

Annual Report and Financial Statements

BRITISH FILM INSTITUTE

Group and National Lottery

Annual Report and Financial

Statements for the year ended

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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 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 through 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



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.



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 Ghibliothèque); 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 Yasujiro 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, Fyza 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 Schrader, 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 in 1989, 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.

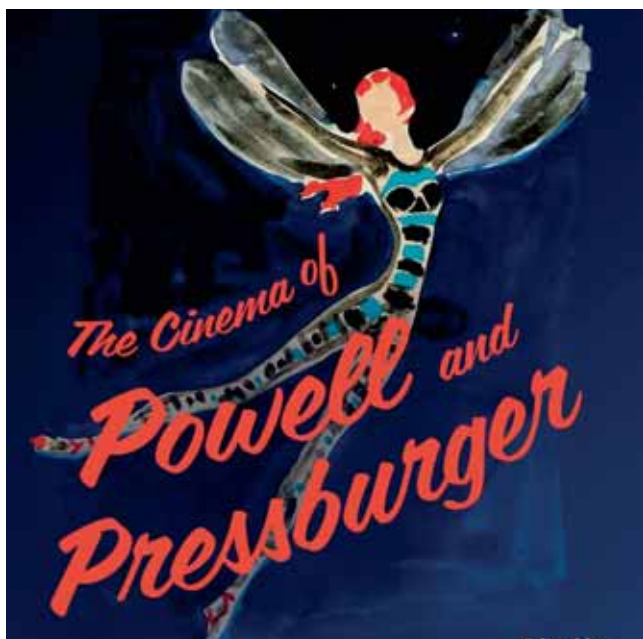
The National Archive's newly remastered programme of early films by Michael Powell premiered at Il Cinema Ritrovato, Bologna, accompanied by a thrilling outdoor screening in the Piazza Maggiore of the brand new 35mm print of *Black Narcissus* (1947), one of the key titles from our 100 Film Prints project 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.



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.



Image: Adam Bronkhorst

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.



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.



