
Decrease in award payables	15	(259)	(3,588)
(Decrease)/increase in other payables – provisions	16	(2,171)	8,835
Non cash pension movements	7	562	226
Interest received		-	(10)
Reclassification of receipts from National Lottery Distribution Fund as cashflows from investing activities	2	(51,130)	(49,757)
Reclassification of rental payments to cashflows from financing activities	10	145	141
Reclassification of interest payable for lease liabilities to cashflows from financing activities	10	31	35
Net cash (used in)/from operating activities		(51,063)	(49,701)
Cashflows from operating activities			
Interest received		-	10
Cash receipts from National Lottery Distribution Fund	2	51,130	49,757
Cashflows from investing activities		51,130	49,767
Cashflows from financing activities			
Interest payable for lease liabilities	10	(31)	(35)
Repayment of lease liabilities	10	(145)	(141)
Cashflows (used in)/from financing activities		(176)	(176)
Decrease in cash in the year		**(109)**	**(110)**
Cash and cash equivalents at 1 April 2021	12	8,449	8,559
Cash and cash equivalents at 31 March 2022		**8,340**	**8,449**

The accompanying notes on pages 163 to 185 form part of these accounts.

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES

Basis of Accounting

These financial statements are prepared on a going concern basis under the historical cost convention, and in accordance with the Accounts Direction issued by the Secretary of State for Digital, Culture, Media and Sport with the consent of Treasury in December 2014. These meet the requirements of section 35(3) of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998) and applicable Accounting Standards, except certain headings have been amended in order to reflect special circumstances of the charity.

The accounts have been prepared on a going concern basis given the ongoing Statutory appointment of the BFI as a lottery distributor, bringing a certainty of future revenues, combined with the year end reserves of £29.0m (2021: £24.9m)

The financial statements have been prepared in accordance with the Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the BFI for the purpose of giving a true and fair view has been selected. The particular policies adopted by the BFI are described below and they have been applied consistently in dealing with items that are considered material to the accounts.

The effect of new accounting standards and interpretations in issue but not yet adopted by the BFI that the governors anticipate will have a material effect on the reported income or net assets is noted below.

In accordance with the Direction issued by the Secretary of State for Digital, Culture, Media and Sport, financial statements have also been prepared for the BFI Group activities as a whole.

A copy of the Accounts Direction is available from the Secretary to the Board of Governors, 21 Stephen Street, London W1T 1LN or is available online from www.gov.uk.

Accruals convention

Income and expenditure is accounted for on a receivable basis. The exception to this is recoupment income because of the inherent difficulties in relating the income to the period to which it relates. Recoupment income is therefore accounted for upon notification of amounts received by the BFI. Commitments are reported as per the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998).

As required by the Secretary of State for Digital, Culture, Media and Sport in the Accounts Direction, Lottery awards are accounted for on an accruals basis. Where the BFI has made a firm offer of a grant to a film rights or a non-film rights project, which together with the relevant conditions has been accepted by the recipient and the conditions of the grant have been fully met, the award is recognised as a payable. Where the BFI has agreed in principle to fund a scheme or project and made an offer, but the offer has not been accepted nor the associated conditions precedent met, the award is provided for in full at the year end. However, where the BFI has agreed in principle to fund a project in which it will take rights of recoupment ('film rights'), but the offer has not been accepted nor the associated conditions met, as the associated assets of the project cannot yet exist, the award is treated as a financial commitment at the year end. These financial commitments are disclosed by way of a note to the financial statements, whereas the liabilities and provision are recognised in the financial statements.

Award commitments payable within one year of the Statement of Financial Position are recognised in the statement as current liabilities. Those payable more than one year from the date of the statement of financial position are shown as commitments payable over more than one year. Commitments for future years have been entered into which take into account income forecasts provided by the Department for Digital, Culture, Media and Sport (DCMS). These forecasts take a conservative view of future income.

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES (continued)

Estimates and judgements
Estimates and judgements have been used in the production of these accounts, notably with regard to the valuation of film rights and pensions as at the year end and in the recharge of operating costs. Details on the judgements and estimation involved in the valuation of the film rights are set out in the Film Rights accounting policy above and note 5: Film Rights. The recharge of operating costs is based on an assessment of the relevant direct costs of the lottery departments and an appropriate proportion of the central support functions such as Facilities, Finance and IT. Further information can be found in note 8: Operating Costs and information on the assumptions underlying the pension valuation can be found in note 7: Pensions.

Apportioned costs
The BFI incurred costs which are shared between Lottery and other activities, relating to operating costs for the year, restructuring costs and costs arising from capital spend attributable to Lottery. The BFI is required to apportion costs in accordance with the principles of full cost recovery as outlined in Managing Public Money. In addition to costs wholly attributable to Lottery activities, an assessment is made of the other costs attributable to Lottery activities incurred by service and other departments. This is based on a combination of headcount, office space occupied, activity levels and additional expenditure incurred. These departments include Finance, People & Business Operations; Corporate & Industry Affairs; and the Chief Executive's Office.

National Lottery Distribution Fund
Balances held in the National Lottery Distribution Fund (NLDF) remain under the stewardship of the Secretary of State for Digital, Culture, Media and Sport. The share of these balances attributable to the BFI is as shown in the financial statements at an estimate of market value and, at the date of the Statement of Financial Position, has been certified by the Secretary of State for Digital, Culture, Media and Sport as being available for distribution by the BFI in respect of current and future commitments. With the introduction of IFRS 9, funds held in the National Lottery Distribution Fund are held as financial instruments recognised at amortised cost.

As the investments are held with the Debt Management Account and the National Loans Fund, these are exempt from recognising stage 1 and stage 2 impairment so no expected credit losses have been calculated for these investments.

The share of proceeds and investment returns attributed to the BFI has been treated as income within these financial statements.

Other Financial instruments
Other Lottery financial instruments include trade receivables and payables that arise directly from Lottery operations. The main risks arising from the financial instruments in the Lottery accounts are interest rate risk, foreign currency risk and other price risk. Further detail of this can be found in note 13 below.

Film rights
Film rights represent investment awards paid and payable to filmmakers which are repayable under certain conditions. Where a feature film made with the assistance of the BFI is successfully released, the BFI is entitled to participate in revenues generated by that success. This can lead to repayment of the investment in full, together with a share of the profits generated by the film.

Under International Financial Reporting Standards (IFRS 9) film rights fall within the definition of Financial Instruments. Within that, they meet the definition of assets measured at fair value with gains and losses being recognised in the profit and loss account (FVTPL). The fair value, in line with definitions of IFRS 9, is based upon cash flows and models of future income that may be generated by the film right asset. The calculations behind these models are based upon external factors such as sales agents' estimates, actual sales made, and the recoupment order agreed in the financing contract between investors as well as internal factors such as the skills and expertise of management involved in these calculations and a review of the historic performance of the portfolio.

When an advance is made for an award (satisfying the definition of an award liability as above) the award is taken to the Statement of Financial Position initially at the full value of the award. An assessment is then made of the likely repayment of the award, if any, over the next seven financial years, with the valuation adjusted to the extent that the repayment of the award is considered doubtful. The impairment is calculated either as standard percentage suggested by historic recoupment performance of that particular type of award, or based on the value suggested by future estimated receipts.

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES (continued)

In subsequent years, the Film Rights valuations are reviewed to ensure that all revenues due are received and the valuation remains appropriate. The valuations are based on the best available information at the Statement of Financial Position date and the valuations will change over time. For instance, on production awards, the actual value of sales made to a territory may exceed or fall below the original sales estimate provided by the sales agent or the box office performance may exceed or fall below the initial projections following the release of a film.

At 31 March 2020 a further global provision was added in to the detailed review in recognition of the uncertainties arising from the COVID-19 pandemic and the unknown impact on future film sales and audience appetite for cinema attendance as a result of the lockdowns and their easing into the subsequent tier system. This was continued for the year ending 31 March 2021 in light of the continuing uncertainties arising from the pandemic prevalent at the time, however with the removal of all COVID-19 related restrictions, this was removed as at March 2022.

Movements in adjustments shown in the Statement of Comprehensive Net Expenditure reflect the net effect of increases and decreases in adjustments against film rights in the year. Any adjustment may be reversed in part or in full if the valuation understates the fair value of the film rights. Advances for development and short film awards are fully impaired in the year of the award, unless there is a reasonable expectation of repayment in the next seven financial years.

Movements in Film Rights valuations shown in the Statement of Comprehensive Net Expenditure reflect the net effect of increases and decreases in valuations against Film Rights in the year. Awards are fully impaired unless there is a reasonable expectation of repayment in the next seven financial years.

If the valuation of the film rights is in excess of the amount of the award investment based on estimated recoupment over the next seven financial years, this is similarly recognised in the film rights valuation and released to income as the recoupment is received. In the context of the life of a film and its distribution cycle, seven years is felt to be a reasonable period over which a meaningful forecast can be taken, and is consistent with practice across the film industry.

Should the full amount of an award for film rights not be utilised, any unused element of the funding will be decommitted. If such a decommitment exceeds the impaired value of the film, then any necessary impairment will be released back to the Statement of Comprehensive Net Expenditure so the remaining impairment is not greater than the value of the revised investment value.

Film recoupment income

Income received from film rights is offset against the value of the film rights on the Statement of Financial Position.

Income in excess of the original value of the rights is taken to the Statement of Comprehensive Net Expenditure as film recoupment income.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the date of the Statement of Financial Position. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Comprehensive Net Expenditure.

Lease costs and commitments

BFI Lottery pays rental to the BFI for the proportion of desk space occupied in the Stephen Street offices, in line with the terms of the lease on these premises to March 2031.

In accordance with FReM this lease obligation is recognised on the Statement of Financial Position matched to a Right of Use asset. The former of these is reduced by the annual payment of lease liabilities including both rental and interest (finance) charge, whilst the latter is depreciated annually.

This differs from the treatment in the BFI Charity and Group accounts where, under the Charities SORP, rentals payable under operating leases are charged in the group Statement of Financial Activities on a straight-line basis over the lease term.

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES (continued)

Pensions

The BFI operates a defined benefit pension scheme for employees joining on or before 31 December 2013, and a defined contribution scheme for subsequent joiners, with an apportionment of the costs and liability being made to Lottery on an assessment of appropriate relative levels of staffing.

A defined benefit pension scheme is a post employment benefit plan. The BFI's net obligation in respect of this is calculated by estimating the amount of future benefits that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine the present value.

The pension liabilities and assets of the scheme are recorded in accordance with IAS 19. This measures the value of pension assets and liabilities at the statement of financial position date, determines the benefits accrued in the year, and the interest on the scheme's assets and liabilities. The valuation is undertaken by a qualified actuary.

The BFI operates a defined contribution scheme for employees joining on or after 1 January 2014. The amount charged to the Statement of Comprehensive Net Expenditure in respect of pension costs and other post-retirement benefits is the contribution payable in the year.

Provisions for award commitments

Provisions for award commitments arise where the BFI has agreed in principle to fund a scheme or project and made an offer, but where at the date of the statement of financial position either contracts have not been signed and/or the conditions precedent not met. Therefore these transactions are recognised as an award commitment but are not included in awards payable at the date of the statement of financial position but as a provision. Provisions are released in the following accounting periods as the offers of funding are contractually agreed and the associated conditions met.

Reserves

The Lottery reserve primarily represents the carrying value of film investments made by the UK Film Council prior to 31 March 2011 and British Film Institute since 1 April 2011, and uncommitted funds held at the National Lottery Distribution Fund, which are offset by all outstanding award liabilities.

The pension reserve represents the liability arising on the valuation of the BFI pension fund at year end, as notified by the actuaries.

Segmental reporting

The BFI is required under the Lotteries Act to produce statutory accounts which cover its operations as a Lottery distributor to 31 March 2022. These are reported to the Board of Governors and the Chief Executive Officer as a stand-alone entity. Therefore in the context of IFRS8 no additional disclosure of segmental reporting is deemed appropriate.

Analysis of total expenditure between administrative and programme spend

Under the definitions of the Financial Reporting Manual 2021-22 all activities in these accounts are programme spend.

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES (continued)

Standards, amendments and interpretations to existing standards not yet effective

The application of any new or amended International Financial Reporting Standards is governed by their adoption into the FReM issued by HM Treasury. Usually such changes are not put into effect by the FReM until the effective date of the related IFRS, although occasionally some changes are adopted early or might be delayed.

The following standards have been published but are not effective for the periods presented. The BFI has chosen not to adopt these standards early as they are either not relevant to the circumstances of the BFI Lottery Distribution activities or are not considered to have a significant impact on the financial statements:

IFRS 17: Insurance contracts (Effective from periods starting on or after 1 January 2022)	The new standard replaces IFRS 4, detailing the required policy for the recognition and measurement of insurance and re-insurance contracts, adding detail on the required approach to valuing insurance contracts.	BFI Lottery does not provide any insurance contracts in its normal course of business.

2. LOTTERY INCOME AND THE NATIONAL LOTTERY DISTRIBUTION FUND

The movement in balances held at the NLDF is as follows:

	2021-22 £'000	2021-22 £'000
Opening balance held at the NLDF	53,120	53,804
Income received from the Lottery	48,882	49,044
Investment income earned	69	29
Available for distribution	102,071	102,877
Cash drawn down	(51,130)	(49,757)
Balance as at 31 March	**50,941**	**53,120**

The funds are invested on behalf of the NLDF by the National Debt Commissioners. The BFI's distribution is in accordance with Sections 22 and 23 of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998). The BFI is required by statute to show on the statement of financial position the lower of the market value or the cost of the investment as at the year end. There were no unrealised gains in the year (2021: nil).

Income received from the Lottery

Underlying lottery sales in 2021-22 whilst at first sight appearing largely static over the year in full, in reality reflect a slight downward trend when taking into account the low levels of income in the early weeks of the prior year arising in the early weeks of the COVID-19 lockdowns. However, the income includes the variable factor of receipts of unclaimed prize money:

	2021-22 £'000	2021-22 £'000
Unclaimed prize money	2,998	2,744

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

3. FILM RIGHTS RECEIPTS AND RECOUPMENT INCOME

The BFI receives income generated from rights in the portfolio of film projects invested in since 1 April 2011. Additionally under the transfer agreement with UK Film Council, the BFI receives all future income generated from rights in the portfolio of films transferred from the UK Film Council and Arts Council England at that date.

Income received from film rights is offset against the value of the film rights on the statement of financial position. Income in excess of the original value of the rights is taken to the statement of comprehensive net expenditure as film recoupment income through the movement in fair value reserve.

	2021-22 £'000	2020-21 £'000
Total film receipts taken as income	1,674	803
Total film receipts taken against film rights on the statement of financial position	5,271	4,074
	6,945	**4,877**

Those film receipts where the revenue is taken as income related to:

	2021-22 £'000
6 films generating < £100,000	119
Arts Council England and UK Film Council portfolio	119
Ammonite	511
Saint Maud	123
Supernova	373
24 films generating < £100,000	548
BFI portfolio	1,555
	1,674

Total film receipts taken against film rights on the statement of financial position:

	2021-22 £'000
Beautiful Creatures (aka Creatures)	262
A Gaza Weekend	178
Ammonite – (fka Mary Anning)	473
Censor	298
Herself (fka Owned)	425
Supernova	522
Early Man United	184
The Girl with All the Gifts (aka She Who Brings Gifts)	119
Saint Maud	345
Birchanger Green	100
Blue Jean	100
Chuck Chuck Baby	100
GIRL – pre closing finance	100
Nezouh	100
Starve Acre	100
Stopmotion	100
The Unlikely Pilgrimage of Harold Fry	100
Tuesday	100
108 films generating < £100,000	1,565
	5,271

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

4. NON-FILM RIGHTS AWARDS

Non-film rights awards are made across a number of schemes operated by the BFI. The majority of awards are for single projects which are anticipated to be completed within one year. With the single year extension of our 5 year plan, BFI2022, to cover 2022-23 and in comparison to previous years, no significant multi-year awards were made. However, some awards were made in the year to March 2022 for activities to March 2023.

The activity support areas itemised below are those areas where it is deemed that activity on behalf of the industry and indeed the public at large, and funded by Lottery monies, are most cost effectively and efficiently carried out by the BFI as the lead body for the film sector.

Analysis of non-film rights awards by strand:

	2021-22			2020-21
	New awards in the year	Decommitments*	Awards net of fall ins	Awards net of fall ins
	£'000	£'000	£'000	£'000
Funding to cover the future years				
Film Education awards	(5,387)	-	(5,387)	(4,888)
Film Skills Fund	(4,920)	-	(4,920)	(4,190)
Audience fund awards	(3,441)	-	(3,441)	(3,811)
Film Audience Network fund	(3,300)	-	(3,300)	(3,300)
Film Heritage fund	-	-	-	(3,263)
Talent Network awards	(1,317)	-	(1,317)	(1,210)
International awards	(575)	-	(575)	(575)
National Cluster Growth Fund awards	(455)	-	(455)	-
	(19,395)	-	(19,395)	(21,237)
Project or single year funding to cover the period to March 2022				
Rewarding Success	(2,308)	-	(2,308)	(1,252)
Creative Enterprise	(1,615)	1	(1,614)	(1,540)
Talent Network awards	(1,261)	78	(1,183)	(1,199)
London Film Festival	(1,400)	265	(1,135)	(250)
International awards	(1,293)	343	(950)	(646)
Production services award	(625)	-	(625)	(550)
Audience Fund	(418)	-	(418)	(971)
Research and Statistics awards	(412)	-	(412)	(634)
Film Academy awards	(501)	169	(332)	(363)
Film Audience Network fund	(160)	-	(160)	160
Distribution and Exhibition awards	(101)	2	(99)	(295)
Development Fund (non-film rights)	(30)	-	(30)	-
Development Fund	-	(9)	(9)	233
Education fund awards	-	-	-	(1,316)
Film Skills Fund awards	-	-	-	(400)
Vision awards	-	43	43	(1,000)
Film Fund awards (non-film rights)	(266)	170	(96)	(493)
	(10,390)	1,062	(9,328)	(10,516)
Activity support				
Research and statistics	(353)	-	(353)	(284)
	(353)	-	(353)	(284)
Total Lottery non-film rights	**(30,138)**	**1,062**	**(29,076)**	**(32,037)**

* A decommitment (or fall in) is when an award is reduced for any reason with the agreement, and usually at the volition of, the award recipient. The balance is written back against the relevant award strand in the statement of comprehensive net expenditure.

Rewarding success above represents recoupment received in the year under the producer corridor arrangements and thus held on behalf of film-makers.

Further information is provided in note 18.

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

5. FILM RIGHTS

Under IFRS 9 the valuation of the film rights assets are determined on the basis of level 3 inputs, with unobservable inputs being used for the asset as there is no market activity for these assets at the balance sheet date. The valuation approach to establish the fair value of the film rights portfolio is set out in Note 1 : Accounting Policies.

The BFI's primary objective in investing in film rights is to support the future success of British film by backing new voices, new stories, new ideas and skills, enriching and diversifying British film production. Thus whilst the potential commercial success of a project is important in our assessment of an application it is not the only funding criterion.

The fair value of film rights at 31 March is as follows:

	2021-22	2020-21	2019-20	2018-19	2017-18
	£'000	£'000	£'000	£'000	£'000
Production Awards	12,095	9,760	11,330	12,181	10,210
Vision Awards	906	1,411	1,238	1,323	1,368
Development Awards	292	227	534	284	333
Distribution Awards	178	162	235	220	489
Other Awards	-	-	-	-	30
Film Rights valuation	**13,471**	**11,559**	**13,337**	**14,008**	**12,430**

Film rights are recognised as split between current and non-current assets, on the basis of a review of the characteristics of the loans across the portfolio and the anticipated cash flows from these:

	2021-22	2020-21	2019-20	2018-19	2017-18
	£'000	£'000	£'000	£'000	£'000
Film rights – non-current	10,008	9,228	10,532	8,249	7,492
Film rights – current	3,463	2,331	2,805	5,759	4,938
	13,471	**11,559**	**13,337**	**14,008**	**12,430**

Production awards are made to producers to co-finance feature film productions and from which we are entitled to recoup our award and take a share of net profits from the film. The value of the productions will be dependent upon many factors which are inherently uncertain; the ability of sales agents to meet sales estimates, how the film will be critically and commercially received (including box office projections and exchange rates) all play a role. Further details are set out below.

Vision Awards are made to production companies to enable them to develop their business and the awards are repayable from any applicable feature film production made by the production company. As we do not expect all recipients to be required to repay the award in full we routinely impair 50% of the recoupable element of the award in the year in which it is committed.

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

5. FILM RIGHTS (continued)

Development awards are made to producers to support a film development. In the event that the development project progresses into a feature film production, we would be entitled to be repaid our award and take a share of net profits. Accordingly development awards are impaired in full in the year in which the award is made, unless there is a reasonable anticipation of it progressing to production.

Distribution awards are made to distributors to support the release of a film in the UK and repayable dependent upon the performance of the film release.

Other awards include targeted development awards which are awarded to support new talent. These awards are written off in full in the year unless there is a reasonable expectation of recoupment.

Movements in the valuation of film rights	2021-22 £'000	2020-21 £'000	2019-20 £'000	2018-19 £'000	2017-18 £'000
Film rights valuation at 1 April	11,559	13,337	14,008	12,430	12,627
New commitments: made in year	21,000	22,275	17,002	20,840	18,783
Decommitments: new film rights in year	(25)	(370)	-	(3)	(23)
Decommitments: historical portfolio	(412)	(178)	(461)	(369)	(451)
Repayment of investments: new film rights in year	(1,186)	(1,528)	(285)	(588)	(508)
Repayment of investments: historical portfolio	(4,085)	(2,547)	(4,191)	(3,546)	(5,024)
Adjustments: new film rights in year	(17,233)	(17,559)	(13,932)	(16,110)	(15,530)
Adjustments: historical portfolio	(400)	(5,174)	(3,873)	(2,476)	(2,315)
Adjustments written back	4,253	3,303	5,069	3,830	4,871
Film rights valuation at 31 March	**13,471**	**11,559**	**13,337**	**14,008**	**12,430**

The value of new commitments made in the year will vary due to timing differences arising from the closure of awards.

The valuation of the Film Rights is based on the anticipated cash receipts over the next seven financial years after the Statement of Financial Position date. In relation to recent production awards (that is production awards that were recognised as awards payable this financial year and the last three financial years), the valuation is based on the cash receipts anticipated from the first cycle of revenues including revenues from cinema, DVD, Video On Demand and television. In relation to older production awards, the valuation is based on the anticipated cash receipts for the next seven years following the balance sheet date calculated from the individual film's historic cash receipts. All such anticipated cash receipts are discounted using the applicable Treasury Rate of 1.9% (2021: 3.7%).

The value of adjustments on new film rights in the year is always governed by the value of awards made and therefore can vary considerably year to year.

As at 31 March 2022, the Film Rights valuation for production awards is £12.1m (2021: £9.8m) and for all other Film Rights is £1.4m (2021: £1.8m) totalling £13.5m (2021: £11.6m). For production awards, were the recoupment levels and valuation to vary by +/- 5%, the impact of the valuation of Film Rights at 31 March 2022 would be £0.6m for 182 awards (2021: £0.5m for 207 awards).

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

5. FILM RIGHTS (continued)

In relation to older production awards, the Film Rights valuation is calculated on the assumption that the future anticipated receipts will be based on the historic cash receipts for the two years prior to the Statement of Financial Position date, subject to an 85% default reduction every three years, except for films in profit which are calculated on the assumption that the future anticipated receipts will be based on the historic cash receipts for the three years prior to the Statement of Financial Position date, subject to a 75% default reduction every three years. The total amount of the Film Rights valuation based on this methodology is £6.1m (2021: £4.3m). Were this default reduction percentage to change by +/- 10% the Film Right valuation would change by:

	£'000 +10%	£'000 0%	£'000 -10%
2021-22	(950)	6,090	860
2020-21	(400)	4,320	390

In relation to recent production awards (that is production awards that were recognised as awards payable this financial year and the previous three financial years), the Film Rights valuation is based on future anticipated receipts. These cash receipts are principally earned in US dollars and converted to pounds sterling before payment is made to the BFI's bank accounts. The default pound sterling to US dollar exchange rate is calculated using the average daily exchange rate for the two years to the Statement of Financial position date rounded to the nearest 5 US cents. The default rate as at 31 March 2022 for production awards is US $1.35 (2021:US $1.30).

Had the pound sterling to US dollar exchange rate been $1.45, for the purposes of the Film Rights valuation, then the valuation of the total of these production awards would be reduced by £0.4m (2021: $1.40 and the awards at March 2021 would reduce by £0.5m). Were the valuation calculated using US $1.25, then these valuations would be increased by £0.5m (2021: $1.20 and the awards at March 2021 would increase by £0.6m).

Further information on the movement on film rights can be found on the BFI website: www.bfi.org.uk/about-bfi/annual-review-management-agreement.

6. STAFF COSTS

No member of the Board of Governors received remuneration during the year (2021: none).

The costs of staff working wholly on Lottery activities comprised:	2021-22 £'000	2020-21 £'000
Wages and salaries	1,960	1,826
Social Security costs	232	206
Pension service costs and other pension costs	396	312
	2,588	**2,344**

The average number of staff (full-time equivalents) employed during the year was made up as follows:

	2021-22 Number	2020-21 Number
Management and administration:		
Permanent staff	**38**	**40**

Staff costs for the year are contained within the costs apportioned from grant-in-aid on the statement of comprehensive net expenditure.

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

6. STAFF COSTS (continued)

The remuneration of the Chief Executive Officer and costs attributable to Lottery during the year are as follows:

	2021-22 £	%	Attributable to Lottery £
Ben Roberts			
Salary and benefits	**150,000**		**64,500**
Total	**150,000**	43.0%	**64,500**
Pension contribution	**23,028**		**9,902**

	2020-21 £	%	Attributable to Lottery £
Ben Roberts			
Salary and benefits	150,000		66,001
Total	**150,000**	44.0%	**66,001**
Pension contribution	**23,000**		**10,121**

7. PENSION BENEFITS

The BFI is an admitted body of the LPFA. Although membership of the scheme is open to all employees, only those costs relating to staff employed on Lottery activities are disclosed in these accounts. An apportionment of the pension assets and liabilities is calculated on the basis of the numbers of staff employed on Lottery activities and their pension contributions in year as a percentage of those of the whole organisation.

The pension scheme is (for joiners on or prior to 31 December 2013) a defined benefit scheme and is funded by employees and employers at actuarially determined rates. Employer contributions charged for members of the defined benefit scheme amounted to £0.3m (2021: £0.3m).

Following the advice of the consulting actuaries to the scheme, the BFI's employer contributions for current service (as a percentage of the pensionable salary) were set at 15.4% throughout the year (2021: 15.4%).

A valuation under IAS19 as at March 2022 was carried out by a qualified independent actuary. The assumptions used by the actuary for the BFI's scheme were:

The costs of staff working wholly on Lottery activities comprised:	2021-22 %	2020-21 %
Rate of increase in salaries	4.25	3.85
Rate of increase in pension payments	3.25	2.85
Discount rate	2.6	2.0
Inflation assumption (CPI)	3.25	2.85

Average life expectancy at 65:

Under the adopted mortality tables, the assumed life expectancies from age 65, weighted by liability, are as follows:

	2021-22 Years	2020-21 Years
Life expectancy at age 65 of female aged 45	26.1	26.1
Life expectancy at age 65 of female aged 65	24.4	24.3
Life expectancy at age 65 of male aged 45	23.5	23.4
Life expectancy at age 65 of male aged 65	22.0	22.0

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

7. PENSION BENEFITS (continued)

The estimated asset allocation as at 31 March was:

	2021-22 Long term rate of return expected £'000	2020-21 Long term rate of return expected £'000
Equities	8,051	6,693
Target return portfolio	3,107	2,798
Infrastructure	1,412	1,095
Property	1,271	1,095
Cash	282	486
Total market value of assets	**14,123**	**12,167**

The net pension liability was:	At 31 March 2022 £'000	At 31 March 2021 £'000	At 31 March 2020 £'000
Present value of funded obligation	(17,211)	(17,117)	(13,059)
Fair value of scheme asset	14,123	12,167	10,387
Net liability	**(3,088)**	**(4,950)**	**(2,672)**

The amounts recognised in the statement of comprehensive net expenditure are as follows:

	2021-22 £'000	2020-21 £'000
Current service cost	(710)	(455)
Net interest on the defined liability	(101)	(61)
Administration expenses	(20)	(17)
Total	**(831)**	**(533)**
Actual return on plan assets	1,885	1,709

The amounts recognised in the statement of changes in equity are as follows:

	£'000	£'000
Return on plan assets in excess of interest	1,647	1,466
Change in financial assumption	811	(3,686)
Experience (loss)/gain of defined benefit obligation	(34)	168
Remeasurements recognised in the statement of changes in equity	**2,424**	**(2,052)**
Cumulative remeasurements in statement of changes in equity	(2,223)	(4,647)

Changes in the present value of the defined benefit obligation:	2021-22 £'000	2020-21 £'000
Opening defined benefit obligation	(17,210)	(13,059)
Current service cost	(710)	(455)
Past service cost	-	-
Interest cost	(339)	(304)
Contributions by members	(117)	(107)
Change in financial assumptions	811	(3,686)
Experience (loss)/gain on defined benefit	(34)	168
Benefits paid	296	326
Closing defined benefit obligation	**(17,211)**	**(17,117)**

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

7. PENSION BENEFITS (continued)

Changes in the fair value of the scheme assets:

	2021-22 £'000	2020-21 £'000
Opening fair value of employer assets	12,167	10,387
Contributions by members	117	107
Contributions by employer	270	307
Interest on assets	238	243
Return on assets less interest	1,647	1,466
Admin expenses	(20)	(17)
Benefits paid	(296)	(326)
Net liability	**14,123**	**12,167**

The sensitivity analysis on the major assumptions in the above, and based on the whole scheme is:

		£'000	£'000	£'000
Adjustment to discount rate		+0.1%	0.0%	-0.1%
	Present value of total obligation	16,863	17,211	17,566
	Projected service cost	612	631	652
Adjustment to long term salary increase		+0.1%	0.0%	-0.1%
	Present value of total obligation	17,243	17,211	17,179
	Projected service cost	632	631	631
Adjustment to pension increases and deferred valuation		+0.1%	0.0%	-0.1%
	Present value of total obligation	17,532	17,211	16,897
	Projected service cost	652	631	617
Adjustment to mortality age rating assumption		+ 1 year	0.0%	- 1 year
	Present value of total obligation	17,968	17,211	16,487
	Projected service cost	660	631	604

A history of experience gains and losses is shown below:	2021-22 £'000	2020-21 £'000
Fair value of employer assets	14,123	12,167
Present value of defined benefit obligation	(17,211)	(17,117)
Deficit	(3,088)	(4,950)
Experience gains on assets	1,885	1,709

From 1 January 2014 the BFI also operates a defined contribution pension scheme which is available for all employees not already in the defined benefit scheme.

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

8. OPERATING COSTS AND OTHER FINANCE COSTS

	2021-22 £'000	2020-21 £'000
Direct Lottery costs		
Direct staff costs	2,588	2,342
Other staff costs (including agency staff, training and recruitment)	100	60
Travel and subsistence	33	-
Events and other hospitality	12	2
Professional fees: Audit – National Audit Office	52	52
Professional fees: other	86	46
Depreciation re right of use asset	155	155
Other	77	298
	3,103	2,956
Recharged costs from BFI non-lottery activities re support functions	3,396	2,420
Total operating costs	6,499	5,376
Finance costs		
Interest re lease on right of use asset	31	35
Net return on pension assets	121	77
Total financing costs	152	112
Total operating and other finance costs	**6,651**	**5,488**

The direct lottery costs are those of the front-line award making departments. These costs are those of the Film Fund (International, Production, Operations, Audience Fund, Deputy CEO Office), Education Directorate, Education Partners, Business Affairs and Production Finance. These costs cover the administration and processing of grants, project development and other costs, the costs of generating recoupment and talent support and development activities.

The remaining costs are those central costs of the BFI attributed to Lottery relating to CEO, Corporate & Industry Affairs, and support functionality such as Finance, HR, IT and Digital.

Costs of generating recoupment relate to the costs of generation and management of BFI income from the investments in film rights within Business Affairs, Production Finance and the Film Funds – in 2021-22 these stood at £0.8m (2021: £0.8m).

9. LEASEHOLD IMPROVEMENTS

	2021-22 £'000	2020-21 £'000
Release of prepayment of capital transfer to BFI	-	362
	-	**362**

The final release of prepayment in 2020-21 related to the contribution made to the capital works undertaken by BFI on the Stephen Street offices in relation to the transfer of staff and activities with the closure of UK Film Council and the appointment of BFI as Lottery Distributor from April 2011.

The assets are held in the BFI Charity/Group. The lottery contribution was advanced to match the spend, being treated as a prepayment being released over the period of the Stephen Street lease and thus matching the amortisation of this spend in the Charity/Group accounts.

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

10. RIGHT OF USE ASSETS and LEASE LIABILITIES

As at 31 March 2022, the BFI had a right of use asset reflecting a non-cancellable operating lease relating to the BFI offices in London running until March 2031. With the introduction of IFRS 16: Lease Accounting, this is now shown in the accounts as a trade receivable split between the amounts falling due within and over one year – these are matched to the lease liability.

	At 31 March 2022 £'000	At 31 March 2021 £'000
Right of use asset at 1 April	1,550	1,705
Depreciation in year	(155)	(155)
Right of use asset at 31 March	**1,395**	**1,550**

Consequently a lease liability was recognised in year with the finance cost calculated using the HMT discount rate of 1.99%

Lease liability at 1 April	1,580	1,721
Repayment of lease liabilities	(176)	(176)
Finance cost in year	31	35
Lease liability at 31 March	**1,435**	**1,580**

11. TRADE AND OTHER RECEIVABLES

	At 31 March 2022 £'000	At 31 March 2021 £'000
Trade and other receivables falling due within one year		
Trade debtors	457	823
Other receivables – BFI Exchequer	384	-
Other receivables	322	297
Total trade and other receivables falling due within one year	**1,163**	**1,120**

12. CASH AND CASH EQUIVALENTS

	At 31 March 2022 £'000	At 31 March 2021 £'000
Cash and cash equivalents at 1 April	8,449	8,559
Net change in cash and cash equivalent balances	(109)	(110)
Cash and cash equivalents at 31 March	**8,340**	**8,449**

£4.0m (2021: £3.2m) of cash held in BFI lottery bank accounts is funds recouped by BFI and held on behalf of producers under the "Rewarding Success" recoupment corridor. See note 16: Provisions.

All Lottery cash balances are held in commercial bank accounts.

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

13. FINANCIAL INSTRUMENTS

International Financial Reporting Standards require disclosure of the role which financial instruments have had during the period, in creating or changing the risks the BFI faces in undertaking its role.

Film rights

Under International Financial Reporting Standards (IFRS 9) film rights fall within the definition of Financial Instruments. Within that, they meet the definition of assets measured at fair value with gains and losses being recognised in the profit and loss account (FVTPL).

Establishing the fair value of film rights is subjective and therefore contains an element of risk. The fair value is based on a review of external evidence such as the sales agents' estimates as to the likely revenues generated by a project, where it is in the life cycle of the project, and upon actual performance of the film to date.

This is matched with the knowledge and experience of the staff and management involved in the process of assessing the projects both at application stage and as they come to fruition. Any reduction in fair value is immediately taken to the statement of comprehensive net expenditure in the year.

The valuation of film rights is subject to ongoing annual review to ensure a fair value is maintained and thus mitigating the risk of a perceived overstatement of the value, with any adjustments being charged as expenditure.

	2021-22	2020-21
	£'000	£'000
Film rights falling due in excess of one year	10,008	9,228
Film rights falling due within one year	3,463	2,331
Film rights valuations at 31 March	**13,471**	**11,559**

Liquidity risks

Whilst lottery distributors are permitted to over-commit in awards against the surety of future lottery income, the BFI awards are over a relatively short term. Thus risk of holding insufficient resources to cover liabilities is held under constant review across the year, to ensure that this risk is minimised, by review of current funds held in cash and at the National Lottery Distribution fund versus the levels of commitment.

Movements in the valuation of film rights		2021-22		2020-21
	£'000	%	£'000	%
Income received from the National Lottery	48,882	87.3%	49,044	90.7%
Investment returns from the balance held at the NLDF	69	0.1%	29	0.1%
Recoupment income from film rights	6,945	12.4%	4,877	9.0%
Other income including legacies, grants and donations	118	0.2%	97	0.2%
	56,014	**100.0%**	**54,047**	**100.0%**

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

13. FINANCIAL INSTRUMENTS (continued)

	2021-22 £'000	2020-21 £'000
NLDF balance at 31 March as notified by the Secretary of State for Digital, Culture, Media and Sport	50,941	53,120
Lottery funds held in cash and cash equivalents by the BFI at 31 March	8,340	8,449
	59,281	**61,569**

	2021-22 £'000	2020-21 £'000
Lottery awards payable	18,236	18,495
Provision for non-Lottery film rights awards	23,473	25,644
Film rights award allocations noted as contingent liabilities	7,702	4,536
	49,411	**48,675**
Under commitment against funds available at 31 March	**9,870**	**12,894**

National Lottery Distribution Fund

Under IFRS 9 funds held at the National Lottery Distribution Fund are held as financial instruments held at amortised cost. The funds are invested on behalf of the NLDF by the National Debt Commissioners over which the BFI has no control and therefore has capacity to mitigate any risk here-in.

Interest rate risks

Interest rate risk is deemed low for the BFI as it does not have any interest payable. With the restrictions on how public bodies may hold cash, and in the current climate of nil interest rates on bank current accounts the BFI similarly has little risk of not ensuring it is maximising interest on its own cash holdings.

The BFI's largest financial asset is retained in the NLDF, which invests in a narrow band of low risk assets such as Government bonds and cash. Neither the BFI nor its Governors has any control over these investments. The interest rate risks in respect of these financial assets are disclosed in the financial statements of the NLDF.

	2021-22 £'000	2020-21 £'000
Market value of BFI investment at NLDF at 31 March	50,941	53,120
Average investment return at NLDF	0.19%	0.10%

Cash drawn from the NLDF, or received from other sources, to pay grant commitments and operating costs are held in variable rate bank accounts:

	2021-22 £000s	2020-21 £000s
Lottery funds held in cash and cash equivalents by the BFI at 31 March	8,340	8,449
Average interest rate on cash held in variable rate bank accounts	0.01%	0.13%

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

13. FINANCIAL INSTRUMENTS (continued)

Foreign currency risks

The BFI's financial assets are not exposed to material foreign exchange risks as long-term balances are held in sterling, however foreign currency exchange risks are significant in the valuation of the Film Rights as explained in note 6: Film Rights.

14. TRADE AND OTHER PAYABLES

	At 31 March 2022 £'000	At 31 March 2021 £'000
Other payables (including lease liability)	225	334
Other payables due in < 1 year	**225**	**334**

	At 31 March 2022 £'000	At 31 March 2021 £'000
Other payables: lease liability	1,289	1,437
Lease payables due in >1 year	**1,289**	**1,437**

As at 31 March 2022, the BFI had total minimum payments under a non-cancellable operating lease relating to the BFI offices in London running until March 2031. Under IFRS 16: Lease Accounting, this is shown in the accounts as a lease liability matched to a right of use asset.

The proportion of these costs relating to these leases that form part of the costs apportioned to Lottery are:

	At 31 March 2022 £'000	At 31 March 2021 £'000
Amounts payable within one year	147	144
Amounts payable within two to five years	618	607
Amounts payable over five years	671	830
	1,436	**1,581**

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

15. OTHER PAYABLES – AWARDS COMMITMENTS

	At 31 March 2022 £'000	At 31 March 2021 £'000
At 1 April	18,495	22,083
New film rights commitments in year	21,785	24,297
Commitments transferred from prior year provision for non-film rights awards	22,307	12,915
New non-film rights commitments in year	7,405	7,423
Decommitments	(1,062)	(1,679)
Amounts paid	(50,694)	(46,544)
At 31 March	**18,236**	**18,495**

Award commitments payable at 31 March relate to:	At 31 March 2022 £'000	At 31 March 2021 £'000
Audience Development Fund – Organisation	1,018	681
Audience Development Fund – Projects	1,025	941
BFI Film Academy	100	882
Creative Enterprise	-	221
Development Fund	1,608	1,201
Film Audience Network Fund	1,061	155
Film Heritage	1,911	2,226
International Fund	562	412
Into Film	4,800	250
National Cluster Growth Fund	270	1,045
Other	374	124
Production Fund	2,220	4,351
Research and Statistics Fund	475	354
Skills	1,742	3,576
Talent Development	884	867
Vision Awards	186	1,209
	18,236	**18,495**

Decommitments arise when any element of the award is not utilised once contracts are signed and drawdown has commenced.

Commitments transferred from the provision for non-film rights awards are as follows:

	At 31 March 2022 £'000	At 31 March 2021 £'000
Film Education Awards	9,522	4,887
Audience Fund	4,437	1,590
Heritage and Regional Archives	3,263	2,275
Film Audience Network	3,140	2,480
Talent Network	1,210	537
International	584	33
Research Fund	87	30
Film Academies	64	83
National Cluster Growth Fund	-	1,000
	22,307	**12,915**

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

15. OTHER PAYABLES – AWARDS COMMITMENTS (continued)

	At 31 March 2022 £'000	At 31 March 2021 £'000
Project funding to 31 March		
Creative Enterprise	1,615	1,540
London Film Festival award	1,400	1,250
Film Audience Network	1,160	213
International	1,002	676
Audience Fund	888	1,086
Production Services	625	550
Research Fund	412	553
Film Academies	303	247
Film Education Awards	-	1,308
New commitments in year	**7,405**	**7,423**

Reconciliation of new awards in year per the statement of comprehensive net expenditure to new commitments, awards payable on the statement of financial position:

	At 31 March 2022 £'000	At 31 March 2021 £'000
Non-film rights awards taken to SOCNE in the year	29,076	32,037
Less spend on activity support in year	(353)	(284)
Less new awards in year taken to SOCNE but recorded by way of provision at year end	(21,451)	(23,723)
Add back decommitments of awards from prior years taken as negative spend on SOCNE	133	(607)
New non-film rights commitments taken as awards payable	**7,405**	**7,423**

Ageing of award commitments, estimated date of payment:	At 31 March 2022 £'000	At 31 March 2021 £'000
Estimated payment within one year	18,236	18,495

16. PROVISIONS

	At 31 March 2022			At 31 March 2021
	Non Film-Right Awards £'000	Rewarding Success awards £'000	Total £'000	Total £'000
At 1 April	22,478	3,166	25,644	16,809
New provisions in the year	26,548	2,308	28,856	31,179
Provisions written back in year	(169)	-	(169)	(34)
Provisions released in year	-	(1,146)	(1,146)	(1,973)
Transferred to other payables – award commitments	(29,712)	-	(29,712)	(20,337)
Film Rights valuation	19,145	4,328	23,473	25,644

Provisions for award commitments arise where the BFI has agreed in principle to fund a scheme or project and made an offer, but where at the date of the statement of financial position either contracts have not been signed and/or the conditions precedent not met.

Therefore these transactions are recognised as liabilities in the statement of financial position as provisions rather than payables. Provisions are released in the following accounting periods as the offers of funding are contractually agreed and the associated conditions met.

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

16. PROVISIONS (continued)

The year end provision with regard to non-film right awards relates to awards made by the BFI across a number of strands:

	At 31 March 2022 £'000	At 31 March 2021 £'000
Film Education Awards	6,160	9,523
Skills Fund	4,150	-
Audience Fund	3,699	4,437
Film Audience Network	2,300	3,140
Talent Network	1,317	1,210
International	866	584
National Cluster Growth Fund	455	-
Film Academies	198	233
Heritage and Regional Archives	-	3,263
Research Fund	-	87
	19,145	**22,478**

A provision written back arises when the conditions of the terms of the award are not met prior to signature of contract.

Rewarding Success provision

The rewarding success initiative allows for a share of film recoupment income arising from lottery awards to be made available to UK Producers, Writers and Directors for their future film making activity.

The funds held on behalf of filmmakers ("the locked box") represent the monies held for this initiative at the date of the statement of financial position and not yet drawn down.

Ageing of provisions, estimated date of payment	At 31 March 2022 £'000	At 31 March 2021 £'000
Amounts anticipated as payable within one year	23,473	25,644

At the date of the statement of financial position the BFI Lottery activities had no further provisions (2021: £nil).

17. CAPITAL COMMITMENTS

As at 31 March 2022, the BFI had no capital commitments outstanding related to Lottery distribution activities, therefore no costs are attributable to Lottery at the date of the statement of financial position (2021: £nil).

18. OTHER FINANCIAL COMMITMENTS and CONTINGENT LIABILITIES

Financial Commitments

At the date of the statement of financial position there were financial commitments representing film rights investments made by the BFI where the investment decisions had been taken by the BFI and notified to the applicants but either the contracts had not been signed and/or the conditions precedent not met.

Therefore work had not commenced on the assets in which the BFI is investing, so neither the asset nor the matching liability are represented in the statement of financial position at that date.

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

18. OTHER FINANCIAL COMMITMENTS and CONTINGENT LIABILITIES (continued)

	At 31 March 2022 £'000	At 31 March 2021 £'000
Prior year awards		
Talent Network awards	74	191
Production awards	430	97
Development awards	3	26
In year awards		
Production awards	6,581	3,081
Development awards	504	624
Talent Network awards	50	457
Distribution awards	60	60
Financial commitments notified but not yet recognised in the financial statements	**7,702**	**4,536**

Other Contingent Liabilities – Rewarding Success projects in Film Rights

The film rights valuation is based on the value of the initial BFI investment as detailed in the Accounting Policies note above. However on a number of these investments, the BFI Locked Box initiative applies and accordingly there is a potential and contingent liability with regard to the element of the valuation which would be made available to UK-filmmakers. The BFI Locked Box initiative enables UK-filmmakers supported through the BFI to benefit from their film's success.

In short, a share of income from supported film productions is put aside (into a BFI Locked Box) and can be used by the filmmakers for the development and/or production of their future projects or towards staff training. Since the prior year these criteria were expanded to include support of organisational costs as part of the BFI's response to assist the industry as a result of the COVID-19 pandemic and resultant lockdown.

	At 31 March 2022 £'000	At 31 March 2021 £'000
Contingent liability - rewarding success projects in film rights	3,083	2,975

19. CONTINGENT ASSETS

The National Lottery Distributors are entitled to receive a share of the receipts from the sale of land on Queen Elizabeth Olympic Park in return for their contribution of an additional £675m to the funding of the London 2012 Olympic and Paralympic Games. This was announced in 2007. The arrangements are set out in a legal agreement between the Secretary of State and the Greater London Authority dated 29 March 2012 which sets out the distribution of funds between the GLA and the lottery distributors (via DCMS). The GLA has now advised that the land sales on the Olympic Park are now forecast to return less than £200m with payment beginning in 2026-27.

BFI will be entitled to receive a portion of the receipts from the sale in line with the 2.705% of the funds available to the good causes that the BFI receives as a lottery distributor.

Due to the inherent uncertainties over such a time period it is not yet possible to quantify the value of such land sales. However given the information above the BFI could expect to receive in excess of £5m.

NOTES TO THE LOTTERY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2022

20. RELATED PARTIES

The BFI maintains a publicly available register of Governors' interests. Given their broad experience across the film sector, it is inevitable that Governors have connections with or interests in projects and organisations that may from time to time have come to the BFI for funding. All Governors are therefore required to declare any direct interest in and commercial relationships with award applications made to the BFI and that they had no role in the award-making process. Similarly, BFI employees were excluded from the decision-making around any relevant application involving any organisation or company in which they have a declared interest.

Governors receive no payment for their services and all payments to key management personnel have been disclosed in the Remuneration Report.

During the year the BFI entered into transactions, in the ordinary course of business, with related parties. National Lottery awards are included in film rights at the date of the statement of financial position or written off to expenditure within the year.

All awards outstanding are payable upon the meeting of conditions precedent within individual contracts.

The following related party transactions occurred during the period:

Recipient of funding	Name	Role with BFI	Relationship to recipient of funding	New Awards made Year Ended 31 March 2022 £	Balance as at 31 March 2022 £
BFI – London Film Festival	Ben Roberts	CEO	CEO	1,400,000	-
BFI – Heritage 2022	Ben Roberts	CEO	CEO	-	1,912,034
StudioCanal Ltd	Idris Elba	Governor (until 24 May 2022)	Film Director	-	60,000
StudioCanal Ltd	Ben Luxford	Head of Audience Fund	Partner is employee of StudioCanal Ltd	-	60,000

Further potential updates

A number of BFI Governors and Staff are members of BAFTA, but with no formal management or governance role therein. BAFTA received lottery awards in the year ending 31 March 2022 totalling £94,000 (2021: £9,400) of which £67,560 (2021: £9,400) remained payable at that date.

The BFI is a non-departmental public body sponsored by the Department for Digital, Culture, Media and Sport (DCMS). DCMS is regarded as a related party and during the year the BFI, as a Lottery distributor, had material transactions with DCMS.

Awards made under the National Lottery etc. Act Section 27 dispensation

Using the power granted by the Section 27 of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998) the Secretary of State did not object to an award of to the BFI in relation to the London Film Festival. The award of £1,400,000 was made in July 2021 however as a result of the actual associated expenditure incurred against this, only £1,135,000 was drawn down with the balance of the award falling in the subsequent year.

No new award was made in the year under these powers to the Heritage 2022 strategy.

21. EVENTS AFTER THE REPORTING PERIOD

At the time of signing the accounts there were no other events after the reporting period, either adjusting or non-adjusting which require disclosure in the financial statements. The accounts were authorised for issue on the date the Comptroller and Auditor General signed the auditor's certificate and report.

The Accounting Officer authorised these financial statements for issue on 18 January 2023.

Schedule 1: New Lottery commitments (unaudited information) in the year ended 31 March 2022

All awards and delegations approved by the Lottery Finance Committee in the year to 31 March 2022 are listed below. In the financial statements these are represented as Non film right awards on the Statement of Comprehensive Net Expenditure (£26.5m), £21.2 m were taken to the statement of financial position and subsequently impaired, with the remainder (£3.6m) disclosed within Other Financial Commitments in the notes to the accounts.

Producer	Project	£
011 Productions Ltd.	The Devil	4,500
65 Wilding Films Ltd	Claude	8,250
AIR STREET FILMS LIMITED	Folk	35,500
Alex Reuben Kinema Ltd	Trumpet Voluntary	24,500
Ardimages UK Limited	Emilia	32,000
Artemisia Films Limited	Chuck Chuck Baby	107,620
Atar Productions Limited	No Animals Were Harmed	29,500
Autonomous Limited	All Before You	35,600
Banging The Drum Ltd	Making Noise (fka Evelyn)	12,550
Barry Crerar Ltd	Girl	119,755
Berkeley Media Group Limited	Nezouh	100,000
Big Rich Films Limited	The Unravelling	7,750
Bird Flight Films Limited	Two Roads	10,750
Blonde to Black Pictures Ltd	Cunning	32,400
Bona Dea Films Limited	Princess Bari	20,825
Bonnie and Co Ltd	Watermelon Seeds	5,750
Camberwell Prodcutions	Staying On	6,500
Catalyst Global Media Limited	Doncaster Fever	18,250
Chris Young Films Ltd	Silent Roar	100,000
Cocoon Films limited	The Teacher	22,000
Conspire Pictures Limited	White Lies	17,500
Dandelion Films Ltd.	Repatriation	20,600
Dark Pictures Limited	Free	20,500
Death on a Tuesday Ltd	Tuesday	100,000
Delaval Film LTD	The Donor (fka Pig Child or Night Side)	23,250
Delaval Film Ltd	Hoard	100,000
DMC Film Limited	Scrapper	100,000
Dorothy St Pictures Ltd	Dispossessed	16,500
Dorothy St Pictures Ltd	I Don't Eat Meat	11,350
Dorothy St Pictures Ltd	Knockers	20,000
Elastic Film Entertainment Limited	My Year as Mia	8,600
Elation PIctures Ltd	Carry Me Home (fka Fanatic)	8,000
EMU Films Limited	Hard Hat Man	26,000
EMU Films Limited	Starting the End	19,524
EMU Films Ltd.	Riptide	33,200
Endor Productions Ltd	Falling for Icarus	21,750
Escape Films Ltd	Birchanger Green	132,125
Essential Cinema Ltd	The Unlikely Pilgrimage of Harold Fry	100,000
Fox Cub Films Ltd.	Layla	10,500
Good Chaos Ltd	Wolf Note	23,000
Hillbilly Films Ltd	Tin Man	49,000
Hinterland Pictures Ltd	Phil & Iain	13,000
Hinterland Pictures Ltd	Paradise Fields	24,000
House Starve Acre Limited	Starve Acre	100,000
Indie Movie Company Ltd	Wolf King and I	18,100
Inflammable Films Limited	Elmet	24,500
Inflammable Films Limited	Santosh	17,915
Inflammable Films Limited	Elmet	8,000
Jam Tomorrow Productions Limited	Hyper Hyper	41,000
Jante Films Limited	Dawn Chorus	7,000
Jeva Films Limited	Mrs Smith's Second Coming	15,375

Schedule 1 (continued)

Producer	Project	£
Joi Productions Limited	Loco Parentis (fka Mine)	14,979
Joi Productions Limited	The Manikin	22,500
Joi Productions Limited	The Lambeth Worm	23,000
Kimeleon.tv	The Book of Creatures	7,000
Kleio Films Limited	Blue Jean	109,000
Loop Projects Limited	The Caring Nineties (fka Untitled Charlie Lyne Project)	7,750
Lunapark Pictures Ltd	Daughter of Adam	25,500
Lupus Films Ltd	Las Dos Fridas/ The Two Fridas	43,500
M.I.H.K. Limited	Stopmotion	100,000
Megaverse LTD	Flood	21,675
MIHK Limited	Stopmotion	25,000
Mister U Limited	Mister Uterus	5,000
My Accomplice Ltd	Surviving Earth	19,000
Noor Pictures Ltd.	Florid	35,250
Other Productions Ltd	After Delores	25,500
Paisley Films LTD	Quijiboards	6,100
Parkville Pictures Limited	Tribe	22,000
Parkville Pictures Limited	Lollipop	32,500
Poisson Rouge Pictures Limited	High Frequency	30,500
Poisson Rouge Pictures Limited	Black Dust	16,500
Prettybird Ltd	In Camera	100,000
Privateer Pictures Ltd	Other Lives	24,700
Privateer Pictures Ltd	Kayla	21,000
Public Dreams Ltd	Youts	25,500
Public Dreams Ltd	Dislocate	22,000
Quinn Trip Productions	Low Rider	100,000
Rainy Day Films Limited	I (Who Have Nothing)	12,800
Red Breast Productions Ltd	English Animals	3,600
Red Rover Film Limited	Red Rover	15,500
Rocliffe Limited	Lupa	25,000
Rollout Pictures Limited	King Coo	1,000
Rooks Nest Entertainment Limited	Wildcard	22,000
Rowdy Limited	Jolly Garden	6,700
Sarah Brocklehurst Productions Ltd	The Woman Who Gave Birth to Rabbits	32,500
Sixteen Films Ltd	Salvage	21,500
Sixteen Films Ltd	Downtrodden	24,500
Sixteen Oak Ltd	The Old Oak	100,000
Skysail Premium Development Ltd	Timestalker	11,500
Sungazer Limited	Zubeida's Crossing	32,150
Sweetdoh Ltd	Out There	19,750
The Other Gemini Pictures Ltd	Amrit	13,150
The Other Producer Limited	The Flash Mob (fka Cascades Female Factory)	17,500
Trumpet Voluntary Ltd	Trumpet Voluntary	2,500
Tulip Touch Ltd	The Tulip Touch	23,500
Tyke Films	We Are Dancers	24,500
Untold Theatre Ltd	Catalina	37,200
Wild Swim Films Ltd	How To Have Sex	28,040
Wild Swim Films Ltd	The Things We Never Said	20,116
Wild Swim Films Ltd	Sugar	27,000
Young Films Limited	Rosa	23,750
Development and Pre-Production Awards		**3,295,499**
38 Minutes Ltd	38 Minutes	240,000
AGW Films Ltd	A Gaza Weekend	49,600
AHIJ UK LTD	A House In Jerusalem	616,000
Amphibian Husbandry Ltd	Shackle	5,000
Animate Projects Limited	And Granny would dance	82,106
ANRK Ltd	There Exists	70,000

Schedule 1 (continued)

Producer	Project	£
Berkeley Media Group Limited	Nezouh	570,000
Blue Jean Productions Ltd	Blue Jean	885,000
Bluelight Stopmotion Limited	Stopmotion	905,000
Boxing Day Productions, LTD	Boxing Day	31,000
BT22 Film Ltd	Ballywalter	14,000
Cannon and Morley Productions Limited	Typist Artist Pirate King	1,084,500
Chris Young Films Silent Roar Ltd	Silent Roar	862,500
Chuck Chuck Baby Ltd	Chuck Chuck Baby	971,641
Death on a Tuesday Ltd	Tuesday	960,000
Delaval Film Ltd	Hoard	730,000
DJ FilmsS Ltd	Rye Lane (FKA Vibes and Stuff)	109,135
Doc Society	BFI Doc Society Fund Support Programme 2022-23	244,025
Doc Society	Documentary Fund Delegation 2022-23	1,824,975
East City Films Ltd	In Pursuit Of Repetitive Beats (VR)	431,000
Escape Films Ltd	Birchanger Green	885,000
Essential Cinema Ltd	The Unlikely Pilgrimage of Harold Fry	1,109,000
Girl 21 Ltd	GIRL	877,500
Hipster Films Ltd	GARDENING	115,500
House Starve Acre Limited	Starve Acre	1,035,000
In Camera Films Limited	In Camera	985,000
Interactive Film LTD	Consensus Gentium	9,500
Interactive Film LTD	Consensus Gentium	35,000
Koninck Studios Spk Galicia Limited	Sanatorium	573,490
Lilly Marvin CD Ltd	Pretty Red Dress	35,000
Maurice Media Ltd	Phantom of the Open (fka The Fantastic Flitcrofts: Maurice)	15,000
Melocoton Films	Scale	120,000
Mutnik Productions Limited	Laika	190,000
Nezouh Ltd	Nezouh	41,500
Nicofox Ltd	Niko and the Fox	120,000
Number 9 Films Sunday Ltd	Mothering Sunday	29,940
One6th Ltd	Two Black Boys in Paradise	100,000
Passion Pictures (Films) Ltd	Hag	120,000
Pilgrimage Films Limited	The Unlikely Pilgrimage of Harold Fry	27,500
Popsybobin Ltd	She's My Best Friend and I Hate Her	63,300
Quinn Trip Productions Ltd	Low Rider	675,000
Scrapper Films Limited	Scrapper (aka Yet To Be)	955,000
Second Home Studios Ltd	Beachcomber	70,000
Sixteen Oak Ltd	The Old Oak	400,000
Tyke Films Ltd	Plunge	127,150
Unified Theory Productions Ltd	Aftersun	920,000
Various	SFAF – Animation Consultant for Productions Uplift	6,000
We Are Anagram Ltd	Goliath	154,000
Production Awards		**20,479,862**
A Minor Ltd	It's Dog To Make A Houseplant If You're Sandwich	11,000
Abka Creative Ltd	Colby	9,000
Adam Lawrence	Chasign Arrowns	2,266
Alexandra Blue	Champions	2,500
Alice Raymond	Billy, Becks and the Ex	8,000
Alta Ambit Productions Ltd.	Cuppa Chai	6,971
Anattic Ltd	Bert Rides Out	10,000
Artemisia Films Limited	Wings	9,500
Bad Wools	Mr Charles Christian Abbott	1,500
Bath and Shark Limited	Departure Point	15,000
Big People Music LTD	Cuffed	13,000
Bird in Hand Productions Ltd	Better	6,500
Blak Wave Productions Ltd	What They Left	9,000

