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FORM AR27

Trade Union and Labour Relations (Consolidation) Act 1992

ANNUAL RETURN FOR AN EMPLOYERS' ASSOCIATION

Name of Employers' Association:

Year ended:

List No:

Head or Main Office AND CERTIFICATION OFFICER

RECEIVED

Website address (if available)

Has the address changed during the year to which the return relates? Yes No (Tick as appropriate)

General Secretary:

Contact name for queries regarding the completion of this return:

Telephone Number:

e-mail:

PLEASE FOLLOW THE GUIDANCE NOTES IN THE COMPLETION OF THIS RETURN.
Any difficulties or problems in the completion of this return should be directed to the Certification Office as below or by telephone to: 0330 109 3602

The address to which returns and other documents should be sent are:

For Employers' Associations based in England and Wales:
Certification Office for Trade Unions and Employers' Associations
Lower Ground Floor, Fleetbank House, 2-6 Salisbury Square, London EC4Y 8JX

For Employers' Associations based in Scotland:
Certification Office for Trade Unions and Employers' Associations
Melrose House, 69a George Street, Edinburgh EH2 2JG

RETURN OF MEMBERS

(see note 9)

NUMBER OF MEMBERS AT THE END OF THE YEAR				
Great Britain	Northern Ireland	Irish Republic	Elsewhere Abroad (including Channel Islands)	TOTALS
522	16	0	0	538

OFFICERS IN POST

(see note 10)

Please attach as an annexe to this form a complete list of all officers in post at the end of the year to which this form relates, with the title of each persons office.

CHANGE OF OFFICERS

Please complete the following to record any changes of officers during the twelve months covered by this return.

Title of Office	Name of Officer ceasing to hold office	Name of Officer Appointed	Date of Change
<i>Please see list of Directors on company information sheet of attached accounts.</i>			

REVENUE ACCOUNT/GENERAL FUND

(see notes 11 to 16)

Previous Year			£	£
	INCOME			
2,041,642	From Members	Subscriptions, levies, etc		2,353,846
26,348	Investment income	Interest and dividends (gross)		18,642
11,737		Bank interest (gross)		(11,737)
		Other (specify) – PactUS loan interest		
	Other income	Rents received		
		Insurance commission		
		Consultancy fees		
		Publications/Seminars		
		Miscellaneous receipts (specify)		
450,648	Events and markets			301,277
223,597	Project funding			220,380
2,753,972				2,882,407
	TOTAL INCOME			
	EXPENDITURE			
	Administrative expenses			
1,323,969		Remuneration and expenses of staff		1,368,170
108,684		Occupancy costs		147,704
10,739		Printing, Stationery, Post		9,984
15,131		Telephones		13,222
481,770		Legal and Professional fees		233,172
		Miscellaneous (specify)		
453,051	Events and markets			304,724
	Project costs			
84,597	Computer and website			97,880
117,781	Subscriptions			89,155
35,506	Travelling			38,551
57,003	Other			71,614
7,644				8,146
2,399	Other charges	Bank charges		2,258
14,430		Depreciation		11,940
(1,293)		Sums written off (incl. PactUS loan)		1,103,161
		Affiliation fees		
0		Donations		5,290
6,938		Conference and meeting fees		8,270
		Expenses		
		Miscellaneous (specify)		
30,220	Insurance			33,008
444	Credit card charges			416
18,180	Taxation			945
2,768,193	TOTAL EXPENDITURE			3,547,610

(14,221)	Surplus/Deficit for year	(665,203)
2,203,255	Amount of fund at beginning of year	2,189,034
2,189,034	Amount of fund at end of year	1,523,832

ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

ACCOUNT 2		Fund Account	
Name of account:		£	£
Income	From members Investment income Other income (specify)		
	Total Income		
Expenditure	Administrative expenses Other expenditure (specify)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		

ACCOUNT 3		Fund Account	
Name of account:		£	£
Income	From members Investment income Other income (specify)		
	Total Income		
Expenditure	Administrative expenses Other expenditure (specify)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		

ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

ACCOUNT 4		Fund Account	
Name of account:		£	£
Income	From members		
	Investment income		
	Other income (specify)		
	Total Income		
Expenditure	Administrative expenses		
	Other expenditure (specify)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		

