

Do Not Staple

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 2022

List No:

Head or Main Office:

3rd Floor Fitzrovia house

153-157 cleveland street

London

Postcode

W1T6QW

Website address (if available)

www.pact.co.uk

Has the address changed during the year to which the return relates?

Yes

No

('X' in appropriate box)

General Secretary:

Rebecca Carey

Contact name for queries regarding the completion of this return:

Rebecca Carey

Telephone Number:

7765248198

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 send the annual return to the following address stating the name of the union in subject:

returns@certoffice.org

Contents

Employers' Association's details.....	1
Return of members.....	2
Change of officers.....	2
Officers in post.....	2a
Revenue Account/General Fund.....	3
Accounts other than the revenue account/general fund.....	4-6
Balance sheet.....	7
Fixed Assets Account.....	8
Analysis of investments.....	9
Analysis of investments income (Controlling interests).....	10
Summary sheet.....	11
Summary Sheet (Only for Incorporated Bodies).....	11a
Notes to the accounts.....	12
Accounting policies.....	13
Signatures to the annual return.....	13
Checklist.....	13
Checklist for auditor's report.....	14
Auditor's report (continued).....	15
Guidance on completion.....	16

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
769	16			785

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 attached accounts - company information sheet			

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 attached accounts - company information sheet	

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

COMPANY INFORMATION

Directors	H Kousetta (Chair Person) J Muirhead (Vice Chairperson) J Baines N Bentham K Blyth T Brisley G Carnie E Dias D Fenton A Jones J Kelly W Macqueen L Marshall J Moreton C Mundell K Norrish J Parsons (resigned 31 March 2022) M Samuelson S Vertue S Warr
Company secretary	R Carey
Registered number	02591474
Registered office	Fitzrovia House Third Floor 153-157 Cleveland Street London W1T 6QW
Independent auditors	BKL Audit LLP Chartered Accountants & Statutory Auditor 35 Ballards Lane London N3 1XW

Revenue Account / General Fund

(see notes 11 to 16)

Previous Year		£	£
	Income		
	From Members	Subscriptions, levies, etc	
	Investment income	Interest and dividends (gross)	
		Bank interest (gross)	
		Other (specify)	
		Total Investment Income	
	Other Income	Rents received	
		Insurance commission	
		Consultancy fees	
		Publications/Seminars	
		Miscellaneous receipts (specify)	
		Total of other income	
		Total income	
		Interfund Transfers IN	
	Expenditure		
	Administrative expenses	Remuneration and expenses of staff	
		Occupancy costs	
		Printing, Stationery, Post	
		Telephones	
		Legal and Professional fees	
		Miscellaneous (specify)	
		Total of Admin expenses	
Other Charges	Bank charges		
	Depreciation		
	Sums written off		
	Affiliation fees		
	Donations		
	Conference and meeting fees		
	Expenses		
	Miscellaneous (specify)		
	Total of other charges		
	Taxation		
	Total expenditure		
	Interfund Transfers OUT		
	Surplus/Deficit for year		
	Amount of fund at beginning of year		
	Amount of fund at end of year		

Accounts other than 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	
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 5		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)

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 []

(see notes 19 and 20)

Previous Year		£	£
	Fixed Assets (as at Page 8)		
	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		
	Cash at bank and in hand		
	Stocks of goods		
	Others (specify)		
	Total of other assets		
		Total Assets	
	Revenue Account/ General Fund		
	Revaluation Reserve		
	Liabilities		
		Total Liabilities	
		Total Assets	

Fixed Assets account

(see note 21)

	Land and Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total £
Cost or Valuation				
At start of period				
Additions during period				
Less: Disposals				
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)				
Total of Fixed Assets				

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		No	X
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If Yes name the relevant companies:

Company name	Company registration number (if not registered in England & Wales, state where registered)
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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
--------------	-----------------------

N/A - no shareholding - limited by guarentee	
--	--

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
--------------	-----------------------

N/A - no shareholding - limited by guarentee	

Summary Sheet

(see notes 24 to 33)