Schedule 1 (continued)

Producer	Project	£
Boyandbear Film Ltd	Services	750
Bright Wire Films Limited	and their music mingles...	2,865
British Academy of Film and Television Arts BAFTA	BFI Flare x BAFTA Mentoring in Partnership with BFI Network	14,000
British Independent Film Awards	BIFA Short Film Talent Industry Support 2021	18,500
Cake Tin Productions Ltd.	Rapture	16,812
Charley Fox	The Hermit	1,000
Cosmos Films Ltd	The Rising of the Sap	15,000
Creative Scotland	BFI NETWORK Scotland - Creative Scotland 22/23	200,000
Creativs Label Ltd	Talk	5,000
Crutches Ltd	My Eyes Are Up Here (aka Crutches)	20,000
Daljinder Johal	MUG	13,460
Dead Jewels	Isla Badenoch	2,200
Domestic Bliss - A Trilogy	FNA Digital Ltd	500
DreamMore Films Ltd	Yummy Mummy	3,000
Elicit Pictures Ltd	My Jerome	9,500
Elysium Pictures Limited	(Spin)	8,957
Embers	James Robert McLoughlin	1,500
Erebus Pictures Limited	The Hewitt Sisters	12,000
Fastshadows Ltd	Daylight Rules	10,000
Ffilm Cymru Wales C.B.C	BFI NETWORK Wales - Ffilm Cymru Wales 22/23	200,000
Film London	BFI NETWORK England - London 22/23	150,000
Flumeri Films Ltd.	Hard to Reach (FKA Pickney)	5,500
Flyer Films Ltd.	Us & In Between	15,000
French Fancy Productions Ltd	Dream Big	15,000
Fuyoh Films Ltd	HELD	5,000
Girl At Party	Chloe Culpin	8,280
Glass Onion Films Ltd	Soulmate	15,000
Highland Games	Ray Grewal	1,500
Hope Ain't Right	Little Stitch Productions	13,990
Hunky Dory Films London Ltd	Torr	9,000
Independent Cinema Office	BFI NETWORK England - South East 22/23	150,000
Infocandy Animations Ltd	Qant	10,000
James Macdonald	The Ballad of Albert Dryden	2,000
Joe Was 'Ere Productions Ltd	Joe Was 'Ere	11,500
Karla Williams	The Ride	5,000
Kino Bino Ltd	Of All The Things (FKA Cluttered)	15,000
La Pêche Productions Ltd.	Mummy's Present	8,150
Lily Howkins	Cocoon	1,500
Lisa Goldman	Cable Street	1,500
Lit	Hester Miriam Bloom	2,500
Major Labia	Coven Nineteen	11,500
MELA	Jude Goldrei	2,500
MF The Barber Ltd	The Barber	18,897
Moon Under Water	Foreign Material Limited	15,000
Nico Pimparé	Chaos	1,200
Night Sky Films Ltd	Blind Spot	15,000
Norm	Alexandra Blue	2,050
Northern Ireland Screen Commission	BFI NETWORK Northern Ireland - Northern Ireland Screen 22/23	150,000
Nottingham Media Centre Limited	BFI NETWORK England - Midlands 22/23	150,000
Octopus	Fig Films Ltd	1,000
Picture Imperfect Ltd	Sweet Little Despair	5,125
Pilgrim	Alex Thiele	2,500
Pulse Films Ltd	The Girl's Room	9,000
Rainfrog Pictures Limited	Weekend Dad	1,219
Richard Michael Parry	Pole	550
Rowdy Entertainment Limited	LUMBU	3,500
Salt Water Town	Daniel Robert Thorburn	1,500
Sarah Elizabeth Dunn	White Pudding Supper	1,970

Schedule 1 (continued)

Producer	Project	£
Saturday Films Limited	Lions	8,000
Sea and Sky Pictures Ltd	The Wilds	15,000
Sixteen Films Ltd	Soft Facts	15,300
So Wired Ltd	The Piss Witch	12,000
Somesuch & Co Ltd	Audition	8,000
Sophie Elizabeth Jones	Peeler	9,000
Spines	Bear Behind You Ltd	5,918
Static Flow Productions Ltd	Vestige	11,050
Tedium Entertainment Films Ltd	Jim	7,568
Tentacle Media Ltd	Exhlbit A	12,500
The Bower Film Ltd	The Bower	14,000
The Constant	Jacob Holmes-Brown	1,825
The Sheffield Media and Exhibition Centre Ltd	BFI NETWORK England – North 22/23	150,000
Tom Stubbs	Steve Parker	2,285
Tom's Shadow	Barrie James Edwards	2,750
Triskelle Pictures Ltd	Room 515 (working title)	14,500
Tuli-Gal Litvak	Nails & Beauty	10,065
Tuli-Gal Litvak	Bingo Queens	3,400
Uncut Artist Limited	Rushed	13,000
Various	NETWORK Website	28,000
Various	NETWORK@LFF	35,000
Various	NETWORK Website: product review costs	27,200
Watershed Arts Trust Limited (The)	BFI NETWORK England - South West 22/23	140,000
Watersmeet Productions Ltd	The Rev	8,351
Talent Development		**2,051,924**
Bohemia Media Ltd	Rebel Dread	25,000
MUBI UK Limited	Limbo	60,750
Peccadillo Pictures Limited	Sweetheart	75,010
Picturehouse Entertainment Limited	The Reason I Jump	37,000
Picturehouse Entertainment Limited	Pirates	50,000
Picturehouse Entertainment Limited	Happening	40,000
Sovereign Film Distribution Limited	Petrov's Flu	23,000
Studio Soho Distribution Limited	Tigers	20,000
Together Films Limited	The 8th	20,500
Together Films Limited	Ahead of the Curve	12,840
Vertigo Releasing Limited	Censor	55,000
Verve Pictures Limited	First Features – Distribution Support Scheme II	165,000
Audience Fund: Distribution Awards		**584,100**
Chapter (Cardiff) Ltd	Film Hub Wales	210,000
Chapter (Cardiff) Ltd	Cross FAN D&I	45,000
Chapter (Cardiff) Limited	Cross FAN D&I - Film Access Versions Catalogue	10,000
Chapter Arts Centre	Film Exhibition Fund	20,000
Film London	Film Exhibition Fund	25,000
Film London	Cross FAN Young Audiences	45,000
Film London	Film Hub London	200,000
Independent Cinema Office	Film Exhibition Fund	20,000
Independent Cinema Office	Film Hub South East	350,000
Independent Cinema Office	Cross FAN Evaluation	60,000
Nottingham Media Centre Limited	Film Hub Midlands	365,000
Nottingham Media Centre Limited	Cross FAN Major Programmes	440,000
Queen's University Belfast	Film Exhibition Fund	10,000
Queen's University Belfast	Film Hub NI	210,000
Queen's University Belfast	Cross FAN NTE	10,000
The Glasgow Film Theatre	Cross FAN MSD - This Way Up online	10,000

Schedule 1 (continued)

Producer	Project	£
The Glasgow Film Theatre	Film Exhibition Fund	15,000
The Glasgow Film Theatre	Film Hub Scotland	225,000
The Glasgow Film Theatre	Cross FAN Member Support	145,000
The Sheffield Media and Exhibition Centre Ltd	XFAN Screen Heritage - New Directions	25,000
The Sheffield Media and Exhibition Centre Ltd	Cross FAN Screen Heritage	150,000
The Sheffield Media and Exhibition Centre Ltd	Film Hub North	460,000
The Watershed Arts Trust Limited	Film Exhibition Fund	25,000
The Watershed Arts Trust Limited	Cross FAN MCA	105,000
The Watershed Arts Trust Limited	Film Hub South West	280,000
Audience Fund – Film Audience Network		3,460,000
Aesthetica Magazine Ltd	Aesthetica Film Festival	30,000
Arts Alive In Shropshire And Herefordshire	Flicks Audience Development	45,000
Berwick Film & Media Arts Festival	17th Berwick Film & Media Arts Festival (2021)	40,000
Birds Eye View	Reclaim the Frame 2022-23	150,000
Blue Finch Film Releasing Limited	Wild Men	15,000
Boiling Point	Vertigo Releasing Ltd	35,000
Borderlines Film Festival CIC	Borderlines Film Festival 2022	42,000
Carousel Project	Oska Bright Film Festival	102,000
Chapter (Cardiff) Ltd	Organisational award 2022/23	60,000
Derby QUAD Limited	Audience Growth 2022-23	60,000
Doc'n Roll Films Ltd.	Doc'n Roll Film Festival UK tour 21-22	35,000
Dogwoof Ltd	Regional and Diverse Audience Development for Documentary film	125,000
Encounters Festivals Ltd	Encounters 2022	90,000
Flatpack Projects	Cinecov - Coventry UK City of Culture	264,700
Flatpack Projects	Flatpack Projects 2022-21	90,000
Greater Manchester Arts Centre Limited	HOME 2022-23	185,000
Hampshire County Council	Wessex Film and Sound Archive organisational award 2022-23	10,000
Independent Cinema Office	FEDS 2022/23	114,194
Independent Cinema Office	Strategic activities to support independent exhibitors 2022-23	578,016
International Documentary Festival Sheffield	International Documentary Festival Sheffield	210,000
Leeds City Council	Leeds Film 2022-23	130,000
Leicester Arts Centre Ltd	Phoenix Organisational award 2022-23	100,000
London Short Film Festival Ltd	London Short Film Festival 2022	30,000
Manchester Animation Festival Ltd.	Manchester Animation Festival 2021	35,000
Manchester Metropolitan University	North West Film Archive	15,000
Media Archive of Central England Ltd	Discover Watch Enjoy: MACE and Screen Heritage for the Midlands	85,000
MUBI UK Limited	The Worst Person in the World	105,785
MUBI UK Limited	Great Freedom	30,000
Nottingham Media Centre Limited	Broadway - Organisational Award 2022-23	150,000
Peccadillo Pictures Limited	Peccadillo Sofa Club	75,000
Peccadillo Pictures Ltd	Peccadillo 2022-23	113,500
Plymouth City Council	The Box: Revealing the Reel 22/23	55,000
Queen's University Belfast	Queen's Film Theatre 2022-23	60,000
Slapstick Festival Limited	Slapstick Festival 2022	36,000
T A P E Collective Ltd.	But Where Are You Really From?	25,845
The Bristol Cultural Development Partnership	Festival of the Future City Film Festival	22,000
The British Federation of Film Societies	Cinema For All – Building film communities across the UK 2022-23	159,992
The Edinburgh International Film Festival Limited	Edinburgh International Film Festival 2021	50,000
The Festivals Company Limited	Iris Prize LGBT+ Film Festival 2021 and Iris on the Move 2022	40,000
The Glasgow Film Theatre	Glasgow Film Festival 2023	115,000
The Sheffield Media and Exhibition Centre Ltd	Showroom Cinema 2022-22	150,000
Tongues On Fire Limited	UK Asian Film Festival 2022	35,000
Tyneside Cinema	Organisational Award	147,000
UK Jewish Film Ltd	UK Jewish Film Festival 2021	50,000
University of Brighton	Screen Archive South East Organisational award 2022-23	25,000
University of East Anglia	East Anglian Film Archive 2022-23	15,000

Schedule 1 (continued)

Producer	Project	£
Watershed Arts Trust Limited (The)	Reimagining Film Exhibition	195,000
Yonder Consulting Limited	Survey Project 2022-23	90,000
Yorkshire Film Archive	Yorkshire & North East Film Archive organisational award 2022-23	95,500
YourLocalCinema Ltd	YourLocalCinema Audience Development	25,000
Zebra Access CIO	Deaffest 2022 Unlocked	45,130
Audience Fund – Other Awards		**4,586,662**
104 projects CIC	Film Academy Network Programme	16,875
Bulldozer Films Ltd	Film Academy Network Programme	34,000
Bulldozer Films Ltd	Bulldozer - Network Programme	17,000
Cinemagic	Film Academy Network Programme	17,000
Creative Nation Ltd	Film Academy Network Programme	34,000
Glasgow Media Access Centre Ltd (Trading as GMAC FILM)	Film Academy Network Programme	17,000
National Film & Television School	NFTS Craft Skills course	198,000
Plymouth College of Art	Film Academy Network Programme	16,999
Screen Argyll Ltd	Film Academy Network Programme	16,990
Screen Education Edinburgh	Film Academy Residential	48,000
Screen Education Edinburgh	Film Academy Network Programme	17,000
Station House Media Unit	Film Academy Network Programme	17,000
The Nerve Centre	Film Academy Network Programme	51,255
Film Academies		**501,119**
ScreenSkills Limited	Future Film Skills (2022-23)	4,150,000
Skills Fund		**4,150,000**
Screen Cornwall Limited	Catalysing the Cornish Screen Sector	25,000
Screen Yorkshire Ltd	Yorkshire Growth Plan 2022-23	180,000
West Midlands Combined Authority	Create Central - 2022-23	250,000
National Cluster Growth Fund		**455,000**
Alma Economics Ltd	Economic review of the revenue model for UK independent film	80,000
BAFTA Enterprise Ltd	A Screen New Deal Transformation plan pilot	80,000
Cinema Advertising Association Ltd	Data and services purchases 2021-2022	6,398
Dr Sean Perkins	Production spend tracking service July 2021- March 2023	150,000
Informa Telecoms & Media Limited	Data and services purchases 2021-2022	32,486
Various	Data and services purchases 2021-2022	50,664
Various	Screen Business 2021 Tranche 2	12,500
Research and Statistics Fund		**412,048**
Creative England Limited	Creative Enterprise	1,615,000
Creative Enterprise Fund		**1,615,000**
Creative England Limited	Creative England Production Services – Filming in England	625,000
Production Services Fund		625,000
Aconite Productions Ltd	Electric Malady	6,200
Associazione Fondo per l'Audiovisivo del FVG	When East Meets West 2022	7,500
BE MTU	Industry@Tallinn & Baltic Event / Black Nights Film Festival	20,000
Canoe Film Ltd.	I Get Knocked Down	1,686
Discipline Global Mobile Ltd	In the Court of the Crimson King	7,800
Dogwoof Ltd	The Story of Film: A New Generation	11,572

Schedule 1 (continued)

Producer	Project	£
Dogwoof Ltd	My Old School	3,532
Film Export UK Ltd	European Film Market 2022 - UK pavilion	109,250
Film London	The Production Finance Market	38,000
Film London	British Film Commission Inward Investment Activity	575,000
Film London	The London Screenings	106,000
First Hand Films GmbH	The Story of Looking	8,095
Hillbilly Films Limited	Pirates	6,855
International Documentary Festival Sheffield	Sheffield DocFest: Industry Programme	70,000
Le Petit Bureau	True Things	15,000
Les Arcs Film Festival	Various	3,300
MK2 Films SAS	Cow	7,575
Montrose Pictures Ltd	Eye of the Storm	5,825
National Film & Television School	Inside Pictures	146,700
Protagonist Pictures Limited	The Souvenir Part II	15,000
The British Council	Supporting New Film Makers	56,500
UK Screen Association Ltd	Annecy International Film Festival	13,735
Various	Digital UK Film Presence - Cannes 2021	101,475
Various	UK Group Attendance at Cannes Producers Network	10,400
Various	UK Group Attendance at Locarno Match Me	7,500
Various	San Sebastián International Co-production Market & Networking 2021	3,700
Various	ACE (Ateliers du Cinéma Européen) 2021 Reunion – Scotland	2,500
Various	UK Attendance International Training & Networking Programme AttaGirl 2021/2022	26,860
Various	UK Film at Cannes 2022	450,000
Various	UK Group Attendance International Co-production Market & Networking at CPH:DOX Market	12,695
Visit Films LLC	The Storms of Jeremy Thomas	10,438
Wild Bunch International	Earwig	7,500
International Fund Ltd		**1,868,193**
British Film Institute	65th BFI LONDON FILM FESTIVAL	1,400,000
London Film Festival		**1,400,000**
Chapter (Cardiff) Ltd	Venue Education Fund 2022-23	54,890
Ffilm Cymru Wales C.B.C	Ffilm Cymru Wales: Film Education 2022-23	120,000
Film Nation UK	Into Film Delivery Plan 2022/23	4,800,000
Greater Manchester Arts Centre Limited	Venue Education Fund 2022-23	55,000
Independent Cinema Office	Venue Education Fund 2022-23	54,997.36
NERVE CENTRE - THE	Venue Education Fund 2022-23	55,000
Nottingham Media Centre Limited	Venue Education Fund 2022-23	55,000
Screen Education Edinburgh	Specialist Programme - Additional Funding	37,500
Sheffield Media Exhibition Centre	Specialist Programme - Additional Funding	45,000
The Glasgow Film Theatre	Venue Education Fund 2022-23	55,000
The National Film and Television School	Early Stage Access and Diversity Accelerator	770,000
Watershed Arts Trust Limited (The)	Venue Education Fund 2022-23	55,000
Education Fund		**6,157,387**
		51,641,794

Schedule 2: New Lottery commitments made by delegate bodies (unaudited information) in the year ended 31 March 2022

The Documentary Society were delegated £1.9m of new lottery funds for activity in 2021-22 Creative Scotland and Ffilm Cymru Wales £0.2m each, and Northern Ireland Screen Commission £0.15m.

The awards made to third party organisations by these delegate bodies in the year ending 31 March 2022 are listed below.

Award Recipient	Project	£
The Documentary Society		
7A Films	All Points North	55,000
Amber Film and Photography Collective CIC	Supporting a Community of Documentary Filmmakers at Amber	19,000
Apropos Productions Ltd.	Pemon	1,650
Aruna Productions Ltd.	Hermit of Treig	45,000
AYA Films CIC	Aya Films CIC	18,500
Ayiti Ltd.	Haiti	3,818
Beyond the Emergency Ltd	Rebellion	70,000
Blue Bag Life Limited	Blue Bag Life	152,000
Bungalow Town Productions Ltd.	SUWO	80,000
Cables and Cameras CIC	Cables and Cameras	11,000
Cardamom Films Ltd.	It Didn't Start With You	60,000
Cassie Quarless	The Reel Black Retreat	23,000
Conscious Productions	Conscious	20,000
Demon Snapper Productions	Tish	100,000
Derryboye Films Ltd	Hello Stranger	26,300
EMU Films	My Friend Lanre	23,081
Enemy Productions	The Rabbits of Ravensbrück	23,870
Fail Better Films Ltd.	The Bus Drivers Children	16,505
Free Lens Collective CIC	Refugee Film Network	18,000
Good Kid Films Ltd.	Red Herring	24,000
Horsefilm Ltd.	Horsemen	25,000
Hot Property ITAOT Ltd.	Is There Anybody Out There?	102,653
Hot Propery Films	Gold Machine	8,000
JSH Films Ltd.	The Veiled City	17,200
Labour of Love Films Ltd.	A Bunch of Amateurs	30,000
Lacunae Films	The Wolf Suit	21,000
Lawand Film Ltd.	Name me Lawand	12,000
Little Ease Films Ltd.	Aftermath	25,000
Lono Studio Ltd	Child of Polycritus	550
Migrant Media	Bradford 12	126,490
Missing In Action Films Ltd	Rage in Many Languages	15,000
Nascondino Ltd	Hide & Seek (Nascondino)	90,100
Northern Filmworks Ltd.	All Points North	6,000
Northern Heart Films Limited	Finding Appiness	1,500
Other Cinemas CIC	Other Cinemas x Doc Society	20,000
Panoptical Limited	Black Boy Joy Gone	2,550
Primitive Film LTD	Mirror with a Memory	2,300
Project 1961 Ltd.	Undiscovered Country	16,250
Pulse Films	Name Me Lawand	80,000
Rebecca Day (Film in Mind)	Documentality	18,000
Resource Community Film and Arts CIC	Creative Collective DocLab: Untold Stories	20,000
Screen Alliance for Wales	Wales Documentary Support Network	18,000
SD Films LLP	Trust Me!?	17,460
Somina Fombo	Boomflix Network Retreat	23,000
Story of Bones Ltd	A Story of Bones	48,200
Talon Productions Ltd. (fka Billo Studio Ltd.)	Fishtown	16,825
Tara Films	Nothing Compares	62,250
TBC	Adura Baba Mi	15,000
Tigerlily Productions & Doc Hearts Ltd.	White Nanny, Black Kids	95,000

Schedule 2 (continued)

Award Recipient	Project	£
Tyke Films Ltd.	My Blonde GF	18,000
Until the Tide Limited	Until the Tide Creeps In	3,000
Where the Sun Always Shines Ltd.	Where the Sun Always Shines	17,050
	Total Documentary Society delegated awards 2021-22	**1,764,102**
Ffilm Cymru Wales		
Alice McKee	LULL	1,000
Black Gold Productions Ltd	MO JANNAH CPD	5,044
Blue Horizon Productions Ltd	LITTLE ROCK	4,750
Brett Webb	G FLAT	18,750
C P E Productions Josh Hicks	SPECTRE OF THE BEAR	15,000
Cardiff Animation Festival	CARDIFF ANIMATION FESTIVAL - DIVERSE VOICES	6,000
Carys Lewis	BLUE MOTHER	6,000
Delta Pictures Ltd	ADAM PARTRIDGE CPD	5,530
Eiko Meredith	EIKO MEREDITH CPD	3,766
Eric Ngalle Charles & Greg Lewis	IYA	10,000
Erin Richards	SEALED	10,000
Gemma Green-Hope	HELL WEEK	1,000
Geronimogs CYF	GERONIMO	17,283
G-Expressions	WHITE AND BLACK	1,000
Hannah Daniel	INVISIBLE ALICE	6,000
Hannah Fitt	DUST	5,000
Hello Deer Productions Ltd	JASPER WARRY CPD	1,346
hijack film production	PAOLOZZI	10,000
Inceptive Films Ltd	BLOOM	10,000
Jelly Film Ltd	JELLY	1,400
Josh Hicks	SPECTRE OF THE BEAR	1,000
Katie Dolan	KATIE DOLAN CPD	6,464
Keith Potter	PERISH	9,500
Krystal S. Lowe	SEVEN	16,000
Llŷr Titus	FISITOR	16,000
Lowri Roberts	LOWRI ROBERTS CPD	4,438
Oliver Gabe	SPUTUM CUP	1,000
On Par Productions	THE QUEER TRICHOTEMY	16,970
Oscar Albert	GLASS HOUSE	3,250
Oscar Albert	RIBOLLITA	9,250
Peter Wynn Evans	FINGAZ	5,000
Picl Animation Ltd	HOUNDS OF ANNWN	16,408
Rhiannon Evans	RHIANNON EVANS CPD	2,750
Richard Billingham	TINA	10,000
Rupert Miles	THE COLLECTOR OF SOUNDS	6,500
Sarah Bickerton	GOBAITH MUL	1,000
Sixteen Films Ltd	BETHAN	9,950
Untamed Stories Ltd	WRITERS LAB UK & IRELAND 2022	7,000
Up Helly Aa Ltd	SALLY LEAPT OUT OF A WINDOW LAST NIGHT	10,000
	Total Ffilm Cmyru Wales delegated awards 2021-22	**291,349**
Northern Ireland Screen Commission		
Aisling Daly	Young Ones	968
Apex Pictures	I'll be Frank	3,750
Aron Holden	True Colours	1,125
CauseAscene Films	The Music Teacher	3,750
Daniel Ritchie	When It Rains	968
Diana Cheung	Life of Rian	1,125

Schedule 2 (continued)

Award Recipient	Project	£
Dominic Curran	Lure	968
Emma Williamson	Newbie	1,125
Farwander	VIVA	6,666
Fine Point Films	I Know You	3,960
Flumeri Films Ltd	A Particular Friend	3,750
Italic Pig Ltd	Stan By Me	20,000
Joe Laverty	Smashing & Entering	1,125
Little Ease Films Ltd	Cluster	3,225
Michael McBroom	Sapling	1,125
Out of Orbit Ltd	Yield	3,750
Poli Productions	BAD VIBES	6,667
Poli Productions	LIFE RUINER	6,667
Púca	Breaking Out	3,225
Purple Finch Productions Ltd	Questionable Treatment	3,750
Sam Bell	Bleed	968
Sinéad Murphy	Border Stories	1,125
Sixteen South Originals Ltd	Cloud Bursting	20,000
Super Lemon Productions Ltd	Donkey Oaty	3,750
Tanith MacLynn-Hill	Pirates	1,125
Taunt Studios	Animus	20,000
Tiarnán McCartney	Mudslingers	968
Triplevision Productions LTD	Unlocking Christmas	3,225
	Total Northern Ireland Screen Commission delegated awards 2021-22	**128,850**
Creative Scotland		
104 FILMS SOUTH	Names	5,000
BLAZING GRIFFIN	Street Hassle	5,000
BOMBITO PRODUCTIONS	Boifriend	5,000
BOMBITO PRODUCTIONS	A Good Spell	15,000
CANDY SHARP SHORTS	CANDY	20,000
HANNAH KELSO	For Love Nor Money	4,700
JEN MCGREGOR	Occupied	2,700
LOTHIAN FILMS	Yellow Moon	5,000
MISCIEVOUS D	Drovers Road	5,000
PHILIP WRIGHT	Committed	5,000
SARAH GRANT	Scare	15,000
SHAKEHAUS	Faux City	4,800
TOO ROUGH PRODUCTIONS	Nostophobia	5,000
WHITE STAG FILMS	Funeral Home	15,000
	Creative Scotland delegated awards 2021-22	**112,200**
	Total awards by delegate bodies 2021-22	**2,296,501**

Statutory Background

Statutory Background

Statement of compliance with the Government's Lottery policy and financial directions

Financial directions

Under the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998), the Secretary of State issued financial directions to the British Film Institute (the BFI). These are as follows:

The BFI shall comply with the requirements contained within the Statement of Financial Requirements, which have the status of directions under section 26 of the National Lottery etc. Act 1993, ("the Act") as amended by the National Lottery Act 1998 ("the 1998 Act").

The BFI has implemented procedures to ensure the provisions of the Statement of Financial Requirements are followed and the BFI confirms that, to the best of its knowledge, it complied fully with the financial requirements in 2021-22.

The BFI shall devise and abide by a procedure for handling potential conflicts of interest which may arise in the evaluation of applications by BFI or individual members of the BFI. This procedure together with a statement confirming the arrangements that have been applied, should be provided to the Secretary of state for Culture, Media and Sport before the distribution of any funds under section 25 of the Act, and thereafter at the beginning of each financial year.

The BFI has in place procedures for dealing with conflicts of interest and, to the best of its knowledge, it abided by this procedure in 2021-22.

Policy directions

Under the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998), the Secretary of State for Culture, Media and Sport issued policy directions, which the BFI must take into account in distributing National Lottery funds.

A) The need to involve the public and local communities where reasonably practicable, in making policies and setting priorities.

The BFI consulted widely on its five year strategy (BFI2022) which commenced on 1 April 2017 by way of a wide-scale public consultation undertaken in 2016.

During 2021-22, a very important piece of work during the year was the BFI's 'Next Up' National Lottery strategy consultation. This ongoing consultation is being conducted to help shape the priorities for the BFI's new 10-year National Lottery strategy, working with partners and stakeholders to set what the BFI wants to achieve as a distributor of funding over this period.

As a first step of the consultation process, BritainThinks was commissioned to gain perspectives from a sample of stakeholders, industry and the UK public in establishing shared priorities for the screen sectors, including film, TV and video games; the work included a 7-week online consultation platform, combining private survey activities and public forums and 10 x 75-minute stakeholder workshops. The main priority was to further understand the screen sector's needs, expectations and priorities.

The BFI used evidence collected through this consultation to develop a draft framework for the National Lottery strategy, workshopping this in collaboration with agency Re-Set and a group of 'critical friends' from across the sector.

The BFI is now engaged in a second range of consultation, gathering feedback on how this framework can be improved via both an online survey and a series of virtual sessions running in the first quarter of 2022-23.

B) The need to increase access and participation for those sections of society who do not currently benefit from opportunities available in the United Kingdom.

The BFI aims to ensure that equality and diversity are central to all activities thus allowing sections of society to have access to or benefit from funding, taking into account differences in values, attitudes, cultural perspectives, beliefs, ethnic background, able or disabled, skills, knowledge, geography, age and life experiences.

In 2021-22 the BFI continued to operate Diversity Standards across all the BFI's activities as part of the BFI2022 Strategy delivery and has also been adopted by BAFTA, BIFA, BBC Films, FILM 4, Paramount, NFTS, Screen Scotland, Facebook and AMPAS (collaboration on Oscars® version).

C) The need to inspire children and young people, awakening their interest and involvement in the activities covered by the good cause.

The BFI is fully committed to education and learning and strongly believes that film has the power to transform the way people see and understand the world and as such has committed a significant investment into the delivery of Lottery programmes for young people. The 16-30 age group is identified as a key priority within the BFI2022 five-year strategy and is now an assessment criterion for relevant funding programmes.

Notably the BFI 5-19 education scheme, which is managed by Into Film, was managing approximately 6,000 'active' film clubs, with an estimated total engagement of approximately 4.4 million young people. Due to the pandemic, activity moved online with greater emphasis on young people and families at home.

In addition, the BFI Film Academy, with additional funding from the Department for Education, enabled approximately 1,000 young people, from all round the UK and from any background, aged 16-19-year-olds the first step to being part of the future film industry.

In addition the BFI manages a number of other programmes, notably the Venue Education Fund and the Film Audience Network, also focused on 16 – 30 year olds.

D) The need to improve community cohesion and/or social inclusion.

The BFI ensures that the benefits of Lottery funding are spread widely, in both geographical and social terms. Creativity and diversity in the film sector is enriched by encouraging the participation of people from a wide range of communities.

The BFI's Diversity Standards ensure all its funding works to celebrate and engage people from all backgrounds across the UK, including those from different socioeconomic groups.

The BFI works to bring film and the moving image to the widest possible range of communities across the UK through the Film Audience Network. Comprising a network of over 1600 exhibitors and led by a group of 'Film Hub Lead Organisations' in each nation and region of the UK, the network funds projects including community and neighbourhood cinemas as well as local film festivals celebrating all aspects of identity.

E) The need to encourage new talent, innovation, and excellence and help people to develop new skills.

The BFI provides opportunities for filmmaking talent to flourish. The freshness and relevance of the films produced have been recognised by the international film industry awards they have won. As well as direct support for filmmaking, the BFI invests in training talent, notably the BFI Film Academy, and in partnership with ScreenSkills, the Sector Skills Council for the audio-visual industry.

As part of the BFI's continuing focus on skills, a Skills Review was commissioned in the year and will be published in 2022-23.

In addition, the UK Talent Network – supported 90 NETWORK film projects, from across the UK.

F) The need to ensure that money is distributed for projects which promote public value and which are not intended primarily for private gain.

It has always been a primary intention of the National Lottery that it should improve the quality of life for people throughout the UK.

All applicants, including private, voluntary or commercial organisations, have to be able to demonstrate the benefit to the public that would result from their proposed project. The BFI applies a range of criteria in order to ascertain that an appropriate level of public benefit is derived from the project. The criteria include the creative and technical quality of the project and its contribution towards the BFI's strategic objectives.

G) The need to further the objectives of sustainable development.

The BFI provides leadership and practical support for the wider film industry, including leading the UK-wide sustainability Group. Following the launch of the British Standard (BS 8909), specifically for film, sustainability has been an intrinsic element to the five year plan BFI2022, and will remain so for the new 10 year strategy.

Technological development is supported through encouraging the use of digital production techniques and associated processes.

On location filming of any Lottery-funded films, producers are expected to be sensitive to the needs of the environment and the use of natural resources, returning locations back to their original state in environmental terms, after use.

The BFI works with other Lottery Distributors and the Department for Digital, Culture, Media and Sport in developing proposals for sustainable development.

Following on from the publication in 2019 of the report – GREEN MATTERS – an overview of current practices of environmental sustainability and film production continued.

H) The importance of ensuring equality of opportunity and the desirability of reducing economic and social deprivation and of ensuring that all areas of the United Kingdom have access to the money distributed.

All parts of the country have access to BFI Lottery funding through applications for training, development, production, education, distribution, exhibition and film heritage activity.

I) The desirability of the British Film Institute working jointly with other organisations, including other distributors.

The BFI undertakes partnership working with all the other Lottery distributors, most notably with Arts Council England, National Heritage Lottery Fund and NESTA.

The BFI delegates funding to the Doc Society in relation to documentary filmmaking.

In addition, the BFI works with a number of key partners notably, Creative England in support of its strategic objectives that can be delivered at a local and/or regional level; ScreenSkills; the National Screen agencies of Wales – Ffilm Cymru Wales; Northern Ireland – Northern Ireland Screen; and, Scotland – Creative Scotland; and with partners in the English regions, notably the Film Hub Lead organisations (Film Audience network programme).

J) The need to ensure that all those receiving Lottery money acknowledge it using the common Lottery branding.

The BFI ensures that the Lottery is credited on all projects in receipt of Lottery funding through the use of the credits on films and branding on other materials.

K) The need to require an element of partnership funding, or contributions in kind from other sources, to the extent that this is reasonable to achieve for different kinds of applicants in particular areas.

The BFI requires all applications to include an element of partnership funding, to demonstrate commitment to the project. The level of partnership funding required depends on each fund and the activity being supported.

L) The need (a) for money distributed to be distributed to projects only where they are for a specific, time-limited, purpose, (b) to ensure that the BFI has the necessary information and expert advice to make decisions on each application and (c) for applicants to demonstrate the financial viability of projects.

Funding is either provided on a specifically time limited basis or will only benefit individuals while they remain within the definition of a particular programme.

The BFI undertakes an appraisal of each application for funding prior to final decision. In 2021-22, to supplement its established counter-fraud approaches, the BFI introduced additional counter-fraud checks for all awarded/successful Lottery applications, including the enhanced use of the Cabinet Office due diligence tool *Spotlight*.

The BFI reserves the right to request that applicants provide any additional information that may be required in order to properly assess such application, in addition to the requirements set out in the application guidelines. It also seeks, where necessary, the confidential, independent and objective views of expert advisers. As a publicly accountable body, the BFI has a duty to ensure that National Lottery funds are properly spent and accounted for, that risk is minimised, and that fraud is avoided.

M) Where setting up costs are sought, the need for a clear business plan showing how any running and maintenance costs will be met for a reasonable period.

Financial viability is a key factor in the assessment of BFI Lottery applications and is examined using appropriate criteria for all funded applications in the context of assessing the potential risk of each Lottery award. Each potential recipient of Lottery funding has to demonstrate that its finances are secure and, in respect of larger projects, sufficient to ensure project exploitation after the funding period.

N) The need to ensure that film is central to the lives of UK citizens, and to improve the quality of British film and raise its profile in the marketplace, by:

i. Expanding education and learning opportunities and boosting audience choice across the UK;
ii. Supporting the future success of British film;
iii. Unlocking film heritage for everyone in the UK to enjoy.

The allocation of National Lottery funds by the BFI is influenced by the need to strengthen the industry's structure and workforce; to improve the quality and commercial viability of British films; and to support the distribution of specialised film in the analogue and digital environments, helping to ensure UK audiences have access to film in all its variety.

O) Where awards are made in relation to feature film production or distribution projects the BFI should take into account:

- A clearly identified target audience for their projects
- The need for recipients of awards for film production to pay the set contribution towards the Skills Investment Fund (SIF)
- The need for recipients of awards to comply with recognised industry best practice and agreements relating to pay and the employment of trainees
- The need to conserve and expand the UK's film heritage by requiring the deposit of Lottery funded productions and other selected material in the collections of the British Film Institute or regional archives
- The need for feature film development and production projects to be capable of qualifying as "British films" in accordance with the procedures set out by the DCMS
- The need to improve public access to film through the use of audio-description and/or subtitling for the hard of hearing.

All relevant projects in receipt of this type of funding are required, contractually, to comply with these conditions.

ISBN 978-1-5286-3825-8
E02837109



Funded by
UK Government





21 Stephen Street
London W1T 1LN
bfi.org.uk

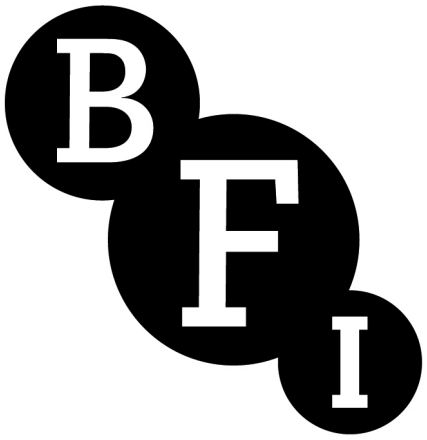
ISBN 978-1-5286-3825-8
E02837109

THE BRITISH FILM INSTITUTE

England & Wales - Charity number 287780

Accounts

BFI Annual Report **and Financial Statements** 2020-2021



BRITISH FILM INSTITUTE Group and National Lottery Annual Report and Financial Statements for the year ended 31 March 2021

Presented to Parliament pursuant to Section 34(3) and 35(5) of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998 and the National Lottery Act 2006).

Ordered by the House of Commons to be Printed on 16 December 2021.

Presented to the Scottish Parliament pursuant to the Scotland Act 1998 Section 88
Charity Registration no: 287780

HC 946
SG/2021/353

© BRITISH FILM INSTITUTE (2021)

The text of this document (this excludes, where present, the Royal Arms and all departmental and agency logos) may be reproduced free of charge in any format or medium providing that it is reproduced accurately and not in a misleading context.

The material must be acknowledged as British Film Institute copyright and the document title specified. Where third party material has been identified, permission from the respective copyright holder must be sought.

Any enquiries regarding this publication should be sent to us at:
customerfeedback@bfi.org.uk

ISBN 978-1-5286-3113-6
E02703243

You can download this publication from our website at www.bfi.org.uk.

CONTENTS

Purpose, Mission and Values	Page 6
Chief Executive's Report	Page 7
Future Audiences	Page 9
Audiences around the UK	Page 18
Our moving image heritage	Page 25
Future learning and skills	Page 29
A champion for talent	Page 33
Supporting the future success of UK film	Page 35
On the international stage	Page 40
Leadership and Advocacy	Page 42
Fundraising and Philanthropy	Page 49
Business operations	Page 56
Key Performance Measures	Page 57
Financial Review	Page 60
Public Benefit	Page 66
Environmental Sustainability	Page 69
How the BFI is Governed	Page 74
Remuneration Report	Page 80
Corporate Information	Page 91
Governance Statement	Page 92

BFI GROUP AND CHARITY FINANCIAL STATEMENTS

Statement of Governors and Accounting Officer's Responsibilities	Page 100
Independent Auditors Report	Page 103
BFI Group and Charity Financial Statements	Page 108

NATIONAL LOTTERY FINANCIAL STATEMENTS

Statement of Governors and Accounting Officer's Responsibilities	Page 147
Independent Auditors Report	Page 148
National Lottery Financial Statements	Page 153

STATUTORY BACKGROUND Page 185

PURPOSE, MISSION AND VALUES

The BFI is a Royal Charter Charity that was established in 1933.

Purpose

We believe society needs stories. Film, television and the moving image bring them to life, helping us to connect and understand each other better. We share the stories of yesterday, search for the stories of today, and shape the stories of tomorrow.

Mission

The BFI is a cultural charity, a National Lottery distributor, and the UK's lead organisation for film and the moving image. Our mission is:

- To support creativity and actively seek out the next generation of UK storytellers
- To grow and care for the BFI National Archive, the world's largest film and television archive
- To offer the widest range of UK and international moving image culture through our programmes and festivals – delivered online and in venue
- To use our knowledge to educate and deepen public appreciation and understanding
- To work with Government and industry to ensure the continued growth of the UK's screen industries

Vision

We will transform access to our programmes, screen culture, and jobs by

- focussing on the diversity of our audiences
- expanding our work to further embrace television & video games
- reframing the public's relationship with the BFI's collections
- investing in the growth of our digital platforms
- working with industry to deliver long-term strategies for education and skills.

CHIEF EXECUTIVE'S STATEMENT

I write this introduction against a backdrop of the BFI London Film Festival in October 2021 which, although technically out of scope for this 2020/21 annual report, has seen a remarkable return to capacity audiences for film screenings as we all enjoy the wonderful communal experience of cinema once again.

This experience could not have been in sharper contrast to the period covered by this report.

I took up my role as Chief Executive in February 2020, just three weeks before the first lockdown. Cinemas went dark, film and TV production shut down, a significant workforce and community of talented and creative individuals were immediately unable to work or earn a living.

Our first reaction was to work with our funded partners and the wider sector to identify what support was needed: we repurposed £4.6 million in National Lottery funding to support exhibitors, freelancers and producers; we convened a Screen Sector Taskforce with some of the most experienced individuals from across film, TV and video games to develop solutions with Government to help the sector get back on its feet. We were successful in achieving a number of policy interventions working in collaboration with Government, such as the Film and TV Production Restart Scheme, which enabled productions to get back up and running safely and quickly and ensured the financial security of hundreds of cinemas across England which faced a devastating and uncertain period of closure.

It was clear from the start of the pandemic that the Department for Digital, Culture, Media and Sport and HM Treasury were committed to taking far-reaching measures to protect the sector, through support interventions such as the Cultural Recovery Fund and UK Film & TV Production Restart Scheme. The challenges were not insignificant, but many of my colleagues and partners worked at speed to ensure that this Government support reached independent cinemas, productions and individuals within the industry quickly.

It is impossible to underestimate the impact of Government support during this period. Thousands of jobs were at stake, along with a century of cinema heritage, the UK's hard-earned position as the world's favourite destination for filmmakers, loss of audiences and a multi-billion pound contribution to our economy. That these effects were avoided speaks volumes about how highly the industry is valued both economically and culturally, and I am hugely grateful to our Ministers, their advisers and the policy officials for their unwavering support during this period.

I must also express my thanks to my BFI colleagues who adapted so quickly to the circumstances of lockdown and went on to show incredible levels of ingenuity and determination to keep as many of our activities going as possible and to support our sector. I must make particular mention here of the BFI Player team who reacted fast to

ensure that we could still satisfy the demand of audiences unable to visit the cinema, through providing capacity and access online.

I am also personally very grateful to the support shown by our Board of Governors throughout these turbulent times. Josh Berger's term as Chair expired in November 2020 at which point the role of Interim Chair passed to Pat Butler. Both provided extraordinary stewardship throughout a very difficult period. The terms of a number of Governors, including Pat Butler, Pete Czernin, Jonathan Ross and Andrea Wong, also came to an end during this period. We are indebted to them. Moving forward, the continued support of our Board, under new Chair, Tim Richards, will be invaluable.

As an organisation, we are emerging from the pandemic as an infinitely more agile, interconnected organisation. We worked closely with colleagues across the BFI to determine a new vision for the BFI and the culture that will get us there. This is the beginning of a period of transformation of the BFI. Supported by the Board, we are looking forward to focusing on audience diversity, embracing television and games in our work, reframing the public's relationship with the BFI's collections, investing in our digital platforms, and working with the industry to develop and deliver long-term strategies for education, skills and net zero.

A first step in delivering this vision, will be a consultation on our priority areas for the BFI's National Lottery funding and we look forward to engaging broadly with stakeholders, industry and the UK public in establishing shared priorities for the screen sectors, including film, TV and games. There is much to be optimistic about. Film, TV and the screen industries have evolved and we are seeing good signs of the sector bouncing back to pre-pandemic levels. We have learned a great deal and intend to take this forward in our future planning.

Perhaps the greatest learning has been the audience reaction – how people have coped with unprecedented change to their lives, to loneliness, to mental and physical stresses. We know society needs stories and this appetite for a good story hasn't waned through the pandemic. After the most challenging twelve months of the BFI's history, we are better placed now than ever before to transform access to our screen culture and facilitate the telling of these stories throughout the UK.

FUTURE AUDIENCES

A rich cultural programme for all

The year had a dramatic impact on our public programme on the big screen, on our preservation and digitisation plans for the national collection of film, television and the moving image, and on our support for research access. However, while the impact of COVID-19 has been considerable, not the least on our income, it has also challenged us to find new routes to audiences and to be innovative in our thinking. Audiences turned to film and television to entertain, inspire, and console during the year, especially through video-on-demand services.

As BFI Southbank and the hundreds of cinemas, arts venues, and film clubs we work with to reach audiences UK-wide were either shut or operating under severe restrictions during the past 12 months, we focused on boosting our online activity across every area of our public programme, with transformational results.

We invested more in new film collections for BFI Player, seeing significant audience growth both for free and paid viewings, and brought our events and discussion programme to bfi.org.uk and the BFI YouTube channel, making our cultural offer fully accessible across the UK for the first time online. Our annual audience increase saw a dramatic rise, with free collections on Player up by 20%, and paid subscription views up by an incredible 278% from the year before. Altogether there were 2.7 million views of the films on offer, and a further five million on BFI social media channels.

Watching films online had not been an element of the festival model for the BFI London Film Festival, but the challenges of 2020 led to the most widely accessible LFF ever, with 141,000 ticket sales for both socially distanced cinema screenings and virtual screenings, across the UK. The events and talks programme was delivered digitally for the first time ever, achieving nearly 175,000 engagements during the 12 days of the festival.

It wasn't only online that audiences fed their appetite for film. In a market which has seen annual sales of DVDs drop by 25% over the last decade, the lockdown encouraged audiences to add high quality BFI releases to their film collections. BFI DVD had its most successful year since 2016–17, with the restoration of the Pet Shop Boys' 1987 film *It Couldn't Happen Here* having its world premiere in a limited edition digi book pack, and 6,000 people opting to buy it in the first two days of release. Strong releases such as the 50th anniversary celebration of *Play for Today Volume One*, in partnership with the BBC, contributed to over 200,000 units sold, and an 18% growth in revenue. This, along with 5,000 enquiries to our archive footage sales team, now licensing material as varied as Everest and climate change, and the pioneering work of animator Lotte Reiniger, significantly helped with income streams.

A key element of growing engagement and broader access to a national collection and public programme is offering interpretation and knowledge to support understanding and enjoyment, and creating metadata for audiences to find what they want. The

Collections Information Database offers online access, with the BFI Reuben Library and Mediatheque both providing in-venue access to hard copy information and associated materials which have yet to be digitised, such as posters, diaries, company papers, conference papers, and designs. Usually around 100,000 researchers and members of the public browse our collections each year. This year our Library team worked hard to safely re-open the Library in September, with 215 researchers immediately booked in, before the second lockdown closed it again.

Editorial online has been in demand. Lockdown shut off *Sight & Sound*'s primary route to market on the news stand, but having already demonstrated an ability to adapt to the COVID-19 world with last year's launch of a new online newsletter the Weekly Film Bulletin we again modified our approach and we currently have the highest-ever number of digital subscribers and the highest combined print and digital readership for over three years. Our publishing partnership with Bloomsbury has resulted in a refresh of BFI Classics, offering readers a great introduction to a wide range of classic films.

The renewed urgency of the global Black Lives Matters movement in 2020 prompted us to make new commitments to accelerating meaningful change in recruitment and partnerships, and to ensure that our acquisitions to the national collection and our public programme better reflect our nation. We are also acquiring UK online videos that best represent the impact of Black Lives Matter. We are working in partnership with the Black Cultural Archives on preservation solutions for films they have acquired, and to benefit from their skills and knowledge in shaping BFI acquisitions into the national collection.

A powerful highlight of our COVID-19 year was *These Are the Hands.* Working with the Event and Visual Communication Association (EVCOM), the BFI National Archive co-produced a new short film to help raise funds for the NHS Charities Together appeal. A visual interpretation of the poignant lines of former children's laureate Michael Rosen's poem, 'These Are the Hands', this eloquent short film combines a selection of extracts of films about healthcare and the NHS preserved by the BFI National Archive, with new footage of NHS workers currently on the front lines of the COVID-19 crisis. It is a shining example of the power of film.

PROGRAMME HIGHLIGHTS

JAPAN 2020

Our annual blockbuster project was to have been delivered in partnership with venues UK-wide but we worked quickly to offer it exclusively on BFI Player. The full cinematic experience was offered in Autumn 2021. With a landmark collection of over 120 Japanese films this was a rich introduction to one of the world's great filmmaking cultures, from influential classics from Kurosawa to Mizoguchi and Naruse, to bizarre cult films, hidden gems from beloved directors, new films by Japanese women filmmakers, and beautifully animated family favourites. This extensive collection proved hugely popular with an incredible 367,000 views.

Our events strand, BFI at Home, offered a wide range of interviews – with Anime viewed 8,000 times. On DVD, Japan 2020 releases were a success with audiences, with strong sales for *Flavour of Green Tea Over Rice* (Yasujirō Ozu, 1952) topping almost 2,800 units, *Funeral Parade of Roses* (Toshio Matsumoto, 1969) selling more than 2,200 units, and our Takeshi Kitano box set reaching nearly 3,000 units.

Female desire on screen

This series spotlighting women filmmakers offered a collection exploring the 'female gaze', supported by online Q&As offering a fresh take on films like *Bound* (Lana Wachowski, Lilly Wachowski, 1996) and *The Watermelon Woman* (Cheryl Dunye, 1997). The films received over 10,000 views, with audiences averaging much longer times reading the online contextualising notes than we usually see.

Women Make Film

We released Mark Cousins' epic celebration of women filmmakers *Women Make Film* on BFI Player in weekly instalments, and on a four-disc blu-ray box set. Many of the films referenced in the documentary have been neglected and not available to contemporary audiences, and we are presenting work from the great Czech New Wave director Vera Chhytilova, beginning with *Something Different* (1963), followed by a re-appraisal of the work of Márta Mészáros and Larisa Sheptiko.

Black Lives Matter

In July we launched a 'digital takeover' programme with We Are Parable taking over all our existing channels to celebrate Black moving image culture in Who We Are, a series of online events and film programmes designed to spark debate about Black British film. S.O.U.L. FEST screened on BFI Player and YouTube, and in September, with the brief opening of BFI Southbank, our re-opening season, curated by African Odysseys, was *Injustice* with films and events. *Redefining Rebellion* curated by writer Kaleem Aftab, contextualised our 25th anniversary re-release of *La Haine* (Mathieu Kassovitz, 1995). This included an online event with Riz Ahmed, discussing the film's influence on his own career and on his latest film, *Mogul Mowgli*. Over 25,000 young people saw the film in cinemas, 4,500 online, and 3,000 bought the DVD. The August issue of *Sight & Sound* focused on Black filmmaking talent, with features on Michaela Coel, and the Black Film Bulletin.

Wong Kar-Wai

We launched a full retrospective of the iconic and influential Hong Kong director online, making new restorations available for the first time and providing a rare opportunity to explore Wong Kar-Wai's work on a streaming platform.

Britain on Film

For Britain on Film, the free element of BFI Player, we created new online collections that responded to the moment we were living through including a selection of films to share with children aged five and under; a focus on films showing the work of key workers – from nurses to farm workers to teachers to refuse collectors; and cats v dogs. A programme featuring some of the earliest films in Europe, which included the BFI's restorations of late Victorian 68mm films (the IMAX of their day) with new restorations by Eye, Amsterdam, were all made available for free on BFI Player. These joined the 11,000 titles from the BFI National Archive that we already have made free to audiences across the UK, which to date have had 82 million unique views since launching three years ago.

Our restorations of *The Epic of Everest* (1924) and *Shiraz: A Romance of India* (1928) with filmed introductions from our curators, were streamed worldwide as part of our contribution to the We Are One Global Film Festival in the Summer. *Shiraz* had 30,000 unique views and *The Epic of Everest* 17,150.

Context and interpretation

Giving audiences the chance to explore further, the BFI AT HOME team produced over 100 online events under lockdown, hosted on the BFI YouTube channel, engaging audiences in a national conversation around screen culture, and showcasing filmmaking and acting talent. These included a critical dissection of the Netflix hit *Bridgerton* with cast and crew, the cast of Russell T Davies' HIV crisis drama *It's a Sin*, and Asif Kapadia paying tribute to Irrfan Khan.

In July *Sight & Sound* launched a second print title, The Auteurs Series, focussing on the career of Jean-Luc Godard. With editorial drawn exclusively from the *Sight & Sound* archive, this was the magazine's first move towards using 87 years' worth of features and reviews in a meaningful way, giving the public access to this rich and sometimes forgotten material, while also creating a new revenue stream. Audiences for its online content have never been bigger. Following the relaunch and redesign in 2021 we are ambitious to further increase our readership and engage audiences with great writing.

Contemporary film

In lockdown we have focussed on releases of contemporary films that portray different perspectives on British life and identity, offering exclusive releases on BFI Player: Fyzal Boulifa's *Lynn + Lucy* (2020) for example opened with 13,500 views and to widespread critical acclaim, and Riz Ahmed and Bassam Tariq's *Mogul Mowgli* (2020) was released briefly into cinemas for five days before moving quickly online when the UK was locked down for a second time. In this short period the film did well across 92 cinemas UK-wide, and has proven a streaming success. Henry Blake's *County Lines* has been the most successful Premium VOD title BFI Player has hosted to date.

BFI Festivals

BFI London Film Festival

Although we present new films and previews year round, the festival is our shop window for contemporary filmmaking, not only offering audiences the chance to see films first, but also to see films they will never otherwise have the chance to see in the UK. Even in the 2020 reduced offer, 41 countries were represented in the programme, with around 40% of the features directed or co-directed by women.

Responding to COVID-19 resulted in changes that meant we had the most accessible ever BFI London Film Festival, in partnership with American Express: 58 features received virtual premieres available anywhere in the UK; 45% of the audiences for the virtual screenings and events were from outside London; and 16 films received cinema premieres at BFI Southbank and 12 partner cinemas in London, Glasgow, Sheffield, Manchester, Bristol, Cardiff, Nottingham, and Belfast. This success story was repeated in 2021.

LFF 2020 opened with the international premiere of *Mangrove* (2020), the first of Steve McQueen's historic Small Axe films for the BBC, and closed with the international premiere of Francis Lee's *Ammonite* (2021). There were 56 other feature films, three television projects and 57 short films from established and emerging talent.

The LFF welcomed more than 2,000 delegates to its Industry & Press programme, which this year was exclusively online, with an increase in delegates from outside London from 10% in 2019 to 27% in 2020.

BFI Flare: London LGBTIQ+ Film Festival

With BFI Flare, a showcase for the best new LGBTIQ+ cinema from around the world, we learnt very quickly in the first lockdown in 2020 how to mount our festival online. The 35th edition in 2021 built on this, with a virtual festival of 25 feature films via BFI Player, available for ticket holders UK-wide to watch at any time during the 12 days of the festival, and 35 short films available for free. Five Films For Freedom, in partnership with the British Council, made five LGBTIQ+ themed short films available to watch worldwide for free.

Accessibility
National Lottery investment allowed us to create closed captioning, subtitles, and audio description, and post-festival surveys demonstrated a corresponding increase in audiences who self-assess as having a disability, from 11% to 17%. We are considering how to make this possible more regularly.

Interactive

In creating programmes across the range of moving image experience, we have experimented in the last three years, both in venue and in public spaces with partners, to present new forms of VR and XR works This year, with National Lottery support, we were able to mount our first immersive programme as part of the BFI London Film Festival – LFF Expanded.delivered in partnership with the National Theatre. The programme featured virtual reality, augmented reality, mixed reality and live immersive performance, showcasing in a virtual museum space called 'The Expanse' which was free to access to UK and international audiences for the duration of the festival, and seen by more than 16,000 people from home and at BFI Southbank. We will be seeking to include such works in our year round programme in venue and online.

We also took part in the creation of new interactive works, for example working with the V&A on their new VR exhibition, *Alice: Curiouser and Curiouser*, which incorporated the earliest film adaptation of *Alice in Wonderland* from 1903, restored in a tinted version by the BFI National Archive. Audiences were able to join the event as avatars and a VR 'Alice' game can be downloaded to play at home.

International programme

With the rest of the world closed, we had a hugely reduced programme with partners worldwide. Two highlights were:

Japan

With the National Film Archive of Japan we presented a programme drawn from the early Japanese material in the BFI National Archive's collection. Sell-out screenings of *Picturesque Japan in the Meiji Period* took place at NFAJ for UNESCO World Day of Audiovisual Heritage in October 2020, with live music and lectures, and further screenings around Japan in venues such as the Museum of Modern Art in Kyoto.

Work continued on the duplication of the BFI's unique copy of *Kaguya-Hime* (1935) for the National Film Archive of Japan, who have no materials themselves. This is the first film version of Japan's oldest folk tale with special effects by Masaoka Kenzo, considered a pioneer in animation. The print will be donated to the NFAJ in 2021.

BFI in Bologna

Able to travel in September, we presented 18 films from our collection, including recent restoration *Love, Life, Laughter* (George Pearson, 1923) as part of Bologna's Il Cinema Ritrovato – the world's most important festival for archive films. Our recent restoration of a film of the 1900 solar eclipse, was projected on the screen of the city's grand opera house Teatro Comunale.

DIGITAL AND VENTURES

BFI Player

Record-breaking growth on BFI Player saw huge increases in both our audience engagement and income, with revenue doubling from the previous year and viewing figures for feature films reaching 2.7m – an increase of 165%. Engagement with our free-to-view archive service remained strong, with over 1.2 million views in the year. BFI Player content is available on our online platform and as a subscription channel on Amazon Prime and Apple TV. The launch of BFI Player Classics on Apple TV in the US in August was followed by the debut of our direct-to-consumer platform in the US, bringing BFI Player Classics to customers on the web, personal devices and smart televisions.

As part of our work in delivering the first-ever hybrid version of the BFI London Film Festival, with the full programme of features and shorts available online alongside a traditional cinema offer, we brought together three platforms – BFI Player, bfi.org.uk and YouTube – to create a complete at-home festival experience. Free-to-access productions and events were also available on YouTube to maximise audience reach. From its programme launch in September until the end of the festival, the online programme reached 370,000 unique users. On BFI Player, 54 feature films were viewed 25,000 times and the free-to-view shorts had 29,000 plays.

Digital publishing

We developed and relaunched our primary public website bfi.org.uk in August 2020, incorporating new content design standards and readability guidelines to ensure all pages are accessible and inclusive to all. With more than 5 million unique users in the UK and 13 million worldwide, the website is the most commonly used point of access for consumer, industry and education audiences. Top new series on bfi.org.uk during lockdown included:

- BFI Recommends: Daily viewing recommendations drawing on the knowledge and passion of BFI staff
- Britain on Lockdown: A BFI National Archive project mapping how online video has reflected and at times influenced the UK's COVID-19 experience with people invited to submit their favourite UK videos.

BFI YouTube

YouTube is an important broadcast medium for BFI content and this year our channel saw subscriber numbers rise by 123,000 to a total of 360,000, with a record 48.8 million views. With many people unable to visit cinemas in lockdown, we reached new audiences through our 'BFI at Home' Q&A series, a collaboration with the BBC, Channel 4, Netflix and Sky to produce events enjoyed by thousands of viewers. We also paid tribute to the UK's key workers with 'Key Worker's Playtime', a video series on BFI

YouTube in which key workers from across the UK talked about the films, TV and games they were watching when not keeping the country running.

Ventures

The impact of COVID-19 made for a difficult trading climate for our Ventures business in the first two quarters. However, the second half of the year saw Ventures strike new partnerships with brands and organisations, expand our skills training, IP and content slate and build on our BFI license offer and wider partnerships with universities across the UK.

These activities have generated £0.6m in revenue and, with our strengthened portfolio, established partners and new expertise in delivering courses and building relationships digitally, we are in a strong position for future growth. Ventures highlights included:

Consultancy: Singapore Media Development Authority
After a successful consultancy period, we delivered two milestone courses addressing the key areas identified for investment; a digital masterclass to upskill marketing/comms workers and a producers' mentorship programme, which we redesigned and successfully delivered online.

Skills & training: World Association of Girl Guides, supported by Dove Skincare
We delivered a Filmmaking for Advocacy course which saw 15 young women leaders from 12 different countries with no filmmaking experience learn to use film to communicate and advocate for the issues important to them.

