

CTVC Limited

Company Registration Number: 1375941

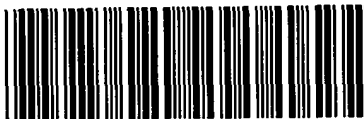
Registered Charity Number: 276286

Report of the Trustees and Financial Statements

for the year ended

31 December 2022

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CTVC Limited

Report of The Trustees for the year ended 31 December 2022

Reference and Administration

The Directors who act as Trustees for the charitable activities of CTVC Limited present to the members their report and financial statements for the year ended 31 December 2022. The report and financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (2019 SORP), 'Accounting and Reporting by Charities' effective from 1 January 2019, the Companies Act 2006, the Charities Act 2011 and applicable UK accounting standards, including FRS 102.

Trustee and Council Members:	Committee Membership
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Chairman

* Mr A. N. R. Fleming

The Rev'd M. A. Booth, MA

(1)

* Mr. N. F. Buxton

(2)

* Ms. L. Clay

Mr. G. C. King, MA, CA

(1,2)

* Mr. J. R. Newton

(2)

* Mr. M. D. B. Simon

*(* Members appointed by The Rank Foundation Limited)*

Board Advisors:

Father Christopher Jamison OBD

(1)

Mr. P. F. Kafno, MA

(1)

Committees:

Management

(1)

Audit

(2)

Registered office:

5th Floor, 16-18 Kirby Street London EC1N 8TS

CTVC Limited

Report of The Trustees for the year ended 31 December 2022 (continued)

Reference and Administration (continued)

Company Information:

Chief Executive Officer: Miss. C. C. Matthews

Finance Director Mr. J.H. Rees **Appointed 01/05/2022**

Company Secretary: Mr. J.H. Rees **Appointed 17/06/2022**
Miss. S. Edwards **Resigned 02/03/2023**

Professional Advisors:

Auditor: BDO LLP
55 Baker Street, London, W1U 7EU

Bankers: Barclays Bank plc
27 Soho Square, London, W1D 3QR

Solicitors: Paris Smith LLP
Number 1 London Road, Southampton, SO15 2AE

CTVC Limited

Report of The Trustees for the year ended 31 December 2022 (continued)

Structure, Governance and Management

Constitution

CTVC is a company limited by guarantee (registered number 1375941) governed by its Memorandum and Articles of Association (last amended June 2020), and a registered charity (registered number 276286). As a company limited by guarantee CTVC has no share capital, the liability of members is limited to £1 each in the event of CTVC being wound up.

Parent undertaking

The parent company is The Rank Foundation Limited (registered company number 516434), a registered charity (registered number 276976), whose address is: 19-21 Garden Walk, London, England, EC2A 3EQ .

CTVC is a wholly controlled subsidiary of The Rank Foundation; control is by virtue of the Articles of Association and Board appointments as set out below. The Rank Foundation prepares consolidated accounts, which incorporate the results of CTVC, and its subsidiary company (Hillside Productions Limited).

Appointments to the Board

The Rank Foundation Limited has the right to appoint a majority of the Trustees and to remove any Trustees it appoints. Additional Trustees can be appointed either by the Board or by the members. Trustees are appointed on the basis of the particular skills required by the Board.

The Memorandum and Articles of Association allow for Trustees to be remunerated for professional services they render to CTVC and its subsidiary, see note 6.

Subsidiary undertaking

CTVC has a wholly-owned trading subsidiary company which is incorporated in the United Kingdom, Hillside Productions Limited (registered number 1782130). Its principle activity is the making of media productions. Any profits of Hillside Productions Limited in excess of brought forward losses are donated to CTVC by way of qualifying charitable donation. A summary of Hillside Productions Limited's trading results for the year is shown in note 16.

Charity Governance Code

In conjunction with the Rank Foundation, the Trustees are seeking to adopt the principles and recommended practice for good governance as set out in the Code, and intend to make well-considered decisions about how these should be applied where applicable. Theme specific training on key matters is being put in place. Updating key policies is an area that is being actively worked on. Any areas of non-compliance with the code will be identified and highlighted in future reports.

Fundraising

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. The legislation defines fund raising as "soliciting or otherwise procuring money or other property for charitable purposes." Such amounts receivable are presented in the accounts as Income - Donations and includes grants. However, CTVC does not undertake fundraising from the general public.

In relation to the above we confirm that there is no involvement of commercial participators, professional fundraisers, or third parties. The day to day management of all income generation is delegated to the executive team, who are accountable to the Trustees. Any solicitations would be managed internally.

The charity is not bound by any undertaking to any regulatory scheme and the charity does not consider it necessary to comply with any voluntary fundraising codes of practice.

No complaints have been received in relation to fundraising activities. The terms of employment require staff to behave reasonably at all times; as we do not approach individuals for funds we do not have a particular reference to fundraising activities nor do we consider it necessary to design specific procedures to monitor such activities.

Structure, Governance and Management (continued)

Trustees' Responsibilities in relation to the Financial Statements

The Trustees (who are also Directors of CTVC for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources,

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

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

None of the Trustees had any beneficial interest in any contract to which the organisation was party during the year.

Trustees' and Executive remuneration

Trustees' are not remunerated for their services as a Trustee. Remuneration, if any, is set by the Board and is based on the number of days required to perform their duties and to reflect the skills, knowledge and competences required for the additional professional services they provide. The Trustees' remuneration is detailed in note 6 of the financial statements.

The remuneration of the senior executive staff is set by the Chairmans Committee of The Rank Foundation and the Management Committee approve the remuneration of the company's other senior staff. The Trustees and senior executive staff comprise the charity's key management personnel. Remuneration is set in the context of the charity's purposes, aims and values and to reflect the skills, knowledge and competences required for executive roles.

Induction and training

All new Trustees receive on appointment an induction pack. This contains copies of the Governing documents, all committee constitutions, the previous year's annual report and financial statements, a book detailing the history of the charity, and the group, and a profile of all Trustees and senior staff. Formal training is also provided as and when required or appropriate.

Structure, Governance and Management (continued)**The Council of the Association (the Board) and Committees**

The Board is responsible for leading and controlling CTVC. The Board achieves this by setting the long-term strategic direction of CTVC, preparing and adopting its medium-term business plans and annual budgets. The Board regularly monitors performance against budget, plans and key performance indicators. The Board is comprised solely of non-executive Trustees.

The Board has delegated specific responsibilities to the Management Committee whose purpose is to ensure the business of CTVC is conducted on a day to day basis within the limits delegated by the Board and in accordance with the policies and strategies prescribed by the Board.

An Audit Committee creates a formal conduit between the external auditor and the Board and advises on the content and presentation of the annual reports and financial statements. The Committee reviews audit plans and the external auditor's management letter, and monitors implementation of actions required and satisfies itself as to the external auditor's continuing independence. It has the authority to appoint, and to fix the remuneration of, the external auditor. The risk register is reviewed by the Committee.

The Committees comprise members of the Board and may include advisers appointed for their specialist knowledge. The membership of the Committees is set out on page 1 of this report.