		All Funds	Total Funds
		£	£
Income			
From Members			
From Investments			
Other Income (including increases by revaluation of assets)			
Total Income			
Expenditure (including decreases by revaluation of assets)			
Total Expenditure			
Funds at beginning of year (including reserves)			
Funds at end of year (including reserves)			
ASSETS			
		Fixed Assets	
		Investment Assets	
		Other Assets	
		Total Assets	
Liabilities			
		Total Liabilities	
Net Assets (Total Assets less Total Liabilities)			

Summary Sheet

(see notes 24 to 33)

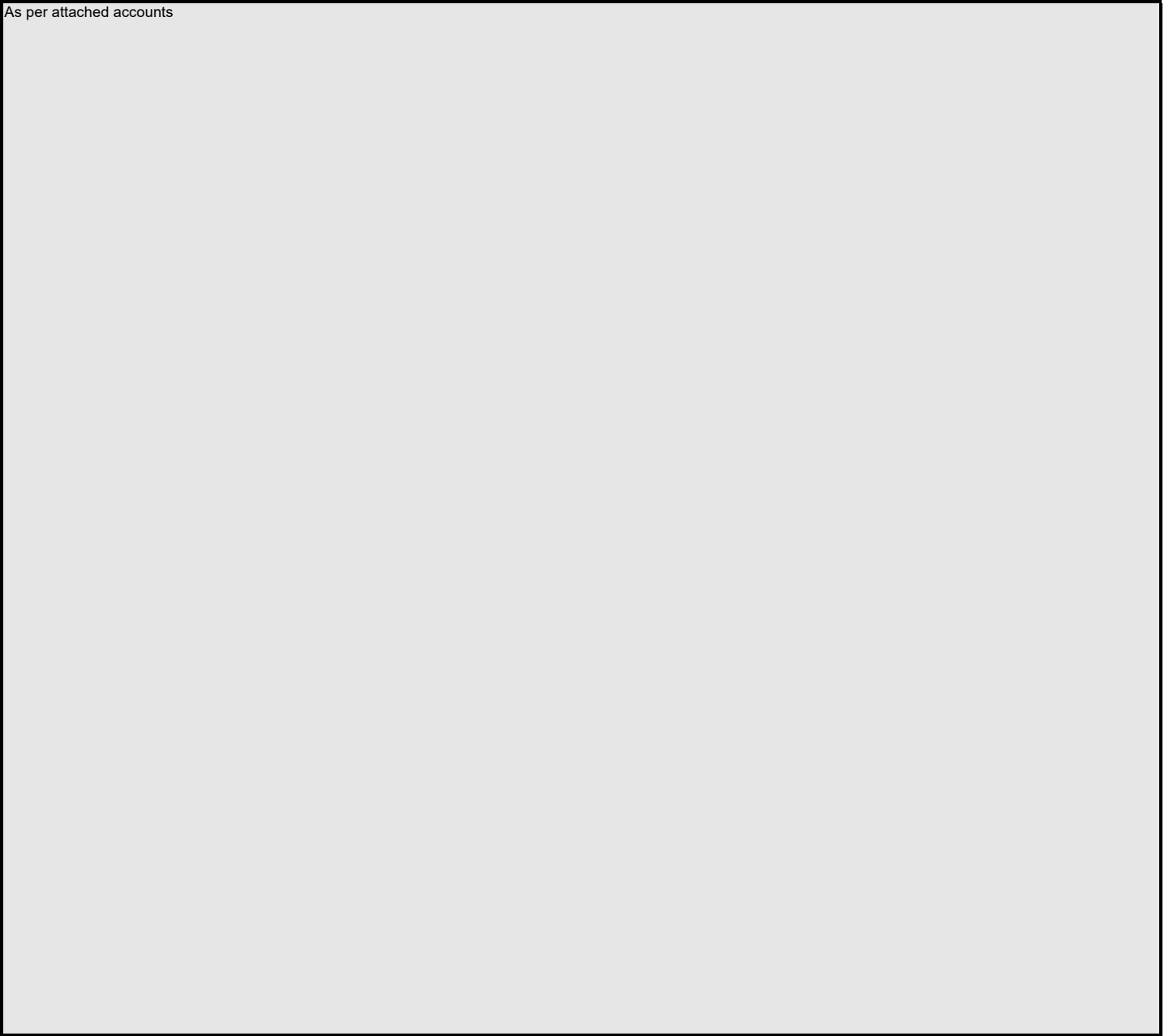
	All Funds	Total Funds
	£	£
Income		
From Members	4,180,530	4,180,530
From Investments		
Other Income (including increases by revaluation of assets)	19,065	19,065
Total Income	4,199,595	4,199,595
Expenditure (including decreases by revaluation of assets)	3,480,659	3,480,659
Total Expenditure	3,480,659	3,480,659
Funds at beginning of year (including reserves)	2,694,142	2,694,142
Funds at end of year (including reserves)	3,413,078	3,413,078
ASSETS		
Fixed Assets		17,047
Investment Assets		
Other Assets		4,469,696
Total Assets		4,486,743
Liabilities		
Total Liabilities		1,073,665
Net Assets (Total Assets less Total Liabilities)		3,413,078

