

## British film certification, Q1 2010

UK Film Council Research and Statistics Unit

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A total of 44 British films received final certification in Q1 2010, up from 32 in Q1 2009 and the highest number since the 63 of Q1 2007. The great majority (38 out of 44) of the finally certified films in Q1 2010 were Schedule 1 cultural test films.

The total production budget for Q1 2010 final certifications (£413.6m) was the highest Q1 total of the last four years by a substantial margin. Note that these data are for final certifications, so include films produced over the previous one to three years.<sup>1</sup> Schedule 1 films include high budget UK/USA films as well as low budget UK films, so the aggregate budget is influenced by the number and timing of inward investment UK/USA productions. In Q1 2010, UK spend was 88% of total budget, substantially higher than the 49% proportion of 2007. Significant titles receiving final certification in Q1 2010 included *Chéri*, *Bright Star*, *The Boys are Back*, *Harry Potter and the Half Blood Prince*, *The Wolfman*, *Dorian Gray* and *Glorious 39*.

**Table 1: FINAL CERTIFICATIONS, Q1 2007 to Q1 2010**

Type of certification		Q1 2007	Q1 2008	Q1 2009	Q1 2010
Schedule 1 cultural test	Number	32	16	31	38
	UK spend £m	77.8	130.8	107.2	340.7
	Total budget £m	92.0	250.9	144.6	363.5
	UK spend as % of budget	84.6%	52.1%	74.1%	93.7%
Co-production	Number	31	1	1	6
	UK spend £m	75.7	*	*	23.2
	Total budget £m	222.2	*	*	50.1
	UK spend as % of total budget	34.1%	*	*	46.3%
All types	<b>Number</b>	<b>63</b>	<b>17</b>	<b>32</b>	<b>44</b>
	<b>UK spend £m</b>	<b>153.5</b>	<b>*</b>	<b>*</b>	<b>363.9</b>
	<b>Total production budget £m</b>	<b>314.2</b>	<b>*</b>	<b>*</b>	<b>413.6</b>
	<b>UK spend as % of total budget</b>	<b>48.9%</b>	<b>*</b>	<b>*</b>	<b>88.0%</b>

Source: UK Film Council

'Total Budget' in the case of Sch1 films is the sum of production activity in the UK and production activity outside the UK; in the case of co-productions it is the sum of investments made by all participating countries in the film.

Q1 is the first calendar quarter of the year, ie 1 January to 31 March.

\* Fields marked with an asterisk have been suppressed to avoid disclosing budget data for individual titles.

<sup>1</sup> For current production statistics, see

[http://www.ukfilmcouncil.org.uk/media/pdf/t/o/Q1\\_2010\\_Production\\_Report.pdf](http://www.ukfilmcouncil.org.uk/media/pdf/t/o/Q1_2010_Production_Report.pdf)

Interim certifications give an indication of the future level of official UK film production. Table 2 shows the numbers, UK spend and production value of British films receiving interim certification in Q1 2007 to Q1 2010. The number of interim-certified Schedule 1 cultural test films rose to 32 (27 in Q1 2009) while the number of interim-certified official co-productions increased from 4 to 8.

The anticipated UK spend of interim-certified Schedule 1 films rose to £161.3 million in Q1 2010 from £35.1 million in Q1 2009, while that of co-productions increased slightly to £10.7 million. Total UK spend for all certifications was £172 million in Q1 2010, compared with £44.8 million in Q1 2009. UK spend as a percentage of the budget (80.2%) was higher than in the previous three years

Under the publication rules agreed between DCMS and the UK Film Council Certification Unit, titles of films being certified are not released until they receive their final certification.

**Table 2: INTERIM CERTIFICATIONS, Q1 2007 to Q1 2010**

Type of certification		Q1 2007	Q1 2008	Q1 2009	Q1 2010
Schedule 1 cultural test	Number	17	28	27	32
	UK spend £m	142.8	100.0	35.1	161.3
	Total budget £m	253.8	153.8	39.3	192.2
	UK spend as % of budget	56.3%	65.0%	89.4%	83.9%
Co-production	Number	5	5	4	8
	UK spend £m	8.1	16.0	9.7	10.7
	Total budget £m	20.1	33.4	17.4	22.2
	UK spend as % of total budget	40.5%	47.9%	55.6%	48.4%
All types	<b>Number</b>	<b>22</b>	<b>33</b>	<b>31</b>	<b>40</b>
	<b>UK spend £m</b>	<b>150.9</b>	<b>116.0</b>	<b>44.8</b>	<b>172.0</b>
	<b>Total production budget £m</b>	<b>273.9</b>	<b>187.2</b>	<b>56.7</b>	<b>214.4</b>
	<b>UK spend as % of total budget</b>	<b>55.1%</b>	<b>62.0%</b>	<b>79.0%</b>	<b>80.2%</b>

Source: UK Film Council

'Total Budget' in the case of Sch1 films is the sum of production activity in the UK and production activity outside the UK; in the case of co-productions it is the sum of investments made by all participating countries in the film.

