



FILM LONDON LIMITED
(Limited by Guarantee)
Financial statements
31 March 2014

FILM LONDON LIMITED

Financial statements for the year ended 31 March 2014

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FILM LONDON LIMITED

Directors, officers and advisers

Directors

Isabel Jane Begg
Sally Caplan
Emily Katherine Caston
Stuart Comer (resigned 30/10/13)
Edward Fletcher
Ian George (appointed 01/07/13)
Anna Elizabeth Higgs
Angela Jain
Elizabeth Meek
David John Parfitt
Andrew Geoffrey Payne (appointed 01/09/13)
Kevin Price
Robert Frank Wilkerson
Stephen Charles Woolley
Sir Robin Young

Secretary

D K C Kirchner

Chief Executive

A Wootton

Registered Office

Suite 6.10
The Tea Building
56 Shoreditch High Street
London E1 6JJ

Company Number

4699825

Auditor

Chantrey Vellacott DFK LLP
Chartered Accountants
Russell Square House
10 – 12 Russell Square
London WC1B 5LF

Solicitors

Harbottle & Lewis LLP
14 Hanover Square
London W1S 1HP

Bankers

Barclays Bank plc
7th Floor
180 Oxford Street
London W1D 1EA



FILM LONDON LIMITED

Directors' Report for the year ended 31 March 2014

The directors present their report and financial statements for the year ended 31 March 2014.

Constitution

Film London is a company limited by guarantee, registered in England, (registered number 4699825). It was incorporated on 17 March 2003, and is governed by its Memorandum and Articles of Association.

Activities

Film London's objectives are to promote and advance the visual arts, most particularly the arts of film, television and the moving image. Our key strands of work focus on audience development, talent development, screen heritage, culture and industry development.

Film London works to sustain and champion London's film, television and moving image industries, support the development of the city's emerging filmmaking talent and promote a diverse and rich film culture. Film London also has a national remit, the British Film Commission.

Funded by the Mayor of London and the National Lottery and Grant in Aid through the BFI, we also receive support from Arts Council England, Creative Skillset, UK Trade and Investment, the MEDIA Programme of the European Union and the British Council provide project funding for Film London and the British Film Commission. Film London is in receipt of funding from Interreg IVC for a project, delivered in partnership with eight other European partners, to promote the film industry by developing synergies between filming in London and tourism.

Film London manages a range of funding and schemes to champion talent development, as well as audience development and screen heritage. To help promote the UK's film, television and moving image industries, we manage an extensive programme of showcasing and marketing initiatives in the UK and internationally.

Film London works to sustain, develop and champion the film, TV and moving image industries through a first class locations service and a range of programmes supporting industry development. In London we manage the London Filming Partnership with a membership of over 250 partners working together to assist film-makers across the capital.

As part of our work to promote the UK film industry Film London delivered in 2013-14 the 10th edition of the London UK Film Focus and the seventh edition of the Production Finance Market encouraging new sources of funding for independent production and promoting the capital as a hub for film production.

In 2013-14 Film London has continued to manage a range of funding and awards supporting production, talent and audience development. Film London has also been funding a diverse selection of festivals and educational initiatives.

2013-14 saw the commissioning of a further round of FLAMIN Productions for single screen works which represent a significant leap in artists' careers. In partnership with Channel 4 Film London held the Jarman Award, a £10,000 prize awarded to celebrate experimentation, imagination and difference in the work of UK artist film-makers. Film London's Microwave's most recent feature *Lilting* premiered internationally at the Sundance International Film Festival with its UK premiere at BFI *Flare*. Film London continued to deliver the short film talent strand, the London Borough Film Fund Challenge, with the Best of Borough Film Awards.

In addition to the activities described above, Film London has worked closely with the British Film Institute, the Greater London Authority and the Mayor's Office to champion the UK's and London's film, television and moving image industry and culture nationally and internationally.



FILM LONDON LIMITED

Directors' Report for the year ended 31 March 2014

Financial results

The results for the year are shown on page 6.

Directors' responsibilities

The directors who served the company during the year are listed on page 2.

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

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

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

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

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing their annual accounts.

Insofar as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Small company provisions

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

On behalf of the Board of Directors



David Parfitt
Director

Date: 30 July 2014

FILM LONDON LIMITED

Independent auditor's report to the members of Film London Limited

We have audited the financial statements of Film London Limited for the year ended 31 March 2014 which comprise the income and expenditure account, balance sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditor

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2014 and of its results 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Chantrey Vellacott DFK LLP

PHILIP CLARK (Senior Statutory Auditor)
for and on behalf of CHANTREY VELLACOTT DFK LLP
Chartered Accountants and Statutory Auditor
London

Date: 30 July 2014

FILM LONDON LIMITED

Income and expenditure account for the year ended 31 March 2014

	Notes	2014 £	2013 £
Income	2	4,587,930	3,900,441
Expenditure – project activity and grants		<u>(3,451,107)</u>	<u>(2,885,283)</u>
		1,136,823	1,015,158
Administrative expenses		<u>(1,137,307)</u>	<u>(1,022,648)</u>
Other income		215,717	206,169
Operating surplus	3	<u>217,233</u>	<u>198,679</u>
Interest receivable	4	<u>407</u>	<u>416</u>
Surplus on ordinary activities before taxation		215,640	199,096
Taxation	5	<u>(626)</u>	<u>-</u>
Surplus on ordinary activities after taxation and retained for the year		<u>215,014</u>	<u>199,096</u>

All amounts relate to continuing activities.