BFI Player: University partners and institutional license
We have developed an institutional license model for BFI Player and are currently partnered with 14 universities including Birmingham City, Manchester, Ravensbourne and the University of Glasgow. The arrangement gives student access to BFI Player and bespoke projects including: BFI lecture series, secondments and work placements, co-designed curriculum and short courses, *Sight & Sound* magazine, BFI London Film Festival accreditation, BFI publishing projects and funded research opportunities.

Skills & training: Courses in association with the Chartered Institute of Marketing
We have a partnership with the Chartered Institute of Marketing to offer two accredited filmmaking and editing courses for marketers.

Consultancy: Google
We delivered an editorial consultancy providing a list of the 50 most rewatchable films from the last 50-years for Google Pixel's virtual scavenger hunt. To mark the launch of the Google Pixel 5 in November 2020 users could discover and download the films on Google Maps.

Craft Skills Master's with London Southbank University
In partnership with London Southbank University, we can now offer a Craft Skills Master's degree comprising 12 accredited modules. We will be looking to offer this internationally next year.

Film sales
Film sales had a very successful year, with revenues up £60k on last year to £258k. The growth was driven by new partnerships and channels for our content, including a partnership with fashion brand Bottega Veneta and deals with several education platforms.

Publishing
We are now in the third year of our partnership with Bloomsbury with 15 new books in our Film Classics range published this year, and just over £44k in sales income. The focus for next year is broadening our publishing to reflect our output and audiences and to increase the diversity of the voices we publish.

GROWING AUDIENCES ACROSS THE UK

Supporting the exhibition and distribution sector in the time of crisis

We are committed to giving everyone, regardless of where they live in the UK, the opportunity to enjoy the richest and broadest range of great UK and international filmmaking. Awarding funds from the National Lottery, the BFI Audience Fund supports projects which build larger and more inclusive audiences, onscreen and in the workforce, and a thriving cinema exhibition sector.

With cinemas closed for much of the year, we wanted to provide audiences with great cinema, in a format they could watch, and in spite of the pandemic. We also wanted to support exhibitors to reopen their venues when restrictions allowed, as well as to help our partners find new and innovative ways to reach broader audiences and to get films to them.

In the face of the immediate loss of box office ticket revenue and with large buildings still to maintain, venues which usually received year-round Audience Fund awards could instead request flexible payments to help with short-term stability until the course of the pandemic became clearer and longer-term support became available.

A much bigger intervention which has enabled independent cinemas in England to weather the impact of national closure restrictions and restricted audience capacities to meet social distancing came in the form of the Government's £1.57bn Culture Recovery Fund for cultural, arts and heritage organisations launched in July 2020. We administered an allocation on behalf of the DCMS with two rounds of funding ensuring £27.6 million of grants were awarded to 209 independent cinemas across the country by the end of the financial year.

Other exhibition organisations we fund also adapted quickly to the new landscape, moving their initiatives online and shifting their focus towards helping venues and film organisations through the crisis. Cinema For All successfully ran its community cinema courses online and helped its member organisations switch to running online screenings. The Independent Cinema Office (ICO), with BFI support, similarly shifted its exhibitor activity online, including its popular Screening Days and training. The ICO not only provided essential and updated information and resources on all aspects of the COVID-19 restrictions relevant to exhibitors, but through regular surveys and research with exhibitors, it built an accurate picture of the impact of the lockdowns on the sector and what was needed to help venues and other organisations begin to recover.

This was the first year we had allocated Audience Fund year-round organisational awards to distributors to help them develop cross-release strategies to reach wider audiences. Because of the pandemic, the awards made to Altitude Film Distribution, Peccadillo Pictures and Dogwoof enabled them to continue releasing much-needed new content for cinemas when they were open as well as greater choices for audiences both in-cinema and at home.

The Audience Fund also awarded Dogwoof £40,000 to help the theatrical release of the documentary *MLK / FBI* (Sam Pollard, 2021) reach young and diverse audiences, and especially Black audiences though partnerships. When cinemas shut again in December, we supported the shift to a VOD-only release. We also supported the Kino Klassiki programme when it shifted its proposed UK-wide cinema tour to online-only, bringing rarely seen comedies from Russian, the Caucasus and Central Asia to audiences for free.

Flexible funding arrangements have helped festivals and other audience outreach initiatives to adapt to the new environment. They included the Birmingham-based Flatpack Festival, MASSIVE, the youth-orientated cinema brand, and Birds' Eye View's Reclaim the Frame, who all moved online with expanded offers, screenings and promotions. The London Indian Film Festival received £62,000 to raise the profile of South Asian cinema and engage diverse audiences in its high quality programme via a new online platform across its usual festival dates and a small in-venue programme in September. An award of £40,000 to Berwick Film and Media Arts Festival (BFMAF) supported an online edition of the festival which will now look to develop a new programme of year-round activity. Amplify!, a new online festival created by the coming together of Bath Film Festival, Cambridge Film Festival, Cinecity (Brighton) and Cornwall Film Festival, received £20,000.

New release initiatives supported by the Audience Fund, and increasingly reflecting a new hybrid approach as the COVID-19 restrictions changed, included awards to:

- Vertigo Releasing for *The Assistant* (Kitty Green, 2020) was a PVOD release supported by the Audience Fund to help it reach young audiences.
- Bohemia Club who received £6,400 towards the release of *Clemency* (ChinonYe Chukwu, 2019), first as a virtual-theatrical release followed by a PVOD release.
- Modern Films for virtual preview screenings of *White Riot* (Rubika Shah, 2020) in partnership with organisations that helped the film reach a young audience, followed by an in-cinema release in September
- Dartmouth Films who received £53,453 for *One Man and His Shoes* (Yemi Bamiro, 2020). The documentary premiered at the LFF, was released on PVOD platforms, broadcast on BBC2 and then made available on BFI Player and iPlayer.

The enforced shift online for many cinema activities has resulted in increased UK-wide access for audiences, additional content and greater accessibility through subtitles and audio description. The changing economics and structures of the exhibition and distribution sector has also led the Audience team to reflect on broader issues of access to remove barriers to inclusion, both for audiences and those working in the sector, as well as the diversity of projects we support, and to make changes in how the Audience Fund is presented, to be more open and to reach organisations and initiatives sharing our aims. The BFI Diversity Standards encourage the organisations we work with to include employment, training and professional development opportunities as part of their projects. We will engage with our applicants to commit to more in their proposals, especially for mid- and senior-level development initiatives. We are proud to support the ICO's FEDS trainee scheme, addressing under-representation in the workforce at entry-

level, and we want to support more projects developing people at the mid-point of their careers.

BFI Film Audience Network

Supported by National Lottery funding, the BFI Film Audience Network (FAN) is a collaboration of eight Film Hubs, managed by leading film organisations and venues across the UK, with an underpinning commitment to equality, inclusivity and accessibility. We now have more than 1,500 members, including cinemas, festivals, multi-arts venues, community cinemas and film archives, who are at the heart of our strategy to build larger and more diverse audiences for UK and international film and a thriving cinema exhibition sector.

This year has been a significant challenge for all film exhibitors. Venue closures and event cancellations have impacted not only the financial security of FAN member organisations, but also the community of audiences they serve. As a network with UK-wide coverage, FAN was well placed to deliver a package of support which would speak directly to the needs of their members and their audiences.

Our first key intervention was the BFI FAN COVID-19 Resilience Fund. A total of £1.3 million of National Lottery funding, plus a £150,000 contribution from the Mayor of London's Culture at Risk Business Support Fund, was made available to provide grants to those in critical financial need as they continued to face months of closure and uncertainty. The Fund supported 130 FAN members with awards ranging from £415 to £23,000. The administration and delivery of the Fund through FAN underlined the network's role in delivering BFI strategy in a direct way across the UK, particularly at a time of crisis. To quote one of the Fund awardees, 'We're a small rural independent cinema tucked away in Derbyshire… the BFI FAN Resilience Fund did more than just throw us a financial lifeline. It connected us back to the big picture, reminded us we weren't alone and gave us the breathing space, and the confidence, to plan our way back.'

Our second key intervention was to support online film exhibition activity. While the focus of FAN remains the big screen collective experience, there were some immediate benefits to the move online forced by the pandemic, and our funding streams adapted to reflect this. For example, disabled audiences for the annual UK-wide film season Film Feels: Connected increased to a record 12%, from a previous high of 8%, after project lead Film Hub Midlands moved the programme online, clearly demonstrating the benefits afforded by digital access. It also encouraged FAN members to develop new skills for online audience development with one commenting: 'It's enabled us to test new ideas and has contributed to long-term organisational resilience.' 70% of audience survey respondents also said they'd never been to the physical venues which hosted Film Feels: Connected – demonstrating the potential of the online space to grow audiences for the big screen experience when venues re-open.

Our BFI FAN Film Exhibition Fund (which is part of the Audience Fund) was established initially to boost cultural programming and activities which sought to engage diverse audiences as lockdown restrictions eased. The Fund awarded £657,886 to over 140 FAN members, ranging from community cinemas to film festivals, to support both physical and online activity. However due to the ongoing pandemic, we estimate that 73% of these projects will be delayed until the next financial year.

FAN connections strengthened throughout this year of the pandemic as members connected more frequently, offering support and sharing resources particularly as activity moved online. The annual film exhibition conference This Way Up, a FAN-led initiative coordinated by Film Hub Scotland, took place online in December with 700 participants, and 52 speakers and industry leaders presenting over its three days.

Hubs in England also provided vital support to the roll-out of the Culture Recovery Fund – promoting it to their members, encouraging them to apply and offering advice to venues less familiar with the funding application process.

BFI FAN selected partner highlights

Film Hub London

Hub Lead Organisation: Film London
Cross FAN lead for Young Audiences

- Hosted three virtual exhibitor breakfast events for FAN members with guest speakers covering a range of topics including welcoming disabled audiences back to cinemas and showing clips from London's Screen Archives available to cinemas to book
- Worked with Film Hub Scotland to deliver the annual Distributor Slate Day where distributors present their film slate to film exhibitors, as well as more discursive sessions focused on box office trends and predictions for the immediate and long-term future of the sector
- 31 organisations supported through BFI FAN Resilience Fund
- 26 organisations supported through BFI FAN Film Exhibition Fund
- Facilitated the FAN Young Consultants Group (an advisory group of 21 under 30 year-olds working in film exhibition) to create marketing packs for nine new release titles which used the perspectives of young people to encourage venues and organisations to screen these films to attract young audiences.

Film Hub Midlands

Hub Lead Organisation: Broadway, Nottingham in partnership with Flatpack Projects, Birmingham
Cross FAN lead for Major Programmes

- Provided ongoing support to members through bookable 1-2-1 meetings, as well as larger group meetings, plus regular communications through newsletters, Twitter and website
- Hosted 43 application support sessions to provide assistance to organisations considering an application to the BFI Culture Recovery Fund
- 16 organisations supported through BFI FAN Resilience Fund 20 organisations supported through BFI FAN Film Exhibition Fund
- Launched and delivered an online film season – Film Feels Connected – which explored innovative ways to connect cinema with audiences during lockdown; 51 organisations were supported throughout FAN, with over 350 screenings achieving 21,750 views.

Film Hub North

Hub Lead Organisations: Showroom Workstation, Sheffield and HOME, Manchester
Cross FAN lead for Screen Heritage

- Held more than 60 individual meetings with members, and 81 members attended online Hub meetings
- Strategic support for organisations with young programmer activity, including Cine North and Storyhouse (Chester), moving online during lockdown
- 20 organisations supported through BFI FAN Resilience Fund
- 13 organisations supported through BFI FAN Film Exhibition Fund
- Partnered with the 12 regional and national film archives to commission a short thematic film to be screened online and in venues next financial year to help nurture audiences for archive films across the UK.

Film Hub NI

Hub Lead Organisation: Queen's Film Theatre, Belfast
Cross FAN lead for Non-theatrical Exhibition

- Partnered with Northern Ireland Screen to launch The Moving Pictures Programme to provide members with free training and support to develop an online film programme to stay connected with audiences
- Kept in touch with member organisations via meetings, newsletters and a podcast
- 4 organisations supported through BFI FAN Resilience Fund
- 6 organisations supported through BFI FAN Film Exhibition Fund
- Summarised all available advice on re-opening into a digestible and engaging resource for community cinemas in FAN – downloaded over 270 times.

Film Hub Scotland

Hub Lead Organisation: Glasgow Film Theatre
Cross FAN lead for Member Support and Development

- Kept in touch with their members via monthly virtual coffee mornings and fortnightly newsletters which shared the latest advice on COVID-19
- Launched an Online Digital Cinema Fund to support 28 small-scale projects or screenings/festivals reinterpreted online
- Hosted a Making Online Spaces and Events Accessible forum which provided advice on how to make websites and social media content accessible
- 8 organisations supported through BFI FAN Resilience Fund
- 31 organisations supported through BFI FAN Film Exhibition Fund
- Hosted the UK's annual film exhibition conference This Way Up which took place online over three days with 688 registered delegates
- Worked with the ICO to deliver an online training course for UK film festivals 'UK Film Festival Roundtable'.

Film Hub South East

Hub Lead Organisation: Independent Cinema Office (ICO)
Cross FAN lead for Data & Evaluation

- Held a three-day online member forum exploring topics such as 'Programming in a pandemic', how to start online screenings and the importance mental health and welling
- Supported young film programmer groups to develop online activity and hosted industry sessions with a range of experts addressing aspects of film programming such as feminist programming, LGBTQI+ and the Queer Gaze and Disability and Inclusion
- Hosted regular meetings for the Programming Group to continue presenting specialised film to audiences in the region despite the challenges of COVID-19
- Disseminated information to members on a range of topics and opportunities via newsletters and meetings, including UK Disability Arts Alliance's publication – The Seven Principles for an Inclusive Recovery
- 16 organisations supported through BFI FAN Resilience Fund
- 20 organisations supported through BFI FAN Film Exhibition Fund.

Film Hub South West

Hub Lead Organisation: Watershed, Bristol
Cross FAN lead for Marketing, Communications & Audiences

- Provided support, advice and guidance to members via daily updates on Basecamp, fortnightly meet-ups online, and focused sessions in response to needs of members
- 21 organisations supported through BFI FAN Resilience Fund
- 19 organisations supported through BFI FAN Film Exhibition Fund
- The Bigger Picture, a website which collates various aspects of FAN news and resources, established itself as a central resource with traffic to the site increasing by 509% – the COVID-19 advice and guidance article, updated regularly, has been the most popular page

- Published a series of case studies and articles to inspire FAN members with their projects – topics range from relaxed screenings, building a digital festival and attracting LGBTQI+ audiences to events.

Film Hub Wales

Hub Lead Organisation: Chapter Arts Centre, Cardiff
Cross FAN lead for Diversity & Inclusion

- Created film programming resources at a time very few films were being released, for example A Biodiverse Big Screen: Programming for our Planet and Programming by and for Minoritised Communities
- Remained available to members throughout lockdown via Slack, Facebook channels, newsletters and one-to-one meetings
- Delivered training tailored to members' needs during the pandemic, such as digital festival delivery and outdoor cinema
- 16 organisations supported through BFI FAN Resilience Fund
- 14 organisations supported through BFI FAN Film Exhibition Fund
- Published Dismantling Structural Inequality in Your Cinema – which is a practical guide for improving the experiences of POC (people of colour) audiences, staff and filmmakers in cinemas – and other intersections including gender, sexuality, disability, income and class.

EVERYONE, EVERYWHERE IN THE UK CAN ENJOY MORE OF THEIR MOVING IMAGE HERITAGE

BFI COLLECTIONS

The BFI National Archive collects and preserves titles and other material which reflect the 'art, history and impact' of UK film, television and moving image.

BFI collecting emphasises contemporary works, especially from UK filmmakers from backgrounds currently underrepresented in the collection – in particular, women filmmakers, Black filmmakers and people of colour.

We are the statutory collector of terrestrial television output from the commercial terrestrial PSB broadcasters ITV, Channel 4, Channel 5 and we also informally collect selected material from the BBC. We are keen to broaden this now to include key works from Sky and the streaming companies. These companies are not required, as the public service broadcasters are, to provide materials and support to the BFI National Archive to make sure the UK's television heritage is preserved for future generations and in the coming year we will prioritise acquisitions from them.

Britain On Lockdown

In April 2020 we launched a UK-wide campaign to involve the public in recommending the online videos that best represent how the UK has experienced the impact of the coronavirus. Online video has played a key role in our collective experience of the lockdown in a way never been experienced before: from keep-fit videos for kids by Joe Wicks, to Boris Johnson's video about his 'minor symptoms', to solidarity for NHS frontline workers and local communities coming together, through to comedy parodies, public health videos about the importance of hand washing, and charity campaign films. This rapid-response collecting ensured our curators could acquire titles that have had extraordinary impact and influence, but are in danger of vanishing. If permissions from filmmakers can be agreed (legally, a signed donor agreement is needed for every online video we acquire), these videos will be preserved for generations to come. The campaign received significant press and TV coverage, including features on major UK TV news programmes.

Inclusive collections

We are acquiring UK online videos that best represented the impact of Black Lives Matter before they disappear, and we have identified a range of contemporary filmmakers whose work we will aim to acquire over the next three years. Archive information staff are augmenting our existing research relating to Black and Asian filmmaking, reviewing and reforming the cataloguing practices and standards used historically, ensuring that all work by filmmakers of colour is findable in our databases.

Contemporary film collecting

We acquired digital cinema masters of 14 BFI Film Fund features, including *Ammonite* (Francis Lee, 2020), *Saint Maud* (Rose Glass, 2019), *The Souvenir part 2* (Joanna Hogg, 2020) and *Wildfire* (Cathy Brady, 2020). With curators on furlough, opportunities to engage with creators of contemporary cinema were limited, but we did acquire a range of short form and online work such as to preserve artist Bill Posters *Partly Political Broadcasts* (2019), a 'deep fakes' project featuring AI-synthesised images of Boris Johnson and Jeremy Corbyn endorsing each other for the premiership.

Television

Television acquisitions continued throughout 2020 and, as the national television archive (by Statute) for the UK's terrestrial commercial PSB broadcasters (ITV, C4 and C5), we capture 500 television broadcasts every day, from 16 channels of free-to-view television, documented at very low quality. The BBC has its own archive, but we also work in partnership to further public access through joint initiatives. We implemented a major reform of our documentation method, and now everyone can easily search the collection. Retrospectively we select programmes that represent the rich diversity of contemporary television, preserving them in high quality broadcast standard files. Among the 240 contemporary titles selected, we preserved Sacha Baron-Cohen's political satire *Who is America?* (2018), Elijah Quashie's *Peng Life* (2018), *After Grenfell: How Safe Are We?* (2018), and the remarkable *Letters on Lockdown* (2020) series, commissioned, produced and broadcast during the first lockdown.

Retrospective collecting

With the Conservation Centre open on and off for periods under COVID-19 restrictions, we were able to acquire over 100 unique 35mm and 16mm films from British cinema history, including a full print of *Adam Bede* (Maurice Elvey, 1918) previously only held as an incomplete fragment. Other significant legacy television material brought into the national collection included a three-hour career interview with British cinema pioneer Ivor Montagu, previously known to survive only on VHS copies, and 800 digital video recordings of BFI Southbank events, including interviews with major figures of British film and television no longer with us, such as Ken Adam, and Earl Cameron.

Special Collections

To develop our posters, stills, and paper collections, we have sought to increase representation in front of and behind the camera in terms of diversity of gender and ethnicity. Photographic acquisitions include: *Mogul Mowgli* (Bassam Tariq, 2020) x14; *Tenet* (2020) x20; *Real* (2019) x 8; Steve McQueen portraits x 7; *The Stuart Hall Project* (John Akomfrah, 2013) x 5; *Underdogs* (Chino Moya, 2020) x 11; and *Lovers Rock* (Steve McQueen, 2020) x 4; and the acquisition of Nichola Bruce's papers, expanding the voice of women filmmakers within Special Collections.

Caring for the collections

Despite COVID-19 disruption and the temporary halting of our Heritage 2022 National Lottery-funded project, we maintained a skeleton team on our two sites in Warwickshire and Hertfordshire, ensuring the safety of the nation's collections (and our people on site). The Ofcom-supported ten year digitisation project to preserve heritage legacy television, was substantially interrupted in 2020. However, due to the technological advancements of recent years, the amount of preservation achieved this year was still on target.

Heritage 2022

Funded by the National Lottery, Heritage 2022 is a complex programme of work focused on safeguarding culturally significant collections at risk of loss forever. The mass digital preservation of the 100,000 most significant items, from the BFI national collection and regional and national film archives' collections, is the most pressing part of the programme but this and the creation of new 35mm prints of 100 classic British and international films for presentation as originally intended by the filmmaker, have had to be put on hold. The global scale of our work makes us depend on film laboratories remaining operational in 28 countries. We were however able to create a new paper conservation studio at the BFI Conservation Centre, enabling skilled specialists to conserve rare and unique paper materials. This then enables digitisation to make them widely and easily accessible.

Archive technology

Maintaining essential technologies was a priority at the Conservation Centre during lockdowns. The moving image collections' viability is closely linked with technologies and equipment spanning multiple decades, from film inspection equipment to wide-ranging digitisation capabilities. The archive team continued R&D where possible and also re-commissioned a range of equipment for playback, film printing and processing, etc.

Conservation and collections care

In February our Conservation department was awarded £700,000 from the Arts and Humanities Research Council's (AHRC) Capability for Collections fund, which supports renewal and upgrade of research facilities in the sector. This very significant award will enable us to buy high level specialist equipment for the preservation, restoration and re-mastering of our collections, all critical to public access and research. This award will be an enduring legacy of the BFI's status as one of the AHRC's Independent Research Organisations (IRO).

Restorations

In other restoration projects, the sound work on *I Know Where I'm Going!* (Michael Powell and Emeric Pressburger, 1945) continued in collaboration with Thelma

Schoonmaker Powell, and inspection of the Stoll *Sherlock Holmes* series, non-fiction Technicolor shorts and key titles from the Women Documentary Filmmakers project got underway, supported by a generous grant from The Film Foundation.

Digital preservation

Under lockdown, we digitised our paper Donor Agreements, a source of collections information as well as required legal documentation. 500,000 image files were scanned and documented - making them easily accessible for the first time. Using a new archival file format which saves us 50% in data storage we preserved 500 terabytes of digital files created from many years of film scanning.

Leadership and professional development

With our usual courses and consultancies in film archiving on hold due to COVID-19, along with participation in specialist archive panels and discussions, we moved to online video engagements including our Film Conservation Manager, Kieron Webb, giving a talk on the BFI's restoration of *The Lodger* (Alfred Hitchcock, 1927), he received feedback on his exceptionally high retention rate of 97% which was a record for the University of Notre Dame's online sessions.

FUTURE LEARNING AND SKILLS

Opening doors into the world of film through giving everyone the educational opportunity to build a lifelong relationship with film

Education, training and skills are at the heart of our future filmmaking talent. Our ambition is to create opportunities for every young person across the UK to engage and build a relationship with film from an early age. Given the appetite among young people for moving image, this is a prime time to amplify our work and deepen its impact so all young people are encouraged and equipped with the right information, advice and guidance to seriously consider film as a career. We continue to support those already in the industry to grow and advance their careers.

The growth in the UK's screen production sector in recent years has created a bigger and growing demand for more people to work in every skills area. The strong recovery of our production sector in film and high-end television production in the final quarter of 2020 (with animation TV and video games less affected by pandemic working practices) saw a record spend which was sustained and amplified into the first part of this year, reiterating the opportunities for expanding the UK workforce. This notwithstanding, skills shortages remains one of the most significant challenges that the industry faces.

Into Film

Into Film is a UK-wide education charity, part-funded by the BFI, which puts film at the heart of children and young people's education, and supports teachers and educators to achieve a wide range of effective learning outcomes in their use of film.

With the majority of students learning from home instead of the classroom for much of the last academic year, Into Film moved quickly to support remote teaching and delivering lessons online. They developed more curriculum-linked resources, made a number of member-facing filmmaking activities free to all, offered news and articles on home learning and showed how to adapt their resources, such as Film Clubs, to the lockdown environments.

The launch of Into Film's new video-on-demand service and learning platform IntoFilm+ increased the reach and scale of their work across the 5–19 age range. With more than 125,000 resource downloads, this represented an increase of 20% and the number of total beneficiaries also exceeded target by more than 35% at 3.5 million. In-school engagement has remained high with over 3,000 teachers accessing online CPD and new Film Clubs being established.

Beneficiary numbers remain extremely strong with the number of young people coming from BAME and/or Free School Meals backgrounds well above the national average, with 75% from outside London and the South East. The percentage of 16–19 year olds participating through the Get Into Film YouTube channel has risen by 6% to 110,000.

These figures confirm the appetite of schools and young people to engage with film, both as a source of cultural capital and potential careers path.

BFI schools programme

While in-venue delivery of our schools' programme at BFI Southbank has been, as expected, deeply impacted, our subsequent move to online courses proved very successful with over 16,000 beneficiaries. The launch of a series of 'close ups' on aspects of film and language curricula were supported by newly published resources.

Our swift response to teacher demand for specific GCSE and A-Level support materials proved very popular and was well received by teachers. All the work done by our Schools team to present a digital offering has helped transform the overall schools programme to ensure increased reach and scale, which has been a long-term ambition. UK wide in-venue activity will return, hopefully, in 2021–22.

BFI Families

The Saturday Club programme at BFI Southbank has flourished online during the year, with more than 90 7–15 year olds attending, virtually, each week representing a 40% increase on the previous year.

We received a significant investment in a new UK-wide pilot programme for practical filmmaking clubs funded by the National Lottery and DCMS. Partnering with the National Saturday Club and existing BFI Film Academies, 19 clubs will be delivered for around 500 young people, all from opportunity areas as defined by the Department of Education (DfE). At least four of these clubs will be delivered in universities and colleges.

BFI Film Academy

Now in its ninth year, the BFI Film Academy, backed by DfE, National Lottery, Screen Scotland and Northern Ireland Screen, provides 16–19 year olds from diverse backgrounds across the UK the opportunity to develop the specialist filmmaking skills they will need to be part of the future of the UK film industry.

Nearly 8,000 places have been created on courses since 2012 and the DfE has confirmed a further £1 million funding support in the Film Academy to 2022. Throughout 2020-21, 45 courses were successfully delivered, exceeding ambitious diversity and inclusion targets, through a combination of online and in-venue participation (where and when permitted around the COVID-19 restrictions). Additionally, specialist courses were delivered online covering animation, VFX, documentary, craft skills and screenwriting.

As well as the short and specialist courses, BFI Film Academy teams deliver monthly skills-based labs, which have transferred online. Under the banner of 'Upskilling in Isolation' the areas covered included developing story ideas, role of the producer and director and opportunities outside London. An Instagram-based quarterly screening

programme ‘Scene’ highlights the work of young filmmakers and has attracted over 1,800 live audience members and some 12,000 online views.

Future Skills Trainee Programme

Now in its third year, the Future Skills Trainee Programme supports people from under-represented groups to build a career in film through extended, fully paid, work placements. This year saw a total of 120 positions placed across UK productions (many of whom came from BFI Film Academies), including a first foray into high-end television, with 51% of the placements being women, 21% people with disabilities, 17% free schools meals and 19% BAME applicants. The scheme has an impressive 80% or more conversion rate into employment or further education and training.

Future Film Festival

The 14th BFI Future Film Festival took place online and as a free event in February. Our festival jury was chaired by producer Elizabeth Karlsen and included Waad Al-Kateab, Daisy Edgar-Jones, Reggie Yates and Malachi Kirby. With more than 1,000 submissions received this year, the winners were announced at a virtual awards ceremony, supported by Netflix, with Rory Wilson’s *Loco* taking best film, best director went to Gustavo Gamero for *Instructions to Let Go* and Emmanuel Li winning best new talent for *Music for the End of the World*.

A full industry programme with special guests including Turner-Prize winning artist Jeremy Deller discussing the use of archive footage in filmmaking, and the art department of award-winning psychological horror *Saint Maud* (Rose Glass, 2019), discussing how they worked together to design and create a bleak and unnerving world of faith, madness and obsession. The festival attracted 7,216 attendees at our live online events, 8,463 views of our short film programme on BFI Player, 7,834 views of additional events on YouTube and IGTV and an increase of followers on our social media accounts with Twitter up 24% and Instagram up 25%.

The Future Film Skills Action Plan

The Future Film Skills Action Plan is now in its fourth year and delivered by ScreenSkills to create a larger and more inclusive workforce by delivering UK-wide training and support.

Much of the plan’s focus was redirected to respond to the impact of COVID-19 on a largely freelance workforce. Highlights included the delivery of new apprenticeships standards, CPD courses for workers with a disability, a new Skills to Screen programme for professionals transferring into the industry from other sectors, and winning the Production Guild’s innovation award for a ‘First Day on Set’ immersive experience.

Information gathered through the quarterly skills workforce barometer has been particularly useful in providing an informed snapshot of the industry ‘here and now’, enabling new and relevant programmes of support and advice to be offered, including

‘next best action’ guidance and increased mentoring. The barometer provides regularly updated insight on current skills trends and changes in the sector to help industry, policy-makers, and education and training providers to develop the talent needed to support the ongoing success of the sector.

Recipients of ScreenSkills training and support included 17,000 new entrants to the sector and 13,000 existing workers. Diversity figures were also strong with 60% of beneficiaries women, 14% disabled, 18% BAME and 14% LGBTQ+, exceeding current industry averages.

A CHAMPION FOR TALENT

We champion new talent and unfamiliar stories from unfamiliar voices and are passionate about projects that reach new audiences.

As part of our long-term commitment to discovering, developing and championing new and emerging talent, BFI NETWORK offers extensive professional development, networking, funding and editorial support for producers, writers and directors of all ages at the start of their careers. The programme awards National Lottery funds for the production of short films and the development of debut feature film projects. The UK-wide BFI NETWORK team of Talent Executives are based in leading cultural venues across England in the five BFI FAN Hubs and with our national partners Ffilm Cymru Wales, Northern Ireland Screen and Short Circuit in Scotland.

In response to COVID-19, all BFI NETWORK activity was moved online so we could continue to provide emerging filmmakers with the core funding and professional development opportunities that we still had at our disposal. This ranged from providing temporary funding uplifts for short film projects to deal with the additional costs associated with COVID-safe production, to offering professional safety specialist advice and support. We are running an online survey to learn how we can better tailor NETWORK content for our filmmakers across our website, social media, and our webinar programme. We also consulted with the UK-wide NETWORK team to evaluate our current working practices, programmes and funds and their effectiveness in supporting filmmakers from underrepresented groups, identifying where and how we can do better to make our work as inclusive as possible.

Funding

The disruption to our operations in 2020–21 gave us an opportunity to rethink how we administer the two cornerstone project funds of NETWORK in England – the Short Film Fund and the Early Development Fund, for which we received 1,064 applications in 2020. Highlights in our England hubs to the end of December 2020 were:

- 9,344 filmmakers took part in NETWORK events online, including webinars, script labs, roundtables and 1-2-1s with Executives
- 2,816 people attended NETWORK screenings of exemplary short film work
- 55 different organisations have been added to NETWORK's existing partnership network, anchoring NETWORK into the regional arts sectors and providing it with gateways into local communities
- The Short Film and Early Development Funds saw an 82% increase in applications on the same period last year, totalling 1,064 applications
- 67 awards have been made, 32 for short films and 21 for feature developments.

SFF (Short Film Fund)

We offered support and resources to help our filmmakers create COVID-secure filming environments and, following a short pause while we set up the guidance, almost two

dozen shorts have been shot since September. We reviewed the framework and administration of the SFF, changing it from an open rolling fund to having two windows for applications and assessments in Autumn/Winter and Spring/Summer. A total of 564 applications have been received for the SSF.

EDF (Early Development Fund)

After similarly reflecting on and reviewing the EDF, we will replace its rolling applications with one open call a year in Spring/Summer to bring greater structure and focus to the development of the fund's projects.

Talent development highlights

NETWORK Weekender

This year's Weekender programme was focussed on working-class filmmakers at the start of their careers and was scheduled to take place in Liverpool in April 2020 with 22 writers, directors and producers already selected. The programme moved online and was delivered in March 2021 and we hope to include an in-person element later this year whenever it is safe to run events of this scale.

NETWORK@LFF

With no possibility of a physical programme at this year's BFI London Film Festival, we designed an online experience that would reach more people within our NETWORK audience. This included a networking event for UK-wide filmmakers, webinars with debut filmmakers screening at the festival, articles written by emerging film writers, and social media take-overs with friends of NETWORK.

Insight

NETWORK's flagship professional development training and support programme for emerging producers – Insight – was swiftly moved online for our 12 selected participants. Four of six scheduled modules have been held to date (focussing on development; business; packaging and finance; and production and post-production) and buddying initiatives have been set up with the Insight and Vision awardees as well as with the Singapore Producer cohort programme (run this year by the BFI's Business Development team). The producers attended the online European Film Market in March 2021 and a physical market later in the year.

Partnerships

Key partnerships continued this year, but delivery moved online. Highlights included: BFI Flare mentoring for seven participants; NETWORK x BAFTA Crew's online masterclasses, talks and networking sessions which this year attracted a record number of applications (from which we selected 450 filmmakers); sponsorship of the short film category at the BIFAs for the fourth year; the British Council producers lab at IFFR;

promoting Doc Society's Made of Truth short film programme and other collaborations; Three Minutes – a new incubator scheme with partners Crack Magazine for young directors; and #shortitout – a lockdown creative challenge for filmmakers to make 90 second short films within the prevailing COVID-safety restrictions in partnership with Encounters, Watershed and Depict.

SUPPORTING THE FUTURE SUCCESS OF UK FILM

BFI National Lottery funding supports powerful and creative filmmaking in five priority areas, ranging from new and emerging filmmakers, strong culturally impactful voices, risk-taking in content, form or platform, those that address underrepresentation and help us to widen the range of voices and audiences for film, and geographically diversity, both in production and content. As a priority we are addressing barriers in the industry around inclusion and opportunity that limit the industry's creative potential and cultural relevance.

Amid the unprecedented challenges brought about this year by the COVID-19 pandemic, our BFI Film Fund team supported a host of critically acclaimed films and multiple new initiatives to provide essential support for the industry.

As the first wave of COVID-19 hit and the country went into lockdown, we provided additional financial resources for interrupted BFI-backed productions to manage crew losses as work stopped. In April we opened the C-19 Continuation Fund, making up to £2 million available to independent UK productions unavoidably interrupted by the Coronavirus. This fund supported six feature films which were faced with unexpected additional production costs arising from the impact of the pandemic.

The team also played a key role in discussions with various working groups of the Screen Sector Taskforce which had been convened by the BFI to address the critical issues facing the sector arising from the pandemic. A key priority was to identify how best to get film production back up and running safely, including around the BFC and related screen industry guidelines endorsed by Government and Public Health, and the ground-breaking Film and TV Production Restart Scheme, set up and supported by the UK Government to help productions which were unable to secure insurance against potential Coronavirus-related delays and interruptions.

Through our Development Fund and Locked Box initiative we agreed the front-loading of fees for both new and pre-existing awards and increased flexibility in the scheduling of payments to help filmmakers continue to develop projects and retain staff. We also supported 25 emerging producers across 20 UK companies through a Vision Award of up to £50,000 a year – an in-depth two-year initiative to empower producers to grow distinctive slates and sustainable companies.

In 2020 we established the Short Form Animation Fund as a response to priorities set out in BFI2022 which identified animation as a key focus along with growing the UK sector by backing ambitious and adventurous projects. So far, we have invested more

than £900,000 in 15 projects which represent a broad range of filmmakers, animation techniques and genres.

The festival landscape looked very different this year with many moving completely online and only Venice, and a small selection of titles at the BFI London Film Festival playing in cinemas. While all festivals offered considerably reduced programmes, some with a shift of focus, many BFI National Lottery funded titles were still screened at multiple virtual festivals.

Ammonite, Francis Lee's highly anticipated follow up to *God's Own Country* (2017), was selected for the Cannes Film Festival, a Gala Presentation at the Toronto International Film Festival (TIFF) and was the closing night film of the BFI London Film Festival, in its first in-venue screening. It received an Academy Award nomination for original music score.

Ben Sharrock's critically acclaimed sophomore feature, *Limbo*, was also selected for Cannes, TIFF, LFF, San Sebastian and the Cairo International Film Festival where it won Best Film, and of its four BIFA nominations emerged with a Breakthrough Producer award for Irune Gurtubai.

Other titles chosen for LFF included Phyllida Lloyd's *Herself* (2020) and Harry Macqueen's *Supernova* (2020), which drew particular praise for performances from Colin Firth and Stanley Tucci.

Rose Glass' mesmerising first feature, *Saint Maud* (2019), set a new record with 17 nominations at the 2020 British Independent Film Awards. Prano Bailey-Bond's debut *Censor* (2021) screened at Sundance 2021's virtual festival and has been invited to the Berlin Film Festival.

Stand-out debuts came from directors Cathy Brady and Aleem Khan. Khan's *After Love* (2020) was chosen for Cannes Critics Week, and played at TIFF, LFF and Rome, with the director also shortlisted for the BFI's IWC Schaffhausen Filmmaker Bursary Award. The eventual winner of the IWC award, Brady, impressed with *Wildfire* (2018) which also screened at TIFF. Other 2020 debuts included Jessica Swale's *Summerland*, and China Moya's *Undergods*.

BFI National Lottery funded films included Philippa Lowthorpe's *Misbehaviour* (2020), Fyzal Boulifa's *Lynn + Lucy* (2020), Claire Oakley's *Make Up* (2020) and Craig Robert's *Eternal Beauty* (2019), which received a number of nominations at the London Critics' Circle Film Awards.

Sarah Gavron's *Rocks* (2020), shaped through a process of workshops with teenage girls from East London, won critical acclaim and a slew of award nominations and wins for its largely female cast and crew, including Best Film at the British Independent Film Awards. After the film's theatrical release was impacted by the pandemic, *Rocks* went on to find success on streaming platform Netflix.

Jerry Rothwell's BIFA-winning documentary *The Reason I Jump* (2021) also triumphed with critics and audiences alike.

Documentaries

The BFI Doc Society Fund had a highly productive third year which saw ongoing support for features, short films and professional development as well as, in response to COVID-19, targeted support for the documentary sector to help filmmakers and projects through the pandemic. We launched our Production SOS Fund in June to provide emergency funding for documentaries facing additional costs because of COVID-19. This National Lottery fund supported 17 films, some of which are already premiering at festivals thanks to the awards.

First features supported by the fund were *Maya* (Jamshid Mojaddadi, Anson Hartford, 2020) premiering at Zurich, *African Apocalypse* (Rob Lemkin, 2020) debuting at the BFI LFF and *Locked In: Breaking the Silence* (Xavier Alford, 2020) broadcast by the BBC as part of a disability focus that was supported by a wraparound audience and community development strategy.

The fund also supported ten new short film productions in partnership with BFI NETWORK, including its first VR project. Short films supported by the fund which won awards included *Country Girl* (Ellen Evans, 2019) which won Best Short Documentary at the Grierson Awards and *The Nightcrawlers* (Alexander A. Mora, 2019) which won an Emmy for Outstanding Short Documentary and was longlisted for an Academy Award. The fund's short films have been particularly successful in securing commercial distribution, including three films picked up by the Guardian, one by Vice Media and one by PBS America.

Doc Society delivered their filmmaker support programme virtually this year, with roadshows focused on the South West and the South East, and an online Producers Lab.

YOUNG AUDIENCES CONTENT FUND

The BFI Young Audiences Content Fund (YACF) is in its second year of a three-year DCMS-funded pilot to deliver a more representative and greater range of programming to young audiences on free-to-air television . Set up in response to an Ofcom-identified lack of programmes for older children and teens, as well as live action programmes for all ages, YACF supports programmes that entertain, inform and reflect the experiences of children and young people growing up in the UK today – in live action and animation and across all genres.

The YACF team is based in Manchester and is supported by a stakeholder advisory group largely composed of broadcaster representatives, regulatory and trade bodies and a steering group of producers and researchers of content for children and young people.

Highlights

Engagement with production and broadcast communities is key to the success of the fund, so we continued to develop these relationships with over 400 individual applications received to date. Participating broadcasters included CITV, C4&E4, C5, Sky, TG4, BBC Alba and S4C and funds totalling £18.3 million were allocated for 54 development awards and 22 production awards. These investments are creating more regional jobs, training and upskilling opportunities for under-represented groups in front of and behind the camera, encouraging new and young talent, and offering broader and more inclusive portrayals of different communities, UK-wide settings and locations on screen. The fund is also helping the sector to make a bigger economic contribution through the creation and retention of IP with both a local cultural impact as well as revenue generating possibilities globally.

During the pandemic our YACF team moved to remote working and refocused on practical ways to mitigate the very challenging landscape for the television production and broadcast community. Broadcasters reassessed their situations as the impact of COVID-19 became clear and, while there was a brief hiatus in commissioning activity early on which led to a temporary slowdown in production applications, interest picked up later on, particularly for development support. While most planned productions eventually went ahead in spite of COVID restrictions, a few have been paused due to the complexity of the shoot and/or age of on screen talent, but are expected to restart later this year. Ultimately, more than 60 hours of brand new content for young audiences was greenlit this year.

The strength of our development activity is already improving not only the quality of projects being pitched to broadcasters, as has been noted by commissioners, but also the conversion rate from development to commission that we currently estimate to be at around 10%.

For the shows that continued/resumed production, this year saw a range of programmes broadcast. Titles included: ‘Letters On Lockdown’, ‘Reset and Rewind’ (Rap Therapy) and ‘First Dates: Teens for E4, ‘FYI Investigates, Kidversations and I Don’t Get It ’for Sky, ‘Don’t Unleash The Beast’ and ‘How’ for CITV, ‘Go Green With The Grimwades’, and ‘The World According To Grandpa’ for Channel 5’s Milkshake and Sali Mali for S4C, as well as Sol on BBC Alba, S4C, TG4, CITV, All4, My5 and ITV Hub and Christmas Day on C4, ‘Quentin Blake’s Clown’. Two re-commissions have already been confirmed on the back of strong audience figures.

Telling the YACF story

Following lockdown, we focused on a creative competition for young audiences, challenging them to pitch a television programme that they would like to watch during lockdown. The See Yourself On Screen Challenge resulted in 15 short films, created and produced by young people in lockdown that were broadcast to acclaim on CITV, E4, Milkshake!, Channel 5, S4C, and BBC Alba. As well as broadcaster participation, industry organisations PACT, BAFTA, Animation UK and Into Film, and talent such as

Reggie Yates, Rob Delaney, Jessica Hynes and Konnie Huq all supported the initiative. We are now planning a sequel for year three.

We initiated a pan public service broadcaster co-transmission at the Winter Solstice of Sol, a project conceived and commissioned pre-COVID. This children's animation about grief and loss was a co-commission by the indigenous language broadcasters BBC ALBA, S4C, and TG4 which was broadcast at solstice and also shared with English language public service platforms.

ON THE INTERNATIONAL STAGE

Export and co-production

As the COVID-19 crisis intensified and much international activity moved online, our International team quickly adapted to create new ways to support UK producers, distributors and sales companies. Their first National Lottery International Fund award was made in April and supported a digital delegation of UK producers, in partnership with DocSociety, to meet producers, broadcasters and funders at the Visions du Réel documentary film festival in Switzerland after it transferred online.

Providing support for a digital UK presence at virtual markets became one of our biggest tasks this year, particularly for the delayed Marché du Film at Cannes after the festival was finally moved online in June. Our long-established Cannes UK pavilion was transformed into a digital platform, with the help of our marketing team, offering activities and information on UK co-productions and tax relief, online panel discussions and support for the prestigious Producers Network breakfasts, where five UK producers take part in a week-long networking session organised by the Marché du Film.

Other digital markets and events supported by the International Fund included Sheffield DocFest, Annecy, the Russian Key Buyers Event, TIFF, the Production Finance Market at the LFF, the Bridging the Dragon platform (a China/Europe organisation), and Creative XR, a three-day innovation programme and market organised by Digital Catapult, which included meetings, masterclasses, keynotes and a showcase of 20 UK VR projects to an international audience. We further arranged digital delegations or support for the online Tallinn and Baltic Event and the Ventana Sur market, with a focus on co-productions with the Baltic region, Eastern Europe and Latin America respectively, an NZ/UK networking video event for producers in collaboration with the New Zealand Film Commission, and *Attagirl,* a one year international training programme for female/non-binary teams with an emphasis on distribution.

During the brief window in October when COVID-19 restrictions lifted, we supported a physical delegation of seven UK producers to travel to Rome's MIA market to promote their co-production projects.

As a direct response to COVID-19, we were able to reallocate £500,000 from our National Lottery Film Export Fund to create a one-off relief fund for UK sales agents needing business resilience support as a result of the pandemic. Awards of up to £25,000 were given to help companies maintain their business and to transition to a digital model for film sales and distribution. The Film Export Fund had been markedly under-used following the cancellation of so many physical festivals and markets, making the reallocation not only possible, but essential. Regular fund awards were made for Venice 2020 and to promote UK films at the digital editions of TIFF 2020 and Sundance 2021.

Plans for a new UK Global Screen Fund to boost international development and distribution opportunities for the UK's independent screen industries got underway

during the year. The BFI and DCMS consulted with industry across the screen sector culminating with the launch of the new £7m pilot fund in April 2021 to support international distribution of UK content in international territories, international business development and co-production.

Inward investment

The BFI's Screen Sector Task Force (comprising representatives from film, TV, video games and the wider screen industries and with the support of the DCMS policy team) led on a number of key COVID-19 related issues including production, post and VFX protocols, a quarantine exemption for production, and the Film & TV Production Restart Scheme. The work, in particular supporting the British Film Commission to show the UK was back up and running and realising substantial inward investment opportunities, contributed to the rebooting of the production sector that ended the year only 21% down on the previous year's activity even though production had to halt for half the year. The recovery in the final quarter of the year, as noted elsewhere, saw production spend reach £1.19 billion, the second highest three-month total on record. To help meet the growing demand for studio space, the BFC was awarded additional DCMS funding to support the development and delivery of additional studio space.

LEADERSHIP AND ADVOCACY

COVID-19 recovery

The BFI-led Screen Sector Task Force which had been focused on priorities for the sector emerging from the UK's exit from the EU moved swiftly to address the impact of COVID-19 on the industry when the pandemic struck. With an increased membership of 122, the Task Force demonstrates the value of pan-industry collaboration through regular engagement with Government and proactive policy design. Four key working groups were established, led by the British Film Commission (BFC), Pact, the BFI and FDA/UKCA, each with a specific focus. With our BFI External Affairs team and Chief Executive providing policy, research and leadership support across the groups, six recommendations were formally made to Government:

- Health and Safety Guidelines for film and high-end television – developed by the BFC with industry-wide consultation, these Government approved guidelines allowed production to resume and then continue throughout additional lockdown periods and the tier system, enabling thousands to stay in employment. Guidance for wider TV production were developed by Pact working with the broadcasters and for the VFX and post-production sector by the UK Screen Alliance
- Health and Safety Guidelines for cinemas were developed and implemented by the UK Cinema Association in consultation with the sector and Government
- Quarantine exemption – exemptions were put in place for key cast and crew so that production was not delayed or shut down during the pandemic
- Film & TV Production Restart Scheme – this £0.5bn Treasury scheme developed by Pact and the BFI enabled productions to restart or begin shooting while the market was unable to offer insurance against COVID-19-related losses during production. The scheme, administered by Marsh Commercial but with policy and analytical input from the BFI, has been in operation since late summer and has supported more than 160 film and television productions and 25,000 jobs
- Culture Recovery Fund for Independent Cinemas– an initial £30m allocation of grant support was made available from the Government's fund for cultural and heritage organisations to support independent cinemas in England while closure restrictions for all public venues and a disrupted film distribution schedule made cinema operation unviable in 2020–21. The first round of the fund allocated £21m to 207 cinemas – often the only form of culture and entertainment within their communities – representing 77% of cinemas eligible for the fund. Of the grants made, 89% went to cinemas outside of London, accounting for 80% of the funding. Grants were also allocated by Arts Council England to cinemas within mixed arts venues. In recognition of the continuing uncertainty facing the exhibition sector, a second round of funding was opened in January 2021 with more than £6m awarded to cinemas, bringing the total amount of support in 2020-21 to £27.6m. A third round of funding was announced in March 2021 to cover cinemas post-April.
- Screen sector tax reliefs – led by the BFC, this work considered the case for changing the film, HETV, children's television, animation and television reliefs. .

The impact of the Task Force was felt across all areas of the sector, with 209 independent cinemas receiving CRF grant funding and tens of thousands of jobs saved through the Film & TV Production Restart Scheme. Official BFI statistics showed a £1.19 billion uplift in film and TV production spend during the final quarter of 2020–21 and £2.84 billion for the year overall, just 21% down on the previous year despite months of suspended production during the pandemic. These results demonstrate how the continuing joint efforts of the Task Force are an incredibly effective way to communicate, share expertise and deliver fast and positive results for the benefit of the whole sector.

The BFI also provided £4.6 million across a targeted programme of COVID-19 support including a contribution of £0.5m of National Lottery funding to an emergency fund with the Film & TV Charity and industry organisations to support freelancers; £1.3 million resilience funding for BFI Film Audience Network exhibitors; £2 million to cover unexpected additional costs for independent productions interrupted by the pandemic shutdown; £0.8 million for BFI-funded features interrupted during production; and £0.5m for UK sales companies needing business resilience support to develop new models for working internationally. In addition, criteria for our Development Fund and the BFI Locked Box were adjusted to offer greater flexibility for producers, writers and directors.

Kickstart Scheme

Administered by the BFI, the Kickstart Scheme is a government initiative aimed at combatting long-term unemployment for young people, a section of society hit particularly hard by the COVID-19 pandemic. Launched in 2020, the scheme provides funding to create six-month job placements for 16 to 24 year olds on Universal Credit, with over 20,000 in work since the scheme launched.

UK Global Screen Fund

We worked with the Task Force and Government to identify the need for targeted investment to support international growth in the industry. At Autumn Spending Review 2020, the Chancellor announced a £7 million UK Global Screen Fund pilot to support the export and internationalisation of independent UK screen content, in particular for independent film. Delivered by the BFI, the results of the pilot will help inform potential future investment in supporting international export .

Changing relationship with the EU

The BFI continued to lead the screen sector's input into the UK-EU relationship. . We worked closely with departments across Government including DCMS, DEXEU and HM Treasury, to understand the impact of exit and to offer practical advice. Our advocacy and leadership has been closely informed by the expertise and guidance of the Screen Sector Task Force which we convened following the 2016 referendum with representation from across the broader screen industries including film, television and video games.

We maintained an online Q&A on our website, a mailbox helpline, and held presentations at industry outreach events.

The UK and the EU concluded a Trade and Cooperation Agreement (TCA) which took effect following the end of the transition period on 31 December 2020. The TCA has many implications for the screen sector and how we work with international partners, from changes to mobility rules to the temporary movement of goods. We are working closely with the Government and industry as well as our European partners, using the TCA as a basis on which to develop the best possible working relationships for the future. We are also engaging beyond the EU to strengthen our relationships with the rest of the world.

Sector and development projects

National Cluster Growth Fund

The BFI's £2 million National Lottery National Cluster Growth Fund was set up to fuel long-term growth for the screen industries across the UK, and to create jobs and a more inclusive and diverse workforce. The funding supports ambitious and select cluster organisations who have the potential to become international hubs, supercharging their local sector, and who are able to attract investment for development.

In April we announced a two-year investment of £1 million in Create Central, a new body backed by the West Midlands Combined Authority tasked with championing the local creative content industries. In its first year, Create Central secured public and private sector funding for an £18 million creative content hub to relocate existing regional businesses and attract new companies, with bespoke studio, training and post-production facilities. It has also partnered with StoryFutures Academy, the UK's National Centre for Immersive Storytelling, and Coventry City of Culture 2021 to work with SMEs to develop and commission an immersive storytelling prototype supporting youth mental health and wellbeing, with the winning project receiving £120,000 production funding.

Screen Yorkshire continued to use its Growth Fund award to provide valuable leadership for the region, including in May the announcement of a new £200,000 indie television and film development fund in partnership with the Leeds City Region Enterprise Partnership. Screen Yorkshire's new film office has gone from strength to strength, securing more than 3,000 days' work for skilled freelancers working locally in the growing film and television sectors.

Creative Europe Desk UK

2020 was the final calendar year of the current Creative Europe programme which ran for seven years from 2014. It was also the end of UK participation in MEDIA, following the UK's exit from the EU.

Due to the pandemic, our Creative Europe Desk UK team delivered their promotional activity online including a variety of application webinars, case studies and pitching events. The second edition of the Desk's Co-production Club was also held remotely, with 18 UK producers learning from both UK and international experts over a week of training sessions.

The start of 2021 saw the launch of a campaign which looked back over the seven years of the programme. *The Impact of Creative Europe in the UK 2014-20* report highlighted the value delivered by the programme in building skills and confidence among the creative, cultural and audiovisual sectors through its funding, network-building and training schemes, while *20 for 20: Stories from Creative Europe in the UK* brought together beneficiaries of the programme to discuss the programme's impact in their own words through written testimonies and video interviews.

Inclusion

BFI Diversity Standards

The BFI Diversity Standards encourage equality of opportunity and address under-representation in the screen industries. They offer a flexible framework for feature films, online and broadcast television content and a range of audience-facing activities such as film festivals, distribution releases and ambitious film programmes. They are a contractual requirement for all BFI funding, including fiction and documentary films funded via our partner organisations and have been widely adopted by screen organisations including BAFTA, BIFA, Film4, BBC Films, and Paramount as well as our own Young Audiences Content Fund and the BAFTA Television Awards and Games Awards. Pinewood Studios and the National Film and Television School are strategic partners. In September 2020, the Academy of Motion Picture Arts and Sciences announced their commitment to model their film award (the 'Oscars') eligibility criteria on the BFI Diversity Standards, while Screen Scotland adopted the Standards in October.

We are working to strengthen the Standards to drive more engagement with people from underrepresented groups, particularly in creative leadership roles and crews, based on recommendations for improvement within our own BFI Diversity Standards Initial Findings report and other analysis and research. A further external review commissioned by us will be undertaken this year.

Workforce data

We have advocated for the publication of diversity data about the BFI workforce and who we fund to be updated annually, including setting targets, and our performance against them. We have shared this data with the Cabinet Office's Race Disparity Unit to help them build a data set about racial disparity within the cultural sector.

Currently, there is no comprehensive overview of industry-wide workforce diversity data, which would help illuminate the wider landscape for both workforce diversity and for skills forecasting. We continue to advocate for an industry-wide system and have scoped a proposal for self-certified diversity data collection for cast and crew on all film

productions to support evidence-based decision-making, and to help track the progress of change.

Preventing bullying, harassment and racism

The BFI Principles and Guidance to prevent bullying and harassment were updated in July with specific commitments to anti-racism. The principles and zero-tolerance guidance were developed with organisations across the film, television and games industries in response to urgent and systemic issues and have now been endorsed by over 40 screen sector organisations, with the Casting Directors Guild the most recent to join in January. Online training, devised with ScreenSkills, is available to support the updated guidance, and there is a 24-hour film and television support line operated by the Film and TV Charity and backed by the Production Guild. The principles are a condition of BFI funding and are embedded in our Diversity Standards.

Representation and portrayal

The Inclusion team has established three Screen Advisory Groups (SAG) to challenge misrepresentation and stereotypes and to champion authenticity. The groups collectively have a reach of around 200 external advisors and cover portrayal of people of Muslim faith, British East Asian actors and creatives, and screen industry professionals who identify as D/deaf and disabled. We work together to proactively engage on the ever-evolving dialogue about representation and portrayal of under-represented communities.

Our D/deaf and disabled SAG launched a campaign called Press Reset in July, backed by Riz Ahmed, Emma Watson, and Jack Thorne among others, to inspire authority figures in film and TV to reset practices involving people with disabilities and establish a new, more inclusive normal. The campaign is underpinned by a two year Press Reset strategy and included a short film which has had 134,000 views, to date.

The BFI hosted its first BEATS Online Summit focusing on the British East Asian experience in January and supported the launch of the Muslim Faith Advisory Group in conjunction with the Muslim Film Charity in March.

Social mobility

We are working in partnership with the Social Mobility Commission on a new benchmark around fair socio-economic participation across BFI activity, to sit in line with our other targets. This will be integrated within Diversity Standards guidance and more widely adopted by partner organisations including BAFTA. We have been advising the Social Mobility Commission (SMC) on their new toolkit for the creative industries, which was launched in September 2021. We are combining this work with our commitment to Nations and Regions to ensure that we have a comprehensive set of actions that support the Government's levelling up agenda.

Research and statistics

The BFI Research and Statistics Unit (RSU) provides an essential resource for the screen sector, publishing data and evidence, reports and insight that provide a unique

picture of trends in the development, production and consumption of film and other visual formats in the UK and across the world. The RSU team also provides research expertise for our five year strategy BFI2022, delivering insight, monitoring and evaluation of our strategic initiatives.

The impact of the COVID-19 pandemic on the sector was evident immediately from late March 2020, when cinemas closed and virtually all physical film and television production stopped due to the first national lockdown. Throughout the year, in order to inform industry and in particular the work of the BFI-led Screen Sector Task Force, the RSU team provided impact reports demonstrating the effects of the pandemic on the screen industries. These ranged from evidence to show the implications of the pandemic upon a highly self-employed or freelance workforce, to the effects of closure and paused film release schedules on the independent cinema sector.

We also monitored the dramatic loss of investment due to paused and postponed film and high-end television production and the impact on audiences as they turned consumed more streamed content with video-on-demand services and played more video games as their main source of entertainment and cultural value in lockdown.

RSU data and evidence, along with the trends that are regularly reported in the BFI Statistical Yearbook, are an essential resource to inform proposals to Government for support and mitigation of the effects of the pandemic on the sector. In particular, the Culture Recovery Fund for Independent Cinemas and the Film & TV Production Restart Scheme were designed using RSU data and statistics and their effects continue to be monitored through the RSU's tracking activities.

The RSU also published the 2020 Statistical Yearbook, an edition which will in the years to come, represent an important pre-pandemic picture of what was a thriving screen sector.

The team's projects and studies are informed by industry and academic stakeholders who continue to advise and help determine its research priorities. Notable projects we undertook this year included the environmental sustainability of the UK screen sectors, an evidence review of the cultural value of film, television and video games, a mapping of the animation sector and a horizon scanning project which will highlight future opportunities and challenges for the screen sectors.

As part of the research and evaluation work that informs the work of BFI2022, we commissioned studies on the impact of the COVID-19 induced digitisation of two BFI festivals, Flare and the London Film Festival. The opportunities created by their new virtual environments demonstrated greater reach for both UK-wide and under-represented audiences.

A new Head of Academic Partnerships joined the team in February 2020 and in the first 12 months has supported BFI colleagues with seven major research funding bids totalling £1.75 million, as well as five other project partnerships and collaborations with over a dozen universities. We secured our first ever major grant of £700,000 from the

AHRC, led by the BFI's Film Conservation Manager, and are at full proposal stage with a second bid led by the Senior Curator in Non-Fiction Film and TV. These collaborations are essential in helping us to create a new, sustainable pipeline of research activity and income for the BFI.

Certification

The BFI Certification Unit certifies films, high-end television programmes, animation television programmes, children's television programmes and video games as British, either under the relevant Cultural Test or (for film and television) as official co-productions under one of the UK's 12 bi-lateral treaties (seven of which allow television co-production) or the European Convention on Transfrontier Television. This enables film and television producers and games developers to access their respective creative sector tax reliefs.

The Certification team promotes and markets these tax reliefs at events, conferences and festivals around the UK and Europe. This work has continued with online events over the last year including but not limited to the London Games Festival and Games Finance Market, AFM and Interactive Futures.