Notes to the accounts

(see note 34)

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

As per attached accounts



Accounting policies

(see notes 35 & 36)


As per attached accounts - note 2

Signatures to the annual return

(see notes 37 and 38)

Including the accounts and balance sheet contained in the return.

Please copy and paste your electronic signature here

Secretary's Signature:	Rebecca Carey	Chairman's Signature:	
			<small>(position should be stated)</small>
Name:	Rebecca Carey	Name:	John McVay
Date:	21 December 2023	Date:	21 December 2023

Checklist

(see note 39)

(please enter 'X' as appropriate)

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

[Large empty rectangular area for the auditor's report content]

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 2022

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

COMPANY INFORMATION

Directors	H Kousetta (Chair Person) J Muirhead (Vice Chairperson) J Baines N Bentham K Blyth T Brisley G Carnie E Dias D Fenton A Jones J Kelly W Macqueen L Marshall J Moreton C Mundell K Norrish J Parsons (resigned 31 March 2022) M Samuelson S Vertue S Warr
Company secretary	R Carey
Registered number	02591474
Registered office	Fitzrovia House Third Floor 153-157 Cleveland Street London W1T 6QW
Independent auditors	BKL Audit LLP Chartered Accountants & Statutory Auditor 35 Ballards Lane London N3 1XW

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

CONTENTS

	Page
Chief Executive's Statement	1 - 2
Directors' Report	3 - 5
Independent Auditors' Report	6 - 9
Statement of Income and Retained Earnings	10
Statement of Financial Position	11
Notes to the Financial Statements	12 - 21

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

CHIEF EXECUTIVE'S STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2022

The Chief Executive presents his statement for the period.

The beginning of the 2021/22 financial year saw the release of Pact's annual Census which highlighted the impact the pandemic had on sector revenues. Compared to 2019, TV revenues declined by 14% to £2.9 billion, the lowest since 2017. Domestic TV revenues were hit hardest, declining by £257 million (13%) as a result of a reduction in primary commissioning spend from the UK – the lowest since 2011.

The financial effect on TV exports, however, was not as hard hitting, with a 3.3% decrease on the previous year, Pact's TV Exports Report revealed. Producers were able to use their back catalogues to boost sales, with a third of all sales made up of library content over four years old, up from 22% on the previous year.

During the year this financial instability was further affected by uncertainty over the future of Channel 4, with the Government continuing to press ahead with its plans for privatisation. Pact has been running a campaign against the sale of Channel 4, largely by engaging its members in an MP letter writing campaign, placing articles in the national, trade and political press, and by lobbying MPs directly. Pact believes that privatising Channel 4 is unnecessary and risks damaging the UK's world-beating independent TV and film production sector. Channel 4 is crucial to the sector, both as a commissioner of programmes and because of its role in helping new businesses get their first break, especially businesses outside the M25. In early September 2022, Pact wrote to both prospective Prime Ministerial candidates Liz Truss and Rishi Sunak on behalf of its members, asking them to reconsider privatisation plans, outlining how crucial Channel 4 is to the UK production sector, and arguing how a shift to in-house production would lead to a loss of £4.2 billion to the sector over the next decade.