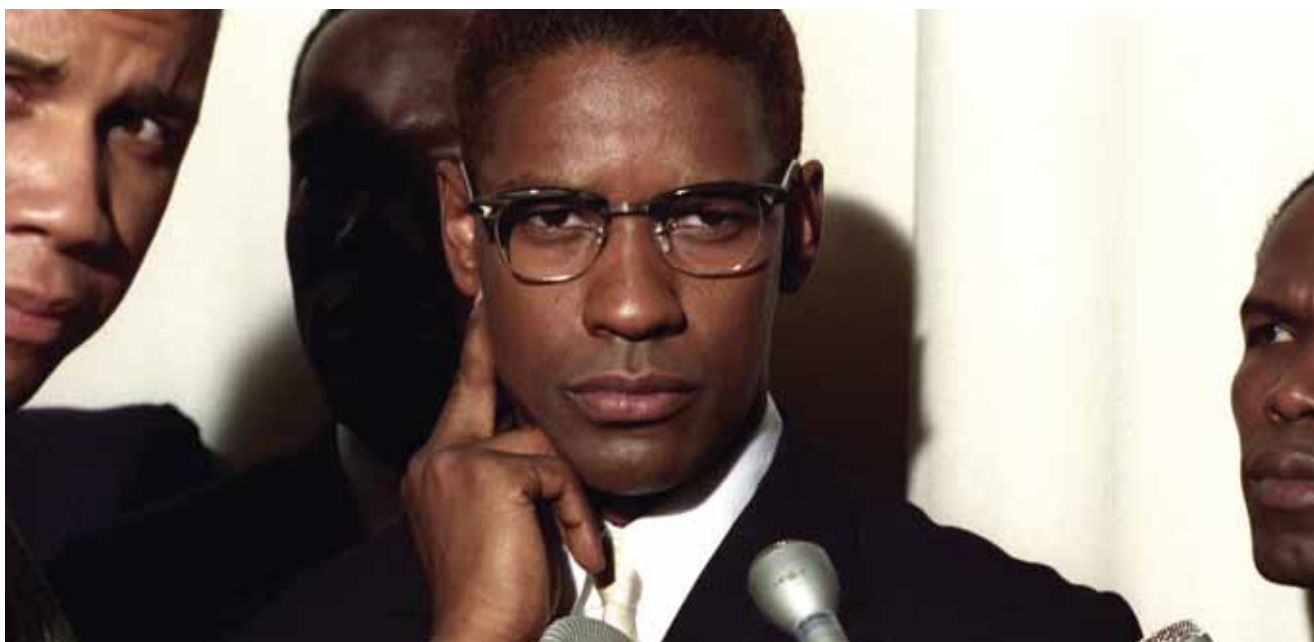
Preservation and cataloguing

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 Ov  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 Ov  s'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



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



Image: Sarah J Duncan BFI

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.



Image: Alistair Phillips

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.



Image: Yves Salmon

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 Brinkhorst

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.



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 Noé, Carey Mulligan and **Bradley Cooper**, all of which performed well on the BFI YouTube channel.

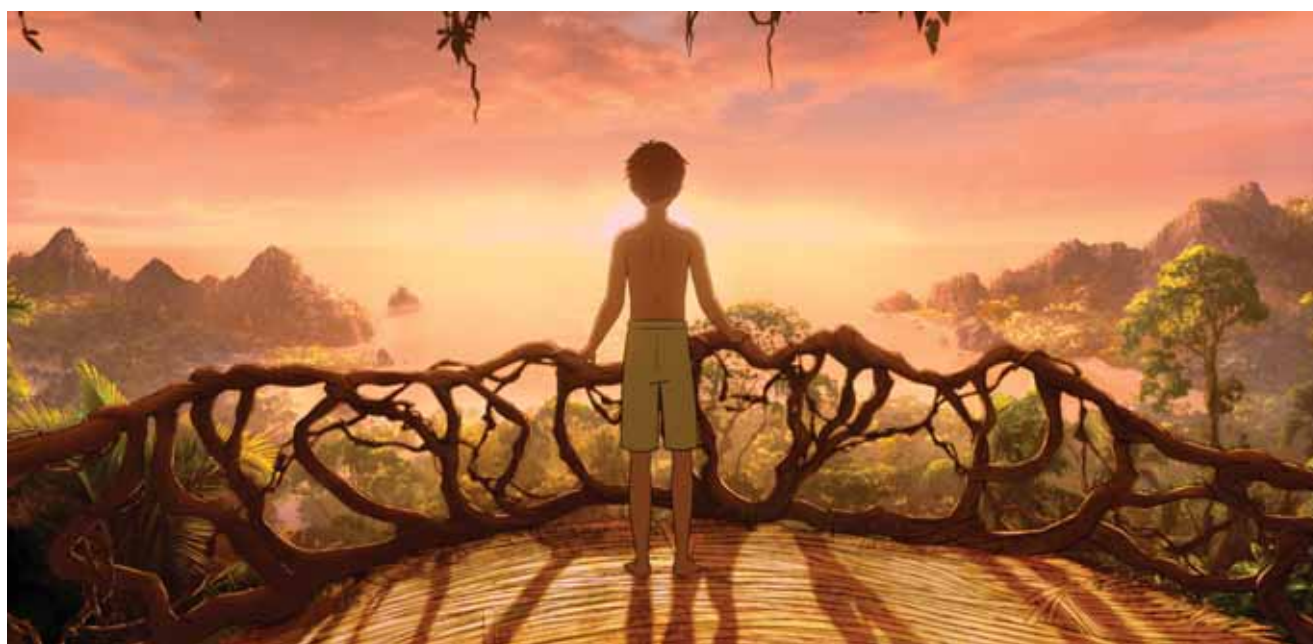
YouTube channel growth remained strong. We added 52,000 subscribers with 34.1 million views and 1.1 million hours of watch time. YouTube Shorts remained a valuable way for us to connect with audiences passionate about film, particularly on the technological processes behind filmmaking and projection. 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.