ACCOUNT 5		Fund Account	
Name of account:		£	£
Income	From members		
	Investment income		
	Other income (specify)		
	Total Income		
Expenditure	Administrative expenses		
	Other expenditure (specify)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		

ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

ACCOUNT 6		Fund Account	
Name of account:		£	£
Income	From members Investment income Other income (specify)		
		Total Income	
Expenditure	Administrative expenses Other expenditure (specify)		
		Total Expenditure	
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

ACCOUNT 7		Fund Account	
Name of account:		£	£
Income	From members Investment income Other income (specify)		
		Total Income	
Expenditure	Administrative expenses Other expenditure (specify)		
		Total Expenditure	
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

FIXED ASSETS ACCOUNT

(see note 21)

	Land & Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total
	£	£	£	£
COST OR VALUATION				
At start of period	<i>Please see Note 7 of attached accounts</i>			
Additions during period				
Less: Disposals during period				
Less: DEPRECIATION:				
Total to end of period				
BOOK AMOUNT at end of period				
Freehold				
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				

AS BALANCE SHEET				
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ANALYSIS OF INVESTMENTS

(see note 22)

		Other Funds £
QUOTED	British Government & British Government Guaranteed Securities	
	British Municipal and County Securities	
	Other quoted securities (to be specified)	
	TOTAL QUOTED (as Balance Sheet)	
	*Market Value of Quoted Investments	
UNQUOTED	British Government Securities	
	British Municipal and County Securities	
	Mortgages	
	Other unquoted securities (to be specified)	
	TOTAL QUOTED (as Balance Sheet)	
	*Market Value of Unquoted Investments	

* Market value of investments to be stated where these are different from the figures quoted in the balance sheet

ANALYSIS OF INVESTMENT INCOME (CONTROLLING INTERESTS)

(see notes 23 to 25)

Does the association, or any constituent part of the association, have a controlling interest in any limited company?		YES	NO
If YES name the relevant companies:			
COMPANY NAME <i>Please see note 8 of the attached accounts</i>	COMPANY REGISTRATION NUMBER (if not registered in England & Wales, state where registered)		
INCORPORATED EMPLOYERS' ASSOCIATIONS			
Are the shares which are controlled by the association registered in the association's name		YES	NO
If NO, please state the names of the persons in whom the shares controlled by the association are registered.			
COMPANY NAME	NAMES OF SHAREHOLDERS		
UNINCORPORATED EMPLOYERS ASSOCIATIONS			
Are the shares which are controlled by the association registered in the names of the association's trustees?		YES	NO
If NO, state the names of the persons in whom the shares controlled by the association are registered.			
COMPANY NAME	NAMES OF SHAREHOLDERS		

SUMMARY SHEET

(see notes 26 to 35)

	All funds except Political Funds £	Political Funds £	Total Funds £
INCOME			
From Members	2,353,846		
From Investments	6,906		
Other Income (including increases by revaluation of assets)	521,656		
Total Income	2,882,407		
EXPENDITURE (including decreases by revaluation of assets)	3,547,610		
Total Expenditure			
Funds at beginning of year (including reserves)	2,189,034		
Funds at end of year (including reserves)	1,523,832		
ASSETS			
Fixed Assets			19,807
Investment Assets			
Other Assets			2,373,444
		Total Assets	2,393,251
LIABILITIES			
		Total Liabilities	(869,419)
NET ASSETS (Total Assets less Total Liabilities)			1,523,832

NOTES TO THE ACCOUNTS

(see note 36)

All notes to the accounts must be entered on or attached to this part of the return.

Please see pages 12 onwards in the attached accounts.


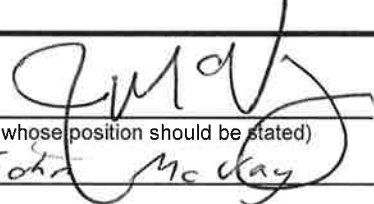
ACCOUNTING POLICIES

(see notes 37 and 38)

SIGNATURES TO THE ANNUAL RETURN

(see notes 39 and 40)

including the accounts and balance sheet contained in the return.

