

Form AR27

Trade Union and Labour Relations (Consolidation) Act 1992

Annual Return for an Employers' Association

Name of Employers' Association:	producers alliance for cinema and television Ltd				
Year ended:	30 September 2019				
List No:	236E				
Head or Main Office:	third floor fitzrovia house				
	153-157 cleveland street				
	London				
Postcode	W1T 6QW				
Website address (if available)	www.pact.co.uk				
Has the address changed during the year to which the return relates?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	('X' in appropriate box)
General Secretary:	Rebecca Carey				
Contact name for queries regarding the completion of this return:	Rebecca Carey				
Telephone Number:	0207 380 8238				
E-mail:	rebecca@pact.co.uk				

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 1093602

You should sent the annual return to the following address stating the name of the union in subject:

For Employers' Associations based in England and Wales: returns@certoffice.org

For Employers' Associations based in Scotland: ymw@tcyoung.co.uk

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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
539	10			549

Change of Officers

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

Position held	Name of Officer ceasing to hold office	Name of Officer appointed	Date of Change
please see company information page of attached accounts			

Officers in post

(see note 10)

Please complete list of all officers in post at the end of the year to which this form relates.

Name of Officer	Position held
please see company info page of attached accounts	

Accounts other than 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	
Interfund Transfers IN			
Expenditure			
Administrative expenses			
Other expenditure (specify)			
		Total Expenditure	
Interfund Transfers OUT			
		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	
Interfund Transfers IN			
Expenditure			
Administrative expenses			
Other expenditure (specify)			
		Total Expenditure	
Interfund Transfers OUT			
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

Balance Sheet as at [30 September 2019]

(see notes 19 and 20)

Previous Year		£	£
	Fixed Assets (as at Page 8)	14,489	14,489
	Investments (as per analysis on page 9)		
	Quoted (Market value £) as at Page 9		
	Unquoted (Market value £) as at Page 9		
	Total Investments		
	Other Assets		
	Sundry debtors	259,044	259,044
	Cash at bank and in hand	3,158,023	3,158,023
	Stocks of goods		
	Others (specify)		
	Total of other assets	3,417,067	3,417,067
	Total Assets		3,431,556
2,059,182	Revenue Account/ General Fund	2,415,890	
	Revaluation Reserve		
	Liabilities		
	Creditors	1,015,666	
	Total Liabilities		1,015,666
	Total Assets		3,431,556

Fixed Assets account

(see note 21)

	Land and Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total £
Cost or Valuation				
At start of period	28,352	36,682	39,825	104,859
Additions during period			1,934	1,934
Less: Disposals			-690	-690
Less: Depreciation	-28,352	-36,468	-26,794	-91,614
Total to end of period		214	14,275	14,489
Book Amount at end of period		214	14,275	14,489
Freehold				
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				
Total of Fixed Assets		214	14,275	14,489

Analysis of Investments

(see note 22)

Quoted		Other Funds
	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 investments (to be specified)	
	Total Unquoted (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 note 23)

Does the association, or any constituent part of the association, have a controlling interest in any limited company?

Yes	<input checked="" type="checkbox"/>	No	
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If Yes name the relevant companies:

Company name	Company registration number (if not registered in England & Wales, state where registered)
See note 6 of the attached accounts	

Incorporated Employers' Associations

Are the shares which are controlled by the association registered in the association's name

Yes		No	
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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	
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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 24 to 33)

	All Funds	Total Funds
		£
Income		
From Members	2,851,627	2,851,627
From Investments	37,484	37,484
Other Income (including increases by revaluation of assets)	515,385	515,385
Total Income	3,404,496	3,404,496
Expenditure (including decreases by revaluation of assets)		
Total Expenditure	3,047,788	3,047,788
Funds at beginning of year (including reserves)	2,059,182	2,059,182
Funds at end of year (including reserves)	2,415,890	2,415,890
ASSETS		
Fixed Assets		14,489
Investment Assets		
Other Assets		3,417,067
Total Assets		3,431,556
Liabilities		
Total Liabilities		1,015,666
Net Assets (Total Assets less Total Liabilities)		2,415,890