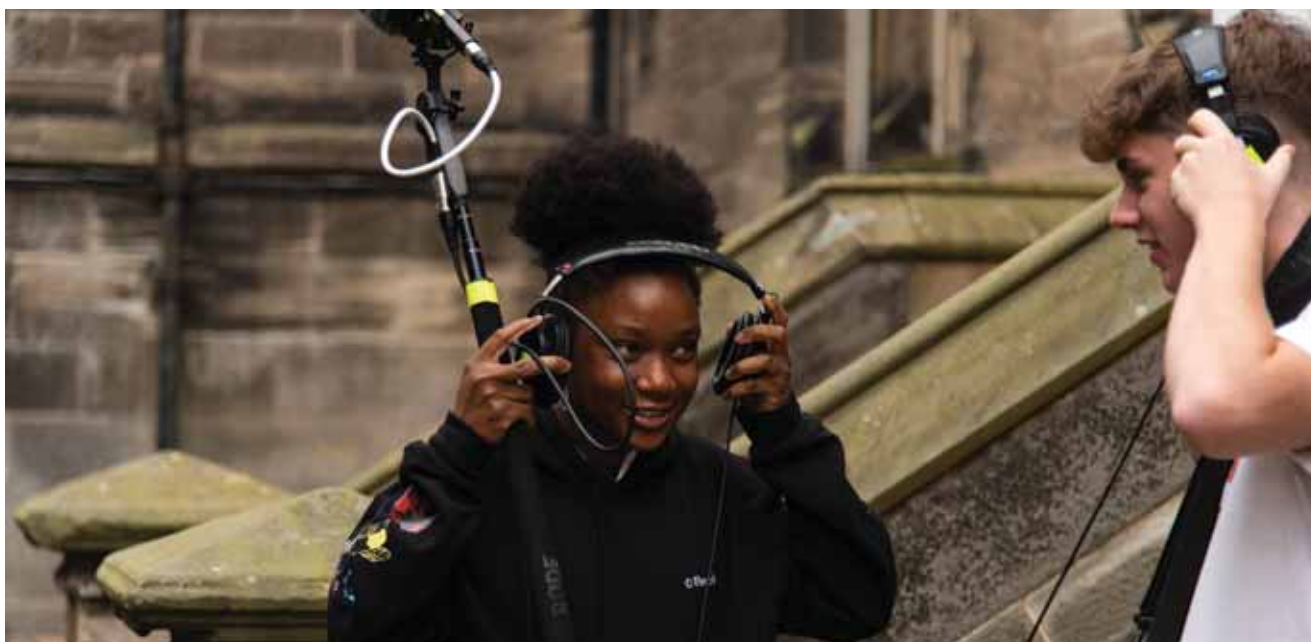
In 2023, a new BFI department was formed merging skills with a part of what had previously been a separate Education and Learning department. Bringing this work together has allowed the BFI to take a more holistic approach to our careers and skills strategy and funding programmes, ensuring we are providing 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*.



Image: Courtesy Shochiku Co Ltd

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, Yasujiro 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 Ruairidh 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 *Scraper*, 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 2023.

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 *Scraper* (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.