Risk management and Internal control

The Board has overall responsibility for the Group's system of risk management, internal control and for monitoring and reviewing the systems in place. Such systems cannot eliminate all risks, but the Board is satisfied that systems are robust and operate effectively. The principal risks identified and a summary of how they are managed are set out below:

Risk	Management of risk
Loss of CEO or key staff in a small organisation	Appropriate level of salaries and benefits - benchmarked within the industry Documentation of systems and succession planning where possible
Securing commissions in a difficult business environment	Constant monitoring of broadcasters requirements. Development and submission of ideas with frequent contact with all potential commissioners
Failure of the Rank Foundation Limited's (RFL) investment policy causing loss of grant	RFL has experienced, financially competent Trustees in their investment committee; Professional advisors; Monitoring and control of RFL budgets and expenditure
Worsening of defined benefit pension scheme liabilities	RFL has guaranteed the funding of the scheme, and use their expertise assisting in assessing the performance of the advisors
Loss of reputation leading to loss of business	Careful monitoring of productions in order to recognise and manage potential damaging content

CTVC Limited

Report of The Trustees for the year ended 31 December 2022 (continued)

Objectives and Activities

Objectives

The objects for which the Charity is established are the advancement and promotion of the Christian religion and the advancement of Christian religious education of the public.

In furtherance of the objectives, the following are the lead powers given:

- to advance the public knowledge and understanding of the other historic world faiths with significant communities in the United Kingdom
- to promote the understanding of the shared values, traditions and practices of the Christian faith, and faiths referred to above and their application in a secular environment
- to stimulate and motivate people to think about moral and spiritual issues in their everyday lives.

The Trustees refer to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing its aims and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

Our aim is to engage viewers, listeners and readers through all media with matters of religion, faith, morals and ethics from a perspective which respects those of all faiths and those with none.

Activities

Television

In order to achieve as wide an audience as possible, programme ideas are submitted to Commissioning Editors of all key channels. CTVC can also enter into co-production agreements with other independent companies and broadcasters in projects that reflect the aims of the charity.

Audio (Broadcast and Podcasts)

CTVC produces programmes mainly for BBC Radio networks. As with television, ideas are sent to Commissioning Editors for consideration. CTVC also produces 'thought-provoking and intelligent' speech radio for its podcast platform, Things Unseen. Other broadcasters, including Premier Radio and RTE, regularly transmit this content.

Digital (Education / New Media / Training)

"TrueTube.co.uk" is a BAFTA award-winning website which provides free films for secondary schools about moral, social and religious issues for use in form times, assemblies, PSHE, Citizenship, and Religious Education lessons. The films are short and ideal for lesson starters, provoking discussion and igniting students' imaginations. Additionally, teachers' notes, lesson plans, assembly scripts and interactive resources are provided to assist in using the films in a creative way.

CTVC also produce short films and resources for external clients including BBC Education, other charitable organisations and community outreach programmes. CTVC also fulfil media training contracts that are predominantly for the British Film Institute.

Objectives and Activities (continued)

The Sunday Service

- TheSundayService.org is an online platform initially set up to help those isolated in their communities as a result of ill health or reduced mobility. Services are streamed live over the internet on a Sunday morning from 8 churches across the UK, to enable "worshippers" to participate in their local church services from the comfort of their own home, maintaining a connection to spiritual communities and to continue longstanding religious traditions. The services can also be watched at a later date via a recording link.

Achievements and Performance

Industry Recognition / Awards:

Success in achieving our objectives can be shown in the quantity and quality of our output across all areas. Below are some of our 2022 achievements:

Audio

- A definite highlight of the year was winning the Radio/Audio category at the Sandford St Martin Awards 2022 for our Things Unseen podcast, A Uyghur Ramadan. It tells the story of persecuted Uyghur Muslims from Xinjiang province in China.
- We were the only podcast among the six nominated entries. Another of our productions, The Right Thing: Saving the Man Who Shot Me for the BBC World Service, also made the shortlist, making us the only production company or BBC in-house area to see two of their programmes shortlisted.
- We also had two programmes on the shortlist for the AIB (Association for International Broadcasting) Awards in November: On the Covid Ward and The Right Thing: Muslim and Lesbian. Although neither won, we were proud to see two of our programmes with strong religious elements shortlisted in mainstream categories.

Digital

- **Black British Stories – Learning on Screen Awards / Sandford St Martin Awards**

Winner – Best Online Resource, Learning on Screen

Nominated – Youth Audience (the new version of Best Children's programme), Sandford

- **Centre Stage: Racism in the UK - Sandford St Martin Awards**

Nominated – Youth Audience (the new version of Best Children's programme)

Achievements and Performance (continued)

Performance - Some of our programmes:

Television

We were delighted to be commissioned to produce a further series of Pilgrimage for the BBC. This will be the fifth series which is in itself a huge accomplishment for the CTVC team and testament to the enduring popularity of the programme; series 4, Pilgrimage: The Road to the Scottish Isles was the BBC's highest rating religious title in 2022 (Jan-Nov), with an average audience of 2.1m watching across both broadcast and iPlayer.

The destination for this series is the Sanctuary in the city of Fatima, Portugal, where in 1917 three local shepherd children experienced several apparitions of the Virgin Mary. What was once a small village is now one of the biggest Catholic pilgrimage destinations in the world. For the first time ever, the celebrity pilgrims are on a deadline: they need to arrive in time for a major celebration which ends with a spectacular night-time candlelit vigil, attended by nearly 70,000 pilgrims who have travelled from across the world to celebrate the story of the miraculous apparitions of the Virgin Mary.

The seven celebrity pilgrims taking part in Pilgrimage: The Road through Portugal (w/t) are actor Su Pollard, who was raised Church of England; Jewish actress Rita Simons; Pentecostal Born-Again Christian, Shane Lynch of Boyzone fame; reality TV star and influencer, Vicky Pattison, who is agnostic; Bobby Seagull, a practising Catholic, maths whizz and TV personality; Nabil Abdulrashid, a comedian and practising Muslim; and Paralympian skier Millie Knight, who is non-practising Church of England. Along the route, the pilgrims will visit many places of significant interest and explore each other's faiths.

Audio - Radio

- **Green Islam:** This documentary, broadcast on 26th August in the religious Heart and Soul strand, examined how Muslims are motivated by their faith to look after the planet. Commissioning editor Simon Pitts was full of praise: "Such a good idea to explore this today. I really liked the example [of the eco-mosque] in Cambridge."
 - **Conversion Norway-style:** This documentary, again for Heart and Soul, was broadcast on 15th July 2022. It examines how a unique agreement between Norway's Christian and Muslim communities on the right to convert has impacted members of both communities. BBC Radio 4 broadcast an item by presenter Maddy Savage in From Our Own Correspondent, based on our programme.
 - **Bells That Still Can Ring:** A visit to Britain's last major bell foundry, John Taylor & Co in Loughborough, where we hear the breath-taking stories of bells ranging from Great Paul (Britain's largest church bell, at St Paul's Cathedral) to the bell used by the rock group, AC/DC. Transmission: 8th and 12th December 2022.
 - **Kids Who Care:** Presented by singer Oritsé Williams, who became a young carer aged 12 when his mother contracted MS, this documentary focuses on children who act as unpaid carers to family members. Transmission: 3rd January 2023.
 - **Heart and Soul: The Right Thing x 2:** Mike Wooldridge talks to Nobel Peace Prize Winner Denis Mukwege, who as a surgeon constantly risks his life helping women injured by rape in DR Congo, while being sustained by a strong Christian faith; and Floyd Bledsoe, who was jailed for a murder committed by his own brother. Would he be able to forgive?
-

Achievements and Performance (continued)

Audio - Podcast (Things Unseen)

- **Stephen: A Faith Challenged.** Mike Wooldridge talks to Susie Stead, a vicar's wife who found her Christian certainties profoundly challenged through her long friendship with Stephen, a man with severe mental health issues.
- **The Pope in Nicaragua:** John Paul II's visit to the Central American country in 1983, where he famously issued a stern rebuke to the liberation theologian and priest, Fr Ernesto Cardenal.
- **Sarajevo's Haven of Peace:** How people of all faiths found help and safety at an old synagogue in Sarajevo during the Bosnian war.
- **Silenced by the Vatican (w/t):** How Brazilian Liberation theologian Leonardo Boff was ordered to withdraw from public life for a year in 1985.
- **Asia's Titanic:** The deadliest peacetime maritime disaster in history, which took place in the Philippines in 1987.
- **Birth of a Language:** How Guarani became an official language in Paraguay.