Notes to the accounts

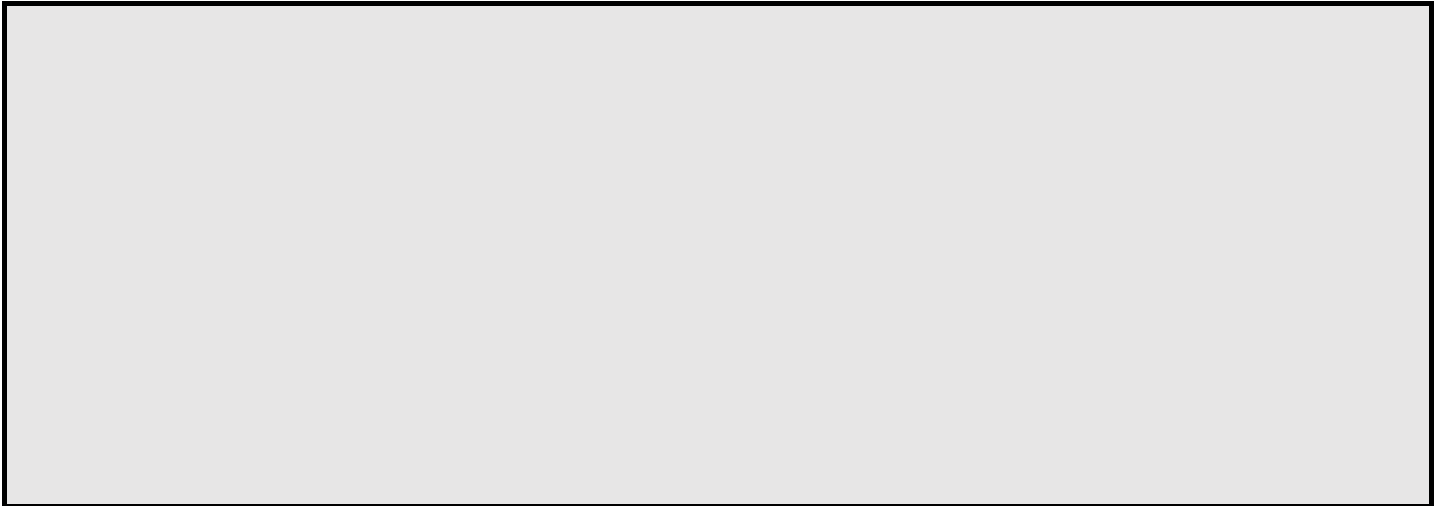
(see note 34)

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

See attached accounts

Accounting policies

(see notes 35 & 36)



Signatures to the annual return

(see notes 37 and 38)

Including the accounts and balance sheet contained in the return.

Secretary's Signature:	<i>Rebecca Carey</i>	Chairman's Signature:	<i>John McVay</i>
			<small>(or other official whose position should be stated)</small>
Name:	Rebecca Carey	Name:	John McVay - Chief Executive
Date:	29 February 2020	Date:	29 February 2020

Checklist

(see note 39)

(please enter 'X' as appropriate)

Is the return of officers attached? (see Page 2)	Yes	X	No	
Has the list of officers been completed? (see Page 2A)	Yes	X	No	
Has the return been signed? (see Note 37)	Yes	X	No	
Has the auditor's report been completed? (see Note 41)	Yes	X	No	
Is the rule book enclosed? (see Note 39)	Yes	X	No	
Has the summary sheet been completed? (see Notes 6 and 24 to 33)	Yes	X	No	

Checklist for auditor's report

(see notes 41 to 44)

The checklist below is for guidance. A report is still required either set out overleaf or by way of an attached auditor's report that covers the 1992 Act requirements.

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)

Please explain in your report overleaf or attached.

2. 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)

Please explain in your report overleaf or attached.

3. Your auditors or auditor must include in their report the following wording:

In our opinion the financial statements:

- give a true and fair view of the matters to which they relate to.
- have been prepared in accordance with the requirements of the sections 28, 32 and 36 of the Trade Union and Labour Relations (consolidation) Act 1992.

Auditor's report (continued)

Please see page 6 - 9 of attached accounts

Signature(s) of auditor or auditors:		
Name(s):		
Profession(s) or Calling(s):		
Address(es)		
Date:		
Contact name for enquiries and telephone number:		

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

PRODUCERS' ALLIANCE FOR CINEMA AND TELEVISION LIMITED
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

PRODUCERS' ALLIANCE FOR CINEMA AND TELEVISION LIMITED
(A Company Limited by Guarantee)

COMPANY INFORMATION

Directors	S Geater (Chairperson) W Stephens (Vice Chairperson) R Baron N Bentham (appointed 8 January 2019) G Carnie (appointed 8 January 2019)) A Collingwood (resigned 1 January 2019) K Doherty D Fenton S Gregson R Johnston A Jones (appointed 8 January 2019) H Kousetta K Majumdar (resigned 1 January 2019) W Macqueen (appointed 8 January 2019) L Marshall J Muirhead (appointed 8 October 2019) C Mundell (appointed 8 January 2019) R O'Brien (resigned 1 January 2019) M Samuelson G Seaborne (resigned 1 January 2019) D Smith (resigned 4 September 2019) H Tonge S Vertue S Warr (appointed 8 January 2019)
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
(A Company Limited by Guarantee)

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PRODUCERS' ALLIANCE FOR CINEMA AND TELEVISION LIMITED
(A Company Limited by Guarantee)

CHIEF EXECUTIVE'S STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2019

The Chief Executive presents his statement for the period.