## Budgets

In Q1 2010 the median budget of co-productions receiving interim certification was £3.0 million, continuing the gradual downward trend of recent years.

**Table 3: Median budgets of INTERIM CO-PRODUCTION certifications**

Year	Median budget £m
2003	4.3
2004	4.2
2005	4.0
2006	5.1

2007	3.9
2008	4.5
2009	3.6
Q1 2010	3.0

Source: UK Film Council

The 'median' is the middle value, i.e. half the productions have higher budgets than the median; the other half have lower budgets.

The median budget of interim Schedule 1 certifications was lower than for co-productions, at £1.4 million, but stable compared with 2008 and 2009.

**Table 4: Median budgets of INTERIM SCHEDULE 1 certifications**

Year	Median budget £m
2007	2.0
2008	1.4
2009	1.1
Q1 2010	1.4

Source: UK Film Council

Interim Schedule 1 certifications have only been issued since 2007, when the new film tax relief came into effect.

The 'median' is the middle value, i.e. half the productions have higher budgets than the median; the other half have lower budgets. In Q1 2010, budgets for interim Schedule 1 films ranged from under £200,000 to substantially above £50 million.

### **Co-production agreements**

In Q1 2010, three of the six final co-production certifications were under the European Convention on Cinematic Co-production, two were under the UK-Australia agreement and one under the UK-Canada agreement.

Of the eight interim co-production certifications, three were under the European Convention, two were under the UK-Canada agreement, two under the UK-South Africa agreement and one under the UK-New Zealand agreement.

### **Technical notes:**

#### **1. British film certification statistics collected and reported by UK Film Council**

The British film certification statistics in this report are based on data collected from the UK Film Council Certification Unit and the Department for Culture, Media and Sport (DCMS). The data reported are all British films certified in the reference period, not a sample.

The UKFC Certification Unit assesses British film certification applications on behalf of the DCMS and makes recommendations to the Secretary of State who issues certificates.

Figures shown in the tables are for British films certified during the reference periods shown. Final certification may occur some time after both the production and theatrical release of the film.

Figures for Schedule 1 film certification include certificates issued under the old Schedule 1 test, transitional Cultural Test (32 points) and the Cultural Test (31 points).

Interim certification (applicable to Schedule 1 Cultural Test films from January 2007) is not a pre-requisite for receiving final certification under the Cultural Test. Some films receive their final certification without having received an interim certificate.

## 2. Definitions

**Schedule 1 films** are British films certified under Schedule 1 to the Films Act 1985. To qualify under this definition, films commencing principal photography on or after 1 January 2007 must pass a UK Cultural Test awarding points for UK elements in the story, setting and characters and for where and by whom the film was made.

On the basis of recommendations made by the UK Film Council, the Secretary of State grants 'interim approval' prior to the completion of the film to those films that meet the criteria and 'final certification' once the film has been completed and final documents submitted.

**Official UK co-productions** are British films certified under one of the UK's official co-production agreements or the European Convention on Cinematographic Co-production. 'Interim approval' is granted prior to the start of principal photography to films that meet the criteria and 'final certification' once the film has been completed and final documents submitted. Films made as official co-productions are not required to pass the Cultural Test for British film.

See UK Film Council website for full details of the Cultural Test and other information on British film certification (<http://www.ukfilmcouncil.org.uk/qualifying>).

**UK spend** is the value of production activities in the UK for Schedule 1 films and UK expenditure for co-productions. The UK expenditure for co-productions may include some expenditure on UK goods and services which takes place outside the UK.

**Total production value** is the sum of total budget for Schedule 1 films and total investment for UK co-productions.

**Total investment** (in relation to co-productions) is the sum of each participating country's investment in the co-production and approximates the production budget.

## 3. Revisions

As the status and certification dates of individual films may change as a result of changing circumstances, the numbers published in this release are subject to revision. Each release

in this series includes revisions of previous quarters, so the latest release should be referred to as the most accurate summation available of the certification numbers.

### **Pre-release Access**

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