Digital - Education (TrueTube)

- The substantial task of producing lesson plans for all TrueTube films is well underway. We have sourced a number of teachers across the UK with specialisms in RE, PSHE and Citizenship to produce these vital resources.

Content produced in the in the year included:-

- **Royal British Legion and Black History Month:** The film follows Seren, a mixed-heritage British girl, as she meets with a group of young Black and British people to discover what being British means to them, and how the service contributions of Black, African, and Caribbean men and women are recognised in today's multi-cultural society.
- **A Humanist Funeral:** Suffering from a terminal illness, this film follows Cathy as she prepares for her own Humanist funeral. And on the sad news of her death, Cathy's funeral is filmed to see how the Humanist aspects were integrated.
- **Limbo:** Made by filmmakers in training, in conjunction with the BFI, this documentary covers the perspectives of several young people whose parents have suffered from mental illness. It explores the impact on them in a tender way that helps with understanding mental health conditions and their effect.
- **Autism, Hinduism & Me:** Meet Abi – she's a bit different, in many amazing ways! Her autism can make life challenging, but she's been on a mission to find the right faith for her, and Hinduism speaks to her soul – excitingly, we follow her story as well as accompany her to her first Diwali.
- **Hearing Hope:** Made by aspiring filmmakers, this sensory and sensitive documentary is about a group of people who are hard of hearing. They share the difficulties they've faced but also the positive steps that have been made to make them feel more included in modern society.
- **Quiet in a Loud World:** Made by BFI students, this powerful piece explores the lives of two people who experience the audio aspects of our world in different, almost opposite ways. One can't hear at all; the other lives with a condition called misophonia, where every day sounds become overwhelming.
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Achievements and Performance (continued)

Digital - New Media

- Royal British Legion: In partnership with TrueTube, we have released two films titled 'The Royal British Legion and Black History Month', one for Key Stage 2 and the other tailored at Key Stage 3.
- BBC Geography: BBC Bitesize released this series in September to coincide with the return of the new academic year. 16 adventurous and fun films with young presenters exploring sites of geographical significance across the UK. This epic series is the go-to source for KS2 geography pupils.
- Salters Institute: Salter's have released their current public programme film 'Wild Cities' which is an initiative that sets out to provide green spaces for urban schools. Two films were made and released in October.
- Salters Institute: Salters' have released their film highlighting their mentoring programme produced to encourage other alumni to partake.

Digital - Training

- CTVC has again been awarded funding to deliver the BFI Documentary Residential in 2023. This will be the 10th successful year of delivery.
- BFI Network Academy: In partnership with BFI, we are delivering network academy courses in London and Hull from October till December to enable 40 young people to produce their own short films and animations.

Hillside Productions

- Our subsidiary, Hillside Productions, won a major commission from Sky to produce a 10 part children's drama series specifically devised to help children build emotional resilience. "My Friend Misty" mixes live action with state-of-the-art animation as our lovable animated character "Misty" pops up with magical visits throughout the show to help children with their feelings. The live action filming completed on time and on budget at the end of November and the show is now in post production where the animated elements will be added. Early indications are that Sky are very pleased with the production and we will, of course, be hoping for a recommission.

Future Plans

CTVC moved into its new office in Farringdon in November 2022. For the first time in nearly three years, the team has been able to come together under one roof and enjoy once again the benefits of creative collaboration.

Our Radio team has enjoyed a fantastic start to 2023 winning a slew of new commissions for the BBC World Service. We will be delivering Pilgrimage Series 5 to the BBC in time for transmission in Easter week. We are already in discussion with the Commissioning Editor about our ideas for a potential sixth series. We also continue to develop our proposed Bruderhof series for the BBC which would give viewers a fascinating inside into this unique community.

Our Digital team is fully engaged in the continuing development of TrueTube and are actively exploring new opportunities to produce digital content. Our BFI Training Courses continue to offer young people an excellent insight into documentary film making and we will be bidding to produce the next series of BFI courses.

Finally, CTVC is proud to have been awarded a two year contract by the BBC to produce its long running flagship religious programme Songs of Praise. The contract value, effective from 30th March 2023, is £8m across two years. CTVC will produce 51 episodes per year, including seven special editions of the programme. Out of four shortlisted contenders, CTVC's bid scored highest against the BBC's published criteria across editorial proposal and capability, value for money and how it delivers against the BBC strategic priorities.

Financial Review

Reserves policy

At 31 December 2022, the group held unrestricted funds of £983k (2021: £651k). The restricted funds surplus of £3.988m (2021 deficit: £44k) is made up of the defined benefit pension scheme liability and the pension scheme reserve. The pension reserve of £4.684m represents a funding commitment of £457k per annum over the next 10 years and 3 months made by The Rank Foundation. This is not available for other operational activities and is therefore shown as a restricted fund in the financial statements. The Defined Benefit Pension Scheme Reserve was in deficit of £696k (2021 deficit: £5.0m) as a result of the annual valuation. Details of the pension scheme and pension scheme reserves are set out in notes 12 and 14 of the financial statements.

At the year end, the cash balance held was £1,399k (2021: £673k). The business depends on cash liquidity to function adequately and the Trustees consider the cash balance to be an appropriate measure of its reserves. The intention is to maintain cash reserves consistent with trading conditions. It needs to be sufficient to meet the financial obligations which may include any requirement to "Cash Flow" the initial stages of program production or if required "Exit" costs, defined as staff leaving costs and any other costs associated with "winding up" the organisation.

Operating income and funding

Income received by CTVC from third parties for television productions was £0.874m (2021: £1.058m), for Digital £180k (2021: £397k) and for Audio programmes £48k (2021: £78k). Hillside Productions generated funds of £1,510k (2021: nil) from television production, this is set out in detail in Note 16.

Grants were received from our parent undertaking, The Rank Foundation, of £1.422m (2021: £1.293m). This includes a non-recurrent grant of £40k for costs associated with setting up CTVC's new office and £40k in respect of a film produced for RFL's 50 Years of Giving event. The operational grant has been approved at £1.332m for 2023. The Rank Foundation also provided a grant in respect of the liability arising from the CTVC Defined Pension Scheme of £457k (2021: £457k)

Overall performance

Overall performance for the year was strong with a net income of £401k (2021: net expenditure £43k). The year-end valuation of the Defined Benefit Pension Scheme liability under the FRS102 accounting rules continues to improve; the overall result is an actuarial gain of £3.972m (2021: £3.413m).