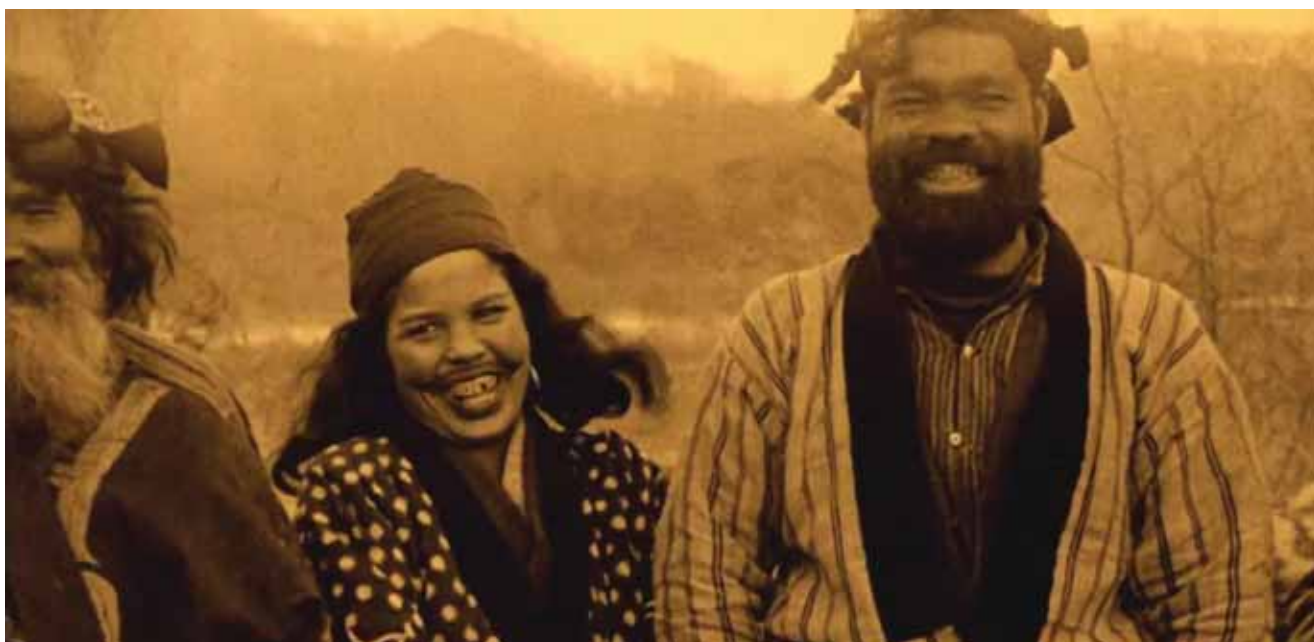
In 2023 the UKGSF also contributed to the European Solidarity Fund for Ukrainian Filmmakers (ESFUF), renewing its support in 2024. Managed by the CNC in France, the ESFUF brings together 16 partners from 13 different countries and offers dedicated support for Ukrainian filmmakers to help them complete 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



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.

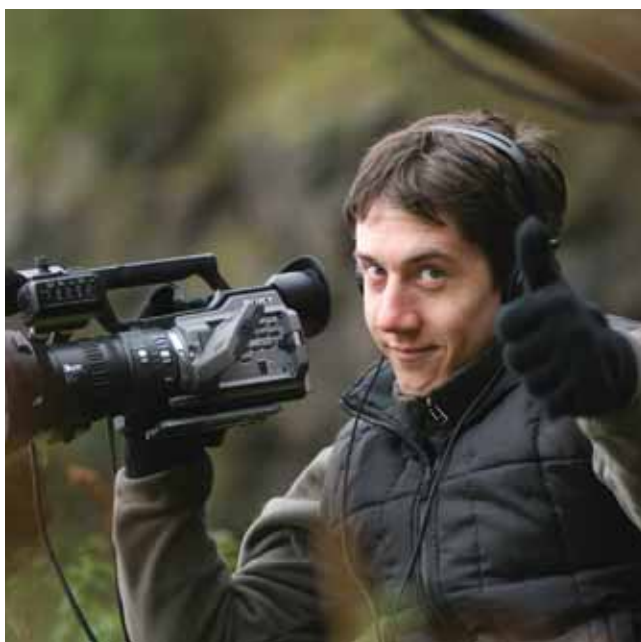
BFI Inclusion created accessible AD and DS materials for the screening to improve accessibility for disabled audiences. The event was live captioned and BSL interpreted to ensure the Q&A aspect was fully accessible. Discussions are currently underway to add this title to BFI Player with appropriate access 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 Osk!A Bright.