Despite the pandemic and the whole team moving to remote working, we continued to receive and assess a high volume of projects. Even though film and television production stopped in the first lockdown, the number of applications we received over the year has been consistent with the previous year's figures. We took emergency measures early to allow applicants greater flexibility in submitting their applications, and are continually reviewing this process.

The team also provided guidance and support on quarantine measures for film and high-end television cast and crew travelling to and from the UK, as well as advising and supporting DCMS with the Production Restart Scheme.

The Certification team administers the BFI Diversity Standards for all BFI National Lottery-funded projects. Two different film awards – BAFTA and BIFA – have the Diversity Standards as an entry requirement for their British categories and we administered the Standards for an additional 400+ features and short films during awards season. The Standards have also been adopted by Film4 and BBC Films, so are a requirement for the majority of public funding for film in the UK. Additionally, we helped to pilot the Standards for the BAFTA TV and video game awards, along with developing a Scottish-specific version of the Standards for Screen Scotland and working with AMPAS to develop a version of the Standards for the Oscars.

FUNDRAISING AND PHILANTHROPY

In this difficult year, the BFI's work has been strengthened more than ever by the support of corporate partners, charitable trusts and foundations and philanthropic individuals. The level of generosity and commitment has been outstanding, allowing us to raise £3.4m in grants, donations, sponsorship and gifts-in-kind. Our supporters' belief in our work has helped us to not only continue vital operations, but also to adapt and thrive, creating digital festivals and programmes to connect with audiences around the world. We are deeply grateful to both the long-term partners who have continued their generosity and those new to our family of supporters who have donated this year despite uncertainty and upheaval.

To remain connected with our partners we rapidly took our Development events programme online, offering a bespoke range of digital engagement. These virtual events allowed us to successfully keep in regular touch with donors in the UK, and around the world, and share the BFI's work during lockdown. This wide-ranging programme has included Zoom Q&As with the filmmakers Steve McQueen and Francis Lee; special virtual previews of *White Tiger* (Ramin Bahrani, 2021) and *The Dig* (Simon Stone, 2021); and an idiosyncratic tour of film locations from BFI Head Curator.

The Julia and Hans Rausing Trust made its first gift to the BFI with a generous grant supporting our aim to reach broader audiences across the UK, and globally, by helping us to transition BFI programmes, including our education work, to digital formats. Their support allowed us to make the 2021 Future Film Festival free to access for the first time, meaning more young filmmakers could take part, and we are grateful that trustees Julia and Hans Rausing also gave a personal gift at the highest level of BFI Patron support. In this tumultuous year their significant grant and generosity are transformative and will support our ongoing response to the pandemic and strengthen our future financial position.

The BFI Future Film Festival also received the support of other new and returning friends. We were delighted to welcome back Blackmagic Design as our Official Partner and Netflix as the Main Sponsor, as well as long-term award supporters Chapman Charitable Trust and the London School of English.

The BFI London Film Festival (LFF) is always a highlight of the year, and in 2020 it was a cultural lifeline made possible with the huge commitment of our valued corporate partners. The continued support and trust of our Principal Partner American Express allowed us to create a 'digital-first' event that was more vital than ever before. This year they were joined by new partners Porsche and Netflix, who shared our vision for a nationwide online festival, as well as Old Possum's Practical Trust, whose grant enabled education initiatives. We are grateful for continuing support from American Airlines, IWC Schaffhausen, The May Fair Hotel, Heart of London Business Alliance, and Bloomberg. Consistent support from these organisations created continuity and allowed us to reach audiences across the UK. Complementing their longstanding year-round generosity, Col and Karen Needham also made a personal contribution to support the Debate strand during LFF.

At the BFI National Archive, funders have rallied to help the team face the challenges of the year. The flexibility of supporters has informed new approaches, as well as allowing us to continue essential cultural work. Continuing their legacy of critical archival funding, the Esmée Fairbairn Foundation maintained their support for making archive content more accessible and have been hugely understanding as the work had to change throughout the year. A new gift from the David Lean Foundation enriched our paper conservation work, and an unrestricted grant from the Charles Skey Charitable Trust helped maintain essential Archive operations. Thanks to ongoing support, work also continued on the world-leading Women in Documentary project, funded by the Film Foundation, and a range of photochemical restorations funded by Christopher Nolan, Emma Thomas and the MORF Foundation. Simon and Harley Hessel and Matt Spick also continued their long-term contributions, which have enriched the Archive in so many ways; and we are very grateful for Iron Mountain's ongoing and generous support of our restoration of 35mm film.

Elsewhere, our new corporate partner The Japan National Tourism Organization has helped support BFI Japan 2020, a landmark six month season celebrating great works from over a century of Japanese cinema.

The care and backing of BFI Flare supporters in the early stage of the pandemic when the programme moved to a digital offering has been exceptional. We are thankful for the unwavering support and generosity of the Pureland Foundation, whose leading gift enabled the immediate and significant adaptation of the festival to happen. Other inspiring partners who supported the new format and contributed to the success of the 2020 online BFI Flare: London LGBTIQ+ Film Festival included American Airlines, The May Fair Hotel, Mishcon De Reya, Netflix, Konditor and Interbank LGBT Forum.

BFI Flare is a key part of our commitment to diversity and inclusion, and 2020 saw the BFI build on this with a public commitment to being an actively anti-racist organisation. To support this commitment, we raised funds for a range of initiatives, including support from Facebook, and a new grant from CVC Foundation focusing on immediate COVID-19 crisis relief and the expansion of BFI diversity and inclusion work in the coming year.

Jane Stanton and new partner Jaguar have committed to further strengthening the BFI Woman with a Movie Camera strand, a key initiative celebrating and showcasing the work of female filmmakers, aiming for change at the cultural, industry and policy level.

Legacy gifts play a significant role in underpinning our work, and we are grateful to everyone who has chosen to support the BFI with a gift in their Will. This year we have received two legacy gifts and welcomed more new members to the BFI Legacy Circle.

Finally, we hold particular gratitude for the majority of our supporters who made or renewed their annual gift in a year where the experiences we could offer were unavoidably restricted. Major Donors, Film Forever Club members and Patrons have donated for the first time, upgraded their support, renewed early or given additional gifts to strengthen the BFI's financial position – with particularly generous gifts received from Philippe Camu (towards our cultural programme), Adam Rubinson (recommending a

major gift through the Friends of the British Film Institute) and Gilberto and Daniela Pozzi (supporting education initiatives being taken online). We have also been motivated and heartened by the support demonstrated by the hundreds of people who have come together to make donations online and by text, donating the value of their cancelled tickets, and by helping us to spread the word of our work and the essential need for charitable support.

YOUR SUPPORT HELPS US SECURE THE FUTURE OF BRITISH FILM

The BFI warmly thanks the following people and organisations for their generous support in 2020–21

GOVERNMENT

The Department for Digital, Culture, Media & Sport
The Department for Education

MAJOR DONORS

Philippe & Stephanie Camu
The Clothworkers' Foundation
Creative Europe - MEDIA Programme of the European Union
The David Lean Foundation
Greg Dyke & Sue Howes
The Esmée Fairbairn Foundation
The Film Foundation**
Friends of the British Film Institute*
Simon & Harley Hessel
Col & Karen Needham
Christopher Nolan & Emma Thomas**
Gilberto & Daniela Pozzi
The Rothschild Foundation
Adam S Rubinson Charitable Fund**
Matt Spick
Jane Stanton

ANNUAL DONORS

Arts Council England
BFI Legacy Circle
Chapman Charitable Trust
The Charles Skey Charitable Trust
The John S. Cohen Foundation
The Gladys Krieble Delmas Foundation**
Europa Cinemas
The Film Music Foundation**
Brian & Rene Hollins**

The London School of English
The National Lottery Heritage Fund
The Polonsky Foundation
Reuben Foundation
The Thistle Trust
The Thriplow Charitable Trust
The Unwin Charitable Trust

FILM FOREVER CLUB

Paul Ashurst
Josh Berger, CBE
Donald & Corrine Brydon
Philippe & Stephanie Camu
Caroline & Nick Clarry
The Fox Family
Keith Haviland
John & Jennifer McLellan
Ian & Beth Mill
Col & Karen Needham
Robin Saunders
Sir Howard & Lady Stringer

DIRECTORS CUT PATRONS

Eric Abraham
Kieran Chalker
Hans & Julia Rausing
Lisbet Rausing & Peter Baldwin
Sabina & Phillip Reeves
Peter & Nancy Thompson
Kathryn Uhde

EPIC PATRONS

Heather Acton & Peter Williams
Enrico & Cristiana Cavallo
Ed Cooke
Nathalie Esposito
Eric Fellner, CBE
Amy Gardner & Peter Dubens
Brenda Garza
Isabelle Georgeaux
Agathe Hubert
Adrian Kemp
Lynn M. Lewis
Bill Mumford

Peter & Maggie Murray-Smith
Ocean Outdoor
John Reiss
Anita Siassios

CLASSIC PATRONS

Adeem Altaf
Andrew Arthur
Rabbi James Baaden
Lady Bacardi
Francis Bennett
John Birkenhead
Michael & Sophie Birshan
Nick Blackburn
Paul Bowen
Felicia Brocklebank
The Broughton Family Charitable Trust
Simeon Brown
Rob Carrington
Charles Cecil
John Chinegwundoh
Sammy Cooper-Smith
Cley Crouch
Carl Dalby
Tabitha Dale
Simon & Jane Davis
Matthew Dean
Jon Dear
Paul Dennis
Stephan Dilley
Bruce & Lindis Dockeray
Ealing Studios
Jeff & Emily Fergus
Michael & Harriet Finney
Joachim Fleury
Patrick & Anne Foster
Peter & Judith Foy
Lizie Gower
Deo Gratias
Claude Green
Kathryn Greig
Dr Michael J. Hamlyn
Drew Hess & Emily Quesada
Heather & Greg Hogarth
Jay Hunt
Raymond Joabar

Alexandra Joffe
Matthew and Jessica Justice
Meltem Kamber
Ben Kelvin
Nicola Kerr
The Hon. Miss Julia Kirkham
Daan and Maggie Knottenbelt
Apostalos Koustalos
Steven Larcombe
Laura Lonsdale
Alison McCarthy Lord
Ellen McGuinness
Julie Miecamp
Assad Moghul
Jackie Mountain
Laoise Murphy & Family
Francesco Nerici
Tapi Nyoni
Alexandra Oliveira-Jones
Si Overson
Stephen & Claire Paine
Anthony Pozner
Matthew Pryor
Phillip & Sabina Reeves
Lisa Reuben Valk
Sue & Tony Rosner
Firdaus Ruttonshaw
Ruth Saleh
Michael & Gail Sandler
Lisbeth Savill
Joana Schliemann
Jim & Linda Scholes
Nick Scudamore
Angela Seay
Lulu & Ed Siskind
Andrew M Smith DL
Nicola Stanhope
Phil & Sarah Stokes
Gregory Stone & Annabel Scarfe
Sky UK
Jan Taylor-Strong
David & Jan Thomas
Andrew Tseng
Sajid Varda
Watch Guru Ltd.
Louise L. Whitewright
The Stuart and Hilary Williams Foundation

Andrea Wong **
Annette & John Younger

PRINCIPAL PARTNER BFI LONDON FILM FESTIVAL

American Express

CORPORATE PARTNERS

American Airlines
Bates Wells
Blackmagic Design
Bloomberg
HOLBA
Interbank LGBT+ Forum
Iron Mountain Incorporated
IWC Schaffhausen
Japan National Tourism Organization (JNTO)
LaCie
The May Fair Hotel
Mishcon de Reya
Netflix
PCP Capital Partners
Porsche

IN-KIND SUPPORTERS

Christie Digital
Digital Cinema Media
Facebook
Konditor

With additional thanks to all of our anonymous donors and patrons.

** Friends of the British Film Institute is a California-based US 501(c)(3) non-profit organisation that supports the work of the BFI in the UK and the US. EIN 95-4334449.*

*** Donations marked with double asterisk were made to Friends of the British Film Institute.*

BFI OPERATIONS

Finance & Resources

Finance & Resources teams moved swiftly to mitigate the impact of COVID-19 on BFI activity, implementing a business continuity plan (BCP), and managing the complex reopening plans for our venues, offices, and buildings. A grant of £980,000 was allocated to the BFI by DCMS as part of a wider programme of funding, which contributed to essential financial support to offset the considerable COVID-induced operating losses.

In discussion with DCMS, we were able to access the Government's Job Retention Scheme (JRS) with at one stage 65% of our workforce on furlough, and a combination of full/part-time and furloughing arrangements operating throughout the year, according to workforce requirements, personal circumstances and lockdown periods.

In addition to managing the JRS, our HR team focused on extensive COVID-19 staff engagement including a helpline email, information Q&As, advice on physical and mental health well-being, working from home, carer commitments, and shielding and, with the Facilities team, planning for safe return to sites, ensuring COVID-secure working environments for the returning public as well as BFI people, and advice and training on safety protocols. We also won the National ENEI (Employers Network for Equality & Inclusion) award for workforce representation (with the Cabinet Office runners up).

BFI Finance teams undertook a total reforecasting of BFI spending to assess and mitigate the financial impact of the closedown of our business. Alongside this, they helped to manage a review and redirection of National Lottery funds to support the sector's recovery, and worked with DCMS and other key BFI teams, including on the Culture Recovery Fund for Independent Cinemas and the UK Global Screen Fund.

As many BFI people moved to working from home, IT work focused on delivering remote access to everyone, introducing new technologies and deploying existing ones more widely, expanded helpdesk support and maintaining business as usual in exceptional circumstances.

Venue and buildings

The Property and Facilities team supervised extensive and exhaustive work across all four of our sites to manage their safety and security during the pandemic, adapting maintenance, security and cleaning requirements, as well as supporting remote working staff requiring delivery of computers, ergonomic seating and equipment to homes.

KEY PERFORMANCE MEASURES

BFI2022 detail sets out the measures for how the BFI will assess its contribution to further the economic and cultural success of film. 13 key performance measures will be tracked through to 2022.

By 2022 BFI commits to have:

- Increased the diversity of audiences and talent supported across all BFI activities*(MS1)
- Increased engagement with BFI activities across the UK and increased the quality and cultural depth of their experience* (MS2)
- Increased participation of 16-30 year olds across all BFI activities and funded programmes (MS3)
- Increased access to the BFI's National Film Archive and those of the regions and Nations* (MS4)
- Further conserved and digitised the most at-risk materials within the BFI National Film Archive, notably video and television* (MS5)
- Ensured the opportunity to learn about the art of film in school** (MS6)
- Improved employers' ability to recruit a skilled workforce across the UK** (MS7)
- Supported talent to progress in their filmmaking careers* (MS8)
- Funded a range of innovative and pioneering moving image work intended for a variety of platforms** (MS9)
- Supported British films and British talent which have received recognition domestically and internationally* (MS10)
- Invested in start-up film businesses outside of London which have leveraged
- additional investment and increased levels of employment** (MS11)
- Supported a greater geographic spread of film production in the UK (MS12) **
- Supported an economic and cultural environment that keeps the UK film industry internationally competitive** (MS13)

In 2020-21 performance was as follows:

MEASURE OF SUCCESS	2022 TARGET (WHERE APPLICABLE)	2020-21 PERFORMANCE
Increased the diversity of talent supported across all BFI activities	Female – 50% BAME – 17% With a Disability – 7% LGBTQ+ 15%	Female – 53% BAME – 26% With a Disability – 10% LGBTQ+ - 26%

MEASURE OF SUCCESS	2022 TARGET (WHERE APPLICABLE)	2020-21 PERFORMANCE
Increased the diversity of audiences across all BFI activities	Female – 50% BAME – 20% With a Disability – 7% LGBTQ+ - 15%	Not collected in 2020/21 due to COVID-19
Increased engagement with BFI activities across the UK and increased the quality and cultural depth of their experience	n/a	Theatrical – 0.6mm engagement Distribution – 0.5 million Online – 8.1 million Education & Skills – 4.1 million
Increased participation of 16-30 year olds across all BFI activities and funded programmes*	25%	Not collected in 2020/21 due to COVID-19
Further conserved and digitised the most at-risk materials within the BFI National Film Archive, notably video and television	To preserve and digitize 100,000 of the most –at-risk, British TV programmes	30,556 (programme to date 55,581)
Supported talent to progress in their filmmaking careers*	n/a	See below.
Supported British films and British talent which have received recognition domestically and internationally	n/a	24 films received a total of 94 nominations and 18 awards.
Invested in start-up film businesses outside of London which have leveraged additional investment and increased levels of employment	To have supported 200 film businesses outside London	211

MEASURE OF SUCCESS	2022 TARGET (WHERE APPLICABLE)	2020-21 PERFORMANCE
Supported a greater geographic spread of film production in the UK	n/a	22% UK domestic shoot spend completely outside London and the South East

Independent expertise was also recruited to develop the evaluation framework, baselines and methodologies for MS4, MS6, MS7 and MS13 and was reported as part of the mid-term evaluation in 2020-21.

First Time Supported Filmmakers – 2020-21

First time supported by the BFI*

Producers	40% supported for the first time
Directors	56% supported for the first time
Writers	58% supported for the first time

Previous Release History of Supported Filmmakers

Producers	63% no previous releases
Directors	78% no previous releases
Writers	78% no previous releases

(* - BFI Film Fund Production/BFI Film Fund Development/NETWORK (not including NETWORK Partners)

FINANCIAL REVIEW

FUNDING, INCOME and INVESTMENT in CHARITABLE ACTIVITIES

Review of the year

2020-21 was an extraordinary year. The global COVID-19 pandemic and the resultant lockdowns inevitably impacted on the activities and financial position of the BFI. From 17 March 2020 all BFI estates were closed including BFI Southbank and the Archives at Berkhamsted with a consequent cessation of many of the usual income generating activities including the BFI Southbank cinema programmes, the education programme and archive restoration projects, and with the cancellation of major programme events such as BFI Flare festival. Facilitated by existing IT systems, staff were asked where possible to work remotely.

As noted throughout the Annual Report the BFI reacted as proactively as possible - some activities were repurposed and moved substantially online, such as both our Festivals and much of our educational work. Our pre-existing digital presence, including BFI Player flourished. Sadly other major cultural activities, such as the bulk of work at the Archive or the programming of the National Film Theatre were either heavily curtailed or impossible to deliver.

These all presented considerable challenges to income – and the BFI is grateful for all the support we received from our members, and many other public and private sources, as well as to DCMS and HMT for the crucial COVID-19 financial support through both the Job Retention Scheme and the Culture Recovery Fund allowing our key functionality and resources to be maintained.

During the year the BFI played an enhanced role as a funding body, not least with our appointment as distributor for the Culture Recovery Fund for Independent Cinemas in England (CRFICE). Announced by the Chancellor in July 2020 this was part of a £1.57 billion support programme for the cultural sector, with parallel strands administered by Arts Council England and the National Heritage Lottery Fund, which continues to be crucial for the survival of independent cinema. Alongside this key new grant in aid supported fund, the BFI was able to refocus its lottery funding programmes to support areas of the sector that were most at risk as a result of the pandemic. Specific action included supporting continuity of work and skills and talent development throughout the period of lockdown with schemes such as production continuity funding, the audience resilience fund with our FAN network partners, a flexing of the criteria for the release of “locked box funds” and assistance to the Film and TV Charity. Coupled with ongoing levels of applications, the 5 year lottery programme as outlined in BFI 2022 was maintained (with reduced outcomes for some programmes). This was possible as after a short sharp dip, incoming resources to the National Lottery Distribution Fund recovered speedily – with the BFI share of lottery proceeds for the year of £49.1m being a small increase on the £48.3m of 2019-20.

Throughout the year, the Executive Board, with the guidance of the Finance Committee and the Board of Governors, and the continuing support of DCMS, kept under constant review the financial impact on the charity and the mitigations and actions necessary. This included immediate limitations on spend, a 2 month reduction in working hours and pay (the salaries of lower paid staff were protected) and a review of all planned activities, cancelling, postponing or adapting to a digital offering for many across the year. The BFI furloughed staff where appropriate, and thus maximised cash flows.

Income for the year to 31 March 2021 was £145.6m – an increase of £32.1m from the £113.5m received in 2019-20, predominantly due to the additional Grant in Aid (GiA) funding (£29.2m) for our role as distributor of the CRFICE.

Overall expenditure on charitable activities increased to £154.2m (2020: £122.4m) again predominantly due to awards through CRFICE.

Lottery net expenditure, together with other recognised gains and losses, has reduced Lottery reserves by £9.0m to £25.0m. Other restricted reserves increased by £1.2m to £6.0m while as a result of a 50% increase in the value of the pension liability by £32.8m to £94.8m unrestricted reserves were reduced from £20.9m to a negative balance £13.9m.

The BFI's financial strategy continues to be to seek operational efficiencies to further drive down overhead costs and to increase income from existing charitable activities, as well as seeking to exploit new sources of income, to support the delivery of its core objectives.

Due to the nature of its funding and operations the BFI does not hold large cash balances and continues to manage free reserves of approximately £1m.

Non-Lottery activities

Incoming resources

Incoming resources from non-Lottery activities increased in the year by a net £32.0m. The £29.2m of revenue GiA for the CRFICF was a significant element of this but the BFI was also grateful for the £2.3m CRF funding received for its own activities, together with JRS support of £3.5m as earned income was down by £9.4m. £18.8m in revenue GiA for YACF was also higher than last year's £14.2m.

Fundraising was lower with this being a year without the biennial Luminous Gala and moving the festivals online. £4.0m was raised of which £3.7m (91%) were cash contributions and £0.4m (9%) gifts in kind (2020: £5.4m of which cash contributions £3.7m (69%) and gifts in kind £1.7m (31%)). However, sponsorship was largely maintained at £1.6m (2020: £1.7m).

Fundraising costs of £1.9m represent the costs of running the BFI Development division in order to raise funds for the BFI (2020: £2.2m included the costs of the biennial Luminous gala held in the year).

Resources Expended

Total non-Lottery expenditure increased to £103.1m (2020: £76.2m) predominantly due to £28.7m of new expenditure in respect of the Culture Recovery Fund and increased expenditure of £19.0m on the Young Audience Content Fund (2020: £13.9m) partially offset by cost savings from COVID-19 related closures.

Gross Transfers between funds

The non-Lottery activities received awards of £3.5m from BFI Lottery in the year to support the reduced London Film Festival £0.25m (2020: £0.9m) and the Heritage 2022 archive preservation project £3.3m (2020: £2.3m).

Actuarial Gains/losses on defined pension scheme

On the FRS 102 basis the total net pension scheme deficit increased by £32.8m from £62.0m to £94.8m (2020: a £2.7m reduction from £64.7m to £62.0m). The increase in the deficit is mainly the assumptions underlying the present value of the scheme liabilities netting a 16% increase in the asset value.

The result of the triennial valuation by the London Pension Fund Authority Trustees as at March 2019, upon which current and future contributions are based, is a deficit of just £2.3m for the whole pension scheme including lottery (2016: £9.6m). The deficit is being funded over up to 5 years under a deficit recovery plan agreed with the pension trustees.

Movement in asset revaluation reserve

The value of the leasehold land and buildings and associated plant and fixtures decreased by £3.7m – following revaluation using publicly available indices and depreciation charges (2020: £0.3m reduction).

Lottery activities

Incoming resources

BFI's share of the incoming resources of the National Lottery Distribution Fund was 2.7% (2020: 2.7%). This equated to £49.1m (2020: £48.3m) marking an upturn in lottery ticket sales across the year, and reflecting a swift recovery after an initial drop in sales in the initial weeks of lockdown.

In addition the BFI received £4.9m of recoupment from its investments in the year (2020: £6.0m). Of this £0.8m (2020: £1.6m) was surplus recoupment over the original

investment and was taken to income. The fall in both reflects the closures in cinemas during the pandemic and the consequent hold back (and reduction) in film releases other than through streaming services.

Resources Expended – Lottery awards

2020-21 was the fourth year of BFI's 5 year strategy BFI2022. Non-film right awards in the year totalled £32m (2020: £33.1m). The largely level funding is predominantly due to a number of advance partner awards being committed covering the activities for the period to through to 31 March 2022, as they similarly were in the previous year.

In addition £22.3m (2020: £17m) of awards were taken to Film Rights in the Statement of Financial Position.

Adjustments of £19.4m (2020: £12.7m) against Film Rights were charged to expenditure for the year.

Operating Costs and Administrative Costs targets

Operating costs were £5.5m in the year to March 2021 (2020: £5.8m).

Net incoming resources, on a three year rolling average 2018-21 and after offsetting costs of generating recoupment were £48.2m (2020: £47.9m), reflecting the stabilisation of the levels of income into the National Lottery Distribution Fund since 2017.

DCMS have set Lottery distributors a gross target for award processing and other administrative costs of 8% of incoming resources, this reduced to 7.75% from April 2021. In 2020-21 the gross award processing and other administrative costs stood at 7.4% of net incoming resources (£3.6m) (2020: 7.9%, £3.7m).

Actuarial Gains/losses on defined pension scheme

On the IAS 19 basis the net pension scheme deficit attributed to lottery activities increased by £2.3m from £2.7m to £5.0m (2020: a £0.1m increase from £2.6m liability).

Reserves Policy

The Governors are committed to the management of activities within the available funds. A significant element of income is subject to market conditions and the risks are incorporated into the budgets, with ongoing financial planning and management of expenditure used to meet any unforeseen expenditure or fall in income. Overall, the BFI's financial objective is to manage to a breakeven income and expenditure result over time, whilst ensuring adequate cash reserves to manage timing differences and provide financial contingency. The BFI also maintains net free cash reserves of £0.9m (2020: £1.1m) to manage short and medium term working capital requirements and this level is considered adequate, having ranged over the past ten years between £0.4m and £1.7m.

The impact of the COVID-19 pandemic

Going Concern

The accounts have been prepared on a going concern basis.

As the Government's lead body for film since 2011, the BFI actively engages with the government in developing and delivering the strategy for film in the UK. The BFI is a lottery distributor, with a statutory right to receive a share of the National Lottery Distribution Fund (NLDF), and is considered by government to be a "Non-Departmental Public Body", both of which give support to our future financial stability.

The BFI receives Grant-in-Aid each year from the DCMS for a range of its other activities including in recognition of the cultural impact of film, and the importance of the National Film and Television Archive to the nation's heritage.

The key consideration for the future viability of BFI is the impact of the COVID-19 pandemic including the latest lockdown and its subsequent easing, the risk of further lockdowns and ongoing social distancing measures and the impact on customers and the economy. As noted above the pandemic has had a significant and immediate effect on BFI trading income and fundraising although lottery income has been much less impacted.

BFI has taken a number of measures to limit the financial impact including:

- reducing costs;
- furloughing staff and, with DCMS permission, accessing the government's COVID-19 Job Retention Scheme (CJRS); and
- reducing the working hours and pay for two months of staff continuing to work through lockdown.

The cumulative impact of loss of income and compensating cost saving measures (including accessing CJRS) has resulted in a forecast deficit in each of the next 2 years. DCMS have agreed additional support for 2021-22 of up to £2.3m and through the Comprehensive Spending Review in November 2021 BFI GiA is expected to be sufficient to support the organisation through the period covered by the Review. However, with permission from DCMS to draw grant in aid as required BFI's forecast cash balances remain positive across both years.

There remain a number of risks which could worsen the forecast deficit and cash flow including:

- the nature of social distancing and its impact on BFI Southbank and IMAX operations;
- the attitude and willingness of customers to return to cinemas; and
- the potential for further lockdowns in the coming winter if COVID-19 infections reach a critical level.

However taking these into consideration the Board considers that the positive forecast cash position over the next two years, the capacity to raise additional funds from supporters and philanthropists along with the opportunity to make a case for support to DCMS provides the Board of Governors with sufficient confidence that the BFI has sufficient resources to continue for at least the next 12 months following signature of the accounts. Accordingly the financial statements for the charity, group and lottery activities have been prepared on a going concern basis.

PUBLIC BENEFIT

The Board of Governors has continued to take heed of the Charity Commission's guidance on public benefit, the guidance on public benefit and fee charging being particularly borne in mind while shaping our objectives for the year and planning activities. The Board also continues to be conscious of its responsibilities as the custodian of a National Collection which it holds in trust for the nation.

The BFI's Charter includes a requirement to "promote access to and appreciation of the widest possible range of British and world cinema". The BFI, as a National Lottery Distributor for film, invests National Lottery money and Grant in Aid to help ensure that audiences across the UK have access to a wide range of cinema. The BFI also uses National Lottery and Grant in Aid to support activities including education and lifelong learning and the preservation of the UK's screen heritage. All these interventions deliver significant public benefit.

The BFI delivers public benefit and covers its operating costs utilising a mix of income drawn from the National Lottery, Grant in Aid from the Government, philanthropic activity and income from ticket and other sales, fees and charges. In setting both the overall strategy for the organisation as the lead body for film and the level of prices, fees and charges, the Governors have given careful consideration to accessibility to the activities funded by the BFI for those on low incomes. A key part of our longer-term development strategy has involved providing free access to a wide range of the services we fund and those we run – for example, through the BFI Player, our Mediatheque and our websites, to free public screenings and broadcast partnerships. In addition to meeting our social responsibilities, the BFI also considers its impact on local communities, a diverse range of audiences, provides work experience and employment opportunities and works with schools, local authorities and many other organisations.

The BFI directly supports the distribution and exhibition of film through National Lottery funding and is also the UK's biggest distributor of world cinema – non-commercial film culture from all parts of the world, both these interventions give the public access to a diversity of film culture which would not otherwise be available. The diversity of Britain's cultural life would be dramatically reduced without the BFI's interventions. We also support and directly make available a wide range of titles on all other platforms.

There are many ways in which the public accesses the BFI's work, and this range ensures we deliver the maximum public benefit for our charitable resources. The BFI activities which deliver public benefit are described in more detail in the pages of this report.

Complaints

The BFI has in place a procedure for handling complaints and welcomes feedback from members of the public and representatives of other organisations.

During the year, the BFI received 78 complaints via its customer enquiry service (96 in 2019-20).

No complaints were accepted for investigation by the Parliamentary Ombudsman (0 in 2019-20 also).

In terms of summary:

	2020-21		2019-20	
The number of complaints accepted for investigation by the Parliamentary Ombudsman in the year;	0		0	
The number of investigations reported on by the Parliamentary Ombudsman in the year and the percentage of those reports where the complaint was upheld in full, in part; or not upheld	In full:	0	In full:	0
	In part:	0	In part:	0
	Not upheld:	0	Not upheld:	0
The number of Ombudsman recommendations complied with and not complied with.	n/a		n/a	

Complaints and feedback helps the BFI to identify opportunities to make better use of their resources, or to deliver services in a more effective way.

If any customer is dissatisfied with a service that the BFI has provided or feel they have been treated unfairly, they may wish to make a complaint.

The Complaints Procedure sets out the BFI's complaints procedure, explains how to provide feedback or to make a complaint and tells customers what they can expect from us if you do.

Depending on the area of activity, feedback and complaints will be handled slightly differently; however the BFI works to a set of standard guiding principles:

1. Feedback and Complaints are an important way for the BFI to be accountable to the public, as well as providing valuable prompts to review organisational performance and the conduct of people that work within and for it.

2. If the BFI has got something wrong, it will apologise and take prompt action to put the matter right. If it can resolve your complaint by clarifying its position, or explaining its decision making process it will do so.

3. Will be open and honest and ensure that customers are not disadvantaged in their future dealings as a result of the complaint.

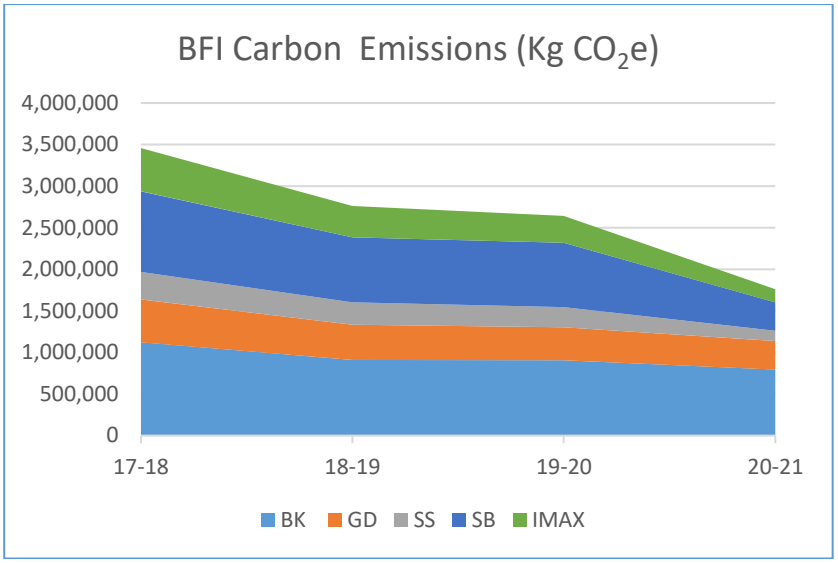
4. Will respect privacy and ensure that complaints are treated confidentially.

The Complaints Procedure was reviewed in 2020-21, taking on board previous customer feedback, case analysis and considering best practice.

ENVIRONMENTAL SUSTAINABILITY AT THE BFI

Greenhouse Gas Emissions

It is well known that greenhouse gas emissions have a strong correlation to activity. The Pandemic has had a significant impact on our activities both in-venue and at our archive sites with many staff furloughed and both the BFI Southbank venue and head office were closed for half of the year. Our actual Estate KWh consumption reflects this and is down 28% year on year. Correspondingly, carbon emissions are down 32%.



Just under half of the BFI Estate serves the purpose of collections Storage and therefore its energy demand is not reduced with activity. All of the BFIs electricity is sourced through EDF on a clean renewable tariff.

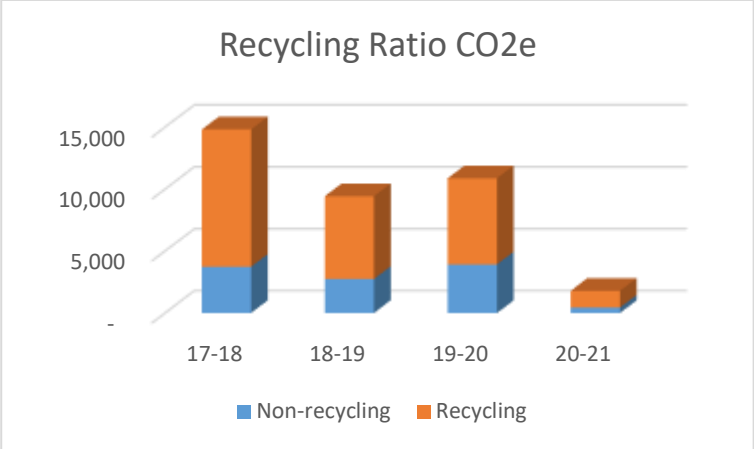
In terms of the Estate, we have made several improvements which will yield energy savings next year including LED lighting upgrades at the National Archive in Berkhamsted and at BFI Southbank. Refurbishment work at the National Archive has also seen the introduction of invertor and variable speed drives for our chilled water system.

Travel emissions relating to business travel were drastically reduced (by 91%) due to government imposed travel restrictions and work from home advice. We hope to realise some of this reduction on an ongoing basis with the likely introduction of a hybrid home/office working model.

Waste

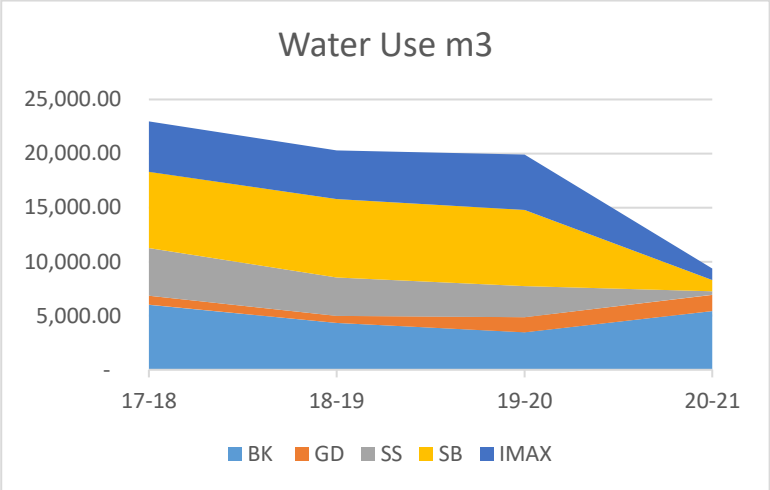
Our waste production was reduced by 84% this year. This is a direct result of reduced on-site activity and venue, restaurant and office closures. Both of our waste providers operate a zero to landfill policy.

Below is a graph of waste production over the last 4 years that also shows recycling to non-recycled ratios. Our average recycling rates are at approximately 70%



Finite Resource Consumption

Paper Consumption was negligible during 2020-2021 period. This reflects the move to a more remote and digital work method. We are currently re-tendering our printed materials contract where we are insisting on high standards of print sustainability. Our in-venue programme notes offer will also become digitally available in 2021-22.



Water Consumption across the estate was reduced by 53% due to the much-reduced activity at some sites. The above chart shows the water consumption fluctuation over the BFI estate:

Further Initiatives

2020-21 saw more progress at the BFI in the field of sustainability. This may have been at a slower pace than anticipated due to the diversion of much attention into responding to the pandemic, but we also found COVID gave pause for useful reflection on the BFI's relationship with the living world. As nature regained a precarious bit of ground during

global lockdowns, BFI staff at the National Archive in Berkhamsted encountered wild deer on the estate, and staff shared photos of the living world in their gardens and on their daily walks via our new daily bulletin.

In September we updated our sustainability policy to reflect our heightened awareness of the climate and ecological emergency, using this moment to announce our ambition to hit net zero carbon emissions by 2025. Advances made towards this goal during the year included the installation of a dual electric vehicle charging station at Berkhamsted, reducing reliance on fossil fuels. The upgrading of internal and external lighting to LED and introduction of invertor technology at BFI Southbank and at the National Archive will further reduce the BFI's carbon emissions.

In September 2020, we launched the landmark report A Screen New Deal in partnership with BAFTA albert and leading global engineering and design firm specialist Arup. This report shared innovation and knowledge about what truly sustainable production could look like: new ways of working on set and on location, our approach to materials and resources and the innovation happening in other industries that we can learn from. It sets out a route map for positive action to achieve sustainable practices that support wellbeing, environmental restoration and economic prosperity. A Screen New Deal was launched with a series of impactful online events from BAFTA and is proving a major contribution to developing sustainable production practice in the UK.

We also worked with our partner Doc Society on their Green Documentary Protocol, which provides filmmakers with a new framework to assess, mitigate and improve their environmental impact. BAFTA albert provided training in carbon literacy to 180 BFI staff, and 'Planet Placement' training about working with environmental content onscreen to the BFI NETWORK Talent Executives across the UK. In November, BFI NETWORK North launched its Climate Comedy Lab, challenging Doncaster's writers to respond to the climate crisis in exciting, unexpected ways. Five microshorts will be made through the programme, and we're looking forward to these – and much more work on sustainability in the film industry – in the year to come.

TABLE 1 - GREENHOUSE GAS EMISSIONS				2020-21	Measurement
Scope 1 - Direct GHG emissions	Non-Financial Indicators (tCO2e)	Total gross emissions: Scope 1		566	tCO2e
		Emissions from:	Gas	522	tCO2e
			Oil	0	tCO2e
			Fuel (including LPG)	44	tCO2e
Scope 2 - Energy indirect emissions	Non-Financial Indicators (tCO2e)	Total gross emissions: Scope 2		1,218	tCO2e
		Emissions from:	Electricity	1,218	tCO2e
Scope 3 - Official travel emissions	Non-Financial Indicators (tCO2e)	Total gross emissions: Scope 3		5	tCO2e
		Emissions from:	Domestic business travel	5	tCO2e
Scope 1 & Scope 2	Non-Financial Indicators - Related Energy Consumption (kWh)	Total Electricity		5,223,769	kWh
		Electricity	Renewable	5,223,769	kWh
			Non-Renewable	0	kWh
		Gas		2,837,796	kWh
		LPG		175,591	kWh
		Other		0	kWh
Scope 1, Scope 2 & Scope 3	Financial Indicators (£)	Expenditure on energy		805,180	£
		Expenditure on accredited offsets		0	£
		Expenditure on official domestic business travel		9,059	£

TABLE 2 - WASTE				2020-21	Measurement
	Non-Financial Indicators (tonnes) (tonnes)	Total waste disposed		83.90	tonnes
		Hazardous waste disposed		0.00	tonnes
		Non-hazardous waste disposed	Landfill	0.00	tonnes
			Reused/recycled	62.99	tonnes
			Composted	0.00	tonnes
			Incinerated with energy recovery	20.91	tonnes
			Incinerated without energy recovery	0.00	tonnes
	Financial Indicators (£)	Total waste disposal cost		26,921.00	£
		Hazardous waste disposal cost			£
		Non-hazardous waste disposal cost	Landfill		£
			Reused/recycled		£
			Composted		£
			Incinerated with energy recovery		£
			Incinerated without energy recovery		£

TABLE 3 - FINITE RESOURCE CONSUMPTION				2020-21	Measurement
	Non-Financial Indicators (m^3) ('000 m^3)	Water consumption (Office estate)	Supplied	334	m^3
			Abstracted	0	m^3
			Collected	0	m^3
		Water consumption (Non-office Estate)	Supplied	9,038	m^3
			Abstracted	0	m^3
			Collected	0	m^3
	Non-Financial Indicators (Number of reams of paper)	Paper consumption - A4	Supplied	51	Reams of paper
		Paper consumption - A3	Supplied	0	Reams of paper
	Financial Indicators (£'000)	Water Supply costs (Office estate)		5,323	£
		Water Supply costs (Non-office estate)		33,324	£
		Paper costs (A4 & A3)		136	£

HOW THE BFI IS GOVERNED

The BFI is governed by a Board of up to 15 Governors subject to the BFI's Royal Charter. The Governors, who are also the trustees of the Charity, now submit their annual report and the audited financial statements for the year ended 31 March 2021. In preparing the annual report and financial statements of the Charity, the Governors have adopted the Accounting and Reporting by Charities: Statement of Recommended Practice, Charities SORP (FRS 102).

Governors

Governors who were in post for at least part of the financial year 2020–21 or at the date of signing these accounts:

Josh Berger CBE[1]
Michael Birshan
Pat Butler[2]
Pete Czernin[3]
Idris Elba OBE
Gerry Fox[4]
Jay Hunt
J. Timothy Richards[5]
Jonathan Ross OBE[6]
Robin Saunders
Andrew M Smith DL
Phil Stokes
Eleanor Whitley
Andrea Wong[7]

2020-21 saw the end of Josh Berger's term as Chair of the BFI. Similarly, terms of a number of longstanding Governors expired. We would like to record our gratitude for dedicated service and contribution while on the Board.

[1] Term ended 15 November 2020.

[2] Term ended 15 February 2021.

[3] Term ended 28 January 2021.

[4] Term ended 25 February 2021.

[5] Term as a Governor ended 14 May 14 2020. Term as Chair commenced on 16 February 2021

[6] Term expired 27 August 2021.

[7] Term ended 25 February 2021.

2021 was also a moment when we welcomed Tim Richards as Chair of the BFI. A former longstanding Governor of the BFI, Tim's experience will be vital in a post-pandemic landscape.

Methods of Appointment

The Chair and Governors of the BFI are appointed by the Secretary of State for Digital, Culture, Media and Sport pursuant a process regulated by the Office of the Commissioner for Public Appointments. Governors are required to comply with the Principles of Public life as described in the Cabinet Office Code of Conduct for Board Members of Public Bodies.

The Board of Governors reserves one place on the Board for a Member Governor. This appointment is subject to approval by the Board of Governors.

A Governor's term of office is normally four years. Pursuant to the BFI's Royal Charter, a Governor may only serve two terms in office. Newly appointed Governors receive a letter of appointment and induction documents which together address, amongst other things, duties, period of appointment, time commitment, remuneration, performance and their responsibilities and duties as Charitable Trustees. Governors have broad experience and expertise in the areas of film, television, the moving image generally, business and strategy and education. All Governors are part-time, unremunerated non -executives. The Board of Governors has corporate responsibility for:

- delivering the mission set out in the Royal Charter; delivering the BFI's charitable objectives; and developing the overall strategic direction of the BFI;
- ensuring that the BFI as a Non-Departmental Public Body complies with any statutory or administrative requirements for the use of public funds and to maximise value for money;
- ensuring that the BFI acts reasonably and prudently in all matters relating to its charitable status;
- appointment of the Chief Executive;
- ensuring that all BFI properties and assets are protected and effectively utilised in the pursuit of the BFI's overall mission;
- ensuring commercial activities are self- financing and aligned to the BFI core purpose and that these activities uphold fair trading standard requirements;
- ensuring that any fund-raising activity carried out on behalf of the BFI is properly undertaken and that all funds collected are properly accounted for;
- overseeing the delivery of planned results by monitoring performance against agreed strategic objectives and targets;
- ensuring that the BFI's rules for the recruitment and management of staff provide for appointment and advancement on merit on the basis of equal opportunity for all applicants and staff; and
- ensuring the board operates sound environmental policies and practices in accordance with the approach set out in the 1990 White Paper *This Common Inheritance*, the Government's green initiatives and other relevant guidance.

Board Assessment

The Board undertakes a formal and rigorous evaluation of its own performance and that of its committees and individual Governors on a bi-annual basis.

Organisational Structure

The Board of Governors delegates specific responsibilities to its Committees. Recommendations made by Committees are presented to the Board as a whole for approval.

A brief description of each Committee and its function is given below:

Audit, Risk & Governance	This committee reviews the effectiveness of the processes, structures, and controls used to direct, manage and account for the financial and business affairs of the BFI. The Audit, Risk and Governance Committee consider all internal and external audit reports and recommendations.
Finance	This Committee is responsible for overseeing the budgetary, assurance and value for money processes within the BFI.
Remuneration	This Committee determines and keeps under review the levels of pay, and the terms and conditions of service, for the Chief Executive and other senior managers.

Composition of the Committee during the year was:

Audit, Risk & Governance	Phil Stokes (Chair)
	Andrew M Smith DL
	Charles Cecil MBE (Non-Governor Member)
	Sukie Kooner (Non-Governor Member)
Finance	Pat Butler (Chair)
	Michael Birshan
	Pete Czernin
	Robin Saunders
Remuneration	Josh Berger (Chair)
	Pat Butler

J. Timothy Richards

Phil Stokes

The Secretary to the Board of Governors and its committees is Iain Thomson.

Board of Governors Attendance 2020-21

The number of BFI Board meetings held in the 2020-21 financial year was 11 and the Governors' attendance records were as follows:

		%
Josh Berger CBE	8 of 8	100
Michael Birshan	10 of 11	90
Pat Butler	8 of 10	72
Pete Czernin	9 of 10	90
Idris Elba OBE	5 of 11	45
Gerry Fox	9 of 9	100
Jay Hunt	10 of 11	90
J. Timothy Richards	5 of 5	100
Jonathan Ross OBE	2 of 11	18
Robin Saunders	11 of 11	100
Andrew M Smith DL	11 of 11	100
Phil Stokes	11 of 11	100
Eleanor Whitley	10 of 11	90
Andrea Wong	10 of 10	100

All Governors are required to complete a declaration of any potential related party interests – and details of any transactions with these related parties is reported in note 30 of the Charity and Group financial statements.

Audit, Risk and Governance Committee Attendance 2020-21

The number of Audit Risk and Governance Committee meetings held in the 2020-21 financial year was four and the members' attendance records were as follows:

Phil Stokes (Chair)	4 of 4
Andrew M Smith DL	4 of 4
Sukie Kooner (Non-Governor Member)	4 of 4
Charles Cecil MBE (Non-Governor Member)	4 of 4

Executive

The Board of Governors employs a Chief Executive.

During the year under review, the Board undertook an extensive recruitment process to replace Amanda Nevill who left the BFI on 13 February 2020. The process culminated in the appointment of Ben Roberts, who had previously held the position of Deputy Chief Executive. Ben leads an executive team that during the year consisted of:

Ben Roberts	Chief Executive
Ed Humphrey	Director of Digital and Ventures
Harriet Finney[8]	Director of External Affairs
David Parkhill[9]	Director of Finance and Resources
Heather Stewart[10]	Creative Director of BFI
Francesca Vinti	Director of Development

The Executive makes day-to-day management decisions on behalf of the Board of Governors under the Financial Procedures approved by the Board.

Better Payment Practice Code

The BFI attempts to abide by the Better Payment Practice Code and in particular to settle bills in accordance with contract. Invoices are normally settled within our suppliers' standard terms, which are typically in line with our standard 30 day terms. The average payment terms taken were 30 days (2020: 20).

General Data Protection Regulation (GDPR)

During the year to 31 March 2021, the BFI:

- Received and managed 100 requests in 2020-21.
- Identified and handled 3 Data Breach cases, these did not involve personal protected data. All were considered to be minor breaches with the decision taken not to inform the Information Commissioners Office (ICO).
- The Data Breach Policy was reviewed and updated (December 2020).
- Considerable amount of EU Exit work was been undertaken – identifying, reviewing and updating contracts where data is held outside UK.
- As part of the BFI's Business Continuity Plan, during the pandemic, the Information Asset Register was regularly reviewed and updated.
- With colleagues in IT, a number of GDPR related tools/products have been

[8] Appointed Deputy CEO and Director of Corporate and Industry Affairs on 17 May 2021.

[9] Retired 31 October 2021.

[10] Resigned 30 September 2021.

considered with the introduction of the Varonis software to assist with Data Subject requests.

- Ongoing advice relating to data protection was provided as and when required to numerous departments.

Speaking Up Policy and Procedure

Included within the updated Financial Procedures Manual (2018) is a Speaking Up (Whistleblowing) Policy & Procedure – the BFI is committed to the highest possible standards of openness, probity and accountability. The purpose of this policy is to encourage reporting of suspected wrongdoing and provide clear guidance on: (i) the steps staff should take if they have concerns; (ii) how staff raising concerns will be supported; and (iii) what will happen after such concerns are raised. This policy also seeks to reassure staff that they should be able to raise genuine concerns without fear of reprisals, even if they turn out to be mistaken.

This policy was consulted upon with our recognised trade unions and is in line with the BFI's legal obligations. It covers all BFI staff plus other workers such as consultants, contractors, and agency workers.

Disclosure of information to the auditors

So far as the Accounting Officer and each person who was a Governor at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow Governors, the Chief Executive and the Group's auditor, each Governor/Accounting Officer has taken all the steps that he/she is obliged to take as a Governor/Accounting Officer in order to make himself/herself aware of any relevant information and to establish that the auditor is aware of that information.

REMUNERATION and PEOPLE REPORT

The Remuneration Committee

The Board of the BFI is responsible for determining the remuneration of the Chief Executive and senior staff. In the year ending 31 March 2021, it discharged this responsibility through the cycle of Board meetings.

In addition the Board is supported by the Remuneration Committee which meets annually (or further if required) to review and set senior salaries, authorised within its terms of reference, to obtain independent professional advice if considered necessary. The meeting for 2020-21 was held on 21 January 2021. The Remuneration Committee comprises of a Chair, who is also Chair of the BFI Governors, and up to 2 other members of the Board or co-opted members, who are each appointed for a period of up to three years.

The members during the year were:

J. Timothy Richards[11]
Josh Berger[12]
Pat Butler[13]
Phil Stokes

Remuneration Framework

Governors are not entitled to draw any remuneration for their time spent working as a Trustee of the BFI, although they are entitled to reimbursement of expenses incurred in discharging their duties.

In determining appropriate levels of remuneration for senior staff, the BFI follows the Government's policy to maximise value for money by paying enough to attract and retain suitably qualified senior staff, and salaries are based on the minimum required to recruit, retain and motivate senior staff of appropriate calibre.

All staff including the Chief Executive, are entitled to membership of the BFI staff pension scheme (either Local Government Pension Scheme (LGPS) operated by the London Pension Fund Authority (LPFA), which is a defined benefit scheme, or a defined contribution scheme operated by Legal and General depending on start date). Further details of the schemes can be found in note 8 to the BFI Group financial statements.

[11] Appointed Chair 16 February 2021.

[12] Term expired 6 November 2020.

[13] Interim Chair of the Remuneration Committee November 2020-February 2021. Term expired 15 February 2021.

The staff pay bill for each year is subject to review by the Finance Committee, the Board of Governors and the DCMS, under HM Treasury guidelines and limits for public sector pay.

Appointments of Board of Governors

The Chair and Governors of the BFI are appointed by the Secretary of State for Digital, Culture, Media and Sport in accordance with Cabinet Office's Governance Code on Public Appointments. Governors are appointed for a term of not more than four years, with one Governor being elected by the membership of the BFI. Governors may stand for two successive terms of office. There is no period of notice required for resignation from the Board.

No members of senior management were employed under fixed term contracts as at 31 March 2021. The period of notice required for termination of contract is no greater than six months.

Audited Information

Governors' Remuneration

No Governor drew any remuneration in the year. No payments were made in the year for services (2020: £nil). As part of their oversight duties as Trustees, copies of all books and DVD/Blu-Ray releases published by the BFI during the year are made available to all Governors.

Senior Staff Remuneration

"Total remuneration" reported below comprises salary, bonuses and accrued pension benefits and thus should not be equated to take home pay. Because of the combination of all these factors the annual movement in "total remuneration" is not a simple reflection of any cost of living award (COLA).

"Total salary" is in bandings, depending where a staff member is in the bandings, the organisational COLA may tip some roles into a higher band.

Senior staff are members of the same pension schemes and on the same terms as staff, and all staff who are members of the defined benefit Local Government Pension Scheme (LPFA) accrue pension benefits on the same basis.

"Pension benefits accrued during the year" as noted above indicates how an individual's total accrued pension benefit has moved in a year by taking the increase in benefits relative to that year and assessing the total value assuming they are paid over a typical twenty years of retirement.

In the year to 31 March 2021, all senior staff except for Harriet Finney were members of the LPFA defined benefit scheme.

The increase in pension benefits for senior staff who are members of the LPFA arise from three sources:

- BFI LPFA pension contributions of 15.4% of salary
- Employee pension contributions of between 5.5% and 12.5%. Higher paid staff contribute at a higher rate although not receiving any additional benefits
- LPFA projected investment returns (dividends, capital appreciation etc.)

The pension benefits accrued during the year are calculated by:

- Calculating the annual pension due on retirement plus lump sum benefit (if any) at the 31 March 2021
- Re-calculating the equivalent figure from 31 March 2020 and applying the Consumer Price Index (CPI) in order to show the "real" movement after inflation; and then
- Multiplying the change in value in pension by 20 (i.e. assuming a 20 year retirement period)

Year on year the main distorting factor is CPI – as the impact of changes in CPI is greater the longer the period of service and thus the benefit accrued.

Depending on the underlying LPFA assumptions and the age of the individual on a year by year comparison the pension benefits accrued during the year can be an increase or a reduction compared to that of the prior year.

Remuneration (including pension benefits) for the senior staff for the year:

	Total salary for the year ended 31 March 2021 (2020)	Bonuses attributable for the year ended 31 March 2021 (2020)	Benefits in Kind for the year ended 31 March 2021 (2020)	Pension benefits in the year ended 31 March 2021 (2020)	Total remuneration for the year ended 31 March 2021 (2020)
	£'000	**£'000**	Nearest £100	**£'000**	**£'000**
Ben Roberts CEO and Accounting Officer	150-155 (150-155)	- (5-10)	100 (100)	25-30 (15-20)	175-180 (175-180)
David Parkhill Director of Finance and Resources	125-130 (130-135)	- (-)	100 (100)	40-45 (40-45)	170-175 (170-175)

	Total salary for the year ended 31 March 2021 (2020)	Bonuses attributable for the year ended 31 March 2021 (2020)	Benefits in Kind for the year ended 31 March 2021 (2020)	Pension benefits in the year ended 31 March 2021 (2020)	Total remuneration for the year ended 31 March 2021 (2020)
	£'000	**£'000**	Nearest £100	**£'000**	**£'000**
Harriet Finney Director of External Affairs	115-120 (105-110)	- (-)	100 (100)	N/A (N/A)	115-120 (105-110)
Ed Humphrey Director of Digital and Ventures	115-120 (120-125)	10-15 (15-20)	100 (100)	20-25 (20-25)	150-155 (150-155)
Heather Stewart Creative Director	125-130 (125-130)	- (-)	100 (100)	35-40 (30-35)	160-165 (160-165)
Francesca Vinti Director of Development	105-110 (105-110)	- (10-15)	100 (100)	35-40 (45-50)	145-150 (155-160)
Amanda Nevill Chief Executive and Accounting Officer[14]	10-15 (150-155)	- (5–10)	- (100)	5-10 (135-140)	15-20 (300-305)

Pension contributions during the year were made to defined contribution schemes for:

	Contributions paid	
	2020-21	2019-20
Harriet Finney Director of External Affairs	8,499	6,713

[14] Resigned 14 February 2020. The full year equivalent salary is £150-£155k. The remuneration in 2020-21 reflects the amounts due relating to the three month notice period.

Included in the above is remuneration for senior staff in the year which is attributable to lottery for the year ending 31 March 2021. This is recharged as part of our lottery funded operations and thus contained within expenditure in the Lottery Financial Statements for the year ending 31 March 2021.

44% of the remuneration Ben Roberts and David Parkhill has been attributed to lottery for the year (2020: 51%) with the proportion of total income attributed to lottery being used as the baseline.

Benefits in kind

All members of BFI staff are entitled to receive: up to £100 contribution towards gym membership per annum; up to 12 free tickets per month at the BFI Southbank cinemas; staff discounts on purchases at the BFI Southbank's Film Store and Benugo cafe and restaurant and the BFI London IMAX, ranging from 10-70%; and interest free loans for travel season tickets, bicycle and computer purchases and dental treatment. Staff whose contracts transferred from UKFC may opt to receive a contractual payment of £250 for cinema tickets per annum in place of the BFI Southbank ticket entitlement. Staff on BFI contracts receive a monthly copy of Sight and Sound.

Senior staff pension arrangements

The following senior staff were members of the LPFA scheme at 31 March 2021:

	Real increase in accrued pension benefits 2020-21	Attributable pension accrued at 65 at 31 March 2021 (or date left the BFI if earlier)	Cash Equivalent Transfer Value (CETV) as at 31 March 2020	CETV as at 31 March 2021 (or at date left the BFI if earlier)	Real increase in CETV after adjustment for inflation etc. in 2020-21
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
Ed Humphrey Director of Digital and Ventures	0-2.5 (lump sum: 0-2.5)	5-10 (lump sum: 0-5)	95	115	15-20
David Parkhill Director of Finance and Resources	2.5-5 (lump sum 0-2.5)	15-20 (lump sum: 0-5)	290	331	35-40
Ben Roberts DCEO/Chief Executive and Accounting Officer	0-2.5 (lump sum: 0-2.5)	15-20 (lump sum: 0-5)	178	211	30-35

	Real increase in accrued pension benefits 2020-21	Attributable pension accrued at 65 at 31 March 2021 (or date left the BFI if earlier)	Cash Equivalent Transfer Value (CETV) as at 31 March 2020	CETV as at 31 March 2021 (or at date left the BFI if earlier)	Real increase in CETV after adjustment for inflation etc. in 2020-21
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
Heather Stewart Creative Director	2.5-5 (lump sum 0-2.5)	60-65 (lump sum: 95-100)	1,197	1,251	45-50
Francesca Vinti Director of Development	0-2.5 (lump sum: 0-2.5)	30-35 (lump sum: 15-20)	418	462	40-45

These staff cover both Lottery and Grant-in-Aid and other funded activities.

The accrued pensions are the amounts eligible at retirement if the staff member left service at the relevant date. The transfer values do not represent a sum paid or payable to the individual, but rather a potential liability of the pension scheme. They have been calculated using assumptions certified by a qualified actuary.