CTVC Limited

Report of The Trustees for the year ended 31 December 2022 (continued)

Financial Review (continued)

Review

CTVC has performed strongly this year, producing a 5th series of "Pilgrimage" for BBC1. The Radio department continues to produce a range of award winning productions, primarily for the BBC World Service and BBC Radio 4. The Digital department was focused on producing educational content for its TrueTube platform and has once again run several training courses on behalf of the BFI.

Hillside Productions won a major commission from Sky to produce "My Friend Misty", a ten part series for children which explores mental health issues through an innovative and engaging mix of live action and animation. The series was in production during the year and is set to deliver in April 2023.

Going concern

The Rank Foundation has awarded CTVC a three-year rolling grant of £1,332,000 from 27 March 2023 to be reviewed each year by its Grants Committee in order to support CTVC's operational activities. The Rank Foundation has also confirmed its grant to support the pension deficit to 31 March 2033. In light of this continued financial support the Trustees are satisfied that CTVC is a going concern.

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

Other

A full copy of the annual report and accounts for CTVC Limited can be obtained from 19-21 Garden Walk, London, England, EC2A 3EQ

Provision of Information to our Auditor

So far as the Trustees are aware at the time the report is approved,


- There is no relevant audit information of which the company's auditors are unaware, and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditor

The auditors, BDO LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

5th Floor
16-18 Kirby Street
London
EC1N 8TS

On behalf of the Board.
25 April 2023


Mr A. N. R. Fleming

CTVC Limited

Independent Auditor's Report to the Members and Trustees of CTVC Limited

Opinion on the Financial Statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 December 2022 and of the Group's incoming resources and application of resources and the Parent Charitable Company's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of CTVC Limited ("the Charitable Company") and its subsidiary ("the Group") for the year ended 31 December 2022 which comprise the consolidated statement of financial activities incorporating a consolidated income and expenditure account, the company statement of financial activities incorporating a income and expenditure account, the consolidated balance sheet, the company balance sheet, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent Charitable Company in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions related to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and the Parent Charitable Company'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.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees and Financial Statements, other than the financial statements and our auditor's report thereon. The other information comprises: the Report of the Trustees. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

CTVC Limited

Independent Auditor's Report to the Members and Trustees of CTVC Limited (continued)

Other Companies Act 2006 reporting

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

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report, which is included in the Trustees' Report, has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Trustees' report.

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities in relation to the Financial Statements, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the Parent Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the Parent Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Charity and the industry in which it operates, we identified that the principal laws and regulations that directly affect the financial statements to be the Companies act 2006 and the relevant charities acts in the UK. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

CTVC Limited

Independent Auditor's Report to the Members and Trustees of CTVC Limited (continued)

In addition the Charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: employment law, data protection and health and safety legislation. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence if any.

Audit procedures performed by the engagement team included:

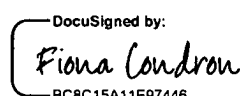
- Discussions with management and group audit committee, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reading minutes of meeting of those charged with governance, and reviewing correspondence with HMRC and the various charity regulators;
- Challenging assumptions made by management in their significant accounting estimates in particular in relation to the estimation of costs to complete of revenue contracts and assumptions used in the calculation of the defined benefit pension liability; and
- In addressing the risk of fraud through management override of controls; testing the appropriateness of journal entries and other adjustments, in particular any journals posted by senior management or with unusual accounts combinations

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:
<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

DocuSigned by:

BC8C15A11E97446...

Fiona Condron (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London

02 May 2023

Date:

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Consolidated Statement of Financial Activities incorporating a Consolidated Income and Expenditure Account for the year ended 31 December 2022

	Note	2022			2021		
		Unrestricted	Restricted	Total Funds	Unrestricted	Restricted	Total Funds
		£'000	£'000	£'000	£'000	£'000	£'000
Income							
Donations							
Grants - General	3	1,422	-	1,422	1,293	-	1,293
- Pension Reserve Increase		-	152	152	-	-	-
- Job Retention Scheme		-	-	-	29	-	29
- Kickstart scheme		-	-	-	6	-	6
		<u>1,422</u>	<u>152</u>	<u>1,574</u>	<u>1,328</u>	<u>-</u>	<u>1,328</u>
Income from charitable activities							
Contributions towards production costs							
Television		874	-	874	1,058	-	1,058
Audio		48	-	48	78	-	78
Digital		<u>123</u>	<u>57</u>	<u>180</u>	<u>241</u>	<u>156</u>	<u>397</u>
		<u>1,045</u>	<u>57</u>	<u>1,102</u>	<u>1,377</u>	<u>156</u>	<u>1,533</u>
Income from other trading activities							
Commercial productions		1,510	-	1,510	-	-	-
Other Income							
Sundry sales		-	-	-	1	-	1
Surplus on disposal of fixed assets		-	-	-	-	-	-
		<u>1,510</u>	<u>-</u>	<u>1,510</u>	<u>1</u>	<u>-</u>	<u>1</u>
Total Income		<u>3,977</u>	<u>209</u>	<u>4,186</u>	<u>2,706</u>	<u>156</u>	<u>2,862</u>
Expenditure							
Costs of raising funds							
Commercial productions		1,368	-	1,368	4	-	4
Expenditure on charitable activities							
Television production		1,146	92	1,238	1,323	112	1,435
Audio		292	-	292	317	-	317
Digital		<u>830</u>	<u>57</u>	<u>887</u>	<u>993</u>	<u>156</u>	<u>1,149</u>
		<u>2,268</u>	<u>149</u>	<u>2,417</u>	<u>2,633</u>	<u>268</u>	<u>2,901</u>
Total expenditure	4	<u>3,636</u>	<u>149</u>	<u>3,785</u>	<u>2,637</u>	<u>268</u>	<u>2,905</u>
Net Income		341	60	401	69	(112)	(43)
Actuarial gains on defined benefit pension scheme	12	-	3,972	3,972	-	3,413	3,413
Net movement in funds		<u>341</u>	<u>4,032</u>	<u>4,373</u>	<u>69</u>	<u>3,301</u>	<u>3,370</u>
Reconciliation of funds							
Total funds brought forward		651	(44)	607	582	(3,345)	(2,763)
Total funds carried forward		<u>992</u>	<u>3,988</u>	<u>4,980</u>	<u>651</u>	<u>(44)</u>	<u>607</u>

All income and expenditure derive from continuing activities.

The Group has no recognised gains or losses other than those shown in the statement of financial activities.