The **Osk!A 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

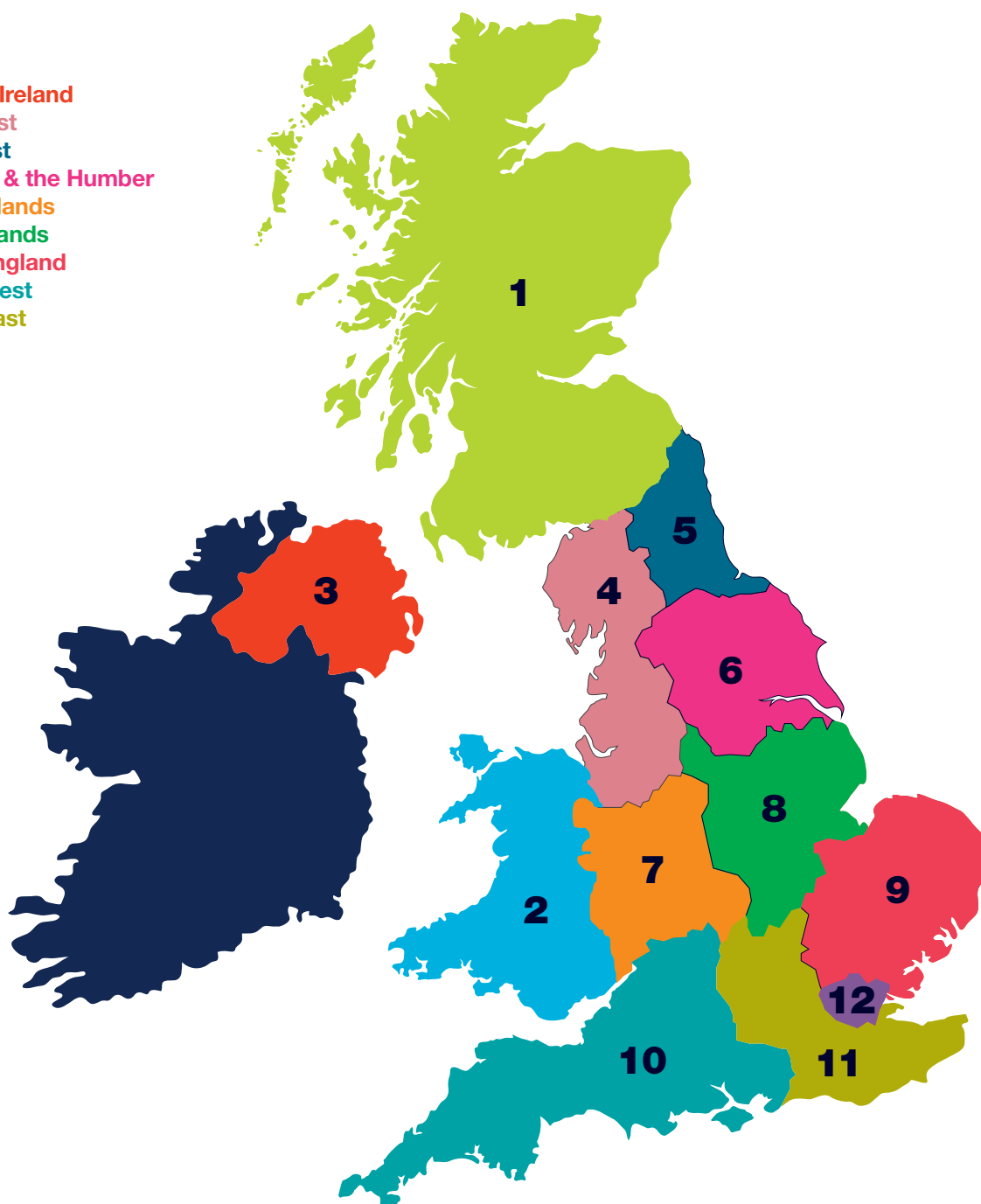
Everyone across the UK should be able to experience and create the widest range of moving image storytelling. It has a huge role to play in helping us explore the rich diversity of UK life across every national and region. Economic opportunities and access to jobs should be developed UK-wide. All funded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

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

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)

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.