Further adding to producers' concerns was the closure of the Government's Film and TV Production Restart Scheme in April this year. Pact expressed disappointment at its closure, as full commercial insurance options are still not available, leaving productions unable to get cover.

On a more positive note, Pact's 30th Anniversary celebrations continued through late 2021 and into 2022. In September, an expert panel selected 30 new and emerging indies from across the UK to take part in the Pact Future30 scheme. The initiative includes two years' free Pact membership and all the benefits that brings, and a supercharged, tailored development programme with access to industry experts to help participants to develop and grow their businesses.

Pact also planned an industry-wide party to celebrate its 30 years and to recognise those that had made a difference to the sector over the past three decades. Originally scheduled for Christmas 2021, Covid guidance meant that the party had to be rescheduled for June 2022, a week before Pact turned 31.

At the party, Pact Chair Hakan Kousetta announced the launch of Sunflower TV, a dedicated ad-free YouTube channel showing popular British children's programmes dubbed into Ukrainian. Co-ordinated by Pact, a range of industry organisations, broadcasters, distributors, Little Dot Studios and Pact members pulled together to set up the not-for-profit channel offering programmes for young Ukrainian children who have been forced to flee their homes and now find themselves living in the UK and Europe as a result of the war, as well as children still in Ukraine. The channel is going from strength to strength and more content is being added regularly.

Pact has also been active in looking at the cases for further tax credits in both children's TV and film. Tax credits enable companies working in certain parts of the sector to save money on corporation tax. Pact believes that there is a case for intervention in both genres to help address increased market failures some as a result of the pandemic.

Internationally, Pact continued with its mission to help its members to go global and export their IP overseas. Held in-person for the first time since the pandemic, Pact hosted its Content Without Borders conference in August in Birmingham to coincide with the Commonwealth Games, and took over 50 indies to Realscreen in June as it relocated to LA due to Covid.


During the pandemic, Pact partnered with DIVA to help members take part in the Government's Kickstart

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

CHIEF EXECUTIVE'S STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2022

Scheme, which was set up to create jobs for young people who were claiming Universal Credit and at risk of long-term unemployment. Pact members took on over 100 trainees over the course of the Scheme, which closed in September 2022, with just over a quarter being retained in positions at their host companies. Pact is continuing its partnership with DiVA to offer further support for the alumni of the Scheme including industry masterclasses covering employability skills, networking, confidence-building and enhancing professional brands, and an alumni network on LinkedIn where industry news and jobs will be regularly promoted.

Financially, overall it has been another stable year for Pact with a post-tax surplus of £718,936 which has gone to replenishing reserves. Having posted a surplus for two years in a row, Pact has reduced the membership fees from 1st October this year to continue to support its members at a time when budgets are being squeezed and impacted by rising costs.

Name John McVay 
Chief Executive

Date 25/11/2022

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

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2022

The directors present their report and the financial statements for the year ended 30 September 2022.

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 activities 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 2022

Directors

The directors who served during the year were:

H Kousetta (Chair Person)
J Muirhead (Vice Chairperson)
J Baines
N Bentham
K Blyth
T Brisley
G Carnie
E Dias
D Fenton
A Jones
J Kelly
W Macqueen
L Marshall
J Moreton
C Mundell
K Norrish
J Parsons (resigned 31 March 2022)
M Samuelson
S Vertue
S Warr

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

On 31 March 2022, Berg Kaprow Lewis LLP transferred its audit business to a new LLP, BKL Audit LLP. The directors consented to treating the appointment of Berg Kaprow Lewis LLP as extending to BKL Audit LLP with effect from 1 April 2022.

Under section 487 (2) of the Companies Act 2006, BKL Audit 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 2022

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: 26/11/2022

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

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS 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 2022, 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 2022 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

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; 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 or 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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out 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

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

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

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.