Company Statement of Financial Activities Incorporating an Income and
Expenditure Account for the year ended 31 December 2022

	Note	2022			2021		
		Unrestricted	Restricted	Total Funds	Unrestricted	Restricted	Total Funds
		£'000	£'000	£'000	£'000	£'000	£'000
Income							
Donations							
Grants - General	3	1,422	-	1,422	1,293	-	1,293
- Pension reserve		-	152	152	-	-	-
- Job Retention Scheme		-	-	-	29	-	29
- Kickstart scheme		-	-	-	6	-	6
		<u>1,422</u>	<u>152</u>	<u>1,574</u>	<u>1,328</u>	<u>-</u>	<u>1,328</u>
Income from charitable activities							
Contributions towards production costs							
Television		874	-	874	1,058	-	1,058
Audio		48	-	48	78	-	78
Digital		123	57	181	241	156	397
		<u>1,045</u>	<u>57</u>	<u>1,102</u>	<u>1,377</u>	<u>156</u>	<u>1,533</u>
Investment income		-	-	-	-	-	-
Other income							
Sundry sales		-	-	-	1	-	1
		<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>1</u>
Total income		<u>2,467</u>	<u>209</u>	<u>2,676</u>	<u>2,706</u>	<u>156</u>	<u>2,862</u>
Expenditure							
Impairment of subsidiary/ (reversal)	16	(56)	-	(56)	-	-	-
Expenditure on charitable activities							
Television		1,146	92	1,238	1,323	112	1,435
Audio		292	-	292	317	-	317
Digital		830	57	887	993	156	1,149
		<u>2,268</u>	<u>149</u>	<u>2,417</u>	<u>2,633</u>	<u>268</u>	<u>2,901</u>
Total expenditure	4	<u>2,212</u>	<u>149</u>	<u>2,361</u>	<u>2,633</u>	<u>268</u>	<u>2,901</u>
Net income		255	60	315	73	(112)	(39)
Actuarial gains on defined benefit pension scheme	12	-	3,972	3,972	-	3,413	3,413
Net movement in funds		<u>255</u>	<u>4,032</u>	<u>4,287</u>	<u>73</u>	<u>3,301</u>	<u>3,374</u>
Reconciliation of funds							
Total funds brought forward		655	(44)	611	582	(3,345)	(2,763)
Total funds carried forward		<u>910</u>	<u>3,988</u>	<u>4,898</u>	<u>655</u>	<u>(44)</u>	<u>611</u>

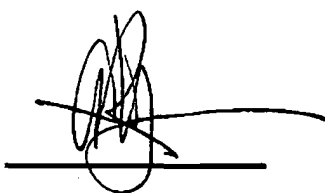
All income and expenditure derive from continuing activities.

The charity has no recognised gains or losses other than those shown in the statement of financial activities.

	Note	Unrestricted £'000	Restricted £'000	2022 Total Funds £'000	2021 Total Funds £'000
Fixed assets					
Tangible assets	9	11	-	11	7
Total fixed assets		<u>11</u>	<u>-</u>	<u>11</u>	<u>7</u>
Current assets					
Debtors	10	140	4,684	4,824	5,357
Cash at bank and in hand		1,399	-	1,399	673
Total current assets		<u>1,539</u>	<u>4,684</u>	<u>6,223</u>	<u>6,030</u>
Liabilities					
Amounts falling due within one year	11	(558)	-	(558)	(397)
Net current assets		<u>981</u>	<u>4,684</u>	<u>5,665</u>	<u>5,633</u>
Net assets excluding pension liability		992	4,684	5,676	5,640
Defined benefit pension scheme liability	12	-	(696)	(696)	(5,033)
Net assets including pension liability		<u>992</u>	<u>3,988</u>	<u>4,980</u>	<u>607</u>
The funds of the charity					
General Fund	14	992	-	992	651
Defined Benefit Pension Scheme Reserve	12 and 14	-	(696)	(696)	(5,033)
Pension Reserve	13 and 15	-	4,684	4,684	4,989
Total consolidated charity funds		<u>992</u>	<u>3,988</u>	<u>4,980</u>	<u>607</u>

The accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The financial statements on pages 16 to 34 were approved and authorised for issue by the Board of Trustees on 25 April 2023.

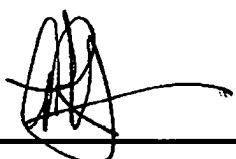


Mr A. N. R. Fleming
Chairman

	Note	Unrestricted £'000	Restricted £'000	2022 Total Funds £'000	2021 Total Funds £'000
Fixed assets					
Tangible assets	9	11	-	11	7
Shares in subsidiary undertaking	16	76	-	76	19
Total fixed assets		<u>87</u>	<u>-</u>	<u>87</u>	<u>26</u>
Current assets					
Debtors	10	282	4,684	4,966	5,360
Cash at bank and in hand		653	-	653	516
Total current assets		<u>935</u>	<u>4,684</u>	<u>5,619</u>	<u>5,876</u>
Liabilities					
Amounts falling due within one year	11	(112)		(112)	(258)
Net current assets		<u>823</u>	<u>4,684</u>	<u>5,507</u>	<u>5,618</u>
Net assets excluding pension liability		<u>910</u>	<u>4,684</u>	<u>5,594</u>	<u>5,644</u>
Defined benefit pension scheme liability	12	-	(696)	(696)	(5,033)
Net assets including pension liability		<u>910</u>	<u>3,988</u>	<u>4,898</u>	<u>611</u>
The funds of the charity					
General Fund		910	-	910	655
Defined Benefit Pension Scheme Reserve	12 and 14	-	(696)	(696)	(5,033)
Pension Reserve	13 and 15	-	4,684	4,684	4,989
Total charity funds		<u>910</u>	<u>3,988</u>	<u>4,898</u>	<u>611</u>

The accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The financial statements on pages 16 to 34 were approved and authorised for issue by the Board of Trustees on 25 April 2023.



Mr A. N. R. Fleming
Chairman

CTVC Limited

Consolidated Cash Flow Statement for the year ended 31 December 2022

	Note	2022 £'000	2021 £'000
Cash flows from operating activities:			
Net cash provided by / (used in) operating activities	A	736	(99)
Cash flows from investing activities			
Investment Income		-	-
Purchase of tangible fixed assets		(9)	(1)
Net cash used in investing activities		(9)	(1)
Change in cash and cash equivalents in the reporting period		727	(100)
Cash and cash equivalents at the beginning of the reporting period		673	773
Total cash and cash equivalents at the end of the reporting period		1,400	673

A. Reconciliation of Income/(expenditure) to net cash flow from operating activities

Net income / (expenditure) for the period (as per the statement of financial activities)	401	(43)
Adjustments for		
Pension finance	92	112
Pension contributions	(457)	(457)
Depreciation charge	5	8
Decrease in debtors	533	234
Increase in creditors	162	47
Net cash provided by / (used in) operating activities	736	(99)

No reconciliation of net funds has been prepared as CTVC only holds cash and cash equivalents.

CTVC Limited

Notes To The Financial Statements for the year ended 31 December 2022

1. Accounting policies

a) Basis of preparation

The financial statements comprise the charity and its subsidiary.

These financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company and its subsidiaries are a public benefit group for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable group to continue as a going concern. The group had a negative balance of funds at the balance sheet date. As explained in the reserves policy note on page 11, this is the combined effect of the defined benefit pension scheme liability and the pension scheme reserve. The Trustees have considered the changing nature of pension scheme fund valuations in this process.

The Trustees have received a binding commitment from the Rank Foundation for operational funding via a three-year rolling grant of £1,332,000 from 27 March 2023 to be reviewed each year by its Grants Committee, and a further grant to fund the pension scheme deficit to 31 March 2033. Furthermore, the Trustees are aware of the Rank Foundation's intention to provide ongoing support for the foreseeable future. Consideration has also been given to the charitable group's forecasts and projections and have taken account of pressures on donation and investment income. The majority of the Trustees are also Trustees of The Rank Foundation and are aware of The Rank Foundations finances and are able to conclude that there is a reasonable expectation that the charitable group has adequate resources to continue in operational existence for the foreseeable future. The Trustees have concluded that it is appropriate for the charitable group to continue to adopt the going concern basis in preparing its financial statements.

