

British film certification, Jan-Sept 2013

BFI Research and Statistics Unit

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A total of 142 British films received final certification in the first nine months of 2013, lower than the same period in 2011 and 2012 (see Table 1). The majority (133 of the 142) of the finally certified films in Jan-Sept 2013 were Cultural Test films.

The total production budgets of films receiving final certification in Jan-Sept 2013 was £714 million and UK spend for the period was £545 million. Both these figures are down from the very high levels seen in Jan-Sept 2011 (£1,809 total budget and £1,315 UK spend) and Jan-Sept 2012 (£796 total budget and £577 UK spend). Note that these data are for final certifications, so include films produced over the previous one to three years¹. In the first nine months of 2013, UK spend was 76% of total budget, an increase on 2012 where UK spend was 73%. Significant titles receiving final certification in Jan-Sept 2013 included *Anna Karenina*, *A Field in England*, *Good Vibrations* and *Fast & Furious 6*.

Table 1: Final Certifications, Jan-Sept 2007 to 2013

Type of Certification		Jan -Sept 2007	Jan -Sept 2008	Jan -Sept 2009	Jan -Sept 2010	Jan -Sept 2011	Jan -Sept 2012	Jan -Sept 2013
Cultural Test	Number	73	71	107	129	158	144	133
	UK spend £m	194.9	256.2	273.4	709.7	1,267.9	548.6	531.0
	Total Budget £m	270.2	405.4	369.3	831.8	1,731.2	752.4	678.3
	UK spend as % of budget	72.1%	63.2%	74.0%	85.3%	73.2%	72.9%	78.3%
Co-production	Number	53	3	6	14	12	10	9
	UK spend £m	119.6	9.9	20.2	43.7	47.3	28.4	13.7
	Total Budget £m	348.7	14.1	44.7	101.4	77.8	43.4	35.2
	UK spend as % of budget	34.3%	70.1%	45.3%	43.1%	60.7%	65.5%	38.8%
All Types	Number	126	74	113	143	170	154	142
	UK spend £m	314.5	266.1	293.7	753.4	1,315.1	577.0	544.7
	Total Budget £m	618.9	419.5	413.9	933.2	1809.0	795.8	713.5
	UK spend as % of budget	50.8%	63.4%	70.9%	80.7%	72.7%	72.5%	76.3%

Source: BFI

'Total Budget' in the case of Cultural Test 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.

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 Jan-Sept 2007 to 2013. The number of interim-certified Cultural Test films in Jan-Sept 2013 is 137, an increase from the same period in 2012, where 115 films received interim certification. The number of

¹ The latest production statistics are published separately in *Film Production in the UK – Jan-Sep 2013*

interim-certified official co-productions has slightly increased from 13 in Jan-Sept 2012 to 14 in 2013.

The expected UK spend of interim-certified Cultural Test films decreased to £650 million in Jan-Sept 2013 from £802 million in Jan-Sept 2012, and that of co-productions also decreased from £54 million in Jan-Sept 2012 to £45 million in Jan-Sept 2013. Overall, the expected UK spend represented 71% of total budget for films receiving interim certification for this period, an increase from 68% seen in Jan-Sept 2012.

Table 2: Interim Certifications, Jan-Sept 2007 to 2013

Type of Certification		Jan -Sept 2007	Jan -Sept 2008	Jan -Sept 2009	Jan -Sept 2010	Jan -Sept 2011	Jan -Sept 2012	Jan -Sept 2013
Cultural Test	Number	73	92	111	98	111	115	137
	UK spend £m	601.4	499.1	619.0	405.8	576.6	801.9	649.5
	Total Budget £m	834.8	600.3	836.7	680.8	727.2	1,135.1	876.6
	UK spend as % of budget	72.0%	83.1%	74.0%	59.6%	79.3%	70.6%	73.7%
Co-production	Number	16	10	11	14	15	13	14
	UK spend £m	41.1	33.9	25.8	28.6	24.0	54.4	45.3
	Total Budget £m	72.4	73.5	68.8	70.6	50.7	116.8	102.7
	UK spend as % of budget	56.8%	46.1%	37.4%	40.4%	47.4%	46.6%	44.1%
All Types	Number	89	102	122	112	126	128	151
	UK spend £m	642.5	533.0	644.8	351.6	600.7	856.3	694.8
	Total Budget £m	907.2	673.8	905.5	540.9	777.8	1251.9	979.2
	UK spend as % of budget	70.8%	79.1%	71.2%	65.0%	77.2%	68.4%	71.0%

Source: BFI

'Total Budget' in the case of Cultural Test 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

Table 3 shows the median budget of interim Co-productions since 2002, and Table 4 shows the median budget of interim Cultural Test certifications since 2007. In Jan-Sept 2013 the median budget of Co-productions receiving interim certification was £6.2 million, slightly higher than the median budget for 2012 (£6.1 million). This shows a different pattern from recent years as from 2006 to 2011, where there had been a downward trend in median budgets.

Table 3: Median budgets of Interim Co-production certifications

Year	Median Budget £m
2002	3.5
2003	4.3
2004	4.2
2005	4.0
2006	5.1
2007	3.7
2008	4.7
2009	3.3
2010	3.7
2011	2.1
2012	6.1
2013 ytd	6.2

Source: BFI

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 budgets of interim Cultural Test certifications have been consistently lower than those of Co-productions. The median budget in Jan-Sep 2013, at £0.9 million, is slightly lower than the median budget for all 2012 interim Cultural Test certified films.

Table 4: Median budgets of Interim Cultural Test certifications

Year	Median Budget £m
2007	1.8
2008	1.5
2009	1.0
2010	0.9
2011	0.9
2012	1.0
2013 ytd	0.9

Source: BFI

Interim Cultural Test 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.

Co-production agreements

In Jan-Sep 2012, seven of the nine final co-production certifications were under the European Convention on Cinematic Co-production and two were under the UK-Canada agreement, of which one was co-produced with Mexico, through the Canada-Mexico agreement.

Of the 14 interim co-production certifications, 13 were under the European Convention, of which one was also under the Germany-Brazil agreement and one was also under the UK-South Africa agreement. The remaining co-production was under the UK-New Zealand agreement.

Technical notes:

1. British film certification statistics collected and reported by the BFI

The British film certification statistics in this report are based on data collected from the BFI's 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 BFI Certification Unit assesses all British film certification applications on behalf of the DCMS and makes recommendations to the Secretary of State who signs off the certificates. The certificates are then issued by the BFI Certification Unit.

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

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

Interim certification (applicable to 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

Cultural Test films are British films certified under the Cultural Test of 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 BFI, the Secretary of State grants interim certification before 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. Applicants may claim film tax relief during production of their films if they have received interim certification.

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 certification 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. Applicants may claim film tax relief during production of their films if they have received interim certification.

For full details of the Cultural Test and other information on British film certification see www.bfi.org.uk/film-industry/british-film-certification-tax-relief

UK spend is the value of production activities in the UK for Cultural Test 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 Cultural Test 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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