The past year has seen a shift in focus in the wider TV industry from London to the Nations and Regions, following Channel 4's announcement that it would open a new headquarters in Leeds, along with regional hubs in Bristol and Glasgow, in 2019.

Towards the end of 2018, Pact itself took the decision to open a new office in Leeds to better support its members across the UK. In May of this year, Pact opened its new office along with the appointment of a new Head of Nations and Regions, Tris Payne and welcomed local indies, press and officials to the launch. Along with the new regional base, Pact committed to increasing contact with commissioners in the Nations and Regions and has held several successful commissioner briefings with many more to follow.

Additionally, in the Nations and Regions, the second Pact-backed Creative Cities Convention took place in Cardiff in April. The Convention is designed to be a forum for creative media people across the UK and a platform for promoting the business of content creation and growth across the Nations and Regions. Entering into its third year, the Convention has fast become the leading event for all content producers across the Nations and Regions and will next year take place in Glasgow.

Pact also launched its second Scottish indie diversity training scheme in June 2019 when eight trainees joined eight indies across Scotland. The Pact scheme provides the trainees with their first paid opportunity in the TV industry, as well as training and mentorship to help ensure they can sustain a career in the industry well beyond the scheme.

In March, Pact held its first Content Without Borders event which saw 90 indies spend 48 hours in a hotel in the Lake District to hear from and meet with 27 commissioners from across Europe. The event proved to be a fantastic way to bring commissioners and indies together without having to travel to an international market. Whilst Pact has throughout the past year facilitated many indies to go to markets such as Realscreen, NATPE, MIP Junior and MIP Cancun, going forward we see events such as Content Without Borders as a more effective use of both Pact and its members' time and money.

2019 has also been a year of Ofcom consultations, with the outcome of the regional production and guidance consultation and the children's content review both resulting in broadly favourable outcomes for Pact members following our successful representation to the regulator.

Ofcom also – along with the BBC – consulted on extending the BBC's iPlayer availability window from 30 days to 12 months and in August this year allowed the BBC to ask producers for a 12-month iPlayer window for content. However, Pact members are under no obligation to agree to the 12-month window at the commissioning stage and Pact continues to negotiate with the BBC to avoid a detrimental impact on producers' secondary rights revenues and a further increase in deficit financing.

In September, Ofcom also concluded that the BBC's involvement with Britbox is unlikely to distort the market or create an unfair competitive advantage, despite Pact's concerns that the BBC's Programme Release Policy would limit indies to selling exclusively to Britbox. In its statement, Ofcom urged the BBC to adopt a fair and non-discriminatory approach and flexibility in considering applications from services other than BritBox. Ofcom stated if the BBC do not do this, they would be likely to take further action. Pact will be monitoring this closely once the Britbox service is launched.

In June, Pact demonstrated its ability to successfully negotiate with broadcasters when a new Terms of Trade agreement with Channel 4 was announced. The deal meant Channel 4 relinquishing its share of secondary revenues in return for greater freedom to exploit programmes across its platforms. It was the first time that Terms of Trade have been agreed to include E4.

PRODUCERS' ALLIANCE FOR CINEMA AND TELEVISION LIMITED
(A Company Limited by Guarantee)

CHIEF EXECUTIVE'S STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2019

In September, Pact announced a new high for TV revenues with the publication of the annual Pact Census which showed that producers brought in just over £3billion in 2018, of which £962 million was international revenue, an increase of 90% since 2013.

And at the end of its financial year Pact also published its annual TV Exports Report which showed a 7% increase on 2017/18 with TV Exports sales of £1.4 billion, with drama making up the majority (48%) of those sales.

Going forward, Pact intends to launch a new suite of tools for members in late 2019 which are designed to guide producers from the basics of writing a business plan, to giving them access to professional services at discounted rates to information about funding available throughout the UK. The Business and Production Accelerators will sit alongside the existing Export Accelerator and will give producers of all sizes all the tools they need to create a successful production company.

We look forward to another successful year for British TV producers.

Name John McVay
Chief Executive

Date 19 November 2019

PRODUCERS' ALLIANCE FOR CINEMA AND TELEVISION LIMITED
(A Company Limited by Guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2019

The directors present their report and the financial statements for the year ended 30 September 2019.