CTVC Limited

Notes To The Financial Statements for the year ended
31 December 2022

1. Accounting policies (continued)

The principal accounting policies adopted in the preparation of the financial statements are set out below.

b) Funds

Unrestricted - General Fund

All transactions not requiring the use of other specific funds are recorded here.

Restricted - General Fund

Contains funds that can only be used for specific purposes.

Restricted - Defined Benefit Pension Scheme Reserve

The liability of the pension scheme as per the FRS 102 valuation as at 31 December 2022.

Restricted - Pension Reserve

The amount set aside by The Rank Foundation to clear the outstanding balance of the pension scheme deficit as defined in the triennial pension valuation. The remaining period is ten years, eleven months.

c) Income

All income is recognised when there is entitlement to the funds, the receipt is probable and the amount can be measured reliably.

In addition, for income relating to the rendering of services which are partially complete at the balance sheet date: Where the costs incurred for the service and the costs to complete the transaction can be measured reliably, the income recognised in the statement of financial activities is calculated by the percentage completion method.

d) Expenditure

Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

e) Basis of allocation of costs

Costs of Charitable activities

Costs of activities in furtherance of the charity's objects includes all costs relating to the production, sale and distribution of programmes and attributable overheads plus an apportionment of overhead, support and governance costs.

Allocation of overhead, support and governance costs

Costs are allocated between the cost of raising funds and charitable activities. Costs relating to charitable activities have been apportioned between activities on the basis of headcount..

1. Accounting policies (continued)**f) Critical accounting estimates and areas of judgement**

In the view of the Trustees in applying the accounting policies adopted, with the exception of the Defined Pension Scheme (see below), no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next

The annual budget estimates the surplus required from programme funding to supplement the grant in covering salaries and overheads.

Assumptions in relation to the estimate of the Defined Benefit Pension Scheme Reserve obligation such as standard rates of inflation, mortality and discount rate. Variations in these assumptions have the ability to significantly influence the value of the liability recorded and annual defined benefit expense. Assumptions are based on actuarial advice.

g) Basis of consolidation

The consolidated financial statements comprise CTVC Limited ("CTVC") and its trading subsidiary, Hillside Productions Limited. A summarised profit and loss account and balance sheet of Hillside Productions Limited are given in note 16.

h) Basis of capitalisation

Amounts capitalised relate to costs of acquisition of assets expected to be used by CTVC in the longer term. Only pieces of equipment that have a cost price of more than £1,000

Depreciation - Assets for the Charity's own use

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation of fixed assets is calculated by reference to cost at rates estimated to write off the relevant assets over their expected useful lives, taking into account normal commercial and technical obsolescence.

The annual rates used are:

Plant and equipment	10% to 50% of cost
Fixtures and fittings:	
Technical	10% to 50% of cost
Office	10% to 20% of cost

Any assets considered impaired are written down to their recoverable amount.

i) Operating Leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

Not later than one year

Later than one and not later than five years

2022 £'000	2021 £'000
113	-
429	-
<u>542</u>	<u>-</u>

CTVC Limited

Notes To The Financial Statements for the year ended (continued)
31 December 2022

1. Accounting policies (continued)

i) Defined benefit pension scheme

The scheme was closed during 2002. In 2022 £457k was paid into this scheme in line with the schedule of contributions. The amount charged to the statement of financial activities in respect of this scheme is the estimated increased cost of providing the historical benefits accrued. The interest cost and expected return on assets are included within other finance costs in support costs.

The assets of the scheme are held separately from the group in separate trustee administered funds. Full actuarial valuations, by a professionally qualified actuary, are obtained at least every three years, and updated to reflect current conditions at the balance sheet date. The pension scheme assets are measured at fair value. The pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency. A pension liability is recognised on the balance sheet to the extent that the group has accepted the obligation to settle the estimated liability.

j) Defined contribution pension scheme

Employer's contributions are charged to the statement of financial activities and accrued as they become payable.

k) Disclosure exemptions

The company has taken advantage of the following disclosure exemptions available in FRS 102 when preparing the separate Financial Statements of the Parent company:

- Key management personnel compensation (but company law disclosures for Trustees' remuneration still apply)
- No cash flow statement has been prepared for the parent company

2. Constitution

CTVC is limited by guarantee not having a share capital.

3. Parent undertaking - Grant

The grant is from the immediate and ultimate parent company, The Rank Foundation Limited (516434), a registered charity (276976) whose address is: 19-21 Garden Walk, London, England, EC2A 3EQ.

The Rank Foundation Limited has provided a guarantee that it will fund the deficit of the Defined Benefit Pension Scheme. In addition, it has confirmed its financial support for operational activities until at least April 2024. The operational grant has been approved at £1.332m for 2023.

The Rank Foundation Limited prepares consolidated accounts, which comprise the results of The Rank Foundation and its subsidiary companies which include CTVC and Hillside Productions.

CTVC Limited

Notes To The Financial Statements for the year ended (continued) 31 December 2022

4. Analysis of total expenditure

2022	Direct Costs £'000	Staff Costs £'000	Occupancy £'000	Depreciation £'000	Other £'000	Support Costs £'000	Total £'000
Cost of Raising Funds	1,364	-	-	-	4	-	1,368
Charitable activities							
Television	800	145	-	-	13	280	1,238
Radio	52	62	-	-	-	178	292
Digital	220	168	-	-	2	497	887
Total Charitable activities	1,072	375	-	-	15	955	2,417
Analysis of support costs	-	632	84	5	188	(909)	-
Governance costs	-	14	-	-	32	(46)	-
Total Support and Governance costs	-	646	84	5	220	(955)	-
Total expenditure	2,436	1,021	84	5	239	0	3,785

2021							
Cost of Raising Funds	-	-	-	-	4	-	4
Charitable activities							
Television	898	317	-	-	119	101	1,435
Radio	59	126	-	-	-	132	317
Digital	270	340	-	-	77	462	1,149
Total Charitable activities	1,227	783	-	-	196	695	2,901
Analysis of support costs	-	502	23	25	109	(659)	-
Governance costs	-	15	-	-	21	(36)	-
Total Support and Governance costs	-	517	23	25	130	(695)	-
Total expenditure	1,227	1,300	23	25	330	-	2,901

Included above in Charitable activities - Television, is £92k (2021: £112k), which relates to pension finance costs and an adjustment for past service costs in the restricted funds - Note 12.

The expenditure above includes costs incurred by the subsidiary under 'Cost of Raising Funds' and this line is the difference between consolidated and CTVC only expenditure.

Total Support and Governance costs have been apportioned over the Charitable activities using staff numbers as the basis for the apportionment.

5. Analysis of Governance costs

	2022 £'000	2021 £'000
Auditor's remuneration	21	15
Legal and professional fees	11	6
Senior management- remuneration allocation	14	15
	46	36

Governance costs for the Group include an allocation of the operating costs relating to the CEO and the FD. They represent the support necessary to deliver the management and reporting requirements for the Boards within the wider Group.