Sustainable Screen Resource Hub

Julie's Bicycle
CREATIVE • CLIMATE • ACTION
THE NATIONAL LOTTERY

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 Co₂e 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 ₂ e)	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.

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.

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.

		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



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. This 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



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 Uggle Family Foundation

One of the year's highlights was beginning a transformative £1 million partnership with The Uggle 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 Uggle 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 Esmée Fairbairn Foundation, which renewed a vital multi-year grant for our new digital screen heritage service, BFI Replay.

Beyond the partnership with the Uggle 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.



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 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.

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 The London School of English

Business Partnerships & Enterprise

PRINCIPAL PARTNER BFI LONDON FILM FESTIVAL

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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%	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%
	Global Majority	30%	
	With a disability	18%	
	LGBTQIA+	10%	
Increased the diversity of audiences across all BFI activities	Female	50%	See table below
	Global majority	20%	
	With a disability	13%	
	LGBTQIA+	15%	
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		<p>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</p> <p>This was largely due to a record number of BIFA nominations – 68 up from 56 in 2022/23</p> <p>There were 24 award wins in total, the joint fourth highest number of the last ten years.</p>

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 Birshan³

Monica Chadha

Anwen Griffiths

Elizabeth Karlsen

Declan Keeney⁴

Laura Miele

Romana Ramzan

Robin Saunders

Andrew M Smith OBE DL

Phil Stokes

Scott Stuber

Eleanor Whitley⁵

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 31 March 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 responsibilities (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 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

		2024					2023
		Unrestricted	Non-Lottery	Total	Lottery	2024	2023
	Note	£'000	Restricted £'000	Non-Lottery £'000	Restricted £'000	Total £'000	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

		2024					
		Unrestricted	Non-Lottery	Total	Lottery	2024	2023
	Note	£'000	Restricted	Non-Lottery	Restricted	Total	Total
		£'000	£'000	£'000	£'000	£'000	£'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			2023		
		Unrestricted £'000	Restricted £'000	Total £'000	Unrestricted £'000	Restricted £'000	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)
<i>Cash flows from investing activities</i>							
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 quinquennially 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
			<u>27,707</u>	<u>33,188</u>
Capital Grant-in-Aid funding		25	<u>2,498</u>	<u>1,327</u>
Expenditure				
Funding repayable to DCMS	Restricted		<u>-</u>	<u>(5,062)</u>

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
<i>Income from generated funds - Other grants, legacies and donations includes:</i>			
Grants receivable from BFI Trust	25	320	8,893
Restricted			
Unrestricted		1,864	1,602
<i>Resources expended - Charitable activities includes:</i>			
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
<i>Income and endowments from charitable activities (earned income)</i>				
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
<i>Income from Donations and legacies</i>				
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
<i>Income and endowments from charitable activities (earned income)</i>				
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
<i>Income from Donations and legacies</i>				
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
<i>Sponsorship and other income included in Income from charitable activities (earned income):</i>		
Sponsorship income, associated with the costs of generating voluntary income	3,331	1,502
	<u>3,331</u>	<u>1,502</u>
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
	<u>2,436</u>	<u>2,401</u>

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:

Auditors' remuneration (analysed above)

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
<i>Charges for operating leases:</i>		
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)
	<u>(13,000)</u>	<u>(7,707)</u>

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	<u>(17,998)</u>	<u>(71,586)</u>

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)
	<u>(37,125)</u>	<u>(36,172)</u>
Agency staff costs included in Wages & salaries above	<u>(584)</u>	<u>(638)</u>
Staff costs capitalised and not included above	<u>-</u>	<u>(26)</u>

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
	<u>525</u>	<u>70</u>	<u>595</u>

	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
	<u>527</u>	<u>72</u>	<u>599</u>

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 %	2023 %
		Per annum	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)	<u>7,011</u>	<u>(1,232)</u>	<u>(74,080)</u>	<u>(94,809)</u>	<u>(62,043)</u>