Secretary's Signature: <u></u> Name: <u>Rebecca Carey</u> Date: <u>5/2/18</u>	Chairman's Signature: <u></u> (or other official whose position should be stated) Name: <u>John McKay</u> Date: <u>5/2/18</u>
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CHECK LIST

(see note 41)

(please tick as appropriate)

IS THE RETURN OF OFFICERS ATTACHED? (see Page 3)	YES		NO	
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? (see Page 3)	YES		NO	
HAS THE RETURN BEEN SIGNED? (see Note 38)	YES		NO	
HAS THE AUDITOR'S REPORT BEEN COMPLETED (see Note 39)	YES		NO	
IS A RULE BOOK ENCLOSED? (see Note 40)	YES		NO	
HAS THE SUMMARY SHEET BEEN COMPLETED (see Notes 6 and 25 to 34)	YES		NO	

AUDITOR'S REPORT

(see notes 42 to 47)

made in accordance with section 36 of the Trade Union and Labour Relations (Consolidation) Act 1992.

1. In the opinion of the auditors or auditor do the accounts they have audited and which are contained in this return give a true and fair view of the matters to which they relate?
(See section 36(1) and (2) of the 1992 Act and notes 43 and 44)

YES/NO

If "No" please explain below.

2. Have the auditors or auditor carried out such investigations in the preparation of their audit report as will enable them to form an opinion as to:
- (a) whether the trade union has kept proper accounting records in accordance with section 28 of the 1992 Act;
 - (b) whether it has maintained a satisfactory system of control over its transactions in accordance with the requirements of that section; and
 - (c) whether the accounts to which the report relates agree with the accounting records?
- (See section 36(3) of the 1992 Act, set out in note 43)

YES/NO

If "No" please explain below.

3. Are the auditors or auditor of the opinion that the union has complied with section 28 of the 1992 Act and has:
- (a) kept proper accounting records with respect to its transactions and its assets and liabilities; and
 - (b) established and maintained a satisfactory system of control of its accounting records, its cash holding and all its receipts and remittances.
- (See section 36(4) of the 1992 Act set out in note 43)

YES/NO

If "No" please explain below.

4. Please set out a copy of the report made by the auditors or auditor to the union on the accounts to which this AR27 relates. The report is to set out the basis upon which the audit has been conducted and/or such other statement as the auditor considers appropriate. Such a statement may be provided as a separate document.
(See note 45)

AUDITOR'S REPORT (continued)

Please see pages 6-9 of the attached accounts.

Signature(s) of auditor or auditors:	<i>Please see page 9 of attached accounts</i>	
Name(s):	Myfanwy Neville	
Profession(s) or Calling(s):	FCA Senior Statutory Auditor	
Address(es):	35 Ballards Lane London	
Date:	23/11/17	
Contact name and telephone number:	M Neville 0208 922 9222	

N.B. When notes to the accounts are referred to in the auditor's report a copy of those notes must accompany this return.

Registered number: 02591474



**PRODUCERS' ALLIANCE FOR CINEMA AND TELEVISION LIMITED
(LIMITED BY GUARANTEE)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

PRODUCERS' ALLIANCE FOR CINEMA AND TELEVISION LIMITED (LIMITED BY GUARANTEE)

COMPANY INFORMATION

Directors	S Geater (Chairperson) (appointed 1 January 2017) W Stephens (Vice Chairperson) A Baron B Clark (resigned 1 January 2017) P Cohen (resigned 1 January 2017) T Collingwood K Doherty (appointed 1 January 2017) D Fenton S Gregson (appointed 1 January 2017) P Hanrahan (resigned 1 January 2017) R Johnston (appointed 1 January 2017) H Kousetta (appointed 1 January 2017) D Lavery (resigned 1 January 2017) C Lewis (resigned 1 January 2017) K Majumdar L Mansfield (resigned 1 January 2017) L Marshall (appointed 1 January 2017) J Muirhead (resigned 1 January 2017) R O'Brien M Samuelson G Seaborne D Smith (appointed 1 January 2017) H Tonge (appointed 1 January 2017) S Vertue
Company secretary	R Carey
Registered number	02591474
Registered office	Fitzrovia House Third Floor 153-157 Cleveland Street London W1T 6QW
Independent auditors	Berg Kaprow Lewis LLP Chartered Accountants & Statutory Auditor 35 Ballards Lane London N3 1XW

PRODUCERS' ALLIANCE FOR CINEMA AND TELEVISION LIMITED (LIMITED BY GUARANTEE)

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**CHIEF EXECUTIVE'S STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

The chief executive presents his statement for the period.