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.

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.

PRODUCERS' ALLIANCE FOR CINEMA AND TELEVISION LIMITED
(A Company Limited by Guarantee)

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2019

Directors

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

S Geater (Chairperson)
W Stephens (Vice Chairperson)
R Baron
N Bentham (appointed 8 January 2019)
G Carnie (appointed 8 January 2019)
A Collingwood (resigned 1 January 2019)
K Doherty
D Fenton
S Gregson
R Johnston
A Jones (appointed 8 January 2019)
H Kousetta
K Majumdar (resigned 1 January 2019)
W Macqueen (appointed 8 January 2019)
L Marshall
J Muirhead (appointed 8 October 2019)
C Mundell (appointed 8 January 2019)
R O'Brien (resigned 1 January 2019)
M Samuelson
G Seaborne (resigned 1 January 2019)
D Smith (resigned 4 September 2019)
H Tonge
S Vertue
S Warr (appointed 8 January 2019)

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
(A Company Limited by Guarantee)

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2019

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: 19 November 2019

PRODUCERS' ALLIANCE FOR CINEMA AND TELEVISION LIMITED
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PRODUCERS' ALLIANCE FOR CINEMA
AND TELEVISION LIMITED**

Opinion

We have audited the financial statements of Producers' Alliance For Cinema and Television Limited (the 'Company') for the year ended 30 September 2019, which comprise the Statement of Income and Retained Earnings, the Statement of Financial Position and the related notes, 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).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2019 and of its profit 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.

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 other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

PRODUCERS' ALLIANCE FOR CINEMA AND TELEVISION LIMITED
(A Company Limited by Guarantee)

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

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 Chief Executive Statement and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Chief Executive Statement 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 Chief Executive Statement 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.

PRODUCERS' ALLIANCE FOR CINEMA AND TELEVISION LIMITED
(A Company Limited by Guarantee)

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

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 3, 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 control.
- 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.

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.

PRODUCERS' ALLIANCE FOR CINEMA AND TELEVISION LIMITED
(A Company Limited by Guarantee)

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

Use of our report

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.

Myfanwy Neville FCA (Senior Statutory Auditor)

for and on behalf of

Berg Kaprow Lewis LLP

Chartered Accountants
Statutory Auditor

London

Date: 19 November 2019

PRODUCERS' ALLIANCE FOR CINEMA AND TELEVISION LIMITED
(A Company Limited by Guarantee)

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

	Note	2019 £	2018 £
Turnover		3,367,013	2,964,856
Gross surplus		3,367,013	2,964,856
Administrative expenses		(2,974,789)	(2,461,573)
Operating surplus		392,224	503,283
Interest receivable and similar income		37,484	25,598
Surplus before tax		429,708	528,881
Tax on surplus	4	(73,000)	6,469
Surplus after tax		356,708	535,350
Retained earnings at the beginning of the year		2,059,182	1,523,832
		2,059,182	1,523,832
Surplus for the year		356,708	535,350
Retained earnings at the end of the year		2,415,890	2,059,182

There were no recognised gains and losses for 2019 or 2018 other than those included in the statement of income and retained earnings.

The notes on pages 12 to 21 form part of these financial statements.

PRODUCERS' ALLIANCE FOR CINEMA AND TELEVISION LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 02591474

STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2019

	Note	2019 £	<i>As restated</i> 2018 £
Fixed assets			
Tangible assets	5	14,489	<i>20,501</i>
		14,489	<i>20,501</i>
Current assets			
Debtors: amounts falling due within one year	7	259,044	<i>411,030</i>
Current asset investments	8	2,250,000	<i>1,500,000</i>
Cash at bank and in hand		908,023	<i>1,182,264</i>
		3,417,067	<i>3,093,294</i>
Creditors: amounts falling due within one year	9	(1,015,666)	<i>(1,054,613)</i>
Net current assets		2,401,401	<i>2,038,681</i>
Total assets less current liabilities		2,415,890	<i>2,059,182</i>
Net assets		2,415,890	<i>2,059,182</i>
Capital and reserves			
Income and expenditure account		2,415,890	<i>2,059,182</i>
		2,415,890	<i>2,059,182</i>

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:

W Stephens
Director

Date: 19 November 2019

The notes on pages 12 to 21 form part of these financial statements.

PRODUCERS' ALLIANCE FOR CINEMA AND TELEVISION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

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 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:

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

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:

Annual subscription from members

Members pay an annual subscription to access support services and contribute to the activities of the association. Income is recognised in the Income and Expenditure account in the period to which it relates.