CTVC Limited

Notes To The Financial Statements for the year ended (continued) 31 December 2022

6. Trustees and Employees

	2022	2021
Average number employed		
Employed in charitable activities (excluding Trustees)		
Direct charitable	15	16
Support	3	3
Total	18	19
Employees' emoluments		
Number of Staff earning £70,001 to £80,000	-	1
Number of Staff earning £80,001 to £90,000	-	1
Number of Staff earning £90,001 to £100,000	-	-
Number of Staff earning £100,001 to £110,000	-	-
Number of Staff earning £120,001 to £130,000	1	1
Number of Staff earning £130,001 to £140,000	1	1

Employer contributions to the money purchase schemes were paid in respect of the above employees £22k (2021: £31k)

The Key management personnel of the group are the Chief Executive Officer and the Finance Director whose employee benefits totalled £166,034 (2021: £224,802)

Staff costs including Trustees' emoluments	£'000	£'000
Wages and salaries	988	1,028
Redundancy payments	20	-
Social security costs	105	99
Personal Insurance (PHI, DIS)	19	37
Pension Scheme Contributions	48	54
Pension Scheme Costs	21	82
	1,201	1,300
Trustees' emoluments		
Pension Contributions	Nil	Nil
Emoluments excluding pension scheme contributions		
Chairman	Nil	Nil
G. C. King	16	16
M. A. Booth	10	10
	26	26

Related Party Transactions

The above mentioned Trustees are not entitled to pension benefits and remunerated solely for the professional services they render to CTVC and its subsidiary as allowed for in our Memorandum and Articles of Association.

The other 5 Trustees received no remuneration.

	£	£
Reimbursement of expenses to 2 Trustees (2020 : 2) incurred in relation to duties as Trustees.	292	145

CTVC Limited

Notes To The Financial Statements for the year ended (continued) 31 December 2022

7. Net Income / (expenditure)

	Group		CTVC	
Net income / (expenditure) is stated after charging / (crediting):	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Depreciation of tangible fixed assets	9	8	9	8
Hire of equipment	12	21	12	21
Rental of premises	7	0	-	0
Auditor's remuneration - audit	21	16	17	15
Auditor's remuneration - other	11	15	11	12
During the year CTVC purchased Trustees' and Officers' insurance	1	1	1	1
(Gain) / loss on currency exchange rate	(3)	3	(3)	3

8. Contingent liability

CTVC is included in a UK group registration with its subsidiary undertaking for VAT purposes and is therefore jointly and severally liable for all group companies' unpaid debts in this connection amounting to £85,998 as at 31 December 2022 (2021: Nil).

CTVC Limited

Notes To The Financial Statements for the year ended (continued) 31 December 2022

9. Tangible fixed assets - Assets for the Charity's own use

Group and CTVC

	As at 01 January 2022 £'000	Additions £'000	As at 31 December 2022 £'000
Cost			
Short leasehold property	-	-	-
Plant and equipment	39	5	44
Fixtures and fittings	29	4	33
Motor vehicles	-	-	-
	<u>68</u>	<u>9</u>	<u>77</u>

Depreciation

Plant and equipment	35	3	38
Fixtures and fittings	26	2	28
	<u>61</u>	<u>5</u>	<u>66</u>

Net book value

Plant and equipment	4	2	6
Fixtures and fittings	3	2	5
	<u>7</u>	<u>4</u>	<u>11</u>

Archive

CTVC owns a Film and Television programme archive, which may have potential for further exploration to the benefit of the company. The unique nature of the archive means that it is only in demand intermittently depending on world events etc. We therefore do not think a reasonable/reliable valuation could be performed due to the uncertainty of its use.

CTVC Limited

Notes To The Financial Statements for the year ended (continued) 31 December 2022

10. Debtors

	Group		CTVC	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Trade debtors	58	123	58	123
Other taxation and social security	-	-	3	-
Amount due from parent undertaking (non pension)	-	-	-	-
Amount due from parent undertaking (re pension)	4,684	4,989	4,684	4,989
Amount due from subsidiary undertaking	-	-	139	3
Accrued income and prepayments	82	245	82	245
	4,824	5,357	4,966	5,360

Included in the amount due from parent undertaking (re pension) is an amount of £4,074,925 (2021: £4,531,925) due in more than one year.

11. Amounts falling due within one year

Note	Group		CTVC	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Creditors				
Trade creditors	109	121	37	121
Other taxation and social security	184	32	15	32
Amount due to parent undertaking	16	34	16	34
Accruals and deferred income	96	61	44	60
Other creditors	153	149		11
	558	397	112	258

CTVC Limited

Notes To The Financial Statements for the year ended (continued) 31 December 2022

12. Pensions

A) Defined benefit scheme - closed April 2002

CTVC Limited (the "Company") operates a defined benefit pension arrangement called the Foundation for Christian Communication Pension Scheme (the "Scheme"). The Scheme provides benefits based on final salary and length of service on retirement, leaving service or death. The following disclosures exclude any allowance for Defined Contribution schemes operated by the Company.

The Scheme is subject to the Statutory Funding Objective under the Pensions Act 2004. A valuation of the Scheme is carried out at least once every three years to determine whether the Statutory Funding Objective is met. As part of the process the Company must agree with the Trustees of the Scheme the contributions to be paid to meet the Statutory Funding Objective.

The most recent comprehensive actuarial valuation of the Scheme was carried out as at 30 September 2021 and the next valuation of the Scheme is due as at 30 September 2024. In the event that the valuation reveals a larger deficit than expected the Company may be required to increase contributions above those set out in the existing Schedule of Contributions. Conversely, if the position is better than expected, it is possible that contributions may be reduced.

The Scheme is managed by a board of Trustees appointed in part by the Company and in part from elections by members of the Scheme. The Trustees have responsibility for obtaining valuations of the fund, administering benefit payments and investing the Scheme's assets. The Trustees delegate some of these functions to their professional advisers where appropriate.

The Company expects to pay contributions of £457,000 in the year to 31 December 2023. There were no plan amendments, curtailments or settlements during the period. The weighted average duration of the defined benefit obligation is 12 years.

The Rank Foundation has formalised their commitment to the funding of this scheme by putting in place a legal guarantee that has been accepted by the Pensions Regulator.

The Rank Foundation seeks independent actuarial advice from time to time to manage the strategic risks of funding the scheme. The management of the funding, investment, and compliance risks is undertaken by the pension scheme Trustees, who have appointed their own independent professional actuarial advisors, administrators, and investment manager.

The Trustees have appointed the scheme actuary to prepare the following detailed disclosures and they have relied on the actuary's expertise in this regard.