Pact started 2017 with a brand new Pact Council and Chair – Sara Geater – ready to press ahead with what has turned out to be another busy year.

In January, Pact published its UK Television Exports Report that showed sales to international markets in 2015/16 rose to £1,326m, a 10% increase from £1,205m in 2014/15. Pact assists its members with exporting overseas by arranging missions and trips to markets around the world, often with TAP grants provided by the Department for International Trade. In 2017, Pact delegations visited Realscreen, MIP Junior, ATF, Scandinavia, France, Germany and China, with inward missions from South Korea and Brazil. Pact also took part in the inaugural UK/China culture exchange and launched the Production Platform, an online space for potential international co-production partners to meet.

The outcome of the 2016 EU referendum – Brexit – has resulted in a huge amount of work as we try and navigate our way through the Brexit progress. After having set out the key risks and opportunities in a report around Brexit to the Government, I have been chairing a Creative Industries Council's Sector Bid working group which is working to secure a Sector Deal with the UK Government to support the Creative Industries. We should know the outcome of this before the end of the year. The policy team have also put a number of submissions in to Parliament about trade in services post Brexit. Pact will be active on making sure our members interests are understood as the UK moves to negotiate more Free Trade Agreements over the coming years.

Pact has continued to be a leading campaigner on Digital Single Market issues and chairs the UK industry group that is lobbying the UK Government to do more to support out members commercial interests.

In June 2017, PactUS Incorporated ("PactUS") merged with the New York Non-Fiction Producers Association, to create NPact, with the intention that the merged entity would ultimately be more influential with the combined membership of both organisations. The aims of NPact are aligned with our own, and I – along with Pact staff – will be working closely with the merged organisation for the continued benefit of Pact members and the wider industry.

Having maintained a stable level of membership income and benefited from the growth in High End TV drama, whilst also continuing to manage our costs efficiently, Pact has been able to report an operating surplus of £429,967 for the 12 month period to September 2017. After accounting for exceptional items, the results for the financial year show a deficit of £665,203. Pact continues to hold a healthy level of reserves and a positive balance sheet of £1,523,832.

Possibly Pact's greatest achievement this year was to achieve an amendment to the Digital Economy Act which enables Ofcom to have more powers to require the PSB broadcasters to commission more original British children's content. Pact spent a decade lobbying for this change to the legislation and the challenge in 2018 will be to ensure that Ofcom use this new power.

Also in June, Pact and BECTU agreed an agreement covering crew in TV drama after two years of negotiations and in November, agreed the very first UK national agreement covering crew on Major Motion Pictures.

Other policy work this year included responding to over twenty consultations including the Government's consultation on increasing the regional impact of Channel 4 – in which Pact recommended that 50% of Channel 4's spend should be in the nations and regions, to match the BBC – of which there were eight separate consultations on the BBC and the transfer of its regulation to Ofcom. We have also responded to consultations at a devolved level including the independent review of S4C and Scottish Parliament's inquiry into Scotland's Screen Sector.

**CHIEF EXECUTIVE'S STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

Pact also this year signalled that they would be launching a campaign to look at the PSB deal terms relating to online first and short form programming. Currently Terms of Trade only apply to linear programmes with producers not able to exploit the IP of their digital output particularly internationally and the aim of the campaign is to secure a fairer deal for online production. We are in the process of quantifying the potential value of international short form sales.

In September, Pact launched its annual Census which showed UK TV production sector international revenues grew by 5.3 per cent in the past year and have tripled in the past eight years. From 2015 to 2016, primary international commissions grew from £430 million to £468 million and this was in part driven by commissions from standalone digital services such as Netflix.

Also in September, Pact launched the Pact Industry Module for media degree courses to help ensure that graduates entering the TV production industry are equipped with the right business skills and knowledge.

In Diversity, Pact launched a Scottish version of its successful indie training scheme in May, and in August, as Chair of the Creative Diversity Network I oversaw the launch of the first DIAMOND output report which showed that during the period of 15th August 2016 – 30th July 2017, Diamond recorded more than 80,000 contributions from almost 6000 individual contributors.

Name **John McVay**
Chief Executive

Date 23 November 2017

PRODUCERS' ALLIANCE FOR CINEMA AND TELEVISION LIMITED (LIMITED BY GUARANTEE)

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

The directors present their report and the financial statements for the year ended 30 September 2017.