The company has no recognised gains and losses other than those included in the results above and therefore no separate statement of total recognised gains and losses has been presented. There is no difference between the results shown above and their historical cost equivalents.

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

FILM LONDON LIMITED

Balance Sheet at 31 March 2014

	Notes	2014 £	2013 £
Fixed assets			
Tangible fixed assets	6	56,689	50,185
Current assets			
Debtors	7	1,003,644	770,022
Cash at bank and in hand		1,105,071	989,542
		2,108,715	1,759,564
Creditors: amounts falling due within one year	8	(1,319,033)	(1,178,393)
Net current assets		789,682	581,171
Total assets less current liabilities		846,371	631,357
Reserves			
Income and expenditure account brought forward		631,357	432,260
Surplus for year		215,014	199,096
Income and expenditure account carried forward	13	846,371	631,357

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the Board of Directors and authorised for issue on 30 July 2014 and signed on their behalf by:



David Parfitt

Director

Company Registration Number: 4699825

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

FILM LONDON LIMITED

Notes to the financial statements For the year ended 31 March 2014

1. Accounting policies

a) Basis of accounting

The financial statements have been prepared in accordance with the Companies Act 2006, applicable accounting standards and under the historical cost convention.

b) Tangible fixed assets

Depreciation is provided to write off the cost of fixed assets on a straight line basis over their estimated useful economic lives as follows:

Office equipment	- 3 years
Leasehold Improvements	- end of tenant lease September 2015

c) Income and expenditure

Sponsorship and grant income, derived from the public and private sectors, is credited to the income and expenditure account in the period to which it relates, or in the period in which the funder gives the company unconditional entitlement to the funding.

Grants are charged to the income and expenditure account as they are committed by the Board. Project expenditure is recognised on an accruals basis and includes a proportion of staff costs.

Administrative expenses are accounted for on an accruals basis, and include a proportion of staff costs.

All income and expenditure is stated net of Value Added Tax.

d) Cash flow statement

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard No 1 'Cash Flow Statements'.

e) Pension scheme

The company operates a Group Personal Pension Scheme with Standard Life. Eligible employees contribute 3% (or more) and the company contributes 3%. Contributions are recognised when due.

f) Leases

Operating lease charges are recognised in the income and expenditure account when due. The company does not hold any assets under finance leases.

g) Rental income

Rental income from operating leases are recognised as income on a straight line basis over the term of the lease. Lease incentives are spread over the life of the lease.

h) Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating profit.

FILM LONDON LIMITED

Notes to the financial statements For the year ended 31 March 2014

2.	Income	2014 £	2013 £
	Sponsorship and grant income		
	British Film Institute	655,702	547,116
	British Film Institute – Digital film archive fund (SHUK)	-	329
	British Film Institute – British Film Commission	592,000	500,000
	British Film Institute – London UK Film Focus	60,000	60,000
	British Film Institute – PFM	15,000	15,000
	British Film Institute – HLO Audience Fund	31,000	4,000
	British Film Institute – Bobs Award	-	2,000
	British Film Institute – London Borough Film Challenge	10,000	-
	British Film Institute – Discovery Fund	21,602	-
	Greater London Authority	1,550,000	1,310,000
	Arts Council England, London	341,673	356,369
	Arts Council England, Dickens	-	900
	BBC – Microwave	(20,000)	-
	Channel 4 – Random Acts Sponsorship	21,092	908
	Channel 4 – Jarman Award Sponsorship	16,000	18,000
	Project Tottenham	-	19,718
	Screen Yorkshire	796	-
	Skillset – Cultivate	12,000	16,899
	Skillset – Programme Training	45,674	41,605
	Skillset – Market Place	4,561	604
	Skillset – London Borough Film Fund Challenge	39,320	14,546
	Skillset – Audience On Demand	23,916	-
	Skillset – Micromarket	18,361	-
	Skillset – Screen Heritage	1,800	-
	Skillset – New Approaches	2,500	-
	UK Trade and Investment – British Film Commission	228,261	171,739
	UK Trade and Investment – London UK Film Focus	20,000	7,500
	UK Trade and Investment – PFM	-	7,500
	MEDIA - PFM	80,837	70,476
	British Council Microschool Europe	49,945	5,023
	Europa Cinemas	12,466	8,726
	EuroScreen (Interreg IVC)	474,353	419,853
	HLF London Screen Heritage	-	27,300
	British Film Commission – Sponsorship	121,206	76,750
	Pulse Royalties	-	19,220
	Location Managers Availability Service	3,879	2,320
	Filming Partnership Club	15,400	12,050
	LLDC – Consultancy & Management Services	16,000	-
	FLAMIN – Other	-	6,250
	Microwave – Other	15,085	38,137
	PFM - Other	23,902	17,509
	London UK Film Focus – Other	31,420	32,780
	Skillset Projects – Other Funders	13,656	-
	Skillset Projects – Delegate Fees	16,663	-
	International Events – Other	2,000	1,500
	British Film Commission – Other	-	58,002
	Commercial Events – Other	19,860	9,813
		4,587,930	3,900,441