Senior staff numbers and costs

The number of senior staff by number and band (core salary plus any bonus) is:

Chief Executive and other executive staff at 31 March 2021

Salary Banding	2021 (Number)	2020 (Number)
£160,000 - £169,999	-	1
£150,000 - £159,999	1	1
£140,000 - £149,999	-	-
£130,000 - £139,999	1	2
£120,000 - £129,999	2	1
£110,000 - £119,999	2	1
£100,000 - £109,999	-	1
£90,000 - £99,999	-	-
£80,000 - £89,999	-	-

Other senior staff

Salary Banding	2021 (Number)	2020 (Number)
£100,000-109,999	1	1
£90,000 - £99,999	7	4
£80,000 - £89,999	17	19
£70,000 - £79,999	19	21
£60,000 - £69,999	23	20

Staff number and costs (including on-costs)

	2021		2020	
	Number	£'000	Number	£'000
Average no of permanent staff during the year	497	29,716	504	29,754
Average no of other staff engaged on objectives of the organisation	7	421	8	442

Off Payroll Consultancy Engagements

During the year ended 31 March 2021 the BFI had 11 off payroll engagements totalling £447,000 (2020:10 £403,000) for more than £245 per day (2020: £245 per day), that lasted longer than 6 months and amounted to £20,000 or more. These have been subject to a risk based assessment as to whether assurance is required that individuals are paying their correct tax and, where necessary, that assurance has been sought.

Termination payments

The termination payments payable to employees were:

Cost of redundancies **(as per BFI's agreed** redundancy policies)	Number of compulsory redundancies		Number of voluntary redundancies		Total	
	2021	2020	2021	2020	2021	2020
<£10,000	-	-	-	-	-	-
£10,000-£25,000	-	-	-	-	-	-
£25,000-£50,000	-	-	1	2	1	2
£50,000-£100,000	-	-	2	1	2	1
£150,000-£200,000	-	-	-	-	-	-

Cost of redundancies **(as per BFI's agreed** redundancy policies)	Number of compulsory redundancies		Number of voluntary redundancies		Total	
	2021	2020	2021	2020	2021	2020
£201,000 >	1	-	-	-	1	-
No of exit packages	1	-	3	3	4	3
Cost £'000	269	-	202	127	471	127

Hutton Review of Fair Pay

The BFI is required to disclose the relationship between the remuneration of the highest-paid member of the Executive team their organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the Chief Executive Officer in the financial year was £150,000-£155,000 (2020: £150,000-£155,000). This was 4.3 times (2020: 4.4) the median remuneration of the workforce, which was £35,622 (2020: £35,025). The median remuneration does not include short-term agency staff.

Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

The range of remuneration was £23,000-£151,000 (2020: £23,000-£170,000).

Our People **(Unaudited Information)**

Diversity and Inclusion

The BFI is committed to supporting and promoting diversity and inclusion through all our people activities and approaches during our employee's life cycle.

Our profile and our action plan:

Our range of initiatives are externally published within our gender pay gap action plan on our own website and on the Government's Gender Pay Gap reporting site, as we recognise the intersectionality of our people.

Our reported gender pay gaps (in favour of men) are:

	MEAN PAY GAP	MEDIAN PAY GAP	FEMALE %	MALE %
31-03-21	3.1%	0%	54.6%	45.4%

	MEAN PAY GAP	MEDIAN PAY GAP	FEMALE %	MALE %
31-03-20	1.9%	0%	52.6%	47.4%
31-03-19	-0.02%	3.9%	53%	47%

Our Profile as at 31 March 2021:

	SELF-IDENTIFIED (31-03-21)	SELF-IDENTIFIED (31-03-20)	SELF-IDENTIFIED (31-03-19)	OUR DATA GAPS	OUR TARGETS
Disability	8.6%	9.0%	8.6%	12.8%	12%
Ethnicity (Ethnically diverse)	16.7%	16.2%	15.5%	0%	40% in urban areas; 36% overall
Gender (Women)	54.6%	52.6%	53%	0%	50%
Sexual Orientation (LGBTQ+)	13%	13.6%	11.7%	21.1%	10%

We are working to close our data gaps to ensure that our reporting better reflects who we are and our initiatives both target support for our current people and help us to improve our representation across the BFI. Our targets in our under represented areas are designed to challenge us to find innovative ways to meet them within a low core turnover (unplanned approx. 10% in a non COVID year, 3.6% in 20/21) and an average length of service of 9.6 years, which along with our 0.8% time lost to sickness absence reflect our high level of people engagement.

Our 2020-21 People Initiatives included:

- We supported BFI people through COVID-19 pandemic ensuring the furlough scheme was accessed to protect jobs and looked for redeployment opportunities around the organisation for people in departments that were slower to re-open.

- We continue to pay the London Living Wage plus a differential as a minimum to all employees across the BFI (including c20% of our people based outside of the London area).

- Internal staff networks have been established BFI Race Equality Network and BFI LGBTQIA+ Network.

- We have introduced a target of 15% for ethnically diverse senior management. We are also working closely with our Inclusion team to review our recruitment and

selection language and access. We work with the following recruitment sites to encourage ethnically diverse candidates: We Are POCC; and SocialFixt.

- We have for several years guaranteed a 1st stage interview to all ethnically diverse candidates who meet our minimum requirements person specifications which mirrors our approach to D/deaf/disability as a Disability Confident employer.

- We won the 2020 UK Inclusivity Excellence Award for our work on engagement in representation

- We encourage women returners (and support all working parents) we operate a generous childcare scheme, supported by flexible working practices (for all) and provide shared parental leave on enhanced terms.

- We provide an Employee Assistance Programme that is frequently used by employees for advice and support on a wide range of life and work topics.

- We operate 'blind' recruitment at our shortlisting stage to advertised roles. Our person specifications for each role are based on the 'minimum requirements' of the competencies needed for the role to avoid creating any unnecessary barriers. We are a Disability Confident employer, accredited by Jobcentre Plus. In addition to guaranteeing an interview to applicants with a disability who meet our minimum requirements for a role we also operate the same approach for ethnically diverse candidates.

- We are long serving Stonewall Champions.

- D&I evidence based workforce targets are in place for each Executive Director to own and action plan their delivery. BFI wide targets are proposed based upon the combined Directorate proportionate targets.

- We are founding members for our sector of the global Employer's Network for Equality and Inclusion and represent on the Executive Steering Committee.

Health & Wellbeing

- Our overall sickness absence is low at 0.8% time lost to sickness absence.

- Reacting to government requirements and fluctuating infection rates has, of course, been a challenge. A considerable amount of time and effort has gone into ensuring our sites are safe to operate within COVID Secure guidance. We have regularly met with operational teams and the joint unions to agree and implement COVID secure procedures. Measures implemented include, calculation of maximum occupancy of areas at requisite social distancing, installing barriers and divides, enhanced cleaning and improvements to ventilation. Providing employees with face coverings and clinical grade masks, installing body temperature monitoring for all sites and purchasing lateral flow tests for employees and contractors attending site. All staff

returning to site were given training on the new working practices and controls as well as COVID Vulnerability Screening. Additional controls or precautions were put in place for any higher risk employees including clinical grade masks, increased segregation or alternative duties.

- To support the shift of our office based employees to homeworking we rolled out, ergonomic, IT and wellbeing advice. Ergonomic homeworking equipment has been made available to our homeworking employees including large monitors, keyboards, mice and office seating.

- We recognise the significant strain this pandemic has taken on individuals and rolled out multiple health and wellbeing initiatives including: flexible and reduced working hours for those with increased schooling responsibilities, a new mental health e-learning module for all employees, COVID secure access to sites for operational and wellbeing reasons, a robust occupational health process for protecting the vulnerable and increased support for employees who are struggling with lockdowns and new isolated working conditions

- In addition to the significant wellbeing work done around the pandemic we continue to train new mental health first aiders and offer resilience sessions for teams.

66 people accessed advice or counselling from our Employee Assistance Programme in 2020-21. Advice and support was sought on a variety of work and personal issues including financial, child care and counselling services.

CORPORATE INFORMATION

British Film Institute
The British Film Institute is incorporated by Royal Charter and is registered in England and Wales as a charity, number 287780.

Registered Office: 21 Stephen Street, London W1T 1LN
www.bfi.org.uk

Auditor
Comptroller and Auditor General National Audit Office 157-197 Buckingham Palace Road, London SW1W 9SP

Bankers
Lloyds Bank plc
113-117 Oxford Street, London W1D 2HW

Internal auditors
BDO
55 Baker Street, London, W1U 7EU

Solicitors
Farrer & Co
66 Lincoln's Inn Fields, London WC2A 3LH

Approval of Annual Report
This annual report includes information that the BFI is required to disclose in accordance with the Government Financial Reporting Manual (FReM) and accounts direction in a Strategic Report for the National Lottery activities. A separate report has therefore not been prepared.

The Annual Report, including the Remuneration Report, was approved by the Board of Governors for signature on 25 November 2021.



Phil Stokes
Chair, **Audit, Risk and Governance Committee**
BFI Governor



Ben Roberts
Chief Executive

GOVERNANCE STATEMENT

Scope of Responsibility

How the BFI is governed is covered on pages 74 to 79. The Board of Governors is aware of the requirements of the HM Treasury Corporate Governance Code and work is continuing to ensure compliance.

As Accounting Officer and as Chair of the Board of Governors, we have responsibility for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives set by the Department for Digital, Culture, Media and Sport (DCMS), whilst safe-guarding the public funds and the British Film Institute's (BFI) assets for which we are responsible in accordance with the responsibilities assigned to us in Managing Public Money and as Trustees of the Charity. The BFI complies with the HM Treasury Corporate Governance Code to the extent relevant to a Charity and National Lottery distributing body.

We also have responsibility, as defined in the BFI's Funding Agreement with the DCMS and the Management Statement and Financial Memorandum, for leading and managing the work of the BFI to fulfil its policies, aims and objectives, and upholding its values. The Accounting Officer reports to the Board of Governors of the BFI and we formally meet regularly with DCMS.

The purpose of the system of internal control

The system of internal control is designed to manage to a reasonable level rather than to eliminate the risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of BFI policies, aims and objectives, to evaluate the likelihood of those risks being realised and should they be realised, to manage them efficiently, effectively and economically. The system of internal control includes adequate arrangements for detecting and responding to inefficiency, conflict of interest and fraud, and prioritises those risks associated with the custody of assets and potential loss of Exchequer and National Lottery grants. The system of internal control has been in place for the year ended 31 March 2021 and up to the date of approval of the annual report and financial statements, and accords with Treasury guidance.

Capacity to handle risk

As Accounting Officer and Chair of the Board of Governors we have overall responsibility for the BFI's risk management framework, and are supported in its implementation by the Senior Management Team and staff who are trained and equipped to assess and manage risk in a way appropriate to their authority and duties. Attendance at Board of Governors meetings in 2020-21 is detailed at page 77.

The Audit, Risk and Governance Committee, chaired during the year by Phil Stokes, gives independent advice and guidance to us, in our roles as Accounting Officer and Chair, and to the Board of Governors as a whole, on the adequacy of audit arrangements (both internal and external), on the implications of assurances provided in respect of risk and control at the BFI and oversees the work of the internal auditors, as well as providing guidance as to best practice. Attendance at Audit, Risk and Governance Committee meetings in 2020-21 is detailed at page 77.

The Remuneration Committee provide oversight and approval of remuneration and performance for senior staff members including the Accounting Officer.

Further advice and guidance as to best practice is received from the internal and external auditors (who attend meetings of the Audit, Risk and Governance Committee), the DCMS, and other comparable organisations.

Terms of reference for the Audit, Risk and Governance Committee and the Remuneration Committee are reviewed by the Board of Governors and are held by the Board Secretary.

The risk and control framework

A risk management policy has been established setting out the BFI's attitude to the assessment, limitation and mitigation of risk in the achievement of our objectives.

The BFI has incorporated risk management in planning and decision making and maintains an organisation-wide risk register. Policy and operational risks both in the organisation and from external factors are identified through our business planning cycle and the annual operational planning cycle, and are evaluated by the Executive Team. We also consider the risks associated with holding and safeguarding information for operational or financial reporting purposes.

As at the 31 March 2021 the risk register as noted by the Executive Team included 42 corporate risks; these were considered as either time-sensitive or perennial risks.

The most significant are:

NATURE OF RISK	IMPACT	MITIGATION
Due to COVID-19, closure of BFI offices, venues and activities resulting in programme and services not being delivered and subsequent loss of self-generated income	£1.2m (in 2020-21 financial year)	Business Continuity/DR Plan in operation; Financial planning undertaken - review of all expenditure and income; maximising the Government's JRS and minimising all expenditure; working with Government to minimise financial risk
Failure to deliver the BFI's diversity agenda as effectively as planned	Reputation	Strong Executive Leadership and continued rollout of Diversity Standards across all BFI National Lottery activities; Workforce targets have been finalised for each Executive Director to own and action plan their delivery; regularly monitored and reviewed
The BFI does not secure level of funding and support to deliver its priorities	0 -10% of GIA	Engaging across Government on the role and activities of the BFI and how the BFI can deliver against the wider Government priorities
There is a period of uncertainty in 2021/22 in delivery of BFI2022 and the next Strategic Plan	Operational	In consultation with DCMS; monitoring and evaluation exercise underway re review of BFI2022 activities
The BFI is perceived not to be delivering UK-wide	Reputational	As detailed in BFI2022, the BFI is developing a UK-wide strategy which will help to identify how film outside London can be better served. On-going and continued monitoring of activity and performance

Risk management and internal control are embedded in the processes of the organisation and are considered and reviewed on a regular basis by management. For example, the National Lottery Finance Committee (LFC), who ultimately sign off on National Lottery commitments, consisted of representatives of the relevant fund, finance and business affairs and was independently chaired by the Accounting Officer or the Director of Finance and Resources. Any perceived risks arising in making an award were thus discussed at the time the funding decision was made and appropriate mitigating action taken, whilst allowing decision-making, oversight and control to be maintained of the decisions by the respective funds. The committee was updated on the progress of the funded projects to allow timely action to mitigate risks, protect funds and ensure that the ultimate purpose of the award is fulfilled.

For the regularly funded organisations, such as Creative England, Film London and Into Film, alongside regular oversight and monitoring, a series of regular formal governance meetings were held with the recipients throughout the year to discuss progress against key performance and risk indicators incorporated in their business plans and funding agreements.

The work of the BFI's internal audit service, provided by BDO (formerly Moore Stephens), operated to standards set out in the Public Sector Internal Audit Standards was developed from an analysis of BFI's UK exposure.

In 2020-21 internal audit reports covered:

- Assurance Mapping
- Culture Recovery Fund for Independent Cinemas England
- Business Continuity Planning
- Post Event Assurance
- Key Financial Controls
- Grant Management Functional Standard submission
- Young Audiences Content Fund – Interim

The analysis of risk and the internal audit plans are endorsed by the BFI's Executive Team, the Audit, Governance and Risk Committee and are approved by the Accounting Officer.

In line with Cabinet Office guidance in relation to information risk, the Finance Director is the Senior Information Risk Owner. Working with the Internal Auditor, all the systems and databases operated by the BFI are kept under review and periodic updates provided to the Audit, Governance and Risk Committee.

In addition, the BFI has in place a wide range of policies, for instance relating to corporate governance, conflicts of interest, financial management (including fraud), health and safety, training and development and information technology. These are periodically reviewed and updated.

The internal communications process ensures that all staff are informed about key decisions on a timely basis through appropriate means. There is also an external communications strategy that ensures stakeholders, Parliament, press, funded organisations and projects, the industry at large, and members of the general public receive appropriate and reliable information.

Progress in achieving objectives set in the strategic plan is monitored by the Board and Senior Management. The Board receive appropriate regular financial reporting, enabling monitoring against financial targets.

Review of effectiveness

The Board is responsible for considering its performance and reviewing its effectiveness, including assessing the quality of the information it receives on an ongoing basis, and judging that it is of a satisfactory standard. Papers and reports are concise, relevant and timely. The Governors receive appropriate updates on the BFI's financial positions, forecasts, risks and performance against strategic goals at their scheduled meetings.

As Accounting Officer and Chair of the Board of Governors, we have responsibility for reviewing the effectiveness of the system of internal control. Our review is informed by the work of the internal auditors and the Senior Management within the BFI who have responsibility for the development and maintenance of the internal control framework, and comment made by the external auditors in their management letters and other reports. We have been advised on the implications of the results of our review of the effectiveness of the system of internal control by the Board and the Audit, Risk and Governance Committee, and a plan to address any weaknesses and ensure continuous improvement is in place.

In respect of risk management the responsibilities of the Executive Team are to:

- manage risk in their own areas of responsibility through the implementation of risk mitigation processes and by following the BFI's risk policy;
- translate the risk register into day-to-day operational planning within teams; and
- report to the Accounting Officer on the status of risks and controls.

The Board receives reports from the Chair of the Audit, Risk and Governance Committee, and from the Accounting Officer and managers, on the steps taken to manage risks, including progress reports on key activities and projects, as well as on new risks that may arise both internally within the organisation and due to external factors such as the political and economic environment of both the industry and the public sector.

The Internal Auditor provides audit reports on the areas of activity within the BFI. The reports include the Internal Auditor's independent opinion on the adequacy and effectiveness of the BFI's system of internal control during the year together with recommendations for improvement.

At the Audit, Risk and Governance Committee meeting on 24 November 2021, the Internal Auditors gave their annual opinion. They concluded that there was an adequate and effective system of governance, risk management and internal control to address the risk that management's objectives are not fully achieved.

We take assurance from assessment of the risk register, from the business and budget planning cycle, from the decision approval and operational procedures and from the reviews of, and assurance received from, delegate bodies that appropriate risk management procedures are in place.

Additionality

National Lottery applications and assessment processes are designed to ensure that awards made will be in line with the achievement of policies, aims and objectives set by the DCMS and the mission and values of the BFI, as well as the requirements of the National Lottery etc. Act 1993 as amended. The BFI considers that National Lottery funding is distinct from government funding and adds value. Although it does not substitute for Exchequer expenditure, where appropriate it complements government and other programmes, policies and funding.

We can confirm that in our opinion:

- the BFI complies with its current Financial Directions, Funding Agreement, Management Statement and Financial Memorandum and the requirements of a Charity;
- the BFI complies with DCMS guidelines as issued to it, including obtaining relevant approvals and observing the requirements of spending controls;
- adequate audit arrangements, both internal and external, are in place to support us in reviewing the systems of internal control;
- adequate arrangements are in place to detect and respond to inefficiency, conflicts of interest and fraud and to minimise losses of National Lottery and other funds;
- the BFI has drawn up and maintains risk assessment and control procedures and risk registers;
- the BFI has complied with Cabinet Office guidance on information risk and has suffered no protected personal data incidents during 2020-21 or during previous years, and has made no reports to the Information Commissioners Office; and
- adequate systems of internal control were operational during the year and no significant weaknesses have been uncovered.

The BFI will continue to strive to improve the systems of internal control in place in relation to its management, and processes to maximise our operational efficiency as a National Lottery Distributor.



Phil Stokes
Chair**, Audit, Risk and Governance Committee**
BFI Governor



Ben Roberts, Chief Executive

Registered charity no: 287780

BRITISH FILM INSTITUTE GROUP AND NATIONAL LOTTERY ANNUAL REPORT AND FINANCIAL STATEMENTS 2020-21

GROUP FINANCIAL STATEMENTS

For the year ended 31 March 2021

STATEMENT OF GOVERNORS AND ACCOUNTING OFFICER'S RESPONSIBILITIES

Under both the Royal Charter and the National Lottery etc Act 1993 (as amended by the National Lottery Act 1998), the BFI is required to prepare a statement of accounts for the financial period in the form and on the basis directed by the Secretary of State for Digital, Culture, Media and Sport, with the consent of HM Treasury.

The accounts are to be prepared on an accruals basis and to show a true and fair view of the BFI's state of affairs at the year end and of our incoming resources, resources expended and cash flows for the financial year.

The Grant-in-Aid accounts are also prepared so as to comply with the Charities SORP 2019, and the Lottery distribution accounts are prepared in line with the Government Financial Reporting Manual.

Both sets of accounts are also expected to:

- observe the accounts directions issued by the Secretary of State which set out accounting and disclosure requirements, apply suitable accounting policies on a consistent basis, and make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the Charity Statement of Recommended Practice or Government Financial Reporting Manual have been followed, and disclose and
- explain any material departures in the financial statements
- be prepared on a going concern basis, unless it is inappropriate to presume that the BFI will continue in operation

The Principal Accounting Officer of DCMS has designated the Chief Executive as the BFI's Accounting Officer. The responsibilities of the accounting officers for Grant-in-Aid and Lottery distribution arm's length bodies are set out in chapter three of Managing Public Money. Formally, the Accounting Officer is the person who Parliament calls to account for stewardship of its resources.

The Accounting Officer signing off these accounts has gained assurance in the following ways:

- a meeting with the Director of Finance to go through the financial controls
- receiving feedback from Business Planning and Performance Committee on review of internal audit reports and other internal control matters
- discussing the annual review and accounts at an Executive Board meeting attended by Executive Board colleagues, including the Director of Finance
- attending Audit, Risk and Governance Committee meetings where matters are scrutinised

The Accounting Officer confirms that, as far as he is aware, there is no relevant audit information of which the entity's auditors are unaware, and the Accounting Officer has

taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

The Accounting Officer confirms that, as far as he is aware, the annual report and accounts as a whole is fair, balanced and understandable and he takes responsibility for the annual report and accounts and the judgement required for determining that it is fair, balanced and understandable.

In approving these accounts, Governors have complied with their duty under section 11 of the Charities Act 2011 to have due regard to guidance published by the Charity Commission.

A copy of the Grant-in-Aid and Lottery distribution accounts directions are available from the Accounting Officer, BFI, 21 Stephen Street, London, W1T 1LN.

The Governors as the trustees of the Charity are responsible for preparing the Trustees' Annual Report and the group and charity financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The Governors delegate power and responsibility to the Chief Executive for the day to day operation of the organisation. As Accounting Officer for government reporting purposes, the Chief Executive is also responsible for reporting to DCMS, one of our main funders.

The law applicable to charities in England and Wales requires the Governors and Chief Executive to prepare accounts for each financial year which give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, changes in funds, and cash flows for the financial year. In preparing these financial statements, the Governors and Chief Executive are required to:

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- observe the methods and principles in the Charities SORP or HM Treasury's Financial Reporting Manual as applicable;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Charity will continue in operation.

The Governors and Chief Executive are responsible for keeping proper accounting records which are such as to disclose, with reasonable accuracy, the financial position of the Charity at any time, and to enable them as trustees to ensure that the accounts comply with applicable law. The Governors and Chief Executive are also responsible for safeguarding the Charity's assets and ensuring their proper application in accordance with the Charities Act 2011; National National Lottery etc. Act 1993, the Royal Charter and Managing Public Money issued by HM Treasury, and hence for taking reasonable steps for the prevention and detection of error, fraud and other

irregularities.

The Governors and Chief Executive are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Governors and Chief Executive confirm that they have met the responsibilities set out above and complied with the requirements for preparing the accounts. The charity and group financial statements set out on pages 69 to 89, have been compiled from and are in accordance with the financial records maintained by the Governors and Chief Executive.

The Board of Governors has approved a Code of Conduct which reflects the principles laid down in the Code of Best Practice for board members of Public Bodies and maintains a Register of Interests of board members. This Register is available for inspection at the BFI's registered offices at 21 Stephen Street, London W1T 1LN, on request to the Board Secretary.



Phil Stokes,
Chair**, Audit, Risk and Governance Committee**
BFI Governor



Ben Roberts
Chief Executive

THE AUDIT REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE GOVERNORS OF THE BRITISH FILM INSTITUTE

Opinion on financial statements

I have audited the financial statements of the British Film Institute for the year ended 31 March 2021 under the Royal Charter and the Secretary of State Directions thereunder. The financial statements comprise: the Consolidated and Charity Statement of Financial Activities, the Consolidated and Charity Balance Sheet, the Consolidated Cash Flow Statement and the related notes, including the 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, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

I have also audited the information in the Remuneration Report that is described in that report as having been audited.

In my opinion:

- the financial statements give a true and fair view of the state of the group's and the British Film Institute's affairs as at 31 March 2021 and of its incoming resources and application of resources for the year then ended; and
- the financial statements have been properly prepared in accordance with the Royal Charter and Secretary of State directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I have also elected to apply the ethical standards relevant to listed entities. I am independent of the British Film Institute in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the British Film Institute's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the British Film Institute'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.

My responsibilities and the responsibilities of the Governors and Accounting Officer with respect to going concern are described in the relevant sections of this report.

The going concern basis of accounting for the British Film Institute is adopted in consideration of the requirements set out in the Government Financial Reporting Manual (FReM), which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

Other Information

The other information comprises information included in the Annual report but does not include the financial statements and my auditor's report thereon. The Governors and Accounting Officer are responsible for the other information. My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion:

- the parts of the Remuneration Report to be audited have been properly prepared in accordance with Secretary of State directions made under the Royal Charter;

- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

In the light of the knowledge and understanding of the British Film Institute and its environment obtained in the course of the audit, I have not identified material misstatements in the Annual report.
I have nothing to report in respect of the following matters which I 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 my staff; or
- the financial statements and the parts of the Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Governors and Accounting Officer

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Governors and the Accounting Officer are responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- internal controls as the Governors and the Accounting Officer determine is necessary to enable the preparation of financial statement to be free form material misstatement, whether due to fraud of error.
- assessing the British Film Institute'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 Governors and the Accounting Officer anticipate that the services provided by the British Film Institute will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit the financial statements in accordance with the Royal Charter.

My 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 a certificate that includes my 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.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included the following:

- Inquiring of management, the British Film Institute's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the British Film Institute's policies and procedures relating to:

    - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
    - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
    - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the British Film Institute's controls relating to the Royal Charter, and Managing Public Money;
    - assessing the incentives for management to manipulate reported income and expenditure to remain within voted Parliamentary control totals;
    - reviewing the British Film Institute's accounting policies; and
    - using analytical procedures to identify any unusual or unexpected relationships and transactions.

- discussing among the engagement team and involving relevant internal specialists, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition and management override of controls; and
- obtaining an understanding of the British Film Institute's framework of authority as well as other legal and regulatory frameworks that the British Film Institute operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the British Film Institute. The key laws and regulations I considered in this context included Secretary of State Directions issued under the Royal Charter, employment law, tax law, the Coronavirus Act 2020 and Managing Public Money.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Audit, Risk and Governance Committee concerning actual and potential litigation and claims;

- reading minutes of meetings of those charged with governance and the Board;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- performing sample testing of income received around the end of the year to address the risk of recognising revenue in the correct accounting period.

I also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

I 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 I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies
Comptroller and Auditor General

Date **14 December 2021**

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

BRITISH FILM INSTITUTE
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2021

		2021					
	Note	Unrestricted £'000	Non-Lottery Restricted £'000	Total Non-Lottery £'000	Lottery Restricted £'000	2021 Total £'000	2020 Total £'000
Income							
Income and endowments from charitable activities (earned income)							
Audiences	3	13,784	-	13,784	-	13,784	22,996
Learning & Skills	3	79	-	79	-	79	230
Talent	3	-	-	-	-	-	7
Leadership	3	-	-	-	-	-	-
Income from donations and legacies							
Voluntary Income							
Lottery proceeds	3 & 15	-	-	-	49,073	49,073	48,258
Lottery recoupment income	3	-	-	-	806	806	1,576
Revenue Grant in Aid funding	2	16,649	55,596	72,245	-	72,245	33,918
Capital Grant in Aid funding	2	-	1,987	1,987	-	1,987	1,007
Other grants, legacies and donations	3	1,798	5,319	7,117	154	7,271	3,767
Donated services and facilities	4	-	356	356	-	356	1,698
Investment income	5	17	-	17	10	27	65
Total Income		32,327	63,258	95,585	50,043	145,628	113,522
Expenditure on							
Charitable activities							
Audiences	6	(35,174)	(57,106)	(92,280)	(9,762)	(102,042)	(75,998)
Learning & Skills	6	(1,829)	(1,200)	(3,029)	(11,457)	(14,486)	(17,860)
Talent	6	(1,329)	(3,992)	(5,321)	(31,259)	(36,580)	(27,273)
Leadership	6	(500)	(136)	(636)	(1,008)	(1,644)	(1,318)
Total charitable activities		(38,832)	(62,434)	(101,266)	(53,486)	(154,752)	(122,449)
Costs of raising funds	6	(1,859)	-	(1,859)	-	(1,859)	(2,260)
		(1,859)	-	(1,859)	-	(1,859)	(2,260)
Total expenditure		(40,691)	(62,434)	(103,125)	(53,486)	(156,611)	(124,709)
Net expenditure		(8,364)	824	(7,540)	(3,443)	(10,983)	(11,187)
Gross transfers between funds	24	3,128	385	3,513	(3,513)	-	-
Net expenditure and net movement in funds before other recognised gains and losses		(5,236)	1,209	(4,027)	(6,956)	(10,983)	(11,187)
Other recognised gains / (losses)							
Actuarial gains / (losses) on defined benefit pension scheme	8	(28,092)	-	(28,092)	(2,052)	(30,144)	7,148
Gains / (losses) on the revaluation of fixed assets	10	(1,415)	-	(1,415)	-	(1,415)	2,433
Net movement in funds		(34,743)	1,209	(33,534)	(9,008)	(42,542)	(1,606)
Reconciliation of funds							
Total funds brought forward	24	20,864	4,797	25,661	33,977	59,638	61,244
Total funds carried forward	24	(13,879)	6,006	(7,873)	24,969	17,096	59,638

All gains and losses recognised in the year are included in this Statement of Financial Activities and all activities are classified as continuing.
The accompanying notes 1 to 32 form part of these Accounts.

BRITISH FILM INSTITUTE
STATEMENT OF FINANCIAL ACTIVITIES - CHARITY ONLY
YEAR ENDED 31 MARCH 2021

		2021					
	Note	Unrestricted £'000	Non-Lottery Restricted £'000	Total Non-Lottery £'000	Lottery Restricted £'000	2021 Total £'000	2020 Total £'000
Income							
Income and endowments from charitable activities (earned income)							
Audiences	3	10,883	-	10,883	-	10,883	14,281
Learning & Skills	3	79	-	79	-	79	230
Talent	3	-	-	-	-	-	7
Leadership	3	-	-	-	-	-	-
Income from donations and legacies							
Voluntary Income							
Lottery proceeds	3 & 15	-	-	-	49,073	49,073	48,258
Lottery recoupment income	3	-	-	-	806	806	1,576
Revenue Grant in Aid funding	2	16,649	55,596	72,245	-	72,245	33,918
Capital Grant in Aid funding	2	-	1,987	1,987	-	1,987	1,007
Other grants, legacies and donations	3	2,719	5,319	8,038	154	8,192	9,414
Donated services and facilities	4	-	356	356	-	356	1,698
Investment income	5	13	-	13	10	23	52
Total Income		30,343	63,258	93,601	50,043	143,644	110,441
Expenditure on							
Charitable activities							
Audiences	6	(33,031)	(57,106)	(90,137)	(9,762)	(99,899)	(72,760)
Learning & Skills	6	(1,829)	(1,200)	(3,029)	(11,457)	(14,486)	(17,860)
Talent	6	(1,329)	(3,992)	(5,321)	(31,259)	(36,580)	(27,273)
Leadership	6	(500)	(136)	(636)	(1,008)	(1,644)	(1,318)
Total charitable activities		(36,689)	(62,434)	(99,123)	(53,486)	(152,609)	(119,211)
Costs of raising funds	6	(1,859)	-	(1,859)	-	(1,859)	(2,260)
		(1,859)	-	(1,859)	-	(1,859)	(2,260)
Total expenditure		(38,548)	(62,434)	(100,982)	(53,486)	(154,468)	(121,471)
Net expenditure		(8,205)	824	(7,381)	(3,443)	(10,824)	(11,030)
Gross transfers between funds	24	3,128	385	3,513	(3,513)	-	-
Net expenditure and net movement in funds before other recognised gains and losses		(5,077)	1,209	(3,868)	(6,956)	(10,824)	(11,030)
Other recognised gains / (losses)							
Actuarial gains / (losses) on defined benefit pension scheme	8	(28,092)	-	(28,092)	(2,052)	(30,144)	7,148
Gains / (losses) on the revaluation of fixed assets	10	(1,415)	-	(1,415)	-	(1,415)	2,433
Net movement in funds		(34,584)	1,209	(33,375)	(9,008)	(42,383)	(1,449)
Reconciliation of funds							
Total funds brought forward	24	21,008	4,797	25,805	33,977	59,782	61,231
Total funds carried forward		(13,576)	6,006	(7,570)	24,969	17,399	59,782

All gains and losses recognised in the year are included in this Statement of Financial Activities and all activities are classified as continuing.
The accompanying notes 1 to 32 form part of these Accounts.

BRITISH FILM INSTITUTE
CONSOLIDATED AND CHARITY BALANCE SHEET
As at 31 MARCH 2021

	Note	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Fixed assets:					
Intangible fixed assets	9	40	197	-	-
Tangible fixed assets	10	75,057	78,960	75,057	78,960
Investments	12	-	-	1,443	1,443
Total fixed assets		75,097	79,157	76,500	80,403
Non-current assets:					
Film Rights	14	9,228	10,532	9,228	10,532
Current assets:					
Stocks & work in progress	16	572	569	383	379
Debtors	17	30,737	8,677	31,425	10,133
Film Rights	14	2,331	2,805	2,331	2,805
National Lottery Distribution Fund	15	53,120	53,804	53,120	53,804
Cash at bank and in hand	18	32,557	23,411	30,734	20,345
Total current assets		119,317	89,266	117,993	87,466
Liabilities:					
Creditors: amounts falling due within one year	20	(88,571)	(53,387)	(88,347)	(52,689)
Provisions	22	(3,166)	(3,887)	(3,166)	(3,887)
Net current assets		27,580	31,992	26,480	30,890
Total assets less current liabilities		111,905	121,681	112,208	121,825
Defined benefit pension scheme net liability	8	(94,809)	(62,043)	(94,809)	(62,043)
Total net assets		17,096	59,638	17,399	59,782
The Funds of the Charity:					
Restricted income funds					
Restricted income funds excluding Lottery and pensions liability	24	6,006	4,797	6,006	4,797
Lottery reserve		29,919	36,650	29,919	36,650
Lottery share of pension reserve		(4,950)	(2,673)	(4,950)	(2,673)
	24	24,969	33,977	24,969	33,977
Total restricted funds		30,975	38,774	30,975	38,774
Unrestricted income funds					
Unrestricted income funds excluding pensions asset/liability		33,065	33,659	33,368	33,803
Unrestricted fixed asset revaluation reserve		42,915	46,575	42,915	46,575
		75,980	80,234	76,283	80,378
Pension reserve		(89,859)	(59,370)	(89,859)	(59,370)
Total unrestricted funds	24	(13,879)	20,864	(13,576)	21,008
Total charity funds	24	17,096	59,638	17,399	59,782

The accompanying notes 1 to 32 form part of these Accounts.

The Governors and Chief Executive Officer of the BFI, registered charity number 287780, approved these financial statements and authorised their signature on 10 December 2021.



Phil Stokes
Chair, Audit, Risk and Governance Committee
BFI Governor



Ben Roberts
Chief Executive

BRITISH FILM INSTITUTE
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED 31 MARCH 2021

				2021			2020
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Notes	£'000	£'000	£'000	£'000	£'000	£'000
Net (expenditure) / income		(8,364)	(2,619)	(10,983)	(10,677)	(510)	(11,187)
Less interest receivable	5	(17)	(10)	(27)	(33)	(32)	(65)
Depreciation	10	5,616	-	5,616	6,607	-	6,607
Amortisation of goodwill	9	157	-	157	157	-	157
(Increase) / decrease in film rights - due after one year	14	-	1,304	1,304	-	(2,283)	(2,283)
(Increase) / decrease in film rights - due within one year	14	-	474	474	-	2,954	2,954
(Increase) / decrease in stocks	16	(3)	-	(3)	(78)	-	(78)
(Increase) / decrease in debtors	17	(1,400)	(20,660)	(22,060)	(2,029)	1,293	(736)
Increase / (decrease) in creditors due within one year	20	3,736	31,448	35,184	1,875	13,153	15,028
Increase / (decrease) in provisions due within one year	22	-	(721)	(721)	-	1,052	1,052
Non-cash pension movements	8	2,398	225	2,623	4,069	425	4,494
Cash flows from operating activities		2,123	9,441	11,564	(109)	16,052	15,943
Cash flows from investing activities							
National Lottery Distribution Fund income received	15	-	(49,073)	(49,073)	-	(48,257)	(48,257)
National Lottery Distribution Fund cash drawn down	15	-	49,757	49,757	-	47,210	47,210
Interest receivable	5	17	10	27	33	32	65
Purchase of tangible fixed assets	10	-	(3,128)	(3,128)	(43)	(1,379)	(1,422)
Cash flows from investing activities		17	(2,434)	(2,417)	(10)	(2,394)	(2,404)
Change in cash and cash equivalents in the year		2,140	7,007	9,147	(119)	13,658	13,539
Cash and Cash equivalents at the beginning of the year		2,059	21,351	23,410	2,178	7,693	9,871
Cash and Cash equivalents at the end of the year	18 & 24	4,199	28,358	32,557	2,059	21,351	23,410

The accompanying notes 1 to 32 form part of these Accounts.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

Basis of preparation

The financial statements of the BFI are prepared under the historical cost convention, as modified for revaluation of certain categories of fixed assets and in accordance with the Charities Act, Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Accounts Direction issued by the Secretary of State for Digital, Culture, Media and Sport effective from April 2018 and applicable accounting standards.

The financial statements have also been prepared in accordance with the Government Financial Reporting Manual (FReM) issued by HM Treasury, to the extent that they clarify or build on the requirements of the Charities SORP (FRS102). The accounting policies contained in the FReM apply International Financial Reporting Standards as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the BFI for the purpose of giving a true and fair view has been selected. The particular policies adopted by the BFI are described below and they have been applied consistently in dealing with items that are considered material to the accounts.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the Charity, including its Lottery distribution activities, and all its subsidiary undertakings (see note 12 for details of subsidiaries and associate or jointly controlled entities). The results of the subsidiaries are consolidated on a line by line basis within the SOFA. A separate SOFA has also been presented for the Charity. The balance sheet and related notes show the assets and liabilities of the Group as well as the Charity. Separate accounts are also prepared for the BFI's Lottery distribution activities as required under the National Lottery etc. Act 1993 and these are attached to the consolidated accounts.

Estimates and judgements

Estimates and judgements have been used in the production of these accounts, notably with regard to the valuation of Fixed Assets, Film Rights and Pensions as at the year end, the allocation of support costs to the charitable activities and the recharge of operating costs to the Lottery activities. Details of the valuation of fixed assets are set out in the accounting policy Tangible fixed assets below and in note 10. Tangible Fixed Assets. Details of the valuation of film rights are set out in the Film Rights accounting policy below and in note 14. Film Rights. Details of the pension schemes are set out in the Pensions accounting policy below and in note 8. Pensions. The allocation of support costs is set out in the accounting policy Expenditure below and detailed in note 6. Expenditure. The recharge of operating costs to the Lottery activities are as set out in the accounting policy Apportioned costs below.

Most of the London Pension Fund's assets have quoted prices in active markets, but there are unquoted property, infrastructure and private equity assets, with BFI's share of assets other than equities and cash amounting to an estimated £48.9m (2020 £45.0m). The property and infrastructure assets are subject to valuation by external valuers and despite the ongoing impact of Covid-19 on the market and wider economy, the valuers have advised the pension fund that they are satisfied with the valuation of the assets at 31 March 2021. The actuaries have also given due consideration to the impact of Covid-19 on mortality rates and a prudent approach has been taken, following the guidance of the Institute and Faculty of Actuaries 'Continuous Mortality Investigation' 2020. Details of life expectancy are detailed in note 8 Pensions. The Fund Actuary has changed their standard approach to setting the CPI assumption, to take account of RPI reform. The method for calculating the RPI assumption (on which the CPI assumption is based) has been updated, resulting in a reduction in the Defined Benefit Obligation (DBO) of £9.8m. In addition, the difference between CPI and RPI (the RPI-CPI wedge) has been updated, resulting in an increase in DBO of £18.1m. These changes are linked, and are based on pre-2030 and post-2030 rates.

Going concern

Covid-19 has had a significant impact on the operations of the British Film Institute, with our cinemas and shops required to close from the commencement of lockdown in March 2020 through to July 2020, and then the further lockdown from November 2020 until Spring 2021. The ongoing impact of Covid-19 remains uncertain due to the potential for further lockdowns to be required, as well as the impact on demand. Thanks to the support from government through its Job Retention Scheme, extended to 30 September 2021, and the Culture Recovery Fund, for which the BFI is both a beneficiary and a distributor to the independent cinema sector, the organisation has so far been shielded from the worst of the known financial impacts since the year end. Based on this additional support, our status as a Royal Charter body, Non-Departmental Public Body and National Lottery Distributor and in the light of the 2022 Comprehensive Spending Review, we have reasonable expectations of continuing trading within the funding available to the BFI and that there would continue to be sufficient cash to meet the BFI's liabilities for at least 12 months from the date of signing the accounts.

1. ACCOUNTING POLICIES (CONTINUED)

Going concern (continued)

Much of the asset value of the BFI is in either restricted and/or long term fixed assets and pressure therefore remains on the underlying Charity. Excluding the restricted activities, the BFI recorded net expenditure (before gross transfers between funds and other recognised gains/losses) in the year of £10.98m (2020: net expenditure of £10.7m), albeit after non-cash transactions including depreciation of £5.6m (2020: £6.6m) and net non-cash pension charges of £2.6m (2020: £4.5m). The FRS102 pension liability has increased to £94.8m (2020: £62.0m) contributing to negative unrestricted reserves of £13.9m (2020: £20.9m). The pension liability is being addressed in the longer term with additional contributions being made to the London Pension Fund Authority, based on the triennial actuarial valuations, and these contributions are factored into our forward plans.

As at 31 March 2019, the latest actuarial valuation date, the deficit to be funded was £2.3m (2016: £9.6m) and this is being addressed over 5 years, subject to future triennial valuations. This is considerably less than the deficit in the accounts of £94.8m (2020: £62.0m) under FRS102 and the governors are satisfied that this approach is appropriate.

At the year end total reserves were £17.1m (2020: £59.6m) which included unrestricted cash balances of £4.2m (2020: £2.1m) and free reserves of £0.9m (2020: £1.1m) (note 24: Statement of Funds).

Charitable activities
The BFI engages in a diverse range of activities in order to meet its objects, which are described in more detail in the Governors' Report and the BFI's strategy BFI 2022. In the financial statements, the BFI categorises its activities across its four strategic priorities to further its charitable aims for the public benefit:

Audiences - great filmmaking for audiences everywhere.
Learning & Skills - giving everyone the educational opportunity to build a lifelong relationship with film.
Talent - supporting creative and influential filmmakers whose work is admired throughout the world.
Leadership - to lead on public policy and advocacy for the UK film sector and promote a globally competitive UK film industry.

Accruals convention
Income and expenditure is generally accounted for when receivable/payable on an accruals basis except where accounting standards or other requirements apply, as set out in the following accounting policies.

Income and endowments
All income is included in the SOFA when the Charity is legally entitled to the income, entitlement is probable and the amount can be quantified with reasonable accuracy. The following specific policies apply to categories of income:

Income from charitable activities: includes a wide range of chargeable activities including sales of cinema tickets, DVDs, film and footage and sponsorship income and these are accounted for on an accruals basis.

1. ACCOUNTING POLICIES (CONTINUED)

Income and endowments (continued)

Lottery proceeds are the BFI's share of Lottery income as notified to the BFI by the National Lottery Distribution Fund (NLDF).

Lottery recoupment income is income from film rights in excess of the original value of the right and is taken to the SOFA as film recoupment income. Income is accounted for on a receivable basis. The exception to this is recoupment income because of the inherent difficulties in relating the income to a specific period in time. Recoupment income is therefore accounted for upon notification of amounts received by the BFI.

Donated services and facilities: including gifts in kind, are included in income and expenditure at the value to the Charity where this can be quantified (see note 4).

Grants and deferred income: whilst grants, including Grant-in-Aid, are typically accounted for in full upon receipt, where related to performance and specific deliverables, grants are accounted for as the Charity earns the right to consideration by its performance. Where income is received in advance of its recognition, it is deferred and included in creditors: amounts falling due within one year. Where entitlement occurs before income being received, the income is accrued. Capital grants are accounted for as income as soon as they are receivable. Grant-in-Aid refers to direct grants from the Department for Digital, Culture, Media and Sport for the general use of the BFI and also ring-fenced funding for other appropriate bodies delivering activities in accordance with the BFI's charitable objects.

Gift Aid is receivable from HM Revenue & Customs on certain donations which meet the relevant requirements and these are recognised on an accruals basis.

Film recoupment income
Income received from film rights is offset against the value of the film rights on the Balance Sheet.

Income in excess of the original value of the rights is taken to the SOFA as film recoupment income.

Receivables
Provisions for doubtful debts (provision for impairment) are raised on outstanding debts and rely on estimation methodologies and techniques to calculate the amount of the provision. Any movement in the provision in the year is taken to the SOFA within charitable expenditure.

Expenditure
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category concerned. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources (see note 6). Costs of generating funds are fund-raising and publicity costs incurred in seeking voluntary contributions and do not include the cost of disseminating information in support of charitable activities.

1. ACCOUNTING POLICIES (CONTINUED)

Expenditure (continued)

Grant Awards
Grant expenditure is charged to the statement of financial activities in the year that the grants are awarded and, if relevant, in which funding for the grant is received from DCMS. In most circumstances this will be the same as the year in which the funded activities take place. However, in some cases grant expenditure is recognised in the accounts where the funded activity is due to take place in future years. Any amounts unpaid from grants at the year end are shown in the balance sheet as creditors. Grant commitments made in the year relating to future years' activity as disclosed in note 27: Contingent Liabilities are not charged to the statement of financial activities, as they are contingent on receipt of Grant-in-Aid income, which is not certain until the year in which it is due.

The basis of reporting Lottery award commitments is laid out in the revised Accounts Direction from DCMS and the National Lottery etc. Act 1993, and continues to align with the reporting requirements of the Charities SORP. Where the BFI has made a firm offer of a grant and notified successful applicants, the award is accounted for within other creditors as a grant commitment. Where the BFI has agreed to make an award in respect of investing in a film rights project, these are not grants and are accounted for as set out below under financial instruments and film rights.

In line with our five year Business Plan, BFI 2022 some awards were made including funding for 2020-21. In line with the National Lottery Act etc. 1993 and the BFI Lottery Accounts Direction, which are consistent with the BFI's basis of preparation of accounts as outlined above, these awards were accounted for in full in the Statement of Financial Activities in the year in which the award was notified to the successful applicant.

Commitments payable within one year of the balance sheet date are recognised in the statement within creditors as current liabilities. Those payable more than one year from the balance sheet date are shown as creditors payable over more than one year, however, such commitments are unlikely in the usual course of business.

Awards made under the Lotteries Act Section 27 dispensation
Using the power granted by the Section 27 of the National Lotteries Act etc. 1993, in 2020-21 the Secretary of State did not object to a further award of £3,263,000 (2019-20: £2,275,000) to the BFI in relation to the Heritage 2022 project, as outlined in the BFI 2022 plan.

Under the same power the Secretary of State did not object to an award of £250,000 in 2020-21 and £900,000 in 2019-2020 to the BFI in relation to the London Film Festival. The awards were both made and fully paid within their respective financial years.

Apportioned costs
The BFI incurred costs which are shared between Lottery and the subsidiaries. The BFI as a charity is required to apportion costs in accordance with the principles of full cost recovery and the government's 'Managing Public Money' guidance. In addition to costs wholly attributable to Lottery activities, an assessment is made of the other costs attributable to Lottery activities incurred by service and other departments. This is based on a combination of head count, office space occupied, activity levels and additional expenditure incurred. These departments include Finance & Resources, External Affairs and the Chief Executive's Office. Direct costs are borne by the active subsidiaries of the BFI and in addition an appropriate share of staff costs and overheads based on BFI staff time spent on those activities.

Charitable expenditure on collections
The BFI has built the National Archive since its establishment in 1933, consisting of film and other related materials dating back to the 19th century. The BFI develops, cares for and interprets a collection that illustrates the art, history and impact of film, to be held in perpetuity for the public, for their use and for use by the BFI in pursuit of its objectives. The collection is one of the largest and most diverse collections in the world. It includes feature films, documentary and factual films, television programmes, artists film, photographic stills, posters, books and other related materials, held primarily for use in the BFI's activities and charitable objectives, as described in more detail in the Annual Report and below. The Collection Policy was most recently updated in November 2011 and can be found at www.bfi.org.uk. It documents our procedures for acquisition and disposal, documentation, conservation and access and describes our role in a national network of organisations that collect or provide access to film.

For the most part this collection has been acquired by donation, often with restricted usage rights, and as a result there is little in the way of purchase cost. There is also a lack of comparable market values, compounded by the diverse nature of the objects and the volume of the items held. In the opinion of the Governors, reliable information on cost or value is not available for the BFI's collection.

In the Governors' opinion, conventional valuation approaches lack sufficient reliability and any valuation is likely to incur significant costs that are likely to be onerous. Even if valuations could be obtained this would not be commensurate with any benefits to the BFI's management, curatorial staff, the public, or other users of the financial statements. For this reason the collections, large proportions of which were gifted to the BFI at nil cost and are incomparable in nature, are not recognised in the BFI's balance sheet.

All expenditure on acquiring, preserving and improving the collection is included in charitable expenditure in the year incurred. In the main, this expenditure is of a curatorial or restoration nature and the Governors are of the opinion that any value attributable to heritage assets or fixed assets would not be material. The collections also comprise donated materials that are not subject to formal valuation.

1. ACCOUNTING POLICIES (CONTINUED)

Heritage assets
Much of the BFI's collection is used, or expected to be used in the future, in its charitable activities. To the extent that the collection comprises heritage assets, there is an absence of reliable cost information, a diverse range of assets held, a lack of comparable market values and a complex mixture of intellectual property rights associated with the assets. As a result the Governors are of the opinion that valuation information cannot be obtained at a cost commensurate with the benefits to users of the financial statements and to the charity. Therefore the BFI has adopted a non-recognition approach.

Tangible fixed assets, depreciation and impairment
Expenditure on tangible fixed assets costing £5,000 or more and with a useful economic life of at least 3 years is capitalised and included at cost. Long leasehold land and buildings, together with some associated plant and fixtures, are included at fair value in accordance with the Charities SORP (FRS 102).

The BFI's long leasehold properties BFI Southbank and BFI London IMAX were revalued as at 31 March 2017 by appropriately qualified valuers, Deloitte LLP, in accordance with FRS 102: Section 17 - Property Plant and Equipment. The values at 31 March 2021 have been estimated using appropriate indexation from an independent expert body, resulting in a net decrease in value in the year of £1.4m (2020: increase of £2.3m).

The BFI's short leasehold properties in London and Berkhamsted have been subject to leasehold improvements. The values as at 31 March 2020 and 2021 have been estimated using appropriate indexation, resulting in a net decrease in value in the year of £0.2 m (2020: increase of £0.1m). The same indexation is applied to acquisitions, starting in the year following the acquisition.

Tangible fixed assets, depreciation and impairment (continued)
Revaluation is not applied to those classes of asset which are made up of low value and/or short useful economic life assets or where the historical cost is considered a reasonable approximation of fair value.

Depreciation is provided on all tangible fixed assets to write off the cost less estimated residual values over their expected useful economic lives. It is calculated on a straight line basis at the following rates from the month after acquisition to the month prior to disposal:

Long leasehold property	1-20% per annum
Short leasehold property improvements	5-20% per annum
Plant & fixtures valued with leasehold property	4-20% per annum
Computer and other IT equipment	5-25% per annum
Furniture, fixtures and fittings	4-20% per annum
Plant and machinery	4-25% per annum
Assets in the course of construction	Depreciation commences upon completion of construction

The carrying value of fixed assets and their remaining useful economic life is reviewed at least annually. Where the carrying value is considered to be greater than the value of the asset to the activities of the Charity, an impairment charge will be made in the year to reflect the recoverable value.

Intangible fixed assets
Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the carrying value/fair value of the identifiable assets and liabilities of a subsidiary, associate or jointly controlled entity at the date of acquisition. Goodwill on acquisition of subsidiaries is separately disclosed. Goodwill is recognised as an asset and reviewed for impairment annually or on such other occasions that events or changes in circumstances indicate that it might be impaired. Any impairment is recognised immediately in the income statement and is not subsequently reversed. Goodwill is allocated to cash generating units for the purpose of impairment testing. Purchased goodwill arising on consolidation is amortised over the period of its expected useful economic life. This is considered to be a period of ten years from the date of acquisition.

Investments
Investments in subsidiaries, associate or jointly controlled entities are stated at cost less provision for impairment.

Financial instruments
The principal financial instruments are cash and holdings in the NLDF and film rights, under the definitions set out under FRS102. They are accounted for in line with the recognition and measurement criteria of IFRS9: Financial instruments, as set out below.

Other financial instruments include debtors and creditors that arise directly from Lottery and non-Lottery operations. The main risks arising from the financial instruments are interest rate risk, foreign currency risk and other price risk. Short term debtors are measured at transaction price, less any impairment. Foreign currency policy is stated below.

1. ACCOUNTING POLICIES (CONTINUED)

Film rights
Film rights represent investment awards paid and payable to filmmakers which are repayable under certain conditions. All advances to filmmakers are repayable under certain conditions. Where a feature film made with the assistance of the BFI is successfully released, the BFI is entitled to participate in revenues generated by that success. This can lead to repayment of the investment in full, together with a share of the profits generated by the film.

Under FRS102 film rights fall within the definition of Financial Instruments. Within that, they meet the definition of assets measured at fair value with gains and losses being recognised in the SOFA. The fair value, in line with definitions of International Financial Reporting Standard 9: Financial Instruments (IFRS 9), is based upon cash flows and models of future income that may be generated by the film right asset. The calculations behind these models are based upon external factors such as sales agents' estimates, actual sales made, and the recoupment order agreed in the financing contract between investors as well as internal factors such as the skills and expertise of management involved in these calculations and a review of the historic performance of the portfolio.

When an advance is made (satisfying the definition of an award liability) it is taken to the Balance Sheet initially at the full value of the award. An assessment is then made of the likely repayment of the award, if any, over the next seven financial years, with the valuation reduced to the extent that the repayment of the award is considered doubtful. The reduction is calculated either as standard percentage suggested by historic recoupment performance of that particular type of award, or based on the value suggested by future estimated receipts.

In subsequent years, the Film Rights valuations are reviewed to ensure that all revenues due are received and the valuation remains appropriate. The valuations are based on the best available information at the balance sheet date and the valuations will change over time. For instance, on production awards, the actual value of sales made to a territory may exceed or fall below the original sales estimate provided by the sales agent or the box office performance may exceed or fall below the initial projections following the release of a film.

Movements in value shown in the Statement of Financial Activity reflect the net effect of increases and decreases in values against film rights in the year. Any reduction may be reversed in part or in full if the valuation understates the fair value of the film rights. Advances for development and short film awards are fully adjusted to £nil in the year of the award, unless there is a reasonable expectation of repayment in the next seven financial years.

1. ACCOUNTING POLICIES (CONTINUED)

Film rights (continued)
If the valuation of the film rights is in excess of the amount of the award investment based on estimated recoupment over the next seven financial years, this is similarly recognised in the film rights valuation and released to income as the recoupment is received. In the context of the life of a film and its distribution cycle, seven years is felt to be a reasonable period over which a meaningful forecast can be taken, and is consistent with practice across the film industry.

Should the full amount of an award for film rights not be utilised, any unused element of the funding will be decommitted. If such a decommitment exceeds the fair value of the film, then any necessary adjustment will be released back to the SOFA so the remaining fair value reflects the revised investment value.

Stocks & work in progress
Stocks and work in progress are valued at the lower of cost and net realisable value. The former consist of goods held for resale and the latter expenditure on DVD and Blu-Ray development costs carried forward and written off over the expected commercial life of the individual titles.

Rewarding Success Provision
The rewarding success initiative allows for a share of film recoupment income arising from lottery awards to be made available to UK Producers, Writers and Directors for their future film making activity. The funds held on behalf of film-makers ("the locked box") represents the monies held for this initiative at the balance sheet date and not yet drawn down and are included as Provisions on the Balance Sheet.

National Lottery Distribution Fund
Balances held in the National Lottery Distribution Fund (NLDF) remain under the stewardship of the Secretary of State for Digital, Culture, Media and Sport. The share of these balances attributable to the BFI is as shown in the financial statements at an estimate of market value and, at the balance sheet date, has been certified by the Secretary of State for Digital, Culture, Media and Sport as being available for distribution by the BFI in respect of current and future commitments. With the election to adopt the recognition and measurement criteria of IFRS9, funds are held as financial instruments held at amortised cost. As the investments are held with the Debt Management Account and the National Loans Fund, these are exempt from recognising stage 1 and stage 2 impairment so no expected credit losses have been calculated on these instruments.

The share of proceeds and investment returns attributed to the BFI has been treated as income within these financial statements.

1. ACCOUNTING POLICIES (CONTINUED)

Pension costs
For defined benefit pension schemes the amounts charged in expenditure are the service costs, gains and losses on settlements and curtailments, administration costs and net interest on the defined liability. The service costs are included as part of staff costs. Actuarial gains and losses are recognised in the SOFA as other recognised gains / (losses).

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the Charity, in separate trustee-administered funds which are part of the London Pension Fund Authority (LPFA). The LPFA is a local government pension scheme and the BFI is an Admitted Body member. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained every three years and are updated at each balance sheet date. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the balance sheet and in note 8: Pensions.

For defined contribution schemes, the amount charged to the SOFA in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Operating and finance lease transactions
Payments made under operating leases are charged to the SOFA on a straight line basis over the lease term. There were no finance leases.

Fund accounting
Unrestricted funds are funds available for use at the discretion of the Governors in the furtherance of the general objectives of the BFI and which are not subject to externally imposed restrictions.

Restricted funds are funds to be used in accordance with specific restrictions imposed by donors. The aim and use of each restricted fund is set out in the notes to the accounts. Where the conditions have been met, for example to acquire fixed assets without ongoing restrictions, the related reserves are transferred to unrestricted reserves on the face of the Statement of Financial Activities.

Foreign currencies
Transactions in foreign currencies are recorded at the rate ruling on the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date and gains and losses charged/credited to the Statement of Financial Activities.

Tax Status (Group and Charity)
The BFI is a registered charity and as such is potentially exempt from taxation of its income and gains to the extent that they are applied to its charitable objectives.

Its subsidiaries' total taxable profits are either gifted to the Charity or tax losses have been utilised and therefore no tax is payable.

Deferred taxation follows the treatment of the item to which it is attributable and there are no deferred tax assets or liabilities recognised in these accounts.

Irrecoverable VAT is charged to the cost category to which it relates.

2. OTHER SIGNIFICANT TRANSACTIONS

a) Grant-in-Aid - DCMS

DCMS has been the BFI's largest source of funding, excluding Lottery income. They have therefore been included in this category in order to provide supplementary disclosure. During the year, the BFI had the following material transactions with DCMS:

		2021 £'000	2020 £'000
Revenue Grant in Aid funding	Unrestricted	16,649	14,736
Revenue Grant in Aid funding	Restricted	55,596	19,182
		72,245	33,918
Capital Grant in Aid funding		1,987	1,007

Restricted Revenue Grant in Aid funding includes funds for Northern Ireland of £4.3m (2020: £4m), Education (Film Academies) of £1m (2020: £1m), Young Audience Content Fund of £18.8m (2020: £14.2m), Culture Recovery Fund £29.2m (2020: £Nil) and other funding of £2.2m - see Note 24.