Principal activity

The principal activity of the Alliance during the year were the promotion and advancement of the British film and television production industry in the United Kingdom and overseas, the furtherance of the interests of all members of the Alliance and representing the interests of their members in relations with Industry Bodies, Unions and Regulators.

Directors

The directors who served during the year were members of the council and were as follows:

S Geater (Chairperson) (appointed 1 January 2017)

W Stephens (Vice Chairperson)

A Baron

B Clark (resigned 1 January 2017)

P Cohen (resigned 1 January 2017)

T Collingwood

K Doherty (appointed 1 January 2017)

D Fenton

S Gregson (appointed 1 January 2017)

P Hanrahan (resigned 1 January 2017)

R Johnston (appointed 1 January 2017)

H Kousetta (appointed 1 January 2017)

D Lavery (resigned 1 January 2017)

C Lewis (resigned 1 January 2017)

K Majumdar

L Mansfield (resigned 1 January 2017)

L Marshall (appointed 1 January 2017)

J Muirhead (resigned 1 January 2017)

R O'Brien

M Samuelson

G Seaborne

D Smith (appointed 1 January 2017)

H Tonge (appointed 1 January 2017)

S Vertue

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

Directors' responsibilities statement

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 to 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 are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in Directors' Reports may differ from legislation in other jurisdictions.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

Under section 487(2) of the Companies Act 2006, Berg Kaprow Lewis LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

PRODUCERS' ALLIANCE FOR CINEMA AND TELEVISION LIMITED (LIMITED BY GUARANTEE)

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



R Carey
Secretary

Date: 23 November 2017

PRODUCERS' ALLIANCE FOR CINEMA AND TELEVISION LIMITED (LIMITED BY GUARANTEE)

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF PRODUCERS' ALLIANCE FOR
CINEMA AND TELEVISION LIMITED (LIMITED BY GUARANTEE)**

Opinion

We have audited the financial statements of Producers' Alliance For Cinema and Television Limited (Limited by Guarantee) for the year ended 30 September 2017, set out on pages 10 to 22. 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).

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 Auditors' 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.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF PRODUCERS' ALLIANCE FOR CINEMA AND TELEVISION LIMITED (LIMITED BY GUARANTEE) (CONTINUED)

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF PRODUCERS' ALLIANCE FOR
CINEMA AND TELEVISION LIMITED (LIMITED BY GUARANTEE) (CONTINUED)**

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement 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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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.

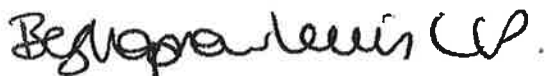
As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

PRODUCERS' ALLIANCE FOR CINEMA AND TELEVISION LIMITED (LIMITED BY GUARANTEE)

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF PRODUCERS' ALLIANCE FOR
CINEMA AND TELEVISION LIMITED (LIMITED BY GUARANTEE) (CONTINUED)**

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Myfanwy Neville FCA (Senior Statutory Auditor)

for and on behalf of

Berg Kaprow Lewis LLP

Chartered Accountants
Statutory Auditor

London

Date: 23 November 2017

PRODUCERS' ALLIANCE FOR CINEMA AND TELEVISION LIMITED (LIMITED BY GUARANTEE)

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

	Note	2017 £	2016 £
Turnover		2,875,502	2,715,887
Gross surplus		2,875,502	2,715,887
Administrative expenses		(2,445,535)	(2,749,534)
Exceptional administrative expenses	6	(1,101,130)	-
Operating deficit		(671,163)	(33,647)
Amounts written off investments		-	(479)
Interest receivable and similar income		18,642	38,085
Interest payable and expenses		(11,737)	-
(Deficit)/surplus before tax		(664,258)	3,959
Tax on (deficit)/surplus	5	(945)	(18,179)
Deficit after tax		(665,203)	(14,220)
Retained earnings at the beginning of the year		2,189,035	2,203,255
		2,189,035	2,203,255
Deficit for the year		(665,203)	(14,220)
Retained earnings at the end of the year		1,523,832	2,189,035

The notes on pages 12 to 22 form part of these financial statements.