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	<u>150,020</u>	<u>100%</u>	<u>139,307</u>	<u>100%</u>

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)	<u>(3,460)</u>	<u>(5,437)</u>
Administration expenses	(42)	(42)
Net interest on the defined liability	(28)	(1,903)
Total expenditure	<u>(3,530)</u>	<u>(7,382)</u>

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	<u>8,752</u>	<u>77,669</u>
Reconciliation of defined benefit obligation	2024 £'000	2023 £'000
Defined benefit obligation in scheme at beginning of year	(140,539)	(213,081)
<i>Movement in year:</i>		
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	<u>(143,009)</u>	<u>(140,539)</u>
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
<i>Movement in year:</i>		
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	<u>150,020</u>	<u>139,307</u>

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:

Cost	£'000
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 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			2024 Total £'000
	BFI Big Screen £'000	British Screen Finance Group £'000	BFI Enterprise £'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			2023 Total £'000
	BFI Big Screen £'000	British Screen Finance Group £'000	BFI Enterprise £'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	<u>10,022</u>	<u>12,871</u>	<u>13,471</u>	<u>11,559</u>	<u>13,337</u>

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
	<u>10,022</u>	<u>12,871</u>	<u>13,471</u>	<u>11,559</u>	<u>13,337</u>

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

	Unrestricted £'000	Restricted £'000	2024 Total £'000	2023 Total £'000
Analysis of cash and cash equivalents				
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
	<u>10,022</u>	<u>12,871</u>

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%
	<u>124,998</u>	<u>100%</u>	<u>127,827</u>	<u>100%</u>

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)
	<u>(51,899)</u>	<u>(60,381)</u>	<u>(50,391)</u>	<u>(59,932)</u>

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)	<u>(22,999)</u>	<u>(38,296)</u>	<u>(22,999)</u>	<u>(38,296)</u>
	<u>(22,999)</u>	<u>(38,296)</u>	<u>(22,999)</u>	<u>(38,296)</u>

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	<u>(2,317)</u>	<u>(2,943)</u>	<u>(2,011)</u>	<u>(2,831)</u>
At 31 March	<u>(2,317)</u>	<u>(2,943)</u>	<u>(2,011)</u>	<u>(2,831)</u>

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	<u>(4,431)</u>	<u>(3,954)</u>

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	<u>(52,627)</u>	<u>(69,635)</u>

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		<u>(61,851)</u>	<u>(74,760)</u>
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)
		<u>(61,851)</u>	<u>(74,760)</u>

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 - GfA 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 - GfA 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 <i>Our Screen Heritage</i>
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	
The Thompson Family Charitable Foundation	BFI Data Research Infrastructure (BFI DRI) [DSIT]
Uggla Family Foundation	Supporting the Film on Film Festival 2023/24
Other up to £50,000	
Transfers	Funding for BFI Player VOD streaming platform redevelopment.
	Various grant awards towards education, restoration and programming and other sundry income.
	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)

	Group		Charity	
	2024 Unrestricted £'000	2023 Unrestricted £'000	2024 Unrestricted £'000	2023 Unrestricted £'000
Net free reserves				
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-cancellable 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.

Film London

2024 £'000	2023 £'000
(175)	(375)
<u>(175)</u>	<u>(375)</u>

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.

Contingent liability - rewarding success projects in film rights

2024 £'000	2023 £'000
(2,925)	(2,881)
<u>(2,925)</u>	<u>(2,881)</u>

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

	2024 £'000	2023 £'000
<i>Prior year Lottery awards</i>		
Talent Network awards	-	(5)
Production awards	(450)	(779)
Development awards	(27)	(2)
<i>In year Lottery awards</i>		
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	<u>(1,060)</u>	<u>(1,926)</u>

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	<u>(1,910)</u>	<u>(1,934)</u>

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

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.

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 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.