The Reserves balances carried forward at the end of the year are £0.6m (2020: £0.3m) for restricted funds and £nil (2020: £nil) for unrestricted funds.

Grant-in-Aid is spent in accordance with the funding agreement between the BFI and DCMS. The common objectives are to:

- extend & improve access to film culture, serving the diverse geographical needs of the UK's nations and regions and recognising the differing needs of rural, suburban and metropolitan locations;
- improve education about the moving image; and
- support & encourage cultural diversity and social inclusiveness; and promote film activity in the nations and regions, and ensure that national and regional bodies work in concert towards common goals.

b) Governors

The Governors neither received nor waived any emoluments during the year (2020: £nil). Governors expenses amounted to £nil in the year (2020: £nil). No governor claimed expenses during the year (2020: nil). No payments were made in the year for services (2020: £nil).

There were no material related party transactions involving Governors in their personal or business capacities other than Lottery and Grant-in-Aid awards disclosed in note 30: Related Parties.

The Charity has purchased insurance to indemnify the Governors against the consequences of any neglect or default on their part. The cost amounted to £7,950 (2020: £8,904), which includes cover for Governors and Officers of the Charity but also covered management liability, crime and employment practices liability for the organisation as a whole.

c) BFI Trust

BFI Trust is an independent registered charity with objectives consistent with those of the BFI. During the year, the BFI had the following material transactions with BFI Trust:

		2021 £'000	2020 £'000
Income from generated funds - Other grants, legacies and donations includes:			
Grants receivable from BFI Trust	Restricted	100	634
	Unrestricted	1,040	-
Resources expended - Charitable activities includes:			
Rental of leasehold premises		(1,835)	(1,835)

3. INCOME - GROUP

	Unrestricted 2021 £'000	Non-Lottery Restricted 2021 £'000	Lottery Restricted 2021 £'000	Total 2021 £'000
Income and endowments from charitable activities (earned income)				
Audiences	13,784	-	-	13,784
Learning & Skills	79	-	-	79
Talent	-	-	-	-
	13,863	-	-	13,863
Income from Donations and legacies				
Voluntary Income				
Lottery proceeds	-	-	49,073	49,073
Lottery recoupment income	-	-	806	806
Revenue Grant in Aid funding	16,649	55,596	-	72,245
Capital Grant in Aid funding	-	1,987	-	1,987
Other grants, legacies and donations	1,798	5,319	154	7,271
Donated services and facilities	-	356	-	356
	18,447	63,258	50,033	131,738
Investment income	17	-	10	27
Total Income	32,327	63,258	50,043	145,628

	Unrestricted 2020 £'000	Non-Lottery Restricted 2020 £'000	Lottery Restricted 2020 £'000	Total 2020 £'000
Income and endowments from charitable activities (earned income)				
Audiences	22,996	-	-	22,996
Learning & Skills	230	-	-	230
Talent	7	-	-	7
	23,233	-	-	23,233
Income from Donations and legacies				
Voluntary Income				
Lottery proceeds	-	-	48,258	48,258
Lottery recoupment income	-	-	1,576	1,576
Revenue Grant in Aid funding	14,736	19,182	-	33,918
Capital Grant in Aid funding	-	1,007	-	1,007
Other grants, legacies and donations	1,783	1,912	72	3,767
Donated services and facilities	-	1,698	-	1,698
	16,519	23,799	49,906	90,224
Investment income	33	-	32	65
Total Income	39,785	23,799	49,938	113,522

	2021 £'000	2020 £'000
Sponsorship and other income included in Income from charitable activities (earned income):		
Sponsorship income, associated with the costs of generating voluntary income	1,624	1,685
Other income, associated with the costs of generating voluntary income	-	405
	1,624	2,090
Costs of generating funds		
Costs of generating voluntary income	(1,859)	(2,260)

Costs of generating voluntary income is the staff and other costs of the in-house teams who source funding from individuals, trusts, foundations and corporations. In addition to Voluntary Income, income from charitable activities includes sponsorship income of £1,624,000 (2020: £1,685,000) raised by the teams. This income primarily relates to the corporate sponsorship of the BFI London Film Festival and BFI Flare film festival. In the year, expenditure was lower due mainly to the staging of the "Luminous" fundraising gala with associated income in the previous year.

4. DONATED SERVICES AND FACILITIES

	2021	2020
	£'000	£'000
Publicity and advertising	355	1,022
Buildings and facilities	-	337
Services and equipment hire	-	276
Food and drink	1	20
Other goods	-	42
	356	1,697

Donated services and facilities are valued using information provided by the suppliers regarding market value.

5. INVESTMENT INCOME - GROUP

	Unrestricted	Lottery Restricted	2021 Total	Unrestricted	Lottery Restricted	2020 Total
	£'000	£'000	£'000	£'000	£'000	£'000
Bank interest receivable	17	10	27	33	32	65

Bank interest receivable was £27,000 (2020: £65,000) of which £17,000 was unrestricted bank interest income (2020: £33,000) and £10,000 was restricted bank interest income (2020: £32,000).

6. EXPENDITURE - GROUP

	Direct Costs 2021 £'000	Allocated Pension charges 2021 £'000	Allocated Support costs 2021 £'000	Total 2021 £'000
Audiences	(93,109)	(4,564)	(4,369)	(102,042)
Learning & Skills	(13,904)	(307)	(275)	(14,486)
Talent	(35,782)	(652)	(146)	(36,580)
Leadership	(1,265)	(289)	(90)	(1,644)
Costs of generating voluntary income	(1,859)	-	-	(1,859)
Total resources expended	(145,919)	(5,812)	(4,880)	(156,611)

	Direct Costs 2020 £'000	Allocated Pension charges 2020 £'000	Allocated Support costs 2020 £'000	Total 2020 £'000
Audiences	(65,761)	(5,655)	(4,582)	(75,998)
Learning & Skills	(17,242)	(388)	(230)	(17,860)
Talent	(26,254)	(886)	(133)	(27,273)
Leadership	(830)	(386)	(102)	(1,318)
Costs of generating voluntary income	(2,260)	-	-	(2,260)
Total resources expended	(112,347)	(7,315)	(5,047)	(124,709)

Expenditure on charitable activities was £154,753,000 (2020: £122,449,000) of which £38,833,000 was unrestricted (2020: £48,202,000), £62,434,000 was restricted (2020: £25,754,000) and £53,484,000 was Lottery funded restricted expenditure (2020: £48,493,000).

Support services, including staff and other costs which are allocated across the activities of the Charity, are shown in the allocated support costs column. The basis of allocation is as follows:

As part of the Governments support during the pandemic the BFI has been awarded £29.2m (2020: £nil) in aid from the Culture Recovery Fund to support independent cinemas (Audiences), of which £28.7m (2020: £nil) was used to make awards in the year.

Nature of cost	Allocation basis	2021 £'000	2020 £'000
IT and finance support	Combination of head count and departmental spend	(2,481)	(2,483)
Human resources	Head count	(445)	(425)
Premises and utilities	Combination of floor area and head count	(710)	(819)
Communication and marketing	Direct spend and percentage of income generated	(517)	(491)
Other overheads	Combination of time and department spend	(372)	(468)
Governance costs	Departmental spend	(354)	(361)
Total support		(4,880)	(5,047)
Pension cost (note 8)	Net revenue account cost	(5,812)	(7,315)

	2021 £'000	2020 £'000
Governance costs:		
Audit fees: Charity (excluding Lottery)	(97)	(98)
Audit fees: Lottery	(52)	(52)
Audit: subsidiaries (British Screen group of companies)	(6)	(5)
Audit: subsidiary (British Film Institute (Big Screen) Limited)	(5)	(5)
Audit: subsidiary (BFI Enterprise Limited)	(8)	(5)
Audit of UK Media Desk grant claim	(4)	(7)
Trustees costs	(1)	(8)
Corporate policy and planning	(181)	(181)
Total governance	(354)	(361)

Governance costs are allocated across the activities of the Charity and are included in the allocated support and governance costs column above. The basis of allocation is departmental spend on activities.

6. EXPENDITURE (continued)

Net resources expended before transfers are stated after charging:	**2021**	**2020**
	£'000	**£'000**
Auditors' remuneration (analysed above)	(172)	(172)

Auditors' remuneration for the National Audit Office includes £nil fees for non audit services (2020: £nil). The National Audit Office provided audit services for the Charity and Lottery, with the subsidiary and other audits performed by Brebners LLP.

	2021	**2020**
	£'000	**£'000**
Foreign exchange gains / (losses)	1	(13)
Depreciation	(5,616)	(6,607)
Amortisation of goodwill	(157)	(157)

	2021	**2020**
	£'000	**£'000**
Charges for operating leases:		
Land and buildings	(1,886)	(1,873)
Plant & machinery	(41)	(41)

	2021	**2020**
	£'000	**£'000**
Film rights adjustments	(19,430)	(12,736)

The carrying value of the film rights reflects the extent to which full repayment of an advance, through actual receipts and the value of future estimated receipts, is considered doubtful. The valuation is reviewed on a rolling basis to ensure that fair value is maintained.

Grant-in-Aid awards
BFI has responsibility on behalf of DCMS for the administration of Grant-in-Aid awards made to third party and partner organisations in the film sector, and received additional funding for this.

Awards in the year were:	**2021**	**2020**
	£'000	**£'000**
Creative England	(300)	(300)
Film London	(1,974)	(367)
Northern Ireland Screen: Irish Language Fund	(3,180)	(3,000)
Northern Ireland Screen: Ulster Scots Fund	(1,143)	(1,000)
Film Academy awards	(713)	(726)
Young Audience Content Fund	(17,909)	(13,240)
	(25,219)	(18,633)

In addition to the above further Grant-in-Aid awards were made to partner organisations on or before 31 March 2021 for funded activity commencing on or after 1 April 2021. These are disclosed in note 27: Contingent Liabilities.

Lottery awards	**2021**	**2020**
	£'000	**£'000**
Full details of all Lottery commitments made in the year are shown in the accompanying Lottery financial statements.		
Lottery - non-film rights awards included in the SOFA - Expenditure on Charitable activities	(30,017)	(29,980)
Heritage 2022 - award to the BFI - Gross transfers between funds, note 24: Statement of Funds	(2,888)	(2,275)
Film Festivals - award to BFI LFF - Gross transfers between funds, note 24: Statement of Funds	(250)	(900)
Lottery - non-film rights awards per Lottery Statement of Comprehensive Net Expenditure	(33,155)	(33,155)

7. STAFF COSTS

	2021 £'000	2020 £'000
Staff costs consists of:		
Wages & salaries	(23,154)	(22,230)
Social security costs	(2,313)	(2,319)
Pension costs (see note 8)	(4,249)	(5,647)
	(29,716)	(30,196)
Agency staff costs included in Wages & salaries above	(421)	(442)
Staff costs capitalised and not included above	(89)	(36)

The average number of full-time equivalent employees of the BFI during the year was:

	2021 Full Time	2021 Part Time	2021 Total
Costs of generating voluntary income	13	4	17
Audiences	286	81	367
Learning & Skills	29	8	37
Talent	34	10	44
Leadership	25	7	32
	387	110	497

	2020 Full Time	2020 Part Time	2020 Total
Costs of generating voluntary income	15	2	17
Audiences	327	43	370
Learning & Skills	33	4	37
Talent	44	6	50
Leadership	27	3	30
	446	58	504

	2021 Number	2020 Number
Average number of full time equivalent Agency staff at the BFI during the year	7	8

7. STAFF COSTS (continued)

Higher paid employees

	2021 £'000	2020 £'000
Chief Executive - pay for the full year		
B. Roberts	150	160

Including bonuses totalling £NIL (2020: £5,500). Employer's pension contributions for the year amounted to £23,000 (2020: £18,000).

Executive Team Members (including the Chief Executive)	2021 Number	2020 Number
£160,000 - £169,999	-	**1**
£150,000 - £159,999	1	1
£140,000 - £149,999	-	-
£130,000 - £139,999	1	2
£120,000 - £129,999	2	1
£110,000 - £119,999	2	1
£100,000 - £109,999	-	1
£90,000 - £99,999	-	-
£80,000 - £89,999	-	-
Cost	£776,000	£936,000
Other senior staff		
£100,000 - £109,999	1	1
£90,000 - £99,999	7	4
£80,000 - £89,999	17	19
£70,000 - £79,999	19	21
£60,000 - £69,999	23	20
Cost	£5,093,000	£4,934,000
Total Cost	£5,869,000	£5,870,000

Included in the above are 48 (2020: 51) staff who are ordinary members of the LPFA pension scheme. The amount of employer's pension contributions attributable to these staff amounted to £603,000 (2020: £469,000). There were 24 (2020: 18) staff who were members of defined contribution schemes. The amount of employer's pension contributions attributable to these staff amounted to £99,000 (2020: £74,000).

A number of Executive staff and other employees have interests in award applications which have been fully disclosed in note 30: Related Parties.

8. PENSIONS

The BFI is an admitted body to the LPFA, which provides a defined benefit pension scheme for the salaried employees of the Charity. It is a funded scheme and the assets are administered by trustees and are independent of the BFI. The related costs are assessed in accordance with the advice of professionally qualified actuaries. From 1 January 2014 the BFI also operates a defined contribution pension scheme which is available for all employees not already in the defined benefit scheme.

The BFI has accounted in full for pension benefits in the year ended 31 March 2021 under the requirements of FRS102. Therefore, as at 31 March 2021, a pension liability of £94,809,000 (2020: £62,043,000) is included in the BFI balance sheet. BFI's agreed schedule of contributions was 15.4% of member employees' salary per year plus a monetary amount of £385,000 (2020: £891,000).

In addition to the amounts payable for current members of the pension scheme, within this scheme the BFI has an unfunded liability to pay pensions to 36 (2020: 36) former employees and their spouses or dependents. The total actuarial valuation for this liability at 31 March 2021 is included in the pension provision.

For FRS 102 disclosure, the full valuation at 31 March 2021 has been updated by the actuaries, Barnett Waddingham, to assess the liabilities of the scheme as at 31 March 2021.

The most significant actuarial assumptions in this recent valuation are:		2021 % Per annum	2020 % Per annum
Rate of increase in prices	RPI	3.2	2.7
Rate of increase in prices	CPI	2.9	1.9
Rate of increase in salaries		3.9	2.9
Rate of increase in pensions in payment		2.9	1.9
Discount rate		2.0	2.4

Under the adopted mortality tables, the assumed life expectancy from age 65 are as follows:	2021 Years	2020 Years
Life expectancy at age 65 of female aged 45	26.1	26.1
Life expectancy at age 65 of female aged 65	24.3	24.4
Life expectancy at age 65 of male aged 45	23.4	23.7
Life expectancy at age 65 of male aged 65	22.0	22.2

BFI share of net pension liability as at 31 March:	2021 £'000	2020 £'000	2019 £'000	2018 £'000	2017 £'000
Fair value of employer assets	121,020	104,704	109,847	101,586	95,809
Present value of scheme liabilities	(213,418)	(164,675)	(172,316)	(164,891)	(164,164)
Net underfunding in funded plans	(92,398)	(59,971)	(62,469)	(63,305)	(68,355)
Present value of unfunded liabilities	(2,411)	(2,072)	(2,228)	(2,343)	(2,480)
Net pension deficit	(94,809)	(62,043)	(64,697)	(65,648)	(70,835)

Assets - Split of Investments by Category **Assets whole fund**	**2021** **£'000**	**Asset Distribution** **%**	**2020** **£'000**	**Asset Distribution** **%**
Equities	67,192	55%	56,511	54%
Target return funds	27,770	23%	26,976	26%
Infrastructure	10,335	9%	7,629	7%
Properties	10,669	9%	10,393	10%
Cash	5,054	4%	3,195	3%
Total	121,020	100%	104,704	100%

Analysis of the amount chargeable to expenditure under FRS102	**2021** **£'000**	**2020** **£'000**
Current service cost	(3,716)	(4,010)
Past service cost	-	(1,180)
Contributions in respect of defined contribution schemes	(533)	(457)
Sub-total reflected in Staff costs (note 7)	(4,249)	(5,647)
Administration expenses	(136)	(143)
Net Interest on the defined liability	(1,427)	(1,525)
Total expenditure	(5,812)	(7,315)

8. PENSIONS (Continued)

Analysis of amount recognised in the SOFA	**2021**	**2020**
	£'000	**£'000**
Return on plan assets in excess of interest	14,783	(3,039)
Other actuarial gains/(losses) on assets	-	(4,118)
Change in demographic assumptions	1,769	(2,138)
Experience gains / (losses) arising on the scheme liabilities	2,142	(1,094)
Changes in assumptions underlying the present value of the scheme liabilities	(48,838)	17,537
Actuarial gain / (loss) recognised in SOFA	(30,144)	7,148

Reconciliation of defined benefit obligation	**2021**	**2020**
	£'000	**£'000**
Defined benefit obligation in scheme at beginning of year	(166,747)	(174,544)
Movement in year:		
Current service cost	(3,716)	(4,010)
Interest cost	(3,878)	(4,156)
Contributions by members	(872)	(910)
Unfunded benefits paid	151	151
Past service cost	-	(1,180)
Benefits paid	4,160	3,597
Change in demographic assumptions	1,769	(2,138)
Experience gains / (losses) on defined benefit obligation	2,142	(1,094)
Change in financial assumptions	(48,838)	17,537
Deficit in scheme at end of the year	(215,829)	(166,747)

Reconciliation of fair value of employer assets	**2021**	**2020**
	£'000	**£'000**
Fair value of employer assets in scheme at beginning of year	104,704	109,847
Movement in year:		
Interest on assets	2,451	2,631
Other actuarial gains/(losses)	-	(4,118)
Return on assets less interest	14783	(3,039)
Contributions by members	872	910
Administration expenses	(136)	(143)
Contributions by the employer, including in respect of unfunded benefits	2,657	2,364
Benefits paid, including unfunded benefits	(4,311)	(3,748)
Fair value of employer assets in scheme at end of year	121,020	104,704

8. PENSIONS (Continued)

History of experience gains and losses	**2021**	**2020**	**2019**	**2018**	**2017**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
Fair value of employer assets	121,020	104,704	109,847	101,586	95,809
Present value of defined benefit obligation	(215,829)	(166,747)	(174,544)	(167,234)	(166,644)
Deficit	(94,809)	(62,043)	(64,697)	(65,648)	(70,835)
Experience (losses) / gains on assets	14,783	(3,039)	6,096	3,153	13,137
Experience (losses) / gains on liabilities	2,142	(1,094)	-	-	4,059

The sensitivity analysis on the major assumptions in the above is:

		£'000	**£'000**	**£'000**
Adjustment to discount rate		+0.1%	0.0%	-0.1%
	Present value of total obligation	(211,441)	(215,829)	(220,312)
	Projected service cost	(5,328)	(5,500)	(5,677)
Adjustment to long term salary increase		+0.1%	0.0%	-0.1%
	Present value of total obligation	(216,244)	(215,829)	(215,416)
	Projected service cost	(5,503)	(5,500)	(5,497)
Adjustment to pension increases and deferred valuation		+0.1%	0.0%	-0.1%
	Present value of total obligation	(219,854)	(215,829)	(211,885)
	Projected service cost	(5,675)	(5,500)	(5,329)
Adjustment to mortality age rating assumption		+ 1 Year	None	- 1 Year
	Present value of total obligation	(225,647)	(215,829)	(206,455)
	Projected service cost	(5,751)	(5,500)	(5,259)

9. INTANGIBLE FIXED ASSETS (Group)

Goodwill	**Group**
	£'000
Goodwill on Acquisition	
At 1 April 2020 and 31 March 2021	1,574
Goodwill Amortisation	
At 1 April 2020	(1,377)
Amortisation in the year	(157)
At 31 March 2021	(1,534)
Net Book Value	
At 31 March 2021	40
At 1 April 2020	197

Goodwill arose on consolidation of British Screen Finance Limited (BSF) and its subsidiary companies, which were acquired on 29 June 2011, and is being amortised over ten years on a straight line basis. This is charged against Audiences.

10. TANGIBLE FIXED ASSETS (Group and Charity)

	Long leasehold property £'000	Short leasehold property improvements £'000	Computer and other IT equipment £'000	Furniture fixtures and fittings £'000	Plant and machinery £'000	Assets in the course of construction £'000	Total £'000
Cost or valuation							
At 1 April 2020	79,277	13,064	7,679	1,931	8,033	617	110,601
Additions	53	-	329	1,102	925	719	3,128
Disposals	-	-	(21)	(10)	(1,819)	-	(1,850)
Reclassification	-	-	595	-	-	(595)	-
Revaluation	(1,404)	(245)	-	-	-	-	(1,649)
At 31 March 2021	77,926	12,819	8,582	3,023	7,139	741	110,230
Depreciation							
At 1 April 2020	(10,149)	(7,928)	(5,577)	(1,297)	(6,690)	-	(31,641)
Charge for the year	(3,568)	(957)	(386)	(100)	(605)	-	(5,616)
Disposals	-	-	21	10	1,819	-	1,850
Reclassification					-		
Revaluation	60	174	-			-	234
At 31 March 2021	(13,657)	(8,711)	(5,942)	(1,387)	(5,476)	-	(35,173)
Net Book Value							
At 31 March 2021	64,269	4,108	2,640	1,636	1,663	741	75,057
At 1 April 2020	69,128	5,136	2,102	634	1,343	617	78,960

The BFI's long leasehold properties BFI Southbank and BFI London IMAX, including associated plant and fixtures, were revalued as at 31 March 2017 by appropriately qualified valuers, Deloitte LLP, in accordance with FRS 102: Section 17 - Property Plant and Equipment. The values at 31 March 2021 have been estimated using appropriate indexation from an independent expert body, resulting in a net decrease in value in the year of £1.4m (2020 increase of £2.3m). Short leasehold property improvements have been revalued using appropriate indices, resulting in a net decrease in value in the year of £0.2m (2020: decrease of £0.1m). Other classes of assets have not been revalued, as they are made up of low value and/or short useful economic life assets or where the historical cost is considered a reasonable approximation of fair value.

Historic Cost Accounting:

	Long leasehold property £'000	Short leasehold property improvements £'000	Computer and other IT equipment £'000	Furniture fixtures and fittings £'000	Plant and machinery £'000	Assets in the course of construction £'000	Total £'000
Cost							
At 1 April 2020	40,356	11,274	7,680	1,931	8,033	615	69,890
Additions	53	-	309	1,103	925	739	3,129
Disposals			1	(10)	(1,820)	(20)	(1,849)
Reclassification	-	-	595	-	-	(595)	-
At 31 March 2021	40,409	11,274	8,585	3,024	7,138	739	71,170
Depreciation							
At 1 April 2020	(17,643)	(6,298)	(5,576)	(1,297)	(6,691)	-	(37,505)
Charge for the year	(1,245)	(1,035)	(366)	(98)	(529)	-	(3,273)
Disposals			(1)	8	1,742	-	1,749
At 31 March 2021	(18,888)	(7,333)	(5,943)	(1,387)	(5,478)	-	(39,029)
Net Book Value							
At 31 March 2021	21,521	3,941	2,642	1,637	1,660	739	32,141
At 1 April 2020	22,713	4,976	2,104	635	1,342	615	32,385

11. HERITAGE ASSETS (Group and Charity)

The BFI has built the National Archive since its establishment in 1933, consisting of film and other related materials dating back to the 19th century. The BFI develops, cares for and interprets a collection that illustrates the art, history and impact of film, to be held in safe custody in perpetuity for the public, for their use and for use by the BFI in pursuit of its objectives. The collection is one of the largest and most diverse collections in the world. It includes feature films, documentary and factual films, television programmes, artists film, photographic stills, posters, books and other related materials, held primarily for use in the BFI's activities and charitable objectives, as described in more detail in the Annual Report and below. In 2011 BFI adopted its current Collection Policy, which can be found on www.bfi.org.uk. It documents our procedures for acquisition and disposal, documentation, conservation and access and describes our role in a national network of organisations that collect or provide access to film and television. Key measures taken to safeguard the national collections include major investment in physical infrastructure to preserve master materials, developing our extensive database of materials and information and in digitising materials for the dual purposes of alternative storage and improved public access.

In line with the accounting policy, Heritage Assets are not recognised on the balance sheet as there is an absence of reliable cost information and a valuation approach is not practicable at a cost commensurate with the benefit to the users of the accounts and to the charity. In order to give an indication of the physical size and diversity of the collections, the main elements are summarised below.

Fiction film
42,000 titles. The collection includes the original camera negatives of some of the most important feature films in British film history. The BFI also looks after an extensive international collection of films.

Non fiction film
140,000 titles including documentaries, newsreels, government films, sponsored films, advertisements and home movies. It is the world's most important collection of documentary films.

Television
Around 800,000 television titles including material recorded off-air, as it was seen by the viewer, as well as production and transmission material. The collection includes all BBC output since 1980 including unique live broadcasts and extensive samples of commercial terrestrial television, with emphasis on key British productions. As well as the recorded material, significant collections of transmitted programming donated by broadcasters include the Rediffusion Collection (the earliest ITV contractor) and material preserved on analogue videotape from the 1960s and 1970s donated by the BBC and ITV.

Library
The library holds some 47,000 books including major film, TV and video directories and yearbooks from around the world, all major film and TV festival catalogues, programmes and brochures and all UK based festival catalogues. It also includes major film catalogues from around the world, annual reports from relevant companies and bodies; official publications including copyright, arts policy, and government reports; biographies and autobiographies of UK film/TV personalities.

One of the greatest strengths of the library is its near comprehensive collections of UK trade and academic journals (5,000 titles; 229,000 issues). An extensive collection of newspaper cuttings, publicity and press material are also held as are brochures, leaflets, prospectuses etc. describing the work of organisations that are relevant to film and television.

Special collections
21,000 unpublished scripts, from first drafts to release scripts, relating primarily to British film and TV titles.
28,000 press books, 19,000 film posters and 2,000 items of cinema ephemera such as programmes, tickets, autographed letters, promotional material and personal memorabilia.
700 collections of personal and company papers reflecting the history of British film and television production from the earliest days to the present time.
Approximately 1.4 million still images from or related to film and TV, including publicity material, production shots, and portraits.
30,000 film and television advertisements.
Other items include: over 5,500 production and costume designs; 200 boxes of animation cels including artwork by leading animators; and extensive audio collections including oral history recordings and interviews with many key industry figures.

12. INVESTMENTS (Charity)

	2021			
	BFI Big Screen £'000	**British Screen Finance Group £'000**	**BFI Enterprise £'000**	**2021 Total £'000**
Trading Account				
Income	946	358	1,598	2,902
Expenditure	(435)	(49)	-	(484)
Expenditure - BFI recharges	(39)	(28)	(1,435)	(1,502)
Net operating profit	472	281	163	916
Interest receivable and similar income	1	2	1	4
Surplus gift aided to the BFI	(474)	(283)	(164)	(921)
Net profit	(1)	-	-	(1)
Balance Sheet				
Stocks & work in progress	-	-	188	188
Debtors	626	103	9	738
Cash at bank and in hand	186	1,353	285	1,824
Current liabilities	(137)	(104)	(17)	(258)
Current liabilities - owed to the BFI	(676)	(340)	(372)	(1,388)
Total (BFI interest)	(1)	1,012	93	1,104

	2020			
	BFI Big Screen £'000	**British Screen Finance Group £'000**	**BFI Enterprise £'000**	**2020 Total £'000**
Trading Account				
Income	3,508	552	4,655	8,715
Expenditure	(618)	(25)	(50)	(693)
Expenditure - BFI recharges	(47)	(28)	(2,313)	(2,388)
Net operating profit	2,843	499	2,292	5,634
Interest receivable and similar income	4	8	1	13
Surplus gift aided to the BFI	(2,847)	(507)	(2,293)	(5,647)
Net profit	-	-	-	-
Balance Sheet				
Stock and work in progress	-	-	191	191
Debtors	1,741	85	369	2,195
Cash at bank and in hand	581	1,489	999	3,069
Current liabilities	(495)	(52)	(147)	(694)
Current liabilities - owed to the BFI	(1,827)	(510)	(1,319)	(3,656)
Total (BFI interest)	-	1,012	93	1,105

12. INVESTMENTS (Charity) (continued)

The BFI holds 100% of the issued share capital of the following undertakings, which are registered in England and Wales:

	Company Registration Number:
British Screen Finance Limited (BSF)	1910848
BFI (Big Screen) Limited (operates the theatrical and commercial activities of the BFI IMAX)	3088677
BFI Enterprise Limited (previously known as Connoisseur Video Limited - inactive)	2463593
Project Rosebud Limited (e-commerce development - dormant with nil assets and investment value)	3946785

BSF, in addition, holds the following investments:		Ordinary shares of £1 each	Holding
Subsidiary undertakings			
National Film Finance Consortium Limited (NFFC)	1056412	100	100%
European Co-Production Fund Limited (ECF)	2631250	2	100%
British Screen Rights Limited (BSR)	2908542	2	100%
The Greenlight Fund Limited (GLF)	3191007	2	100%
National Film Development Fund (NFDF)	01268342	-	Not applicable
Associated undertakings			
British Film-Makers Limited (BFM)	0368248	50	50%

NFFC is a dormant company. ECF was a company that made loans to films produced by European co-producers. BSR acquired and sold rights in feature films. GLF managed the investment of some National Lottery proceeds into feature films on behalf of the Arts Council of England and is now dormant. NFDF made loans to producers and writers in the 1990s and is a company limited by guarantee. It is included here because of the its control via the directors. BFM collects and distributes film revenues on behalf of BSF and third parties. Its results are not material to the Group. All group companies are registered in England and Wales.

Trading subsidiaries are involved in activities wholly consistent with the BFI's charitable aims and objectives and remit taxable profits to the BFI under Gift Aid. Their income and expenditure are consolidated into the Group accounts.

The investments held by the Charity are summarised as follows:

	£'000
Cost	
At 1 April 2020 and 31 March 2021	2,450
Impairment	
At 1 April 2020 and 31 March 2021	(1,007)
Net Book Value	
At 1 April 2020 and 31 March 2021	1,443

13. IMPACT OF THE INTRODUCTION OF IFRS 16 (LEASES) - BFI LOTTERY FINANCIAL STATEMENTS

IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions.
IFRS 16 (Leases) does not apply under FRS102 but for the BFI Lottery accounts appended it applies for periods beginning on or after 1 January 2019, and is thus being applied in those accounts.

Those financial statements include costs of the rental of office space at 21 Stephen Street, London which would fall under the definitions of the standard. BFI Lottery are thus required to reflect the discounted liability of the relevant portion of the lease for its term to 2031 in the Statement of Financial Position, with a matching “right of use” asset. The asset is depreciated over the life of the lease period, whilst the liability is released in line with the lease payments.

Guidance has been received from HM Treasury as to the approach to be adopted in the first year of implementation of this standard, to ensure consistency across Government. This states that these changes be introduced as in year changes with no re-statements of the prior year figures - the approach adopted here.

Previously to this rentals payable under operating leases were charged to the SOCNE on a straight line basis over the lease term.

See Notes 10 and 14 to the BFI Lottery Financial Statements for further information.

14. FILM RIGHTS (Group and Charity)

Film rights fall within the definition of Financial Instruments and are held at fair value. The valuation approach to establish the fair value of the film rights portfolio is set out in note 1: Accounting Policies.

The BFI's primary objective in investing in film rights is to support the future success of British film by backing new voices, new stories, new ideas and skills, enriching and diversifying British film production. Thus whilst the potential commercial success of a project is important in our assessment of an application it is not the only funding criterion.

The fair value of film rights at 31 March is as follows:

	2020-21 £'000	2019-20 £'000	2018-19 £'000	2017-18 £'000	2016-17 £'000
Production Awards	9,760	11,330	12,181	10,210	10,370
Vision Awards	1,411	1,238	1,323	1,368	1,500
Development Awards	227	534	284	333	374
Distribution Awards	161	235	220	489	329
Other Awards	-	-	-	30	54
Film Rights valuation	**11,559**	**13,337**	**14,008**	**12,430**	**12,627**

Film rights are recognised as split between current and non-current assets, on the basis of a review of the characteristics of the loans across the portfolio and the anticipated cash flows from these:

	2020-21 £'000	2019-20 £'000	2018-19 £'000	2017-18 £'000	2016-17 £'000
Film rights - non-current	9,228	10,532	8,249	7,492	7,627
Film rights - current	2,331	2,805	5,759	4,938	5,000
	11,559	**13,337**	**14,008**	**12,430**	**12,627**

Production awards are made to producers to co-finance feature film productions and from which we are entitled to recoup our award and take a share of net profits from the film. The value of the productions will be dependent upon many factors which are inherently uncertain; the ability of sales agents to meet sales estimates, how the film will be critically and commercially received (including box office projections and exchange rates) all play a role. Further details are set out in the note below.

Vision Awards are made to production companies to enable them to develop their business and the awards are repayable from any applicable feature film production made by the production company. As we do not expect all recipients to be required to repay the award in full we routinely impair 50% of the award in the year in which it is committed.

Development awards are made to producers to support a film development. In the event that the development project progresses into a feature film production, we would be entitled to be repaid our award and take a share of net profits. Accordingly development awards are fully adjusted to £nil in the year in which the award is made, unless there is a reasonable anticipation of it progressing to production.

Distribution awards are made to distributors to support the release of a film in the UK and repayable dependent upon the performance of the film release.

Other awards include targeted development awards which are awarded to support new talent. These awards are written off in full in the year unless there is a reasonable expectation of recoupment.

14. FILM RIGHTS (Group and Charity) (continued)

Movements in the valuation of film rights

	2020-21 £'000	2019-20 £'000	2018-19 £'000	2017-18 £'000	2016-17 £'000
Film rights valuation at 1 April	13,337	14,008	12,430	12,627	10,970
New commitments: made in year	22,275	17,002	20,840	18,783	23,150
Decommitments: new film rights in year	(370)	-	(3)	(23)	-
Decommitments: historical portfolio	(178)	(461)	(369)	(451)	(315)
Repayment of investments: new film rights in	(1,528)	(285)	(588)	(508)	(539)
Repayment of investments: historical portfolio	(2,547)	(4,191)	(3,546)	(5,024)	(4,647)
Adjustments: new film rights in year	(17,559)	(13,932)	(16,110)	(15,530)	(19,114)
Adjustments: historical portfolio	(5,174)	(3,873)	(2,476)	(2,315)	(1,971)
Adjustments written back	3,303	5,069	3,830	4,871	5,093
Film rights valuation at 31 March	**11,559**	**13,337**	**14,008**	**12,430**	**12,627**

The value of new commitments made in the year will vary due to timing differences arising from the closure of awards.

The valuation of the Film Rights is based on the anticipated cash receipts over the next seven financial years after the balance sheet date. In relation to recent production awards (that is production awards that were recognised as awards payable this financial year and the last seven financial years), the valuation is based on the cash receipts anticipated from the first cycle of revenues including revenues from cinema, DVD, Video On Demand and television. In relation to older production awards, the valuation is based on the anticipated cash receipts for the next seven years following the balance sheet date calculated from the individual film's historic cash receipts. All such anticipated cash receipts are discounted using the applicable Treasury Rate of 3.7% (2020: 3.7%).

The value of new film rights in the year is always governed by the value of awards made and therefore can vary considerably year to year.

As at 31 March 2021, the Film Rights valuation for production awards is £9.8m (2020: £11.3m) and for all other Film Rights is £1.8m (2020: £2.0m) totalling £11.6m (2020: £13.3m). For production awards, were the recoupment levels and valuation to vary by +/- 5%, the impact of the valuation of Film Rights at 31 March 2021 would be £0.5m for 207 awards (2020: £0.6m for 186 awards).

14. FILM RIGHTS (Group and Charity) (continued)

In relation to older production awards, the Film Rights valuation is calculated on the assumption that the future anticipated receipts will be based on the historic cash receipts for the two years prior to the balance sheet date, subject to a 85% default reduction every three years, except for films in profit which are calculated on the assumption that the future anticipated receipts will be based on the historic cash receipts for the three years prior to the balance sheet date, subject to a 75% default reduction every three years. The total amount of the Film Rights valuation based on this methodology is £4.3m (2020: £5.2m). Were this default reduction percentage to change to +/- 10% the Film Rights valuation would change by :

	£'000 +10%	£'000 0%	£'000 -10%
2020-21	(400)	4,320	390
2019-20	(560)	5,330	400

In relation to recent production awards (that is production awards that were recognised as awards payable this financial year and the previous three financial years), the Film Rights valuation is based on future anticipated receipts. These cash receipts are principally earned in US dollars and converted to pounds sterling before payment is made to the BFI's bank accounts. The default pound sterling to US dollar exchange rate is calculated using the average daily exchange rate for the two years to the balance sheet date, rounded to the nearest 5 US cents. The default rate as at 31 March 2021 for production awards is US $1.30 (2020: US $1.30).

Had the pound sterling to US dollar exchange rate been $1.40 for the purposes of the Film Rights valuation, then the valuation of the total of these production awards would be reduced by £0.5m. Were the valuation calculated using US $1.20, then these valuations would be increased by £0.6m (and the awards at March 2020 would increase by £0.7m).

Further information on the movement on film rights can be found on the BFI website: http://www.bfi.org.uk/about-bfi/annual-review-management-agreement.

15. NATIONAL LOTTERY DISTRIBUTION FUND (NLDF) (Group and Charity)

The movement in balances held at the NLDF is:	2021 £'000	2020 £'000
Balance at 1 April	53,804	52,757
Income received from the Lottery receipts	49,044	48,025
Investment income earned on NLDF balances	29	232
Available for distribution	102,877	101,014
Cash drawn down	(49,757)	(47,210)
Balance at 31 March	53,120	53,804

The funds are invested on behalf of the NLDF by the National Debt Commissioners. The BFI's distribution is in accordance with Sections 22 and 23 of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998). The BFI is required by statute to show on the balance sheet the lower of the market value or the cost of the investment as at the year end. There were no unrealised gains in the year (2020 : £nil).

16. STOCKS AND WORK IN PROGRESS

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Work in progress	54	43	54	43
Finished goods	518	526	329	336
	572	569	383	379

17. DEBTORS

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Trade debtors	2,281	2,652	1,795	1,544
Amount owed by subsidiary undertakings	-	-	1,426	3,654
Other debtors	3,331	1,946	3,256	1,900
Prepayments and accrued income	25,125	4,079	24,948	3,035
	30,737	8,677	31,425	10,133

18. CASH AT BANK AND IN HAND

Analysis of cash and cash equivalents		Unrestricted £'000	Restricted £'000	2021 Total £'000	2020 Total £'000
Cash at bank and in hand	Group	4,199	28,358	32,557	23,411
Cash at bank and in hand	Charity	2,376	28,358	30,734	20,345

All cash at bank is held with UK commercial banks.

£3.2m (2020: £3.9m) of cash held in BFI lottery bank accounts is funds recouped by BFI and held on behalf of producers under the "Rewarding Success" recoupment corridor - see note 22: Provisions.

19. FINANCIAL RISKS (Group and Charity)

Financial Reporting Standards require disclosure of the role which financial instruments have had during the period, in creating or changing the risks the BFI faces in undertaking its role.

Film rights
Under International Financial Reporting Standards (IFRS 9) film rights fall within the definition of Financial Instruments. Within that, they meet the definition of assets measured at fair value with gains and losses being recognised in the profit and loss account

Establishing the fair value of film rights is subjective and therefore contains an element of risk. The fair value is based on a review of external evidence such as the sales agents' estimates as to the likely revenues generated by a project, where it is in the life cycle of the project, and upon actual performance of the film to date. This is matched with the knowledge and experience of the staff and management involved in the process of assessing the projects both at application stage and as they come to fruition. Any reduction in fair value is immediately taken to the SOFA in the year.

The valuation of film rights is subject to on-going review to ensure a fair value is maintained, with any adjustments being charged as expenditure.

	2021 £'000	2020 £'000
Film rights - non-current	9,228	10,532
Film rights - current	2,331	2,805
	11,559	13,337

National Lottery Distribution Fund

Under IFRS 9 funds held at the National Lottery Distribution Fund are held as financial instruments held at amortised cost.

Liquidity risks

Income was derived from:	2021 £'000	%	2020 £'000	%
DCMS Grant-in-aid	72,245	50%	33,918	31%
DCMS Capital provision	1,987	1%	1,007	1%
Other legacies, grants and donations and investment income	7,298	5%	3,832	3%
Resources generated from charitable activities	13,863	10%	23,233	20%
Donated services and facilities	356	0%	1,698	1%
Lottery proceeds and receipts	49,879	34%	49,834	44%
	145,628	100%	113,522	100%

19. FINANCIAL RISKS (Group and Charity) (Continued)

The Governors consider that, as the NLDF balance notified by the Secretary of State for Digital, Culture, Media and Sport and the BFI's own Lottery cash holding amount to £61.6m at the balance sheet date (2020: £62.4m), sufficient liquid resources are available to cover all existing commitments totalling £44.1m (2020: £38.9m) and any other payables. The non-Lottery cash holdings are considered sufficient to cover the non-Lottery other payables.

Interest rate risks

The BFI's largest financial asset is retained in the NLDF, which invests in a narrow band of low risk assets such as Government bonds and cash. Neither the BFI nor its Governors has any control over these investments. The interest rate risks in respect of these financial assets are disclosed in the financial statements of the NLDF. The market value of the BFI's investment in the NLDF at the year end was £53.1m (2020: £53.8m) and the average investment return for the year was 0.1% (2020: 0.72%).

Cash drawn from the NLDF, DCMS or received from other sources, to pay grant commitments and operating costs are held in variable rate bank accounts and the average interest rate return for the year was 0.13% (2020: 0.4%). The group cash balance at the year end was £8.4m (2020 £6.4m).

Other price risks

Under FRS102 film rights fall within the definition of financial instruments and are therefore shown in the balance sheet at fair value.

Establishing the fair value of film rights is subjective and therefore contains an element of risk. The fair value is based on a review of external evidence such as the sales agents estimates as to the likely revenues generated by a project, and depending on where it is in the life cycle of the project, upon actual performance of the film to date. This is matched with the knowledge and experience of the staff and management involved in the process of assessing the projects both at application stage and as they come to fruition. Any reduction in fair value is immediately taken to the SOFA in the year.

The valuation of film rights is subject to ongoing review to ensure a fair value is maintained, with any adjustments being charged as expenditure. Any increase in the fair value beyond the original investment value is taken to reserves and only released as income on the actual receipt of funds.

Film rights at 31 March 2021 have a valuation of £11.6m (2020: £13.3m). The Governors consider that the BFI is not exposed to significant other price risks.

Foreign currency risks

The BFI's financial assets are not exposed to material foreign exchange risks as long-term balances are held in sterling, however foreign currency exchange risks are significant in the valuation of the Film Rights as explained in the Lottery financial statements note 14: Financial Instruments and note 6: Film Rights.

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Trade creditors	(4,087)	(2,662)	(4,078)	(2,590)
Amount owed to subsidiary undertakings	-	-	-	-
Other taxes and social security costs	(899)	(866)	(899)	(866)
Other creditors	(40,857)	(12,916)	(40,855)	(12,915)
Lottery awards payable (see note 23)	(35,711)	(30,921)	(35,711)	(30,920)
Accruals	(4,728)	(4,376)	(4,562)	(4,310)
Deferred income (see note 21)	(2,289)	(1,646)	(2,242)	(1,088)
	(88,571)	(53,387)	(88,347)	(52,689)

21. DEFERRED INCOME

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
At 1 April	(1,646)	(1,059)	(1,088)	(1,043)
Amount released to income	1,646	1,059	1,088	1,043
Amount deferred in year	(2,289)	(1,646)	(2,242)	(1,088)
At 31 March	(2,289)	(1,646)	(2,242)	(1,088)

Mainly relates to restricted grants, advance ticket sales and subscriptions to Sight and Sound magazine.

22. PROVISIONS (Group and Charity)

	2021 £'000	2020 £'000
Rewarding success awards		
At 1 April	(3,887)	(2,835)
New provisions in the year	(1,252)	(1,911)
Amounts paid in year	1,973	859
At 31 March	(3,166)	(3,887)

Rewarding Success provision

The rewarding success initiative allows for a share of film recoupment income arising from lottery awards to be made available to UK Producers, Writers and Directors for their future film making activity. The funds held on behalf of film-makers ("the locked box") represents the monies held for this initiative at the balance sheet date and not yet drawn down.

23. LOTTERY AWARDS PAYABLE (Group and Charity)

	2021 £'000	2020 £'000
At 1 April	(30,920)	(30,435)
New films right commitments in year	(22,275)	(17,002)
Commitments transferred from prior year provision for non-film rights awards	(1,973)	(859)
New non-film rights commitments in year	(28,688)	(27,571)
Decommitments	3,686	1,335
Amounts paid	44,459	43,612
At 31 March	(35,711)	(30,920)

Decommitments arise when any element of the award is not utilised once contracts are signed and drawdown has commenced.

Reconciliation to Lottery accounts		2021 £'000	2020 £'000
Creditors: amounts falling due within one year	Lottery awards payable	(35,711)	(31,405)
Provisions	Lottery awards payable	(3,166)	(3,887)
Other payables - Awards Commitments:	Heritage 2022 - eliminated on consolidation	(5,263)	(4,085)
Total Awards Commitments as per Lottery accounts		(44,140)	(39,377)
Lottery accounts - Awards Commitments represented by:			
Other payables - Awards Commitments		(18,495)	(22,083)
Provision for award commitments		(25,645)	(16,809)
		(44,140)	(38,892)

24. STATEMENT OF FUNDS (Group and Charity)

GROUP	At 1 April 2020 £'000	Income £'000	Expenditure £'000	Other recognised gains/(losses) £'000	Transfers £'000	At 31 March 2021 £'000
Unrestricted funds:						
Income funds excluding pensions asset/liability	33,659	32,327	(36,049)	-	3,128	33,065
Pension reserve	(59,370)	-	(2,397)	(28,092)	-	(89,859)
Fixed asset revaluation reserve	46,575	-	(2,245)	(1,415)	-	42,915
Total unrestricted funds	20,864	32,327	(40,691)	(29,507)	3,128	(13,879)
Donated Services and Facilities	-	356	(356)			-
Arts and Humanities Research Council	-	652	(43)	-	(601)	8
DCMS-Northern Ireland	-	4,324	(4,324)	-	-	-
DCMS-DFE		1,000	(1,000)	-	-	-
DCMS-Production Restart		93	(93)	-	-	-
DCMS - BFC Studio Support		1,600	(1,600)	-	-	-
DCMS-Global Screen Fund		550	(542)	-	-	8
DCMS- Culture Recovery Fund		29,229	(28,654)	-	-	575
DCMS - Young Audience Content Fund	297	18,800	(19,042)			55
DCMS - Capital GiA	-	1,987	-	-	(1,987)	-
BFI Lottery - Heritage 2022	4,050	-	(1,828)		2,888	5,110
BFI Lottery - BFI London Film Festival	-	-	(250)		250	-
BFI Trust	65	100	-	-	(165)	-
Chaplin Foundation	41	-	-			41
Creative Europe	-	361	(361)			-
Education, Audio-visual and Culture Executive Agency	66	1	(66)			1
Esmee Fairbairn Foundation	-	94	(94)			-
Film London	-	60	(60)			-
Friends of the BFI	25	240	(222)			43
Julia and Hans Rausing Trust	-	60	(60)			-
LUMA Foundation	30	-	-			30
The Mohamed S Farsi Fund	52	-	(52)			-
H.M. Government - Job Retention Scheme (JRS)	-	3,478	(3,478)			-
Philippe L. Camu Annual Giving Fund	-	50	(50)			-
Reuben Foundation	21	-	(21)			-
Simon Hessel	-	50	-			50
Other up to £50,000	150	173	(238)			85
Total restricted funds excluding lottery	4,797	63,258	(62,434)	-	385	6,006
Lottery funds:						
Lottery reserve	36,650	49,889	(53,107)	-	(3,513)	29,919
Donations and other income - Creative Scotland + others	-	154	(154)	-	-	-
Lottery share of pension reserve	(2,673)	-	(225)	(2,052)	-	(4,950)
Total Lottery funds	33,977	50,043	(53,486)	(2,052)	(3,513)	24,969
Total funds	59,638	145,628	(156,611)	(31,559)	-	17,096

24. STATEMENT OF FUNDS (Group and Charity) (Continued)

CHARITY	**At 1 April 2020 £'000**	**Income £'000**	**Expenditure £'000**	**Other recognised gains/(losses) £'000**	**Transfers £'000**	**At 31 March 2021 £'000**
Unrestricted funds:						
Income funds excluding pensions asset/liability	36,485	30,343	(33,906)	-	3,128	36,050
Pension reserve	(62,052)	-	(2,397)	(28,092)	-	(92,541)
Fixed asset revaluation reserve	46,575	-	(2,245)	(1,415)	-	42,915
Total unrestricted funds	21,008	30,343	(38,548)	(29,507)	3,128	(13,576)
Donated Services and Facilities	-	356	(356)	-	-	-
Arts and Humanities Research Council	-	652	(43)	-	(601)	8
DCMS-Northern Ireland	-	4,324	(4,324)	-	-	-
DCMS-DFE	-	1,000	(1,000)	-	-	-
DCMS-Production Restart	-	93	(93)	-	-	-
DCMS - BFC Studio Support	-	1,600	(1,600)	-	-	-
DCMS-Global Screen Fund	-	550	(542)	-	-	8
DCMS- Culture Recovery Fund	-	29,229	(28,654)	-	-	575
DCMS - Young Audience Content Fund	297	18,800	(19,042)	-	-	55
DCMS - Capital GiA	-	1,987	-	-	(1,987)	-
BFI Lottery - Heritage 2022	4,050	-	(1,828)	-	2,888	5,110
BFI Lottery - BFI London Film Festival	-	-	(250)	-	250	-
BFI Trust	65	100	-	-	(165)	-
Chaplin Foundation	41	-	-	-	-	41
Creative Europe	-	361	(361)	-	-	-
Education, Audio-visual and Culture Executive Agency	66	1	(66)	-	-	1
Esmee Fairbairn Foundation	-	94	(94)	-	-	-
Film London	-	60	(60)	-	-	-
Friends of the BFI	25	240	(222)	-	-	43
Julia and Hans Rausing Trust	-	60	(60)	-	-	-
LUMA Foundation	30	-	-	-	-	30
The Mohamed S Farsi Fund	52	-	(52)	-	-	-
H.M. Government - Job Retention Scheme	-	3,478	(3,478)	-	-	-
Philippe L. Camu Annual Giving Fund	-	50	(50)	-	-	-
Reuben Foundation	21	-	(21)	-	-	-
Simon Hessel	-	50	-	-	-	50
Other up to £50,000	150	173	(238)	-	-	85
Total restricted funds excluding lottery	4,797	63,258	(62,434)	-	385	6,006
Lottery funds:						
Lottery reserve	36,650	49,889	(53,107)	-	(3,513)	29,919
Donations and other income	-	154	(154)	-	-	-
Lottery share of pension reserve	(2,673)	-	(225)	(2,052)	-	(4,950)
Total Lottery funds	33,977	50,043	(53,486)	(2,052)	(3,513)	24,969
Total funds	59,782	143,644	(154,468)	(31,559)	-	17,399

24. STATEMENT OF FUNDS (Group and Charity) (Continued)

Restricted funds:	**Description:**
Donated Services and Facilities	Various services and facilities provided in support of the BFI London Film Festival and BFI Flare film festival, see note 4: Donated Services and Facilities.
Arts and Humanities Research Council	Film Conservation, including capital expenditure.
DCMS-DFE	Funds ring fenced for education projects
DCMS-Production Restart	Support for UK film production
DCMS - BFC Studio Support	Supprt for film studios
DCMS-Global Screen Fund	Support UK film distribution overseas
DCMS- Culture Recovery Fund	Support for independent cinemas
DCMS - Revenue GiA	Funds ring fenced for Northern Ireland Screen and Education projects
DCMS - Capital GiA	Funds for capital expenditure
DCMS - Young Audience Content Fund	New funding for television content
BFI Lottery - Heritage 2022	Supporting UK Film Heritage
BFI Lottery - BFI London Film Festival	Awarded by the Lottery under Section 27 dispensation towards improving public access to the 2019 BFI London Film Festival.
BFI Trust	Support for estates related projects and planning, including capital expenditure.
Chaplin Foundation	Archive restoration and other work
Education, Audio-visual and Culture Executive Agency	Film education projects
Creative Europe	Funding towards the Creative Europe Desk and BFI Flare Live
Film London	LFF Industry Programme and Virtual Film Screening
Friends of the BFI	Various projects including funding the BFI National Archive, including the restoration of I Know Where I'm Going! (Powell and Pressburger, 1945); BFI Southbank cultural programme, including the Woman with a Movie Camera project; and Film Music Foundation support of LFF Education. In addition the Friends of the BFI provided unrestricted funds for our general charitable purposes.
H.M. Government - Job Retention Scheme	Support for staff on Furlough
Julia and Hans Rausing Trust	Online Education and BFI Home, future film festivals
LUMA Foundation	Anthony Balch project
The Mohamed S Farsi Foundation	Women With a Movie Camera
Philippe L. Camu Annual Giving Fund	BFI Southbank Cultural Programme 'Auteurs'
Reuben Foundation	Lead supporter of BFI Future Film
Simon Hessel	Support of the BFI National Archive, including restorations of The Small Back Room and Contraband
Other up to £50,000	Various grant awards towards education, restoration and programming and other sundry income.
Transfers	Relate to the receipt of s27 Lottery funding (note 30) and the transfer to unrestricted reserves of capital grants used to acquire fixed assets in the year, where there is no ongoing restriction attaching to the asset created.
Lottery funds:	
Creative Scotland	Film Academies support
Northern Ireland Screen	Young people's Filmmaking Programme
Transfers	Relate to the s27 Lottery awards for other BFI activities (note 30).

Fund balances at 31 March 2021 are represented by:

	Group			Charity		
	Unrestricted	**Restricted**	**Total**	**Unrestricted**	**Restricted**	**Total**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Fixed assets:						
Intangible fixed assets	40	-	40	-	-	-
Tangible fixed assets	75,057	-	75,057	75,057	-	75,057
Investments	-	-	-	1,443	-	1,443
Non-current assets:						
Film rights	-	9,228	9,228	-	9,228	9,228
Film rights	-	2,331	2,331	-	2,331	2,331
National Lottery Distribution Fund	-	53,120	53,120	-	53,120	53,120
Stocks and work in progress	572	-	572	383	-	383
Debtors	9,362	21,375	30,737	10,050	21,375	31,425
Cash at bank and in hand	4,199	28,358	32,557	2,376	28,358	30,734
Current assets	14,133	105,184	119,317	12,809	105,184	117,993
Current liabilities	(13,250)	(78,487)	(91,737)	(13,026)	(78,487)	(91,513)
Income funds excluding pensions net liability	75,980	35,925	111,905	76,283	35,925	112,208
Long term pension liabilities	(89,859)	(4,950)	(94,809)	(89,859)	(4,950)	(94,809)
Total net assets	(13,879)	30,975	17,096	(13,576)	30,975	17,399

24. STATEMENT OF FUNDS (Group and Charity) (Continued)

Fund balances at 31 March 2020 are represented by:

	Group			Charity		
	Unrestricted £'000	**Restricted £'000**	**Total £'000**	**Unrestricted £'000**	**Restricted £'000**	**Total £'000**
Fixed assets:						
Intangible fixed assets	197	-	197	-	-	-
Tangible fixed assets	78,960	-	78,960	78,960	-	78,960
Investments	-	-	-	1,443	-	1,443
Non-current assets:						
Film rights	-	10,532	10,532	-	10,532	10,532
Film rights	-	2,805	2,805	-	2,805	2,805
National Lottery Distribution Fund	-	53,804	53,804	-	53,804	53,804
Stocks and work in progress	569	-	569	379	-	379
Debtors	7,967	710	8,677	9,423	710	10,133
Cash at bank and in hand	2,060	21,351	23,411	(1,006)	21,351	20,345
Current assets	10,596	78,670	89,266	8,796	78,670	87,466
Current liabilities	(9,514)	(47,760)	(57,274)	(8,816)	(47,760)	(56,576)
Income funds excluding pensions net liability	80,239	41,442	121,681	80,383	41,442	121,825
Long term pension liabilities	(59,370)	(2,673)	(62,043)	(59,370)	(2,673)	(62,043)
Total net assets	20,869	38,769	59,638	21,013	38,769	59,782

Restricted funds are committed as directed by the donors/grantors. Unrestricted funds are available to fund revenue initiatives identified during the year and to provide a reserve against unforeseen costs arising.

Net free reserves	Group		Charity	
	2021 Unrestricted £'000	**2020 Unrestricted £'000**	**2021 Unrestricted £'000**	**2020 Unrestricted £'000**
Current assets	14,133	10,596	12,809	8,796
Current liabilities	(13,250)	(9,514)	(13,026)	(8,816)
Net free reserves	883	1,082	(217)	(20)

Reserves are managed to ensure that restricted funds are not used to fund other activities. Much of the net free reserves are held within British Screen Finance Limited and other subsidiaries, which are wholly owned by the BFI and have distributable reserves of £1,105,000 (2020: £1,105,000) which are available for donation to the Charity if required (note 12).

25. LEASE COMMITMENTS (Group and Charity)

At 31 March 2021, the Charity had commitments in respect of non-cancellable operating leases as set out below:

	Land and buildings 2021 £'000	**Land and buildings 2020 £'000**	**Other 2021 £'000**	**Other 2020 £'000**
Leases which expire:				
Less than 1 year	(1,876)	(1,873)	(41)	(41)
Within 2 to 5 years	(7,352)	(5,712)	(7)	(48)
Over 5 years	(11,437)	(10,818)	-	-
	(20,665)	(18,403)	(48)	(89)

26. CAPITAL COMMITMENTS (Group and Charity)

As at 31 March 2021, the BFI had capital commitments outstanding of £9,000 (2020: £64,000) relating to the property infrastructure and digital upgrade.

27. CONTINGENT LIABILITIES (Group and Charity)

At 31 March 2021 Grant in Aid awards had been made for activity commencing on or after 1 April 2020. As these are contingent upon the receipt of Grant in Aid funding from DCMS in 2021-22 these are not taken to the Statement of Financial Activities in the year but are disclosed here.

	2021 £'000	2020 £'000
Film London	(1,974)	(374)
Northern Ireland Screen: Irish Language Fund	(3,930)	(3,055)
Northern Ireland Screen: Ulster Scots Fund	(1,893)	(1,018)
	(7,797)	(4,447)

Other Contingent Liabilities - Rewarding Success projects in Film Rights

The film rights valuation is based on the value of the initial BFI investment as detailed in the Accounting Policies note above. However on a number of these investments, the BFI Locked Box initiative applies and accordingly there is a contingent liability with regard to the element of the valuation which would be made available to UK film-makers. The BFI Locked Box initiative enables UK film-makers supported through the BFI to benefit from their film's success. In short, a share of income from supported film productions is put aside (into a BFI Locked Box) and can be used by the filmmakers for the development and/or production of their future projects or towards staff training.

	2021 £'000	2020 £'000
Contingent liability - rewarding success projects in film rights	(2,975)	(3,002)

28. FINANCIAL AND OTHER COMMITMENTS

At the date of the statement of financial position there were financial commitments representing film rights investments made by the BFI where the investment decisions had been taken by the BFI and notified to the applicants but either the contracts had not been signed and/or the conditions precedent not met. Therefore work had not commenced on the assets in which the BFI is investing, so neither the asset nor the matching liability are represented in the balance sheet at that date.