Levy income on cinema and television productions

Film productions, and member television productions that are run through an SPV, pay a levy on production budgets to access support services and contribute to the activities of the association. Income is recognised in the Income and Expenditure account in full, on the date that initial support services are provided.

Other support services

Other support services include current ongoing projects aimed at improving diversity within the industry and furthering the interests of members. Income is recognised in the Income and Expenditure account when the costs associated with providing such services have been incurred.

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.

PRODUCERS' ALLIANCE FOR CINEMA AND TELEVISION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

2. Accounting policies (continued)

2.3 Tangible fixed assets (continued)

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:

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.

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

PRODUCERS' ALLIANCE FOR CINEMA AND TELEVISION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

2. Accounting policies (continued)

2.5 Financial instruments (continued)

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.

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.

PRODUCERS' ALLIANCE FOR CINEMA AND TELEVISION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

2. Accounting policies (continued)

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 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.

2.9 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.

PRODUCERS' ALLIANCE FOR CINEMA AND TELEVISION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

2. Accounting policies (continued)

2.10 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. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3. Employees

The average monthly number of employees, including directors, during the year was 19 (2018 - 19).

4. Taxation

	2019	2018
	£	£
Corporation tax		
Current tax on profits for the year	73,000	-
Adjustments in respect of previous periods	-	(6,469)
Total current tax	73,000	(6,469)

Factors affecting tax charge for the year

The company has utilised £65,000 of brought forward tax losses in the year.

PRODUCERS' ALLIANCE FOR CINEMA AND TELEVISION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

4. Taxation (continued)

Factors that may affect future tax charges

The company has no tax losses (2018: £65,000) available to carry forward against tax due on future operational surpluses. As the realisation of the surplus could not be estimated with any certainty, no deferred tax provision was included in the financial statements in respect of this asset.

The company has tax losses of £110,000 (2018: £110,000) available to carry forward against tax due on any future chargeable gains. As the realisation of the surplus could not be estimated with any certainty, no deferred tax provision was included in the financial statements in respect of this asset.

5. Tangible fixed assets

	Leasehold property £	Other fixed assets £	Total £
Cost or valuation			
At 1 October 2018	28,352	76,507	104,859
Additions	-	1,934	1,934
Disposals	-	(690)	(690)
At 30 September 2019	<u>28,352</u>	<u>77,751</u>	<u>106,103</u>
Depreciation			
At 1 October 2018	28,265	56,093	84,358
Charge for the year on owned assets	87	7,859	7,946
Disposals	-	(690)	(690)
At 30 September 2019	<u>28,352</u>	<u>63,262</u>	<u>91,614</u>
Net book value			
At 30 September 2019	<u>-</u>	<u>14,489</u>	<u>14,489</u>
At 30 September 2018	<u>87</u>	<u>20,414</u>	<u>20,501</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

6. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 October 2018	1,850
At 30 September 2019	1,850
Impairment	
At 1 October 2018	1,850
At 30 September 2019	1,850
Net book value	
At 30 September 2019	-
<i>At 30 September 2018</i>	-

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

7. Debtors

	2019 £	2018 £
Trade debtors	15,760	150,625
Other debtors	23,379	61,539
Prepayments and accrued income	219,905	198,866
	259,044	411,030

8. Current asset investments

	2019 £	<i>As restated</i> 2018 £
Cash held in fixed term deposits	2,250,000	1,500,000
	2,250,000	1,500,000

9. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	71,830	58,763
Corporation tax	73,000	-
Other taxation and social security	118,584	160,795
Accruals and other creditors	283,885	138,232
Deferred income	468,367	696,823
	1,015,666	1,054,613

10. Prior year adjustment

The comparative information in the Company financial statements has been restated from the figures previously reported in the prior year accounts to reflect the following:

A balance of £500,000 was reclassified from bank and cash to current asset investments. This presentational prior year adjustment had no effect on the surplus for the year or net assets.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

11. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. Contributions totalling £7,135 (2018: £10,862) were payable to the fund at the reporting date.

12. Commitments under operating leases

At 30 September 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	97,930	98,432
Later than 1 year and not later than 5 years	115,499	210,965
	<u>213,429</u>	<u>309,397</u>

13. Escrow Balances

	2019 £	2018 £
	1,368,951	1,574,164
	<u>(1,368,951)</u>	<u>(1,574,164)</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.

14. 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 debtors is a balance of £2,670 (2018: £1,261) owed by the Chief Executive Officer of Pact.

Included within other debtors is a balance of £Nil (2018: £40,997) owed by Creative Cities Conference Limited, a company limited by guarantee in which the company held a participating interest in.