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 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 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		<u>7,343</u>	<u>7,196</u>

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		<u>(9,422)</u>	<u>2,678</u>	<u>(6,744)</u>
Surplus/(deficit) for the year		15,550	(162)	15,388
Re-measurements in the year	7	-	848	848
Balance at 31 March 2024		<u><u>6,128</u></u>	<u><u>3,364</u></u>	<u><u>9,492</u></u>

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 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 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 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. 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.

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 Lottery therefore contains:

	2023-24 £'000	2022-23 £'000
Unclaimed prize money	2,841	1,901

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:

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
	<u>5,176</u>	<u>6,085</u>

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	<u>308</u>
Boxing Day	256
22 films generating < £100,000	422
BFI portfolio	<u>678</u>
	<u>986</u>

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
	<u>4,190</u>

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:

	New awards in the year £'000	2023-24 Decommit- ments* £'000	Awards net of fall ins £'000	2022-23 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: Resilience 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 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
	<u>2,913</u>	<u>2,847</u>

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
	<u>45</u>	<u>39</u>

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	<u>156,975</u>	39.0%	<u>61,220</u>
Pension contribution	<u>24,331</u>		<u>9,489</u>
	2022-23 £	%	Attributable to Lottery £
Ben Roberts Salary and benefits	150,000		75,000
Total	<u>150,000</u>	50.0%	<u>75,000</u>
Pension contribution	<u>23,028</u>		<u>11,514</u>

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

	At 31 March 2024 £'000	At 31 March 2023 £'000	At 31 March 2022 £'000
The net pension asset / (liability) was:			
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
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	2023-24 £'000	2022-23 £'000
Amounts recognised in statement of changes in equity:		
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
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Cumulative remeasurements in statement of changes in equity	4,857	4,009
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	2023-24 £'000	2022-23 £'000
Changes in the present value of the defined benefit obligation:		
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
<i>Direct Lottery costs</i>		
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
	<u>3,513</u>	<u>3,349</u>
Recharged costs from BFI non-lottery activities re support functions	2,842	3,388
Total operating costs	<u>6,355</u>	<u>6,737</u>
Recharged costs from creation of new BFI lottery strategy : Screen Culture 2033	-	227
<i>Finance costs</i>		
Interest re lease on right of use asset	26	29
Net return on pension assets	(125)	85
Total financing costs	<u>(99)</u>	<u>114</u>
	<u>6,256</u>	<u>7,078</u>
Total operating and other finance costs	<u><u>6,256</u></u>	<u><u>7,078</u></u>

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)
	<u>99</u>	<u>(114)</u>

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.

Film rights falling due in excess of one year
Film rights falling due within one year
Film rights valuations at 31 March

2023-24 £'000	2022-23 £'000
7,448	9,833
2,574	3,038
<u>10,022</u>	<u>12,871</u>

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
	<u>1,139</u>	<u>1,289</u>

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	<u>54,709</u>	<u>12,676</u>
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	At 31 March 2024 £'000	At 31 March 2023 £'000
Award commitments payable at 31 March relate to:		
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
	<u>54,709</u>	<u>12,676</u>

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	-
Sustainability	587	-
Research Fund	99	-
Film Academies	83	198
National Cluster Growth Fund	-	455
	<u>57,888</u>	<u>19,120</u>

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
Filmmakers 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
	<u>7,142</u>	<u>62,084</u>

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
<i>Prior year awards</i>		
Talent Network awards	-	5
Production awards	450	779
Development awards	27	2
<i>In year awards</i>		
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	<u>1,060</u>	<u>1,926</u>

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	<u>2,925</u>	<u>2,881</u>

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 Co	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	Gobdau 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 Deaffect 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
Various	Research and Statistics Fund data and services purchase 2023-2024 Tranche 1	161,762
Dr Sean Perkins	Extension to production tracking service contract	16,720
Various	Research and Statistics Fund data and services purchase 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	Berlinaline 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 Bairsn Ltd	All Rivers Spill Their Secrets (To The Sea)	60,000
Studio Amorem LTD	The Tent Peggys 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.



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