Explanation of amounts in the financial statements

Amounts recognised in the Balance Sheet at 31 December 2022

	Value at 31 December 2022 £'000	Value at 31 December 2021 £'000
Fair value of assets	10,147	11,366
Present value of funded obligations	(10,843)	(16,399)
Net defined benefit liability	(696)	(5,033)

Amounts recognised in the Income and Expenditure account over the year (see note 4)

	31 December 2022 £'000	31 December 2021 £'000
Interest on liabilities	307	242
Interest on assets	(215)	(130)
Total	92	112

Actuarial gains

	31 December 2022 £'000	31 December 2021 £'000
Losses / (gains) on scheme assets in excess of interest	1,371	(1,378)
Experience losses on liabilities	-	(4)
Losses / (gains) from changes to demographic assumptions	-	(358)
Losses / (gains) from changes to financial assumptions	(5,343)	(1,673)
Total actuarial movement	(3,972)	(3,413)

CTVC Limited

Notes To The Financial Statements for the year ended (continued) 31 December 2022

12. Pensions (continued)

Explanation of amounts in the financial statements (continued)

Reconciliation of assets and defined benefit obligation

The change in the assets over the period was:

	Value at 31 December 2022 £'000	Value at 31 December 2021 £'000
Fair value of assets at the beginning of the period	11,366	10,204
Interest on assets	215	130
Company contributions	457	457
Benefits paid	(520)	(803)
Return on scheme assets less interest	(1,371)	1,378
Fair value of assets at the end of the period	10,147	11,366

The change in the Defined Benefit obligation over the period was:

	31 December 2022 £'000	31 December 2021 £'000
Defined Benefit obligation at the beginning of the period	16,399	18,995
Interest on liabilities	307	242
Benefits paid	(520)	(803)
Experience loss on defined benefit obligation	-	(4)
Changes to demographic assumptions	-	(358)
Gains from changes to financial assumptions	(5,343)	(1,673)
Defined Benefit obligation at the end of the period	10,843	16,399

Assets

	31 December 2022 £'000	31 December 2021 £'000
Equities	7,194	8,535
Fixed interest	1,005	902
Alternatives	1,429	1,530
Cash	519	399
Total	10,147	11,366
Actual return on assets	(1,156)	1,508

CTVC Limited

Notes To The Financial Statements for the year ended (continued) 31 December 2022

12. Pensions (continued)

The principal actuarial assumptions used to calculate the Scheme's liabilities include:

	2022	2021
Discount rate	4.95%	1.90%
Retail Prices Index (RPI) inflation	3.45%	3.60%
Revaluation in deferment:		
Pre May 2001 benefits	5.00%	5.00%
Post May 2001 benefits	3.30%	3.45%
Pension increases		
GMP earned before 06/04/88		Nil
GMP earned after 06/04/88	3.00%	3.00%
Pension earned before 01/10/92 in excess of GMP	3.00%	3.00%
Pension earned between 01/10/92 and 31/05/01 in excess of GMP	5.00%	5.00%
Pension earned after 01/06/01	3.30%	3.45%
Life expectancy at age 65 of male aged 45	22.7	22.6
Life expectancy at age 65 of male aged 65	21.4	21.3
Life expectancy at age 65 of female aged 45	26.0	25.9
Life expectancy at age 65 of female aged 65	24.6	24.5

B) Defined contribution schemes

The Company runs an auto-enrolment compliant, salary sacrifice defined contribution pension scheme. The scheme is placed with and administered by The Creative Pension Trust.

	2022 £'000	2021 £'000
Pension charge for the period	48	54
Balance due to the schemes as at the year end	15	11

Sensitivity placed on the value of the liabilities

	31 December 2022 £'000	31 December 2021 £'000
Discount Rate	Approximate affect on liability	
Discount rate -0.10%	126	255
Cash Commutation		
Assume members exchange 15% of pension for cash	100	148
Mortality		
Mortality loading increased by 5% for males and females (100% of S3PMA and 90% of S3PFA)	176	339

13. Movement in triennial valuation

	£'000	£'000	£'000
Deficit as per triennial valuation at 30 September 2018	5,140		
Estimate for loss of income	1,334		
		6,474	
Payments made into the fund during 2018 (pre valuation)		(114)	
Payments made into the fund during 2019 to 2021		(1,371)	
Payments made into the fund during 2022		(457)	
Increase based on valuation at 30 September 2021		152	
Balance carried forward			4,684

The current Schedule of Contributions requires an annual payment of £457,000 for a further 10 years 3 months (March 2033).

CTVC Limited

Notes To The Financial Statements for the year ended (continued) 31 December 2022

14. Reserves

2022	Note	As at 1 January £'000	Income £'000	Expenditure £'000	Other / transfers £'000	As at 31 December £'000
Unrestricted Funds						
General		651	3,977	(3,636)	-	992
Restricted Funds						
Training grants - BFI		-	57	(58)	1	-
Total - General		-	57	(58)	1	-
Pension Reserves						
Defined Benefit Pension Scheme Reserve	14	(5,033)	-	(92)	4,429	(696)
Pension Reserve	15	4,989	152	-	(457)	4,684
Total - Pensions		(44)	152	(92)	3,972	3,988
Total - Restricted Funds		(44)	209	(150)	3,973	3,988
Total Funds		607	4,187	(3,786)	3,973	4,980

The British Film Institute (BFI) grant fund film making training courses for young people. The surplus from these activities have been allocated to recovery of CTVC overheads.

2021		As at 1 January £'000	Income £'000	Expenditure £'000	Other / transfers £'000	As at 31 December £'000
Unrestricted Funds						
General		582	2,706	(2,637)	-	651
Restricted Funds						
Training grants - BFI		-	156	(97)	(59)	-
Total - General		-	156	(97)	(59)	-
Pension						
Defined Benefit Pension Scheme Reserve	14	(8,791)	-	(112)	3,870	(5,033)
Pension Reserve	15	5,446	-	-	(457)	4,989
Total - Pensions		(3,345)	-	(112)	3,413	(44)
Total - Restricted Funds		(3,345)	156	(209)	3,354	(44)
Total Funds		(2,763)	2,862	(2,846)	3,354	607

CTVC Limited

Notes To The Financial Statements for the year ended (continued) 31 December 2022

15. Analysis of net assets between funds

	Unrestricted General £'000	Restricted General £'000	Pension £'000	Total £'000
2022				
Fixed assets	11	-	-	11
Current assets	1,539	-	4,684	6,223
Creditors: Amounts falling due within one year	(558)	-	-	(558)
Defined benefit pension scheme liability	-	-	(696)	(696)
Total net assets	992	-	3,988	4,980
2021				
Fixed assets	7	-	-	7
Current assets	1,041	-	4,989	6,030
Creditors: amounts falling due within one year	(397)	-	-	(397)
Defined benefit pension scheme liability	-	-	(5,033)	(5,033)
Total net assets	651	-	(44)	607

16. Net expenditure from trading activities of subsidiary

CTVC has a wholly-owned trading subsidiary, Hillside Productions Limited, which is incorporated in England and Wales. The principal activity of Hillside Productions Limited is the making of media productions.

Any profits of Hillside Productions Limited are usually donated to CTVC by way of qualifying charitable donation.

A summary of Hillside Productions Limited's trading results for the year is shown below.

Profit and loss account	2022 £'000	2021 £'000
Turnover	1,510	-
Cost of sales	(1,364)	-
Gross profit / (loss)	146	-
Administration expenses	(4)	(4)
Operating profit / (loss)	142	(4)
Profit / (loss) for the year	142	(4)
Summarised balance sheet		
Current assets	746	157
Creditors : amounts falling due within one year	(584)	(141)
Net assets	162	16
Equity shareholders' funds	162	16

CTVC's investment in Hillside Productions Limited is 75,000 ordinary shares of £1 each, being the whole issued equity share capital of that company.

During 2020 an impairment review reduced the value of the shares held in the subsidiary undertaking by £56,000. A review of the YE 2022 Balance sheet has shown that the impairment provision is no longer required so the impairment provision has been reversed and the shares are now shown at the original valuation of £75,000.

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