PRODUCERS' ALLIANCE FOR CINEMA AND TELEVISION LIMITED (LIMITED BY GUARANTEE)
REGISTERED NUMBER: 02591474

STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	7	19,807	22,226
		19,807	22,226
Current assets			
Debtors: amounts falling due after more than one year	9	-	786,576
Debtors: amounts falling due within one year	9	218,951	390,825
Current asset investments	10	1,000,000	1,405,510
Cash at bank and in hand		1,154,493	925,012
		2,373,444	3,507,923
Creditors: amounts falling due within one year	11	(869,419)	(1,341,114)
Net current assets		1,504,025	2,166,809
Total assets less current liabilities		1,523,832	2,189,035
Net assets		1,523,832	2,189,035
Capital and reserves			
Income and expenditure account		1,523,832	2,189,035
		1,523,832	2,189,035

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

K Majumdar
Director

Date: 23 November 2017



The notes on pages 12 to 22 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

1. General Information

The principal activity of the Alliance during the year were the promotion and advancement of the British film and television production industry in the United Kingdom and overseas, the furtherance of the interests of all members of the Alliance and representing the interests of their members in relations with Industry Bodies, Unions and Regulators.

The Company is a private company limited by guarantee and is incorporated in England and Wales.

The Registered Office address is Fitzrovia House Third Floor, 153-157 Cleveland Street, London, W1T 6QW.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The date of transition to FRS 102 Section 1A was 1 October 2015.

The transition to FRS102 Section 1A resulted in no changes to the Income and expenditure account, nor to Net assets. The only presentational change was to reclassify cash held in fixed-term deposit accounts from Cash at bank and in hand to Current asset investments, as explained further in note 16 to the financial statements.

There have been no material changes to accounting policies other than in respect of this one item.

The Company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

The following principal accounting policies have been applied:

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017

2. Accounting policies (continued)

2.2 Revenue

Revenue from operations is derived from three sources:

- Annual subscription from members;
- Levy income on cinema and television productions;
- The provision of other support services to its members.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

The following criteria must also be met before revenue is recognised:

Provision of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property	- over the 5 year lease period
Other fixed assets	- 20% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

2. Accounting policies (continued)

2.4 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Current asset investments

Investments in cash held in fixed-term deposits are initially recognised at transaction price, and subsequently carried at amortised costs using the effective interest method.

2.5 Financial Instruments

The Company only enters into basic financial instruments and transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors.

(i) Financial assets

Basic financial assets, including trade and other debtors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method. At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Income and Retained Earnings.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic liabilities, including trade and other creditors and accruals, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if payment is due, within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

2. Accounting policies (continued)

2.6 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of Income and Retained Earnings at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Income and Retained Earnings in the same period as the related expenditure.

2.7 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is Sterling.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Income and Retained Earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Income and Retained Earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Income and Retained Earnings within 'other operating income'.

2.8 Finance costs

Finance costs are charged to the Statement of Income and Retained Earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

2. Accounting policies (continued)

2.9 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 October 2015 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.10 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.11 Taxation

Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- * The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- * Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017

2. Accounting policies (continued)

2.12 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

3. Auditors' remuneration

Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	14,750	14,750
All other services	8,018	6,541
	<u>22,768</u>	<u>21,291</u>

4. Employees

The average monthly number of employees, including directors, during the year was 17 (2016 - 17).

5. Taxation

	2017 £	2016 £
Corporation tax		
Current tax on profits for the year	-	5,500
Adjustments in respect of previous periods	945	12,679
Total current tax	<u>945</u>	<u>18,179</u>

Factors that may affect future tax charges

The company has tax losses of £600,000 (2016: £Nil) available to carry forward against tax due on future operational surpluses. As the realisation of a surplus cannot be estimated with any certainty, no deferred tax provision has been included in the financial statements in respect of this asset.

The company has tax losses of £110,000 (2016: £110,000) available to carry forward against tax due on any future chargeable gains. As the realisation of chargeable gains cannot be estimated with any certainty, no deferred tax provision has been included in the financial statements in respect of this asset.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017

6. Exceptional items

	2017 £	2016 £
Release of loan made to PactUS	1,101,130	-
	<u>1,101,130</u>	<u>-</u>

In June 2017 PactUS merged with the New York Non-Fiction Producers Association, to create NPact. At this point, the start-up costs provided as a loan to PactUS were deemed irrecoverable, and these costs have been released to the Income and expenditure account.