	2021 £'000	2020 £'000
Prior year Lottery awards		
Talent Network awards	(191)	-
Production awards	(97)	(105)
Development awards	(26)	-
In year Lottery awards		
Production awards	(3,081)	(3,742)
Distribution awards	(624)	(150)
Development awards	(457)	(818)
Network awards	(60)	(302)
Financial commitments - notified but not yet recognised in the financial statements	(4,536)	(5,117)

Other contractual commitments

The BFI has entered into non-cancellable contracts (which are not leases), for a variety of services, including building maintenance, security and software support costs. The total payments to which the BFI is committed are as follows:

	2021 £'000	2020 £'000
Not later than one year	(1,287)	(2,811)
Later than one year and not later than five years	(880)	(710)
Later than five years	-	-
Contracts for delivery of services	(2,167)	(3,521)

29. CONTINGENT ASSETS (Group and Charity)

The National Lottery Distributors are entitled to receive a share of the receipts from the sale of land on Queen Elizabeth Olympic Park in return for their contribution of an additional £675 million to the funding of the London 2012 Olympic and Paralympic Games. This was announced in 2007. The arrangements are set out in a legal agreement between the Secretary of State and the Greater London Authority dated 29 March 2012 which sets out the distribution of funds between the GLA and the lottery distributors (via DCMS). Land sales are likely to take place over a lengthy period, estimated to be from 2016-17 to 2036-37 and DCMS estimates the first payments to the Lottery Distributors to come through around 2020-21.

BFI will be entitled to receive a portion of the receipts from the sale in line with the 2.705% of the funds available to the good causes that the BFI receives as a lottery distributor.

Due to the inherent uncertainties over such a time period of the going rate of such land sales it is not possible to yet quantify the value of this. However assuming that the selling price is at least the amount of the distributors' investment, the BFI could expect to receive in excess of £18m.

30. RELATED PARTIES (Group and Charity)

The BFI maintains a publicly available register of Governors' interests. Given their broad experience across the film sector, it is inevitable that Governors had connections with or interests in projects and organisations that may from time to time have come to the BFI for funding. All Governors were therefore required to declare any direct interest in and commercial relationships with award applications made to the BFI and that they had no role in the award making process. Similarly, BFI employees were excluded from decision making around any relevant application involving any organisation or company in which they have a declared interest.

Governors receive no payment for their services and all payments to key management personnel have been disclosed in the Remuneration Report.

During the year the BFI entered into transactions, in the ordinary course of business, with related parties. National Lottery awards are included in film rights at the date of the balance sheet or written off to expenditure within the year.

All awards outstanding are payable upon the meeting of conditions precedent within individual contracts.

The following related party transactions occurred during the period:

J. Timothy Richards (Chairman) is a Director of Vue Entertainment Ltd and the UK Cinema Association. The BFI traded with these organisations on an arms' length basis during the year. Transactions with Vue included sales income of £nil (2020 £6,829l) from film bookings and expenditure, primarily cinema hire for the BFI London Film Festival, of £nil (2020: £216,600).

Francesca Vinti (Director of Development) as Chairwoman of the Friends of the BFI, a USA based charity with which there were a number of transactions in the year totalling £282,231 (2020: £562,000).

Simon Bartlett (Head of Grant and Lottery Accounting) as Treasurer of the Friends of the BFI, a USA based charity with which there were a number of transactions in the year totalling £282,231 (2020: £562,000).

Josh Berger was President and Managing Director of Warner Bros. Entertainment UK, Ireland and Spain. The BFI traded with the Warner Bros. group of companies on an arms' length basis during the year, including sales income of £200 (2020: £15,272) and expenditure, including royalties, of £11,272 (2020: £61,829). He is also a member of the British Screen Forum (formerly the British Screen Advisory Council) with which some of the BFI's senior staff have membership costing £10,830 (2020: £6,942). Josh Berger stepped down as Chairman of the Board on 15th November 2020

Andrew Smith (Governor) is a Director of Pinewood Studios with which the BFI has archive and restoration contracts which pre-date his term as Governor. In the year transactions amounted to £nil (2020: £101,760).

Tricia Tuttle (Festivals Director) is partner to the Director of Film at the British Council, which has partnered with the BFI on projects. Grant funding and other income amounting to £42,700 was receivable in the year (2020: £115,434) with grant awards to them and other expenditure amounting to £121,093 (2020: £126,910). The British Council received a lottery award in the year ending 31 March 2021 totalling £nil (2020: £56,500) of which a balance of £10,500 (2020: £61,310) remained payable at that date.

Governors made unrestricted donations totalling £30,000 (2020: £94,267).

Executive directors made unrestricted donations totalling £1,500 (2020: £1,500).

30. RELATED PARTIES (Group and Charity) (continued)

Lottery Awards

Recipient of funding	Name	Role with BFI	Relationship to recipient of funding	New Awards made Year Ended 31 March 2021 £	Balance as at 31 March 2021 £
BFI - London Film Festival	Ben Roberts	CEO	CEO	250,000	-
BFI - Heritage 2022	Ben Roberts	CEO	CEO	3,263,000	5,110,000
Studio Canal Ltd	Idris Elba	Governor	Film Director	60,000	60,000
Studio Canal Ltd	Ben Luxford	Head of Audience Fund	Partner is employee of Studio Canal Ltd	60,000	60,000

A number of BFI Governors and Staff are members of BAFTA, but with no formal management or governance role there-in. BAFTA received a lottery award in the year ending 31 March 2021 totalling £9,400 (2020: £59,710) of which a balance of £38,911 (2020: £59,710) remained payable at that date. The BFI transacted with the BAFTA on an arms length basis during the year with sales of £nil (2020: £1,418) and purchases of £17,400 (2020: £43,059).

The BFI is a non-departmental public body sponsored by the Department for Digital, Culture, Media and Sport (DCMS). DCMS is regarded as a related party and during the year the BFI, as a recipient of Grant in Aid funding and as a Lottery distributor, had material transactions with DCMS - see note 2: Other Significant Transactions.

Awards made under the Lotteries Act Section 27 dispensation

Using the power granted by the Section 27 of the National Lotteries Act etc. 1993, in 2019-20 the Secretary of State did not object to an award of £3,263,000 (2019-20: £2,275,000) to the BFI in relation to the Heritage 2022 project, as outlined in the BFI 2022 plan. The award was made in the year and the restricted reserves balance at 31 March 2021 of £5,110,000 (2020: £4,050,000) (note 24: Statement of Funds) is expected to be fully utilised and paid within the 2021-22 financial year.

Similarly the Secretary of State did not object to an award to the BFI in relation to the London Film Festival. The award was both made and fully paid within the financial year but as a result of changes to the festival arising form the COVID-19 pandemic the award was reduced from £1,250,000 to £250,000 in line with the reduced scope of the activities and associated expenditure. (2019-20: £900,000).

31. LOSSES AND SPECIAL PAYMENTS (Group and Charity)

There were no losses or special payments in the year (2020: none).

32. POST BALANCE SHEET EVENTS (Group and Charity)

Covid-19 has had a significant impact on the operations of the British Film Institute, with our cinemas and shops required to close from November 2020 to May 2021. The ongoing restrictions since May 2021 such as social distancing and the potential for further lockdowns continues to impact demand on the services provided by the BFI. For further information refer to note 1. Accounting Policies, Going concern and the Annual Report.

At the time of signing the accounts there were no other events after the reporting period, either adjusting or non-adjusting which require recognition or disclosure in the financial statements. The accounts were authorised for issue on the date the Comptroller and Auditor General signed the auditor's report.

Registered charity no: 287780

BRITISH FILM INSTITUTE GROUP AND NATIONAL LOTTERY ANNUAL REPORT AND FINANCIAL STATEMENTS 2020-21

NATIONAL LOTTERY FINANCIAL STATEMENTS

For the year ended 31 March 2021

STATEMENT OF GOVERNORS AND ACCOUNTING OFFICER'S RESPONSIBILITIES

The Governors and Chief Executive are responsible for preparing the financial statements for the Lottery distribution activities of the BFI for each financial year under section 35(2) and (3) of the National Lottery etc. Act 1993 in the form and on the basis directed by the Secretary of State for Digital, Culture, Media and Sport wih the consent of Treasury. The accounts are prepared on an accruals basis and must show a true and fair view of the state of affairs of the BFI Lottery Fund distribution activities and of its income and expenditure, changes in equity and cash flows for the financial year.

In preparing these financial statements, the Governors and the Chief Executive are required to:

- Observe the accounts directions issued by the Secretary of State, including the relevant accounting and disclosure requirements; apply suitable accounting policies on a consistent basis

- Make judgements and estimates on a reasonable basis

- State whether applicable accounting standards have been followed, and disclose and explain any material departures in the financial statements; and

- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the BFI Lottery distribution activities will continue in operation.

The Governors and Chief Executive confirm that the annual report and accounts as a whole is fair, balanced and understandable and that the Accounting Officer takes personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable.

The Accounting Officer for the DCMS has designated the Chief Executive of the BFI as the Accounting Officer for the BFI. The relevant responsibitilies of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable and for keeping of proper records and for safeguarding the BFI's assets are set out in Managing Public Money published by HM Treasury and in the Financial Directions issued by the Secretary of State for Digital, Culture, Media and Sport under section 26(3) of the National Lottery etc. Act 1993.

The Governors and Chief Executive confirm they have met the responsibilities set out above and complied with the requirements for preparing the annual report and accounts on a fair, balanced and understandable basis, and the Chief Executive takes personal responsibility for this. The financial statements for the Lottery distribution activities, have been compiled from and are in accordance with the financial records maintained by the Governors and Chief Executive, and all relevant information has been made available to the auditors.



Phil Stokes
Chair, Audit, Risk and Governance Committee
BFI Governor



Ben Roberts
Chief Executive

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT

Opinion on financial statements

I certify that I have audited the financial statements of British Film Institute's Lottery Distribution Accounts for the year ended 31 March 2021 under the National Lottery etc Act 1993. The financial statements comprise: Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes, including the significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. The financial reporting framework that has been applied in their preparation is applicable law and International Accounting Standards as interpreted by HM Treasury's Government Financial Reporting Manual.

In my opinion, the financial statements:

- give a true and fair view of the state of the British Film Institute's Lottery Distribution Accounts' affairs as at 31 March 2021 and of the total comprehensive expenditure for the year then ended; and
- have been properly prepared in accordance with the National Lottery etc Act 1993 and Secretary of State directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I have also elected to apply the ethical standards relevant to listed entities. I am independent of the British Film Institute in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the British Film Institute's Lottery Distribution Accounts' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the British Film Institute'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.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this report.

The going concern basis of accounting for the British Film Institute is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

Other Information

The other information comprises information included in the Annual Report but does not include the parts of the Remuneration Report described in that report as having been audited, the financial statements and my certificate thereon. The Accounting Officer is responsible for the other information. My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Opinion on other matters

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

- the parts of the Remuneration Report to be audited have been properly prepared in accordance with Secretary of State directions made under the National Lottery etc Act 1993; and
- the information given in the Annual Report, other than the parts of the Remuneration Report described in that report as having been audited for the financial year for

which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

In the light of the knowledge and understanding of the British Film Institute and its environment obtained in the course of the audit, I have not identified material misstatements in the Annual Report. I have nothing to report in respect of the following matters which I 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 my staff; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual are not made; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Board and Accounting Officer for the financial statements

As explained more fully in the Statement of Governors and Accounting Officer's Responsibilities, the Chief Executive, as Accounting Officer is responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statements to be free form material misstatement, whether due to fraud of error.
- assessing the British Film Institute'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 Accounting Officer anticipates that the services provided by the British Film Institute will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the National Lottery etc Act 1993.

My 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 a certificate that includes my 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.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included the following:

- Inquiring of management, the British Film Institute's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the British Film Institute's policies and procedures relating to:

    - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
    - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
    - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the British Film Institute's controls relating to the National Lottery etc Act 1993 and Secretary of State directions issued thereunder, and Managing Public Money;
    - assessing the incentives for management to manipulate reported income and expenditure to remain within limits on the level of administration expenditure that can be incurred;
    - reviewing the British Film Institute's accounting policies;
    - using analytical procedures to identify any unusual or unexpected relationships and transactions;

- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: film rights recoupment revenue recognition and management override of controls;
- obtaining an understanding of British Film Institute's framework of authority as well as other legal and regulatory frameworks that the British Film Institute operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the British Film Institute. The key laws and regulations I considered in this context included the National Lottery etc Act 1993 and Secretary of State directions issued thereunder, employment law, tax law and Managing Public Money.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;

- enquiring of management, the Audit, Risk and Governance Committee concerning actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Board;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- agreed a sample of other income not received from the National Lottery Distribution Fund to source documents and to the bank.

I also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

I 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 I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies
Comptroller and Auditor General

Date **14 December 2021**

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

STATEMENT OF COMPREHENSIVE NET EXPENDITURE
YEAR ENDED 31 MARCH 2021

	Notes	2020-21	2019-20
		£'000	£'000
Income			
Proceeds from the National Lottery	2	49,044	48,025
National Lottery Distribution Fund investment income	2	29	232
Recoupment income			
Arts Council England and UK Film Council portfolio	3	275	323
BFI portfolio	3	528	1,230
Other income		97	95
Total income		**49,973**	**49,905**
Expenditure			
Lottery - non-film rights awards	4	(32,037)	(33,155)
Adjustments against film rights	5	(22,733)	(17,805)
Reversal of adjustments against film rights	5	3,303	5,069
Operating costs	8	(5,488)	(5,794)
Leasehold improvements	9	(362)	(369)
Total expenditure		**(57,317)**	**(52,054)**
Operating deficit		**(7,344)**	**(2,149)**
Bank interest receivable		10	32
Deficit on ordinary activities before taxation		**(7,334)**	**(2,117)**
Tax on surplus on ordinary activities for the year		-	-
Deficit for the year		**(7,334)**	**(2,117)**
Other comprehensive income/(expenditure)			
Actuarial gain/(loss)	7	(2,052)	396
Total other comprehensive (expenditure)/income		**(2,052)**	**396**
Total comprehensive expenditure		**(9,386)**	**(1,721)**

All activities were on a continuing basis. The accompanying notes on pages 157 to 175 form part of these accounts.

STATEMENT OF FINANCIAL POSITION
31 MARCH 2021

	Notes	At 31 March 2021	At 31 March 2020
		£'000	£'000
Non-current assets			
Right of use asset	10	1,550	1,705
Film Rights	5	9,228	10,532
Total non-current assets		**10,778**	**12,237**
Current assets			
Film rights	5	2,331	2,805
National Lottery Distribution Fund	2	53,120	53,804
Trade and other receivables falling due within one year	11	1,120	974
Cash and cash equivalents	12	8,449	8,559
Total current assets		**65,020**	**66,142**
Current liabilities			
Trade and other payables	14	(334)	(910)
Other payables - award commitments	15	(18,495)	(22,083)
Provisions	16	(25,644)	(16,809)
Total current liabilities		**(44,473)**	**(39,802)**
Total net current assets for the year ended 31 March		**20,547**	**26,340**
Non-current liabilities			
Lease payables due > 1 year	14	(1,437)	(1,581)
Pension liability	7	(4,950)	(2,672)
Total non-current liabilities		**(6,387)**	**(4,253)**
Assets less liabilities		**24,938**	**34,324**
Capital and reserves			
Lottery reserve		29,888	36,996
Pension reserve	7	(4,950)	(2,672)
		24,938	**34,324**

The accompanying notes on pages 157 to 175 form part of these accounts.

The financial statements were approved and authorised for signature by the Governors on 10 December 2021.



Phil Stokes
Chair, Audit, Risk and Governance Committee
BFI Governor



Ben Roberts
Chief Executive

STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 MARCH 2021

	Notes	Lottery Reserve £'000	Pension Reserve £'000	Total Reserve £'000
Balance at 31 March 2019		**38,689**	**(2,644)**	**36,045**
(Deficit)/surplus for the year		(1,693)	(424)	**(2,117)**
Re-measurements in the year	7	-	396	**396**
Balance at 31 March 2020		36,996	(2,672)	34,324
(Deficit)/surplus for the year		(7,108)	(226)	(7,334)
Re-measurements in the year	7	-	(2,052)	(2,052)
Balance at 31 March 2021		**29,888**	**(4,950)**	**24,938**

The accompanying notes on pages 157 to 175 form part of these accounts.

STATEMENT OF CASH FLOWS
YEAR ENDED 31 MARCH 2021

	Notes	2020-21	2019-20
		£'000	£'000
Cashflows from operating activities			
Operating deficit		(7,334)	(2,117)
Decrease/(Increase) in film rights falling due in excess of one year	5	1,304	(2,283)
Decrease in film rights falling due within one year	5	474	2,954
Decrease/(increase) in trade receivables	2,11	693	(996)
(Decrease)/increase in Trade payables	14	(720)	2,382
(Decrease)/increase in award payables	15	(3,588)	4,301
Increase/(Decrease) in other payables - provisions	16	8,835	(2,605)
Non cash pension movements	7	226	424
Interest received		(10)	(32)
Reclassification of receipts from National Lottery Distribution Fund as cashflows from investing activities	2	(49,757)	(47,210)
Reclassification of rental payments to cashflows from financing activities	10	141	139
Reclassification of interest payable for lease liabilities to cashflows from financing activities	10	35	37
Net cash from operating activities		(49,701)	(45,006)
Cashflows from investing activities			
Interest received		10	32
Cash receipts from National Lottery Distribution Fund	2	49,757	47,210
Cashflows from investing activities		49,767	47,242
Cashflows from financing activities			
Interest payable for lease liabilities	10	(35)	(37)
Repayment of lease liabilities	10	(141)	(139)
Cashflows from financing activities		(176)	(176)
(Decrease)/increase in cash in the year		**(110)**	**2,060**
Cash and cash equivalents at 1 April 2020	12	8,559	6,499
Cash and cash equivalents at 31 March 2021		**8,449**	**8,559**

The accompanying notes on pages 157 to 175 form part of these accounts.

YEAR ENDED 31 MARCH 2021
1. ACCOUNTING POLICIES

Basis of Accounts
These financial statements are prepared on a going concern basis under the historical cost convention, and in accordance with the Accounts Direction issued by the Secretary of State for Digital, Culture, Media and Sport with the consent of Treasury in December 2014. These meet the requirements of section 35(3) of the National Lottery etc Act 1993 (as amended by the National Lottery Act 1998) and applicable Accounting Standards, except certain headings have been amended in order to reflect special circumstances of the charity.

The accounts have been prepared on a going concern basis given the on-going Statutory appointment of the BFI as a lottery distributor, bringing a certainty of future revenues, combined with the year end reserves of £24.9m (2020: £34.3m).

The financial statements have been prepared in accordance with the Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the BFI for the purpose of giving a true and fair view has been selected. The particular policies adopted by the BFI are described below and they have been applied consistently in dealing with items that are considered material to the accounts.

The effect of new accounting standards and interpretations in issue but not yet adopted by the BFI that the directors anticipate will have a material effect on the reported income or net assets is noted below.

In accordance with the Direction issued by the Secretary of State for Digital, Culture, Media and Sport, financial statements have also been prepared for the BFI Group activities as a whole.

A copy of the Accounts Direction is available from the Secretary to the Board of Governors, 21 Stephen Street, London W1T 1LN or is available on line from www.gov.uk.

Accruals convention
Income and expenditure is accounted for on a receivable basis. The exception to this is recoupment income because of the inherent difficulties in relating the income to the period to which it relates. Recoupment income is therefore accounted for upon notification of amounts received by the BFI. Commitments are reported as per the National Lottery etc Act 1993.

As required by the Secretary of State for Digital, Culture, Media and Sport in the Accounts Direction, Lottery awards are accounted for on an accruals basis. Where the BFI has made a firm offer of a grant to a film rights or a non-film rights project, which together with the relevant conditions has been accepted by the recipient and the conditions of the grant have been fully met, the award is recognised as a payable. Where the BFI has agreed in principle to fund a scheme or project and made an offer, but the offer has not been accepted nor the associated conditions precedent met, the award is provided for in full at the year end. However, where the BFI has agreed in principle to fund a project in which it will take rights of recoupment ('film rights'), but the offer has not been accepted nor the associated conditions met, as the associated assets of the project can not yet exist, the award is treated as a financial commitment at the year end. These financial commitments are disclosed by way of a note to the financial statements, whereas the liabilities and provision are recognised in the financial statements.

Award commitments payable within one year of the Statement of Financial Position are recognised in the statement as current liabilities. Those payable more than one year from the date of the statement of financial position are shown as commitments payable over more than one year. Commitments for future years have been entered into which take into account income forecasts provided by the Department for Digital, Culture, Media and Sport (DCMS). These forecasts take a conservative view of future income.

Estimates and judgements
Estimates and judgements have been used in the production of these accounts, notably with regard to the valuation of film rights and pensions as at the year end and in the recharge of operating costs. Details on the judgements and estimation involved in the valuation of the film rights are set out in the Film Rights accounting policy above and note 6: Film Rights. The recharge of operating costs are based on an assessment of the relevant direct costs of the lottery departments and an appropriate proportion of the central support functions such as Facilities, Finance and IT. Further information can be found in note 9: Operating Costs and information on the assumptions underlying the pension valuation can be found in note 8: Pensions.

Most of the London Pension Fund's assets have quoted prices in active markets, but there are unquoted property, infrastructure and private equity assets, with BFI Lottery's share of assets other than equities and cash amounting to an estimated £4.2m (2020 £2.9m). The property and infrastructure assets are subject to valuation by external valuers and despite the ongoing impact of Covid-19 on the market and wider economy, the valuers have advised the pension fund that they are satisfied with the valuation of the assets at 31 March 2021. The actuaries have also given due consideration to the impact of Covid-19 on mortality rates and a prudent approach has been taken, following the guidance of the Institute and Faculty of Actuaries 'Continuous Mortality Investigation' 2020. Details of life expectancy are detailed in note 7 Pensions. The Fund Actuary has changed their standard approach to setting the CPI assumption, to take account of RPI reform. The method for calculating the RPI assumption (on which the CPI assumption is based) has been updated, resulting in a reduction in the Defined Benefit Obligation (DBO) of £0.8m. In addition, the difference between CPI and RPI (the RPI-CPI wedge) has been updated, resulting in an increase in DBO of £1.6m. These changes are linked, and are based on pre-2030 and post-2030 rates.

Apportioned costs
The BFI incurred costs which are shared between Lottery and other activities, relating to operating costs for the year, restructuring costs and costs arising from capital spend attributable to Lottery. The BFI is required to apportion costs in accordance with the principles of full cost recovery as outlined in Managing Public Money. In addition to costs wholly attributable to Lottery activities, an assessment is made of the other costs attributable to Lottery activities incurred by service and other departments. This is based on a combination of head count, office space occupied, activity levels and additional expenditure incurred. These departments include Finance & Resources, External Affairs and the Chief Executive's Office.

National Lottery Distribution Fund
Balances held in the National Lottery Distribution Fund (NLDF) remain under the stewardship of the Secretary of State for Digital, Culture, Media and Sport. The share of these balances attributable to the BFI is as shown in the financial statements at an estimate of market value and, at the date of the statement of financial position, has been certified by the Secretary of State for Digital, Culture, Media and Sport as being available for distribution by the BFI in respect of current and future commitments. With the introduction of IFRS 9 funds held at the National Lottery Distribution Fund are held as financial instruments held at amortised cost.

As the investments are held with the Debt Management Account and the National Loans Fund, these are exempt from recognising stage 1 and stage 2 impairment so no expected credit losses have been calculated for these investments.

The share of proceeds and investment returns attributed to the BFI has been treated as income within these financial statements.

Other Financial instruments
Other Lottery financial instruments include trade receivables and payables that arise directly from Lottery operations. The main risks arising from the financial instruments in the Lottery accounts are interest rate risk, foreign currency risk and other price risk. Further detail of this can be found in note 14 below.

Film rights
Film rights represent investment awards paid and payable to filmmakers which are repayable under certain conditions. Where a feature film made with the assistance of the BFI is successfully released, the BFI is entitled to participate in revenues generated by that success. This can lead to repayment of the investment in full, together with a share of the profits generated by the film.

Under International Financial Reporting Standards (IFRS 9) film rights fall within the definition of Financial Instruments. Within that, they meet the definition of assets measured at fair value with gains and losses being recognised in the profit and loss account (FVTPL). The fair value, in line with definitions of IFRS 9, is based upon cash flows and models of future income that may be generated by the film right asset. The calculations behind these models are based upon external factors such as sales agents' estimates, actual sales made, and the recoupment order agreed in the financing contract between investors as well as internal factors such as the skills and expertise of management involved in these calculations and a review of the historic performance of the portfolio.

When an advance is made for an award (satisfying the definition of an award liability as above) the award is taken to the Statement of Financial Position initially at the full value of the award. An assessment is then made of the likely repayment of the award, if any, over the next seven financial years, with the valuation adjusted to the extent that the repayment of the award is considered doubtful. The impairment is calculated either as standard percentage suggested by historic recoupment performance of that particular type of award, or based on the value suggested by future estimated receipts.

In subsequent years, the Film Rights valuations are reviewed to ensure that all revenues due are received and the valuation remains appropriate. The valuations are based on the best available information at the Statement of Financial Position date and the valuations will change over time. For instance, on production awards, the actual value of sales made to a territory may exceed or fall below the original sales estimate provided by the sales agent or the box office performance may exceed or fall below the initial projections following the release of a film.

At 31 March 2020 a further global provision was added in to the detailed review in recognition of the uncertainties arising from the COVID-19 pandemic and the unknown impact on future film sales and audience appetite for cinema attendance as a result of the lockdowns and their easing into the subsequent tier system. In light of the continuing uncertanties arising from the pandemic prevalent at 31st March 2021 the inclusion of such a provision was continued

Movements in adjustments shown in the statement of Comprehensive Net Expenditure reflect the net effect of increases and decreases in adjustments against film rights in the year. Any adjustment may be reversed in part or in full if the valuation understates the fair value of the film rights. Advances for development and short film awards are fully impaired in the year of the award, unless there is a reasonable expectation of repayment in the next seven financial years.

Movements in Film Rights valuations shown in the Statement of Comprehensive Net Expenditure reflect the net effect of increases and decreases in valuations against Film Rights in the year. Awards are fully impaired unless there is a reasonable expectation of repayment in the next seven financial years.

1. ACCOUNTING POLICIES (CONTINUED)

If the valuation of the film rights is in excess of the amount of the award investment based on estimated recoupment over the next seven financial years, this is similarly recognised in the film rights valuation and released to income as the recoupment is received. In the context of the life of a film and its distribution cycle, seven years is felt to be a reasonable period over which a meaningful forecast can be taken, and is consistent with practice across the film industry.

Should the full amount of an award for film rights not be utilised, any unused element of the funding will be decommitted. If such a decommitment exceeds the impaired value of the film, then any necessary impairment will be released back to the Statement of Comprehensive Net Expenditure so the remaining impairment is not greater than the value of the revised investment value.

Film recoupment income
Income received from film rights is offset against the value of the film rights on the Statement of Financial Position.

Income in excess of the original value of the rights is taken to the statement of comprehensive net expenditure as film recoupment income.

Foreign currencies
Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the date of the statement of financial position. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the statement of comprehensive net expenditure.

Lease costs and commitments
BFI Lottery pays rental to the BFI for the proportion of desk space occupied in the Stephen Street offices, in line with the terms of the lease on these premises to March 2031.

In accordance with FReM this lease obligation is recognised on Statement of Financial Position matched to a Right of Use asset. The former of these is reduced by the annual payment of lease liabilities including both rental and interest (finance) charge, whilst the latter is depreciated annually.

This differs from the treatment in the BFI Charity and Group accounts where, under the Charities SORP, rentals payable under operating leases are charged in the group statement of financial activity on a straight-line basis over the lease term.

Pensions
The BFI operates a defined benefit pension scheme for employees joining on or before 31 December 2013, and a defined contribution scheme for subsequent joiners, with an apportionment of the costs and liability being made to Lottery on an assessment of appropriate relative levels of staffing.

A defined benefit pension scheme is a post employment benefit plan. The BFI's net obligation in respect of this is calculated by estimating the amount of future benefits that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine the present value.

The pension liabilities and assets of the scheme are recorded in accordance with IAS 19. This measures the value of pension assets and liabilities at the statement of financial position date, determines the benefits accrued in the year, and the interest on the scheme's assets and liabilities. The valuation is undertaken by a qualified actuary.

The BFI operates a defined contribution scheme for employees joining on or after 1 January 2014. The amount charged to the Statement of Comprehensive Net Expenditure in respect of pension costs and other post-retirement benefits is the contribution payable in the year.

Provisions for award commitments
Provisions for award commitments arise where the BFI has agreed in principle to fund a scheme or project and made an offer, but where at the date of the statement of financial position either contracts have not been signed and/or the conditions precedent not met. Therefore these transactions are recognised as an award commitment but are not included in awards payable at the date of the statement of financial position but as a provision. Provisions are released in the following accounting periods as the offers of funding are contractually agreed and the associated conditions met. Across the year these criteria for drawdown of these funds had been amended in support of the sector, as part of the BFI Lottery response to the COVID-19 pandemic and resultant lockdown, and the impact of this on the industry.

Reserves
The Lottery reserve primarily represents the carrying value of film investments made by the UK Film Council prior to 31 March 2011 and British Film Institute since 1 April 2011, and uncommitted funds held at the National Lottery Distribution Fund, which are offset by all outstanding award liabilities.

The pension reserve represents the liability arising on the valuation of the BFI pension fund at year end, as notified by the actuaries.

Segmental reporting
The BFI is required under the Lotteries Act to produce statutory accounts which cover its operations as a Lottery distributor to 31 March 2021. These are reported to the Board of Governors and the Chief Executive Officer as a stand-alone entity. Therefore in the context of IFRS8 no additional disclosure of segmental reporting is deemed appropriate.

Analysis of total expenditure between administrative and programme spend
Under the definitions of the Financial Reporting Manual 2020-21 all activities in these accounts are programme spend.

Standards, amendments and interpretations to existing standards not yet effective
The application of any new or amended International Financial Reporting Standards is governed by their adoption into the FReM issued by HM Treasury. Usually such changes are not put into effect by the FReM until the effective date of the related IFRS, although occasionally some changes are adopted early or might be delayed. The following standards have been published but are not effective for the periods presented. The BFI has chosen not to adopt these standards early as they are either not relevant to the circumstances of the BFI Lottery Distribution activities or are not considered to have a significant impact on the financial statements:

IFRS 17: Insurance contracts (Effective from periods starting on or after 1 January 2022)	The new standard replaces IFRS 4, detailing the required policy for the recognition and measurement of insurance and re-insurance contracts, adding detail on the required approach to valuing insurance contracts.	BFI Lottery does not provide and insurance contracts in its normal course of business.

2. LOTTERY INCOME AND THE NATIONAL LOTTERY DISTRIBUTION FUND

The movement in balances held at the NLDF is as follows:	**2020-21 £'000**	**2019-20 £'000**
Opening balance held at the NLDF	53,804	52,757
Income received from the Lottery	49,044	48,025
Investment income earned	29	232
Available for distribution	102,877	101,014
Cash drawn down	(49,757)	(47,210)
Balance as at 31 March	**53,120**	**53,804**

The funds are invested on behalf of the NLDF by the National Debt Commissioners. The BFI's distribution is in accordance with Sections 22 and 23 of the National Lottery etc. Act 1993 (as amended by the National Lottery Act 1998). The BFI is required by statute to show on the statement of financial position the lower of the market value or the cost of the investment as at the year end. There were no unrealised gains in the year (2020: nil).

Income received from the Lottery

Underlying lottery sales in 2020-21 improved on those of the previous year, despite the drop of in the early weeks of the year resultant from the COVID-19 pandemic and consequent national lockdown. However, the income includes the variable factor of receipts of unclaimed prize money:

Income received from Lottery therefore contains:	**2020-21 £'000**	**2019-20 £'000**
Unclaimed prize money	2,744	3,331

YEAR ENDED 31 MARCH 2021
3. FILM RIGHTS RECEIPTS AND RECOUPMENT INCOME

The BFI receives income generated from rights in the portfolio of film projects invested in since 1 April 2011. Additionally under the transfer agreement with UK Film Council, the BFI receives all future income generated from rights in the portfolio of films transferred from the UK Film Council and Arts Council England at that date.

Income received from film rights is offset against the value of the film rights on the statement of financial position. Income in excess of the original value of the rights is taken to the statement of comprehensive net expenditure as film recoupment income through the movement in fair value reserve.

	2020-21 £'000	2019-20 £'000
Total film receipts taken as income	803	1,553
Total film receipts taken against film rights on the statement of financial position	4,074	4,476
	4,877	**6,029**

Those film receipts where the revenue is taken as income related to:

	2020-21 £'000
Billy Eliott	132
3 films generating < £100,000	143
Arts Council England and UK Film Council portfolio	275
Been So Long	102
Saint Maud	217
Wild Rose (aka Country Music)	128
16 films generating < £100,000	81
BFI portfolio	528
	803

Total film receipts taken against film rights on the statement of financial position

	2020-21 £'000
Been So Long	328
Benediction	257
Boxing Day	122
Brian and Charles	175
Earwig	100
The Fantastic Flitcrofts	121
Kenuske's Kingdom	140
Medusa Deluxe	235
Misbehaviour	278
Mothering Sunday	222
The Origin	100
Pretty Red Dress	130
Saint Maud	475
True Things About Me	143
Wild Rose (aka Country Music)	223
84 films generating < £100,000	1,025
	4,074

YEAR ENDED 31 MARCH 2021
4 NON-FILM RIGHTS AWARDS

Non-film rights awards are made across a number of schemes operated by the BFI. The majority of awards are for single projects which are anticipated to be completed within one year. With the implementation of our 5 year plan, BFI2022, and in comparison to previous years, no significant multi-year awards were made. However, awards were made in the year to March 2021 for activities to March 2022.

The activity support areas itemised below are those areas where it is deemed that activity on behalf of the industry and indeed the public at large, and funded by Lottery monies, are most cost effectively and efficiently carried out by the BFI as the lead body for the film sector.

Analysis of non-film rights awards by strand:

	2020-21			2019-20
	New awards in the year £'000	Decommit-ments* £'000	Awards net of fall ins £'000	Awards net of fall ins £'000
Funding to cover the future years				
Film Education awards	(4,888)		(4,888)	(4,887)
Film Skills Fund	(4,190)		(4,190)	(5,389)
Audience fund awards	(3,811)		(3,811)	(3,848)
Film Audience Network fund	(3,300)		(3,300)	(3,300)
Film Heritage fund	(3,263)		(3,263)	(2,275)
Talent Network awards	(1,210)		(1,210)	(977)
International awards	(575)		(575)	-
National Cluster Growth Fund (production hub awards)	-		-	(1,000)
	(21,237)	-	(21,237)	(21,676)
Project or single year funding to cover the period to March 2021				
Creative Enterprise	(1,540)		(1,540)	-
Education fund awards	(1,384)	68	(1,316)	72
Rewarding Success	(1,252)		(1,252)	(1,911)
Talent Network awards	(1,211)	12	(1,199)	(1,456)
Vision awards	(1,000)		(1,000)	-
Audience Fund	(979)	8	(971)	(1,383)
International awards	(680)	34	(646)	(1,506)
Research and Statistics awards	(640)	6	(634)	(476)
Production services award	(550)		(550)	-
Film Fund awards (non-film rights)	(503)	10	(493)	-
Film Skills Fund awards	(400)		(400)	(3,149)
Film Academy awards	(480)	117	(363)	(449)
Distribution and Exhibition awards	(295)		(295)	(21)
London Film Festival	(1,250)	1,000	(250)	(900)
Film Audience Network fund	(53)	213	160	-
Development Fund		233	233	7
Diversity awards			-	33
	(12,217)	1,701	(10,516)	(11,139)
Activity support				
Diversity			-	-
Research and statistics	(284)	-	(284)	(340)
	(284)	-	(284)	(340)
Total Lottery non-film rights	**(33,738)**	**1,701**	**(32,037)**	**(33,155)**

* A decommitment (or fall in) is when an award is reduced for any reason with the agreement, and usually at the volition of, the award recipient. The balance is written back against the relevant award strand in the statement of comprehensive net expenditure.

Rewarding success above represents recoupment received in the year under the producer corridor arrangements and thus held on behalf of film-makers. Further information is provided in note 19.

YEAR ENDED 31 MARCH 2021
5. FILM RIGHTS

Under IFRS 9 the valuation of the films rights assets are determined on the basis of level 3 inputs, with unobservable inputs being used for the asset as there is no market activity for these assets at the balance sheet date. The valuation approach to establish the fair value of the film rights portfolio is set out in Note 1 : Accounting Policies.

The BFI's primary objective in investing in film rights is to support the future success of British film by backing new voices, new stories, new ideas and skills, enriching and diversifying British film production. Thus whilst the potential commercial success of a project is important in our assessment of an application it is not the only funding criteria.

The fair value of film rights at 31 March is as follows:

	2020-21	2019-20	2018-19	2017-18	2016-17
	£'000	£'000	£'000	£'000	£'000
Production Awards	9,760	11,330	12,181	10,210	10,370
Vision Awards	1,411	1,238	1,323	1,368	1,500
Development Awards	227	534	284	333	374
Distribution Awards	162	235	220	489	329
Other Awards	-	-	0	30	54
Film Rights valuation	**11,559**	**13,337**	**14,008**	**12,430**	**12,627**

Film rights are recognised as split between current and non-current assets, on the basis of a review of the characteristics of the loans across the portfolio and the anticipated cash flows from these:

	2020-21	2019-20	2018-19	2017-18	2016-17
	£'000	£'000	£'000	£'000	£'000
Film rights - non-current	9,228	10,532	8,249	7,492	7,627
Film rights - current	2,331	2,805	5,759	4,938	5,000
	11,559	**13,337**	**14,008**	**12,430**	**12,627**

Production awards are made to producers to co-finance feature film productions and from which we are entitled to recoup our award and take a share of net profits from the film. The value of the productions will be dependent upon many factors which are inherently uncertain; the ability of sales agents to meet sales estimates, how the film will be critically and commercially received (including box office projections and exchange rates) all play a role. Further details are set out below.

Vision Awards are made to production companies to enable them to develop their business and the awards are repayable from any applicable feature film production made by the production company. As we do not expect all recipients to be required to repay the award in full we routinely impair 50% of the recoupable amount of the award in the year in which it is committed.

Development awards are made to producers to support a film development. In the event that the development project progresses into a feature film production, we would be entitled to be repaid our award and take a share of net profits. Accordingly development awards are impaired in full in the year in which the award is made, unless there is a reasonable anticipation of it progressing to production.

Distribution awards are made to distributors to support the release of a film in the UK and repayable dependent upon the performance of the film release.

Other awards include targeted development awards which are awarded to support new talent. These awards are written off in full in the year unless there is a reasonable expectation of recoupment.

Movements in the valuation of film rights

	2020-21	2019-20	2018-19	2017-18	2016-17
	£'000	£'000	£'000	£'000	£'000
Film rights valuation at 1 April	13,337	14,008	12,430	12,627	10,970
New commitments: made in year	22,275	17,002	20,840	18,783	23,150
Decommitments: new film rights in year	(370)	-	(3)	(23)	-
Decommitments: historical portfolio	(178)	(461)	(369)	(451)	(315)
Repayment of investments: new film rights in year	(1,528)	(285)	(588)	(508)	(539)
Repayment of investments: historical portfolio	(2,547)	(4,191)	(3,546)	(5,024)	(4,647)
Adjustments: new film rights in year	(17,559)	(13,932)	(16,110)	(15,530)	(19,114)
Adjustments: historical portfolio	(5,174)	(3,873)	(2,476)	(2,315)	(1,971)
Adjustments written back	3,303	5,069	3,830	4,871	5,093
Film rights valuation at 31 March	**11,559**	**13,337**	**14,008**	**12,430**	**12,627**

YEAR ENDED 31 MARCH 2021
5. FILM RIGHTS (CONTINUED)

The value of new commitments made in the year will vary due to timing differences arising from the closure of awards.

The valuation of the Film Rights is based on the anticipated cash receipts over the next seven financial years after the Statement of Financial Position date. In relation to recent production awards (that is production awards that were recognised as awards payable this financial year and the last three financial years), the valuation is based on the cash receipts anticipated from the first cycle of revenues including revenues from cinema, DVD, Video On Demand and television. In relation to older production awards, the valuation is based on the anticipated cash receipts for the next seven years following the balance sheet date calculated from the individual film's historic cash receipts. All such anticipated cash receipts are discounted using the applicable Treasury Rate of 3.7% (2020: 3.7%).

The value of adjustments on new film rights in the year is always governed by the value of awards made and therefore can vary considerably year to year.

As at 31 March 2021, the Film Rights valuation for production awards is £9.8m (2020: £11.3m) and for all other Film Rights is £1.8m (2020: £2.0m) totalling £11.6m (2020: £13.3.0m). For production awards, were the recoupment levels and valuation to vary by +/- 5%, the impact of the valuation of Film Rights at 31 March 2021 would be £0.5m for 207 awards (2020: £0.6m for 186 awards).

In relation to older production awards, the Film Rights valuation is calculated on the assumption that the future anticipated receipts will be based on the historic cash receipts for the two years prior to the Statement of Financial Position date, subject to an 85% default reduction every three years, except for films in profit which are calculated on the assumption that the future anticipated receipts will be based on the historic cash receipts for the three years prior to the Statement of Financial Position date, subject to a 75% default reduction every three years. The total amount of the Film Rights valuation based on this methodology is £4.3m (2020: £5.2m). Were this default reduction percentage to change by +/- 10% the Film Right valuation would change by :

	£'000 +10%	£'000 0.00%	£'000 -10%
2020-21	(400)	4,320	390
2019-20	(560)	5,240	400

In relation to recent production awards (that is production awards that were recognised as awards payable this financial year and the previous three financial years), the Film Rights valuation is based on future anticipated receipts. These cash receipts are principally earned in US dollars and converted to pounds sterling before payment is made to the BFI's bank accounts. The default pound sterling to US dollar exchange rate is calculated using the average daily exchange rate for the two years to the Statement of Financial position date rounded to the nearest 5 US cents. The default rate as at 31 March 2021 for production awards is US $1.30 (2020:US $1.30).

Had the pound sterling to US dollar exchange rate been $1.40, for the purposes of the Film Rights valuation, then the valuation of the total of these production awards would be reduced by £0.5m (and the awards at March 2020 would reduce by £0.4m). Were the valuation calculated using US $1.20, then these valuations would be increased by £0.6m (and the awards at March 2020 would increase by £0.7m).

Further information on the movement on film rights can be found on the BFI website: http://www.bfi.org.uk/about-bfi/annual-review-management-agreement.

6. STAFF COSTS

No member of the Board of Governors received remuneration during the year (2020: none).

The costs of staff working wholly on Lottery activities comprised:	2020-21 £'000	2019-20 £'000
Wages and salaries	1,826	1,888
Social Security costs	206	213
Pension service costs and other pension costs	312	283
	2,344	**2,384**

The average number of staff (full-time equivalents) employed during the year was made up as follows:

	2020-21 Number	2019-20 Number
Management and administration:		
Permanent staff	40	38
	40	**38**

Staff costs for the year are contained within the costs apportioned from grant-in-aid on the statement of comprehensive net expenditure.

YEAR ENDED 31 MARCH 2021

6. STAFF COSTS (CONTINUED)

The remuneration of the Chief Executive Officer and costs attributable to Lottery during the year are as follows:

	2020-21 £	%	Attributable to Lottery £
Ben Roberts			
Salary and benefits	150,000		66,001
Total	**150,000**	44.0%	**66,001**
Pension contribution	**23,000**		**10,121**

	2019-20 £	%	Attributable to Lottery £
Amanda Nevill (to 14.2.20)			
Salary and benefits	169,058		86,220
Total	**169,058**	51.0%	**86,220**
Pension contribution	**19,422**		**9,915**
Ben Roberts (from 14.2.20)			
Salary and benefits	20,605		10,509
Total	**20,605**	51.0%	**10,509**
Pension contribution	**2,370**		**1,209**

The percentage of the remuneration of the Chief Executive Officer apportioned to Lottery is reviewed on an annual basis.

7. PENSION BENEFITS

The BFI Is an admitted body of the LPFA. Although membership of the scheme is open to all employees, only those costs relating to staff employed on Lottery activities are disclosed in these accounts. An apportionment of the pension assets and liabilities is calculated on the basis of the numbers of staff employed on Lottery activities and their pensions contributions in year as a percentage of those of the whole organisation.

The pension scheme is (for joiners on or prior to 31 December 2013) a defined benefit scheme and is funded by employees and employers at actuarially determined rates. Employer contributions charged for members of the defined benefit scheme amounted to £0.3m (2020: £0.3m)

Following the advice of the consulting actuaries to the scheme, the BFI's employer contributions for current service (as a percentage of the pensionable salary) were set at 11.5% throughout the year (2020: 11.5%).

A valuation under IAS19 as at March 2021 was carried out by a qualified independent actuary. The assumptions used by the actuary for the BFI's scheme were:

	2020-21 %	2019-20 %
Rate of increase in salaries	3.85	2.9
Rate of increase in pension payments	2.85	1.9
Discount rate	2.0	2.35
Inflation assumption (CPI)	2.85	1.9

Average life expectancy at 65:

Under the adopted mortality tables, the assumed life expectancy from age 65, weighted by liability, are as follows:

	2020-21 (after CMI-2020 update) Years	2020-21 (before CMI-2020 update) Years	2019-20 (before CMI-2020 update) Years
Life expectancy at age 65 of female aged 45	26.1	26.2	26.1
Life expectancy at age 65 of female aged 65	24.3	24.5	24.4
Life expectancy at age 65 of male aged 45	23.4	23.8	23.7
Life expectancy at age 65 of male aged 65	22	22,3	222

YEAR ENDED 31 MARCH 2021

7. PENSION BENEFITS (CONTINUED)

The estimated asset allocation as at 31 March was:

	2020-21 Long term rate of return expected £'000	2019-20 Long term rate of return expected £'000
Equities	6,693	5,609
Target return portfolio	2,798	2,701
Infrastructure	1,095	727
Property	1,095	1,039
Cash	486	311
Total market value of assets	**12,167**	**10,387**

The net pension liability was:	At 31 March 2021 £'000	At 31 March 2020 £'000	At 31 March 2019 £'000
Present value of funded obligation	(17,117)	(13,059)	(13,347)
Fair value of scheme asset	12,167	10,387	10,703
Net liability	**(4,950)**	**(2,672)**	**(2,644)**

The amounts recognised in the statement of comprehensive net expenditure are as follows:

	2020-21 £'000	2019-20 £'000
Current service cost	(455)	(528)
Net interest on the defined liability	(61)	(61)
Administration expenses	(17)	(19)
Total	**(533)**	**(608)**
Actual return on plan assets	1,709	(40)

Amounts recognised in statement of changes in equity:	2020-21 £'000	2019-20 £'000
Return on plan assets in excess of interest	1,466	(296)
Other actuarial gains/(losses) on assets	-	(401)
Change in financial assumption	(3,686)	1,178
Experience (loss)/gain of defined benefit obligation	168	(84)
Remeasurements recognised in the statement of changes in equity	**(2,052)**	**397**
Cumulative remeasurements in statement of changes in equity	(4,647)	(2,595)

Changes in the present value of the defined benefit obligation:	2020-21 £'000	2019-20 £'000
Opening defined benefit obligation	(13,059)	(13,347)
Current service cost	(455)	(528)
Past service cost	-	(115)
Interest cost	(304)	(318)
Contributions by members	(107)	(120)
Change in financial assumptions	(3,686)	1,178
Experience gain/(loss) on defined benefit	168	(84)
Benefits paid	326	275
Closing defined benefit obligation	**(17,117)**	**(13,059)**

YEAR ENDED 31 MARCH 2021

7. PENSION BENEFITS (CONTINUED)

Changes in the fair value of the scheme assets:	2020-21 £'000	2019-20 £'000
Opening fair value of employer assets	10,387	10,703
Contributions by members	107	120
Contributions by employer	307	299
Interest on assets	243	256
Return on assets less interest	1,466	(296)
Other actuarial gains/(losses)	-	(401)
Admin expenses	(17)	(19)
Benefits paid	(326)	(275)
Closing fair value of employer assets	**12,167**	**10,387**

The sensitivity analysis on the major assumptions in the above, and based on the whole scheme is:

		£'000	£'000	£'000
Adjustment to discount rate		+0.1%	0.0%	-0.1%
	Present value of total obligation	16,769	17,117	17,473
	Projected service cost	674	696	718
Adjustment to long term salary increase		+0.1%	0.0%	-0.1%
	Present value of total obligation	17,150	17,117	17,084
	Projected service cost	696	696	696
Adjustment to pension increases and deferred valuation		+0.1%	0.0%	-0.1%
	Present value of total obligation	17,436	17,117	16,804
	Projected service cost	718	696	674
Adjustment to mortality age rating assumption		+ 1 year	0.0%	- 1 year
	Present value of total obligation	17,896	17,117	16,374
	Projected service cost	728	696	666

A history of experience gains and losses is shown below:	2020-21 £'000	2019-20 £'000
Fair value of employer assets	12,167	10,071
Present value of defined benefit obligation	(17,117)	(12,771)
Deficit	(4,950)	(2,700)
Experience gains on assets	1,709	(40)

From 1 January 2014 the BFI also operates a defined contribution pension scheme which is available for all employees not already in the defined benefit scheme.

8. OPERATING COSTS and OTHER FINANCE COSTS

	2020-21 £'000	2019-20 £'000
Direct Lottery costs		
Direct staff costs	2,342	2,355
Other staff costs (including agency staff, training and recruitment)	60	71
Travel and subsistence	-	142
Events and other hospitality	2	25
Professional fees: Audit - National Audit Office	52	52
Professional fees: other	46	32
Depreciation re right of use asset	155	155
Other	298	(80)
	2,956	2,752
Recharged costs from BFI non-lottery activities re support functions	2,420	2,810
Total operating costs	5,376	5,562
Finance costs		
Interest re lease on right of use asset	35	37
Net return on pension assets	77	195
Total financing costs	112	232
Total operating costs	**5,488**	**5,794**

YEAR ENDED 31 MARCH 2021

8. OPERATING COSTS (CONTINUED)

The direct lottery costs are those of the front-line award making departments. These costs are those of the Film Fund (International, Production, Operations, Audience Fund, Deputy CEO Office), Education Directorate, Education Partners, Business Affairs and Production Finance. These costs cover the administration and processing of grants, project development and other costs, the costs of generating recoupment and talent support and development activities.

The remaining costs are those central costs of the BFI attributed to Lottery relating to CEO, External Affairs, and support functionality such as Finance, HR, IT and Digital.

Costs of generating recoupment relate to the costs of generation and management of BFI income from the investments in film rights within Business Affairs, Production Finance and the Film Funds - in 2020-21 these stood at £0.8m (2020: £0.8m).

Other Finance Costs

	2020-21 £'000	2019-20 £'000
Net return of assets re pension	77	195
Interest on rental of right of use assets	35	37
	112	**232**

9. LEASEHOLD IMPROVEMENTS

	2020-21 £'000	2019-20 £'000
Release of prepayment of capital transfer to BFI	362	369
	362	**369**

The above prepayment relates to the contribution made to the capital works undertaken by BFI on the Stephen Street offices in relation to the transfer of staff and activities with the closure of UK Film Council and the appointment of BFI as Lottery Distributor from April 2011. The assets are held in the BFI Charity/Group. The lottery contribution was advanced to match the spend, being treated as a prepayment being released over the period of the Stephen Street lease and thus matching the amortisation of this spend in the Charity/Group accounts.

10. RIGHT OF USE ASSETS and LEASE LIABILITIES

As at 31 March 2021, the BFI had a right of use asset reflecting a non-cancellable operating leases relating to the BFI offices in London running until March 2031. With the introduction of IFRS 16: Lease Accounting, this is now shown in the accounts as a trade receivable split between the amounts falling due within and over one year - these are matched to the lease liability.

	At 31 March 2021 £'000	At 31 March 2020 £'000
Right of use asset at 1 April	1,705	-
Right of use asset recognised in the year	-	1,860
Depreciation in year	(155)	(155)
Right of use asset at 31 March	**1,550**	**1,705**

Consequently a lease liability was recognised in year with the finance cost calculated using the HMT discount rate of 1.99%

Lease liability at 1 April	1,721	-
Lease liability recognised in year	-	1,860
Repayment of lease liabilities	(176)	(176)
Finance cost in year	35	37
Lease liability at 31 March	**1,580**	**1,721**

11. TRADE AND OTHER RECEIVABLES

	At 31 March 2021 £'000	At 31 March 2020 £'000
Trade and other receivables falling due within one year		
Prepayments and accrued income	-	362
Trade debtors	823	337
Other receivables - BFI Exchequer	-	16
Other receivables	297	259
Total trade and other receivables falling due within one year	**1,120**	**974**

YEAR ENDED 31 MARCH 2021
12. CASH AND CASH EQUIVALENTS

	At 31 March 2021 £'000	At 31 March 2020 £'000
Cash and cash equivalents at 1 April	8,559	6,499
Net change in cash and cash equivalent balances	(110)	2,060
Cash and cash equivalents at 31 March	**8,449**	**8,559**

£3.2m (2020: £3.9m) of cash held in BFI lottery bank accounts is funds recouped by BFI and held on behalf of producers under the "Rewarding Success" recoupment corridor. See note 16: Provisions.

All Lottery cash balances are held in commercial bank accounts.

13. FINANCIAL INSTRUMENTS

International Financial Reporting Standards require disclosure of the role which financial instruments have had during the period, in creating or changing the risks the BFI faces in undertaking its role.

Film rights
Under International Financial Reporting Standards (IFRS 9) film rights fall within the definition of Financial Instruments. Within that, they meet the definition of assets measured at fair value with gains and losses being recognised in the profit and loss account (FVTPL).

Establishing the fair value of film rights is subjective and therefore contains an element of risk. The fair value is based on a review of external evidence such as the sales agents' estimates as to the likely revenues generated by a project, where it is in the life cycle of the project, and upon actual performance of the film to date. This is matched with the knowledge and experience of the staff and management involved in the process of assessing the projects both at application stage and as they come to fruition. Any reduction in fair value is immediately taken to the statement of comprehensive net expenditure in the year.

The valuation of film rights is subject to on-going annual review to ensure a fair value is maintained and thus mitigating the risk of a perceived overstatement of the value, with any adjustments being charged as expenditure.

	2020-21 £'000	2019-20 £'000
Film rights falling due in excess of one year	9,228	10,532
Film rights falling due within one year	2,331	2,805
Film rights valuations at 31 March	**11,559**	**13,337**

Liquidity risks

Whilst lottery distributors are permitted to over-commit in awards against the surety of future lottery income, the BFI awards are over a relatively short term. Thus risk of holding insufficient resources to cover liabilties is held under constant review across the year, to ensure that this risk is minimised, by review of current funds held in cash and at the National Lottery Distribution fund versus the levels of commitment.

Lottery cash inflows can be analysed as:	2020-21 £'000	%	2019-20 £'000	%
Income received from the National Lottery	49,044	90.7%	48,025	88.3%
Investment returns from the balance held at the NLDF	29	0.1%	232	0.4%
Recoupment income from film rights	4,877	9.0%	6,029	11.1%
Other income including legacies, grants and donations	97	0.2%	95	0.2%
	54,047	**100.0%**	**54,381**	**100.0%**

	2020-21 £'000	2019-20 £'000
NLDF balance at 31 March as notified by the Secretary of State for Digital, Culture, Media and Sport	53,120	53,804
Lottery funds held in cash and cash equivalents by the BFI at 31 March	8,449	8,559
	61,569	**62,363**

	2020-21 £'000	2020-21 £'000
Lottery awards payable	18,495	22,083
Provision for non-Lottery film rights awards	25,644	16,809
Film rights award allocations noted as contingent liabilities	4,536	5,117
	48,675	**44,009**
Under commitment against funds available at 31 March	**12,894**	**18,354**

13. FINANCIAL INSTRUMENTS (continued)

National Lottery Distribution Fund

Under IFRS 9 funds held at the National Lottery Distribution Fund are held as financial instruments held at amortised cost. The funds are invested on behalf of the NLDF by the National Debt Commissioners over which the BFI has no control and therefore has capacity to mtigate any risk here-in.

Interest rate risks

Interest rate risk is deemed low for the BFI as it does not have any interest payable. With the restrictions on how public bodies may hold cash, and in the current climate of nil interest rates on bank current accounts the BFI similarly has little risk of not ensuring it is maximising interest on its own cash holdings.

The BFI's largest financial asset is retained in the NLDF, which invests in a narrow band of low risk assets such as Government bonds and cash. Neither the BFI nor its Governors has any control over these investments. The interest rate risks in respect of these financial assets are disclosed in the financial statements of the NLDF.

	2020-21 £'000	2019-20 £'000
Market value of BFI investment at NLDF at 31 March	53,120	53,804
Average investment return at NLDF	0.10%	0.72%

Cash drawn from the NLDF, or received from other sources, to pay grant commitments and operating costs are held in variable rate bank accounts:

	2020-21 £000s	2019-20 £000s
Lottery funds held in cash and cash equivalents by the BFI at 31 March	8,449	6,499
Average interest rate on cash held in variable rate bank accounts	0.13%	0.40%

Foreign currency risks

The BFI's financial assets are not exposed to material foreign exchange risks as long-term balances are held in sterling, however foreign currency exchange risks are significant in the valuation of the Film Rights as explained in note 6: Film Rights

14. TRADE AND OTHER PAYABLES

	At 31 March 2021 £'000	At 31 March 2020 £'000
Other payables (including lease liability)	334	910
Other payables due in < 1 year	**334**	**910**

	At 31 March 2021 £'000	At 31 March 2020 £'000
Other payables: lease liability	1,437	1,581
Lease payables due in >1 year	**1,437**	**1,581**

As at 31 March 2021, the BFI had total minimum payments under a non-cancellable operating lease relating to the BFI offices in London running until March 2031. With the introduction of IFRS 16: Lease Accounting, this is now shown in the accounts as a lease liability matched to a right of use asset.

The proportion of these costs relating to these leases that form part of the costs apportioned to Lottery are:

	At 31 March 2021 £'000	At 31 March 2020 £'000
Amounts payable within one year	144	141
Amounts payable within two to five years	607	595
Amounts payable over five years	830	986
	1,581	1,722

YEAR ENDED 31 MARCH 2021
15. OTHER PAYABLES - AWARDS COMMITMENTS

	At 31 March 2021 £'000	At 31 March 2020 £'000
At 1 April	22,083	17,782
New film rights commitments in year	24,297	17,002
Commitments transferred from prior year provision for non-film rights awards	12,915	16,579
New non-film rights commitments in year	7,423	16,914
Decommitments	(1,679)	(466)
Amounts paid	(46,544)	(45,728)
At 31 March	**18,495**	**22,083**

Award commitments payable at 31 March relate to:	At 31 March 2021 £'000	At 31 March 2020 £'000
Audience Development Fund - Organisation	681	960
Audience Development Fund - Projects	941	1,072
BFI Film Academy	882	285
Creative Enterprise	221	143
Development Fund	1,201	1,068
Film Audience Network Fund	155	1,019
Film Heritage	2,226	1,810
International Fund	412	984
Into Film	250	-
National Cluster Growth Fund	1,045	-
Other	124	114
Production Fund	4,351	3,834
Research and Statistics Fund	354	303
Skills	3,576	9,323
Talent Development	867	1,125
Vision Awards	1,209	43
	18,495	**22,083**

Decommitments arise when any element of the award is not utilised once contracts are signed and drawdown has commenced.