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Notes to the financial statements For the year ended 31 March 2014

3.	Operating surplus	2014	2013
		£	£
	Operating surplus is stated after charging:		
	Depreciation	29,229	22,112
	Auditor's remuneration - audit	11,150	12,500
	- other	4,600	2,340
	Operating lease rentals - land and buildings	175,000	175,000
		<u> </u>	<u> </u>
4.	Interest receivable	2014	2013
		£	£
	Bank interest receivable – Lottery funds	19	5
	Bank interest receivable – Other funds	388	411
		<u> </u>	<u> </u>
	Total interest receivable	407	416
		<u> </u>	<u> </u>
5.	Taxation		
	The company's main activities are not conducted with a view to profit and do not constitute a taxable activity. The company is recognised as a not-for-profit organisation by the HM Revenue & Customs. The tax charge for the year was £626 (2013: £nil), which is due to the rental income received from sub-letting part of the office.		
		2014	2013
		£	£
	Profit on ordinary activities before tax	215,640	199,096
	Tax on profit on ordinary activities at standard CT rate of 20% (2013 : 20%)	43,128	39,819
	Effects of :		
	Expenses not deductible for tax purposes	883,595	747,440
	Income not taxable for tax purposes	(922,665)	(781,294)
	Utilisation of tax losses and other deductions	(3,432)	(5,965)
		<u> </u>	<u> </u>
	Current tax charge for the period	626	-
		<u> </u>	<u> </u>

FILM LONDON LIMITED

Notes to the financial statements For the year ended 31 March 2014

6. Tangible fixed assets

	Office Equipment £	Leasehold Improvements £	Total £
Cost:			
At 1 April 2013	90,735	78,756	169,491
Additions	35,732	-	35,732
Disposals	(39,409)	-	(39,409)
	<u>87,058</u>	<u>78,756</u>	<u>165,814</u>
At 31 March 2014	<u>87,058</u>	<u>78,756</u>	<u>165,814</u>
Depreciation:			
At 1 April 2013	89,708	29,598	119,306
Disposals	(39,409)	-	(39,409)
Charge for the year	9,563	19,665	29,228
	<u>59,862</u>	<u>49,263</u>	<u>109,125</u>
At 31 March 2014	<u>59,862</u>	<u>49,263</u>	<u>109,125</u>
Net book value:			
At 31 March 2014	<u>27,196</u>	<u>29,493</u>	<u>56,689</u>
At 31 March 2013	<u>1,027</u>	<u>49,159</u>	<u>50,185</u>

7. Debtors

	2014 £	2013 £
Other debtors	245,657	127,800
Prepayments and accrued income	716,354	599,139
VAT recoverable	41,633	43,084
	<u>1,003,644</u>	<u>770,022</u>

8. Creditors: amounts falling due within one year

	2014 £	2013 £
Grants committed but unpaid	206,426	283,944
Other taxation and social security	41,913	36,244
Corporation Tax	626	-
Other creditors	407,638	172,646
Accruals	466,428	492,239
Deferred income	196,002	193,320
	<u>1,319,033</u>	<u>1,178,393</u>



FILM LONDON LIMITED

Notes to the financial statements For the year ended 31 March 2014

9. Employees

The average number of persons employed by the company during the year was 39 (2013: 34).

	2014 £	2013 £
Staff costs		
Wages and salaries	1,282,662	1,162,439
Social security costs	136,444	129,733
Pension contributions	44,331	44,302
	<u>1,463,437</u>	<u>1,336,474</u>

10. Directors' interests

The directors received remuneration of £nil in the year (2013: £nil).

Trademark Films Limited, of which David Parfitt is a director, received £12,000 (2013: £12,000) for consultancy services which is deemed to be at a commercial rate.

During the year the company paid OTM (UK) Limited, of which Robert Wilkerson is a director of the ultimate parent company – TargetMCG Ltd, for consultancy services in relation to the rebranding totaling £74,272.80, which is considered to be below full market rate.

11. Members' liability

The company does not have share capital and is limited by guarantee. In the event of the company being wound up, the maximum amount to which each member is liable to contribute is £1.

There were 14 members at 31 March 2014 (2013: 13 members).

12. Operating lease commitments

The company's annual commitments at 31 March 2014 under operating leases were as follows:

	2014 Land and buildings £	2013 Land and buildings £
Lease expiry: 2-5 years	<u>175,000</u>	<u>175,000</u>

13. Income and expenditure account

The company's reserves at 31 March 2014 comprise:

	2014 Income and Expenditure Account £	2013 Income and Expenditure Account £
Arts Council England - FLAMIN Project	10,460	10,460
Other Specific Projects	<u>596,851</u>	<u>381,837</u>
Unrestricted funds	<u>239,060</u>	<u>239,060</u>
Total funds	<u>846,371</u>	<u>631,357</u>