7. Tangible fixed assets

	Long-term leasehold property £	Other fixed assets £	Total £
Cost or valuation			
At 1 October 2016	28,352	65,084	93,436
Additions	-	9,522	9,522
Disposals	-	(628)	(628)
At 30 September 2017	<u>28,352</u>	<u>73,978</u>	<u>102,330</u>
Depreciation			
At 1 October 2016	27,578	43,632	71,210
Charge for the year on owned assets	344	11,597	11,941
Disposals	-	(628)	(628)
At 30 September 2017	<u>27,922</u>	<u>54,601</u>	<u>82,523</u>
Net book value			
At 30 September 2017	<u>430</u>	<u>19,377</u>	<u>19,807</u>
At 30 September 2016	<u>774</u>	<u>21,452</u>	<u>22,226</u>

PRODUCERS' ALLIANCE FOR CINEMA AND TELEVISION LIMITED (LIMITED BY GUARANTEE)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

8. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 October 2016	<u>1,850</u>
At 30 September 2017	<u>1,850</u>
Impairment	
At 1 October 2016	<u>1,850</u>
At 30 September 2017	<u>1,850</u>
At 30 September 2017	<u>-</u>
At 30 September 2016	<u>-</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Company Type	Control	Business
Association of Independent Producers Limited	England & Wales	Limited by guarantee	100 %	Dormant
Independent Programme Producers' Association Limited	England & Wales	Limited by guarantee	100 %	Dormant
The Producers' Association Limited	England & Wales	Limited by guarantee	100 %	Dormant
Producers' Rights Agency Limited	England & Wales	Limited by guarantee	100 %	Dormant

PRODUCERS' ALLIANCE FOR CINEMA AND TELEVISION LIMITED (LIMITED BY GUARANTEE)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

9. Debtors

	2017 £	2016 £
Due after more than one year		
Amounts owed by PactUS	-	786,576
	<u> </u>	<u> </u>
	2017 £	2016 £
Due within one year		
Trade debtors	41,340	163,821
Other debtors	5,777	1,745
Prepayments and accrued income	171,834	225,259
	<u>218,951</u>	<u>390,825</u>

10. Current asset investments

	2017 £	2016 £
Cash held in fixed term deposits	1,000,000	1,405,510
	<u>1,000,000</u>	<u>1,405,510</u>

Historically cash held in fixed-term deposits were included as part of Cash at bank and in hand. On transition to FRS102 these have been classified within Current asset investments as per note 16.

11. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	42,559	47,906
Corporation tax	-	5,500
Other taxation and social security	128,107	229,863
Accruals and other creditors	147,471	190,588
Deferred income	551,282	867,257
	<u>869,419</u>	<u>1,341,114</u>

PRODUCERS' ALLIANCE FOR CINEMA AND TELEVISION LIMITED (LIMITED BY GUARANTEE)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

12. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. Contributions totalling £4,777 (2016: £3,694) were payable to the fund at the reporting date.

13. Commitments under operating leases

At 30 September 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	98,432	98,432
Later than 1 year and not later than 5 years	307,397	405,829
	<u>405,829</u>	<u>504,261</u>

14. Escrow Balances

	2017 £	2016 £
Cash at bank	1,478,935	1,413,626
Creditors	(1,478,935)	(1,413,626)
Total	<u>-</u>	<u>-</u>

Escrow monies are repayable on demand, on the joint authorisation of the production company and the trade union involved. At no time does the company have any legal title to these monies. Accordingly, they are not reflected in the company's Statement of Financial Position.

15. Related party transactions

The statutory directors as defined by the Companies Act 2006 are the council members of the Producers' Alliance for Cinema and Television ("Pact").

Included in other creditors is a balance of £11 (2016: £1,416) owed by the Chief Executive Officer of Pact.

During the year, Pact paid for expenses of £Nil (2016: £3,525) on behalf of an entity in which the company held a participating interest in the prior year.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

16. First time adoption of FRS 102

The Company transitioned to FRS 102 from previously extant UK GAAP as at 1 October 2015.

Upon adoption of FRS102, no changes were required to the opening balances at the dates of transition. However a presentational adjustment was required to the accounting period to 30 September 2016 to reclassify £1,405,510 of fixed-term deposits from Cash at bank and in hand to Current asset investments. There was no impact on the Income and expenditure account or Net assets as a result of this change.