Commitments transferred from the provision for non-film rights awards are as follows:

	At 31 March 2021 £'000	At 31 March 2020 £'000
Film Education Awards	4,887	4,888
Film Audience Network	2,480	3,310
Heritage and Regional Archives	2,275	2,092
Audience Fund	1,590	2,340
National Cluster Growth Fund	1,000	600
Talent Network	537	1,046
Film Academies	83	93
International	33	665
Research Fund	30	135
Production Services Fund	-	550
Creative Enterprise	-	860
	12,915	**16,579**

15. OTHER PAYABLES - AWARDS COMMITMENTS (continued)

New non-film rights commitments in the year:

	At 31 March 2021 £'000	At 31 March 2020 £'000
Project funding to 31 March 2021		
Creative Enterprise	1,540	-
Film Education Awards	1,308	8,553
London Film Festival award	1,250	900
Audience Fund	1,086	2,776
International	676	1,591
Research Fund	553	450
Production Services	550	-
Film Academies	247	494
Film Audience Network	213	1,710
Talent Network	-	440
New commitments in year	**7,423**	**16,914**

Reconciliation of new awards in year per the statement of comprehensive net expenditure to new commitments, awards payable on the statement of financial position:

	At 31 March 2021 £'000	At 31 March 2020 £'000
Non-film rights awards taken to SOCNE in the year	32,037	33,155
Less spend on activity support in year	(284)	(340)
Less new awards in year taken to SOCNE but recorded by way of provision at year end	(23,723)	(14,833)
Add back decommitments of awards from prior years taken as negative spend on SOCNE	(607)	(1,068)
New non-film rights commitments taken as awards payable	**7,423**	**16,914**

Ageing of award commitments, estimated date of payment:	At 31 March 2021 £'000	At 31 March 2020 £'000
Estimated payment within one year	18,495	22,083

16. PROVISIONS

	At 31 March 2021			At 31 March 2020
	Non Film Right Awards £'000	Rewarding Success awards £'000	Total £'000	Total £'000
At 1 April	12,922	3,887	16,809	19,414
New provisions in the year	29,928	1,252	31,180	31,757
Provisions written back in year	(34)	-	(34)	(10)
Provisions released in year	-	(1,973)	(1,973)	(859)
Transferred to other payables - award commitments	(20,337)	-	(20,337)	(33,493)
At 31 March	**22,478**	**3,166**	**25,644**	**16,809**

Provisions for award commitments arise where the BFI has agreed in principle to fund a scheme or project and made an offer, but where at the date of the statement of financial position either contracts have not been signed and/or the conditions precedent not met. Therefore these transactions are recognised as liabilities in the statement of financial position as provisions rather than payables. Provisions are released in the following accounting periods as the offers of funding are contractually agreed and the associated conditions met.

The year end provision with regard to non film right awards relates to awards made by the BFI across a number of strands:

	At 31 March 2021 £'000	At 31 March 2020 £'000
Film Education Awards	9,523	4,892
Audience Fund	4,437	2,480
Heritage and Regional Archives	3,263	2,275
Film Audience Network	3,140	1,590
Talent Network	1,210	536
International	584	36
Film Academies	233	83
Research Fund	87	30
National Cluster Growth Fund	-	1,000
	22,478	**12,922**

A provision written back arises when the conditions of the terms of the award are not met prior to signature of contract.

Rewarding Success provision

The rewarding success initiative allows for a share of film recoupment income arising from lottery awards to be made available to UK Producers, Writers and Directors for their future film making activity. The funds held on behalf of film-makers ("the locked box") represents the monies held for this initiative at the balance sheet date and not yet drawn down.

Ageing of provisions, estimated date of payment	At 31 March 2021 £'000	At 31 March 2020 £'000
Amounts anticipated as payable within one year	25,644	16,809

At the date of the statement of financial position the BFI Lottery activities had no further provisions (2020: £nil).

17. CAPITAL COMMITMENTS

As at 31 March 2021, the BFI had no capital commitments outstanding related to Lottery distribution activities, therefore no costs are attributable to Lottery at the date of the statement of financial position (2020: £nil).

18. OTHER FINANCIAL COMMITMENTS and CONTINGENT LIABILITIES

Financial Commitments
At the date of the statement of financial position there were financial commitments representing film rights investments made by the BFI where the investment decisions had been taken by the BFI and notified to the applicants but either the contracts had not been signed and/or the conditions precedent not met. Therefore work had not commenced on the assets in which the BFI is investing, so neither the asset nor the matching liability are represented in the statement of financial position at that date.

	At 31 March 2021 £'000	At 31 March 2020 £'000
Prior year awards		
Talent Network awards	191	
Production awards	97	105
Development awards	26	-
In year awards		
Production awards	3,081	3,742
Development awards	624	818
Talent Network awards	457	302
Distribution awards	60	150
Financial commitments notified but not yet recognised in the financial statements	**4,536**	**5,117**

YEAR ENDED 31 MARCH 2021
18. OTHER FINANCIAL COMMITMENTS and CONTINGENT LIABILITIES (continued)
Other Contingent Liabilities - Rewarding Success projects in Film Rights

The film rights valuation is based on the value of the initial BFI investment as detailed in the Accounting Policies note above. However on a number of these investments, the BFI Locked Box initiative applies and accordingly there is a potential and contingent liability with regard to the element of the valuation which would be made available to UK-filmmakers. The BFI Locked Box initiative enables UK-filmmakers supported through the BFI to benefit from their film's success. In short, a share of income from supported film productions is put aside (into a BFI Locked Box) and can be used by the filmmakers for the development and/or production of their future projects or towards staff training. In the year these criteria were expanded to include support of organisational costs as part of the BFI's response to assist the industry as a result of the COVID-19 pandemic and resultant lockdown.

	At 31 March 2021 £'000	At 31 March 2020 £'000
Contingent liability - rewarding success projects in film rights	**2,975**	**3,002**

19. CONTINGENT ASSETS

The National Lottery Distributors are entitled to receive a share of the receipts from the sale of land on Queen Elizabeth Olympic Park in return for their contribution of an additional £675 million to the funding of the London 2012 Olympic and Paralympic Games. This was announced in 2007. The arrangements are set out in a legal agreement between the Secretary of State and the Greater London Authority dated 29 March 2012 which sets out the distribution of funds between the GLA and the lottery distributors (via DCMS). The GLA has now advised that the land sales on the Olympic Park are now forecast to return less than £200m with payment beginning in 2026-27.

BFI will be entitled to receive a portion of the receipts from the sale in line with the 2.705% of the funds available to the good causes that the BFI receives as a lottery distributor.

Due to the inherent uncertainties over such a time period it is not possible to yet quantify the value of such land sales. However given the information above the BFI could expect to receive in excess of £5m.

20. RELATED PARTIES

The BFI maintains a publicly available register of Governors' interests. Given their broad experience across the film sector, it is inevitable that Governors have connections with or interests in projects and organisations that may from time to time have come to the BFI for funding. All Governors are therefore required to declare any direct interest in and commercial relationships with award applications made to the BFI and that they had no role in the award-making process. Similarly, BFI employees were excluded from the decision-making around any relevant application involving any organisation or company in which they have a declared interest.

Governors receive no payment for their services and all payments to key management personnel have been disclosed in the Remuneration Report.

During the year the BFI entered into transactions, in the ordinary course of business, with related parties. National Lottery awards are included in film rights at the date of the statement of financial position or written off to expenditure within the year.

All awards outstanding are payable upon the meeting of conditions precedent within individual contracts.

The following related party transactions occurred during the period:

Recipient of funding	Name	Role with BFI	Relationship to recipient of funding	New awards made year ended 31 March 2021 £	Balance as at 31 March 2021 £
BFI - London Film Festival	Ben Roberts	CEO	CEO	1,250,000	-
BFI - Heritage 2022	Ben Roberts	CEO	CEO	3,263,000	3,263,000
StudioCanal Ltd	Idris Elba	Governor	Film Director	60,000	60,000
StudioCanal Ltd	Ben Luxford	Head of Audience Fund	Partner is employee of StudioCanal	60,000	60,000

Further potential updates

A number of BFI Governors and Staff are members of BAFTA, but with no formal management or governance role therein. BAFTA received a lottery award in the year ending 31 March 2021 of £9,400 (2020: £59,710) of which the full balance remained payable at that date.

YEAR ENDED 31 MARCH 2021

20. RELATED PARTIES (continued)

The BFI is a non-departmental public body sponsored by the Department for Digital, Culture, Media and Sport (DCMS). DCMS is regarded as a related party and during the year the BFI, as a Lottery distributor, had material transactions with DCMS.

Awards made under the National Lottery etc Act Section 27 dispensation

Using the power granted by the Section 27 of the National Lottery etc Act 1993 the Secretary of State did not object to an award of £3,263,000 to the BFI in relation to Heritage 2022, the BFI's archive strategy as outlined in the *BFI 2022 strategic* plan, for both the national and regional moving image archives. The award was made in March 2021, under BFI accounting policies this is recorded as a provision in 2020-21 and at 31 March 2021 the full award remained payable.

Similarly the Secretary of State did not object to an award to the BFI in relation to the London Film Festival. The award was both made and fully paid within the financial year but as a result of changes to the festival arising form the COVID-19 pandemic the award was reduced from £1,250,000 to £250,000 in line with the reduced scope of the activities and associated expenditure.

21. COVID-19 AND EVENTS AFTER THE REPORTING PERIOD

The impact across the year of the global COVID-19 pandemic and the resultant UK wide lockdowns was heavily felt across the film sector. In order to assist the recovery of the sector our lottery funded schemes were reviewed to enable us to assist the industry with the challanges it faces.These include the production fund making awards to assist with production continuity after the lockdown period, support of international sales agents as well as an award to the Film and TV Charity to assist those in immediate hardship as a result of the lockdown; similarly the Audience Fund helped establish the Audience Resilience Fund to support independent cinema venues across the UK. After an iniital dip in sales of National Lottery tickets and a consequent reduction in the funds available to the good causes, income recovered rapidly in the year. With a combination of reserves and new income this does not pose any immediate risk to the plans proposed in our five year plan BFI 2022.

The national lockdowns and restrictions continued into the 2021-2 financial year, before legal restrictions were removed in July 2021.

At the time of signing the accounts there were no other events after the reporting period, either adjusting or non-adjusting which require disclosure in the financial statements. The accounts were authorised for issue on the date the Comptroller and Auditor General signed the auditor's certificate and report.

Schedule 1: New Lottery commitments (unaudited information) in the year ended 31 March 2021

All awards and delegations approved by the Lottery Finance Committee in the year to 31 March 2021 are listed below. In the financial statements these are represented as Non film right awards on the Statement of Comprehensive Net Expenditure (£19.8m), £29.9 m were taken to the statement of financial position and subsequently impaired, with the remainder (£4.2m) disclosed within Other Financial Commitments in the notes to the accounts.

Producer	Project	£
011 Productions Ltd.	Joy Unbound	25,000
65 Wilding Films Ltd	Claude	28,250
65 Wilding Films Ltd	Up Yours!	21,000
ACDT Productions Ltd	Across The Water	2,000
AL Films Ltd	Catch A Fire	14,750
Aml Ameen Productions Ltd.	Boxing Day	22,000
Anti-Worlds Film & Television Ltd	The Vet's Daughter	30,000
Apparent Films Ltd	Glowed Up	11,250
Apropos Productions Ltd.	The Land of Many Waters	10,000
Art Sex Music Film Limited	Art Sex Music	23,500
Artemisia Films Ltd	Chuck Chuck Baby - test filming	32,500
Banging the Drum Ltd	Makign Noise (aka Evelyn)	6,250
Bêtes Sauvages Ltd. t/a Wild Beast Productions	Sebastian	24,500
Big Rich Films Limited	The Unravelling	17,900
Blonde to Black Pictures Ltd	Cunning	30,400
Blue Horizon Productions (2010) Ltd	With Love	8,000
Bosena Ltd	Petrichor	5,500
Boxing Day Ltd	Boxing Day	100,000
Bridge + Tunnel Productions	Forough: A Lonely Woman	22,300
Bright Pictures Ltd	Strikers in Saris	49,500
Candle & Bell Ltd	Marwell	20,000
Cannon and Morley Productions Ltd	Typist Artist Pirate King	1,250
Cowboy Films	Pretty	28,000
Dandelion Films Ltd	Repatriation	24,500
Dark Pictures Ltd	The Halfway	24,600
DJ Films Ltd	The Marina	41,600
DMC Film Ltd	Young Skins	27,300
Dorothy St Pictures Ltd	I Don't Eat Meat	31,000
Dream & Co Fictions	@LOVE	1,000
Duck Soup Films Ltd	Bed	15,500
Early Day Films Ltd	Trumpet Voluntary	18,500
Elastic Film Entertainment Ltd	My Year as Mia (FKA Boat Girl)	21,000
Elation Pictures Ltd	Foxfinder	14,000
EMU Films Ltd	Medusa Deluxe	176,000
EMU Films Ltd	Benediction	116,989
Endor Productions Ltd	Gun Dog	34,500
Enlightenment Productions Ltd	Arranged	32,500
Erebus Pictures Limited	The Warehouse	30,700
Erebus Pictures Limited	Echolalic	36,000
Escape Plan Productions Ltd	The Origin	100,000
Essential Cinema Ltd	The Unlikely Pilgrimage of Harold Fry	41,000
Griffin Pictures Ltd.	Starlings	35,550
High Tide Studio Ltd	The Wall Dog	10,000
Hipster Films	Gardening	10,000
Home Team Content Ltd	When Courage Comes	31,375
Hot Property Films Limited	Intermission	31,000
Hurricane Films	Fell	21,750
Hwyl Films Ltd.	Weight of the Wind	19,500
ie ie Productions Limited	Madison	28,570
Indefinite Films Ltd	Girl Next Door	3,961
Indie Movie Company Ltd	Less Than Human	31,500
Jam Tomorrow Productions Limited	Hyper Hyper	10,000
Jigsaw Films Limited	Kensuke's Kingdom	140,000
KNOCK2BAG Ltd	Brian & Charles	100,000
Light Industrial Development Corporation Ltd	Ballywalter	40,000
Little By Little Films Limited	Breaking Into Heaven (working title)	37,000
Little House Productions	Lion and Panther	28,850
Lunapark Pictures Ltd	Two Old Maids	24,500
Mantilini Films Limited	Bronco Belle	50,155
Mirrorball Films Limited	PROM!	35,200
My Accomplice Limited	Surviving Earth	19,000
Narrativa Media Limited	Princess Bari	24,250
Number 9 Films Ltd	Mothering Sunday	221,913
Out of Orbit Limited	Harvesting	20,000
Out of Orbit Limited	The Wind and the Shadow	10,000
Peach House Ltd	Lit	2,000
Pencil Trick Productions CIC	I Want Love	23,500
Pinnacle Pictures Limited	Flesh and the Mirror	4,000

Producer	Project	£
Poisson Rouge Pictures Limited	Black Dust	22,100
Potboiler Productions Ltd	At Hawthorn Time	43,000
Primitive Film Limited	After London	33,300
Public Display of Affection Films Ltd	Braids	17,000
Public Dreams Ltd	Dislocate (working title)	27,500
Quiddity Films Ltd.	Bone	15,500
Rabbit Track Pictures Ltd	Tribal	29,100
RAINDOG FILMS LTD	Bare	12,500
Rainy Day Films Limited	I (Who have Nothing)	500
Raucous Pictures Ltd	Beauty Queen FKA You Get Me?	12,500
Recurring Dreams Ltd	Throwing Stones	30,250
Red Breast Productions Ltd	English Animals	9,250
Red Rover Film Ltd	Red Rover	8,550
Reel Soul Movies Ltd	No Destination	10,500
Rollout Pictures Limited	King Coo	750
Rollout Pictures Limited	The Spy Who Fell To Earth	27,000
Sabina Smitham Ltd	Phil & Iain	20,000
Salon Pictures	Seaholme	22,500
Sharp House Ltd	Untitled Rosemary Kay Project (previously Sundance)	13,750
Silver Salt Films Ltd	Blind Ambition	21,000
Slingshot Productions Limited	Londonstani	6,950
Snafu Pictures Ltd.	The Gigantic Beard That Was Evil	10,000
Starchild Pictures Limited	Indgo House Witch	19,500
Sums Film & Media Ltd	Phone Book	16,000
Sums Film & Media Ltd	Your Time Has Come	1,000
Sweetdoh Ltd	Out There	16,500
Tea Shop Productions Ltd	Cometh the Friend	12,000
The Other Gemini Pictures Ltd	Amrit	14,250
The Other Producer Ltd	Cascades Female Factory	29,000
Tigerlily Films Ltd	Mr Uterus	20,500
Tigerlily Films Ltd	Scattered	20,000
Tilt Films Limited	Dunwich	31,900
Two & Two Pictures	Kid Fu	33,000
Vibes Productions Limited	Vibes and Stuff	100,000
Water & Power Productions Limited	The Fantastic Flitcrofts	120,755
Wellington Films	Sister Midnight	21,050
Wellington FIlms Limited	Has This Been So Before	30,000
Wellington FIlms Limited	A House In Jerusalem	17,500
Wild Swim Films Ltd	Things We Never Said	38,384

Development and Pre-Production Awards		**3,268,952**
38 Minutes Ltd	38 Minutes	170,000.00
Afraid of the Dark Films Ltd	The Power	41,500.00
After Love Production Limited	After Love	18,000.00
Alcove Entertainment	A Gaza Weekend	400,000.00
Amphibian Husbandry Ltd	Shackle	73,000.00
Animate Projects Limited	The Debutante	71,613.00
Anti-Worlds Earwig Ltd	Earwig	850,000.00
Boxing Day Ltd	Boxing Day	1,200,000.00
Boxing Day Productions Ltd	Boxing Day	100,000.00
Brian & Charles Film Ltd	Brian & Charles	140,524.00
Bridge Way Limited	The Rumour Mill	10,000.00
Censor Productions Ltd	Censor	36,800.00
DM Films Ltd	Daemon Mind	64,837.00
Doc Society	BFI Doc Society Production SOS Fund	259,425.00
Doc Society	Documentary Fund Support Programme 2021-22	184,313.00
Doc Society	Documentary Fund Delegation 2021-22	1,885,185.00
Empire Street Productions Ltd	Ballywalter	860,860.00
EMU Films Ltd	Benediction	345,000.00
Fade In Productions Ltd.	Phea	85,326.00
Film and TV Charity	COVID-19 Film and TV Emergency Relief Fund	500,000.00
First Take Video Ltd	1 in 200	48,500.00
Fruit Tree Media Ltd	Ear for Eye	614,333.00
GIF Productions Ltd	Red Shoes	77,756.00
Great Yarmouth Film Ltd	Provisional Figures	150,000.00
Gritty Realism Productions Limited	Inner Polar Bear	72,646.00
Issomour Films Ltd	The Forgiven	150,000.00
Jigsaw Films Ltd	Kensuke's Kingdom	1,620,000.00
Lilly Marvin CD Ltd	Pretty Red Dresss	352,273.00
Loose Moose Productions Ltd	No Ordinary Joe	120,000.00
Manoir Productions Ltd	Chaplin	24,000.00
Martyr's Lane Ltd	Martyrs Lane	65,000.00
Maurice Media Ltd	The Fantastic Flitcrofts (fka Maurice: Phantom of the Open)	1,265,000.00
New Year Film Ltd	Pirates	440,000.00
Number 9 Films Ltd	Mothering Sunday	980,000.00
Number 9 Films Sunday Ltd	Mothering Sunday	30,000.00

Producer	Project	£
Passion Pictures Animation Ltd	Martha	99,455.00
Passion Pictures Ltd (trading as Strange Beast)	Your Mountain is Waiting	4,973.00
Pearly Oyster Productions Ltd.	Beware of Trains	112,100.00
Score Films Ltd	The Score	145,851.00
Sulkybunny	Wild Summon	103,322.00
The Origin Movie Ltd	The Origin	340,000.00
Triangle of Sadness Ltd	Triangle of Sadness	430,000.00
True Things Films Ltd	True Things About Me	272,902.00
Tyke Films Ltd	Diseased & Disorderly	116,514.00
UME15 Ltd	Medusa Deluxe	760,000.00
Various	SFAF - Animation Consultant for Productions	16,000.00
Vibes Productions Ltd	Vibes & Stuff	747,653.00
We are Anagram Ltd	Goliath	120,000.00
Production Awards		**16,574,661**
Allison Davies	Mandala Street	1,000
Amelia Clay	Crewel	1,200
Andy Berriman	Iron John	1,000
Animate Projects Ltd	Treasure	15,000
Ash Kotak	Jannu	1,000
Barrington Paul Robinson	Newcastle / Hold Me	1,500
Ben Price	3 Minutes of Silence	900
Benjamin David Young	Breathing Space	2,250
Beyond Productions Ltd	True Colours	14,550
BFI NETWORK	BFI NETWORK Weekender	35,000
Bigger Picture Productions Ltd	Baked Beans	15,160
Blak Wave Productions Ltd	Pickney	3,110
Boyandbear Film Ltd	Services	8,350
British Independent Film Awards	BIFA Best British Short Film Award 2020	18,500
Buglight Limited	And Their Music Mingles in the Moonlight	12,135
Candle and Bell Limited	There Are Lights	5,730
Carolina Petro	Choirs of Blue	1,000
Cats Are Not Peas Ltd	Bad News	2,678
Chasing the Sun Film Ltd	Floating Pomegranate	13,134
Chi Thai	Astronaut	1,500
Chloe Beale	Woodland	15,000
Creative England	iFeatures Transition Funding	240,000
Creative Scotland	BFI Network Scotland	200,000
Creative Scotland	BFI NETWORK Scotland - Short Circuit	200,000
Cupholder Films Ltd	Pram Snatcher	12,400
Dan Shaw	Brethren	2,045
Dana Bruce	Tyoe	17,000
Dean Leon Anderson	Jasper	1,500
Deivos Limited	Egungun (Masquerade)	32,498
Delaval Film LTD	Salvation Has No Name	7,000
Diara Diakhoumpa	Glaciers	10,000
Dirtthefilm limited	Dirt	4,900
Douglas Cox	Mermaid X	1,250
Edward Cripps	Pellagra	1,500
Eleonora Mignoli	Legacy	1,000
Elevator Productions Limited	Fist	12,270
EPIK PICTURES LIMITED	Tommies	10,000
FAM FILMS PRODUCTIONS LTD	Hats	16,400
Ffilm Cymru Wales CBC	BFI NETWORK Wales	200,000
Fig Films Ltd	Octopus	15,000
Film London	BFI NETWORK England - London	150,000
Flumeri Films Limited	one like him	15,000
Freya Films Ltd	Treacle Town	4,905
Freya Films Ltd	Brother Nature	15,487
Gorilla Films Ltd	Murmur	10,200
Grasp The Nettle Films Ltd.	Seagull	9,185
Grey Moth Ltd.	Original Villain	3,150
Griffin Pictures Ltd.	A Last Resort	6,150
Griffin Pictures Ltd.	The Walk	15,981
Hawkwood Productions Ltd	This Little Girl	15,000
Hellmouth Pictures ltd	The Leerie	18,890
Hidden Pictures North Ltd	A Snapshot	9,700
Hollie Bryan	Pickles	8,270
Independent Cinema Office	BFI NETWORK England - South East	105,000
Invite Limited	Bald	11,000
Jack Benjamin Gill	Beef/Rob The Joint	2,500
Jake Cunningham	Blue Bottle	6,000
Joi Productions Limited	Held	9,000
Jude Goldrei	Tipping Point	2,500
Julai Stovell	Deadeye	2,230

Producer	Project	£
Kato Pictures Ltd	Lord of the Free Range	15,000
Kenny McCracken	The Simulation	2,240
Khona Productions Ltd	Glaciers	3,740
Last Conker Ltd	Re-Live	14,413
Let There Be Light Productions Limited	Tasbeeh	3,000
Long Acre Arts Limited	Prey	16,213
Long Acre Arts Limited	White Crowe	15,425
Lucy Meer	The Ceremony	3,440
Ludovico Zanette	Left Over	4,340
Magnified Pictures Limited	Incompatible	15,000
Mia Xerri	X to X	4,310
Mim Shaikh	My Father's Son	1,180
Miss R Wolff	Seagull	1,750
Northern Ireland Screen	BFI NETWORK Northern Ireland	150,000
Nottingham Media Centre Limited	BFI NETWORK England - Midlands	150,000
Paisley Films Ltd	Slow Machine	15,000
Paisley Films Ltd	Good Night Henry	15,000
Pamela Drameh	Reflections	13,628
PaperEpic Productions	Canned Laughter	13,000
Paul Holbrook	Hungry Joe	1,500
Philippa Wacera Herrmann	Crossing Worlds	3,000
Phoebe Collings James Ltd	Three Thirds (of A Story)	26,784
Precious HB Ltd	Precious Hair & Beauty	7,500
Product One Theatre Co Ltd	Reasons	4,864
Public Display of Accetion Films Ltd	Coconut	13,550
Rebekah Fortune	IVY	2,500
Rock Flower Films Limited	Osprey	15,225
Rosie Westhoff	The Moon, The Waves & The Money Tree	1,250
Sarah Palmer	Salt Water Town	13,685
Sebastian Thiel	To live and die in LA	1,750
Six O'Clock Ltd	Canvas 5	9,057
Sketchbook Pictures Ltd.	The Thing That Ate The Birds	385
SONA Films Ltd.	Buffer Zone	17,370
St Maur Pictures Ltd.	Odd One Out	8,684
Stella Vision Productions Ltd	We're All Black Down Here	23,833
Straightjacketfilms Ltd	Expiation	4,850
Sungazer Ltd	Know The Grass	15,000
Tannahill Productions Ltd	The Last Days	2,285
Tasha Williams	Tow-Truck	15,146
The British Academy of Film and Television Arts	BAFTA - BFI NETWORK@FLARE Mentorships 2021	9,400
The Grierson Trust	Grierson Documentary Industry Support 2020/21	17,280
The Sheffield Media and Exhibition Centre Limited	BFI NETWORK England - North	150,000
Theo W Scott	Cuties. (Previously Cute Tapestry)	5,600
Tom Stubbs	Alchemy	1,410
UP STREAM FILMS LIMITED	Dog Years	2,320
Various	Insight – Producer Programme	180,000
Various	Insight New Producer Programme	30,000
Various	NETWORK Shorts - COVID Production Consultant	5,000
Various	NETWORK Shorts - COVID Supervisor training	5,000
Watershed Arts Trust Limited (The)	BFI NETWORK England - South West	105,000
William Mager	Signs	3,000
Wingarm Ltd	Baba	23,351
X Industries Ltd	About A Video	9,195
Talent Development		**2,766,061**
606 Distribution Ltd	Perfect 10	15,450
Bohemia Club Limited	Clenency	6,400
Bohemia Media Limited	A Space in Time	35,000
Bulldog Film Distribution Limited	Eternal Beauty	13,500
Dartmouth Films Limited	One Man and his Shoes	53,453
Dogwoof Ltd	MLK/FBI	40,000
Modern Films Entertainment Ltd.	White Riot	31,000
Picturehouse Entertainment Limited	Herself	30,000
Studiocanal Limited	Supernova	60,000
Vertigo Releasing Ltd	The Assistant	11,600
Vertigo Releasing Ltd	Fanny Lye Deliver'd	10,750
Vertigo Releasing Ltd	Saint Frances	10,750
Vertigo Releasing Ltd	Sound Of Metal	60,000
We Are Parable Ltd	Who We Are	169,592
Audience Fund: Distribution Awards		**547,495**
Chapter Arts Centre	Covid 19 Recovery	36,444
Chapter Arts Centre	Cross FAN Diversity & Inclusion	45,000
Chapter Arts Centre	Film Hub Wales	210,000

Producer	Project	£
Film London	Film Hub London Covid-19 Recovery	83,386
Film London	BFI Film Audience Network - Film Hub London	200,000
Film London	Cross- FAN Young Audiences	45,000
Independent Cinema Office	Covid 19 Recovery [Film Hub South East]	36,362
Independent Cinema Office	Film Hub South East	350,000
Independent Cinema Office	Cross FAN Data and Evaluation	60,000
Nottingham Media Centre Limited	Film Hub Midlands	365,000
Nottingham Media Centre Limited	Cross Fan Major programmes 2021 to 2022	280,000
Queen's University Belfast	Film Hub NI 2021-2022	210,000
Queen's University Belfast	Cross-FAN Non-Theatrical Exhibition 2021-22	10,000
The Glasgow Film Theatre	Cross FAN: Member Support & Development	145,000
The Glasgow Film Theatre	Film Hub Scotland 2021_22	225,000
The Sheffield Media and Exhibition Centre Limited	Cross FAN Screen Heritage 21/22 Plan	150,000
The Sheffield Media and Exhibition Centre Ltd	Film Hub North 2021-22	460,000
The Watershed Arts Trust Limited	Covid 19 Recovery Film Hub South West	56,574
Watershed Arts Trust Limited (The)	Film Hub South West	280,000
Watershed Arts Trust Limited (The)	Marketing, Communication & Audiences (SW) 2021-22	105,000
Audiene Fund - Film Audience Network		**3,352,766**
Aesthetica Magazine Ltd	Aesthetica Short Film Festival	35,000
Altitude Film Distribution Limited	Altitude 21/22 Organisational Fund	488,776
Arts Alive In Shropshire And Herefordshire	Flicks in the Sticks 2021-22	45,000
Berwick Film & Media Arts Festival	Berwick Film & Media Arts Festival (2020 - 2021)	40,000
Birds Eye View	Reclaim the Frame 2021-22	150,000
Borderlines Film Festival CIC	Borderlines Film Festival 2021	40,000
British Independent Film Awards	Back to the Cinemas	250,000
British Independent Film Awards	This Is Our Cinema: Always-on marketing campaign	300,000
Carousel Project	Oska Bright Film Festival	102,200
Chapter (Cardiff) Limited	Chapter 2021-22	60,000
Coventry City Council	VR/immersive film exhibition programme for UK City of Culture	30,000
Derby QUAD Limited	QUAD 2021-22	60,000
Dogwoof Ltd	Regional And Diverse Audience Development for Documentary Film	125,000
Elevenfiftyfive Ltd	MASSIVE	239,031
Encounters Festivals Ltd.	Encounters 2021	90,000
Film London	Young Audiences Generation Scheme	61,600
FilmBath LTD	Amplify	20,000
Flatpack Projects	Flatpack Projects 2021-22	90,000
Greater Manchester Arts Centre Limited	HOME 2021-22	185,000
Hampshire County Council	Wessex Film and Sound Archive 2021-22	10,000
Independent Cinema Office	Strategic activities to support independent exhibitors	578,016
International Documentary Festival Sheffield	Sheffield Doc/Fest 2021	210,000
Kino Klassika Foundation	Klassiki	35,700
Leeds City Council	Leeds Film 2021-22	130,000
Leicester Arts Centre Ltd (t/a Phoenix)	Phoenix 2021/22	100,000
London Indian Film Festival Ltd	London Indian Film Festival	97,000
London Short Film Festival Ltd	London Short Film Festival 2021	42,125
Manchester Animation Festival Ltd.	Manchester Animation Festival 2020	30,000
Manchester Metropolitan University	North West Film Archive Organisational Award 2021-22	15,000
Media Archive of Central England Limited	Media Archive of Central England Organisational Award 2021-22	85,000
Nottingham Media Centre Limited	Broadway 2021-22 Organisational award funding	150,000
Peccadillo Pictures Limited	Peccadillo 2021-22	113,500
Plymouth Arts Centre	Towards a new film culture in Plymouth	35,000
Plymouth City Council	the Box organisational award 2021-22	55,000
Queen's University Belfast	Queen's Film Theatre - 2021-2022	60,000
Slapstick Festival Ltd	Slapstick Festival 2021	36,000
TEARDUSK LIMITED	Bounce Cinema	157,500
The British Federation of Film Societies	Cinema For All – Building film communities across the UK	159,992
The Festivals Company Ltd	Iris Prize LGBT+ Film Festival 2020 & Iris on the Move	40,000
The Glasgow Film Theatre	Glasgow Film Festival 2022	115,000
The Royal African Society	Film Africa 2020	30,000
The Sheffield Media and Exhibition Centre Limited	Showroom 2021-22	150,000
Tongues On Fire Limited	UK Asian Film Festival 2021	40,000
Tyneside Cinema	Tyneside Cinema 2021-22	147,000
UK Jewish Film Ltd	UK Jewish Film Festival 2020	50,000
University of Brighton	Screen Archive South East Organisational Award 2021-22	25,000
University of East Anglia	East Anglia Film Archive 2021-22	15,000
Watershed Arts Trust Limited (The)	Reimagining Film Exhibition	195,000
Windrush Caribbean Film Festival CIC	Windrush Caribbean Film Festival	32,000
Yorkshire Film Archive	Organisational award 2021-22	102,100
YourLocalCinema Ltd	YourLocalCinema Audience Development	40,000
Zebra Access CIO	Deaffest Tour 2021	31,140
Audiene Fund - Other Awards		**5,523,680**

Producer	Project	£
Bulldozer Films Ltd	BFI Film Academy Network	34,000
Cinemagic	BFI Film Academy Network	17,000
CTVC Limited	Film Academy Specialist Course – Screenwriting	60,000
Glasgow Media Access Centre Limited	BFI Film Academy Network	17,000
National Film & Television School	Film Academy Specialist Course	233,000
Screen Argyll	BFI Film Academy Network	17,000
Screen Education Edinburgh	BFI Film Academy Network	17,000
Station House Media Unit	BFI Film Academy Network	17,000
TAPE Community Music and Film	BFI Film Academy Network	17,000
The Nerve Centre	BFI Film Academy Network	51,255
Film Academies		**480,255**
The British Film Institute	Heritage 2022	3,263,000
Heritage 2022 Fund		**3,263,000**
Barking Lion Productions (UK) Limited	Trapper Keeper	123,340
E&E Industries (UK) Ltd	Andor	46,700
PLT Productions (UK) Ltd	PLT	229,920
Film Skills: Apprenticeships		**399,960**
Ardimages UK Ltd	BFI Vision Awards 2020-2022	100,000
Bêtes Sauvages Ltd.	BFI Vision Awards 2020-2022	100,000
Bird Flight Films Limited	BFI Vision Awards 2020-2022	100,000
Causeway Pictures Limited	BFI Vision Awards 2020-2022	100,000
Early Day Films Limited	BFI Vision Awards 2020-2022	100,000
Erebus Pictures Ltd	BFI Vision Awards 2020-2022	100,000
Escape Plan Productions Limited	BFI Vision Awards 2020-2022	100,000
Fruit Tree Media Limited	BFI Vision Awards 2020-2022	100,000
Griffin Pictures Ltd.	BFI Vision Awards 2020-2022	100,000
Hot Knife Limited	BFI Vision Awards 2020-2022	100,000
Joi Productions Ltd	BFI Vision Awards 2020-2022	100,000
Little By Little Films Ltd	BFI Vision Awards 2020-2022	100,000
Lunapark Pictures Limited	BFI Vision Awards 2020-2022	100,000
Other Productions Ltd	BFI Vision Awards 2020-2022	100,000
Pencil Trick Productions CIC	BFI Vision Awards 2020-2022	100,000
Rocliffe Limited	BFI Vision Awards 2020-2022	100,000
Sarah Brocklehurst Productions Ltd	BFI Vision Awards 2020-2022	100,000
Severn Screen Ltd	BFI Vision Awards 2020-2022	100,000
The Sixty Six Picture Club Ltd.	BFI Vision Awards 2020-2022	100,000
Tyke Films Ltd	BFI Vision Awards 2020-2022	100,000
Vision Awards		**2,000,000**
Creative Industries Federation Ltd	Connected isolation (CIF research)	1,500
Hatch Associates Limited	Animation Mapping Stage Two	45,000
Informa Telecoms & Media Limited	RSU Data and Services Purchase Tranche 3	30,080
Olsberg SPI Ltd	Screen Business 2020	109,125
Populus Limited	Audience sentiment research additional funds	38,350
Rentrak Limited	RSU Data and Services Purchase Tranche 4	159,753
The UK Interactive Entertainment Association	UK Games Map Development	70,000
Various	RSU Data and Services Purchase Tranche 1	70,000
Various	RSU Data and Services Purchase Tranche 5	26,920
Yonder Consulting Limited	Audience sentiment research waves 2 & 3	42,400
YouGov PLC	RSU data and services purchase Tranche 2	47,120
Research and Statistics Fund		**640,248**
Creative England Ltd	Creative Enterprise Programme	1,540,000
Creative Enterprise Fund		**1,540,000**
Creative England Ltd	Creative England - Production Services.	550,000
Production Services Fund		**550,000**
Alliance Media Partners International Ltd	BFI COVID-19 UK Sales Company Organisational Support Fund	24,000
Bankside Filns Ltd	BFI COVID-19 UK Sales Company Organisational Support Fund	16,500
Bankside Filns Ltd	Here Before	4,060
Bankside Filns Ltd	The Feast	3,510
Bridging Visions e.V.	Bridging the Dragon UK-Focus Activity 2020-2021	15,000
Carnaby International Sales & Distribution PLC	BFI COVID-19 UK Sales Company Organisational Support Fund	14,000
Celsius Entertainment Ltd	BFI COVID-19 UK Sales Company Organisational Support Fund	20,000
Cornerstone Films Ltd	BFI COVID-19 UK Sales Company Organisational Support Fund	25,000
Digital Catapult	CreativeXR's showcase and market	25,000

Producer	Project	£
Dogwoof Ltd	BFI COVID-19 UK Sales Company Organisational Support Fund	16,440
Embankment Films Ltd	BFI COVID-19 UK Sales Company Organisational Support Fund	25,000
Evolutionary Films Ltd	BFI COVID-19 UK Sales Company Organisational Support Fund	15,464
Film Constellation Ltd	BFI COVID-19 UK Sales Company Organisational Support Fund	25,000
Film Constellation Ltd	Wildfire	5,553
Film Export UK Limited	Toronto International Film Festival 2020	26,000
Film London	The Production Finance Market	16,000
Film London	British Film Commission 2021-22 (Lottery)	575,000
Film Republic Sales Ltd	BFI COVID-19 UK Sales Company Organisational Support Fund	10,000
FILM SEEKERS LIMITED	BFI COVID-19 UK Sales Company Organisational Support Fund	20,000
GFM Films LLP	BFI COVID-19 UK Sales Company Organisational Support Fund	15,000
Goalpost Film	BFI COVID-19 UK Sales Company Organisational Support Fund	7,500
International Documentary Festival Sheffield	Sheffield Doc/Fest Marketplace and Talent Programme 2021	50,000
Kaleidoscope Film Distribution Ltd	BFI COVID-19 UK Sales Company Organisational Support Fund	20,000
Legacy Rights Ltd	BFI COVID-19 UK Sales Company Organisational Support Fund	15,000
Magnolia Pictures International	Listen	5,150
Met Film Sales Ltd	BFI COVID-19 UK Sales Company Organisational Support Fund	15,999
Met Film Sales Ltd	Misha and the Wolves	7,776
Metro International Entertainment Ltd	BFI COVID-19 UK Sales Company Organisational Support Fund	25,000
MFH London Limited	BFI COVID-19 UK Sales Company Organisational Support Fund	10,000
Mister Smith Entertainment Limited	BFI COVID-19 UK Sales Company Organisational Support Fund	25,000
Parkland Pictures Ltd	BFI COVID-19 UK Sales Company Organisational Support Fund	15,000
Poly Doc Films	Poly Styrene: I Am A Cliché	2,348
Protagonist Pictures Ltd	BFI COVID-19 UK Sales Company Organisational Support Fund	20,000
Reason8 Films Ltd	BFI COVID-19 UK Sales Company Organisational Support Fund	20,000
Rocket Science Industries Lfd	BFI COVID-19 UK Sales Company Organisational Support Fund	25,000
SC Films International Limited	BFI COVID-19 UK Sales Company Organisational Support Fund	20,000
Screenbound International Pictures Ltd	BFI COVID-19 UK Sales Company Organisational Support Fund	10,000
Various	UK Attendance International Training & Networking Programmes	27,750
Various	UK Group Attendance at MIA Market Rome 2020	8,250
Various	Intl Co-pron Market & Networking at CPH:DOX Market 2021	4,170
Westend Films Limited	BFI COVID-19 UK Sales Company Organisational Support Fund	25,000
International Fund Ltd		**1,255,470**
British Film Institute	64th BFI LONDON FILM FESTIVAL	1,250,000
London Film Festival		**1,250,000**
104 projects CIC	Film Club	8,375
Aunty Social CIC	Film Club	6,500
Chapter (Cardiff) Ltd	Venue Education Fund	55,000
Creative Media Skills Group Limited	Film Club	68,000
Creative Media Skills LTD	Film Club	34,000
Creative Nation Ltd	Film Club	8,500
Creative Nation Ltd	BFI Film Academy Network	3,400
Ffilm Cymru Wales CBC	Ffilm Cymru Wales - Film Education	120,000
Film Nation UK	Into Film Delivery Plan	4,767,500
Flipvanmoon Ltd	Film Club	8,425
Independent Cinema Office	Venue Education Fund	53,777
National Film & Television School	Early Stage Access and Diversity Accelerator Programme	770,000
Nottingham Media Centre Ltd	Venue Education Fund	55,000
Reel Solutions (film) LLP	Film Club	17,000
ScreenSkills Ltd	Film Skills Strategy	4,190,044
Sheffield Media & Exhibition Centre Ltd	Film Club	17,000
'Signals' Essex Media Centre Ltd.	Film Club	8,500
Somerset Film and Video Ltd	Film Club	8,408
The Glasgow Film Theatre	Venue Education Fund	52,000
The Nerve Centre	Venue Education Fund	3,000
The Nerve Centre	Venue Education Fund	55,000
The Saturday Club Trust	Film Club	40,000
The Sheffield Media and Exhibition Centre Limited	FHN VEF	3,000
The Sheffield Media and Exhibition Centre Ltd	Venue Education Fund	55,000
The Watershed Arts Trust Ltd	Venue Education Fund	55,000
Education Fund		**10,462,429**
		53,874,977

Schedule 2: New Lottery commitments made by delegate bodies (unaudited information) in the year ended 31 March 2021

The Documentary Society were delegated £1.7m of new lottery funds for activity in 2020-21 Creative Scotland and Ffilm Cymru Wales £0.2m each, and Northern Ireland Screen Commission £0.15m. The awards made to third party organisations by these delegate bodies in the year ending 31

Award Recipient	Project	£
The Documentary Society		
Alleycats Features	The Lost Boys	15,000
Apropos Productions Ltd	Pemon	16,800
AVBR Climate (2020) Ltd - GBP	A Very British Revolution	15,000
Ayiti Limited	Karnival: Haiti	100,000
Beyond the Emergency Film Ltd	XR: This is an Emergency	70,000
Bofa Productions Ltd	The Story of Looking	15,000
Bungalow Town	SUWO	15,000
Cosmosquare Films Limited	Hanging On	17,000
CY Film Productions Ltd	The Great Schools Robbery	9,167
Derryboye Films Limited	Hello Stranger	14,000
Doc Hearts	White Nanny, Black Kids	5,000
Dorothy Street Pictures	If the Streets were on Fire	12,000
Empress Films	The Black Cop	16,600
Faction Films Ltd	Off the Rails	14,188
Fifty Foot Women Limited	At The Scala	50,000
Film Finisher Ltd	Maisie	40,415
Funeral Documentary Ltd	The Business of Death	13,549
Gallivant Film	Robin	7,500
Gif Productions Ltd	Somalinimo	300
Horsefilm Limited	Horsemen	25,000
Hot Property Peru Limited	The Gold Machine	12,000
Isla Badenoch/Joe Binks	The Elvermen	2,000
Lono Moon Limited	Red Moon	22,000
Lono Studio Ltd	Child of Polycritus	16,675
Lono Studio Ltd	The Sea Behind Her Head	12,835
Misha's Story Ltd	Misha's Story	15,000
Missing In Action Films Ltd	Rage in Many Languages	3,500
Missing In Action Films Ltd	Red Herring	50,000
My Extinction LTD	My Extinction	75,000
Nascondino Ltd	Hide & Seek	30,000
Nature Hunter Film Limited	Nature Hunter	79,000
No SPV yet	Name Me Lawand	80,000
No SPV yet	Neurotribes	50,000
Northern Filmworks Ltd	All Points North	30,000
Northern Heart Films Ltd	Finding Appiness	16,100
Northern Heart Films Ltd	Grenfell: Phoenix from the Ashes	80,000
Panoptical Limited	BlackBoy Joy/Gone	16,000
Panoptical Limited	Ceasefire Baby	50,000
Poly Doc Films Ltd	Poly Styrene: I am a Cliche	60,000
Primitive Film LTD	Mirror with a Memory	18,700
Project Dastaan	Project Dastaan: Child of Empire	15,150
Rolling Marble Ltd	Locked In	20,000
Rubix Films Ltd	Conspiracy	15,000
Satellite Films	Stoke Film	1,750
Sava Films Ltd	Sava	6,050
Sava Films Ltd	Say Their Names	75,000
Sava Films Ltd	Shadow Scholars	70,000
She Makes Productions	Skyward	18,100
Small Car Big Road Ltd	Your Fat Friend	90,000
Solaris2 Media Ltd	8 Minutes, 46 Seconds	16,350
Spring Productions Ltd	One More Question	15,000
STEPHEN FILM Ltd	Stephen	11,750
Tigerlily Two Ltd	We Wear Masks	90,000
Tyke Films	Yorkshire Ballers	3,330
Until the Tide Ltd	Until the Tide Creeps In	20,570
Until the Tide Ltd	Untitled Hydebank	45,000
Yanantin World Ltd	Yanantin	14,285
	Total Doc Society delegated awards 2020-21	**1,717,664**
Ffilm Cymru Wales		
130 Elektra Films Ltd	The Poor Sisters of Clara	10,000
73 Degree Films Limited	Robert Corcoran CPD	5,750
Alex Mathias	Sleeping Giant	6,845
Alexandria Riley	Alexandria Riley CPD	4,000
Bethan Marlow	Queer as Folk Dancing	10,000
Broadside Films Ltd	Jackdaw (previously Duck)	466
Bryn Chainey	The Rabbit Trap	2,700
Bulldozer Films Ltd	Cardiff Mini Film Festival Networking Parties	6,000
Calling The Shots Films Limited	Little Fox	2,000
Carys Lewis	Blue Mother	5,000
Casi Wyn	Beetroot Hot Chocolate	1,000
Charlotte James	Barry Island Will Do	1,000
Charlotte James	Light Before Sunrise (previously Barry Island Will Do)	21,000
Christopher Buxton	Christopher Buxton CPD	3,869

Award Recipient	Project	£
FireParty Limited	Fireparty lab	3,000
Hand-Drawn Pictures Ltd	Night Gardener	10,000
ie ie Productions Limited	Forest Coal Pit	19,000
Isla Ure	Isla Ure CPD	2,655
Joanna Wright	Joanna Wright CPD	5,400
Laura Tofarides	Ymenydd	1,000
Leyla Pope	Out of Breath	1,000
Little Door Productions Ltd	The Hard Road	8,000
Mac Nixon	Jackdaw (previously Duck)	21,000
Meredydd Barker	Mye & Jennie	9,980
Nia Alavezos	Ymenydd	22,000
Pauline Williams	Don't Steal my Voice	1,000
Penbryn Films Limited	India's 1st Best Trans Model Agency	10,000
Pet Ghost Studio LtdRiannon Evans	Cuckooland (previously Clockwork)	15,000
Regan Developments Ltd	Leigh-Ann Regan CPD	6,000
Rhys Marc Jones	Dead Sheeps Wool	10,000
Rondo Media Limited	Organic	22,000
Samantha O'Rourke	Ladies of Llangollen	5,000
Shwan Nosratpour	Rise of The Hoof	10,000
Strike Pictures Ltd	Nant (previously Men I Trust)	24,100
The Edinburgh International Film Festival Ltd	EIFF Celtic Screen Showcase	2,000
Untamed Stories Limited	Writers Lab UK & Ireland	10,000
Wheesht Films Limited	One Stop Doc Shop	3,000
	Total Ffilm Cmyru Wales delegated awards 2020-21	**300,765**
Northern Ireland Screen Commission		
Below the Radar Ltd	If Lions Could Talk	3,033
Cathy Brennan Bradley	After	1,125
Causeway Pictures Ltd	Copy That	10,000
Éanna Mac Cana	Yellowstone	1,125
Edel McCormick	Legal Walls	1,125
Erica Starling Productions Ltd	The Last Matchmaker in Ireland	3,750
Farset Films	Feed	3,750
Fine Point Films Ltd	Stanley	3,750
Hannah Sullivan	Get Down and Derby	1,125
In Awesome Wonder	You Left Your Phone	20,000
Italic Pig	Colour	20,000
Josh Lynas	Frankie	1,125
Kerry Rooney	The Park Bench	1,125
Laura Conlon	An Siulach	1,125
Niamh McDonagh	P + M	1,125
Nightstaff Ltd	The Short Wave Listener	3,750
Out of Orbit Ltd	The Performance	3,750
Out of Orbit Ltd	Homebird	3,750
Poli Productions	Defrost	10,000
Poli Productions	Kettle	3,750
PRODIGAL FILMS LIMITED	Runners	3,750
Relapse Pictures	My Name is Joseph	3,750
Ross White	An Irish Goodbye	1,125
Sarah Gordon	Rat	1,125
Savant Garde Films	Gravet Hit	3,750
Spinning Path Ltd	Portaloo	1,240
Super Lemon Productions Ltd	Psychic Spoons	3,750
Taunt Studios	Soul Office	20,000
Tori Clarkson	Puca	1,125
Will McConnel	You Are Here	1,125
	Total Northern Ireland Screen Commission delegated awards 2020-21	**139,023**
Creative Scotland		
Bombito Productions	A Good Spell	5,000
BP Films	A Birthday Party	20,000
Charlotte Scott-Wilson	Crescendo	5,000
Digicult LTD	Go Home	20,800
Finite Productions Ltd	A90	23,825
Lothian Films	Groom	20,000
LS Shorts	Folding	20,000
MF Bahar Ltd	Bahar	23,050
Sarah Grant	Scare	5,000
Too Rough Films Ltd	Too Rough	20,000
White Stag Films	Mobius Trip	20,000
White Stag Films	Funeral Home	3,294
	Creative Scotland delegated awards 2020-21	**185,969**
	Total awards by delegate bodies 2020-21	**2,343,421**

STATUTORY BACKGROUND

Statement of compliance with the Government's Lottery policy and financial directions

Financial directions

Under the National Lottery etc. Act 1993, the Secretary of State issued financial directions to the British Film Institute (the BFI). These are as follows:

The BFI shall comply with the requirements contained within the Statement of Financial Requirements, which have the status of directions under section 26 of the **National Lottery etc. Act 1993, ("the Act") as amended by the** National Lottery Act **1998 ("the 1998 Act").**

The BFI has implemented procedures to ensure the provisions of the Statement of Financial Requirements are followed and the BFI confirms that, to the best of its knowledge, it complied fully with the financial requirements in 2020-21.

The BFI shall devise and abide by a procedure for handling potential conflicts of interest which may arise in the evaluation of applications by BFI or individual members of the BFI. This procedure together with a statement confirming the arrangements that have been applied, should be provided to the Secretary of state for Culture, Media and Sport before the distribution of any funds under section 25 of the Act, and thereafter at the beginning of each financial year.

The BFI has in place procedures for dealing with conflicts of interest and, to the best of its knowledge, it abided by this procedure in 2020-21.

Policy directions

Under the National Lottery etc. Act 1993, the Secretary of State for Culture, Media and Sport issued policy directions, which the BFI must take into account in distributing National Lottery funds.

A) The need to involve the public and local communities where reasonably practicable, in making policies and setting priorities.

The BFI consulted widely on its five year strategy which commenced on 1 April 2017 by way of a wide-scale public consultation undertaken in 2016.

During 2020-21, the BFI, and its partners, undertook a limited programme – due to COVID - of research, monitoring and evaluation activities which enabled feedback on the BFI's programmes.

The results of this work are considered, and where appropriate, adjustments to programmes are introduced when it is considered it will benefit the delivery of the BFI's priorities.

In addition, along with stakeholders the BFI considers relevant national and regional data, and trends in the sector to ensure that programmes remain appropriate.

B) The need to increase access and participation for those sections of society who do not currently benefit from opportunities available in the United Kingdom.

The BFI aims to ensure that equality and diversity are central to all activities thus allowing sections of society to have access to or benefit from funding, taking into account differences in values, attitudes, cultural perspectives, beliefs, ethnic background, able or disabled, skills, knowledge, geography, age and life experiences.

In 2020-21 the BFI continued to operate Diversity Standards across all the BFI's activities as part of the BFI2022 Strategy delivery.

C) The need to inspire children and young people, awakening their interest and involvement in the activities covered by the good cause.

The BFI is fully committed to education and learning and strongly believes that film has the power to transform the way people see and understand the world and as such has committed a significant investment into the delivery of Lottery programmes for young people. The 16-30 age group is identified as a key priority within the BFI2022 five-year strategy and is now an assessment criterion for relevant funding programmes.

Notably the BFI 5-19 education scheme, which is managed by *Into Film,* was managing approximately 8,000 'active' film clubs, with an estimated total engagement of approximately 3.5 million young people. Due to the pandemic, activity moved online with greater emphasis on young people and families at home.

In addition, the BFI Film Academy, with additional funding from the Department for Education, enabled approximately 1,000 young people, from all round the UK and from any background, aged 16-19-year-olds the first step to being part of the future film industry.

In addition the BFI manages a number of other programmes, notably the Venue Education Programme and the Film Audience Network, also focused on 16 – 30 year olds.

D) The need to improve community cohesion and/or social inclusion.

The BFI ensures that the benefits of Lottery funding are spread widely, in both geographical and social terms. Creativity and diversity in the film sector is enriched by encouraging the participation of people from a wide range of communities.

The BFI's Diversity Standards ensure all its funding works to celebrate and engage people from all backgrounds across the UK, including those from different socioeconomic groups.

The BFI works to bring film and the moving image to the widest possible range of communities across the UK through the Film Audience Network. Comprising a network of approximately 1500 exhibitors and led by a group of 'Film Hub Lead Organisations' in each nation and region of the UK, the network funds projects including community and neighbourhood cinemas as well as local film festivals celebrating all aspects of identity.

E) The need to encourage new talent, innovation, and excellence and help people to develop new skills.

The BFI provides opportunities for filmmaking talent to flourish. The freshness and relevance of the films produced have been recognised by the international film industry awards they have won. As well as direct support for filmmaking, the BFI invests in training talent, notably the BFI Film Academy, and in partnership with ScreenSkills, the Sector Skills Council for the audio-visual industry, a revised and refreshed funding programme was delivered during the year for training and skills.

In addition, the UK Talent Network – Net.work – supported NETWORK film projects, from across the UK.

F) The need to ensure that money is distributed for projects which promote public value and which are not intended primarily for private gain.

It has always been a primary intention of the National Lottery that it should improve the quality of life for people throughout the UK.

All applicants, including private, voluntary or commercial organisations, have to be able to demonstrate the benefit to the public that would result from their proposed project. The BFI applies a range of criteria in order to ascertain that an appropriate level of public benefit is derived from the project. The criteria include the creative and technical quality of the project and its contribution towards the BFI's strategic objectives.

G) The need to further the objectives of sustainable development.

The BFI provides leadership and practical support for the wider film industry, including leading the UK-wide sustainability Group. Following the launch of the British Standard (BS 8909), specifically for film, sustainability is an intrinsic element to the new five year plan.

Technological development is supported through encouraging the use of digital production techniques and associated processes.

On location filming of any Lottery-funded films, producers are expected to be sensitive to the needs of the environment and the use of natural resources, returning locations back to their original state in environmental terms, after use.

As of autumn 2021, achieving full albert certification is now required of all awardees of the BFI Production Fund. All productions funded by the Completion Fund, and short films

funded by the BFI NETWORK short film fund in England, and our delegate partners in Northern Ireland, Scotland and Wales, are required to complete a carbon footprint using albert's carbon calculator.

The BFI works with other Lottery Distributors and the Department for Culture, Media and Sport in developing proposals for sustainable development.

Following on from the publication in 2019 of the report – GREEN MATTERS - an overview of current practices of environmental sustainability and film production continued and in September 2020 the report Screen New Deal was published; a sustainability report proposing a step-change for UK film production, setting out a route map to help film production transition to net zero emissions by 2050.

H) The importance of ensuring equality of opportunity and the desirability of reducing economic and social deprivation and of ensuring that all areas of the United Kingdom have access to the money distributed.

All parts of the country have access to BFI Lottery funding through applications for training, development, production, education, distribution, exhibition and film heritage activity.

I) The desirability of the British Film Institute working jointly with other organisations, including other distributors.

The BFI undertakes partnership working with all the other Lottery distributors, most notably with Arts Council England, National Heritage Lottery Fund and NESTA.

The BFI delegates funding to the Doc Society in relation to documentary filmmaking.

In addition, the BFI works with a number of key partners notably, Creative England in support of its strategic objectives that can be delivered at a local and/or regional level; ScreenSkills; the National Screen agencies of Wales – Ffilm Cymru Wales; Northern Ireland – Northern Ireland Screen; and, Scotland – Creative Scotland; and with partners in the English regions, notably the Film Hub Lead organisations (Film Audience network programme).

J) The need to ensure that all those receiving Lottery money acknowledge it using the common Lottery branding.

The BFI ensures that the Lottery is credited on all projects in receipt of Lottery funding through the use of the credits on films and branding on other materials.

K) The need to require an element of partnership funding, or contributions in kind from other sources, to the extent that this is reasonable to achieve for different kinds of applicants in particular areas.

The BFI requires all applications to include an element of partnership funding, to demonstrate commitment to the project. The level of partnership funding required depends on each fund and the activity being supported.

L) The need (a) for money distributed to be distributed to projects only where they are for a specific, time-limited, purpose, (b) to ensure that the BFI has the necessary information and expert advice to make decisions on each application and (c) for applicants to demonstrate the financial viability of projects.

Funding is either provided on a specifically time limited basis or will only benefit individuals while they remain within the definition of a particular programme.

The BFI undertakes an appraisal of each application for funding prior to final decision. In 2020-21, to supplement its established counter-fraud approaches, the BFI introduced additional counter-fraud checks for all awarded/successful Lottery applications, including the introduction of the Cabinet Office due diligence tool *Spotlight.*

The BFI reserves the right to request that applicants provide any additional information that may be required in order to properly assess such application, in addition to the requirements set out in the application guidelines. It also seeks, where necessary, the confidential, independent and objective views of expert advisers. As a publicly accountable body, the BFI has a duty to ensure that National Lottery funds are properly spent and accounted for, that risk is minimised, and that fraud is avoided.

M) Where setting up costs are sought, the need for a clear business plan showing how any running and maintenance costs will be met for a reasonable period.

Financial viability is a key factor in the assessment of BFI Lottery applications and is examined using appropriate criteria for all funded applications in the context of assessing the potential risk of each Lottery award. Each potential recipient of Lottery funding has to demonstrate that its finances are secure and, in respect of larger projects, sufficient to ensure project exploitation after the funding period.

N) The need to ensure that film is central to the lives of UK citizens, and to improve the quality of British film and raise its profile in the marketplace, by:

- Expanding education and learning opportunities and boosting audience choice across the UK;
- Supporting the future success of British film;
- Unlocking film heritage for everyone in the UK to enjoy.

The allocation of National Lottery funds by the BFI is influenced by the need to strengthen the industry's structure and workforce; to improve the quality and commercial viability of British films; and to support the distribution of specialised film in the analogue and digital environments, helping to ensure UK audiences have access to film in all its variety.

O) Where awards are made in relation to feature film production or distribution projects the BFI should take into account:

- A clearly identified target audience for their projects
- The need for recipients of awards for film production to pay the set contribution towards the Skills Investment Fund (SIF)
- The need for recipients of awards to comply with recognised industry best practice and agreements relating to pay and the employment of trainees
- The need to conserve and expand the UK's film heritage by requiring the deposit of Lottery funded productions and other selected material in the collections of the British Film Institute or regional archives
- The need for feature film development and production projects to be capable of qualifying as "British films" in accordance with the procedures set out by the DCMS
- The need to improve public access to film through the use of audio-description and/or subtitling for the hard of hearing.

All relevant projects in receipt of this type of funding are required, contractually, to comply with these conditions.

ISBN 978-1-5286-3113-6
E02703243