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

- Enquiring of management and those charged with governance, including the Audit Committee, around actual and potential litigation and claims;
- Enquiring of management and those charged with governance, including the Audit Committee, to identify any instances of non-compliance with laws and regulations;
- Reviewing board meeting minutes for all meetings taking place throughout the year and indeed up until the date of signature of these financial statements;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, walkthrough testing and evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

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

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.

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.

M Neville

Myfanwy Neville FCA (Senior Statutory Auditor)

for and on behalf of
BKL Audit LLP

Chartered Accountants
Statutory Auditor

London

Date: 28/11/2022

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

STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Note	2022 £	2021 £
Turnover		4,180,530	3,864,338
Gross profit		4,180,530	3,864,338
Administrative expenses		(3,307,905)	(2,537,415)
Operating profit		872,625	1,326,923
Interest receivable and similar income		19,065	14,554
Profit before tax		891,690	1,341,477
Tax on profit	4	(172,754)	(145,000)
Profit after tax		718,936	1,196,477
Retained earnings at the beginning of the year		2,694,142	1,497,665
		2,694,142	1,497,665
Profit for the year		718,936	1,196,477
Retained earnings at the end of the year		3,413,078	2,694,142

There were no recognised gains and losses for 2022 or 2021 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 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	5	17,047	12,249
		17,047	12,249
Current assets			
Debtors: amounts falling due within one year	7	277,602	696,541
Current asset investments	8	1,500,000	-
Cash at bank and in hand	9	2,692,094	3,204,749
		4,469,696	3,901,290
Creditors: amounts falling due within one year	10	(1,073,665)	(1,219,397)
Net current assets		3,396,031	2,681,893
Total assets less current liabilities		3,413,078	2,694,142
Net assets		3,413,078	2,694,142
Capital and reserves			
Profit and loss account		3,413,078	2,694,142
		3,413,078	2,694,142

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:

Hakan Kousetta

H Kousetta
 Director

Date: 28/11/2022

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 2022

1. General information

The principal activities 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 ("FRS 102") 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:

2.2 Going concern

The directors have considered the surplus for the year, increasing the company's reserves from 2021, which has been a result of stable membership fees and production levy, in conjunction with overhead savings wherever possible. The directors have however considered the current economic climate and are aware that the global Coronavirus pandemic has continued to have an impact on the UK economy and all businesses.

As a membership organisation the company does not wish to generate a significant surplus year on year, consequently, the directors considered its fee structure during the year, and subsequently revised membership fees from October 2022. This is in conjunction with adjusting the levy fee structure from April 2022. As a result of the revised fee structure, financial forecasts prepared for the next twelve months predict a decrease in membership fee income. This is not expected to effect going concern, as a break even position for the next twelve months is still forecast, and therefore the current level of reserves is expected to be maintained.

Furthermore, the directors have considered the cash balance at the accounting date and are satisfied that cash reserves are available to cover any unpredicted shortfall over the twelve months from the date of signing these financial statements.

The directors are also confident that rapid responses to any changes in income can be made, as revised forecasts and up to date financial information are presented monthly to Council and quarterly to the Finance Committee.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. Accounting policies (continued)

2.3 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. Any periods of free memberships, offered as a result of the Covid 19 pandemic, were recognised in the period to which they relate.

Levy income on cinema and television productions

Film productions, overseas productions shooting in the UK, 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.

Event Income

Event income relates to Pact's Indie Party awards, a one-off event that occurred in the summer of 2022. Income is recognised in the Income and Expenditure account on the date the event occurred.

2.4 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
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. Accounting policies (continued)

2.4 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
Fixtures and fittings	- 20% straight line
Computer equipment	- 25% 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 profit or loss.

2.5 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.

2.6 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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. Accounting policies (continued)

2.6 Financial instruments (continued)

(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.

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 profit or loss 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 profit or loss within 'other operating income'.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. Accounting policies (continued)

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 profit or loss 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.

2.10 Taxation

Tax is recognised in profit or loss 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 & Directors

The average monthly number of employees, excluding directors, during the year was 18 (2021 - 17).

There were 19 directors on average during the year (2021 - 20).

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

4. Taxation

	2022 £	2021 £
Corporation tax		
Current tax on profits for the year	175,000	145,000
Adjustments in respect of previous periods	(2,246)	-
	172,754	145,000
Total current tax	172,754	145,000

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2021 - the same as) the standard rate of corporation tax in the UK of 19% (2021 - 19%) as set out below:

	2022 £	2021 £
Profit on ordinary activities before tax	891,690	1,341,477
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	172,754	145,000

Factors that may affect future tax charges

On 3 March 2021, the UK Government announced its intention to increase the rate of UK corporation tax rate from 19% to 25% with effect from 1 April 2023. The increase in the rate of UK corporation tax was enacted in the Finance Act 2021 which received Royal Assent on 10 June 2021.

The company has capital losses of £110,000 (2021: £110,000) available to carry forward against tax due on any future chargeable gains. As it is not possible to estimate when these losses will be utilised, no deferred tax asset has been included in the financial statements in respect of this asset.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

5. Tangible fixed assets

	Leasehold property £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation				
At 1 October 2021	28,352	36,682	51,999	117,033
Additions	-	-	12,888	12,888
Disposals	-	-	(5,908)	(5,908)
At 30 September 2022	<u>28,352</u>	<u>36,682</u>	<u>58,979</u>	<u>124,013</u>
Depreciation				
At 1 October 2021	28,352	36,681	39,751	104,784
Charge for the year on owned assets	-	-	7,491	7,491
Disposals	-	-	(5,309)	(5,309)
At 30 September 2022	<u>28,352</u>	<u>36,681</u>	<u>41,933</u>	<u>106,966</u>
Net book value				
At 30 September 2022	<u>-</u>	<u>1</u>	<u>17,046</u>	<u>17,047</u>
At 30 September 2021	<u>-</u>	<u>1</u>	<u>12,248</u>	<u>12,249</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

6. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 October 2021	1,850
At 30 September 2022	<u>1,850</u>
Impairment	
At 1 October 2021	1,850
At 30 September 2022	<u>1,850</u>
Net book value	
At 30 September 2022	<u><u>-</u></u>
<i>At 30 September 2021</i>	<u><u>-</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

7. Debtors

	2022 £	2021 £
Trade debtors	89,310	316,105
Other debtors	10,429	78,132
Prepayments and accrued income	177,863	302,304
	277,602	696,541
	277,602	696,541

8. Current asset investments

	2022 £	2021 £
Monies held on deposit	1,500,000	-
	1,500,000	-
	1,500,000	-

9. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	2,692,094	3,204,749
	2,692,094	3,204,749
	2,692,094	3,204,749

Included within cash at bank and in hand is £1,766,413 (2021:£2,254,256) held on deposit in a 100 day notice account.

10. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	79,747	100,684
Corporation tax	175,000	72,131
Other taxation and social security	311,887	130,973
Other creditors	128,394	374,768
Deferred income	378,637	540,841
	1,073,665	1,219,397
	1,073,665	1,219,397

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

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 £38,961 (2021: £6,891) were payable to the fund at the reporting date.

12. Commitments under operating leases

At 30 September 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	108,949	25,881
Later than 1 year and not later than 5 years	108,846	187
	<u>217,795</u>	<u>26,068</u>

13. Escrow Balances

	2022 £	2021 £
Cash held on escrow account	2,963,458	2,447,134
Escrow account creditor	<u>(2,963,458)</u>	<u>(2,447,134)</u>

In addition to amounts held in cash at bank as shown in note 9, the Company holds escrow monies on behalf of certain production companies and their trade unions. These balances are repayable on demand and at no time does the Company have any legal title to these monies. Accordingly, these have been derecognised from the Company's Statement of Financial Position and are disclosed in this note for completeness.

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 £113 (2021: £190) owed by the Chief Executive Officer of Pact.